DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4551

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(Withdrawn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

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

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

Left Side

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

Right Side

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

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

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

Left Side

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

Right Side

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

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

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

9776

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

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

RECEIVED 26 1956 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Mitchell State of North Carolina, described as follows: 2/

Beginning on an iron stake which is located 25' due North of the center of what is known as the Jane Prospect which is located 440' North 7° East from George Howell's dwelling house, as shown on deed recorded in Book #99, Page #551 in Register of Deeds Office in Bakersville, N.C., and running 250' North; thence 250' East; thence 500' South; thence 500' West; thence 500' North; thence 250' East to a point of closing. This property located on Mine Creek approximately 4 miles East of Bakersville, N.C.

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.

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 21st day of Nov, 1956.

E. E. Briggs	[Seal]	Burnsville NC	[Address]
Eloise Briggs	[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]

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED NOV 26 1956 D.M.E.A.

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. 4551
Metal or Mineral Mica
Date Received 11-26-56
Estimated Cost $10,200
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: Roy Grindstaff, Route #3, Bakersville, N.C.

c/o Sam L. Phillips, 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. Jane 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.

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. Now on file with DMEA.

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 November 26, 1956

Roy Grindstaff
(Applicant)

By Roy Grindstaff

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

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1956

MF-103 (Continuation sheet)

4. (a) This is a new prospect.

(b) No past production.

(c) With more exploration work we beleive we will recover some very good ruby mica.

(d) Project is accessible to roads and shipping.

(e) Manpower, supplies and equipment are available. Power is 200yds. away.

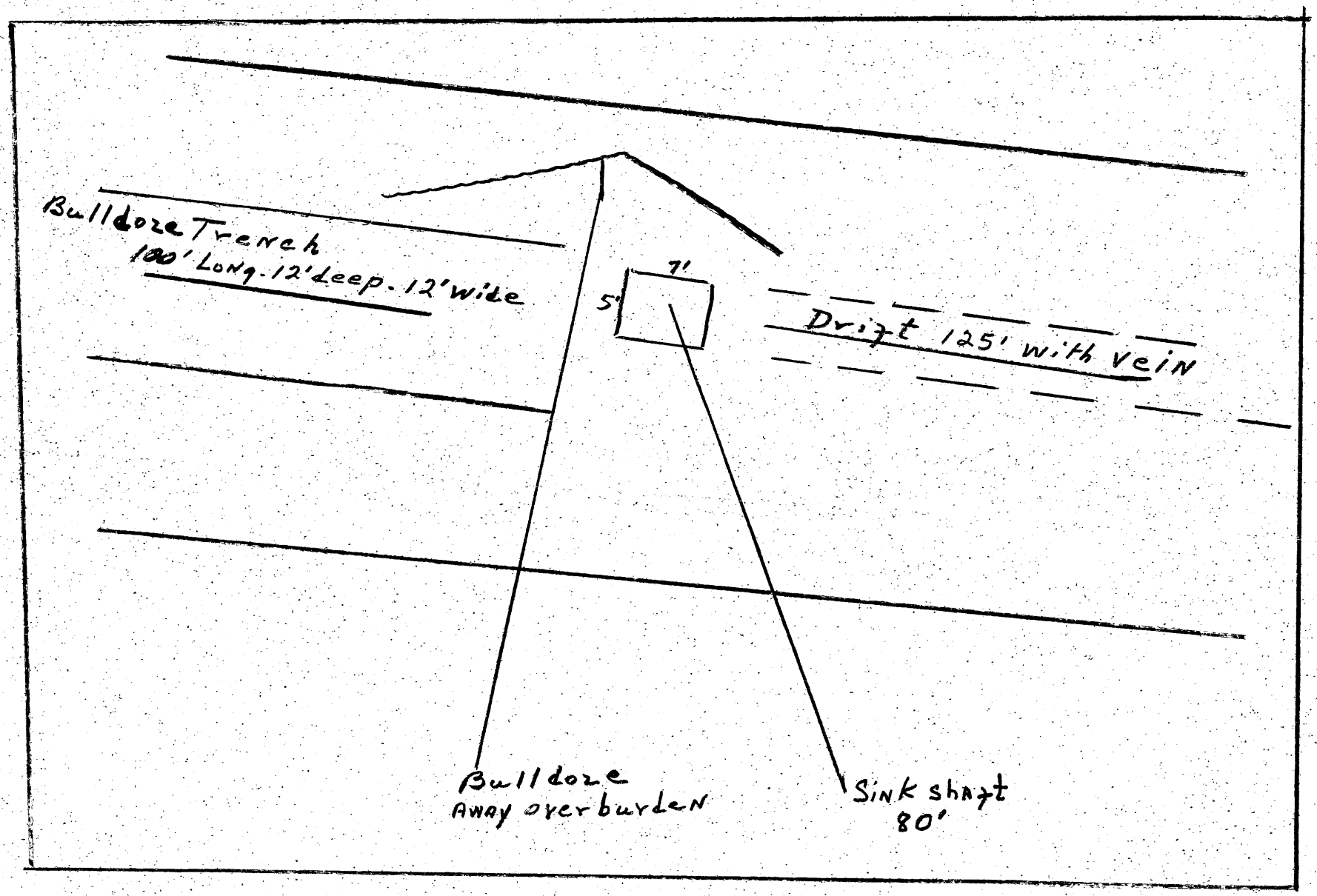
5. (b) We propose to bulldoze away overburden, cut a trench 100' long, 12' deep, and 12' wide, sink a shaft 80' deep, then drift with vein a distance of 125'.

6. Estimate of costs:

30 hours dozing @ $10.00 per hour - - - $	300.00
80' Shaft @ $60.00 per foot - - - - - -	~~4900.00~~ 4800.00
125' Drift @ $40.00 per foot - - - - - -	5000.00
Total estimated cost of project:	$10,200.00 10,100.00

Jane Prospect

Mitchell County



U. S. Government Messenger Envelope

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1. Use blocks consecutively, one at a
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
~~W. E. [illegible] W. O.~~	RUN / STOP	~~Personnel~~	RUN / STOP
Mr. ~~Lexrent~~	RUN / STOP	~~Mr. Daniel State~~	RUN / STOP
Dr. Schoeffler	RUN / STOP	Defense Mineral Exploration Ad	RUN / STOP
Director	RUN / STOP		RUN / STOP
~~[illegible]~~	RUN / STOP		RUN / STOP
~~Mrs. Terry Room 2520~~	RUN / STOP		RUN / STOP
~~Mrs. Ruth Grey Room 2515~~	RUN / STOP		RUN / STOP
Personnel ~~Mr. Lincoln 2524~~	RUN / STOP		RUN / STOP
~~Mrs. Shaw 4513~~	RUN / STOP		RUN / STOP
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16—

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DMEA Form 1

DEFENSE MINERALS EXPLORATION ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA Docket No. 4551

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Copies sent to:

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To:	600	Date	11/26/56
To:	Mr. Hopkins	Date	11-26-56
To:	130	Date	1-17-57
To:	110	Date	1-18-57
To:	100	Date	1-18-57
To:	225	Date	1-18-57
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DMEA Form 7
(12-56)

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Date	Surname	Code
1/17	Hopkins	600
1/17	Houk	600
1/18	Selfridge	130
1-18	Johnson	110
"	Mittendorf	100
		225

600

JAN 18 1957

Mr. Roy Grindstaff
C/O Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4551-Mica
Roy Grindstaff
Jane Prospect
Mitchell County, North Carolina

Kilgaard
Bishop

Dear Mr. Grindstaff:

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.

Careful study of all our information indicates to us that the probability of disclosing significant reserves of mica is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, 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 (fw)

Administrator

JHopkins:gad 1/17/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.B.

8623

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

January 17, 1957

Memorandum

To: Administrator

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

Subject: A denial of application and summary report

By: James Hopkins

1. Docket No. DMEA-4551-Mica
Property: Jane Prospect
Mitchell County, North Carolina
Applicant: Roy Grindstaff
c/o Sam L. Phillips
Spruce Pine, N. C.
Applicant's property rights: Lessee of a 500-foot square tract of land located on property of E. G. and Eloise Briggs, Burnsville, N. C. who executed the Consent to Lien and Subordination Agreement.
Application: Dated November 26, 1956
Work Proposed:

30 hours bulldozing @ $10.00/hr.	$300.00
80 feet of shaft @ $60.00/ft.	4,800.00
125 feet of drift @ $40.00/ft.	5,000.00
Total estimated cost	$10,100.00

No Contract - Application denied.

2. Comments:

Very little mica was observed in a pegmatite exposed in a trench 150' x 10' x 4' to 5' deep.

Mica: The ruby mica is small (2" to 3" maximum width) heavily stained and crinkled. Very little seen in place and only a few pieces were found in the muck.

Country rock, a weathered mica gneiss and schist is migmatized on the hanging wall. Its foliation strikes and dips with the pegmatite.

Pegmatite: The pegmatite exposed in a northeast pit is about 2" thick but towards the southwest it swells to a maximum of 10 feet in thickness.

The semi-weathered concordant body is fine-grained, feldspathic and quartz deficient, except for some small quartz masses in the center.

The Field Team recommends that the application be denied because the feldspathic body contains very little mica, most of which is non-strategic in quality.

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.

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DATE	INITIALS	CODE
		600

January 8, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA - 4551 (mica)

Applicant: Roy Grindstaff

Name and Location of Property: Jane Prospect
Mitchell Co, North Carolina

Date of Field Team Report: December 26, 1956

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: January 3, 1957

Field Team Recommendation: Recommends denial of application

Comments:

1. The Field Examiners report that the majority of the small quantity of mica observed at this prospect is small and of very poor quality.

2. Geological factors show that this deposit is unlikely to produce any sizable quantities of strategic mica.

Recommendation:

I concur with the recommendation of the field team for denial of the application.

W. F. Dietrich

W. F. Dietrich

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

IN REPLY REFER TO:

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DATE	INITIALS	CODE
		600

January 3, 1957
Re: DMEA 4551
Roy Grindstaff
Jane Prospect
Yancey County, N. C.
$10,200.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Report

The applicant requested assistance in exploring a 'new' pegmatite. No information concerning the occurrence was given, but to the applicant the mica-bearing potential appeared good.

The examiners found the pegmatite had been exposed for 100 feet in a strike trench 150 feet long, 10 feet wide, and 4 to 5 feet deep. The width of the pegmatite ranged from 2 inches to 10 feet. Very little mica was observed in place and only a few pieces were found in the muck. Most of the mica seen is small, heavily stained and crinkled.

To the examiners the mineralogy is unfavorable, and the mica-bearing potential is low. Therefore they and the Field Team recommend that the application be denied. I concur with the recommendation.

N. E. Nelson

N. E. Nelson

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
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DEC 28 1956
D.M.E.A.

December 26, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report : DMEA-4551, Jane Prospect (mica)
Mitchell County, N.C.

Transmitted are four copies of the subject examination report.

The Field Team concurs with the field examiners that due to the poor mineralogy and poor quality of the mica that this application should be denied.

V. J. Lynch

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

Helmuth Wedow

Helmuth Wedow, Geologist
U. S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE
12/31/56
(date)

Dr. Sitt
Jun

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DEC 28 1956
DMEA

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT

On

DMEA-4551, JANE PROSPECT -Mica
Mitchell County, N. C.

By

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

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

December 26, 1956

(Denial)

Reviewed by
DMEA OPERATING COMMITTEE
12/31/56
(date)

EXAMINATION REPORT

On

DMEA-4551, JANE PROSPECT Mica
Mitchell County, N. C.

Applicant: Roy Grindstaff, Route # 3, Bakersville, N. C.
c/o S. L. Phillips, Spruce Pine, North Carolina

Summary

It is recommended that the application be denied because of very poor mineralogy and texture. The few pieces of mica observed in the feldspathic body were small, heavy stained, and crinkled.

Introduction

The prospect is 6.15 air miles N 30° E from Micaville, Yancey County, North Carolina and about 1000 feet south of the Briggs Prospect near Mine Creek.

The examination was made December 12, 1956, with Mr. S. L. Phillips and Mr. Roy Grindstaff. One hour was spent on the property.

Geology

Very little mica was observed in a pegmatite exposed in a trench 150 feet long by 10 feet wide and 4 to 5 feet deep that trends N 60° E obliquely uphill.

Two 8- ft pits existed at opposite ends of the cut prior to the stripping. Pegmatite exposed in the NE pit is about 2 inches thick, but toward the SW the body swells out to a maximum of 10 feet in thickness. The exposure is about 100 feet long, trending N 60° E with the cut. The dip is 65° SE.

The semi-weathered concordant body is fine-grained, feldspathic,

and quartz deficient, except for some discontinuous small quartz masses in the center.

The ruby mica is small (widest about 2 to 3 inches), heavily-stained, and crinkled. Very little mica was observed in place, and only a few pieces were found in the muck.

The country rock, a weathered mica gneiss and schist, is migmatized on the hanging wall. Its foliation strikes and dips with the pegmatite.

Recommendations

This feldspathic body contains very little mica, most of which is non-strategic in quality; therefore, it is recommended that the application be denied.

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

December 12, 1956

L. E. Shirley, Mining Engineer
Bureau of Mines

Mr. Houk,
This prospect was turned down.
Thanks,
Sam

RECEIVED
DEC 25 1956
D.M.E.A.

Spruce Pine, North Carolina
December 11, 1956

Mr. Lawrence G. Houk, Chief
Nonmetallic Minerals Division
U.S. Dept. of the Interior, D.M.E.A.
Washington 25, D.C.

Dear Mr. Houk:

Re: DMEA-4551-Mica
Roy Grindstaff
Jane Prospect
Mitchell County, North Carolina

We are having another lease executed, and will mail it to you as soon as it is returned to us.

The length of the pegmatite in the above named is unknown, because we will have to do some bulldozing to find out the width. Where we have uncovered it is from 3' to 4' wide, it is hard to determine the mica content of the pegmatite, because very little of the vein is exposed. The demination of the excavation in which it is exposed is the width of a dozer blade or approximately 10 feet.

We are enclosing a cost breakdown. One of the reasons for the increase of cost in this work is the minimum wage-law which came into effect March 1st. of this year. It is true that most people prior to March 1st. were receiving $1.00 an hour, but an increase in the lower bracket increased the salary of the more skilled workers.

If any further information is necessary, please let us know.

Sincerely yours,

Sam L. Phillips

Enclosures
P/j

Docket Copy
Surname:

Hopkins
Houk
Mathewson

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

DEC - 7 1956

Mr. Roy Grindstaff
C/O Mr. Sam L. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4551-Mica
Roy Grindstaff
Jane Prospect
Mitchell County, North Carolina

Dear Mr. Grindstaff:

Reference is made to your application for exploration assistance on the subject property, dated November 26, 1956.

It is noted that the information given in Item 4(a) of your application is very indefinite. We will appreciate receiving more information on the length and width of the pegmatite, its mica content, and the dimensions of the excavation in which it is exposed. In connection with your estimate of costs which are in excess of those allowed in previous work of this nature, please submit a breakdown that will show your justification for your estimated costs.

It is also noted that the last paragraph of your lease, dated November 21, 1956, provides for termination by the lessor on 30 days notice if "mineral.....of practical value for mining purposes" has not been found on the property within a period of two months from the date of the lease. This provision is not acceptable to this Administration because the limited period is of insufficient duration to complete an exploration project. We are returning your lease and suggest that you obtain a lease that does not place a limitation on exploration work that is carried on in a diligent manner.

Upon receipt of a new lease and the additional information we will continue to process your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief,
Nonmetallic Minerals Division

Enclosure

JHopkins:gad 12/7/56

Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

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

RECEIVED 1956 DMEA

November 28, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA- 4551 (mica)

Applicant: Roy Grindstaff

Name and Location of Property: Jane Prospect
Mitchell County

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 11/26/56

Comments:

1. This is a new prospect.

2. 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.

3. Proposed exploration is not explicit and the estimate of expenditures should be made on a unit-cost basis.

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

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

IN REPLY REFER TO:

RECEIVED
NOV 28 1956
D.M.E.A.

November 27, 1956

Re: DMEA 4551
Roy Grindstaff
Jane Prospect
Mitchell County, N. C.
$10,200.00 - Mica

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring a pegmatite which he calls a 'new prospect.' No information concerning it is given, except that to the applicant it looks like it should be ruby mica-bearing.

A staged work program may be warranted, bulldozing to be the Stage I work.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

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

November 26, 1956

Mr. Roy Grindstaff
c/o Mr. Sam L. Phillips
Spruce Pine, N. C.

Subject: DMEA-4551

Dear Mr. Grindstaff

Your application for exploration assistance, dated November 26, 1956 submitted to our office at Knoxville, has been assigned Docket Number DMEA-4551 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

Region V. Knoxville, Tennessee

Code 600

6816