Docket Copy
Surname:

Hopkins
Houk
Lamb
Nelson
Selfridge
Johnson

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

DEC - 7 1956

Blue Rock Mining Company
C/O Mr. W. H. Caffey, Jr.
Box 875
Spruce Pine, North Carolina

Re: Docket No. DMEA-4451-Mica
Blue Rock Mining Company
Nancy C. Spoon and
W. H. Caffey, Jr.
Rock Mine
Yancey County, North Carolina

Gentlemen:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Previous work on this property under Docket No. DMEA-3410, Contract No. Idm-E712, disclosed strategic mica which served as a basis for a certification of discovery or development. The work also revealed that the probability of disclosing additional significant reserves of mica is not sufficient to justify further Government participation. Therefore, we regret to advise you that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:gad 11/28/56
Rewritten
LGHouk:gad 12/6/56
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222 Mr. Dietrich, 3061 Mr. Houk

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

November 28, 1956

Memorandum

To: Administrator

From: L. G. Houk, Chief, Nonmetallic Minerals Division

Subject: Denial of application for exploration assistance and Summary Report

By: James Hopkins

1. Docket No. DMEA-4451-Mica
Property: Rock Mine, Yancey County, North Carolina
Application: Dated August 26, 1956
Applicant: Blue Rock Mining Co. (Partnership)
Mrs. Nancy C. Spoon
Box 446, Greensboro, N. C.
Mr. W. H. Caffey, Jr.
Box 875, Spruce Pine, N. C.

Work Proposed:
1. Core drill at two to six locations to depths of 20 to 150 feet.
2. Shafting and/or tunneling if warranted by results of core drilling.

Proposal is very indefinite with no estimate of costs.

2. Contract: None. Application denied.

3. Comments:

The applicants propose additional exploration work by core drilling on the Rock Mine where a certification of discovery by the Government was issued on a project (Docket No. DMEA-3410, Spent $2,863.50, Paid back $426.19.)

The examiners found the workings accessible with evidence of some "gopher-hole" mining downslope 100 feet from the tool house and the drift to the southwest on the third level extended a distance of 15 feet.

The face of the drift shows a muscovite-rich pegmatite about five feet thick. This heading could be extended further to the southwest, or work could be done down dip as suggested in the DMEA Final Report (DMEA-3410). This, however, would be mining and not exploration.

The proposal to core drill the possible extensions of the known mica-producing pods seems unwise for the little information that will be obtained. Presence or absence of a pegmatite only would be determined by drilling. It still would be necessary to continue the drift if a pegmatite were found, as it could only be reached through the present workings.

Since the mine has already been certified and is still in a position to be mined the Field Team recommends denial of the application.

The Nonmetallic Minerals Division and the Commodity Divisions of the Geological Survey and the Bureau of Mines concur in the recommendation.

James Hopkins
Nonmetallic Minerals Division

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

H

November 21, 1956

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

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4451 (mica)

Applicant: Blue Rock Mining Company

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

Date of Field Team Report: 11/8/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/15/56

Field Team Recommendation: Recommend denial of application.

Comments:

1. This prospect was certified under DMEA-3410.

2. Prospect contains known mica-producing pods that are easily minable.

3. Proposed core-drilling at present stage of operation is unwarranted and a potential waste of money as mining of present ore body would have to continue even if coring found new pods.

Recommendation:

I concur with recommendation of the field team.

W F Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

RECEIVED
NOV 19 1956
D.M.E.A.

November 16, 1956

Re: DMEA 4451
Blue Rock Mining Co.
Rock Mine
Yancey County, North Carolina
No estimate - 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 assistance in diamond drilling to explore the projected strike and down dip and plunge extensions of 4 mica-bearing pegmatites. For reasons not apparent each of the 4 vertical veins swells and is mica-bearing for a length of 55 to 80 feet and the pods as mapped show a rough en echelon pattern laterally and vertically.

The veins have been developed by a 35° winze along which the pods are strung somewhat like beads. As indicated by the sketch section no one pod was worked more than a few feet above and below the slope of the incline. Project DMEA 3410 on the same pegmatites was certified June 27, 1955.

Because pegmatite shows in the faces of at least 5 headings, the examiners and Field Team consider the diamond drilling uncalled for. An extension of the incline in search of other pods, tentatively recommended by the Field Team, does not appeal to the applicant.

The examiner and Field Team recommend denial of the application as submitted. I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

WASHINGTON 25, D. C.

November 8, 1956

RECEIVED NOV 13 1956 D.M.E.A.

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination - DMEA-4451 (Mica) Blue Rock Mining Co., Burnsville, N.C. Rock Mine, Yancey County, N.C.

Enclosed are 4 copies each of a memorandum and sketch map, submitted in lieu of the usual field examination report. So little new work has been done since completion of work on DMEA-3410, that the final report on that contract provides the essential data for an examination report.

It appears to us that, if any exploration is to be done, it should be in a northwesterly direction, down the dipping structural zone which apparently controls the known pegmatite pods and might conceivably contain more pods, though there is no direct evidence of this. This the Applicant is unwilling to do as it would require corsscutting dead rock.

We see no merit in the proposal to drill along strike so long as pegmatite shows in the existing headings. Extension of the drifts from those headings, which formed the basis of certification for the earlier project, would be mining, not exploration. Therefore, we agree with the recommendations for denial.

Robert A. Laurence

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

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
11-16-56
(date)

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

RECEIVED NOV 13 1956 D.M.E.A.

November 8, 1956

Memorandum

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

From: A. R. Taylor and L. E. Shirley

Subject: DMEA-4451-Mica. Rock Mine, Blue Rock Mining Co., Yancey County, N.C.

1. The Rock Mine, already certified (DMEA-3410), was examined October 31, 1956 in company with Mr. W. H. Caffey, Jr., one of the partners. The workings are accessible, but some muck and water exists in the lower-most workings of DMEA-3410 (map). The toolhouse is still on the property and is in good condition. Denial of the application is recommended.

The applicant has done some "gopher-holing" downslope 100 ft or more SW from the toolhouse and has extended the drift about 15 feet to the southwest on the third level. The face exhibited at the head of that drift shows a muscovite-rich pegmatite about 5 feet thick. This heading could be extended further to the southwest down the 15° plunge of the body or work could be done down dip as the field examiners, Teague, et al, (DMEA-3410) suggested in their final report. By geological inference it may be postulated that another pod exists down-dip, since 4 pods have already been intersected.

2. The Applicants proposal to core drill the possible extensions of the known mica-producing pods seems unwise economically for the little information he will obtain. He can only hope to prove the presence of pegmatites a few feet away, and their mineralogy. If he intersects one or more of the known three bodies, (topmost one cut out), it will still be necessary to go inside the present workings and start mining. Therefore, the field examiners conclude that he should get on the "ore" to begin with and bypass the core-drilling. The money saved could be spent in the mine driving headings and actually recovering muscovite. Should the pods pinch out completely, then he could core drill, but the target would still have to be reached from the present works.

Reviewed by
DMEA OPERATING COMMITTEE
11-16-56
(date)

3. Since the mine has already been certified, and is still in a position to be mined, the Field Examiners believe the Government would have nothing to gain in an additional expenditure and recommend that the application be denied.

A. R. Taylor, Geologist, USGS

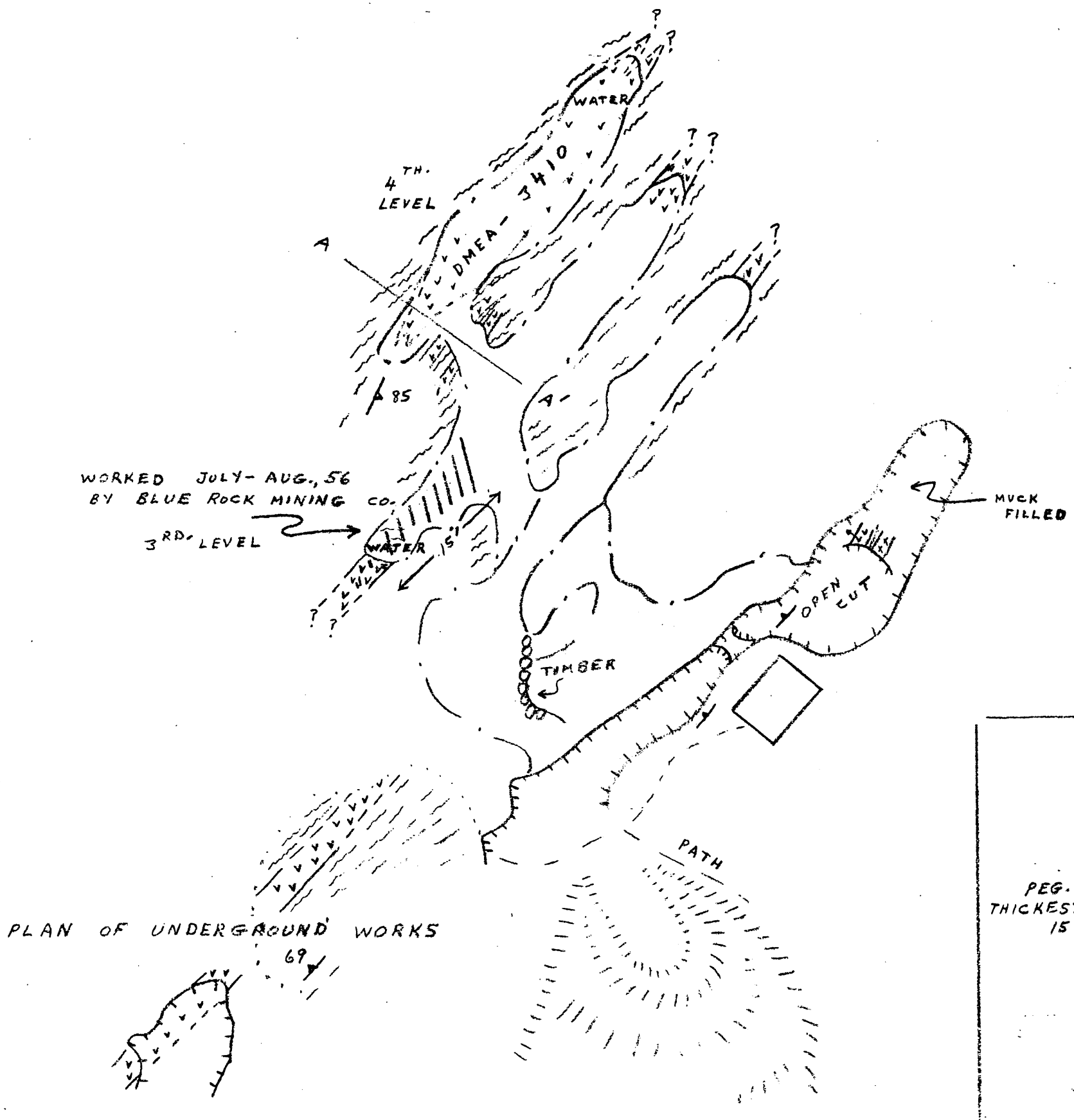
L. E. Shirley, Mining Engineer
USBM.

ROCK MINE, DMEA - 4451 - MICA

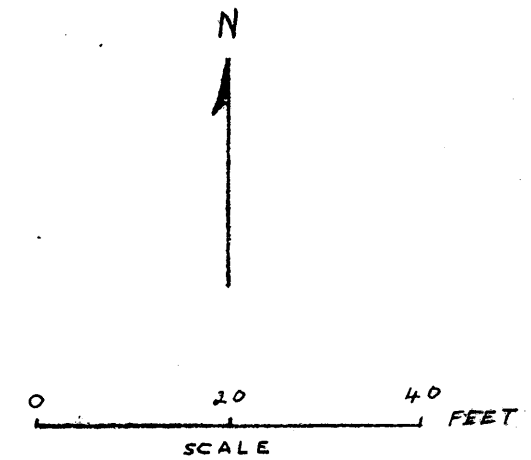
BLUE ROCK MINING COMPANY

YANCEY CO., N.C.

10-31-56



PLAN OF UNDERGROUND WORKS

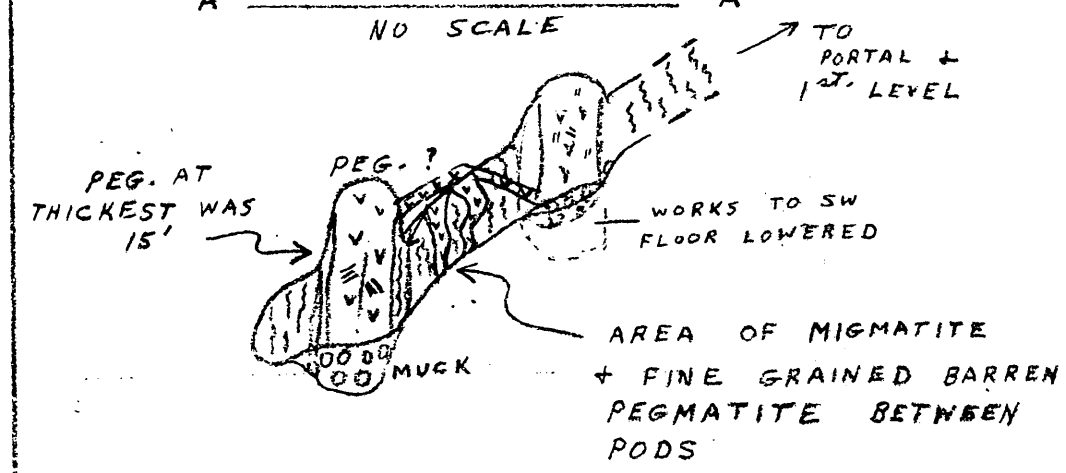


VVV	PEGMATITE
X X	QUARTZ
	MICA SCHIST + GNEISS
	MUSCOVITE
	OPEN CUT
	OUTLINE OF UNDERGROUND WORKS

GENERALIZED SECT.

A ——— A'

NO SCALE



CERTIFIED - DMEA - 3410 ; EXAMINED 10-31-56 BY TAYLOR, A.R., USGS, + SHIRLEY, L.E., USBM.

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

WASHINGTON 25, D.C.

November 9, 1956

RECEIVED
NOV 13 1956
D.M.E.A.

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Transmittal of November 8, DMEA-4451 - Mica. Rock Mine, Yancey County, N. C.

Copies of a map for the subject memorandum report were inadvertently attached to DMEA-4407, Charlie Prospect. Please attach maps to DMEA-4451.

Thank you,

Robert A. Laurence

Robert A. Laurence

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

DOCKET COPY
Surname:

Hopkins
Dickson
Kiilsgaard
Karlub
Selfridge
H Johnson

SEP 24 1956

Blue Rock Mining Company
c/o Mr. W. H. Caffey, Jr.
Box 875
Spruce Pine, North Carolina

Re: Docket No. DMEA-4451-mica
Blue Rock Mining Company
Nancy C. Spoon and
W. H. Caffey, Jr.
Rock Mine
Yancey 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. 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.

Enclosed are letters which were inadvertently sent with the application.

Sincerely yours,

B. O. Mittendorf
Administrator (Copy)

Enclosures: 7

JHopkins:ms 9/24/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.

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

DOCKET COPY
Surname:
Hopkins
Anderson
Selfridge
Johnson

SEP 24 1956

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

Re: Docket No. DMEA-4451-mica
Blue Rock Mining Company
Nancy C. Spoon and
W. H. Caffey, Jr.
Rock Mine
Yancey County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated September 6 and 20, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Enclosed also are the two maps which accompanied the application. Please return these maps to the applicant when you have finished with them.

Sincerely yours,

Approved:

Frank D. Lamb
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

George C. Selfridge
Chairman, Operating Committee

JHopkins:ms 9/24/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 6

A.A.L.

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

September 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4451 (mica)

Applicant: Blue Rock Mining Co. (N. C. Spoon & W. H. Caffey, Jr.)

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

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 9/5/56

Comments:

1. It is difficult, without the map, to evaluate this application in view of the many operations on this property.

2. Statements in the application indicate that this is already a producing mine and assistance is requested for exploring possible extensions of the orebody.

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

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

RECEIVED
SEP 19 1956

September 17, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4451(Mica)
Blue Rock Mining Company, Spruce Pine, North Carolina
Rock Mine, Yancey County, North Carolina

A recent letter from the Applicant states that, "In mailing to Mrs. Spoon the application and copy of my letter to the Northwestern Bank, I also enclosed other correspondence not pertinent to the application. These letters included correspondence with manufacturers of mining equipment, the Secretary of State of North Carolina, a geologist, etc., and were to have been retained by Mrs. Spoon. She mistakenly forwarded them to you."

These letters were attached to the original application, which was mailed to you on August 30. As the letters are not essential to the application, and the Applicant now requests their return, they should be mailed to him. Will you please mail them to Mr. W. H. Caffey, Jr., P. O. Box 875, Spruce Pine, North Carolina.

Robert A. Laurence

Robert A. Laurence

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

RECEIVED
SEP 19 1956
ROOM 18 POST OFFICE BLDG.
KNOXVILLE, TENN.

September 17, 1956

Memorandum

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

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

Subject: Docket No. DMEA-4451(Mica)
Blue Rock Mining Company, Spruce Pine, North Carolina
Rock Mine, Yancey County, North Carolina

A recent letter from the Applicant states that, "In mailing to Mrs. Spoon the application and copy of my letter to the Northwestern Bank, I also enclosed other correspondence not pertinent to the application. These letters included correspondence with manufacturers of mining equipment, the Secretary of State of North Carolina, a geologist, etc., and were to have been retained by Mrs. Spoon. She mistakenly forwarded them to you."

These letters were attached to the original application, which was mailed to you on August 30. As the letters are not essential to the application, and the Applicant now requests their return, they should be mailed to him. Will you please mail them to Mr. W. H. Caffey, Jr., P. O. Box 875, Spruce Pine, North Carolina.

Robert A. Laurence

RAL/mg
cc
Oper. Comm. (2)
Lynch
File

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

RECEIVED
SEP 19 1956

September 17, 1956

Mr. W. H. Caffey, Jr.
Blue Rock Mining Company
P. O. Box 875
Spruce Pine, North Carolina

Re: Docket No. DMEA-4451 (Mica)
Rock Mine
Yancey County, North Carolina

Dear Mr. Caffey:

The letters referred to in your letter of September 14 were attached to the application when it arrived here, so they went to Washington with the original copy of the application. I have written to our Washington office and asked that these letters be returned to you, as they are not essential to the application. The error, will, of course, have no effect one way or the other on the processing of the application.

The application is now being reviewed by our Washington staff. As soon as we hear from them, we will contact you regarding the progress of the application.

Very truly yours,

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

RAL/mg
cc - Operating Committee (2)
Mr. V. J. Lynch
File

IN REPLY REFER TO:

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

September 6, 1956

RECEIVED
SEP 7 1956

Re: DMEA 4451
Blue Rock Mining Co
Rock Mine
Yancey Co., N. C.
No estimate - 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 by diamond drilling the Rock Mine pegmatite which is credited with mica production.

A Rock Mine, then the Goog, was explored in 1955-56 under DMEA 3860. The Final report June 1, 1956, recommended that no certification be made. Rock Mine, in Yancey Co., was explored in 1955 (DMEA 3410) and certified. Unless substantial production has been obtained since, further work probably is not warranted although there probably are places where further work could be done.

If the Field Team considers another examination justified, I agree, I will also concur with an out of hand recommendation of denial.

N. E. Nelson

N. E. Nelson

September 5, 1956

Blue Rock Mining Co.
Box 875
Spruce Pine, N. C.

Subject: DMEA-4451
Re: Exploration Assistance
Rock Mine

Gentlemen

The receipt of your application dated August 26, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-4451 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 M. Adams~~, Chief
Operations Control and
Statistics Division

August 5, 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 [redacted] Blue Rock Mining Co.
Rock Mine

Robert E. Adams
~~Allen S. Dakan~~
~~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.

RECEIVED
SEP - 3 1956

August 30, 1956

Memorandum

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

From: Executive Officer, DMEA Field Team, Region V

Subject: Application from Blue Rock Mining Company
Rock Mine (mica), Yancey County, North Carolina

Enclosed are three copies of the subject application, received at this office. The fourth copy is being kept for our use.

Please note that only one copy each of the two maps accompanies the application. If this is referred for field examination, please send us these maps for use at that time; we will then return them to the applicant as requested by him.

This deposit was explored under contract Idm-E712 (Docket No. DMEA-3410) and was certified on June 27, 1955.

Robert A. Laurence

Robert A. Laurence

Enclosures

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
SEP -4 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. 4451
Metal or Mineral Mica
Date Received 9-4-56
Estimated Cost Not given
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: BLUE ROCK MINING COMPANY--partnership
Mrs. Nancy C. Spoon, Box 446, Greensboro, N. C.
W.H. Caffey Jr., Box 875, 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.

RECEIVED
AUG 29 1956
U. S. Geological Survey

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 Beginning at the center of the Rock Mine and running North 250', thence West 250', thence South 500', thence East 500', thence North 500', thence West 250' to the beginning. This property located in the Blue Rock section of Yancy County, belonging to Mrs. Nancy C. Spoon.

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

(*c*) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise owner, property owned by partners.

(*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.

(*e*) If you own the land, describe any liens or encumbrances on it Deed of trust securing $1,000 loan, G.D. Bailey, trustee for Northwestern Bank, Burnsville, N. C. Deed of trust upon 55 acres owned by partners including above described area.

(*f*) If the land consists of unpatented claims, add to the description above, the book and page numbers for each recorded location notice. Book 42Z, Page 688 (mortgage deeds) June 8, 1956

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.

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

(*c*) The work will start within 7 days and be completed within 1 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 [X] 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 Aug 26, 1956

BLUE ROCK MINING COMPANY
(Applicant)

By Nancy C. Spoon
Nancy C. Spoon, partner

W.H. Corfey Jr., partner

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

BLUE ROCK MINING COMPANY
Box 875, Spruce Pine, N. C.

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SEP - 3 1956

4. PHYSICAL DESCRIPTION.

(a) Mining and Exploration: Refer to attached map. The Rock Mine was developed and worked as follows:

AREA A. Discovered and originally worked by Jim Gooche.

AREA B. Developed by Mrs. Nancy C. Spoon before and during operation of Colonial Mica Corp. Mica yield during this operation was excellent.

AREA C. Located and worked jointly by D.M.E.A. and Mr. Sam Phillips, January through June, 1955.

AREA D. Blue Rock Mining Co. (Applicant), worked June and July, 1956. Production was fair. Results indicate need for core drilling operation.

APPLICANTS INTEREST: Blue Rock Mining Company is entirely owned by applicants. Work at the Rock Mine and development of several other mines on applicant's property has been under full time direct supervision of W. H. Caffey, Jr. (Partner).

ACCESSABILITY FOR EXAMINATION PURPOSES: The Rock Mine is readily accessable for inspection and examination.

(b) Past and Current Production:

AREA A. Jim Gooche production and quality are reported excellent, actual value unknown.

AREA B. Mrs. Spoon. The portion of the Rock Mine developed by Mrs. Spoon caused the Rock Mine to be a primary producing mine during operation of the Colonial Mica Corp. Total production under present market $50,000 - $75,000.

AREA C. Sam Phillips - Six months production - $8,207.15.

AREA D. Blue Rock Mining Co. Processing and sale is not completed of mica obtained. Quantity fair, quality good to excellent.

(c) Geologic Features, Mineralization, Type Deposit: Please refer to map (prepared by N. C. Dept. of Conservation & Development). Geologic features, type deposit, etc. of areas worked subsequent to map are consistant with areas worked and described by map.

Reasons for Wanting to explore: Previous workings (and recent work by applicant) have produced quality mica with fair to excellent production. Exposed veins and formations strongly indicate additional areas of concentrated mica yielding vein. Core drilling offers an economical determinations of probable quantity and quality of mica believed to be located in the very near vicinity of Rock Mine.

(Maps, etc., attached)

(d) Accessability of Project: The Rock Mine may be reached to within 200 yards by truck and auto, and 100 yards by jeep. The private road lying on applicant's property (½ mile) has recently been re-graded. The community road and the Blue Rock Road leading to applicant's private road are also in good state of repair. These roads are shown on attached map.

(Acessability - Cont.)

A locked shack for storage facilities is located at Rock Mine Dump.

The Spruce Pine Government Mica Purchasing Depot is approximately 10 miles from the Rock Mine. Supplies, materials, and equipment are available in Spruce Pine.

The closest residence is approximately ½ mile from Rock Mine.

(e) Availability:

1. Manpower. Blue Rock Mining Company now employs an experienced miner (foreman) and additional miners as conditions determine.

2. Supplies. Sundry supplies are owned and stored by Blue Rock Mining Company.

3. Equipment. Blue Rock Mining Company has 105 gasoline air compressor, air hammer, hose, pipe, etc., but does not have core drilling equipment. Core drilling equipment can be locally (Spruce Pine) obtained.

4. Water. Adequate water is available 40 yards from Rock Mine.

5. Power. An electrical power line has been installed to within 150 yards of the Rock Mine.

5. THE EXPLORATION PROJECT:

Core Drilling: Applicant desires to core drill (2" minimum core) from the surface at two to six locations, and to depths of 20 to 150 feet. The proposed primary area of exploration is 10 to 40 yards North (east) of the Rock Mine and on lines of extensions of the general strike of the worked veins, the dip of the core drill holes to be determined by the angle that should intersect two or more extensions of the existing veins.

Applicant desires also to make a similar but less extensive exploration South (west) of the Rock Mine, and/or other nearby areas, north or south, as deemed advisable by D.M.E.A. geologists.

Shafting and/or Tunneling: In event core drilling indicates to D.M.E.A. and applicant that additional work should be done, applicant requests that necessary shafting and/or tunneling be initiated with D.M.E.A. participation, and included under this application. In this event, applicant will promptly submit cost estimate as determined by work to be performed.

Experience and Background of Applicants:

Mrs. Nancy C. Spoon (partner) - Mrs. Spoon has directly operated sheet mica mines in the Spruce Pine Area during the past 15 years. During the time of operation of Colonial Mica Corp. Mrs. Spoon developed and operated 13 mines, and operated many others. Her operating company was among the 10 largest mica producers during this period. She has subsequently operated and been interested in sheet mica mines in the area.

(Experience - Cont.)

W. H. Caffey, Jr. (partner) - The Blue Rock Mining Co. has been under direct full-time management of this partner since June 1956. Substantial work has been done at the Rock Mine during this period. Several other mines on applicant's property have been developed under management of Caffey. This partner is a graduate engineer (Georgia Tech) and has had considerable management experience.

John Carroll, Celo, N. C. (foreman) - Thirty years sheet mica mining experience, 15 years in foreman capacities. Carroll is native to the Spruce Pine area and has spent all his working years in sheet mica mining. Carroll's local reputation as a miner is excellent.

6. ESTIMATE OF COSTS:

Core Drilling:

(a) Independent Contracts: Applicant desires to contract entirely this phase of the exploration. Contractor would furnish all equipment, materials, supplies, labor, hauling, etc., pursuant to this complete operation, except that partner (Caffey) would supervise operation to insure satisfactory performance of contractor. Cost of general supervision is not included in any portion of cost estimates.

Estimated cost per foot -- $5.50 to $9.00

Estimated overall cost range (depending on number of holes, depth, location, etc., as determined finally by D.M.E.A.) - $700 to $2,800.

(b) Contengencies: 10% of core drilling contract.

Shafting and/or Tunneling: If core drilling results indicate shafting or tunneling, applicant will promptly furnish cost estimates based upon work required.

7. APPLICANTS PARTICIPATION IN COSTS.

Core Drilling: Applicant will furnish its share of costs in money.

Shafting and/or Tunneling: Applicant will furnish its share of costs in money, and in use of equipment owned by applicant.

August 24, 1956

RECEIVED
SEP - 3 1956

Mr. Covington, Cashier
Mr. Bailey, Director
Northwestern Bank
Burnsville, North Carolina

Gentlemen:

In accordance with our discussion this afternoon, I talked with Mr. Anglin about any liability for royalty that the Bank might have in connection with your signing the Government's Subordination papers, which I herewith submit.

Mr. Anglin advised me that under Section 3 of the agreement the Bank would only subordinate its rights to royalty from production, not guarantee that such royalties would be paid the Government.

Under Section 4 the Bank now has the certificate of title that we submitted at time of execution of loan. This section refers to "undersigned's (Bank's) right, title, etc." against the land. The Bank now has this specific information.

I request that the following be considered in reviewing our request:

1. The property contains 55 acres, of which only a 500' X 500' area is needed for the core drilling operation.

2. This identical area is now subject to 5% royalty payment to the Government, and additional assistance from the Government does not increase the per cent royalty.

3. Transfer of title, etc. of property is not affected by exploration loan. There has been a title transfer since the last exploration loan.

4. The exploration area does not lie in the 200-acres of maximum value (location of flake mica deposits). Bonified offers exceeding $30,000 have been made for purchase of the property.

5. The proposed core drilling operation of Blue Rock Mining Co. and the Government will increase the value of the property by locating additional mica deposits. This operation will cost over $1000 and should increase the value of the property many times this amount.

6. The undersigned has spent several weeks and considerable money preparing the detailed report necessary to receive D.M.E.A. assistance.

In view of the fact that the Bank's security many times exceeds the amount of the loan, and the fact that the exploration will better the Bank's position, I respectfully request that the enclosed forms be accepted and signed by the Bank. If the Bank must take exception to any of the provisions of the agreement, please so indicate on the agreements and execute them and I will forward them to D.M.E.A. for their consideration.

I will appreciate any cooperation that you may extend me.

Yours very truly,

BLUE ROCK MINING COMPANY

W. H. Caffey, Jr.

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RECEIVED
SEP - 3 1956

Box 875
Spruce Pine, N. C.
August 23, 1956

Mr. Robert A. Lawrence
Executive Office, D.M.E.A.
Room 13, Post Office Building
Knoxville, Tennessee

Dear Mr. Lawrence:

Enclosed is application for D.M.E.A. assistance for exploration of the Rock Mine, Blue Rock Area, Yancey County, North Carolina.

The D.M.E.A. has previously given loan assistance for exploration and work in this mine. This loan was granted for a limited and specific operation. Our company, Blue Rock Mining Company, has since explored, developed, and worked additional areas of this mine. Our reasons, therefore, for requesting further D.M.E.A. assistance are twofold: first, because we feel that our proposed core drilling operation will not limit results of the operations to a confined area as did the previous work, rather our proposed operation will give us a wide range result and may direct us to profitable mica deposits that should lie at several, rather than one, locations. And secondly, we feel that the subsequent work that we have done will further indicate locations of new deposits.

Thank you for your cooperation and your consideration of our application.

Respectfully submitted,

BLUE ROCK MINING COMPANY

By: W. H. Caffey, Jr.
W. H. Caffey, Jr., Partner

RECEIVED
AUG 29 1956
U. S. ... Survey
Geologic Division
Knoxville, Tenn.

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		RUN	RUN
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HIRSHFIELD REHASING SECTION SA BLDG.	RUN	Mary Bailey Room 4201 GSA	RUN
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U. S. Government Messenger Envelope

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3. Write clearly.

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	RUN		RUN
	STOP		STOP
Miss Wimmering Room 6244	RUN	Albert Gale Geophysics	RUN
	STOP		STOP
	RUN	Mabel Madden Room 6344 G.S. Bldg.	RUN
	STOP		STOP
	RUN	[illegible] Branch	RUN
	STOP		STOP
	RUN	Mr. Respet Room Building	RUN
	STOP		STOP
Survey Library	RUN		RUN
	STOP		STOP
	RUN	Mr. [illegible]	RUN
	STOP		STOP
Branch of Accounts	RUN		RUN
	STOP		STOP
	RUN	Mr. Sumida Room B-242 C.S.S.C.	RUN
	STOP		STOP
Mr. Spratt Rm 3243 GS Bldg	RUN	[illegible] Equipment Geol. Surv.	RUN
	STOP		STOP

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