DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4598

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(Withdrawn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

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 JAN 22 1957 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 a stake located in the center of what is known as the Squibb Prospect, which is located North 60 degrees East 1490 feet to the Squibb Phillips dwelling house, and running 300' North, 300' West, 500' South, 500' East, 500' North, 200' West to a point of closing. This property located approximately three and one half miles North-West of C.R. Phillips store. Deed recorded in Register of Deeds Office in Bakersville, N.C., Book #116, Page #161.

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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 7th. day of January, 1957.

R. B. Phillips [Seal] _____ [Address]

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

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Docket No. DMEA-
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Operator
Docket No. DMEA-
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[Corporate Seal]

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 7th. day of January, 1957 ~~1955~~,

between R.B. Phillips

of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Brown Sparks

of Mitchell 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:

Beginning on a stake located inthe center of what is known as the Squibb Prospect, which is located North 60 degrees East 1490 feet to the Squibb Phillips dwelling house, and running 300' North, 300' West, 500' South, 500' East, 500' North, 200' West to a point of closing.This property located approximately three and one half miles North-West of C.R. Phillips store. Deed recorded in Register of Deeds Office in Bakersville, N.C. Book #116, Page #161.

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: R B Phillips (Seal)

(Seal)

Kenneth R McKinney Notary Public (Seal)
My comm Exp 8/17/57

MINING LEASE

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of Mitchell County and State of North Carolina as party of the first part, and known as lessor, and Brown Sparks

of Mitchell 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:

Beginning on a stake located in the center of what is known as the Squibb Prospect, which is located North 60 degrees East 1490 feet to the Squibb Phillips dwelling house, and running 300' North, 300' West, 500' South, 300' East, 500' North, 300' West to a point of closing. This property located approximately three and one half miles North-West of C.R. Phillips store. Deed recorded in Register of Deeds Office in Bakersville, N.C. Book #116, Page #181.

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: _____ (Seal)

_____ _____ (Seal)

_____ (Seal)

MINING LEASE

North Carolina Mitchell County

Indenture made this 7th day of January, 1957 [illegible],

Geo. Phillips

Mitchell County and State of North Carolina as party of the first part and known

, and Brown Sparks,

Mitchell County and State of North Carolina, party of the second part and known

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 term 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:

Beginning on a stake located in the center of what is known as the Squibb Property which is located North 60 degrees East (49) feet to the Sparks Phillips dwelling house, and running [illegible] North, [illegible] West, [illegible] South [illegible] East, [illegible] North, [illegible] to a point of closing. This property located approximately three [illegible] half miles North-West of Geo. Phillips store. Deed recorded in Register of Deeds Office in Bakersville, N.C. Book [illegible], Page [illegible].

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the said period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly right and to conduct to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining and that he shall have the right to erect such buildings as he needs to carry on such mining operations during the of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to herein leased during the period of this lease and the continuance of said lease, but the said party of the second part the right to take from said lands leased to the party of the second part any wood or timber the party of the second need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by And it is hereby agreed that the party of the second part, the lessee, is to have right of way of ingress and egress 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 party of the first part, or his or their heirs or assigns, a rental royalty of 1/8 (One-Eighth)

minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five This said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid 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 this lease and to extend the period of its running for an additional five years from the date of its present termination, shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And 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 to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this

for a total purchase price of _____, said purchase price to be paid in full within three years from the date instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalty a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to party of the second part and that a tender of the remaining purchase price at any time within the next three years shall 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 within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any unavoidable accidents excepted.

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

_____ (Seal)

Witness.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED JAN 9 1957 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. 4598
Metal or Mineral Mica
Date Received 1-9-57
Estimated Cost $9,100
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:

Brown Sparks
c/o Sam 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 attached lease.

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

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

(*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 Not land owner

(*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 attached 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 proje* State the mineral or minerals for whic h 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 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 1-7-57, 195--

Brown Sparks
(Applicant)

By Brown Sparks

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) This mine has been mined some years ago, applicant has no interest in previous operations.

(b) No records available.

(c) With exploration work we belive we will find some good quality ruby mica.

(d) Bulldoze road access.

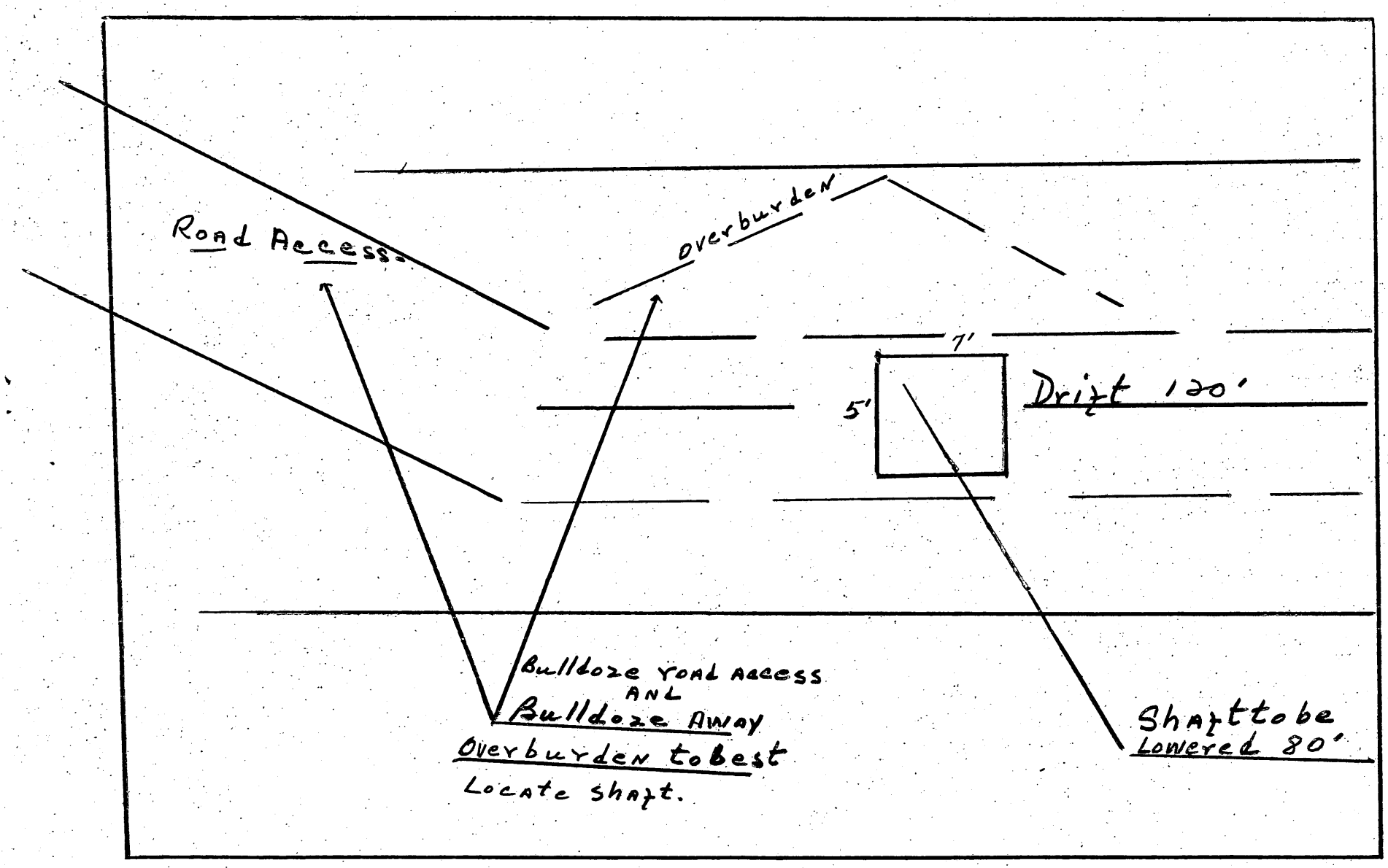
(e) Manpower, equipment and supplies available, power is approximately 1200' away.

5. (b) We propose to bulldoze road access, and bulldoze away overburden to best locate shaft, then lower a 5' x 7' shaft a depth of 80' and drift with vein a distance of 120'.

6. Estimate of cost:

30 hrs. Bulldozing @ $10.00 - - - - -	$ 300.00
80' Shaft @ $50.00 - - - - - - - - - - -	4000.00
120' Drift @ $40.00 - - - - - - - - - - -	4800.00
Total estimated cost of Project:	$ 9100.00

Squibb Prospect
Mitchell County, N.C.



Form 7
(2-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/25	Johnson	600
3/26	Houk	600
3/27	Selfridge	130
"	Johnson	110
"	Mittendorf	100
3/28	C	220
		425

600

MAR 27 1957

Mr. Brown Sparks
c/o Mr. Sam Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4598-Mica
Brown Sparks
Squibb Prospect
Mitchell County, North Carolina

Kilsgaard
Land

Dear Mr. Sparks:

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

WCAnderson:gad 3/25/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

March 25, 1957

Memorandum

To: Mr. C. O. Mittendorf, Administrator

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

Subject: Evaluation of application and field examination report
Docket No. DMEA-4598-Mica
Brown Sparks
Squibb Prospect
Mitchell County, North Carolina

Denial of application is recommended.

Mica: Residual mica scrap, average two inches across, light greenish-brown, flat to flat-A, large proportion is bent, wavy and cracked.

Pegmatite: Two to ten feet thick, exposed for strike length of 30 feet, discordantly emplaced in a badly weathered mica gneiss, composed of 85% potash feldspar, 5% fine-grained kaolinized plagioclase, about 8% quartz, and mediocre-quality muscovite.

Workings: Shallow 35 by 40 foot bulldozer cut.

Past Production: No record available.

Applicant's Proposal:

30 hours bulldozing @ $10/hr.	$300.00
80 feet of shaft @ $50/ft.	4,000.00
120 feet of drift @ $40/ft.	4,800.00
Amount requested	$9,100.00

Recommendation: Because of the unfavorable mineralogical environment and the small quantity and poor quality of mica, the Field Team recommends denial of the application. The Nonmetallic Minerals Division and the commodity members of the Bureau of Mines and the Geological Survey concur.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 21 1957

DATE	INITIALS	CODE
3/21	C	220
		600

March 20, 1957

Re: DMEA 4598
Brown Sparks
Squibb Prospect
Mitchell Co. N. C.
$9,100 - Mica

Memorandum

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

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

Subject: Review of Field Team Report.

The applicant requested assistance in exploring a pegmatite which, to him, looked like it might be a mica-bearer.

The examiners found the 2-10 foot pegmatite had been exposed in a shallow excavation for 30 feet. The mica to be seen in place is small in amount, 2%, and mediocre in quality as is the mica scattered about the dumps.

Because of the poor indicated mineralogical environment and the marginal quantity and quality of the muscovite the examiners and the Field Team recommend that the application be denied.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 12 1957

DATE	INITIALS	CODE
3/12	C	220
3/13	Anderson	600
~~March 11, 1957~~		

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4598 (mica)

Applicant: Brown Sparks

Name and Location of Property: Squibb Prospect, Mitchell County, N. C.

Date of Field Team Report: 2/27/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 3/6/57

Field Team Recommendation: Recommend denial of application.

Comments:

1. A shallow 35 by 50 foot bulldozer cut has exposed pegmatite for about 30 feet along strike.

2. The mica observed appears to be mediocre in quality and rather scarce in quantity.

3. 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 that the application be denied.

W. F. Dietrich

W. F. Dietrich

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 1 1957

DATE	INITIALS	CODE
3/1	C	220
		1305
3-7	C	220
		600

February 27, 1957

Memorandum

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

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

Subject: Docket No. DMEA-4598 - Examination Report
Brown Sparks, c/o Sam L. Phillips, Spruce Pine, N.C.
Squibb Prospect (mica), Mitchell County, North Carolina

Enclosed are the original and three copies of the above designated examination report.

The Field Team agrees with the recommendation by the field examiners that the application be denied.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
3-6-57
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 1 1957

DATE	INITIALS	CODE
		130
		220

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT, REGION V

On

DMEA-4598 (mica) SQUIBB PROSPECT
Mitchell County, North Carolina

By

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

and

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

February 26, 1957

Reviewed by
DMEA OPERATING COMMITTEE
3-6-57
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 1 1957

DATE	INITIALS	CODE
		130
		220

FIELD EXAMINATION REPORT

On

DMEA-4598 (mica) SQUIBB PROSPECT

Applicant: Brown Sparks, c/o Sam Phillips, Spruce Pine, N. C.

Summary

A discordant, northeast-southwest trending pegmatite has been exposed for about 30 feet along strike. It exhibits a rather poor mineralogic environment for the presence of strategic muscovite, consisting of a predominance of potash feldspar and graphic-textured material. What muscovite was observed, appeared to be mediocre in quality and rather scarce in quantity. From the above observations, the examiners believe that the prospect has little mica potential and should be denied DMEA assistance.

Introduction

Location

The prospect is situated on the southeast slope of Burns Mountain at an elevation of approximately 3000 feet. It is 3900 feet N. 77° W. of the intersection of the Snow Creek Road and State Highway 26 (194). Micaville, N. C. quadrangle USGS-TVA Ed. 1934 (209 NW), 1:24,000.

Examination

An examination was conducted on February 5, 1957, over a period of about one hour. The examiners were accompanied by Messrs. R. B. Phillips, and Ben Grindstaff.

A shallow 35 x 50 foot bulldozer cut has exposed pegmatite for about 30 feet along strike. A fairly good jeep trail has been constructed from the R. B. Phillips mine access road for a distance of about 2000 feet to the prospect site. Nothing is known of the history of the site or of any possible mica production. There are no buildings, equipment, or other improvements present at the site.

Geology

A 30-foot exposure of pegmatite in a shallow bulldozer excavation indicates a structure with an attitude of N. 45° E. 75° SE discordantly emplaced in a badly weathered mica gneiss which strikes generally N. 75° E. and dips 45° SE. Pegmatite tapers or thins from a thickness of about 10 feet near the middle of the cut to a thickness of about 2 feet southwestward at the southwest rim of the excavation.

The pegmatite is composed of about 85% potash feldspar (mostly perthite), about 5% fine grained kaolinized plagioclase, about 8% graphically intergrown and rarely massive quartz, and the remainder mediocre-quality muscovite.

Residual muscovite scrap was seen in sheets up to 6 inches across, but the average was no more than 2 inches across. It is a light greenish-brown in color, flat to flat-A and essentially free from mineral intergrowths. There is a large proportion of bent, wavy and cracked sheets at the site.

Conclusions and Recommendations

The poor indicated mineralogical environment, and the marginal quality of the muscovite present at the site indicate that sufficient exploration has been conducted on this prospect to outline its mica-potential. There is not enough positive evidence at the prospect site for the examiners to recommend any further exploration work.

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

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

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

g

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-14	Anderson	600
1/15	Houk	600
1/16	Selfridge	130
	Bergman	110
1/16	Mitchell	100
1-17	cwd	220

600

600

JAN 16 1957

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

Re: Docket No. DMEA-4598-Mica
Brown Sparks
Squibb Prospect
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated January 10 and 11, 1957, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed. There is also enclosed a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb
Member, Bureau of Mines

N. E. Nelson
Member, Geological Survey

Enclosures 5

WCAnderson:gad 1/14/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1-14	Anderson	600
1-15	Houk	600
1/16	Selfridge	130
	Johnson	110
1/16	Mittendorf	100
1-17	CWT	220

600

JAN 16 1957

Mr. Brown Sparks
C/O Mr. Sam Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4598-Mica
Brown Sparks
Squibb Prospect
Mitchell County, North Carolina

Nelson
Lamb
600

Dear Mr. Sparks:

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,

C. O. Mittendorf (fw)

Administrator

WCAnderson:gad 1/14/57
Copy to: Admr. R. File
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P.S. The enclosed lease and the Consent to Lien and Subordination Agreement (five copies) are returned for correction. The last call should be 200' west instead of 300'. The beginning point is not centrally located but 100' south of the center.

Enclosures 6

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

WASHINGTON 25, D. C.

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DMEA
RECEIVED JAN 14 1957
DATE | INITIALS | CODE
1-14 C 220
600

January 11, 1957

Mr. Brown Sparks
c/o Sam L. Phillips
Spruce Pine, North Carolina

Re: DMEA-1598 (Mica)
Squibb Prospect
Mitchell County, North Carolina

Dear Mr. Sparks:

We have received a copy of your application from the Washington office. In reviewing the application, I note that the lease is described as "Beginning on a stake located in the center of what is known as the Squibb Prospect." The location of this stake is not shown on the map attached to the application.

It should be noted that a stake in the center of the prospect is quite likely to be destroyed by the bulldozing. Care should be taken to locate such stakes outside the area of actual exploration to avoid such destruction, and they should be shown to our field examiners at the time of the examination.

Very truly yours,

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

RAL/mg
cc
Operating Committee (2)
Lynch
Shirley
Files

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

A

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DMEA
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		600
January	11, 1957	

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4598 (mica)

Applicant: Brown Sparks

Name and Location of Property: Squibb Prospect, Mitchell County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/9/57

Comments:

1. Applicant reports this is an old mica mine but no data available in this office on subject mine.

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. There apparently is an error in the lease description; either the first leg or last leg of the traverse should read 200 feet for closure.

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.

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RECEIVED JAN 11 1957

DATE	INITIALS	CODE
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January 10, 1957

Re: DMEA 4598
Brown Sparks
Squibb Prospect
Mitchell County, N. C.
$9,100 - 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 in which he believes he will find some good quality mica.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

January 9, 1957

Subject: DMEA-4598

Mr. Brown Sparks
c/o Sam Phillips
Spruce Pine, N. C.

Dear Mr. Sparks

Your application for exploration assistance, dated January 7, 1957 submitted to our office at Knoxville, has been assigned Docket Number DMEA-4598 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,

(Sgd) Allen S. Dakan

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

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