DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

DMEA NO. 4683

1104

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(Withdrawn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

2 JUL 1957

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

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Report of:

Frank W. Phillips and Ramey Bean

Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E1104, DMEA No. 4683, for the month of August 1957, covering a project for the exploration of mica on property, known as the Mauney Mine located in Cleveland County, North Carolina.

My review included an examination of the Monthly Report (Form MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

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

Total cost as billed by Contractor		$166.80
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$166.80

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of One hundred twenty-five and 10/100 Dollars

$125.10

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert

E. D. Talbert, Auditor

October 14, 1957

Government's Copy

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 7 1957

DATE	INITIALS	CODE

MF-200A
(Rev. April 1956)

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

DMEA No.	Commodity	Contract No. Idm-E	County	State
4683	Mica	1104	Cleveland	North Carolina

It is agreed 2 JUL 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Frank W. Phillips and Ramey Beam, partners

whose mailing address is Spruce Pine, North Carolina

hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before AUG 10 1957, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $6,064.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,548.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ARTICLE 10. *Changes and added provisions.*—

Long
Dunlap
"Appd. Sol. Off."
Anderson
York
Chambers
Selfridge
Johnson

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Frank W. Phillips
(Operator)
Frank W. Phillips, PARTNER

By C. Mitteudorf
Administrator, Defense Minerals
Exploration Administration

By Ramey Beam
Ramey Beam, PARTNER

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

.....

[CORPORATE SEAL]

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

EXPLORATION PROJECT CONTRACT
FRANK W. PHILLIPS AND RAMEY BEAM
DOCKET NO. DMEA-4683

ANNEX I

The land referred to in Article 2 of the contract, known as the Mauney Mine, is situated 2.82 miles S. 12° E. of B.M. 1079 in the center of Polkville, Cleveland County, North Carolina. The Operator is in possession by virtue of a lease dated FEB 20 1957 from George W. Simmons and wife, Glennie L. The leased area consisting of 8.3 acres is part of parcels 1 and 2 conveyed to the lessors by S. S. Mauney and wife, Rachel, by deed dated August 1, 1950, recorded in Cleveland County, North Carolina, in book 6-K, page 535.

The 8.3 acre tract is shown on Map No.1, Mauney Mine, DMEA-4683, attached and made a part hereof, and is described as follows:

> Beginning on the center of an old open cut, 20 feet by 30 feet across, which is 900 feet North 10 degrees East from a stone corner; thence 300 feet due North, thence 300 feet due East, thence 600 feet due South, thence 600 feet due West, thence 600 feet due North, thence 300 feet due East to the point of closure.

MF-205
(Combines and supercedes MF[illegible]1 and MF-203)
June 1956

For Government's Use Only
EXP[illegible]ATION PROJECT CONTRACT
Operator _____
Docket No. DMEA- _____
Contract No. Idm-E 1104
Contract Date 2 JUL 1957

RECEIVED MAR 14 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 Cleveland, State of North Carolina described as follows: 2/

_____

_____

_____

_____,

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.)

_____

_____

_____

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 1st day of March, 1957.

George M. Simmons	[Seal]	726 West C St. Newton N.C.	[Address]
Glennie L. Simmons	[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]

Beginning on the center of an old open cut 20' x 30' across, known as the Mauney Mine which is 900 feet North 10 degrees East from a stone corner described in a dee made by and between S. S. Mauney and his wife Rachael Mauney, dated August 1st, 1950, described as being the 3rd corner in Lot No. 7.

The lease as described lies pertly on Parcel No. 2 described in the above deed and between the same parties.

From the center of the Mauney Mine as described above, thence 300 feet due North thence 300 feet due East, thence 600 feet due South, thence 600 feet due West, thence 600 feet due North, thence 300 feet due East to the point of closure

EXPLORATION PROJECT CONTRACT
FRANK W. PHILLIPS AND RAMEY BEAM
DOCKET NO. DMEA-4683

EXHIBIT A

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the attached Map No. 2 entitled "Geological Map of the Mauney Mine, Cleveland County, North Carolina, DMEA-4683 (mica)", attached and made a part hereof. The work is divided into two stages. The Operator shall complete Stage I, and shall perform as much of the Stage II work as the Government approves in writing.

STAGE I

At right angles to the projected strike of the pegmatite, excavate a trench 100 feet long by 15 feet wide by 10 feet deep, aggregating not more than 556 cubic yards of excavation.

STAGE II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 feet.
(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.
(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch

softwood lumber; and shall be braced at the corners. No metal shall be exposed; and the doors shall be equipped with the equivalent of a 5-tumbler jarproof lock.

2. From the bottom of the trench, at a location to be approved by the Government, sink a two-compartment shaft a distance of not more than 60 feet.

3. Explore the pegmatite by driving, from or near the bottom of the shaft, not more than 100 feet of drifts and/or crosscuts.

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

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

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

Fixed Unit Costs

Stage I

Excavate trench, 556 cubic yards @ $0.30/cu.yd. (rounded)	$ 167.00	
Total estimated cost of Stage I		$ 167.00

Stage II

1. Construct:

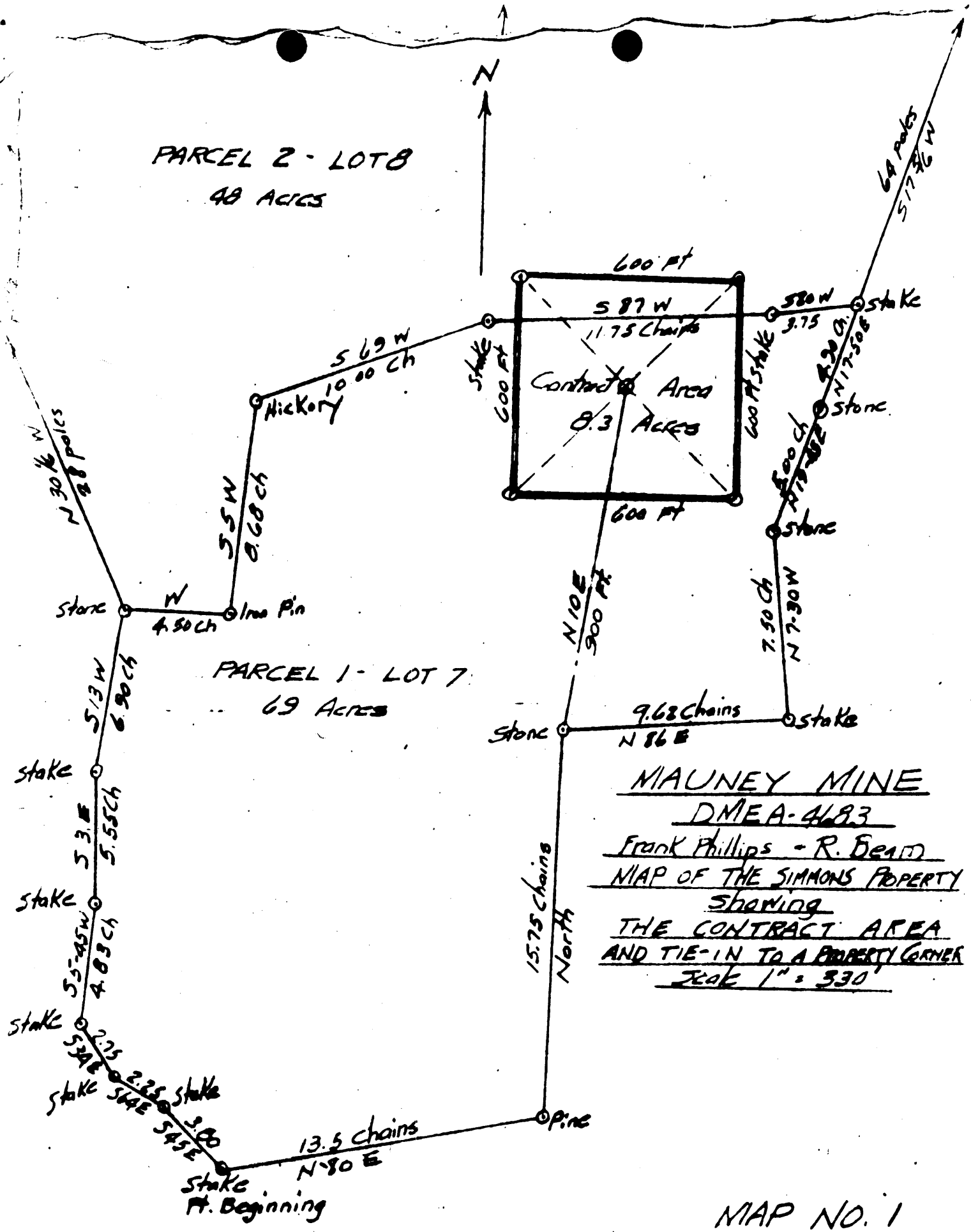
Toolhouse 1/	$77.00	
Powder magazine 1/	25.00	
Exploder magazine 1/	15.00	$ 117.00

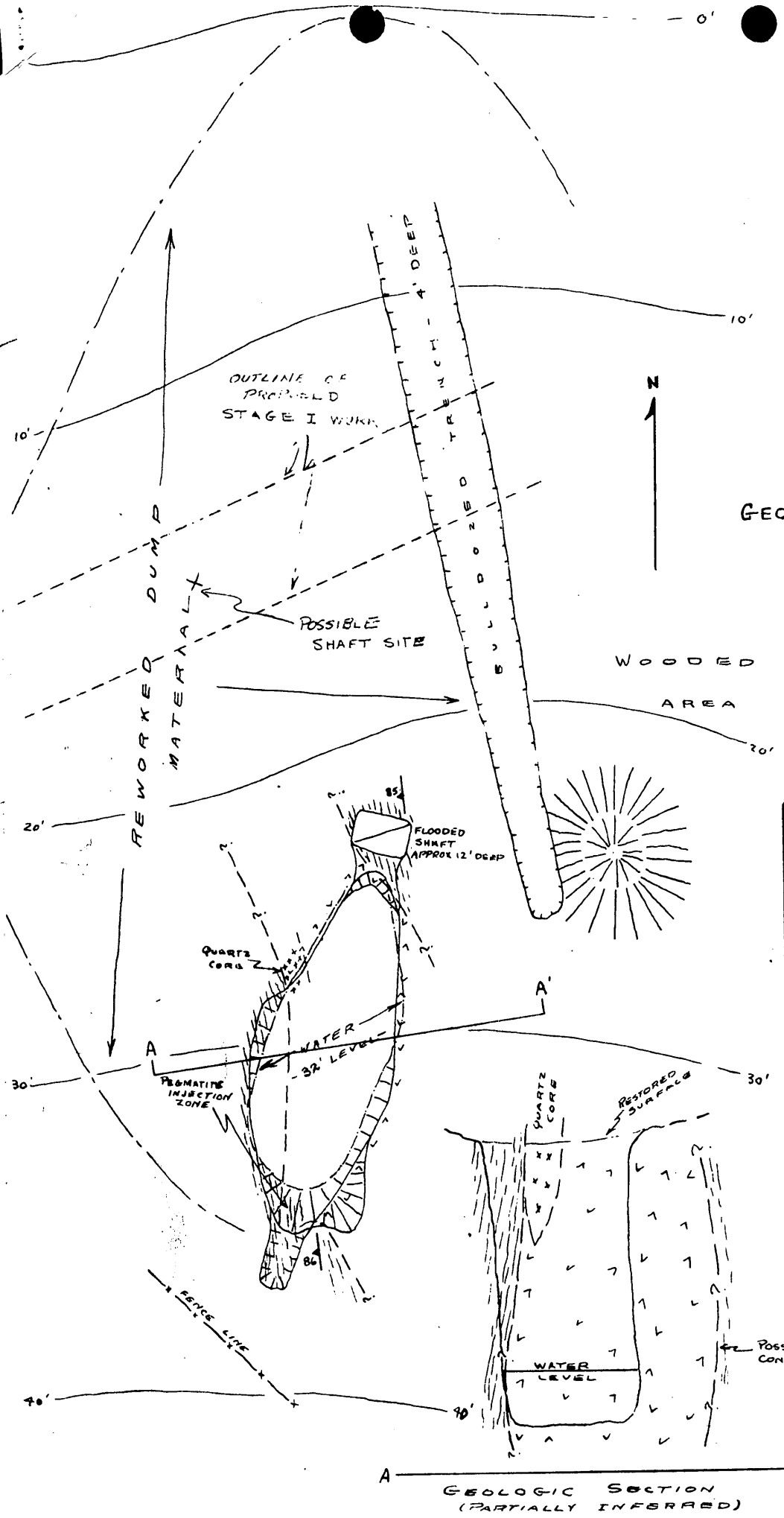
2. Sink shaft--60 feet @ $43.00/ft.	$2,580.00	
3. Drift and/or crosscut--100 feet @ $32.00/ft.	3,200.00	
Total estimated cost of Stage II		$5,897.00

S U M M A R Y

Estimated total cost of Stage I	$ 167.00
Estimated total cost of Stage II	$5,897.00
Estimated total cost of project	$6,064.00
Government participation @ 75%	$4,548.00

1/ The completed work constitutes the unit.


N
PARCEL 2 - LOT 8
48 Acres
600 ft
S 87 W
11.75 Chains
S 80 W
3.75
Stake
64 poles
S 17 46 W
S 69 W
10.00 Ch
Stake
600 ft
Contract Area
8.3 Acres
600 ft Stake
4.30 Ch.
N 17-50 E
Stone
Hickory
N 30 W
48 poles
S 5 W
9.68 Ch
600 ft
5.00 Ch
N 17-50 E
Stone
Stone
W
4.50 Ch
Iron Pin
N 10 E
900 ft
7.50 Ch
N 7-30 W
PARCEL 1 - LOT 7
69 Acres
S 13 W
6.90 Ch
9.68 Chains
N 86 E
Stone
Stake
Stake
S 3 E
5.55 Ch
Stake
S 55-45 W
4.83 Ch
15.75 Chains
North
Stake
S 45 E
2.25
Stake
S 64 E
2.25
Stake
S 45 E
3.00
13.5 Chains
N 80 E
Pine
Stake
Pt. Beginning
MAUNEY MINE
DMEA-4683
Frank Phillips - R. Beam
MAP OF THE SIMMONS PROPERTY
Showing
THE CONTRACT AREA
AND TIE-IN TO A PROPERTY CORNER
Scale 1" = 330
MAP NO. 1



GEOLOGIC SECTION
(PARTIALLY INFERRED)

EXPLANATION

- MAGIOCLASE - PERTHITE - QUARTZ - MUSCOVITE PEGMATITE
- MILKY QUARTZ CORE
- MUSCOVITE - BIOTITE - GARNET SCHIST, LOCALLY GRANITIZED & INJECTED BY PEGMATITIC MATERIAL.
- 85 STRIKE & DIP OF SCHISTOSITY
- CONTACT, DASHED WHERE APPROXIMATELY LOCATED
- CONTACT, POSSIBLE
- DUMP
- CUT

MAP NO. 2

GEOLOGIC MAP OF THE MAUNEY MINE

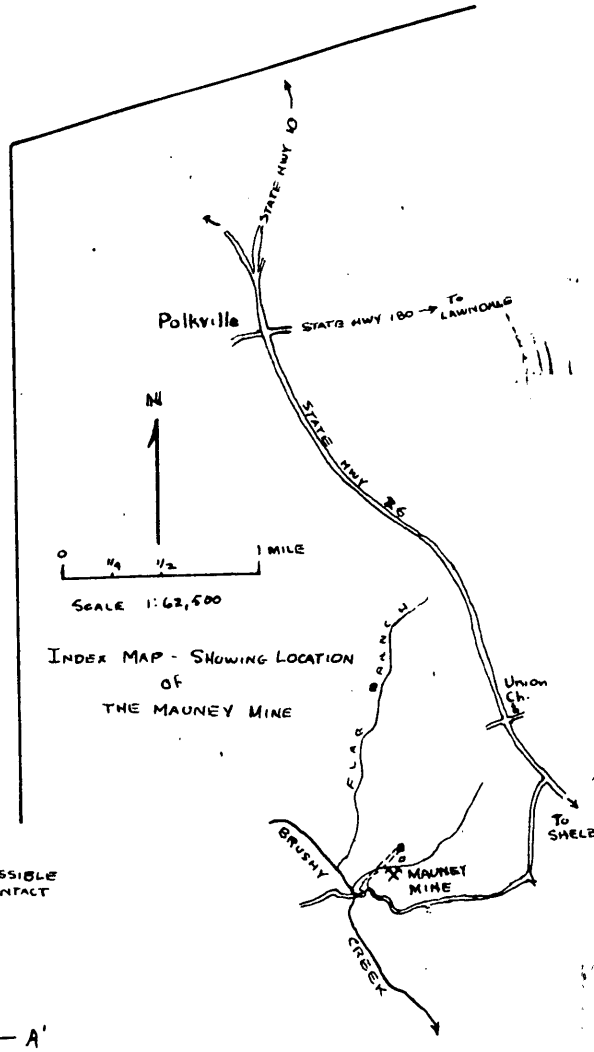
CLEVELAND COUNTY, NORTH CAROLINA

DMEA 4683 (MICA)

SCALE 1" = 20'

4/22/57

MAPPED BY TAPE OF PACE & BRUNTON COMPASS



INDEX MAP - SHOWING LOCATION OF THE MAUNEY MINE

G.L.B.

MINING LEASE

State of North Carolina Cleveland County:

This indenture made this 20th day of February, 1957

between George M. Simmons and wife Glennie L. Simmons

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

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

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

This lease is to cover lands conveyed from George Simmons and wife Glennie L. Simmons made to them from S. S. Mauney and his wife Rachel Mauney recorded in the office of the Register of Deeds for Cleveland County, N. C. On November 15, 1950, in book 6-K page 535.

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

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: Sworn to and subscribed before me this 1st day of June 1957
Witness my hand and official seal.

J M Foster
Notary Public

My comm. ex. 5-15-58

George M Simmons (Seal)

Glennie L. Simmons (Seal)

_____ (Seal)

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RECEIVED JUN 24 1957

DATE	INITIALS	CODE

MINING LEASE

[illegible] Carolina Cleveland County

[illegible] made this 20 day of February [illegible]/7

J. R. Beam & Frank Phillips

Avery [illegible] State of No[illegible]

George M. Simmons & wife Glennie L. Simmons

Cleveland County [illegible] known

[illegible]ETH, That the part[illegible] of the first part [illegible] of One Dollar in hand received [illegible] and in consideration of the [illegible] second [illegible]ned, hereby bargains, leases and grants to the party of the second [illegible] for the [illegible] from the date of this agreement, the following described real property, [illegible] County [illegible]ve written to wit:

[illegible] HOLD the said lands [illegible] for the [illegible] years in compliance with the condition of this insurance, [illegible] to dig, [illegible]xplore for, obtain, and remove any kind of minerals, metals or fossils, and [illegible] extent the said party of the second part, the lessee, may desire. And it is [illegible] that the party of the second part is to have the use of any unoccupied [illegible] that he shall have the right to erect such buildings as he needs to carry on such [illegible] lease, and that the party of the second part shall keep the same in as good condition as when [illegible] excepted. And it is also agreed by the party of the second part that no unnecessary damage [illegible] herein leased during the period of this lease and the continuance of said lease, but the said party [illegible] the right to take from said lands leased to the party of the second part any wood [illegible] to carry on said mining operations or which may be needed to carry on the [illegible] new buildings or sheds on said lands. (Timber of high or special market value is excepted and [illegible]) And it is hereby agreed that the party of the second [illegible] the lessee, is to have right-of-way of ingress and [illegible] land upon which exploration is being conducted.

[illegible]THER AGREED That the party of the second part, the lessee hereby agrees [illegible]

[illegible] his or their heirs or assigns, a rental royalty of [illegible]

[illegible] taken and sold from said mines which shall be for the use of the said la[illegible] amounts shall be payable on the computation of selling bills or the [illegible] the previous month. Any minerals other than those set forth above which may be taken and [illegible] royalty rate of the minerals taken.

IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the [illegible] lease and to extend the period of its running for an additional five years from the date of its [illegible] be exercised by giving formal written notice to the party of the first part or by the continuat[illegible] being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with [illegible] any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And [illegible] the lessee may assign this mining lease or any part thereof and that [illegible]

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

IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining [illegible] within a period of two years from the date of this instrument, the lease may be terminated by the lessee [illegible] on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the [illegible] on said mines or exploration for new mines within the area leased shall not cease [illegible] than [illegible]able accidents excepted.

[illegible]ESS our hands and seals the day and year first above written.

George M. Simmons (Seal)

Glennie L. Simmons

C. B. Elliott N.P.

My comm expires 3/15/57

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED MAR 14 1957 DMEA

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. 4683
Metal or Mineral mica
Date Received 3-14-57
Estimated Cost $8,566.00
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address: MAUNEY MINE (Frank W. Phillips and Ramey Beam partnership)
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 MAR 11 1957

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

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

(*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.

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

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

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

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

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

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

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

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

_____

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

(*c*) The work will start within ---30--- days and be completed within ---9--- 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?

☐ 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 3-8, 1957

Mauney Mine
(Applicant)

By Frank W. Phillips
Spruce Pine, N.C.

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

CLEVELAND COUNTY
DAN W. MOORE
REGISTER OF DEEDS
SHELBY, NORTH CAROLINA

TO WHOM IT MAY CONCERN:

I, hereby certify that the Deed of Trust made to the Land Bank Commissioner from Hubert Lee Mauney and wife, Irene Mauney and Mattie F. Mauney, widow, was cancelled November 2, 1942. This deed of trust appears on record in the Register of Deeds Office of Cleveland County, N. C. in Book 198 at page 28.

This is the 5th day of March, 1957.

Dan W. Moore
Register of Deeds

By: Martha Davis
Ass't. Register of Deeds

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RECEIVED MAR 14 1957

DATE	INITIALS	CODE

MAUNEY MINE (Frank W. Phillips and Ramey Beam partnership) Spruce Pine, N. C.

4. Physical description: This is a very old mine. It has been worked as an open cut mine and this cut is now about 60 feet long and 30 feet deep.

(b) We have not been able to contact anyone who knows about the production of this mine. There is mica in the walls of the mine and very large scales of mica in the dump. The mica is ruby and all seems to be pretty clear.

(d) This mine is located in Cleveland County, North Carolina, about 10 miles north of Shelby on highway N. C. 26; then west ½ mile on hard surface road; then north ½ mile on dirt road.

(e) There are plenty of good mica miners available, and we can furnish equipment for mining operations. This equipment will include bulldozer, air compressor, jack-hammer etc., hoist and pump.

6. We would like to have the contract set up as following:

Bulldozing two cuts 100 feet long, 30 feet wide and 20 to 30 feet deep: ---------- $1200.00

Shaft 75 feet @ $50.00 ---------- $3750.00

Crosscut 100 feet @ $35.00 ---------- $3500.00

(c) Tool house ---------- 77.00

Powder magazine ---------- 25.00

Exploder magazine ---------- 14.00

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Following are the calls of the deed made from S. S. Mauney and his wife, Rachel Mauney to George Matthew Simmons and his wife Glennie L. Simmons, dated August 1st., 1950 and recorded November 15, 1950 in Cleveland County, North Carolina in book 6-K, page 535:

Parcel No. 1:

That certain tract of land containing 69 acres, known as the M. M. Mauney place, in Number Eight Township, Cleveland County, North Carolina, located four miles South of Polkville, N. C., on the Union-Lattimore public road; bounded on the North by the lands of Ruth Grigg and others; on the East by the lands of Alma F. Spangler; on the South by the lands of Alma F. Spangler; and on the West by the lands of Gladys Spangler. Said tract of land is particularly described by a plat prepared by A. M. Lovelace, Surveyor, on September 6, 1918, description as follows:

Beginning at a stake and pointers on West bank of Brushy Creek, Alma F. Spangler's line, corner of Lot No. 6, and running thence with Alma F. Spangler's line North 80 degrees East 13.50 chains to a pine; thence North 15.75 chains to a stone; thence North 86 degrees East 9.62 chains to a stkae in road; thence North 7 degrees 30 minutes West 7.50 chains to a stone; thence North 19 degrees 45 minutes East 5.00 chains to a stone; thence North 17 degrees 50 minutes East 4.90 chains to a stake; thence South 80 degrees West 3.75 chains to a stake; thence South 87 degrees West 11.75 chains to a stake; thence South 69 degrees West 10.00 chains to a hickory; thence South 5 degrees West 8.68 chains to an iron pin; thence West with road 4.50 chains to a stone; thence South 13 degrees West 6.90 chains to a stake; thence South 3 degrees East 5.55 chains to a stake; thence South 5 degrees 45 minutes West 4.83 chains to a stake; thence down West bank of Brushy Creek, viz: South 34 degrees East 2.75 chains to a stake; thence South 64 degrees East 2.25 chains to a stake; thence South 45 degrees East 3.80 chains to the beginning, containing 69 acres of land more or less.

Being Lot No. 7 of the division of the M. M. Mauney lands ###### as shown in that Special Proceedings entitled "Mrs. Mattie F. Mauney, widow, et al, vs Moody M. Mauney et al," Judgement of which is recorded in Book of Orders & Decrees No. 11 at page 256, office of the Clerk of the Superior Court of Cleveland County, North Carolina. See also Report of Commissioners, dated December 28,1918, or record in Book EEE at page 54, et seq., Cleveland County, North Carolina, Registry, reference to all of which is hereby made for a further and more complete description of the land herein conveyed. The said land being the same as shown in that certain deed from B. F. Spangler et ux, Lula Spangler, to C. R. Spangler, dated October 1, 1940, of record in Book 4-Z at page 405, Cleveland County Registry, reference to the same being hereby made for a further and more complete description of the said land.

It is understood and agreed that there is a deed of trust of record against the land herein described to The Land Bank Commissioner, dated March 9, 1934, for the original sum of $1200.00, of record in Book 198 at page 28, Cleveland County Registry of Deeds.

Being the premises converyed to S. S. Mauney March 27, 1941. Said deed recorded in Book 5-D at page 37, Cleveland County Registry of Deeds.

Parcel No. 2:

Adjoining Lands Odus Royster: Rube Spangler, James Scism, others.

Beginning at stone runs S. 69.E. 43 poles to Hickory Corner; thence N. 71 3/4 E. 27 poles to stake; thence N. 9½ E. 43 poles to stake; thence S. 42½ E. 15½ poles to stake; thence N. 74½ E. 14½ poles to stake; thence N. 84 E. 12½ poles to stake; thence N. 80 3/4 E. 21 2/3 poles to Cherry Corner; thence N. 61 E. 19 1/3 poles to stake; thence S. 81¼ E. 27 2/3 poles to Cheryy Corner; thence S. 17 5/6 W. 64 poles stone at branch; thence S. 80 W. 15 poles to stake; thence S. 87 W. 47 poles to stake;

thence S. 69 W. 40 poles to Hickory; thence S. 5 W. 34 2/3 poles to stake in cenetr of road; thence W. 18 poles crossing creek over bridge to stake thence N. 30 1/6 W. 28 poles to stake; thence S. 82 W. 15 poles to stake; thence N. 48 W. 36 poles to stake; thence N. 36 E. 34 poles to stake the place of beginning. Containing 48 acres more or less.

This tract is a portion of Lot No. 8 of the M. M. Mauney estate, as recorded in Book 4-L on page 151, Registry of Deeds, Cleveland County, North Carolina.

Being the premises conveyed to us January 19, 1948. Said deed recorded in Book 6-A, page 70 in the Cleveland County Registry of Deeds.

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Scale of 6 Chs. per inch

The above diagram represents Lot No. 7 of the M. M. Mimmey Estate and is subdivided to and a part of Mrs. Mollie F. Mimmey and Sons

Sept 6th 1918.

A. M. Lindsey
C. Surv.

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D M E A
RECEIVED

DATE	INITIALS	CODE

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Copies sent to:

USGS: B MINES

Routing Slip

To:	600	Date	3/15/57
To:	Anderson	Date	3/18
To:	130	Date	3-28-57
To:	110	Date	3-29-57
To:	100	Date	3-29-57
To:	226	Date	~~3-29-57~~
To:	130	Date	4-28-57
To:	110	Date	4-1-57
To:	226	Date	7-1-57
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA Form 7
(12-56)

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Date	Surname	Code
3/14	Anderson	600
3/17	Hack	600
		110
		100
		220

600

March 14, 1958

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4683-Mica
Contract No. Idm-E1104
Mauney Mine
Cleveland County, North Carolina

Application: Form MF-103(April 1952) received March 14, 1957.

Work proposed by Applicant:

Bulldoze two cuts	$1,200.00
Construction - Toolhouse, powder and exploder magazines	116.00
75 feet of shaft @ $50.00/ft.	3,750.00
100 feet of crosscut @ $35.00/ft.	3,500.00
Total amount requested	$8,566.00

Operators: Frank W. Phillips and J. R. Beam
Spruce Pine, North Carolina

Operator's Property Rights: Five year mining lease on the Simmons Property consisting of 8.3 acres, dated February 20, 1957. Consent to Lien and Subordination Agreement dated March 1, 1957.

2. Contract: Form MF-200A(April 1956) dated July 2, 1957.

Work authorized: Two stages.

Stage I - Excavation of trench, 556 Cu.Yds. @ $0.30/c.yd.	$167.00
Stage II- Construction - Toolhouse, powder and exploder magazines	117.00
60 feet of shaft @ $43.00/ft.	2,580.00
100 feet of drift and/or crosscut @ $32/ft.	3,200.00
Estimated total cost of project	$6,064.00
Government participation @ 75%	$4,548.00

Amendments - None.

Work completed:

Stage I - 556 Cu.Yds. of excavation @ $0.30/c.yd.	$166.80
Total accepted cost	$166.80
Government participation @ 75%	$125.10

Work started on July 26, 1957 and was terminated on August 13, 1957 after completion of Stage I work.
Field Team Final Report received October 17, 1957.
Operator's Final Report and only report received October 25, 1957.
No equipment purchased under contract. No mica production during project.

3. Audit: Report of Review issued October 14, 1957.

Accepted cost	$166.80
Government participation @ 75%	$125.10

4. Certification of Discovery - None issued.

5. Comments:

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

Operation: Only bulldozing.

Engineering: Operator's one and only monthly report, acceptable as final report and satisfactory.

Geologic Premise: Was dependent upon the structural continuity of the pegmatite and an improvement in the quality of mica. The work disproved both premises.

Geologic Criteria upon which work was based:

1. Pegmatite: Eight to twenty-five feet thick, composed of a 4 foot thick quartz core, flanked by a plagioclase-rich wall zone which contains the mica, underlaid by a deeply weathered schist.
2. Mica: Books are flat, but most are reeved, somewhat wedged, soft, cracked, and badly clay stained.
3. Past Production.

Geologic Criteria developed during project:

1. Pegmatite: Five small pods of fine-grained kaolinized pegmatite averaging 2 feet in thickness. No trace of the large pegmatite exposed in the old workings was found in any of the trenching.
2. Mica: No mica found in the five small pods uncovered by trenching.

Future Possibilities: None.

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

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

WCAnderson:rsi 3/14/58
Copy to: Admr. R. File
Mr. Houk

DMEA Form 7
(12-56)

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Date	Surname	Code
3/14	Anderson	600
3/17	Houk	600
3-17	Chambers	800
3/17	Selfridge	120
"	Johnson	110
"	Rutledge	100
		220

600

MAR 17 1958

Messrs. Frank W. Phillips
and Ramey Beam
c/o Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4683-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina
Contract No. Idm-E1104

Gentlemen:

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

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

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

Sincerely yours,

R. D. Nininger (for)

Administrator

WCAnderson:rsi 3/14/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. George M. Simmons

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
3/14	Anderson	600
3/17	Houk	600
3-17	Chambers	800
3/17	Selfridge	120
		110
"	Rutledge	100
3/18	C	220
		600

600

MAR 17 1958

Mr. and Mrs. George M. Simmons
726 West C Street
Newton, North Carolina

Re: Docket No. DMEA-4683-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina
Contract No. Idm-E1104

Dear Mr. and Mrs. Simmons:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on March 1, 1957.

Sincerely yours,

S. C. Rifkind (for)

Administrator

Enclosure

WCAnderson:rsi 3/14/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Operating Committee

8623

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 22 1957

DATE	INITIALS	CODE
11/22	C	220
11/29	wza	600

November 21, 1957

Re: DMEA 4683 Idm-E1104
Frank Phillips & Ramey Beam
Mauney Mine
Cleveland County, N. C.
Mica

Memorandum

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

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

Subject: Review of Field Team Final Report

The contract approved the expenditure of $6,064.00 on bulldozing, Stage I, shaft sinking and drifting, Stage II. The purpose of the bulldozing was to uncover the possible extension of the large pegmatite which is credited with the production of mica during World War II.

The bulldozing failed to reveal an extension of the pegmatite exposed in the old workings, no target was afforded and Stage II was not done. Expenditures amounted to $166.80.

Certification is not recommended by the examiners and I concur.

N. E. Nelson

N. E. Nelson

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

RECEIVED OCT 28 1957		
DATE	NOTES	CODE
10/28	C	220
10/30	Hook	600

October 25, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4683 (mica)

Applicant: Frank Phillips and Ramey Beam

Name and Location of Property: Mauney Mine, Cleveland County, N. C.

Contract Number: Idm-E 1104

Date of Field Team Report: 10/8/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/18/57

Field Team Recommendation: Recommend that no certification of discovery be issued and that stage II of exploratory work is not warranted.

Comments:

1. Considerable bulldozer work was completed under stage I of a two-stage DMEA program.
2. No commercial mica was recovered in over 200 feet of trenching.
3. Expenditures -

Total approved	$6,040.00
Total cost	166.80
Gov't. share of the cost	125.10
Value of production during operation	None

Recommendation:

I concur with the recommendation of the field team that no certification be issued and that additional exploration work is not justified.

W. F. Dietrich

W. F. Dietrich

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S MONTHLY REPORT AND VOUCHER

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-21

Month of August, 1957 Docket No. DMEA 4685 Contract No. Ida. 2-1104

Operator's Name Mauney Mine Minerals mica

Address c/o Frank W. Phillips, Spruce Pine, N. C.

Contract Amount, $ 6,064.00 Government Participation: 75% Amount, $ 4,548.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting Trenching	$166.80		$166.80			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$166.80		$166.80	166.80		166.80

I certify that the above bill is correct and just and that payment therefor has not been received.

Date 9-26-57 *Payee Mauney Mining Co.

Per Frank W. Phillips Title partner

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

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

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 125.10

Signature Helen R. Miller
(Authorized Certifying Officer)

Date OCT 23 1957 Vou. No. 78

(See other side)

41.70

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1104 in accordance with the terms of the contract.

Signature J. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 17 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date OCT 17 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED JUL 25 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of August 1957 Docket No. DMEA 4683 Contract No. Idn. E-1104

Operator's Name Henney Mine Minerals mica

Address c/o Frank W. Phillips, Spruce Pine, N. C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching	cu-yd.	$166.80	556	$166.80	556	.30		
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS								TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		$166.80		$166.80				

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this report is correct and complete to the best of their knowledge and belief.

REMARKS:

Date _____ Operator _____

Per Frank W. Phillips Title Partner

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

(Instructions on reverse)

(For Government use only)

556 x .30 = 166.80

S Feiler
MINING ENGINEER
U. S. BUREAU OF MINES

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

MACHEY MINE DMEA 4685 Contract No. Idm E-1104

August

Narrative:

After the DMEA field team had marked off the size and location of the trench to be cut as set up in Stage No. 1 of this contract, we had it cut. We also cut trenches to the North and North-East side of the old works, totaling over 1000 yards. We failed to uncover any vein in either cut.

I certify that the above information is correct.

Frank W. Phillips partner

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 17 1957

DATE	INITIALS	CODE
10/17	C	220
10/17	[illegible]	130
11	[illegible]	110
10/21	[illegible]	130
10/22	C	220
22	[illegible]	100
10/23	[illegible]	600

October 15, 1957

Memorandum

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

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

Subject: Final Report - DMEA-4683, Idm-E1104 (mica)
Frank Phillips and Ramey Beam, Spruce Pine, N. C.
Mauney Mine, Cleveland County, North Carolina

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

We agree with the recommendation of the examiners that no certificate of discovery be issued because no geologic target was exposed during Stage I of the contract to justify the additional exploratory work provided in Stage II.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

Field Team Final Rpt.

Reviewed by
DMEA OPERATING COMMITTEE
10-21-57
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 17 1957

DATE	INITIALS	CODE
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DEFENSE MINERALS EXPLORATION ADMINISTRATION

REGION V

FINAL REPORT

DMEA-4683, Idm-E1104 (mica) MAUNEY MINE
Cleveland County, North Carolina

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

and

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

October 8, 1957

Reviewed by
DMEA OPERATING COMMITTEE
10-21-57
(date)

EXPLORATION PROJECT CONTRACT

FINAL REPORT ON STAGE I

DMEA-4683, Idm-E1104 (mica) MAUNEY MINE
Cleveland County, North Carolina

Operators: Frank Philips and Ramey Beam, Spruce Pine, North Carolina

SUMMARY

Exploratory work conducted as Stage I of a two-stage contract failed to reveal a good geologic target. Only five small pods of fine grained pegmatite containing no commercial mica were exposed in over 200 feet of trenching. No mica of strategic quality was discovered and no reserves can be inferred. It is recommended that no certificate of discovery be issued. Additional exploratory work is not warranted.

INTRODUCTION

Location

The Mauney mine is on the south side of a small tributary to Brushy Creek, 2.82 miles S. 12° E. of BM 1079 in the center of Polkville, Cleveland County, North Carolina (Shelby, N.C. quad., USGS 1:62,500).

Work completed

Work on the contract was started on July 26, 1957. The contract was terminated on August 13, 1957 after the completion of Stage I work showed that the pegmatite does not warrant further exploration. The work completed as Stage I consists of a bulldozer trench north of the former workings, 155 feet long ranging from 10 to 20 feet wide and about 10 feet deep (see attached map). The Operators also dug a branching trench 45 feet long, 10 feet wide, and 5 feet deep connecting with the DMEA trench north of the former workings and a shallow trench about 50 feet long and 6 to 8 feet wide southwest of the former workings. About 970 cubic yards of material were excavated.

GEOLOGY

Five small pods of fine-grained kaolinized pegmatite averaging two feet in thickness were exposed in the trenching. These pods appear to be concordant bodies in a weathered graphitic sillimanitic schist. Foliation strikes northwest and dips southwest (see attached map). In the northwest part of the larger trench the axes of small folds in the foliation plunge to the southeast. No trace of the large pegmatite exposed in the old workings was found in any of the trenches.

The five small pegmatite pods are discontinuous, fine-grained, and contain no commercial muscovite. They are composed of plagioclase and quartz.

PRODUCTION AND RESERVES

No strategic mica was discovered during the contract work and no reserves can be inferred.

EXPENDITURES UNDER THE CONTRACT

(a) Total approved	$6064.00
(b) Total cost of project	166.80
(c) Government's share of cost	125.10
(d) Government's share unexpended	4422.90
(e) Value of production during operation	none
(f) Royalty received to date	none

COMPETENCY OF OPERATORS

The operation was conducted in an efficient and workmanlike manner. Progress was satisfactory.

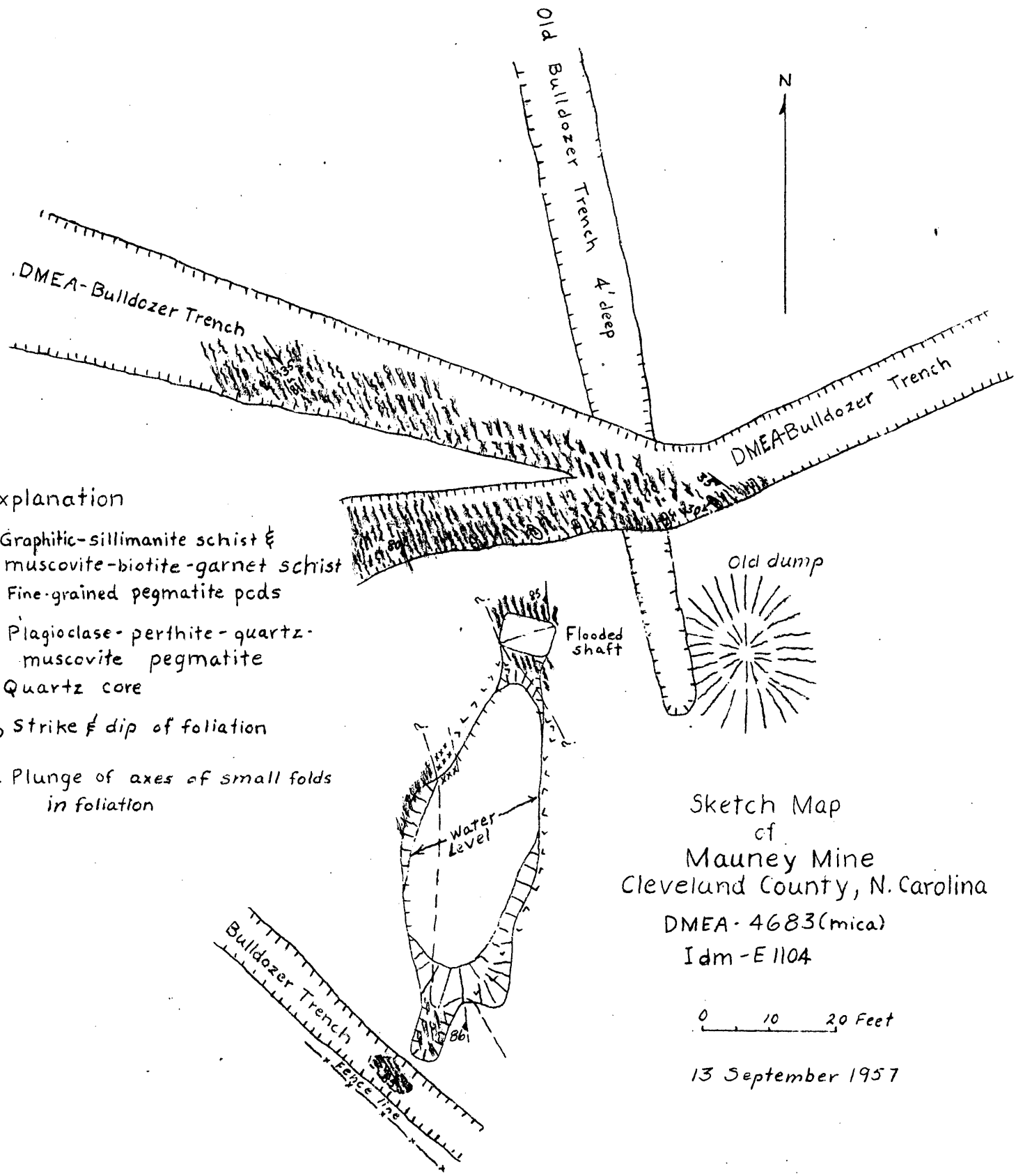
RECOMMENDATIONS

It is recommended that no certificate of discovery be issued because no geologic target was exposed during Stage I of the contract to justify the additional exploratory work provided in Stage II. Additional exploratory work is not warranted.

October 8, 1957

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

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


Old Bulldozer Trench 4' deep
N
DMEA-Bulldozer Trench
DMEA-Bulldozer Trench
Old dump
Flooded shaft
Water Level
Bulldozer Trench
Fence line
Explanation
Graphitic-sillimanite schist & muscovite-biotite-garnet schist
Fine-grained pegmatite pods
Plagioclase-perthite-quartz-muscovite pegmatite
Quartz core
80 Strike & dip of foliation
35 Plunge of axes of small folds in foliation
Sketch Map of Mauney Mine
Cleveland County, N. Carolina
DMEA-4683(mica)
Idm-E 1104
0 10 20 Feet
13 September 1957

FGL

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 17 1957

DATE	INITIALS	CODE

DMEA Form 7
(12-56)

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		600

OCT 15 1957

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

Re: Docket No. DMEA-4683, Mica
Frank W. Phillips & Ramey Bean
Maumey Mine
Cleveland County, N. C.
Contract No. Idm-E1104

Dear Mr. Laurence:

As requested in your memorandum of October 11, 1957, a Report of Review in lieu of a final audit of the referenced project has been prepared. The original and three copies thereof, together with the original of the final MF-104 submitted with your memorandum, are enclosed.

If you concur with the facts stated in this Report of Review, the original and one copy should be released to the regional finance officer, one copy should be forwarded to the Operator, and one copy should be retained in your files. If for any reason you do not concur, please return the original and three copies to this Division with your comments.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
October 15, 1957

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

8623

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

October 11, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 14 1957

DATE		CODE
10/14	C	220
10/14	[illegible]	600

Memorandum

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

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

Subject: Request for Report of Review- DMEA-4683, Idm-E1104
Phillips & Beam, Spruce Pine, N.C.
Mauney Mine, Cleveland County, N. C.

Work on the subject contract was terminated on completion of Stage I.

The following units of work were completed as verified by our Field Examiners:

1 - Excavation of 1 exploration trench totalling more than 556 cu. yds.

An adequate final engineering and geological report has been received.

Copy of the final Monthly Report and Vouchers are attached.

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

VJL/zm
cc
Opr. Com.-2
Lynch
Files
Shirley

S. C. Bergman, Geologist
Geological Survey

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

OFFICIAL FILE COPY
DMEA
RECEIVED

DATE		
10/4	C	220
10/4		800
10/7		600

October 2, 1957

Messrs. Frank Phillips & Ramey Beam
c/o Frank W. Phillips
Spruce Pine, N.C.

Re: DMEA-4683-Mica
Mauney Mine, Cleveland County,
Contract No. Idm-E1104

Dear Sirs:

Please submit your voucher and your final engineering and geologic report on the work done under the subject contract so that we may complete our records on this project.

Please note my letter of August 13, 1957 concerning termination of the contract.

Sincerely yours,

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

RAL/zm
cc
Opr. Com.-2
Lynch
Mr. Beam
Shirley
Files

INTERIM REPORT

DMEA-4683, Idm-E1104, (mica) MAUNEY MINE

Operators: Frank Phillips and Ramey Beam, Spruce Pine, N.C.

Location: 2.82 airline miles S 12°E of BM 1079 in Polkville, Celveland County, N.C.

The Operator reported work under this contract started July 26, 1957. The excavation includes 155 feet of trench, 15-feet wide by 10 feet deep across the strike of the pegmatite dike mined in the old pit. This represents 860 cubic yards excavated. As the contract provides for 556 cubic yards, the excess is at the operator's expense.

Pegmatite injected into graphitic sillimanite schist is exposed for 30 to 40 feet across the strike in the southwall of the bulldozed cut north of the old pit. Five pods of fine-grained kaolinized pegmatite averaging two feet in thickness contain mica up to 3 mm across. The pods are small, fine-grained and discontinuous, contain no commercial muscovite, and present no evidence to support authorization of additional work.

The Operator was present during the examination and agreed with the Examiners that additional exploratory work as provided in Stage II of the contract is not justified. It is recommended that the contract be terminated at the end of Stage I.

Inspected: Aug. 8, 1957

S. A. Feitler, Mining Engr.
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

L. E. Shirley, Mining Engr.
Bureau of Mines

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

EXTRA COPY
DMEA
RECEIVED AUG 15 1957

DATE	INITIALS	CODE
8/16	Hook	600

August 13, 1957

Messrs. Frank Phillips and Ramey Beam
c/o Frank Phillips
Spruce Pine, North Carolina

Re: DMEA-4683, Idm-E1104-mica
Mauney Mine, Cleveland County,
North Carolina

Dear Sirs:

As the work done under Stage I of this contract showed that the pegmatite dike does not warrant further exploration, Stage II of the contract will not be authorized. Therefore, this letter may be considered as notice of termination.

Please submit your final engineering and geologic report at your earliest convenience, along with your final monthly report and voucher for the approved work of Stage I.

Very truly yours,

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

RAL/zm
cc
Opr. Com-2
Lynch
Finance Office
Shirley
Files

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 7 1957

DATE	INITIALS	CODE
8/7	P.K.	220
8/7	B	215
8/8	Hrub	600

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Signed Contract - Idm-E1104, DMEA-4683(mica)
Frank Phillips and Ramey Beam, Spruce Pine, N.C.

Transmitted are three signed copies of the subject contract. The usual distribution of the other copies has been made by this office.

Robert A. Laurence
Executive Officer, DMEA
Region V

z

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

OFFICIAL FILE COPY
DMEA
RECEIVED 1957

DATE	INITIALS	CODE
8/1	P.K.	220
8/1	Hook	600

July 30, 1957

Mr. Frank W. Phillips

Spruce Pine, North Carolina

Re: DMEA-4683 (mica)
Frank Phillips & Ramey Beam
Mauney Mine, Cleveland County,
North Carolina

Dear Mr. Phillips:

On July 5, I sent you for signature, six copies of a proposed contract for exploration at the Mauney Mine. We have not yet received the signed contracts.

Mr. Shirley says he was told that you have mailed the signed contracts to me. If this is correct, please check with the Post Office, as it is possible they have been lost or misdirected in the mail. If you have not signed and mailed them, please do so at your earliest convenience.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm

cc
J. R. Beam
Opr. Com.-2
Lynch
Shirley
Files

DMEA Form 7
(12-56)

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Date	Surname	Code
6/28	Anderson	600
6/28	Houk	600
6-28	Chambers	800
7/1	GCS	130
"	Johnson	110
"	Whitehead	100
7/2	C	220
		600
	Nelson	

600

JUL - 2 1957

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

Re: Docket No. DMEA-4633-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Consent to Lien and Subordination Agreement, Exhibit A, (3 pages), and two maps. Also enclosed are two extra copies of Annex I, Exhibit A, and the maps for Field Team use.

If the proposed contract meets with your approval, present it to the Applicant for execution. Please explain to the Applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the Applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit A and the maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated May 17 and 24, 1957, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (2/B)

Approved:

Frank D. Lamb (2/B)
Member, Bureau of Mines

N. E. Nelson (2/B)
Member, Geological Survey

Enclosures 12

WCAnderson:gad 6/28/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

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DMEA
RECEIVED JUN 24 1957

DATE	INITIALS	CODE
6/24	C	220
6/24	Wmh	600

June 21, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-4683 (mica) J. R. Beam & Frank Phillips, Spruce Pine, N. C. Mauney Mine, Cleveland County, North Carolina

Reference is made to Mr. Houk's letter to the Applicants, dated June 6, 1957.

Enclosed are two copies of the corrected lease, received from the Applicants in today's mail.

Robert A. Laurence
Robert A. Laurence

RECEIVED
JUN 25 1957
ASSOC. SOLICITOR
MINERAL RESOURCES

DMEA Form 7
(12-56)

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Date	Surname	Code
6/5	Anderson	600
6/5	Houk	600
6	Mettendorf	100
6/6	Tate	220
		600

600

JUN - 6 1957

Messrs. Frank W. Phillips
and Ramey Beam
c/o Mr. Frank W. Phillips
Spruce Pine, North Carolina

Re: Docket No. DMEA-4683-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina

Gentlemen:

Reference is made to the lease submitted with your application for Government assistance to explore the subject mine. It shows J. R. Beam and Frank Phillips as Owners and George M. Simmons and wife, Glennie L. Simmons as Lessees. The Consent to Lien and Subordination Agreement indicates that you are the Lessees. Please submit a copy of a corrected lease which properly identifies the lessors and the lessees.

The processing of your application will be held in abeyance pending the receipt of a copy of a properly executed lease.

Sincerely yours,

SIGNED

Lawrence G. Houk, Director
Division of Nonmetallic Minerals

WCAnderson:gad 6/5/57
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON 25, D. C.

JUN 3 1957

Memorandum

To: The Administrator, DMEA
Attention: Chief, Division of Nonmetallic Minerals

From: Associate Solicitor, Division of Mineral Resources
Frank W.

Subject: Docket No. DMEA-4683,/Phillips and Ramey Beam (mica)

Pursuant to Mr. Houk's request, we have prepared the attached contract for execution subject to the following conditions:

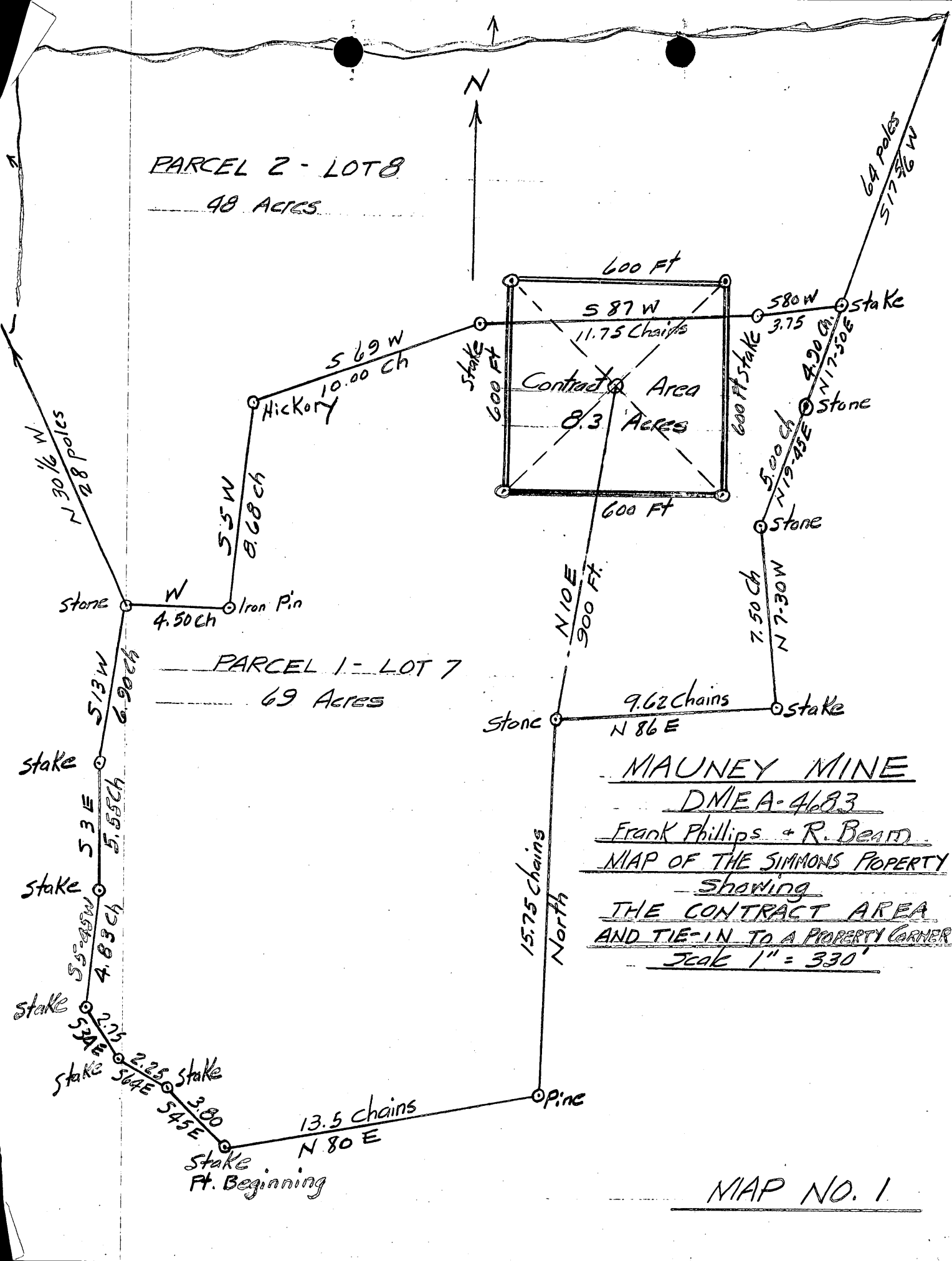
1. The lease now contained in the file runs from J. R. Beam and Frank Phillips as lessors to Geo. M. Simmons and wife, Glennie L. Simmons, as lessees. Actually the Simmons are the lessors. Secondly, the lease describes the Simmons entire tract whereas the Consent to Lien and Subordination Agreement covers only a 600 foot square. Accordingly, the Operator should obtain a new lease containing a proper description of the property and properly identifying the parties.

2. We have left the first blank in Article 2 of the contract uncompleted. This should be completed when the new lease is obtained and it is known what royalty etc., if any, the lessor is reserving.

3. In Annex I we have left a blank for the date of the new lease.

Robert P. Dwyer

Attachments


N
PARCEL 2 - LOT 8
48 Acres
600 Ft
S 87 W
11.75 Chains
580 W
3.75
Stake
64 poles
S 17 1/6 W
S 69 W
10.00 Ch
Stake
600 Ft
Contract Area
8.3 Acres
600 Ft Stake
4.90 Ch.
N 17-30 E
Stone
Hickory
N 30 1/6 W
28 poles
5.00 Ch
N 19-45 E
Stone
S 5 W
8.68 Ch
600 Ft
Stone
W
4.50 Ch
Iron Pin
N 10 E
900 Ft.
7.50 Ch
N 7-30 W
PARCEL 1 - LOT 7
69 Acres
S 13 W
6.90 Ch
9.62 Chains
N 86 E
Stone
Stake
Stake
S 3 E
5.55 Ch
Stake
S 5-45 W
4.83 Ch
15.75 Chains
North
Stake
S 34 E
2.75
Stake
S 64 E
2.25
Stake
S 45 E
3.80
13.5 Chains
N 80 E
Pine
Stake
Ft. Beginning
MAUNEY MINE
DMEA-4683
Frank Phillips + R. Beam
MAP OF THE SIMMONS PROPERTY
Showing
THE CONTRACT AREA
AND TIE-IN TO A PROPERTY CORNER
Scale 1" = 330'
MAP NO. 1

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 27 1957

DATE	INITIALS	CODE
5/27	C	220
5/27	Hank	600
~~May 24, 1957~~		

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4683 (mica)

Applicant: Frank W. Phillips and Ramey Beam

Name and Location of Property: Mauney Mine, Cleveland County, N. C.

Date of Field Team Report: 5/13/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/16/57

Field Team Recommendation: Recommend a two-stage exploration program.

Comments:

1. Considerable bulldozing in the past has exposed a pegmatite body at least 25 feet thick.

2. Moderate production of mica of nonspecified quality was reported from this prospect during World War II.

3. Dump material around the workings is rich in scrap mica.

4. A published report (1952) states that most of the mica is reeved, wedged, and clay-stained and hence is probably of poor quality under the present mica buying program.

Recommendation:

Recommend the application be denied on the basis that the mica is of nonstrategic quality.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 20 1957

DATE	INITIALS	CODE
5/20	JWL	220
5/21	WCA	600

May 17, 1957
Re: DMEA 4683
Frank Phillips &
Ramey Beam
Mauney Mine
Cleveland County, N.C.
Appl. Est. $8,566 - Mica

Memorandum

~~To: L. C. Houk,~~ Defense Minerals Exploration Administration

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

Subject: Review of Field Team Report

The applicant requested assistance in the exploration of a pegmatite credited with production of mica during World War II. Old filled in pits suggest considerable work was done in the past. Workings now accessible, except for flooding, consist of an open pit 65 x 20 x 40 feet (deep) and a shallow shaft.

The examiners estimate the width of the pegmatite to be at least 25 feet. The length has not been determined as dump material covers the inferred strike in one direction and overburden in the other direction. In order to demonstrate an inferred extension, the examiners recommend cross trenching north of the open cut and shaft as stage I of a 2-stage work program. If the extension on strike is established and the appearance of the pegmatite is considered favorable, Stage II work should follow.

I concur with the recommendation of the examiners and the Field Team.

N. E. Nelson

N. E. Nelson

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

WASHINGTON 25, D.C.

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RECEIVED MAY 15 1957

DATE	INITIALS	CODE
5/15	C	220
	esl	130
5/20	zab	220
5/20	wrd	600

May 13, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report - DMEA-4683-Mica
Frank Phillips and Ramey Beam, Applicants,
Spruce Pine, N.C. Mauney Mine, Cleveland County, N.C.

Transmitted is the original and three copies of the subject report with nine extra copies of the map attached.

The Field Team is in agreement with the Examiners in their recommendation as set forth in the report for exploration work at the project.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
5/17/57
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1957

DATE	INITIALS	CODE

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

Gen - Site Exam Rpt

EXAMINATION REPORT
REGION V

ON

DMEA-4683, MAUNEY MINE-Mica
Cleveland County, N. C.

BY

E. L. Boudette, Geologist
Geological Survey

and

L. E. Shirley, Mining Engineer
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5/17/57
(date)

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 15 1957

DATE	INITIALS	CODE

FIELD EXAMINATION REPORT

DMEA-4683(mica)
Frank W. Phillips and Ramey Beam
Mauney Mine
Cleveland County, North Carolina

SUMMARY

A mica bearing pegmatite body believed to be grossly concordant to the schistosity of enveloping muscovite-biotite gneiss is poorly exposed in a steep walled open pit on the property. The thickness of the body is about 25 ft in the workings, but its strike extent cannot be determined. The mica content of the pegmatite is apparently high as dump material around the workings is rich in scrap, and the dumps have been reworked for sheet mica. The mine recorded moderate production during World War II. An exploration program is recommended similar to that proposed by the applicants, and it consists of two stages. The undertaking of the second state will follow a favorable reappraisal of the mine after completion of Stage I.

INTRODUCTION

Examination.--The Mauney Mine was examined April 18, 1957 over a period of 2 hours to ascertain if an exploration program with DMEA assistance is justified. Messrs. Frank W. Phillips and Ramey Beam, applicants, were present during the examination which was conducted in warm, cloudy weather.

Location and accessibility.-- The mine is located 2.82 miles S 12° E of BM 1079 in the center of Polkville, Cleveland County, N. C.(see index map). If reference is made to the Sheby, N. C. quadrangle sheet (USGS 15 minute series, 1:62,500, ed.1950), the mine falls in the center of the central 1/9th of the quadrangle. The mine may be reached from Polkville, N.C. by travelling south on State Highway 26 about 3 miles to a paved road on the right past the Union Church, thence about 1 1/2 miles to the access road on the right near the Brushy Creek bridge, thence about 1/4

mile up the access road to an abandoned farmhouse. The mine may be reached on foot about 400 feet S 14W from the farmhouse. The access eoad to the abandoned farmhouse is passable (to passenger vehicles) except in extremely wet weather. All roads are shown on the quadrangle map mentioned above.

THE PROPERTY

Physical features and property development.-- Workings on the property represent at least three generations of mining activity. The oldest are not shown on the attached map, but they consist of several small pits, and depressions that are almost obscure by slumping and covering forrest debris. Later workings shown on the map consist mainly of an open pit 65 x 20 feet in plan and about 40 feet deep, a bulldozed trench 10 x 4 feet in section and about 100 feet long, and a flooded shaft about 5 x 7 feet in section and at least 12 feet deep at the northwest end of the open pit. Subsequent to the main mining operations, the dumps were reworked, probably for sheet mica. All workings are in a gently northward sloping hillside on the left bank of a small branch stream draining westward. The large open pit is flooded with about 8 feet of water, and is inaccessible for study. No connection exists between the open pit and the flooded shaft because the water level in the shaft stands several feet above that of the pit.

Supplies and equipment.--Some timber for mining purposes is available on the property and the supply would be adequate for

Stage II operations. Other supplies including lumber, are available in Polkville, N. C., or in Shelby, N. C., about 12 miles distant. Sufficient water is at the site in the branch stream, and power lines are about 800 ft distant along the paved road. No equipment or finished supplies are presently at the site.

Competency of Operator.--The Applicants are experienced mica mine operators, and have participated in DMEA contracts previously. One or both of them are participants in presently active contracts. Examples are DMEA-4337, DMEA-4332, DMEA-4544, and DMEA-3924. Their present DMEA application is their first as a partnership, and they are competent to carry out an exploration program in an efficient manner.

HISTORY AND PRODUCTION

The history of the mine has been briefly described by Griffits and Olson (1953, p.260) in their paper on mica deposits in the southeastern Piedmont. They state that the mine "was opened about 1880, but little mining was done from about 1895 to 1940. The deposit was reopened briefly in 1940 by Lee Weathers, and Doc Henline and Milt Swann also worked it during the same year. The open cut was deepened to 40 ft in the spring of 1943 by the General Minerals Corp." The mine was then known as the S. S. Mauney (M.M.Mauney Homestead) Mine. Records of production from the mine are not readily available, but the mine has been classed by Jahns, et al (1952,p.69) as one with "moderate production."

GEOLOGY

General.--The area in the vicinity of the mine is underlain by muscovite-biotite-garnet schist that envelopes a pegmatite body about 25 ft maximum thickness of unknown dimensions. The schistosity strikes about N 6°W and dips about 85° W. During emplacement of the pegmatite body, the schist was locally injected and granitized by pegmatitic material. The underlying rocks, especially the schist, are deeply weathered, and a thick residuum is developed on them. Whether the pegmatite body is conformable or slightly disconformable to the schistosity of the country rock is problematic. The examiners believe that the body is grossly concordant, but point out that exposures are too poor to be certain. Griffits and Olson (1953, p.20) state that the body strikes N 15-20 E, and if so it would be slightly concordant. Their observed strike is also that of the long dimension of the open pit which by observation of the present examiners does not strictly conform to the shape of the pegmatite body.

Pegmatite body.-- Pegmatite is exposed on the east wall of the open pit and the northern half of the west wall. Stringers of pegmatite are injected along folia of the schist at the south end of the pit. Griffits and Olson (1953,p.20) describe the pegmatite body as being 8 to 15 feet thick, and composed of a quartz core 4 ft thick surrounded by a plagioclase-rich wall zone that contains the mica. If the present examiners are correct in their interpretations, the pegmatite body may be as much as 25 ft

thick (see sect. A-A',map). The body could not be followed along strike in either direction, but at the southeast end the lack of quartz core or mica float in an open area and cotton field indicated that extent at the surface is unlikely in this direction. The northwest projection of the pegmatite body at the surface could not be traced if it is present because it is obscured by dump material, but it is here that strike extent is likely and where exploration is proposed.

Mica.-- Abundant mica of scrap quality is found in all dump material on the property, and most seen by the Examiners was flat to wedge "A", clear, soft, and clay stained. Griffits and Olson (1953.p.260) make similar observations and describe the mica as "red-brown." They state that "some of the books are flat, but most are reeved, somewhat wedged, soft, cracked, and badly clay stained."

DISCUSSION OF APPLICANS PROPOSAL

The Applicants propose to bulldoze two cuts 100 ft long by 30 feet wide x 25 ft deep normal to the trend of the pegmatite body on both sides of the open pit as Stage I of a two stage project, and then if exposures indicate a favorable structural and mineralogical environment, to sink 75 ft of shaft from which 100 ft of drifting is to be done. Their proposal has merit, although the amount of bulldozing they would do is considerably over-estimated. The examiners believe that the bulldozing should be confined to the

north end of the open pit where the extent of the pegmatite body is most likely, and as the Applicants propose, be done in a trench oriented with its long dimension normal to the inferred strike of the pegmatite body. The volume of the material to be moved in this trench is considerably less than that proposed to be moved by the Applicants, and an estimate is given in a later section. In line with estimates made from several previous exploration programs in the Piedmont, 60 ft of shaft should be adequate to explore the pegmatite and provide enough back for subsequent drifting. Hence, recommended amount of shaft sinking is 15 ft less than that proposed by the Applicants. Drifting footage remains the same. The proposed modifications to the Applicants proposal were discussed with them in the field, and they were agreeable to adopt the revised program if a contract is approved. The Applicants' cost estimates are in line with those considered standard in this area. Slight revisions will be seen in a later section section based upon estimated of hourly cost operation.

CONCLUSIONS AND RECOMMENDATIONS

General.-- The Examiners mutually agree after their inspection that DMEA assistance in exploration is justified at the Mauney Mine. The mineralogic environment of the pegmatite is favorable by comparison to Piedmont mica mines recording significant production, and if the pegmatite body has enough strike extent to

afford a good exploration target, the geologic probability of making a significant discovery of strategic grade mica is believed to be high. The reported "moderate" production from the mine during World War II establishes its production potential. In support of their conclusions, the Examiners furnish below, a summary of geologic justifications and outline a two-stage program of exploration. The undertaking of the second stage will follow the first only after a favorable reappraisal of the mine by the Examiners at the completion of the first stage work.

Geologic justifications.-- The plagioclase rich wall zone of the pegmatite is an excellent host for the localization of significant quantities of strategic-grade mica although as Griffits and Olson (1952,p.260) pointed out most of the mica is reeved, wedged, and clay stained, and hence is probably of poor quality under the present mica buying program. However, without accurate records, a fair appraisal of the deposit cannot be given without an exploration program. If a significant quantity of good grade mica is recoverable from the pegmatite, the success of the recommended exploration program will depend upon the structural continuity of the pegmatite body.

Proposed exploration program.--The examiners recommend that exploration assistance be given in the form of a two stage program described in detail below.

Estimated Costs.--

Stage I. Excavate by bulldozer a trench 100' long, 15' wide and 10' deep at right angles to the projected strike of the pegmatite.

100' x 15' x 10' = 556 cu.yds @ 30¢/cu.yd. $ 167.00

Stage II. (To be conducted only if results of Stage I shows pegmatite to be continuous along strike to the North-Northeast).

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	15.00	115.00

Sink 60 ft of shaft, 5' x 7' in cross-section, two compartment, containing a separate manway and timbered solid if necessary (40 shifts).
use 1.7 ft/sh = 36 shifts

Labor:

1 - Foreman-Miner @ $1.75/hr.	560.00	504.00
1 - Hoistman @ $1.50/hr.	480.00	432.00
1 - Laborer @ $1.00/hr.	320.00	288.00
	1360.00	1224.00

Equipment (rental):

1 - 105 c.f.m. compressor @ $150/Mo.	300.00	@ 250/mo
1 - Single-drum gas Hoist @ $50/Mo.	100.00	= 450.00
1 - Air rock hammer @ $40/Mo.	80.00	
1 - Air sump pump @ $40/Mo.	80.00	
	560.00	

Supplies:

Gasoline and oil	120.00
Explosives	180.00
Drill steel	108.00
Timber, 3000 b.f. @ $65/M	195.00
Small tools, pipe, nails, etc.	120.00
Social Security & Liability Ins.	163.00
Sales Tax	22.00
	908.00

$47.13/ft. Estimated cost of shaft sinking $2,828.00
47.13/ft
$2,582.00
use $43/ft.

Drive 100 ft of drift, 5' x 7' in cross section and timbered where necessary (50 shifts)

use 2.3 ft/shift = 44 shifts

Labor:

1 - Foreman-Miner @ $1.75/hr.	700.00	616.00
1 - Hoistman @ $1.50/hr.	600.00	528.00
1 - Laborer @ $1.00/hr.	400.00	352.00
	1700.00	1496.00

Equipment(rental): use $250/mo. — 550.00

Gasoline and Oil	175.00
Explosives	300.00
Drill steel	150.00
Timber, 2000 b.f. @ $65/M	130.00
Small tools, pipe, nails, etc.	115.00
Social Sec. & Liability Ins.	204.00
Sales Tax	26.00
	1100.00

3146.00 use $32/ft.

($35.63/ft) Estimated total cost of drifting..... $3,563.00 35.63/ft

Total Estimated cost of project..... $6,673.00

Inspected: April 18, 1957

E. L. Boudette, Geologist
Geological Survey

L.E. Shirley, Mining Engineer
Bureau of Mines

z

LITERATURE CITED

Griffits, W. R. and Olson, J. C., 1953, Mica Deposits of the Southeastern Piedmont, Part.5, Shelby-Hickory District North Carolina: U. S. Geol. Survey Prof. Paper 248D

Jahns, R. H., Griffits, W. R., and Heinrich, E. Wm.,1952 Mica Deposits of the Southeastern Piedmont, Part I, General features, U. S. Geological Survey, Prof. paper 248A

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DMEA
RECEIVED MAY 15 1957

DATE	INITIALS	CODE

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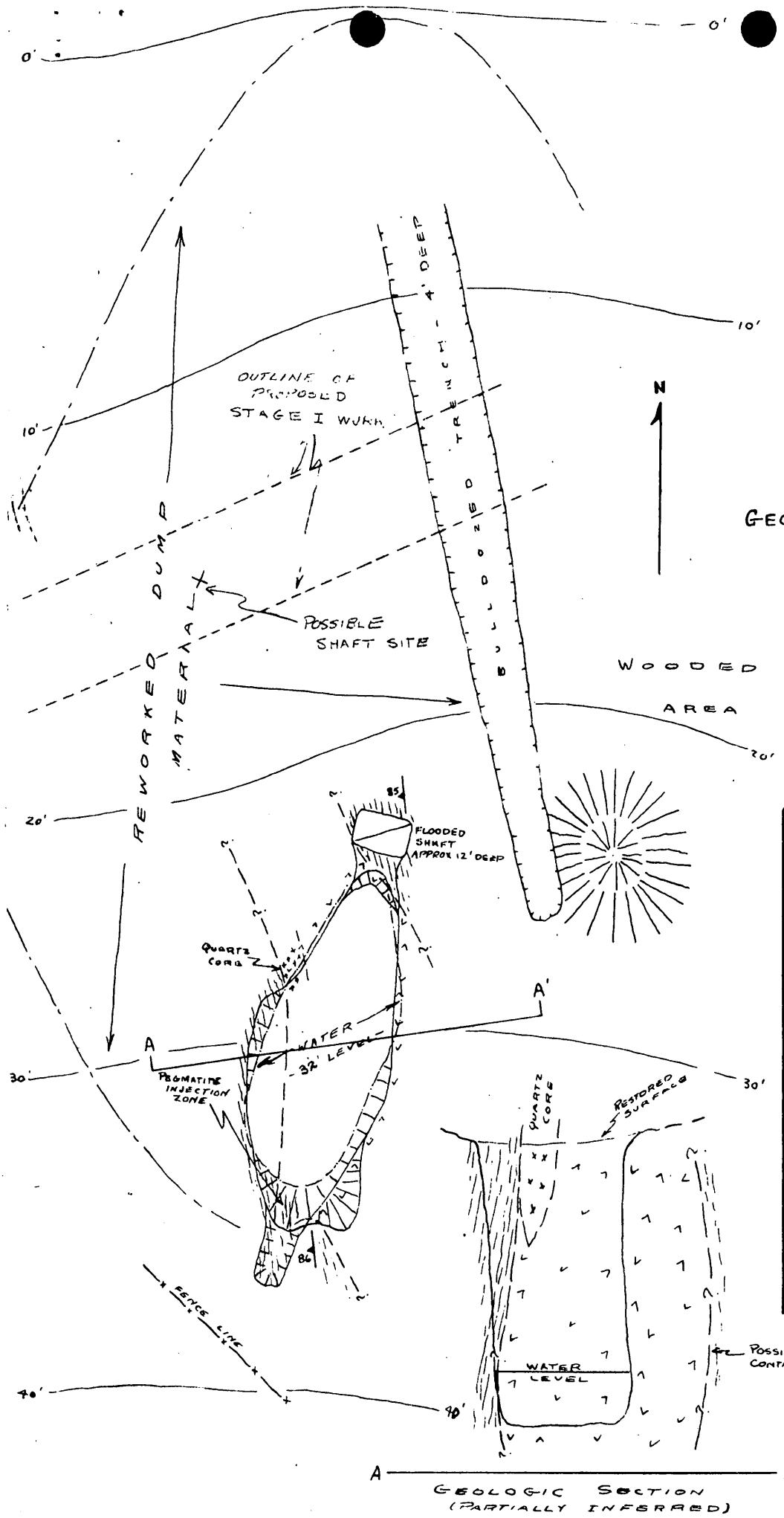


EXPLANATION

- PLAGIOCLASE - PERTHITE - QUARTZ - MUSCOVITE PEGMATITE
- MILKY QUARTZ CORE
- MUSCOVITE - BIOTITE - GARNET SCHIST, LOCALLY GRANITIZED & INJECTED BY PEGMATITIC MATERIAL.
- STRIKE & DIP OF SCHISTOSITY
- CONTACT, DASHED WHERE APPROXIMATELY LOCATED
- CONTACT, POSSIBLE
- DUMP
- CUT

GEOLOGIC MAP OF THE MAUNEY MINE

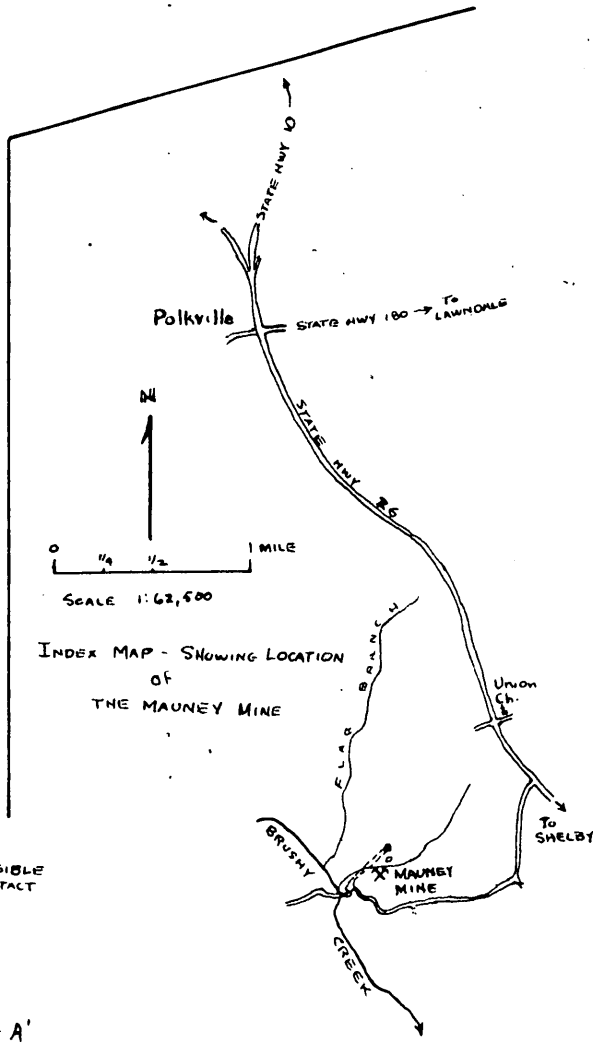
CLEVELAND COUNTY, NORTH CAROLINA

DMEA 4683 (MICA)

SCALE 1" = 20'

4/22/57

MAPPED BY TAPE OF PACE & BRUNTON COMPASS



INDEX MAP - SHOWING LOCATION OF THE MAUNEY MINE

E.L.B.

ORIGINAL FILE COPY
DMEA
RECEIVED MAY 13 2011
DATE
INITIALS
CODE

Scale of 6 chains per inch

The above diagram represents the Lot No. 7 of the M. M. Murray Estate lands as platted and a part of the Public Domain, Sept. 6th 1913.

M. M. Murray
Owner

OFFICIAL FILE COPY
D M E A
RECEIVED MAR 14 1957

DATE	INITIALS	CODE

COPY MADE BY VERIFAX

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Anderson	600
3/27	Houk	600
3/29	Selfridge	130
"	[illegible]	110
"	Mittendorf	100
4/1	C	220
		600

600

MAR 29 1957

Messrs. Frank W. Phillips and
Ramey Beam
Mauney Mine
Spruce Pine, North Carolina

Re: Docket No. DMEA-4683-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina

Kiilsgaard

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.

Your lease is enclosed (herewith) as requested.

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosure

WCAnderson:gad 3/27/57
Copy to: Admr. R. File
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Anderson	600
		600
3/29	Selfridge	130
"	Seaman	110
	Mottendorf	100
		220

600

MAR 29 1957

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

Re: Docket No. DMEA-4683-Mica
Frank W. Phillips and
Ramey Beam
Mauney Mine
Cleveland County, North Carolina

Dear Mr. Laurence:

Please review the subject application and arrange for a field examination if you deem it necessary. The Consent to Lien and Subordination Agreement will be prepared in this office if a contract is recommended.

Copies of memoranda dated March 18, 1957, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, 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:

O. M. Bishop

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 5

WCAnderson:gad 3/27/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE
3/25	C	220
		600

March 22, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-4683-Mica. Mauney Mine, c/o Frank W. Phillips, Spruce Pine, N.C. Mauney Mine, Cleveland Co., N.C.

Enclosed is a copy of the lease submitted by the Applicants, in response to my letter of March 12, and a copy of my reply.

It appears to me that either the lease or the Consent to Lien will have to be re-written, but as we have already sent you the Consent to Lien, I am forwarding this also, for whatever action is appropriate. I am sure that the 600-foot square described on the Consent to Lien, rather than the entire tract, is what the Applicants intended to lease.

Robert A. Laurence
Robert A. Laurence

3-26-57
encl. lease being duplicated
gad

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 31 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 25 1957

DATE	INITIALS	CODE

March 22, 1957

Mr. Frank W. Phillips

Spruce Pine, N. C.

Re: DMEA-4683(mica)
Mauney Mine, Cleveland County
North Carolina

Dear Mr. Phillps:

The lease on the subject tract has been forwarded to our Washington office, with a request that they return it to you as soon as possible. I am returning the deed, enclosed herewith, as all the essential information in it was received with the application.

It appears to me that this one is really fouled up. The lease apparently covers the entire 118 acres, whereas the Consent to Lien covered only a tract 600 feet square, centered on the Old Mauney Mine. Either the lease or the Consent to Lien will have to be changed.

The beginning point of a lease should be marked by a permanent marker, such as an iron stake, and this should be placed outside the area of proposed work, instead of in the center of the open cut where any future work would destroy the marker.

It will greatly facilitate the processing of this and any future applications if you will submit a lease and Consent to Lien, properly executed and describing the same property, accompanied by a map of the property, clearly showing the boundaries of the property and of the lease, with a tie-in from the lease to a property corner. Also the location of any existing workings and proposed work should be shown on the map

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/zm
cc
Opr. Com.
Shirley
Lynch
Files

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 19 1957

DATE	INITIALS	CODE
3/20	C	220
		600

March 18, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA - ~~3683~~ 4683 (mica)

Applicant: Mauney Mine (Frank W. Phillips and Ramey Beam, partnership)

Name and Location of Property: Mauney Mine
Cleveland County, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 3/15/1957

Comments:

1. Although applicant states that this is an old mine there is no data available in this office on subject mine.

2. Applicant states there is mica showing in walls of open cut and in the dump.

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

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 19 1957

DATE	INITIALS	CODE
3/20	C	220
		600

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

March 18, 1957

Re: DMEA 4683
Mauney Mine (Partnership)
Mauney Mine
Cleveland Co., N. C.
$8,566.00 - Mica

Memorandum

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

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

Subject: Review of application

The applicants request assistance in the further exploration of a pegmatite by bulldozing, shaft sinking, and crosscutting, (probably drifting).

Mica is present in place and in the dumps.

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.

March 15, 1957

Mr. Frank U. Phillips and Ramey Bean,
Spruce Pine, North Carolina

Subject: DMEA-4683
Re: Exploration Assistance

Gentlemen:

Your application for exploration assistance, dated March 8, 1957 submitted to our office at Knoxville, Tennessee has been assigned Docket Number DMEA-4683 and referred to the Non Metallics Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Revion V

3571

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAR 14 1957

DATE	INITIALS	CODE

March 12, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application from MAUNEY MINE, Spruce Pine, N.C.
Mauney Mine, Cleveland County, N.C. (mica)

Enclosed are the original and two copies of the subject application, with three copies of the land description, six copies of the Consent to Lien, and four copies of a map of the property. The Applicant did not send a copy of the lease, and we have written today, requesting it.

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

This is evidently not the same mine as the Old Mauney Mine of DMEA-2725.

Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region V

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines