DMEA 4431

DOCKET INDEX

ACTION DOCUMENTS

1. APPLICATION DATE RECEIVED 8-22-56

2. CONTRACT 1035 DATE NOV 9 1956

3. TERMINATION AGREEMENT: DATE

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

4. CERTIFICATION DATE

5. AUDIT REPORT DATE

6. AMENDMENTS - NUMBERS DATE

Docket Copy

RECEIVED
NOV 21 1956
D.M.E.A.

MF-200A
(Rev. April 1956)

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

DMEA No.	*Commodity*	*Contract No.*	*County*	*State*
4431	Mica	Idm-E 1035	Cleveland	North Carolina

It is agreed NOV 9 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and J. R. Bean

whose mailing address is 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 1 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within seven 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 $4,840.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $3,630.00, 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: None

(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: Consent to Lien of owners

(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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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

J. R. BEAM
(Operator)

By J. R. Beam

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

"Appd. Sol. Off."

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

.....

[CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE: 1956—O-383069

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NOV 27 1956
D.M.G.A.

EXPLORATION PROJECT CONTRACT
J. R. BEAM
DOCKET NO. DMGA-4431

ANNEX I

The land referred to in Article 2 of the Contract is described as follows:

> Beginning on an iron stake at the center of what is known as the Back Prospect which is located North 10 degrees East 310 feet to a large rock which is a corner in the property line between Arnold Bess and L. A. Randall; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing.

The Operator is in possession and has the right to possession for a period of five years, renewable, pursuant to a lease agreement dated August 16, 1956, with L. A. Randall and Hattie Randall.

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956

[redacted]vernment's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1035
Contract Date NOV 9 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Cleveland, State of North Carolina, described as follows: 2/ Begining on an iron stake at the center of what is known as the Rock Prospect which is located North 10 degrees East 310 feet to a large rock which is a corner in the property line between Arnold Deso and L.A. Randell; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located eight miles west of Casar, North Carolina, and recorded in Book 64P, Page 463 in Cleveland County, Shelby, North Carolina.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

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

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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AUG 22 1956

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: _____ (State "None" or "See Annex No.____")

Dated this 16th day of August, 1956.

J a Randall	[Seal]	Route #2, Lawndale, N.C.	[Address]
Mattie Randall	[Seal]	" "	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

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

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
J. R. BEAM
DOCKET NO. DMEA-4431

Exhibit A

Description of the Work

The approximate location of the work is shown on the attached maps entitled, "Map No. 1 DMEA-4431, Back Pros. (mica) Cleveland Co., N. C., 10-10-56," and "Map No. 2 DMEA-4431 Mica, Back Pros., Cleveland Co., N. C."

The work consists of the following:

1. Construct:

   a. A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet

   b. An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

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 provided with the equivalent of a 5-tumbler jarproof lock.

2. Rehabilitate 15 feet of existing trench to shaft site, including muck removal; and timber an existing shaft two compartment, 5 feet by 7 feet in cross section, to the bottom of the old workings.

3. Sink the two-compartment shaft an additional 40 feet.

4. Drive 80 feet of drifts from the shaft.

All work shall be timbered as necessary.

The shaft and drifts shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

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

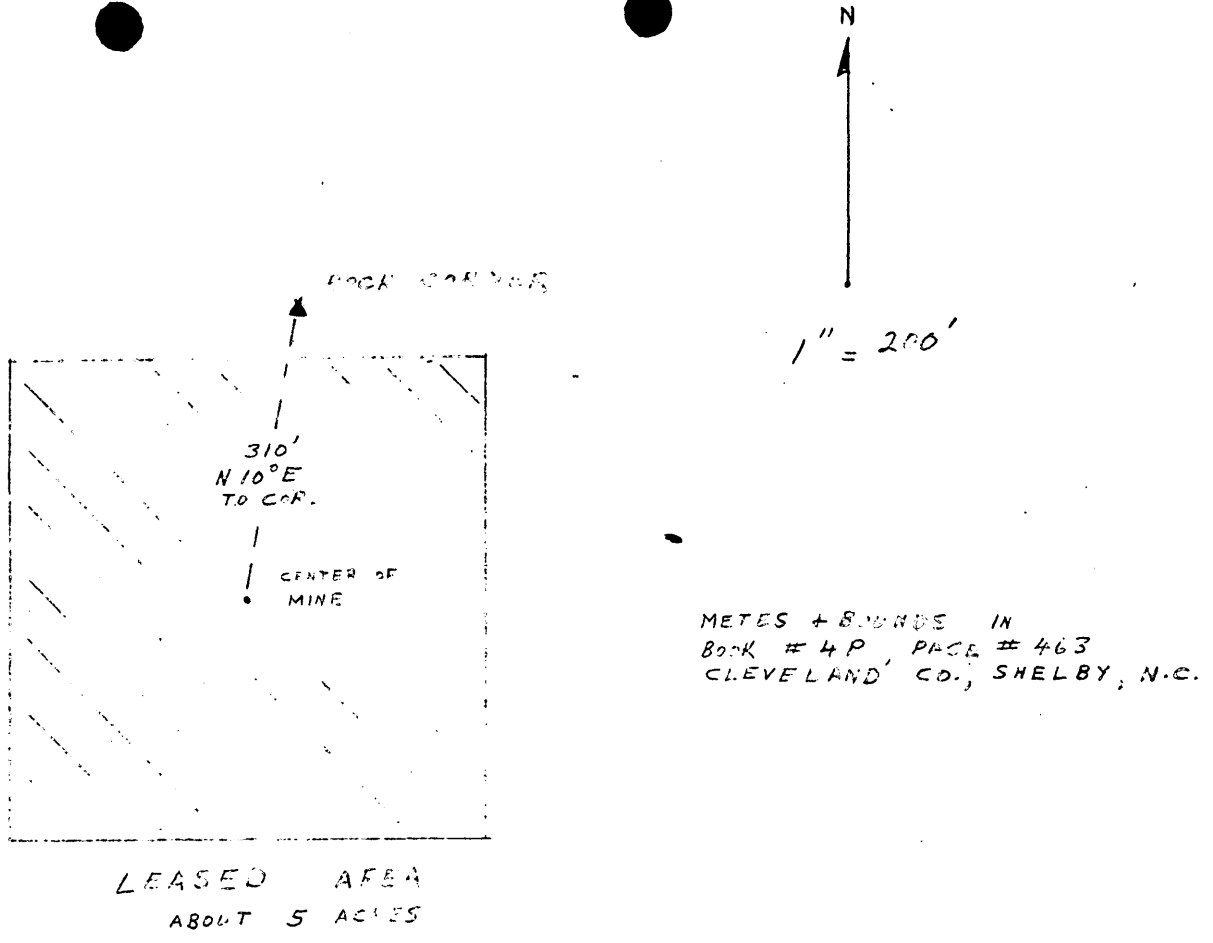
The location, direction, inclination, and extent of all work are subject to the approval of the Government.

Fixed Unit Costs

1. Construct:

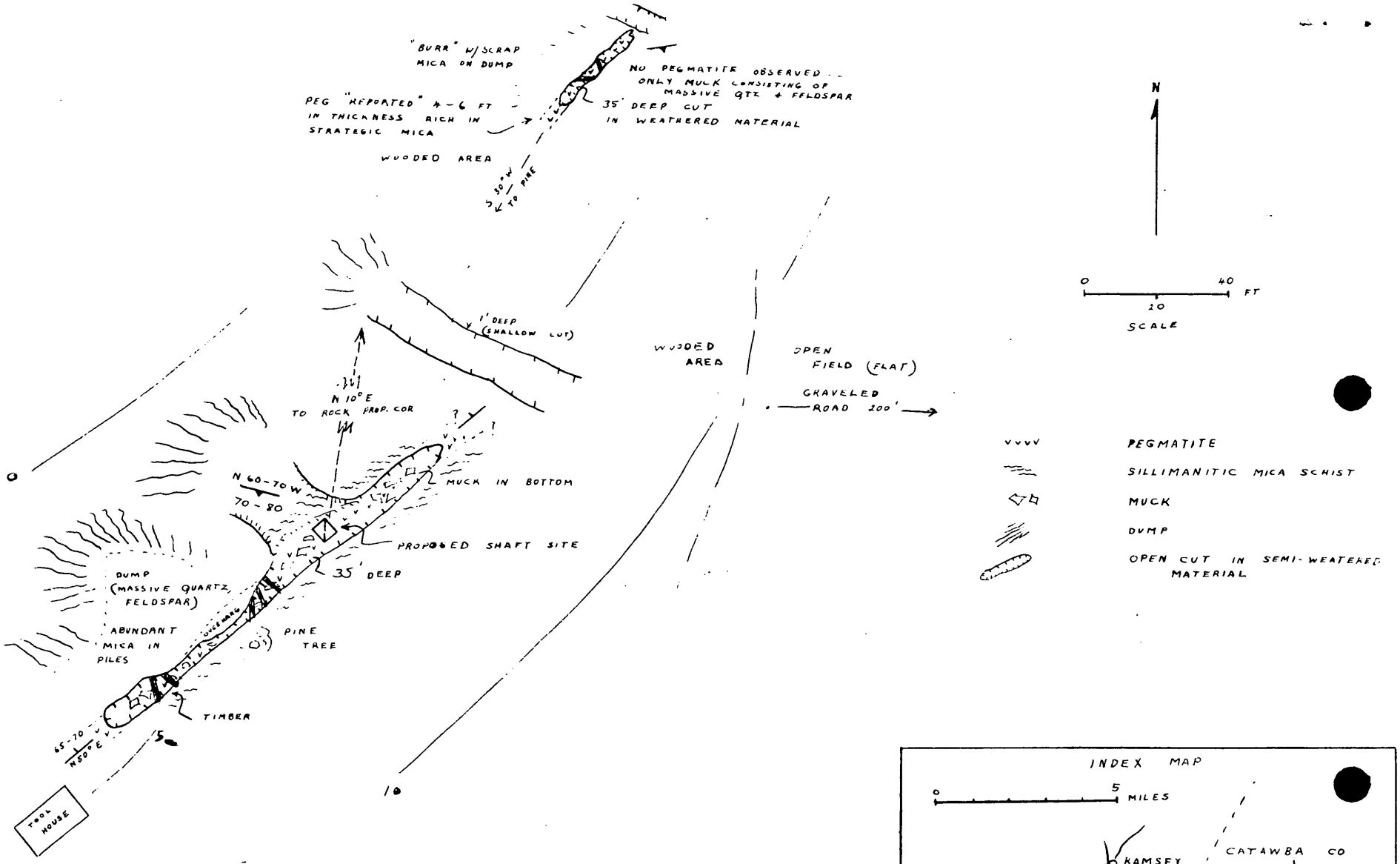
A Powder magazine 1/	$ 25.00	
An Exploder magazine 1/	15.00	
2. Rehabilitate 15 feet of trench and timber two-compartment shaft 1/	340.00	
3. Sink 40 feet of shaft @ $44.50/ft.	1,780.00	
4. Drive 80 feet of drifts @ $33.50/ft.	2,680.00	
Estimated Total Cost of Project		$4,840.00
Government Participation @ 75%		$3,630.00

1/ The completed work constitutes the unit.



Map No 2

DMEA - 4431 MICA BACK PROS., CLEVELAND CO., N.C.

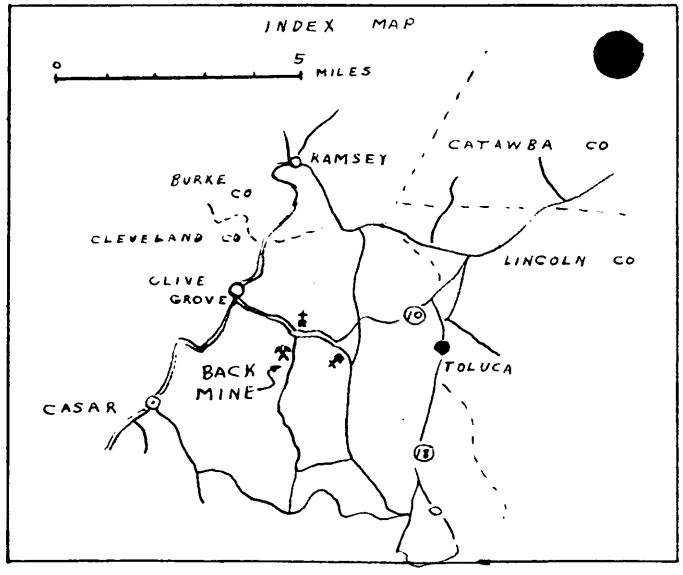


Map No 1

DMEA — 4431, BACK PROS. (mica)

CLEVELAND CO., N.C.

10-10-56



MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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. 4431
Metal or Mineral Mica
Date Received 8-22-56
Estimated Cost $4,950
Participation (Government %)

RECEIVED
AUG 20 1956
General
Knoxville, Tenn.

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will with the contract and your mailing address: J.R. Beam
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.

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

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

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

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

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

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

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

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

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

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

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

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AUG 20 1956

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(*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 August 16, 1956.

J. R. Beam
(Applicant)

By J. R. Beam

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

MF-103 (continuation sheet)

4. (a) No previous operations at this site.

(b) No past production; new prospect.

(c) With exploration work we belive high quality ruby mica will be found.

(d) Project is accessible to roads and shipping.

(e) Manpower, supplies and equipment are available. Power is about 150 feet away.

5. (b) We propose to bulldoze away overburden to uncover vein and best locate shaft, sink a 5' x 7' shaft 50' deep; then drift 60' with vein.

6. Estimate of costs:

35 hours bulldozing @ $10.00 per hour	$ 350.00
50' Shaft @ $50.00 per ft.	2500.00
60' Drift @ $35.00 per ft.	2100.00
Total estimated cost of project:	$ 4950.00

[illegible] (Continued from [illegible])

4. (a) [illegible]

(b) [illegible]

(c) [illegible]

(d) [illegible]

(e) [illegible]

5. [illegible]

6. [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

[illegible] ..... [illegible]

MINING LEASE

State of North Carolina Clevland County:

This indenture made this 16th day of August - 1956, ~~19__~~

between L.A. Randall and Hattie Randall

of Cleveland County County and State of North Carolina as party of the first part, and known as lessor, and J.R. Beam

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

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

Begining on an iron stake at the center of what is known as the Back Prospect which is located North 10 degrees East 310 feet to a large rock which is a corner in the property line between Arnold Bess and L.A. Randall; and running 250' North; thence 250' West; thence 500' South; thence 500' East; thence 500' North; thence 250' West to a point of closing. This property located eight miles west of Casar, North Carolina, and recorded in Book #4P, Page #463 in Cleveland County, Shelby, North Carolina.

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

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

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

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

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

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

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

Witness:

L A Randall (Seal)

Hattie Randall (Seal)

_____ (Seal)

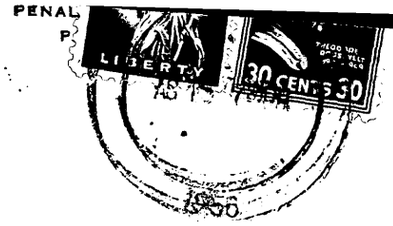
Kenneth R McKinney
Notary Public
My Comm Exp 8/17/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS
EXPLORATION ADMINISTRATION
[redacted]

OFFICIAL BUSINESS

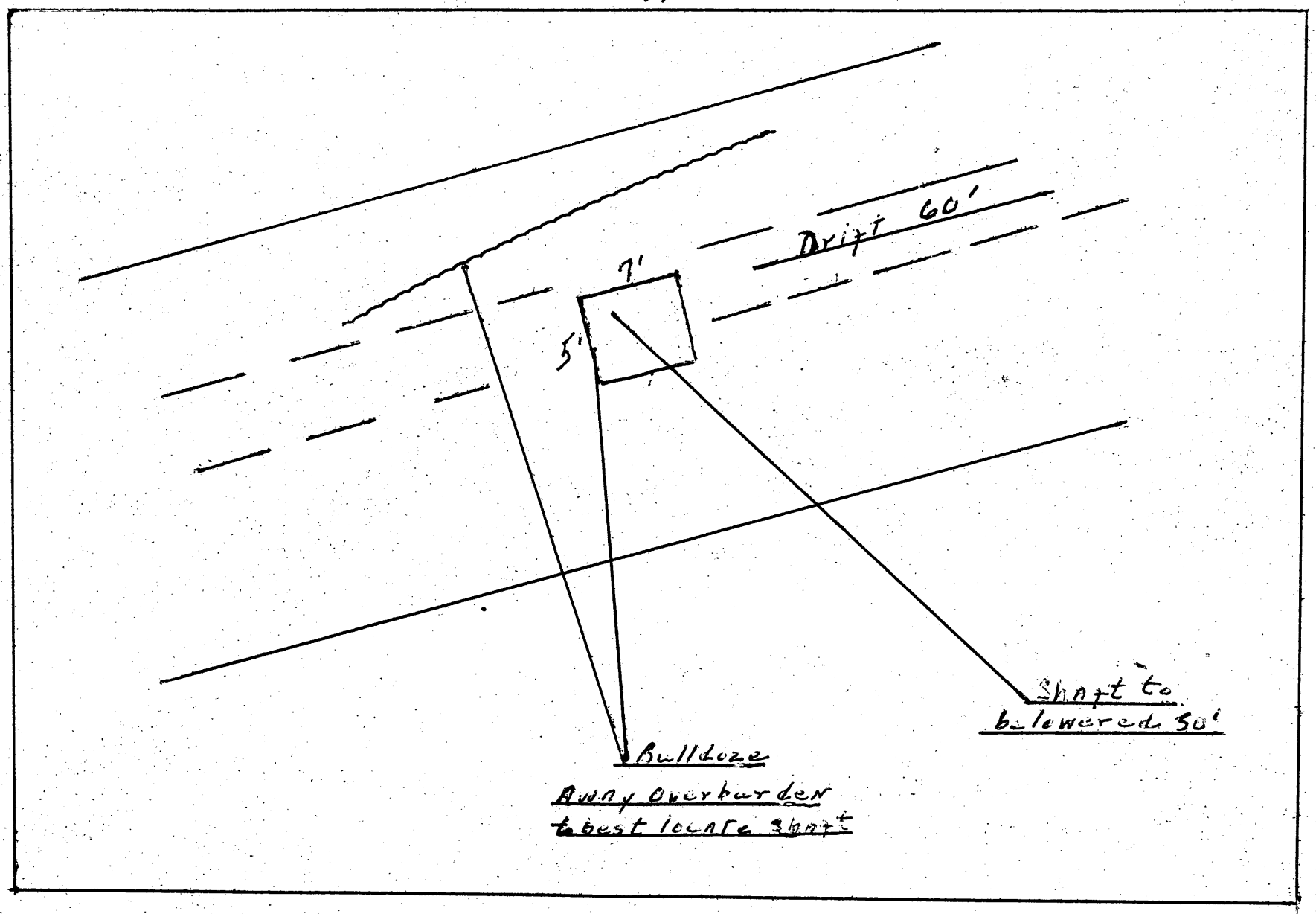
S. 117 HOWARD ST.
Spokane 4, Wash.

PENAL
P



Mr. George C. Selfridge
Chairman, Operating Committee
Defense Minerals Explor. Admin.
Department of the Interior
Washington 25, D. C.

Back Prospect
Cleveland County
N.C.



DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/17	Anderson	600
9/23	Houk	600
9-27	Chambers	800
9/30	Selberg	120
9/11	Johnson	110
"	Mittendorf	100
10/1	B	220
		225

600

SEP 30 1957

Mr. J. R. Beam

Spruce Pine, North Carolina

Re: Docket No. DMEA-4431-Ilea
J. R. Beam
Back Prospect
Cleveland County, North Carolina
Contract No. Idm-81035

Dear Mr. Beam:

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:rsi 9/17/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
L. A. Randall
Hattie Randall
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/17	Anderson	600
9/27	Houk	600
9-27	Chambers	800
9/30	Selfridge	120
"	[illegible]	110
"	Mittendorf	100
10/1	B	220
		225

600

SEP 30 1957

Mrs. Hattie Randall
Route 2
Lawndale, North Carolina

Re: Docket No. DMEA-4431-Mica
J. R. Beam
Back Prospect
Cleveland County, North Carolina
Contract No. Idm-E1035

Dear Mrs. Randall:

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

This correspondence relates to the Owner's Consent to Lien and Subordination Agreement signed by you on August 16, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 9/17/57
Copy to: Admr. R. File
Mr. Chambers
Field team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/17	Anderson	600
9/23	Houk	600
9-27	Chambers	800
9/30	Selfridge	120
"	Johnson	110
"	Mittendorf	100
10/1	B	220
		225

600

SEP 30 1957

Mr. L. A. Randall
Route 2
Lawndale, North Carolina

Re: Docket No. DMEA-4431-~~Mica~~
J. R. Beam
Back Prospect
Cleveland County, North Carolina
Contract No. Idm-E1035

Dear Mr. Randall:

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

This correspondence relates to the Owner's Consent to Lien and Subordination Agreement signed by you on August 16, 1956.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

Enclosure

WCAnderson:rsi 9/17/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/17	Anderson	600
9/23	Hoch	600
		110
10/1	B	220
		225

SEP 30 1957
600

September 17, 1957

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4431-Mica
Contract No. Idm-E1035
Back Prospect
Cleveland County, North Carolina

Application: Form MF-103(April 1952) received August 20, 1956.

Work Proposed by Applicant:

35 hours of bulldozing @ $10.00/hr.	$350.00
50 feet of shaft @ $50.00/ft.	2,500.00
60 feet of drift @ $35.00/ft.	2,100.00
Total requested	$4,950.00

Operator: J. R. Beam
Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease on the F. A. Randall property consisting of 5 plus acres, dated August 16, 1956. Consent to Lien and Subordination Agreement, dated August 16, 1956.

2. Contract: Form MF-200A (April 1956), dated November 9, 1956.

Work Authorized:

Powder and exploder magazines	$40.00
Rehabilitation of 15 feet of shaft	340.00
40 feet of shaft @ $44.50/ft.	1,780.00
80 feet of drifts @ $33.50/ft.	2,680.00
Estimated total cost of project	$4,840.00
Government participation @ 75%	$3,630.00

Amendments: None.

Work Completed: Same as authorized. Work began November 21, 1956 and was completed on January 31, 1957. Field Team Final Report received September 9, 1957. Operator's Final Report received February 4, 1957. No equipment purchased under contract.

3. Audit: Report of Review issued February 15, 1957.

Accepted cost	$4,840.00
Government participation	$3,630.00

8623

4. Certification of Discovery - none issued. No reserve of strategic mica. Value of production during operation - nothing.

5. Comments:

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

Operation: Good.

Engineering: Reporting by the Operator was above average.

Geologic Premise: Mica was found in abundance, but it was not of strategic size or quality.

Geologic Criteria upon which work was based:

1. Pegmatite: Discordant, zoned, 5 to 6 feet thick, length-120 feet, postulated to be much longer. Consists of massive quartz core 5 feet thick, flanked by 6 inch zones of fledspar. Enclosed in a foliated, semi-weathered, sillimanitic mica schist.
2. Mica: As observed on dumps - ruby, abundant, in large sheets up to 5 inches wide, flat, clear, with some minor inclusions.
3. Past Production.

Geologic Criteria developed during project:

1. Pegmatite: Tabular, exposed for 150 feet along strike, discordantly emplaced in a semi-weathered sillimanitic mica schist. Consists of massive 5 foot thick quartz core, flanked by 6 to 12 inch plagioclase-muscovite wall zones. Pegmatite tapers to 2 to 3 feet at 50-foot level, quartz core tapers to extinction at about 30-foot level.
2. Mica: Not over 3 x 4 inches across, averaging much less. Badly clay and manganese stained. No strategic mica recovered. Light clear reddish-brown, generally flat and free-splitting.

Future Possibilities: Because of the worthless quality of the mica, this property has no future.

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

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 9/17/57
Copy to: Admr. R. File
Mr. Houk

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

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 26 1957

DATE	INITIALS	CODE
9/26	B	220
		225

September 25, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4431 (mica)

Applicant: J. R. Beam

Name and Location of Property: Back Prospect, Cleveland County, N. C.

Contract Number: Idm-E 1035

Date of Field Team Report: 9/5/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/10/57

Field Team Recommendation: Recommend no certification be issued.

Comments:

1. A contract was granted to explore a discordant mica-rich pegmatite by sinking 55 feet of shaft and drifting from different levels a total of 83 feet.

2. Muscovite was found to be extremely abundant, though none was of strategic quality.

3. Expenditures -

Total approved	$4,840.00
Total cost	4,840.00
Gov't. share of the cost	3,630.00
Value of production during operation	None

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

FILE COPY
DMEA
SEP 12 1957

DATE	INITIALS	CODE
9/12	P	220
9/16	wra	600

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

September 11, 1957
Re: 4431 Idm-E1035
J. R. Beam
Back Prospect
Cleveland County, North Carolina
Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract, granted in November 1956, sanctioned the expenditure of $4,840.00 for the exploration of a zoned pegmatite by shaft sinking and drifting.

The pegmatite had been mined by open stopes from the outcrop to a depth of about 35-45 feet for a length of 150 feet and, as reported, had produced between 12,000 and 20,000 pounds of block muscovite.

The shaft was sunk through fill and 40 feet of weathered pegmatite. The quartz core which is an indicator of muscovite apparently pinched out in a drift at about the 50-foot level, and a drift in the keel of the quartz core at the 33-foot level encountered old workings, and another drift at that level was driven in weathered pegmatite. All muscovite is of inferior quality due to weathering and small size. No strategic mica was recovered.

The examiners recommend that no certification be issued. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

September 5, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Team Final Report - DMEA-4431, Idm-E1035(mica)
J.R.Beam, Spruce Pine, N.C.
Back Prospect, Cleveland County, North Carolina

Enclosed are three copies of the final report on the subject exploration contract.

We do not recommend certification.

Robert A. Laurence
Robert A. Laurence
Executive Officer, DMEA-Reg.V

W. A. Beck
Wm. A. Beck, for V. J. Lynch
Member-Buraau of Mines

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 9 1957

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9/9		220
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9/13		600
		600

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Reviewed by
DMEA OPERATING COMMITTEE
9-11-57

Field Team Final Rpt

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA-4431, Idm-E1035 (mica) BACK PROSPECT

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 9 1957

DATE	INITIALS	CODE
		130 JB
		220

S. C. Bergman and E. L. Boudette, Geologists
U. S. Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
9-11-57
(date)

September 5, 1957

DMEA EXPLORATION PROJECT

FINAL REPORT

DMEA-4431, Idm-E1035, BACK PROSPECT
(mica)

Operator: J. R. Beam, Spruce Pine, North Carolina

SUMMARY

A DMEA contract was set up to explore a discordant mica-rich pegmatite, previously worked by an extensive trenching operation. A well-cribbed shaft was sunk in the bottom of the main trench, 15 feet through backfill and an additional 40 ft in soft weathered pegmatite. From the 50-foot level of the shaft, 25 ft of drift was driven southwest. Because of a lack of quartz core, which seemed to be one of the dominant mica controls, and a truncating reverse fault at the shaft station, it was decided to move higher in the shaft. From the 33 ft level, 40 ft of drift was driven southwest until old works were intercepted, and the remaining 18 ft of drift driven from that level to the northeast. Muscovite was found to be extremely abundant, but not of strategic size and quality, so that certification as a discovery is not recommended.

INTRODUCTION

Location

The Back Prospect is located on moderately hilly, and lightly wooded farm land, 16.3 airline miles N5°W of the center of Shelby, Cleveland County, N. C., and about 3 miles east of the town of Casar. (AMS Series, V-501, Charlotte, N.C., S. C. N1 17-2,1:250,000)

Previous Work

The Prospect was worked by Back Henline for other parties, reportedly in 1951-52. No information is available on any operations prior to this time. Prior to the present contract, a narrow trench was excavated for a distance of approximately 120 ft along the strike of the pegmatite, and to a reported maximum depth of from 40 to 45 ft. A second parallel trench, 30 ft long and reportedly

35 ft deep is located about 100 ft north-northeast of the north-eastern extremity of the main trench. Both trenches are partially backfilled and large clear flat films of muscovite scrap are strewn abundantly about the margins of the trenches and on the dumps. From information supplied by Mr. Heline, it is estimated that between 12,000 and 20,000 lbs of block muscovite was recovered in the early 1950's, although northing is known of the manner in which the mica was sold.

Contract Work

The contract shaft was started on November 21, 1956 from the bottom of the main trench at a point about 40 ft southwest of the northeast extremity of the excavation. A well cribbed shaft was sunk through 15 ft of backfill material and an additional 40 ft in soft-weathered pegmatite, slightly inclined to the southeast to follow the dip of the pegmatite. From the 50-ft level of the shaft, a drift was driven 25 ft S50°W along the pegmatite. The work was stopped at that point, because of the poor quality of the contained muscovite and the absence of the quartz core. The presence of the quartz core seems to be one of the major controls to strategic size and quality of the muscovite. Another drift was started near the keel of the quartz core on the 33-ft level. Forty feet of drift was driven S48°W until old works were encountered in the back of the last heading. The remaining 18 ft of drift was driven from the same level in a N40°E direction. In addition to the shaft and drift work outlined above, the Operator constructed

a powder and exploder magazine and built a combination tool and bunk house at his own expense. All work was satisfactory and in accordance with the terms of the contract. The Operator did an excellent job of shaft timbering in the soft-weathered ground.

Although muscovite was found to be extremely abundant, none of it was of strategic grade, generally due to deep and complete weathering and inherent small size. The Operator reports that no strategic muscovite was recovered and none was seen during the contract by the Examiners.

GEOLOGY

A discordant, tabular shaped pegmatite has been exposed for at least 120 ft along strike by deep trenching. The structure is discordantly emplaced in a semi-weathered sillimanitic (garnetiferous ?) mica schist. The schist is hard and relatively unaffected by weathering in contrast to the pegmatite which, exclusive of the core, is almost completely kaolinized and decomposed. The country rock strikes N60-70°W and dips 70 to 80° southwest, and stands up very well in the steep walls of the trench. A high-angle reverse fault truncates the pegmatite at the shaft station on the 50 ft level and at 12 ft in the northeast drift on the 33-ft level. The fault plane strikes N80°W and dips 45 to 50° southwest and is underlain by reddish thoroughly decomposed clay gouge. A parallel offset pegmatite has been trenched to the north-northeast from the contract shaft. Whether it is a separate pegmatite or a faulted segment of the main pegmatite is not known.

Pegmatite in the trench consists of a massive quartz core up to 5 ft thick, with plagioclase-muscovite wall zones 6 to 12 inches thick, flanking the core. The pegmatite tapers downward to 2 to 3 feet thick at the 50-foot level, but the core tapers to extinction at about the 30-ft level. Pegmatite below the keel of the core consists of from 60 to 90 per cent muscovite with minor plagioclase and interstitial quartz. The contained muscovite is not over 3 x 4 inches across, while averaging much less, in contrast to the abundant material on the dumps which is up to 6 inches. THe mica is so badly clay and manganese stained from the deep residual weathering as to be almost worthless as strategic mica. No recovery of strategic material was seen by the Examiners or reported by the Operator. The muscovite is a light clear reddish-brown color and is generally flat and free-splitting. Much of the muscovite in the contract drifts appeared to be cracked and ruled, but to be free from such defects near the surface. Only a very small amount of "A" reeving has been reported.

CONCLUSION AND RECOMMENDATIONS

The results of the underground contract work indicates that the pegmatite, although rich in muscovite, is too lean in strategic quality material to be considered a discovery. It is evident that the proximity of strong faulting as well as the absence of quartz core material is not favorable to the expected presence of good quality muscovite in the particular environment. With the distinct downdip tapering of the pegmatite, and extinction of core material

at relatively shallow depths, very little if any minable material remains in the floor of the old trench. The only possibilities for future production appear to be at the strike extremitites of the trenches, and it is doubtful if any mica-bearing material would have been left by the original Operators so near the surface.

The Examiners recommend that the project not be certified because of the reasons given above.

EXPENDITURES

(a)	Total approved	$4,840.00
(b)	Total cost of project	4,840.00
(c)	Government's share of cost	3,630.00
(d)	Government's share unexp.	0
(e)	Royalty	0
(f)	Value of production	0

S. C. Bergman and E. L. Boudette
Geologists, Geological Survey

L. E. Shirley, Mining Engineer
Bureau of Mines

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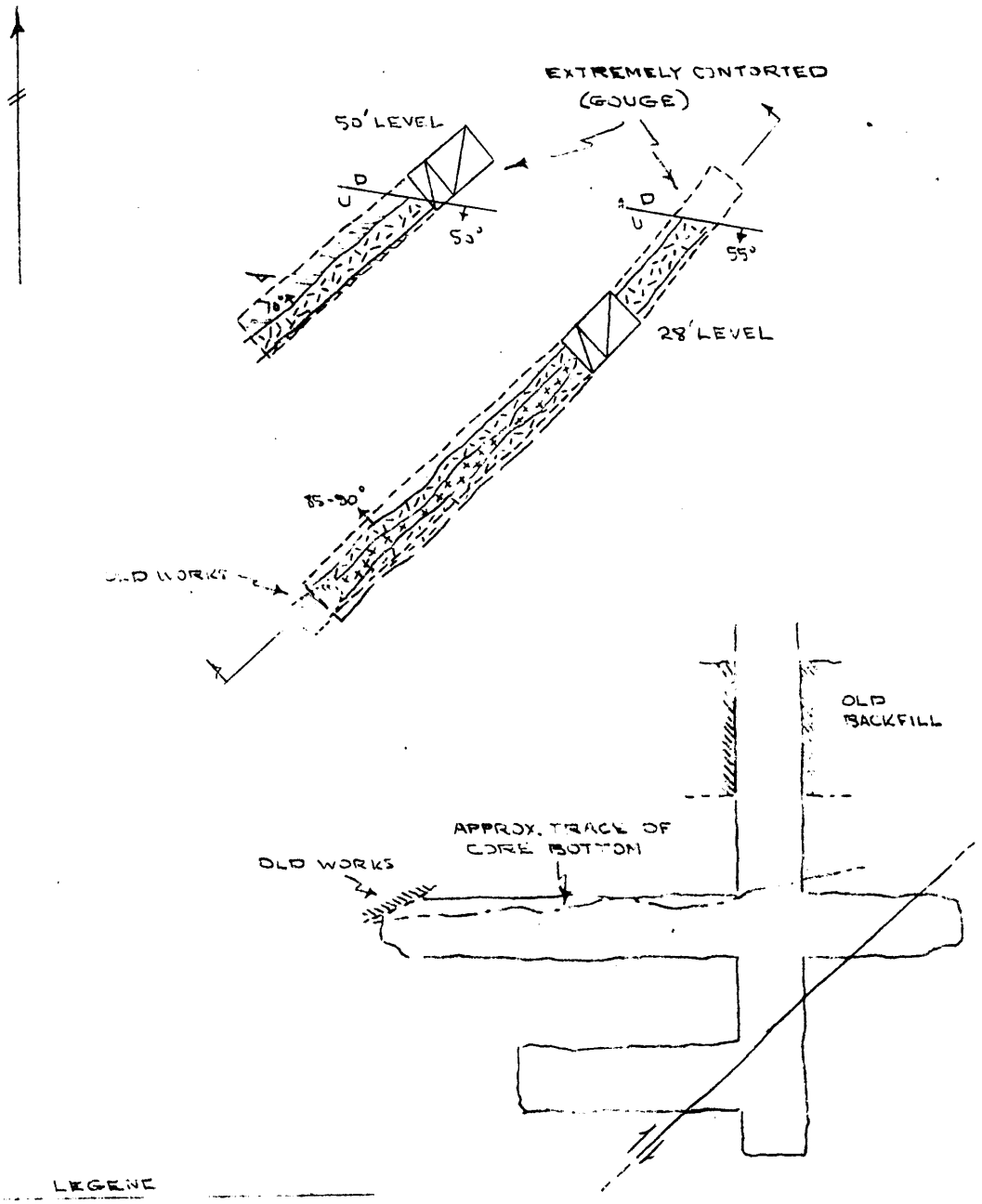
9/5/57



LEGEND

- MUSCOVITE PEGMATITE, MINOR QUARTZ, PLAG. CLASE
- QUARTZ CORE
- SILLIMANITE-MUSCOVITE SCHIST
- OUTLINE OF CONTRACT DRIFT
- FAULT TRACE

BACK PROSPECT

CLEVELAND COUNTY, NORTH CAROLINA

DMEA-4431 Idm-E1035

(MICA)

SCALE: 1" = 20'

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

February 8, 1957

RECEIVED		1957
DATE	INITIALS	CODE
2/12		800
		225

Memorandum

To: Jay L. Chambers, Chief Contract Admin. & Audit Div.

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

Subject: Completion of DMEA-4431, Idm-E1035-Mica.
J. R. Beam, Spruce Pine, N.C. Back Prospect,
Cleveland County, N.C.

Work on this project has been completed, the Operator's final report has been received, and the final MF-104 has been approved and forwarded to the Finance Officer today.

Work dnne under the contract, verified by our Field Examiners is:

Powder and Exploder Magazines built.
Rehabilitation of trench and timbering of shaft, 15 feet
Sinking shaft, 40 feet.
Drifting, 80 feet.
A toolhouse-bunkhouse was built by the Operator at his own expense.

A Report of Review is now in order.

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/sm
cc
Lynch
Finance Office
Shirley

ACTION ON INTERI[illegible] 4431
OR FINAL FIELD TEAM RE[illegible]ORT
Date 2/18

Referred to:

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

Note comments in report regarding:

1. Finished - N.G.

2.

3.

4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

RECEIVED
FEB 18 1957
D.M.E.A.

INTERIM REPORT

On

DMEA-4431, Idm-E1035, BACK PROSPECT- mica

Operator: J. R. Beam, Spruce Pine, North Carolina

Location: 16.3 airline miles N 5°W of the center of Shelby, Cleveland County, North Carolina

This contract has been satisfactorily completed as of January 31, 1957. The prospect was inspected and measured February 7. Work completed under the contract consisted of sinking 15 feet of shaft in fill material and 40 additional feet of pegmatite. The entire shaft was very well timbered. About 5 feet above the bottom of the shaft, 25 feet of drift was driven S 50° W. It was decided to move back up the shaft since the drift was found to be below the quartz core which had been followed down in the shaft. The mica at this point, although extremely abundant, was small and scrappy. A drift was driven 40 feet S 48° W and 18 feet N 40° E from a point 22 feet above the bottom of the shaft along a strong zoned pegmatite. The muscovite was again found to be small and only of scrap value. All work was done in very badly weathered pegmatite which contributed greatly to the poor quality of the muscovite. A strong high angle reverse fault was encountered at the southwest edge of the shaft in the lower drift and 12 feet northeast of the shaft in the upper drift. The orientation of the fault in both exposures is N 80° W 45 to 50° SW. It appears to abruptly truncate the pegmatite to the northeast. A 2 to 5 foot thick discordant zoned mica-rich pegmatite has been followed in all the contract work. Its attitude is N 40 to 50° E 70° NW to vertical. No muscovite of strategic value has been recovered from this contract work and no certification of discovery will be recommended by the field examiners. All work has been satisfactory and has followed the conditions set forth in the contract.

February 7, 1957

S. C. Bergman and E. L. Boudette
Geologists, U. S. Geological Survey

Wm. A. Beck, Mining Engineer
U. S. Bureau of Mines

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

February 5, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 7 1957

DATE	INITIALS	CODE
2.8	C	220
2/11		800
		225

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Operator's Final Engineering and Geologic Reports.

Enclosed are 4 copies of each of the following reports:

DMEA-4431, Idm-E1035, completed January 31, 1957

DMEA-4080, Idm-E938 , Completed January 31, 1957

DMEA-4239, Idm-E1005, Completed January 31, 1957

Data on the quality of mica recovered during these operations will be obtained when the mica is processed and sold. We have already received payments of royalty amounting to $126.45 on mica from the Roby Prospect (DMEA-4239).

Robert A. Laurence

Robert A. Laurence

OFFICIAL FILE COPY
D M E A
RECEIVED FEB 7 1957

DATE	INITIALS	CODE

Spruce Pine, North Carolina
January 31, 1957

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

Re: DMEA - 4431, Idm-E 1035 (Mica)
Back Prospect, Cleveland Co., N.C.
Final Report

We began work on the above project on December 3, 1956, and completed our contract on January 31, 1957.

In December we moved in equipment, sat up powder and exploder magazines. Completed 15' rehabilation and completed 40' of shaft. The vein being approximately 5' wide. In January we completed 80' of drift which completed our contract.

We recovered no mica from the entire contract.

We wish to thank the field team for their assistance on the Back Project.

Very truly yours,

J.R. Beam

J.R. Beam

P/j

RECEIVED
FEB 4 - 1957
U. Geologic Division
Knoxville, Tenn.

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INTERIM REPORT

DMEA-4431, Idm-E1035 (mica) BACK PROSPECT

RECEIVED 19 11 1957 D.M.E.A.

Operator: J. R. Beam, Spruce Pine, N. C.

Location: 16.3 airline miles N5°W of the center of Shelby, Cleveland Co., N. C.

Drifting has been in progress from the 45 foot shaft level, and coupled with 25 feet of previous level work now totals 65 feet. The present drift has been driven S48°W, and the work has followed a pegmatite composed of a large quartz core 4 feet thick flanked by 1 foot zones of a feldspar-mica mixture. The zones are rich in muscovite, but the mica is badly weathered and occurs principally in scrap sizes. The Operator was advised to drive the remaining 15 feet of drift to the northeast in less weathered pegmatite.

Progress on this contract has been good.

L. E. Shirley

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

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

January 24, 1957

RECEIVED
JAN 22 1957
D.M.E.A.

INTERIM REPORT

DMEA-4431, Idm-E1035 (mica) BACK PROSPECT

Operator: J. R. Beam, Spruce Pine, North Carolina
Location: 16.3 airline miles N5°W of the center of Shelby, Cleveland County, North Carolina

Shaft sinking has been completed to a total depth of 55 feet from the original surface and includes 15 feet of trench rehabilitation; new shaft sinking totals 40 feet. The new work has followed the inclination of the body to the bottom and a rather strong quartz core was observable to the 48 foot point. Only scant mica recovery resulted from the shafting. Instructions were given by telephone for turning off from the shaft bottom and 25 feet of drift was driven S50°W. This drift was stopped at the time of this visit because of the poor mica characteristics of the material and the absence of quartz. New instructions were given for turning off another drift level at a higher point to follow the quartz core and to work in better mica producing pegmatite. The body as observed in the drift is rich in scrap sizes of mica only. A fault of small magnitude and displacement was observed near the shaft bottom on the northwest wall but its trend does not indicate any effect on the body at this or higher levels in the shaft.

The operator has timbered the shaft very well and has installed a separated partition with ladders to near bottom. Progress on this contract has been good.

RECEIVED
DEC 26 1956
D.M.R.E.A.

INTERIM REPORT

DMEA-4431, Idm-E1035 (mica) BACK PROSPECT

Operator: J. R. Beam, Spruce Pine, North Carolina
Location: 16.3 airline miles N5°W of the center of Shelby, Cleveland County, North Carolina

Shaft sinking is in progress on this contract after completion of 15 feet of rehabilitation and new shaft work now totals 19 feet. The work is following a body containing a 3 foot quartz core flanked by narrow zones of pegmatite on the hanging wall and footwall. In the quartz core there are considerable narrow fractures now filled with manganese and iron sulphides. Mica recovery has been sparse.

Instructions were given for continued shaft sinking to follow the inclination of the pegmatite. Progress on this contract has been good.

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 13, 1956

INTERIM REPORT

DMEA-4431, Idm-E1035 (mica) BACK PROSPECT

Operator: J. R. Beam, Spruce Pine, North Carolina
Location: 16.3 airline miles N5°W of the center of Shelby, Cleveland County, North Carolina

The starting date on this contract is November 21, 1956. Rehabilitation of an existing muck-filled trench to pegmatite-in-place is underway and is now at 11 feet. A very good collar job is being accomplished with 2" x 6" sawed oak timbers and cribbing will be extended to the necessary depth. Only loose pegmatite muck and fill material has been encountered to date.

A toolhouse-bunkhouse has been built, a conventional hoisting rig has been erected and magazines are being built. Equipment at the site consists of a single-drum gasoline-powered hoist, a 105 c.f.m. air compressor with necessary drilling attachments and hand tools. Progress on this contract is satisfactory.

L. E. Shirley

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

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

November 29, 1956

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

WASHINGTON 25, D.C.

RECEIVED NOV 21 1956 D.M.E.A.

November 19, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - Idm-E1035, DMEA-4431 (mica)
J. R. Beam, Applicant-Spruce Pine, N.C.
Back Prospect - Cleveland County, N.C.

Transmitted are three copies of the subject contract signed by Mr. J. R. Beam, Operator. The usual distribution of the other copies has been made.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch

V. J. LYNCH
MEMBER, BUREAU OF MINES

Docket Copy
Surname:

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 Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-4431-Mica
J. R. Beam
Back Prospect
Cleveland 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), Consent to Lien, Exhibit (A) (2 pages), and two maps. Also enclosed are two extra copies of Annex I, Exhibit (A), and the maps 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 maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated October 23 and 31, 1956, by Mr. N. E. Nelson, USGS, and Mr. Donald R. Irving, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

JHopkins:gad 11/6/56

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

Enclosures 12

Docket Copy
Surname:

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

Dictated: 11/6/56
Copy to: Adm. R. Fite
Members
Operating Committee
Mr. Hillyard, 5122
Mr. Dietrick, 3021
Mr. Hart

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

RECEIVED 1 1956

October 31, 1956

H

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4431 (mica)

Applicant: J. R. Beam

Name and Location of Property: Back (Randall) Prospect, Cleveland County, N. C.

Date of Field Team Report: 10/17/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/24/56

Field Team Recommendation: Recommend approval of a contract.

Comments:

1. Strategic quality mica has been produced from an open cut on this prospect, although no General Services Administration records substantiate this.

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

Recommendation:

I concur with the recommendation of the field team; but it is suggested that the lease on the prospect be clarified.

Donald R. Irving

Donald R. Irving

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

RECEIVED
OCT 25 1956

October 23, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Examiner, Region V - Knoxville

Subject: Field Examination Report - DMEA-4431-(mica)
J.R. Beam, Spruce Pine, N.C. Back (Randall)
Prospect, Cleveland County, N.C.

In the Field Examination Report mailed your office October 17, we wish to make the following correction:

Under the heading "History and Workings" on page 2, a mistake in wording has been noted- paragraph 2, 3rd and 4th lines should read...."He does recall averaging..." The word "not" was inadvertently inserted.

Alfred R. Taylor

Alfred R. Taylor, Geologist
Geological Survey

IN REPLY REFER TO:

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

RECEIVED
OCT 25 1956

October 23, 1956

Re: DMEA 4431
J. R. Beam
Back Prospect
Cleveland Co., N. C.
$4,950.00 - 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 in a "stock" application requested assistance in exploring a 'new prospect' on which no previous work had been done.

The examiners found no little work had been done, fortunately on a pegmatite with probable strategic mica potential. They recommend work consisting of rehabilitation, shaft sinking and drifting, to cost $4,899.00.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

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

RECEIVED
OCT 19 1956

October 17, 1956

Memorandum

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

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

Subject: Field Examination Report, DMEA-4431 (Mica)
J. R. Beam, Spruce Pine, North Carolina
Back (Randall) Prospect, Cleveland County, North Carolina

Enclosed are four copies of the subject report, and nine extra copies of each of the two maps.

The prospect provides a suitable target for exploration, and approval of a contract as outlined in the report, is recommended.

Please note that, although the leased square is large enough, and its beginning point is tied to a corner of a property whose recorded deed description is given, there is no definite proof that the leased square is confined to the Randall property. If, for instance, the line ran S. 45° E. from the "rock corner", the northeast corner of the square would be off the property. However, we have had great difficulty in getting applicants to submit surveys or maps showing boundaries, and when they do submit them a field check usually shows up many inaccuracies.

In this case, the field examiners think the leased square is entirely within the Randall property.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Reviewed by
DMEA OPERATING COMMITTEE
10-24-56
(date)

Enclosures 22

RECEIVED
OCT 19 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT, REGION V

On

DMEA-4431-Mica - BACK(Randall) MINE
Cleveland Counnty, N. C.

A. R. Taylor, Geologist
Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
10-24-56
(date)

Examined October 4, 1956

RECEIVED
OCT 19 1956

FIELD EXAMINATION REPORT

EXPLORATION PROJECT

DMEA-4431(mica) BACK (Randall) PROSPECT
Cleveland County, N. C.

Applicant: J. R. Beam, Spruce Pine, North Carolina

Summary

Muscovite of strategic quality has been produced from an open cut in semi-weathered material. A 5 to 6 foot thick discordant pegmatite with a massive quartz core strikes N 50° E and dips steeply NW. Several hundred pounds of scrap muscovite has been left on the dumps and in a tool house, some of which could be worked over for good 3 to 4 inch wide, clear, strategic grade sheet.

A unit-cost program of exploration is recommended: (1) to gain depth on the pegmatite by sinking a two-compartment shaft and (2) to fully explore the strike-length potential by drifting from the shaft bottom.

Introduction

Location:

The Back Prospect is 16.3 airline miles N 5° W of the center of Shelby, Cleveland County, North Carolina. (USA-Corps of Eng.Map,Charlotte, N.C. S.C. N1 17-2,AMS series V 501; 1:250,000) It can be reached by road from Casar or Toluca, N.C. Contrary to the legal description given in the Mining Lease, it is not "eight miles west of Casar," but about three miles east of Casar, and immediately east of the Cooke Mine and Indiantown (Mull) Mine. (USGS Prof. Paper 248 pl 19 No.17 & 18).

Examination:

The Property was examined October 4, 1956 by L. E. Shirley, USBM and A. R. Taylor, USGS accompanied by Messrs Back Henline and Lynn Pittman. Approximately one and one-half hours were spent on the examination.

Facilities:

A toolhouse in good condition exists at the southwestern end of the open cut. No magazines were observed on the property.

Electricity is about 300 to 400 feet away. Power will probably be necessary to operate a sump pump due to the relatively high water table in this particular area of low relief. Water for drilling will, however, have to be brought in or caught in rain barrels until the water table is reached.

Leased Area

The leased area of five acres seems adequate for the purposes of exploration at this prospect. The accompanying sketch of the leased area shows the center of the mine, at the proposed shaft site, in relation to a known property corner which is relatively permanent.

The metes and bounds from the deed are not given in the Applicant's Consent to Lien; only the page and book in which the deed is recorded is shown.

The landowners' address (not on MF-205) is: L. A. Randall and Hattie Randall, R#D, Lawndale, N. C.

History and Workings

The property has been worked before, contrary to the statement under 4a and b of the application, and has been a reported excellent producer of strategic muscovite in the open cut. Evidently no shaft was sunk on the pegmatite and the greatest depth reached by the cut was about 40 or 45 feet.

Mr. Back Henline states that he worked this deposit for someone else a few years ago (probably 1951-52), but can not recall exactly how much was produced. He does ~~(not)~~ recall averaging "4 or 5 sacks (probably 250 to 350 lbs/day) per day for 2 or 3 months." He states that he recovered 16 bags of excellent quality ruby mica from the northernmost open cut in one day. That probably was about 1000 pounds of block. Out

Using the above figures, the total number of pounds of block recovered must have been between 12,000 and 20,000 pounds. The GSA records were checked under the name "Back" and "Randall" but no records of sales was found. Evidently the mica was sold under another name. Mica of good size and quality, such as this, is very often sold to individuals to "sweeten-up" their mica for sale to the depot.

The prospect as it now exists, consists of two - 35 feet deep open cuts in weathered and semi-weathered material: (see sketch)

(1) SW cut--trends N 50° E; 120' long, 4' to 10' wide and 20 to 35 feet deep. Is now partially filled with quartz and feldspar muck.

(2) NE cut --trends N 45° E; 30' long, 4 to 6 feet wide, and 35' deep. Is partially filled with pegmatite muck. Located 110' N 30° W from the SW cut at the same general elevation.

Geology

Pegmatite and Country Rock

A discordant, zoned mica-pegmatite, 5 to 6 feet thick, trends N 50° E and dips 65 to 70° NW in the SW cut. The exposed strike length is 120 feet, but is postulated to be much longer. The body consists of a massive white (some pink) quartz core 5 feet thick that is flanked by a 6-inch zone of feldspar on each side (mostly plagioclase, some orthoclase).

The muscovite occurs in the feldspar zones adjacent to the core. The quartz is similar to that of the Hogg Beryl Mine pegmatite near LaGrange, Georgia, in that some of the translucent white or pink quartz contains white lines or nearly parallel fracture systems.

The only pegmatite observed in place was that left on the walls (feldspar zones) of the cut. The core has been broken and left in the bottom of the cut.

The country rock is a foliated, semi-weathered, sillimanitic mica schist, whose foliation trends N 60° to 70° W and dips 70 to 80 degrees SW. This material seems to holdup well as witnessed by the steep walls of the narrow cut.

Muscovite

Cinnamon-brown or ruby muscovite is abundant in large sheets on the dumps and in the tool house where several hundred pounds of scrap lays. Pieces up to 5 inches wide, flat, and clear were observed. Some minor quartz inclusions were noted as a rare defect.

The muscovite left in piles could be worked over for strategic material. Perhaps many pounds of good stained, full trimmed could be recovered. In all of the scrap examined, very

few pieces were stained to any extent, or were cracked and ruled; the general was good.

It is reported that very little "A" muscovite was recovered.

Conclusions and Recommendations

Excellent quality mica has been produced from this prospect in recent years. Only shallow trench work, however, has been performed up to the present time but the Field Examiners are of the opinion that a modest underground exploration program will show significant reserves and produce commercial quantities of strategic mica. It is proposed that an existing 15 ft muck filled trench be cleaned out to 5' x 7' for a shaft location, followed by 40 feet of additional shaft and 80 feet of drift from the shaft bottom. Facilities on the property consist of an adequate toolhouse. Explosive magazines should be provided.

Estimate of Costs:

Rehabilitate 15 ft of existing trench, including muck removal, and timber a two-compartment shaft, 5' x 7' in cross-section to the bottom of old works (5 shifts).

Labor:

1 - Foreman-Miner @ $1.75/hr.	$70.00
1 - Hoistman @ $1.50/hr.	60.00
1 - Laborer @ $1.00/hr.	40.00

Equipment(rental)

1 - 105 cfm air Compressor @ $200/Mo..	50.00
1 - sump pump @ $85/Mo.	21.50
1 - Gasoline powere hoist @ $50/Mo	12.50

Supplies:

Gasoline and oil	10.00
Explosives	15.00
Drill steel	6.00
Timber - 750 b.f. @ $65/M	49.00
Miscellaneous	5.00

($22.60/ft) Estimated Total cost of Rehabilitation $339.00

Sink 40 feet of additional shaft, 5' x 7' in cross-section and install separated partition and manway --(26 shifts)

Labor:

1 - Foreman-Miner @ $1.75/hr.	$364.00
1 - Hoistman - $1.50/hr.	312.00
1 - Laborer @ $1.00/hr.	208.00

Equipment (rental)

1- Air compressor @ $200/Mo.	250.00
1 - Gasoline powered Hoist single drum @ $50/Mo.	63.00
1 - Air rock drill w/hose @ $40/Mo	50.00

Supplies:

Gasoline and oil	80.00
Explosives	120.00
Drill steel	70.00
Small tools, pipe, etc.	80.00
Timber - 2000 b.f. @ $65/M	130.00
Liability Ins & Social Security	100.00
Sales tax	10.00

($45.93) Estimated Cost ot shaft sinking.....;.$590.00

Drive 80 feet of drift, 5' x 7' in cross-section and timber where necessary (40 shifts)

L Labor:

1 - Foreman-Miner @ $1.75/hr.	560.00
1 - Hoistman @ $1.50/hr.	400.00
1 - Laborer @ $1.00/hr.	320.00

Equipment (rental)

1 - Air Compressor @ $200/Mo.	400.00
1 - Air jackleg @ $25/Mo.	50.00
1 - Rock drill w/air hose @ $40/Mo.,	80.00
1 - Single drum gas powere Hoist @ $50/Mo.	100.00

Supplies:

Gasoline and oil	$140.00	
Explosives	220.00	
Drill steel	120.00	
Small tools, pipe, etc.	80.00	
Timber, 1500 b.f. @ $65/M	100.00	
Liability Ins & Social Sec.	140.00	
Sales Tax	13.00	
Estimated Total cost of Drift	$2723.00	
Total estimated cost of project.....		$4,899.00

(October 16,1956

A. R. Taylor, Geologist
Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

z

Docket Copy
Surname:
Hopkins
Houk
Selfridge
Henderson

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

SEP - 5 1956

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

Subject: Docket No. DMEA-4431-Mica
J. R. Beam
Back Prospect
Cleveland 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 August 24 and 29, 1956, by Mr. M. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

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

Enclosures 4

JHopkins:gad 9/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.L.

Docket Copy
Surname:

Hopkins
Houk
Bishop
Williams
Selfridge

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

SEP - 5 1956

Mr. J. R. Beam

Spruce Pine, North Carolina

Re: Docket No. DMEA-4431 - Mica
J. R. Beam
Back Prospect
Cleveland County, North Carolina

Dear Mr. Beam:

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

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

Sincerely yours,

Frank E. Johnson

ACTING Administrator

JHopkins:gad 9/5/56
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

RCL

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

August 29, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4431 (mica)

Applicant: J. R. Beam

Name and Location of Property: Back Prospect, Cleveland County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 8/22/56

Comments:

1. This is a new prospect and no data available in this office on this property.

2. No evidence was submitted with the application that mica occurred on this prospect.

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

Attachment

IN REPLY REFER TO:

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

August 24, 1956

Re: DMEA 4431
J. R. Beam
Back Prospect
Cleveland County, N. C.
$4,950.00 - 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 newly found pegmatite, by bulldozing, shaft sinking and drifting. The applicant thinks high quality ruby mica will be found but no reason for such an opinion is offered.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

RECEIVED

August 22, 1956

Mr. J. R. Beam
Spruce Pine,
North Carolina

Subject: DMEA-4431
Re: Exploration Assistance
Back Prospect

Dear Mr. Beam

The receipt of your application dated August 16, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4431 and referred to the Nonmetallic Minerals Division.

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

Sincerely yours,

Allen S. Dakan
~~Robert E. Adams~~, Chief
Operations Control and
Statistics Division

August 22, 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 - 4431 J. R. Beam

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 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 20, 1956

Memorandum

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

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

Subject: New applications received here

Enclosed are three copies of each of the following applications, received here today:

Operator	Prospect	County	
J. R. Beam	Back Prospect	Cleveland	(Mica) N.C.
Larkin Buchanan and Joe Snyder	Ivy Knob Prospect	Mitchell	(Mica) N.C.
C. W. Ellis	Buckeye Prospect	Mitchell	(Mica) N.C.

We are keeping the fourth copy of each application for our use.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

RECEIVED
AUG 23 1956

C O P Y
mg 8/20/56

August 20, 1956

Memorandum

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

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

Subject: New Applications received here

Enclosed are three copies of each of the following applications, received here today:

Operator	Prospect	County		State
J. R. Beam	Back Prospect	Cleveland	(Mica)	N.C.
Larkin Buchanan and Joe Snyder	Ivy Knob Prospect	Mitchell	(Mica)	N.C.
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We are keeping the fourth copy of each application for our use.

Robert A. Laurence
Executive Officer

Wm. A. Beckfor V. J. Lynch
Member, Bureau of Mines

RAL/mg
Enclosures 3
cc - Operating Committee (8)
Lynch (3) Files (3)