DMEA Form 9
(Rev. 5/57)

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE

Idm-E No.____

DMEA NO. 474/

6 SEP 1957 **1130**

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(Withdrawn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

Contract

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

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

✓ closing letter
Royalty Audits 1/
Certification of Discovery
✓ Cost Audits 2/
✓ Termination Notice or Agreement
Recision Notice
Assignment of Contract
✓ Contract Amendments
✓ Contract with all exhibits and annexes
Owner's Consent to Lien
Subordination Agreement
✓ Application and attachments
X Envelope for maps

Right Side

Project summary
✓ Work completed analysis
All other material filed in chronological order including the following reports if checked:

Field Team Semi-Annual Report for Certified Project
✓ Final Field Team Report (Tab)
✓ Operator's Final Report (Tab)
✓ Interim Field Team Reports
✓ Operator's monthly reports and all attachments
✓ On-site Exam Report (Tab) ✓
Settlement Sheets
Drill Logs

Additional Folders:

Left Side

Folder No.____:
Analysis of Semi-Annual Inspection Reports
Interim Summary Reports by DMEA Engineers

Right Side

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

Folder No. 1 : Maps (Use pocket folder or envelope.)

Folder No.____: Settlement Sheets

Folder No.____: Drill Logs

Folder No.____: Royalty material

1/ Or reports of royalty review
2/ Or cost reports of review

16592

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/19	Anderson	600
8/20	Houk	600
8-20	Chambers	800
8/21	Selfridge	120
"	Johnson	110
22	Mittendorf	100
8/25	H. G.	220
		600

600

AUG 22 1958

Mr. Paul S. Huskins
Route 3, Box 68
Bakersville, North Carolina

Re: Docket No. DMEA-1741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-11130

Dear Mr. Huskins:

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,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 8/19/58
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/19	Anderson	600
		600
		110
		220

600

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4741-Mica
Contract No. Idm-E1130
Big Ridge Prospect
Mitchell County, North Carolina

Operators: Partnership - Paul S. Huskins, Ed Huskins, Sam L. Phillips, and John Phillips.
c/o Paul S. Huskins, Route 3,
Box 68, Bakersville, North Carolina

Application: Form MF-103(April 1952) received May 9, 1957.
Work proposed: Rehabilitate present 12 foot deep shaft, sink 50 feet of additional shaft, and drive 50 feet of drifts.
Amount requested - $4,389.40

Operators' Property rights: Owner.

2. Contract: Form MF-200A(April 1956) dated October 17, 1957.
Work authorized:

Stage I

Construction - toolhouse, powder & exploder magazines	$118.00
Rehabilitation 32 feet of shaft @ $15/ft.	480.00
20 additional feet of shaft @ $44.50/ft.	890.00

Stage II

80 feet of drifts and/or crosscuts @ $34.00/ft.	2,720.00
Estimated total cost of project	$4,208.00
Government praticipation @ 75%	$3,156.00

Amendments: No. 1, 1/22/58 - Provides for 32 feet of vertical or inclined shaft in place of the rehabilitation of old shaft, as provided in contract, at no extra cost.

Work completed:

Stage I

Construction - toolhouse, powder & exploder magazines	$118.00
Underground rehabilitation	480.00
20 feet of shaft @ $44.50/ft.	890.00

Stage II

58 feet of drift @ $34.00/ft.	1,972.00
Total accepted cost	$3,460.00
Government participation @ 75%	$2,595.00

Work began on October 29, 1957, and was terminated by mutual agreement short of completion, effective January 20, 1958. Field Team Final Report received May 2, 1958. Operator's final report received February 10, 1958. No equipmnet purchased under contract.

* Mica production - (See paragraph No. 2, under "Criteria developed during project").

Audit: Report of Review issued February 26, 1958.

Total accepted cost	$3,460.00
Government participation	$2,595.00

4. Certification of Discovery - none issued.

5. Comments:

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

Operation: Contract work was done rapidly and efficiently.

Engineering: The mica-potential of the pegmatite was thoroughly explored.

Geologic Premise: The anticipated repetition or continuance of mica-rich dragfold apophyses of the pegmatite down plunge and along strike, did not materialize.

Geologic criteria upon which work was based:

1. Pegmatite: Zoned, concordant, tabular, 14 to 30 inches thick. Enclosed in a partially weathered quartz-muscovite-biotite gneiss. Developed along a plane of differential movement, evidenced by strong dragfold implacement. Zoning is symmetrical with a 3 foot quartz core, flanked by 4 to 12 inch thick wall zones composed of medium-fine-grained oligoclase, interstitial quartz, and considerable strategic muscovite.
2. Mica: Light brown, with slight greenish cast, found in books up to 8 x 10 x 5 inches, average being 4 x 6 inches or smaller. Essentially flat, little mineral intergrowths and minor amount of flat "A" structure.
3. Past production.

Geologic criteria developed during project:

1. Pegmatite: 30 inches thick at surface to 4 inches thick at drift level. Zoned, tabular structure concordantly emplaced in a partially weathered to weathered quartz-muscovite-biotite gneiss. No dragfold apophyses of pegmatite, as indicated at surface, materialized down plunge or along strike.

* 2. Mica: No reserves could be outlined. 600 pounds produced during project was sold on August 11, 1958, at 1 1/2 ¢ per pound, or $9.00, for which a royalty of 45 ¢ was paid.

Future Possibilities: none

Recommendations: The Division of Nonmetallic Minerals concurs in the Field Team's recommendation that certification is not justified, and a closing letter be written to the Operator.

Walter C. Anderson

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 8/19/58
Copy to: Admr. R. File
Mr. Houk

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Paul S. Haskins, Ed Haskins,
Sam L. Phillips & John Phillips
Box 98, Route 3
Bakersville, North Carolina

pertaining to Exploration Project Contract No. Idm-F1130, DMEA No. 4741, including Amendment No. 1, for November 1957 to January 1958, inclusive, covering a mica project at the Big Ridge Prospect, Mitchell County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs 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 reason given below:

all of the costs were under a contract provision for payment by the Government at fixed unit costs for work performed.

The findings of this review are stated in the following summary:

Total cost billed by Operator		$3,460.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost, if claimed		$3,460.00

The contract calls for a 75 percent contribution of the allowable costs by the Government. Therefore, if the project is otherwise accepted as having met the terms of the contract, payments as follows are valid and proper:

Payable on audited claim	$2,595.00
Paid to date	2,136.00
Balance due Operator	$ 459.00

E. D. Talbert Jr.
E. D. Talbert, Auditor

February 26, 1958

DMEA
RECEIVED FEB 26 1958
DATE | INITIALS | CODE

Government's copy

Long
Lawyer
Anderson
Hood
Martin
Talbot
Jones

TERMINATION AGREEMENT

It is agreed this 14th day of February, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Paul S. Huskins, Ed Huskins, Sam L. Phillips, and John Phillips, partners, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1130, (Docket No. DMEA-4741, dated October 17, 1957, hereinafter referred to as the "Contract," that:

1. Effective JAN 20, 1958, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government respecting certification of discovery or development, percentage royalty and liens to secure payment thereof, reports (including preservation of Operator's records), accounts, audits, and the right to recover any overpayment, are hereby preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this Termination Agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

Paul S. Huskins
Paul S. Huskins (partner)

Ed Huskins
Ed Huskins (partner)

Sam L. Phillips
Sam L. Phillips (partner)

John Phillips
John Phillips (partner)

THE UNITED STATES OF AMERICA

By C. Mitchell Dow
Administrator, Defense Minerals Exploration Administration

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

DMEA
FEB 11 1958
2/11 C 220
600

February 6, 1958

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Amendment No. 1 - DMEA-4741, Idm-E1130-mica.
Paul S. Huskins, et al. Spruce Pine, N.C.
Big Ridge Mine, Mitchell County, N.C.

Attached are two copies of the subject signed amendment.

The usual distribution of the other copies has been made by this office.

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

zm.
cc

ORIGINAL FILE COPY
DMEA
RECEIVED FEB 11 1958
DATE CODE

Government's copy

Long
Lewis
Anderson
Hood
Champlin
Selfridge
Johnson

EXPLORATION PROJECT CONTRACT
PAUL S. HUSKINS, ET AL.
DOCKET NO. DMEA-4741

AMENDMENT NO. 1

It is agreed this 22nd day of January, 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, and Paul S. Huskins, Ed Huskins, Sam L. Phillips, and John Phillips, partners, parties to Exploration Project Contract Idm-E1130, Docket No. DMEA-4741, dated October 17, 1957, that the Contract is amended as follows:

1. In Exhibit "A," under the heading Description of the Work, Stage I, item number 2 is revised to read as follows:

"2. From the surface sink a two-compartment vertical or inclined shaft a distance of not more than 32 feet."

2. In Exhibit "A," under the heading Fixed Unit Costs, Stage I, item 2 is revised to read as follows:

"2. Sink 32 feet of [illegible] shaft @ $15.00/ft. $480.00"

This Amendment shall not be construed to increase the estimated cost of the project, the aggregate total amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

Paul S. Huskins
Paul S. Huskins (partner)

Ed Huskins
Ed Huskins (partner)

Sam L. Phillips
Sam L. Phillips (partner)

John Phillips
John Phillips (partner)

THE UNITED STATES OF AMERICA

By O. O. Mittendorf
Administrator, Defense Minerals Exploration Administration

OFFICIAL FILE COPY
DMEA
RECEIVED 30 1957

Government's Copy

MF-200A
(Rev. April 1956)

D	CODE

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
4741	Mica	1130	Mitchell	North Carolina

It is agreed 17 OCT 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Paul S. Huskins, a partnership composed of Paul S. Huskins, Ed Huskins, Sam L. Phillips and John Phillips.

whose mailing address is Route 3, Box 68, Bakersville, 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 DEC 1 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 $4,208.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $3,156.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: None

(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
Langlie
Anderson
Chambers
Selfridge
Johnson

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By Paul S. Huskins
OPERATOR

By E. J. Huskins

By Sam L. Phillips

By John P. Phillips

By C. J. Mittendorf
Administrator, Defense Minerals
Exploration Administration

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
PAUL S. HUSKINS
DOCKET NO. DMEA-4741

ANNEX I

The land referred to in Article 2 of the contract is a 9-acre tract known as the Big Ridge Prospect situated on the southwest slopes of Big Ridge at an elevation of approximately 2950 feet, 0.9 airline miles N 76° W of Wing, Mitchell County, North Carolina. The tract is part of 15 acres conveyed to Paul S. Huskins by deed dated July 8, 1952, registered in Deed Book 115, page 20, in the Registrar of Deeds Office for Mitchell County, said 9-acre tract being described as follows:

> Beginning at the center of a 32 foot deep shaft and running S 72° 30' E 225 feet to a 12 inch twin spanish oak, thence N 36° W 378 feet to a stake, thence S 55° W 708 feet to a 14 inch spanish oak, thence S 71° E 527 feet to a 10 inch black oak, thence N 46° E 403 feet to the point of closing.

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
PAUL S. HUSKINS
DOCKET NO. DMEA-4741

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map entitled "Big Ridge Prospect, Mitchell County, North Carolina, DMEA-4741 (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 is approved in writing and in advance by the Government.

STAGE I

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 $2\frac{1}{2}$ feet.
   (c) An exploder storage magazine, minimum dimensions 2 feet by $1\frac{1}{2}$ 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. Rehabilitate the existing inclined shaft a distance of not more than 32 feet.

3. From the bottom of the rehabilitated shaft, sink a two-compartment inclined shaft a distance of not more than 20 feet.

STAGE II

1. Explore the pegmatite by driving from or near the bottom of the shaft, not more than 80 feet of drifts and/or crosscuts.

The rehabilitated shaft, the extended 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

1.	Construct - Toolhouse 1/	$78.00	
	Powder magazine 1/	25.00	
	Exploder magazine 1/	15.00	$ 118.00
2.	Rehabilitate 32 feet of existing inclined shaft @ $15.00/ft.		480.00
3.	Sink 20 feet of inclined shaft @ $44.50/ft.		890.00

Stage II

1.	Drive 80 feet of drifts and/or crosscuts @ $34.00/ft.	2,720.00
	Estimated Total Cost of Project	$4,208.00
	Government Participation @ 75%	$3,156.00

1/ The completed work constitutes the unit.

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 9 1957

DATE	INITIALS	CODE

May 7, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Application from Paul S. Huskins, Bakersville, N.C.
Big Ridge Mica Mine, Mitchell County, N.C. (mica)

Enclosed are the original and 2 copies of the subject application. We are keeping one copy for our use.

The application was prepared by Mr. DeGroat, of Bakersville, North Carolina.

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

V. J. Lynch
V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

May 7, 1957

Mr. Paul S. Huskins
Route #3--Box 68
Bakersville, North Carolina

Dear Mr. Huskins:

Your application for aid in exploration for strategic mica at the Big Ridge Mica Mine in Snow Creek Township, Mitchell County, N.C., has been forwarded to our Washington office for processing in accordance with established procedure. You will be notified if additional information is needed or if a field examination is to be made.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm

Operating Committee

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 9 1957
DATE | INITIALS | CODE

9 Acre

PAUL S. HUSKINS TRACT
SNOW CREEK TOWNSHIP
MITCHELL COUNTY, N.C.

Deed Dated July 8th 1952
Deed Book # 115, Page 20

Begining on a Locust on the South side of a Branch and runs North, 36 degrees West 47 poles to a Black Oak; thence passing a Dogwood 60 poles to a stake in John Willis's line; thence South, 55 degrees East, to a Spanish Oak; thence South, 71 degrees East, 36 poles to the begining corner. Containing (15) acres more or less. EXCEPTING from the above described tract of land, a tract containg (6) acres heretofore sold to Jack Huskins from the said boundry above described. IT IS FUTHER AGREED, and herewith assigned, the rights to roads that B.F. Huskins retained through lands of Carl and Paul Grindstaff ans Sherrill Huskins and Richmond Thomas.

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 9 1957

DATE	INITIALS	CODE

OFFICIAL FILE COPY
D M E A
RECEIVED MAY 9 1957

DATE	INITIALS	CODE

MF-103
(Revised [illegible])

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

APPLICATION FOR AID IN AN EXPLORATION PROJECT, PURSUANT TO DMEA ORDER 1, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

Not to be filled in by applicant

Docket No. 4741
Metal or Mineral MICA
Date Received 5-9-57
Estimated Cost $4,389.40
Participation (Government %)

RECEIVED
MAY 7 - 1957
Geologic Division

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: PAUL S. HUSKINS, (Individual)
RT. 3, BOX 68,
BAKERSVILLE, NORTH CAROLINA.

(*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. None

(*c*) If a corporation, add to above statement, titles, names and addresses of officers. None

(*d*) If a partnership, add to the above statement the names and addresses of all partners. None

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
(See seperate sheet attached hereto)

(*b*) State any mine name by which the property is known. "Big Ridge Mica Mine"

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

(*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. None

(*e*) If you own the land, describe any liens or encumbrances on it
None

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

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

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

(*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. do

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

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

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

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

(*c*) The work will start within 30 days and be completed within (3) months from the date of an exploration project contract.

(*d*) State the operating experience and background of the applicant with relation to the ability to carry out such exploration project, and also that of the person or persons who will supervise the operations. See Supplement Sheets

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.). None

(*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. See Supplement Sheets

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

(*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. do

(*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. do

(*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. do

(*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. do

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

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

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

(*b*) How do you propose to furnish your share of the costs? See Supplement Sheet

[X] Money [ ] Use of equipment owned by you [X] Other Labor

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 May 4th, 1957

Paul S. Hushin (Applicant)

By Paul Hushin, (Individual)

Rt.3. Box 68,

Reidsville, North Carolina.

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—86551-1

Re: HUSKINS, Paul S.
Rt. 3, Box 68
Bakersville, N.C.

SUPPLEMENT SHEET NO. 1.
-re-
FORM MF-103,(Revised)

Sect. 4-(a) PHYSICAL DESCRIPTION.

The proposed mica exploration project hereinafter referred to as the "Big Ridge Mica Mine", is located on the property of Mr. Paul Huskin, the applicant. The prospect is in Snow Creek Township, Mitchell County, North Carolina, about 1½ miles S.W. of the Wing, N.C. Postoffice. It is located on the East side of the Big Ridge, being about halfway up the side of the said ridge. There is no indication of any previous work having been done at the site of the prospect. On another lead about 300 feet distance from the prospect there is indication of feldspar having been mined but this feldspar minar is not on the same lead as the proposed mica project. The present workings at the proposed mica project consists of a 5' X 5' vertical shaft down to a depth of about 12 feet.

Sect. 4-(b) PAST & CURRENT PRODUCTION.

There is no history or sign of any past production at this site. During the present operation of the project it is estimated by the operators that approximately 1 ton of crude mica in book formation has been removed from the 12 foot shaft. The mica is of light green color, good hardness and texture and exceptionly clear of any defects. The books are medium in size as an average while a few books 6"X 6" or more have been recovered. A small amount of this mica has been processed and sold to the Govt Mica Depot at Spruce Pine, N.C.

Sect. 4-(c) . GEOLOGIC DATA OF PROSPECT.

The main pegmatite body averaging about 5 feet accross from the footwall to hangingwall slates, strikes a course roughly NE*SW with pitch of the body to the south at a very gentle angle probably not over 2 degrees at the lower level of the 12 foot shaft. Both footwall and hangingwall slates are exposed in the shaft. The main body is composed of both kaolinized and crystalized soda feldspar which is intermingled with layers and pods of quartz. No solid quartz core was observed. The books of mica are all through the body but appear to be more prominient on the footwall side of the vein. The formation is solid enough to require drilling & blasting and will probably harden more with additional depth.

Sect. 4-(d) . ACESSIBILITY OF PROSPECT.

Take N.C. State Route # 26, North from Spruce Pine or South from Bakersville to the intersection of the Snow Creek road. Take Snow Creek road S.W. about 3 miles to the home of Sherrill Huskins in the Lily Branch community. Take gravel road N.W. at Sherrill Huskins house for ½ mile to home of Richmond Thomas. Leave gravel road at the Thomas home and take old sled road which can be traveled with a jeep, ½ mile to site of the proposed mining project. The Snow Creek road is all hardtopped from intersection of # 26 to Sherrill Huskin's house where you take the gravel road.

Sect. 4-(e) . MANPOWER, SUPPLIES, MATERIALS, Ects.

A sufficient number of thoroughly experienced mica miners are available to operate the proposed project. Ample materials, supplies and mining equipment are available at Spruce Pine, N.C. for proper operation of the project. A electric power line is within 500 yards of the project and water is 300 feet distance. The nearest dwelling house is about 500 yards from proposed project.

Re: HUSKINS, Paul S.
Rt.3, Box 68,
Bakersville, N.C.

SUPPLEMENT SHEET NO. 2.
-re-
FORM MF-103, (Revised)

Sect. 5-(a) PROPOSED EXPLORATORY WORK.

It is proposed by the applicant to continue in the present 12 foot shaft and drive said shaft to a depth of 60 feet with the dip of the pegmatite body. At the 60 foot lower level of the shaft a drift would be driven 25 feet each way (50 Ft) with the strike of the body. As the present shaft is approximately 10 to 12 feet deep, the applicant is requesting an additional 50 feet on depth of the shaft plus the 50 feet driftage at bottom of shaft(25 Ft eah way). As the present shaft is only about 5 Ft X 5 Ft in diamiter, it is proposed to widen the present shaft to approximately 5' X 7 '.

Sect. 5-(d) . MINING QUALIFICATION OF WORKERS.

The applicant has had some several years actual experience in minigg of mica and would be active in the operation of the proposed project. The supervision of the project would be in charge of Mr. Grover Grindstaff, a miner with years of actual experience in mining of mica. All additional hired labor would be men qualified by actual mining experience in mica.

Sect. 6-(b) . LABOR & SUPERVISION. (12 WEEK PERIOD)

No.	Class.	Hrly Rate.	Wkly Rate.	12 Week Period based on 480 Work Hours.
1	Supervisor	$ 1.75	$ 70.00	$ 840.00 " "
1	Drill Operator	1.50	60.00	720.00 " "
1	Hoist Operator	1.25	50.00	600.00 " "
1	Mucker	1.00	40.00	480.00 " "
(4)	Man Crewx----------	$ 5.50--	$- 220.00----	$2, 640.00 480 Work Hrs.

Sect. 6-(c) . OPERATING MATERIALS & SUPPLIES--(Purchase Basis)

Unit.	Items	No Units	Unit Cost.	Estimated Costs For 12 Week Period	of Project
Lbs.	Dynamite	400	$ 0.25	$ 100.00	$ 100.00
Ea.	6' El Exploders	300	.15	45.00	45.00
Gal.	Gasoline	450	.24	108.00	108.00
Qts.	Motor Oil	100	.22	22.00	22.00
Ea.	Line Lubricator	1	25.00	25.00	25.00
Lft.	El Lead Line	100	.06	6.00	6.00
Ea.	Blasting Battery	1	25.00	25.00	25.00
Lft.	1" Air Pipeing	100	.16	16.00	16.00
Lft.	Tung Drill Steel	24	6.40	153.60	153.60
Ea.	Mine Bucket	1	6.00	6.00	6.00
TOTALS----------				$ 506.60	----$ 506.60

Re: HUSKINS, Paul S.
Rt.3. Box 68,
Bakersville, N.C.

SUPPLEMENT SHEET NO. 3.
-re-
FORM MF-103, (Revised)

Sect. 6-(d) OPERATING EQUIPMENT---(Rental Basis, Monthly)

Unit.	Item.	No. Units	Unit Cost.	Est'd Costs For The 12 Week Period
Ea.	Air Compressor # 105	1	$ 150.00	$ 450.00
Ea.	Jackhammer Drill	1	50.00	150.00
Ea.	Hoisting Engine	1	50.00	150.00
Ea.	Mine Jackleg	1	15.00	45.00
TOTALS		4	$- 265.00	$ 795.00

Sect. 6-(f) . BUILDINGS & INSTALLATIONS. (Purchase Basis).

Unit.	Item	Unit No.	Unit Cost.	Est'd Costs For The 12 Week Period.
Ea.	Toolhouse & Shop	1	$ 75.00	$ 75.00
Ea.	Pdw Magazine	1	25.00	25.00
Ea.	Exp'dr Magazine	1	15.00	15.00
TOTALS		3	$ 115.00	$ 115.00

Sect. 6-(g) MISCELLANEOUS EXPENSES. (Cash)

Federal Payroll Taxes @ 2% of $ 2,640.00 Payroll	$ 52.80
Employer's Liability Ins. (4 man crew, Est'd)	$ 200.00
TOTALS	$ 252.80

Sect. 6-(h) .CONTINGENCIES---(Cash).

8 hours Bulldozer Hire @ $ 10.00 per Hr.	$ 80.00
TOTALS	$ 80.00

Sect. 7-(b) . EXPLINATION OF OPERATORS 25% PARTICIPATION IN PROJECT COSTS.

The Applicant (operator) will furnish labor costs amounting to $ 1,097.35 which represents 25% of the estimated total costs of the proposed project for the 12 week period of operation the total cost for the 12 week period being estimated at $ 4,389.40

RECAPITULATION OF ESTIMATED COSTS OF PROJECT
---BY UNITS---

Sect. 6-(b)	Labor & Supervision	12 Week Period	$ 2,640.00
Sect. 6-(c)	Operating Materials	" " "	506.60
Sect. 6-(d)	Operating Equipment	" " "	795.00
Sect. 6-(f)	Bldgs & Installations	" " "	115.00
Sect. 6-(g)	Miscellaneous Expenses	" " "	252.80
Sect. 6-(h)	Contingencies	" " "	80.00
ESTIMATED TOTAL COSTS OF THE PROJECT		12 WEEK PERIOD	$ 4,389.40

Re: HUSKINS, Paul S.
Rt.3. Box 68,
Bakersville, N.C.

SUPPLEMENT SHEET NO. 4.
-re-
FORM MF-103, (Revised)

GENERAL SUMMARY OF PROJECT EXPENSES AND
THE GOVERNMENT & OPERATORS PARTICIPATION

TOTAL ESTIMATED COSTS OF PROPOSED PROJECT, (12 WEEKS) $ 4,389.40

OPERATORS SHARE OF THE ABOVE @ 25% OF ESTIMATED COSTS--$ 1,097.35

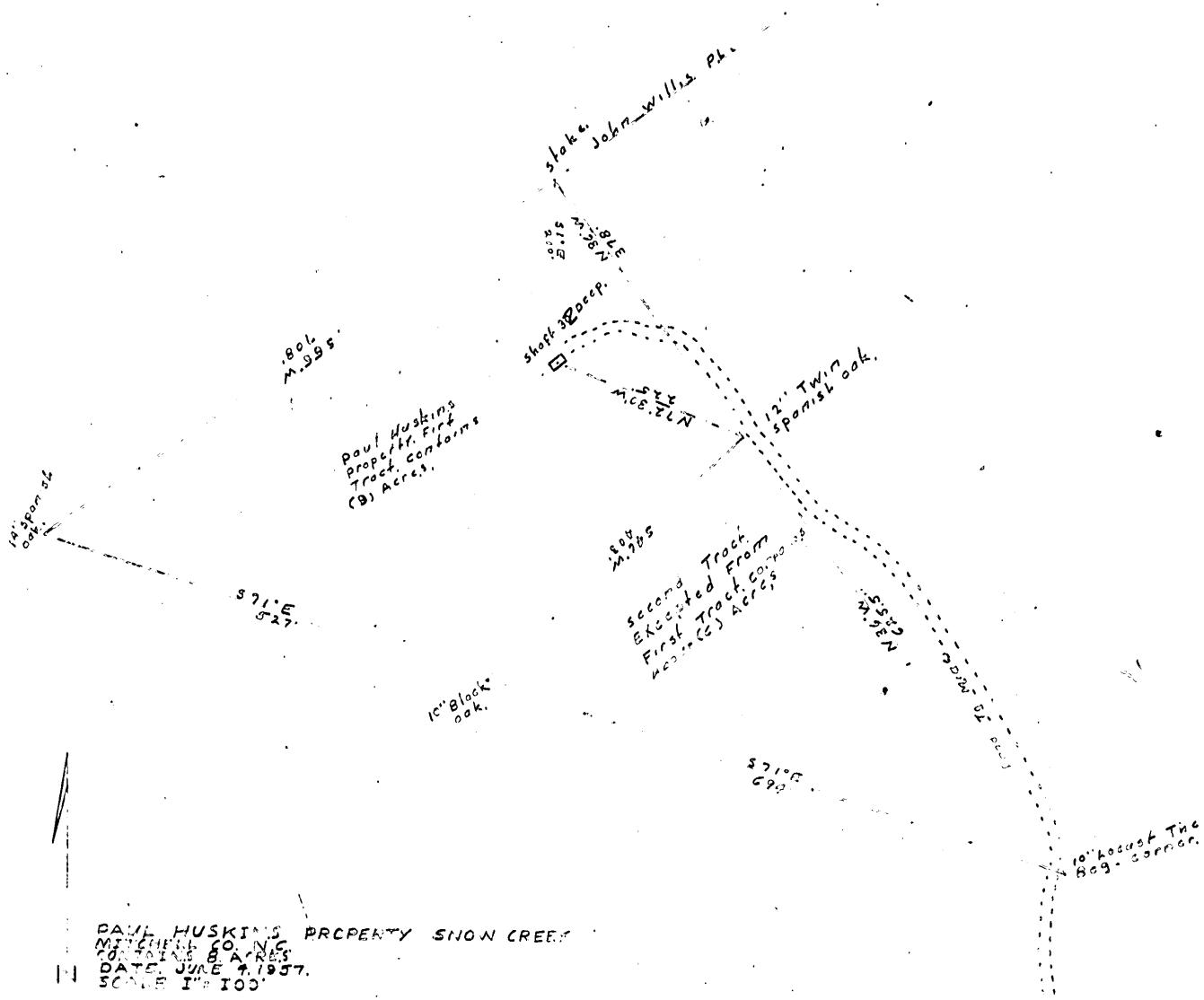
GOVERNMENTS 75% SHARE AND AMOUNT OF LOAN SOLICITED-----$ 3,292.05

Respectfully submitted,

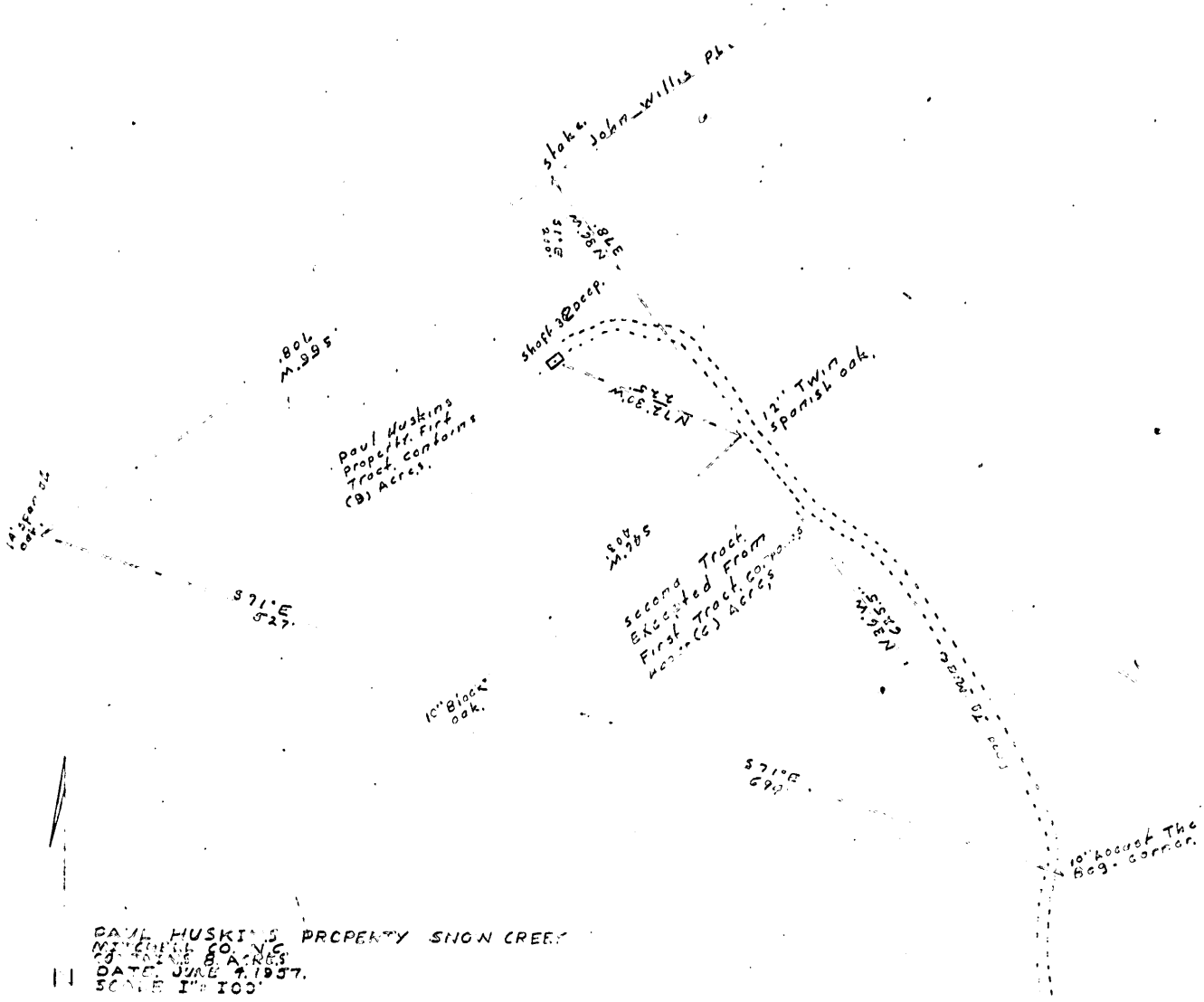
Paul S. Huskins

Paul Huskins, (Individual)
Rt.3. Box 68,
Bakersville, North Carolina.

PAUL HUSKINS PROPERTY SNOW CREEK
MITCHELL COUNTY
CONTAINS 9 ACRES
DATE: JUNE 4, 1957.
SCALE 1" = 100'



PAUL HUSKINS PROPERTY SNOW CREEK
MITCHELL CO. N.C.
CONTAINS 8 ACRES.
DATE JUNE 4, 1957.
SCALE 1" = 100'



PAUL HUSKINS PROPERTY SNOW CREEK
MITCHELL CO., N.C.
CONTAINS 8 ACRES
DATE: JUNE 4, 1957.
SCALE 1" = 100'

☑ Audited 2/26/58

☐ Certified

WORK ANALYSIS SHEET - DMEA PROJECT

Analysis as of 2-26-58
Incl. Voucher for Jan. 58

☐ Actual Cost

☑ Agreed Unit Costs

Name Paul S. Hartman

Docket No. 4741

State No. Car.

Commodity Zinc

Idm-E No. 1130

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
Drifting & Crosscutting	80 Ft.	2720.00	58	1972.00	
Raising					
Shafts	20 Ft.	890.00	20	890.00	
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation		480.00		480.00	
New Building, Improvements, etc.		118.00		118.00	
Other (Specify)					
Totals		4208.00		3460.00	

Prepared by Walter C. Anderson

71626

Mittendorf

ORIGINAL FILE COPY
DMEA
RECEIVED AUG 15 1958

DATE	INITIALS	CODE
8/15	J.J.G.	225
8/18	WRA	000

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

August 13, 1958

Memorandum

To: Finance Officer, Region V (DMEA) Norris, Tenn.

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Royalty Payment - DMEA-4741, Idm-E1130 (mica)
Big Ridge Mica Mine, Mitchell County, N.C.

Attached is a letter from Sam L. Phillips stating he sold 600 pounds of scrap mica from the subject mine, and his check for 5% royalty in the amount of forty-five cents.

Robert A. Laurence

zm.
cc;
Mittendorf
Lynch
Files
ck. no. 166,
dated 8/6/58

DMEA
RECEIVED 1958
DATE | INITIALS | CODE

Spruce Pine, North Carolina
August 11, 1958

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

Re: DMEA-4741 (mica)
Paul S. Huskins, et al
Big Ridge Mica Mine
Mitchell County, N.C.
Contract Idm-E1130

Dear Mr. Laurence:

This will acknowledge receipt of your letter dated July 7, 1958.

We had 600# of scrap mica from the above project, which we sold today to the P. and H. Mica Company at one and one half cent per pound, a total of nine dollars.

We are enclosing five percent royalty check.

Sincerely yours,

Sam L. Phillips

Sam L. Phillips

P/bjg

600# Scrap @ 1½¢ per pound = $9.00, 5% royalty = $ .45.

RECEIVED
AUG 13 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

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

MASTER FILE COPY
DMEA
RECEIVED JUL 23 1958

DATE	INITIALS	COST
7/23	C	220
7/23	[illegible]	800
		600

July 21, 1958

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: DMEA-4741 (mica)
Paul S. Huskins, et al
Big Ridge Mica Mine
Mitchell County, N. C.
Contract Idm-E1130

Dear Mr. Phillips:

The inspection reports of our Field Examiners indicate that 300 pounds of good quality mica was recovered at the Big Ridge mine between November 1 and 13, 1957 and that another 100 pounds of "mediocre mica" was recovered between November 13 and 26.

Please advise me as to what disposition was made of this mica. If it was sold in any form, royalty in the amount of 5 per cent of its value should be paid to the Government. If the mica was of no value, please send me a statement certifying that it was of no value and stating what was done with it.

Sincerely yours,

Robert A. Laurence
Executive Officer, DMEA
Region V

RAL/sm
cc

Opr. Com.-2
Lynch
Files

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
7/14	Anderson	600
7/15	Houk	600
7/16	Martin	130
"	Johnson	110
"	Hutchinson	100
7/17	J.L.g.	220
		600

600

JUL 16 1958

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-E1130

Dear Mr. Laurence:

According to the Field Team final report of April 30, 1958, there was recovered an estimated 400 pounds of mine-run block of strategic size mica during the period of the subject contract.

Before we write the closing letter, which is due on August 10, 1958, we will appreciate receiving a report on the value and disposition of this recovered mica.

Sincerely yours,

W. S. Martin
ACTING Chairman, Operating Committee (HB)

Approved:

Frank D. Lamb (HB)
Member, Bureau of Mines

Thor H. Kiilsgaard (HB)
Member, Geological Survey

WCAnderson:rsi 7/14/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
DMEA
RECEIVED
DATE
5-14 C 220
5/16 600

May 14, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4741 (mica)

Applicant: Paul S. Huskins, et al.

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

Contract Number: Idm-E 1130

Date of Field Team Report: 4/30/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/5/58

Field Team Recommendation: Recommend that the project not be certified.

Comments:

1. A DMEA contract was entered into to explore a pegmatite body down dip, for possible extension of mica-rich zones from which operators had recovered a reported 1½ tons of good quality block muscovite.

2. No new enriched zones were encountered after 52 feet of shaft had been sunk and 58 feet of drifting and the contract was terminated short of completion by mutual agreement.

3. Expenditures -

Total approved	$4,208.00
Total cost	3,460.00
Gov't. share of the cost	2,595.00
Value of production during operation	(?)
Royalty paid to date	none

Recommendation:

I concur with the field team in recommending that no certification of discovery be issued.

W. F. Dietrich

W. F. Dietrich

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

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 2, 1958

DATE	INITIALS	CODE
5/2	C	220
5/2	esy	130
"	DEJ	110
5/5	JB	130
5/6	C	220
5/8	Hook	600

April 30, 1958

Memorandum

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

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

Subject: Final Report, DMEA-4741, Idm-E1130 (Mica)
Paul S. Huskins, Ed Huskins, Sam L. and John Phillips
c/o Paul S. Huskins, Bakersville, North Carolina
Big Ridge Prospect, Mitchell County, North Carolina

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

We do not recommend certification.

V. J. Lynch
V. J. Lynch
Acting Executive Officer

Helmuth Wedow, Jr.
Helmuth Wedow, Jr.
Geologist, USGS

Enclosures 3

Field Team Final Rpt.

Reviewed by
DMEA OPERATING COMMITTEE
5-5-58
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 2 1958

DATE	INITIALS	CODE
5/5	JB	130
		220

FINAL REPORT

REGION V

DMEA-4741, Idm-E1130, BIG RIDGE PROSPECT (Mica)
Mitchell County, North Carolina

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

S. A. Feitler, Mining Engineer
U. S. Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
5-5-58
(date)

April 30, 1958

DMEA EXPLORATION PROJECT

FINAL REPORT

DMEA-4741, Idm-E1130, BIG RIDGE PROSPECT (Mica)
Mitchell County, North Carolina

Operators: A partnership, composed of Paul S. Huskins, Ed Huskins, Sam L. Phillips, and John Phillips
c/o Paul S. Huskins, Bakersville, North Carolina

SUMMARY

The Operators thoroughly explored the mica-potential of the subject pegmatite. Instead of rehabilitating the incline as originally planned, a vertical shaft was sunk 32 feet to intersect the bottom of the existing workings. The pegmatite was followed down dip from this point to a total depth of 52 feet. A thin continuous tabular section of pegmatite was followed from the shaft bottom, 58 feet on the level to the southwest. The anticipated repetition or continuation of mica-rich dragfold apophses of the pegmatite down plunge and along strike, did not materialize so that the drift work was terminated by mutual consent short of completion. No productive pegmatite of any consequence was outlined by the contract work, and no certification of discovery is recommended.

INTRODUCTION

Location

The prospect is located on the southwest slope of Big Ridge at an elevation of approximately 2950 feet. It is 0.9 airline mile N. 76° W. of Wing, Mitchell County, North Carolina, and can be located on the east-central one-ninth of the Micaville, N. C. quadrangle, USGS-TVA Ed. 1934 (209-NW), 1:24,000.

Previous work

No previous operations are known prior to the present one which commenced several months before the initial DMEA application examination. A 34-foot deep shaft had been sunk on a -52° incline to west-southwest. The shaft followed the plunge of mica-rich pegmatite emplaced along a dragfolded apophysis of a thin concordant tabular pegmatite which

is also mica-rich. It was estimated that approximately $1\frac{1}{2}$ tons of good quality block muscovite had been recovered from this initial work. The possibility of a plunge extension of the exposed structure as well as multiples of it occurring along strike led the examiners to recommend an exploration program with DMEA participation.

Contract work

Contract work began on October 29, 1957, and terminated short of completion on January 20, 1958. Instead of rehabilitating the existing inclined shaft, as outlined in the contract procedure, the Operators decided it would provide better operating conditions to sink a new vertical shaft in the hanging wall, about 8 feet south of the incline shaft collar. At the time of the initial inspection, 40 feet of shaft had already been sunk, 32 feet vertically breaking into the bottom of the old works, and 8 feet beyond the old works down dip along the pegmatite. An amendment was drawn to accommodate this initial change in procedure, which actually resulted in a more efficient operation than would have been possible by following the original plan. The cost of the new shaft exceeded the amount provided for rehabilitation, and the additional cost was borne by the Operators. The shaft was sunk an additional 12 feet down dip on a -65° incline, for a total of 52 feet. From the shaft bottom a total of 58 feet of drift was driven S. 50° W. at which point it became apparent that the pegmatite potential had been thoroughly explored, and little would be gained by continuing the work. The contract work was done rapidly and efficiently and, except for the rehabilitation, followed contract specifications to the letter.

GEOLOGY

The Big Ridge pegmatite is a discontinuously zoned, thin tabular structure which is concordantly emplaced in a partially weathered to unweathered quartz-muscovite-biotite gneiss. The strike of the foliation and pegmatite swings progressively from N. 81° E. at the surface to N. 50° E. at the drift level, with a variation in dip of from vertical to 45° southeast. Differential slipage and dragfolding along a foliate plane have localized the pegmatite position, and controlled its shape. The tabular portion of the structure ranges in thickness from 30 inches at the surface to an average of 4 inches at the drift level. Although thin, the pegmatite appears to have good strike and dip continuity. The original incline was sunk along an apophysis of the pegmatite which is an emplacement along a -50° southwestward-plunging dragfold in the hanging wall. This structure has a maximum thickness of 4 feet in the old works, asymmetrically thinning and dying out down plunge. It is represented at the drift level by a local swelling of the pegmatite to 9 inches from an average 4 inch thickness. A much smaller apophysis of pegmatite from 12 to 6 inches in thickness and plunging from parallel to the dip to 60° southwest was exposed in the lower 12 feet of the contract shaft, thus indicating that the marginal dragfold structures do actually occur as multiple structures as anticipated, but not to the extent that was hoped for in this case. They also proved to be much more asymmetrically developed along the plunge than was anticipated.

Regardless of thickness, the pegmatite retained the same approximate compositional distribution throughout. Discontinuous elongate lenses of massive quartz from 1 inch thick at drift level to 3 feet thick in the fold apophyses, occur contrally located in the pegmatite. Wall-zone material with bilateral symmetry and a thickness of from 1 to 12 inches occurs along either contact. This material consists of medium- to medium-coarse-grained plagioclase, interstitial quartz (usually where no distinct core is present), muscovite, and minor garnet. Muscovite constitutes approximately 15 to 30% of the pegmatite and the books are usually oriented roughly normal and adjacent to the contacts. The pegmatite at drift level has all the potential of that in the original incline except that all components are in minature and to scale, including the muscovite. The muscovite in the original incline was recovered in books up to 8 x 10 inches across and 5 inches thick, although the average was approximately 4 x 6 inches across or smaller. The size decreased progressively down dip to an average of 1 x 1 inch or smaller at the drift level. The muscovite is essentially flat and free from mineral intergrowths. Only a minor amount of flat "A" structure, isolated reeving, and a rare speck of oxide intergrowth was noted. An estimated 400 pounds of mine-run block of strategic size was recovered during the contract period. It is not known how or whether this mica was disposed of to date.

CONCLUSIONS AND RECOMMENDATIONS

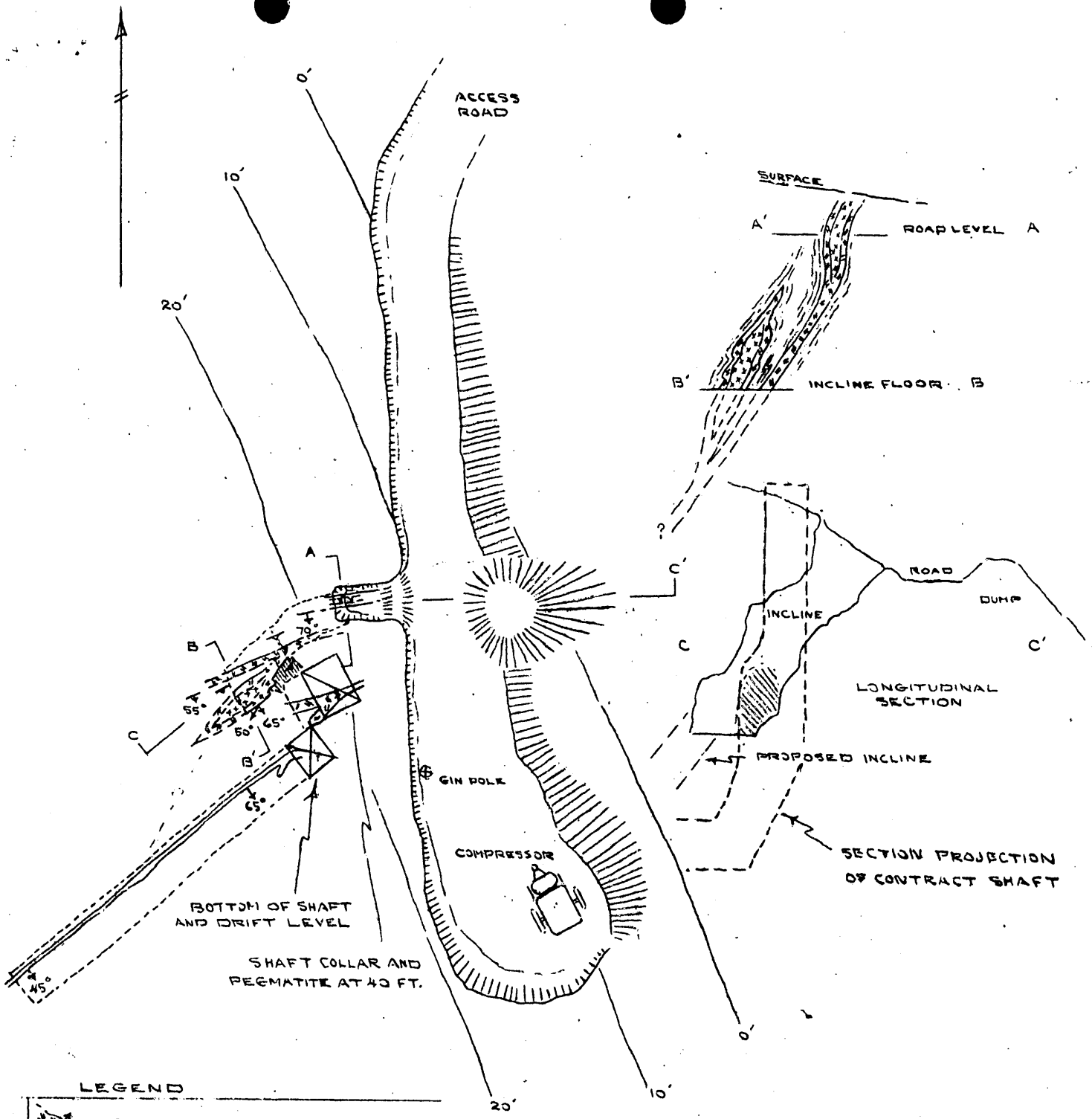
The contract work thoroughly explored the mica-potential of the Big Ridge pegmatite. Although the favorable compositional environment was found to be projectable, the structural environment was found to be such that no reserves of strategic size muscovite could be outlined or inferred. No basis for certification of discovery is present and none is recommended. The contract work was done efficiently and cooperation from the Operators was generally good.

EXPENDITURES

(a)	Total approved	$4,208.00
(b)	Total cost of project	3,460.00
(c)	Government's share of cost	2,595.00
(d)	Government's share unexpended	561.00
(e)	Value of production	(?)
(f)	Royalty paid to date	none

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

S. A. Feitler, Mining Engineer
U. S. Bureau of Mines



LEGEND

- OLIGOCLASE-QUARTZ-MUSCOVITE PEGMATITE
- DISCONTINUOUS QUARTZ CORE
- MUSCOVITE-BIOTITE GNEISS
- UNDERGROUND OPENING
- EXCAVATION
- DUMP
- BREAKTHROUGH BETWEEN OLD WORKS AND CONTRACT SHAFT

BIG RIDGE PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

DMEA-4741, Idm-E1130-(MICA)

SCALE: 1" = 20'

SCB

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 27 1958

DATE	INITIALS	CODE

File in Docket

March 11, 1958

NOTES FOR THE FILE:

Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Prospect
Mitchell County, North Carolina
Contract No. Idm-E1130

Field Exam. Rpt. 6/11/57:

32 foot deep, -52° incline, unexplored mica-rich pegmatite. Thin discontinuously zoned dike-like pegmatite. Pegmatite material is mineralogically favorable, contains up to 20 to 30% good quality strategic muscovite. Partner, S. L. Phillips. The Examiners strongly recommend DMEA assistance be granted. "...to establish its composition and continuity and to intercept multiples of any marginal fold structures that might be developed."

Letter to Field 8/15/57:

"...it is not believed that the proposed program of the Field Team can be justified as exploration. Cannot the objective be accomplished by surface bulldozing?"

Memo from Field To Operating Committee 8/20/57:

"The bulge exposed in the incline is not considered to be the main target, but similar, as yet unexposed, bulges as well as the tabular pegmatite comprise the target."

Letter to Field 9/6/57: (Enclosing proposed contract).

1. Stage I has been added consisting of trenching.
2. Rehabilitation cost for the inclined shaft has been reduced to $15.00 per foot.
3. Length of incline has been increased from 40 feet to 50 feet at a cost of $41.00 per foot. This reduced cost is based on an advance of 1.8 feet per shift in place of 1.5 as estimated by the Examining Engineers.
4. Drifting has been reduced from 80 feet to 40 feet at a cost of $31.00 per foot. This cost is based on an advance of 2.3 feet per shift in place of 2.0 feet as estimated by the Examining Engineers.

Memo from Field to Operating Committee 9/12/57:

"...we do not agree...we think the best direction for exploration here is horizontal. We also cannot agree with the reduced costs."

From Sam L. Phillips to Field 9/17/57:

"Enclosed are four copies of the subject proposed contract, which we are returning as per your request..."

To Field from Operating Committee 10/1/57:

We are prepared (1) to recommend favorable action along the following lines:

1. Stage I. Enlarge and timber (rehabilitation) 32 feet of existing incline at $15.00 per foot. (Mr. Phillips makes no objection to this figure.) Sink 20 feet of shaft at $44.50 per foot, based upon advance of 1.6 feet per shift.
2. Stage II. Drive 80 feet of drift in the pegmatite at $34.00 per foot, based upon two feet per shift of advance.

Interim 11/26/57:

Near the shaft bottom, the plunging lens has died out leaving the tabular pegmatite body... The body is 18 inches wide.

Memo from Field 1/30/58:

"...should be terminated..."

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

March 6, 1958

Memorandum

To: Jay L. Chambers, Defense Minerals Exploration Administration, Interior Building, Washington 25, D. C.

From: Personal Assistant, Norris, Tennessee

Subject: Monthly report and voucher

We are enclosing two copies of the following monthly report and voucher:

Idm-E1130

Paul Huskins
Docket No. DMEA-4741
3rd and final payment - month of January
Completion Date: 1-21-58
Amount $459.00

Helen Miller
Helen R. Miller

Attachments
/hbm
Copies to R. A. Laurence
M. J. Lynch
Norris files
Day files

DMEA
RECEIVED 10 1958

3/10	C	220
"	FEJ	110
3/10	Hoch	600

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 45

OPERATOR'S MONTHLY REPORT AND VOUCHER

RECEIVED MAR 10 1958 DMEA

Month of January, 1958 Docket No. DMEA 4741 Contract No. Idm-E 1130
Operator's Name Paul Huskins Minerals Mica
Address c/o Sam L. Phillips, Spruce Pine, N.C.
Contract Amount, $ 4,209.00 Government Participation: 75 % Amount, $ 3,156.00

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						
18' Drifting @ $34.00	612.00	1360.00	1972.00			
Shaft		850.00	850.00			
(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~~ Vertical Shaft		430.00	430.00			
(6) New Bldgs., Improvements, etc.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	612.00	2848.00	3460.00	612.00	2848.00	3460.00

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

Date 2-6-58 *Payee Paul Huskins

Per Paul Huskins 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:

$ 459.00

Signature Helen R. Mellin
(Authorized Certifying Officer)

Date MAR 6 1958 Vou. No. 142

(See other side)

153.00

(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-1120 in accordance with the terms of the contract.

Signature V. J. Lagnath Title MINING ENGINEER U. S. BUREAU OF MINES Date MAR 4 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Vanuemes Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date MAR 4 1958

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 MAR 10 1958 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of January 195 8 Docket No. DMEA 4741 Contract No. Idm-E 1130

Operator's Name Paul Huskins Minerals Mica

Address c/o Sam L. 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	Unit Costs
Drifting	Ft.	612.00	18	1972.00	58	34.00	80	54.00
Crosscutting								
Raising								
Shafts	Ft.			890.00	20	44.50	20	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		612.00		2862.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
~~Initial Rehabilitation and Repairs~~ Vertical Shaft				480.00				
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Kegs.				40.00				
TOTAL COSTS		612.00		3450.00				

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.

Date 2-6-58 Operator Paul Huskins

Per Paul Huskins Title Partner

REMARKS:

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)

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

OPERATOR'S

Monthly Progress Report

DMEA #4741, Idm-E 1130 (Mica)

Big Ridge Prospect

Mitchell County, North Carolina

Work accomplished:

We continued to drive the drift, shot, drilled and mucked out waste daily. We completed 18' of drift in this month, making a total of 58' of drift to date without recovering any mica of commercial value, therefore the operator is requesting that the contract be terminated without the completion of the full 80' of drift.

Daily Notes:

2 - 10 : We continued to drive the drift, shot, drilled and mucked out waste daily.

13 - 20 : We completed 18' of drift in this month, making a total of 58' of drift to date, recovering no mica of commercial value.

Form 7
-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/27	Talbert	800
2/27	C	220
2/28	Hoch	620

FEB 27 1958

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4741 (Mica)
Paul S. Huskins, et al
Big Ridge Prospect
Mitchell County, North Carolina
Contract No. Idm-E1130

Dear Mr. Laurence:

As requested in your memorandum of February 24, 1958, 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
February 27, 1958

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.

DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE
2/26	C	220
		600

February 24, 1958

Memorandum

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

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

Subject: Termination of DMEA-4741, Idm-E1130(mica) Big Ridge Prospect, Mitchell County, North Carolina

Work on the subject contract has been terminated by mutual agreement as of January 20, 1958..

The following units of work have been acceptably performed as verified by our Field Examiners:

1 - Construction of toolhouse, powder and exploder magazines.

2 - Sank 32 feet of vertical shaft.

3 - Sank 20 feet of inclined shaft.

4 - Drifted 58 feet.

An adequate final geological and engineering report has been received from the Operator. A report of review is requested.

Final form MF-104 and 104A is attached.

Robert A. Laurence

VJL/mm
cc
Finance
Oper. Com. 2
Lynch
Files

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

February 24, 1958

RECEIVED FEB 26 1958

DATE	INITIALS	CODE
2/26	C	220
2/26	[illegible]	800
2/27	[illegible]	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Operator's Final Report - Idm-E1130, DMEA-4741 (mica)
Big Ridge Prospect - Mitchell County, N.C.

Transmitted are three copies of the subject report.

A report of review has been requested. The final monthly report and voucher is being held in this office until the report of review is received.

Robert A. Laurence

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

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

Operator's Final Rept

ORIGINAL FILE COPY
DMEA
RECEIVED FEB 26 1958
DATE | INITIALS | CODE

Spruce Pine, North Carolina
February 6, 1958

Mr. Robert A. Laurence, Executive Officer
D.M.E.A., Region V
Room 13, Post Office Building
Knoxville 2, Tennessee

Dear Mr. Laurence:

D.M.E.A. #4741, Idm-E 1130 (Mica)
Big Ridge Prospect - Final Report
Mitchell County, North Carolina

Work began on the above project November 1, 1957, and work was stopped on January 20, 1958.

The exploration consisted of 32' of rehabilation, however, rehabilation of the old shaft would have given us poorer access than sinking a vertical shaft to meet the bottom of the old shaft and continuing from there. What we did was sink a new shaft and paid the extra cost ourselves as only $15.00 a foot was allowed for rehabilation. After the work that is outlined above was finished we sank the shaft an additional 20' in vein material, then we completed 58' of drift, the vein continued to pinch untill there was only a trace of a vein left, therefore, we request that the contract be terminated, because we feel it would not be economically feasible to continue driving the drift.

The geological and engineering evaluation of the results of the work preformed under the contract with an estimate of the ore reserves resulting from such work are as follows: after the completion of 32' of vertical shaft, 20' of incline shaft and 58' of drift without recovering any mica of commercial value the operator is requesting that the contract be terminated without the completion of the full 80' of drift, because it is the operators opinion that this particular pegmatite does not warrant further exploration.

We wish to thank the Field Team for their assistance on the Big Ridge Project.

Very truly yours,

Sam L. Phillips

Sam L. Phillips

RECEIVED
FEB 10 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

P/bjg

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

February 24, 1958

DMEA
RECEIVED FEB 26 1958

DATE	INITIALS	CODE
2/26	C	220
2/27	Hank	600

Memorandum

To: Operating Committee, DMEA - WAshington, D. C.

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

Subject: DMEA-4741, Idm-E1130 (mica) Big Ridge Prospect, Mitchell County, N. C. Sam L. Phillips, et al. Spruce Pine, N.C. Termination Agreement.

Transmitted are two signed copies of the subject termination agreement, signed by each of the partners.

The usual distribution of the other copies has been made.

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/13	Anderson	600
2/17	Houk	600
2/14	Falkert	800
2/14	Martin	130
"	Johnson	110
"	Matthews	100
2/18	C	220
		600

600

FEB 17 1958

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-E1130.

Dear Mr. Laurence:

Pursuant to the Field Team's recommendation in its memorandum of January 30, 1958, we have prepared and enclosed the original and four copies of a termination agreement signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team.

If this termination agreement has your approval, please fill in the effective date and present it to the Operator for signature.

If any part of this agreement does not have either your approval or that of the Operator, and cannot be amended within your delegated authority, then the original and all copies are to be returned to this office, together with the proposed changes for consideration.

After execution of the termination agreement, the copies are to be distributed in the usual manner.

Sincerely yours,

W. S. Martin

Chairman, Operating Committee

Approved:

Frank D. Lamb (GB) ACTING

Member, Bureau of Mines

Thor H. Kiilsgaard (GB)

Member, Geological Survey

WCAnderson:rsi 2/13/58

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

Enclosures 7

8623

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

January 30, 1958

2/3	C	220
2/4	Com	100
2/6	Work	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4741, Idm-E1130(mica) Paul S. Huskins, et al Bakersville, N. C. Big Ridge Mine, Mitchell County, North Carolina

Reference is made to the attached interim report of the January 20 inspection of the project.

We agree that the project should be terminated, and request preparation of an agreement for termination by mutual consent. Work has been stopped after approval to do so was requested and received in a telephone call to Mr. Houk on January 13. The written request was delayed until after Mr. Feitler and Mr. Lesure had an opportunity to examine the final heading.

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

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

INTERIM REPORT

DMEA-4741, Idm-E1130(mica) BIG RIDGE PROSPECT
Mitchell County, N.C.

Operators: Paul S. Huskins, et al. Box 68, Bakersville, N.C.

Location: 0.9 airline miles N76°W of Wing, Mitchell County, N.C., by gravel and dirt road, 0.6 mile NW from Snow Creek road at Sherril Huskin's residence.

The final measurement of the drift was 58 ft. Pegmatite in the face is 2 inches thick. Although the mineralogy is favorable, the small size of the pegmatite makes the probability of a discovery too small to justify additional drifting.

The Operator agrees with the field examiners that the project should be terminated.

The following work was performed under the contract and amendment:

Construct:
- Toolhouse
- Powder Magazine
- Detonator Magazine

Sank 32 feet of new vertical shaft to intersect bottom of existing inclined shaft in lieu of rehabilitating the latter.

Sank 20 feet of new shaft. Drifted 58 feet on the pegmatite.

The project was well done at a good rate of advance. Full cooperation was afforded the Field Examiners.

The Operator plans to clean all exposed mica from the walls of the shaft.

Inspected:
January 20, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

z

ACTION ON INTERIM
OR FINAL FIELD [illegible]M REPORT
Date 1/20/58

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. [illegible] Divisio
6. ~~Docket Control Mails and Files~~
7. 600

Note comments in report regarding:

1.

2.

3.

4.

[redacted]

and take appropriate action.

- - - - - - - -

Action taken by Division:

Telephone request for more work turned down.

Robert E. Adams

DMEA
RECEIVED JAN 20 1958

DATE	INITIALS	CODE
1/20	GR	220
20	Colm	100
21	Hunh	

INTERIM REPORT

DMEA-4741, Idm-E1130 (mica) BIG RIDGE PROSPECT

Operator: Paul S. Huskins, et al. Box 68, Bakersville, N. C.

Location: 0.9 airline miles N76°W of Wing, Mitchell County, N.C. By gravel and dirt road, 0.6 mile NW from Snow Creek road at Sherril Huskin's residence.

The drift has been advanced 38 feet S50°W for a total of 49 feet. Pegmatite in the face is 4 inches thick with a sub-parallel quartz stringer 2 to 4 inches thick, 1/2 to 6 inches away in the hanging wall. Attitude is N50°E 45°SE in the face and the dip is 60°SE, 10 feet back from the face.

The pegmatite is composed of plagioclase, quartz, and mica less than 1/2 inche across. Although 4 inches is the average thickness, about 30 feet from the shaft the pegmatite is 9 inches thick for a few feet along the strike.

The Operator suggested that ore might be at a higher level and could be reached by raising, preferably where the pegmatite is 9 inches thick.

The Field Examiners recommended that three more drift rounds be pulled and if the pggmatite is still small, a telephone request be made for an amendment to allow raising.

A section through the inclined and vertical shafts is attached, as requested.

Inspected: January 6, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

z

Form MI-104 (Rev. April 1952)

RECEIVED JAN 16 1958 D.M.E.A.

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K- 33

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of December, 195~~8~~7 Docket No. DMEA 4741 Contract No. Idm-E1130

Operator's Name Paul Huskins Minerals Mica

Address c/o Sam L. Phillips, Spruce Pine, North Carolina

Contract Amount, $ 4,208.00 Government Participation: 75% Amount, $ 3,156.00

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						
40' Drifting @ $34.00	1360.00		1360.00			
Inclined shaft -		890.00	890.00			
(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		480.00	480.00			
(6) New Bldgs., Improvements, etc.		78.00	78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exp. Mags.		40.00	40.00			
(8) Contingencies (specify):						
TOTALS	1360.00	1488.00	2848.00	1360.00	1488.00	2848.00

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

Date 1-3-58 *Payee Paul Huskins

Per Paul Huskins 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:

$ 1020.00

Signature Helen R. Miller (Authorized Certifying Officer)

Date JAN 14 1958 Vou. No. 111

(See other side)

3X0.00

(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-1130 in accordance with the terms of the contract.

Signature P. J. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date JAN 6 - 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA REGION V Date JAN 6 - 1958

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

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of December 1958 Docket No. DMEA 4741 Contract No. Idm-E 1130

Operator's Name Paul Husking Minerals Mica

Address c/o Sam L. 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	Unit Costs
Drifting	Ft.	1360.00	40	1360.00	40	34.00	80	34.00
Crosscutting								
Raising								
Shafts	Ft.			890.00	20	44.50	20	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		1360.00		2250.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs				480.00				
New Buildings, Improvements, etc.				78.00				
Powder & Exploder Magazines				40.00				
TOTAL COSTS		1360.00		2848.00				

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.

Date 1-3-58 Operator Paul Husking

Per Paul Husking 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.

REMARKS:

(Instructions on reverse)

(For Government use only)

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

OPERATOR'S

Monthly Progress Report

DMEA #4741, Idm-E 1130)Mica)
Big Ridge Prospect
Mitchell County, N.C.

Work Accomplished:

After completing the inclined shaft we began driving the drift, shot drilled and mucked out waste daily. We have completed 40' of drift to date, the vein is very narrow, and no mica has been recovered.

Daily Notes:

4 2 - 5 : From the bottom of the inclined shaft, we began driving the drift.

5 9 - 13 : Continued to drive the drift.

5 16 - 20 : Continued work on drift, shot, drilled and mucked out waste daily.

7 23 - 31 : Completed 40' of drift to date, the vein is very narrow and no mica has been recovered.

21

21)40

A Form 7
(2-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/21	Anderson	600
1/21	Houk	600
		800
1/22	[illegible]	130
"	Johnson	110
"	Butterworth	100
1/23	[illegible]	220
		1.00

600

JAN 23 1958

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-E1130

Dear Mr. Laurence:

In this case we consider it necessary, ~~and~~ so we have prepared and enclose the original and four copies of Amendment No. 1 which have been signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If the amendment meets with your approval, present it to the Operators for approval and signatures. If any part of this amendment does not have either your approval or that of the Operators and cannot be amended within your delegated authority, then the original and all copies are to be returned to this office, together with the proposed changes for consideration.

After execution of the amendment, the copies are to be distributed in the usual manner.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

A. D. McMahon (ADM)

Member, Bureau of Mines

Thor H. Kiilsgaard (THK)

Member, Geological Survey

WCAnderson:gad 1/21/58

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

Enclosures 7

The committee believes ~~this~~ this is a poorly worded letter. A better introduction would be "In reply to your memo of Jan 9, we consider an amendment necessary . . . . !"

8623

P.L.P.

RECEIVED
JAN 16 1958
ASSOC. SOLICITOR
MINERAL RESOURCES

For justification for this proposed Amendment No. 1, See Field Team Memorandum of Jan. 9, 1958.

Operating Comm.

November 29, 1957

Mr. Sam L. Phillips

Spruce Pine, North Carolina

Re: Docket No. DMEA-4741 - Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-81130

Dear Mr. Phillips:

This constitutes approval to begin work under Stage II of the subject contract, in accordance with Exhibit "A", "Description of the Work."

Sincerely yours,

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

mg
cc - Operating Committee (2)
Finance Office
Mr. V. J. Lynch
File

DMEA
1/16 C 220
1/17 800
600

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

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 10 1958

DATE	INITIALS	CODE
1/10	C	220
1/10	Short	600

January 9, 1958

Memorandum

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

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

Subject: Docket No. DMEA-4741, Contract No. Idm-E1130 (Mica)
Paul S. Huskins, et al.
Big Ridge Mica Mine, Mitchell County, North Carolina

Reference is made to your letter of January 6:

The crux of this situation is how much latitude is given to the word "rehabilitate". Webster's New Collegiate Dictionary defines it thus, "1. To restore to a former capacity; reinstate." It is our opinion that Mr. Huskins, et al. have restored (and, in fact, exceeded) the former capacity of the inclined shaft. The contract does not state how this rehabilitation shall be accomplished, it merely says, "Rehabilitate the existing inclined shaft a distance of not more than 32 feet." and "From the bottom of the rehabilitated shaft, sink a two-compartment inclined shaft a distance of not more than 20 feet." These provisions have been complied with, which is why we approved the Operator's November voucher.

When Mr. Feitler and Mr. Bergman inspected the project on November 13, the Operator had already completed the vertical portion and sunk nine feet of new inclined shaft. As the new inclined shaft was on the target and in compliance with the contract, they accepted the rehabilitation and we supported this action. It is to the Government's advantage, because it provides better access than the old incline did. It cost the Operator more than the $15 per foot authorized by the contract, which is why the field examiners originally recommended the cheaper method. But if the Operator, at his own expense, prefers to do the more expensive job, we see no reason why it should not be accepted as meeting the terms of the contract.

A somewhat comparable situation would arise where an Operator, for reasons of his own, decides to sink a 4-compartment shaft where the contract specifies a 2-compartment shaft. We would

approve payment of the amount specified in the contract, without requesting an amendment to account for the extra work done at the Operator's own expense.

The November 13 interim report stated that the vertical shaft intersected the bottom of the old inclined shaft. As the contract map plainly shows the location of the bottom, both in plan and section, we did not think it necessary to prepare a new map and section showing the location of the vertical portion of the shaft. However, when Mr. Feitler and Mr. Lesure prepare the interim report on this week's inspection, we will ask them to include such a section.

If you still consider an amendment necessary, we hope the above discussion provides adequate justification.

Robert A. Laurence

Robert A. Laurence
Executive Officer

V. J. Lynch

V. J. Lynch, Member
Bureau of Mines

January 13, 1958

Mr. Robert A. Laurence telephoning Mr. Lawrence G. Houk

Docket No. DMEA-4741-Mica
Paul S. Huskins, et al
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. Idm-E1130

Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, called on the Big Ridge Mica Mine, DMEA-4741.

They have drifted 59 feet from the bottom of the shaft and have 21 feet to go. The pegmatite on this level has been from 3 to 4" in thickness except for a 3 foot length 14 feet back from the face in which the pegmatite was 9" wide. The Operators have requested changing the 21 feet of drifting at $34.00 per foot to 25½ feet of raising at $28.00 per foot. Advised Mr. Laurence that I would discuss the matter and call him back.

Called Laurence 3 30 PM and suggested termination and he agreed and will send forth recommendations

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
1/2	Anderson	600
1/3	Chambers	800
1/3	[illegible]	130
	Church	110
3	Rutledge	100
1/6	[illegible]	220
		600

600

JAN 6 1958

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina
Contract No. I[illegible] E 1[illegible]

Dear Mr. Laurence:

Reference is made to the Interim Report of November 13, 1957, by Messrs. Feitler and Bergman, approving 32 feet of vertical shaft in lieu of rehabilitation of the old shaft; and to the November voucher and the Operators' November Progress Report, which are not in agreement.

It is not within the Field Team's delegated authority to change the contract provision. It will be necessary for you to prepare a justification for an amendment to the contract. Mr. Huskins should file a correct November narrative report. In the meantime we will prepare an amendment to the contract and forward it when completed.

It would be helpful to know the location of the shaft and to have the working outlines on geological sections in the future.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GB)

Approved:

P. F. Yopes (GB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GB)
Member, Geological Survey

WCAnderson:gad 1/2/58
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

ACTION ON INTER[illegible]
OR FINAL FIELD TEAM [illegible]PORT

Date 12/16

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. Mr. Chambers
4. Docket Control Mails and Files
5. Division
6. Docket Control Mails and Files
7. 600

Note comments in report regarding:

1. Amendment to report & Interim decl gifts
2.
3.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division:

Robert E. Adams

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 16 1957

DATE	INITIALS	CODE
12/16	C	220
	/6 Com	100

INTERIM REPORT

DMEA-4741, Idm-E1130 (mica) BIG RIDGE PROSPECT

Operators: Paul S. Huskins, et al. Box 68, Bakersville, North Carolina

Location : 0.9 air miles N76°W of Wing, Mitchell County, N.C. By gravel and dirt road, 0.6 mile northwest from Snow Creek road at Sherril Huskin's residence.

The shaft was deepened 3 feet for a total depth of 52 feet. This includes 32 feet of vertical shaft in lieu of rehabilitating the old winding incline and 20 feet of additional shaft as provided in the contract. From the bottom of the shaft, 11 feet of drift has been driven S52°W.

The pegmatite being followed is 4-inches wide in the face. It contains quartz, plagioclase and plentiful scrap size books of muscovite.

Drifting will continue to explore for rolls similar to that in the shaft.

Mr. V. J. Lynch, Mining Engineer, USBM accompanied the Examiners on the field inspection.

December 10, 1957.

S. A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

zm

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

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-29

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1957 Docket No. DMEA 4741 Contract No. Idm-E 1130
Operator's Name Paul Huskins Minerals Mica
Address c/o Sam L. Phillips, Spruce Pine, N.C.
Contract Amount, $ 4,208.00 Government Participation: 75 % Amount, $ 3,156.00

ITEMS OF COSTS	FOR OPERATOR'S USE			FOR GOVERNMENT USE ONLY		
	Monthly Total	Totals Previously Reported	Totals To Date	Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing						
Crosscutting						
Drifting						
20' Incline Shaft @44.50	890.00		890.00			
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
32' (5) Initial Rehabilitation and Repairs	480.00		480.00			
(6) New Bldgs., Improvements, etc.	78.00		78.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
Powder & Exploder Mags.	40.00		40.00			
(8) Contingencies (specify):						
TOTALS	1488.00		1488.00	1,488.00		1,488.00

I certify that the above bill is correct and just and that payment therefor has not been received.
Date 12-2-57 *Payee Paul Huskins

Per Paul Huskins 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:
$ 1,116.00

Signature Helen R. Meier
(Authorized Certifying Officer)

Date DEC 10 1957 Vou. No. 95
(See other side)

372.00

(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. Ida E1130 in accordance with the terms of the contract.

Signature W. C. M. Beck Title MINING ENGINEER U. S. BUREAU OF MINES Date DEC 4 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER DMEA FIELD TEAM REGION V Date DEC 4 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
Approval expires 6-30-53.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of November 1957 Docket No. DMEA 4741 Contract No. Idm-E 1130
Operator's Name Paul Huskins Minerals Mica
Address c/o Sam L. 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	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	890.00	20	890.00	20	44.50	20	44.50
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		890.00		890.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs		480.00		480.00				
New Buildings, Improvements, etc		78.00		78.00				
Powder & Exploder Mags.		40.00		40.00				
TOTAL COSTS		1488.00		1488.00				

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.

Date 12-2-57 Operator Paul Huskins

Per Paul Huskins 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.

REMARKS:

(Instructions on reverse)

(For Government use only)

W. A. Beck
MINING ENGINEER
U. S. BUREAU OF MINES
DEC 4 1957

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 83-38475

OPERATOR'S

Monthly Progress Report

DMEA #4741, Idm-E 1130
Big Ridge Prospect
Mitchell County, N.C.

Work Accomplished:

Work begin on November 1st. we constructed toolhouse, powder and exploder magazines, and rehabilitated the existing inclined shaft a distance of 32'. From the botton of the rehabilitated shaft we have completed an additional 20' of inclined shaft. There is a vein approximately 18" wide, very little mica has been recovered.

Not correct

Daily Notes:

1 - 8 : Moved in equipment, constructed toolhouse, powder and exploder magazines, and ~~xxxx~~ begin work on the rehabilitation.

11 - 15 : Completed the rehabilitation work and begin to sink the new inclined shaft, shot, ~~xxxxxx~~ drilled, and mucked out waste daily.

18 - 22 : Continued to work on the shaft, the vein is approximately 18" wide. Very little work accomplished in this week, because of sickness.

25 - 29 : Completed 20' of inclined shaft to date.

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 12/6

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. Docket Control Mails and Files
5. Division
6. ~~Docket Control Mails and Files~~
7. 660

Note comments in report regarding:

1.

2. Watch this one

3.

4.

and take appropriate action.

- - - - - - - - -

Action taken by Division:

Robert E. Adams

OFFICIAL FILE COPY
DMEA
RECEIVED DEC 6 1957

DATE	INITIALS	CODE
12/6	C	220
9	Com	100
10	Hrub	600

INTERIM REPORT

DMEA-4741, Idm-E1130(mica) BIG RIDGE PROSPECT

Operator: Paul S. Huskins, et al. Box 68, Bakersville, N. C.

Location: 0.9 air miles N 76°W of Wing, Mitchell County, N. C. By gravel and dirt road, 0.6 mile northwest from Snow Creek road at Sherril Huskin's residence.

The shaft was sunk 9 ft during the interim, for a total of 49 feet with the lowest 10 ft inclined steeply to the southwest. New shaft is 17 feet.

Near the shaft bottom, the plunging lens has died out leaving the tabular pegmatite body striking nearly E-W and dipping 45° to 60° SE. This body is 18 inches wide at the west side of the shaft and 12 inches wide at the east side.

During the interim, about 100 lbs of mediocre mica was recovered.

The toolhouse, powder magazine and cap magazine have been completed.

The Operator will sink the 3 ft remaining under the contract and drift southwest along the structure.

Inspected: Nov. 26, 1957

S. A. Feitler, Mining Engineer
Bureau of Mines

R. A. Laurence, Geologist
Geological Survey

OFFICIAL FILE COPY
DMEA
RECEIVED NOV 25 1957

DATE	INITIALS	COST
11/25	gt	220
"	Cdm	100
11/29	[illegible]	60

INTERIM REPORT

DMEA-4741, Idm-E1130(mica) BIG RIDGE PROS.

Operator: Paul S. Huskins, et al. Box 68, Bakersville, N.C.

Location: 0.9 air miles N 76°W of Wing, Mitchell County, N.C. By gravel and dirt road, 0.6 mile northwest from Snow Creek road at Sherril Huskins residence.

Work was started on this contract October 29, 1957.

At the time of the examination a new vertical shaft had been sunk 32 feet, intersecting the bottom of the old crooked inclined shaft. This was accepted as rehabilitating 32 feet of shaft and sinking 8 ft of new shaft. Total depth is 40 feet.

The Operator explained that he considered well spent the extra money it cost.

Ease of hoisting and maintaining this shaft which is vertical to near the bottom makes it an improvement over the old shaft reconditioned.

The 8 ft of new shaft exposes pegmatite striking N75°E and dipping 48 to 60°SE. Pegmatite is 12 inches thick in the northeast wall of the hsaft and 30 inches wide in the southwest. It contains plagioclase, quartz, and muscovite.

About 300 lbs of mica up to 6 x 8 x 1 1/2 inches thick were recovered in the 8 ft of new work. The mica is of good quality, although some flat "A", mineral staining, and cracks were noted.

Sinking will be continued on the vein for 12 ft. after which a drift will be driven along the vein to the southwest.

The Operator was advised to cut the frayed end of the hoisting rope, apply the clamps properly, use a safety hook, and provide a ladder to the shaft bottom from the end of the manway.

Inspected: Nov. 13, 1957

Stanley A. Feitler, Mining Engineer
Bureau of Mines

S. C. Bergman, Geologist
Geological Survey

z

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

OFFICIAL FILE COPY
DMEA
RECEIVED OCT 30 1957

DATE	INITIALS	CODE
10/30	C	220
		215
		600

October 28, 1957

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region V

Subject: Signed Contract - Idm-E1130, DMEA-4741-mica.
Paul S. Huskins, et al. Box 68, Bakersville, N.C.
Big Ridge Prospect, Mitchell County, N.C.

Transmitted is the original and Audit copy of the subject contract properly signed by all the partners.

The usual distribution of the other copies has been made.

V. J. Lynch

V. J. Lynch

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/16	Anderson	600
10-16	Chamber	800
10/16	[illegible]	130
	Johnson	110
"	[illegible]	100
10/17	[illegible]	220
		600

600

OCT 17 1957

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and four copies of a revised proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Exhibit A (2 pages), and one map. Also enclosed are two extra copies of Annex I, Exhibit A, and the map 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 map are to be returned to this office, together with the proposed changes for consideration.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 7

WCAnderson:gad 10/16/57
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 OCT 7 1957

10/7	C	220
10/7	Hook	600

October 4, 1957

Memorandum

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

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

Subject: Docket No. DMEA-4741 - Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine, Mitchell County, North Carolina

Reference is made to your letter of October 1.

We have contacted the applicants and they are willing to accept a contract as outlined in Items 1 and 2 of your letter. Therefore, we recommend that you prepare such a contract.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
9/30	Houk	600
9/30	GCS	130
"	Johnson	110
4	Mattendorf	100
10/1	B	220
		600

600

OCT 1 1957

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins, et al.
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to your memorandum to the Operating Committee of September 20, 1957, returning the unsigned contract with enclosed letter from Mr. Sam L. Phillips, giving his reasons for not wishing to sign the contract.

We are prepared (1) to recommend favorable action along the following lines:

1. Stage I. Enlarge and timber (rehabilitation) 32 feet of existing incline at $15.00 per foot. (Mr. Phillips makes no objection to this figure.) Sink 20 feet of shaft at $44.50 per foot, based upon advance of 1.6 feet per shift.

2. Stage II. Drive 80 feet of drift in the pegmatite at $34.00 per foot, based upon two feet per shift of advance.

It would be appreciated if the draftsmen would put stope outlines on the geologic sections and geology on the stope outlines and that projections in the plan of the vein be made so as to read facing North.

You may contact the Applicants and get their reaction to the above suggested costs. Please check with the Spruce Pine Depot and determine if additional sales have been made from this property.

Approved:

Frank D. Lamb (by [illegible])
Member, Bureau of Mines

W. P. Williams (by [illegible])
Member, Geological Survey

Sincerely yours,

George C. Selfridge (by [illegible])
Chairman, Operating Committee

LGHouk:gad 9/30/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

P.S. (1) In keeping with your memorandum of September 12, 1957, pointing out the need for horizontal exploration.

8623

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

September 20, 1957

OFFICIAL FILE COPY DMEA RECEIVED SEP 23 1957		
DATE	[illegible]	CODE
9/23	C	220
9/23	Hoch	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Proposed DMEA Contract - DMEA-4741 (mica)
Paul Huskins, et al, Bakersville, N.C.
Big Ridge Mine, Mitchell County, N. C.

Enclosed are all copies of the subject contract, returned unsigned by the Applicant. Also enclosed are two copies of the Applicant's letter explaining the reasons for not signing the contract.

We consider this deposit to be a good bet for exploration, and recommend a contract along the lines of the original recommendations as submitted in the field examination report.

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

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

Spruce Pine, North Carolina
September 17, 1957

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

Re: Proposed Contract - DMEA-4741 (Mica)
Big Ridge Prospect (Paul Huskins)
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are four copies of the subject proposed contract, which we are returning as per your request, because we do not agree wholeheartedly with the terms thereof.

The first item that we do not agree with is the bulldozing in Stage I, because the hill is on at least a 40° slope and any disturbance above the shaft would fill the existing shaft up, also since the hill is as steep as it is a bulldozed trench 5' deep would not show any more pegmatite. The second item that we do not wholeheartedly agree with is the amount of money allotted for the sinking of the shaft and driving of the drift. It has been our experience that a very minimum of $50.00 a foot for sinking a shaft and $35.00 a foot for drifting would be the very least that this work could be done for.

We are also of the opinion that when one has gone to a depth of some 82' into the ground that it would be sound mining practice to run at least 80' of drift to explore the pegmatite instead of the 40' of drift as proposed in Stage II, Item 4, of the subject contract.

This is the first contract that I have ever returned, and I would appreciate it very much if you will give the above named recomendations your sincer consideration. Thanking you, I am

Yours very truly,

Sam L. Phillips

Sam L. Phillips

P/j
Enclosures

RECEIVED
SEP 19 1957
Geologic Division

Government's copy

MF-200A
(Rev. April 1956)

RECEIVED SEP 1957 D.M.E.A.

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*
4741	Mica	1130	Mitchell	North Carolina

It is agreed 6 SEP 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Paul S. Huskins, a partnership composed of Paul S. Huskins, Ed Huskins, Sam L. Phillips and John Phillips.

whose mailing address is Route 3, Box 68, Bakersville, 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 ~~NOV 1 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 $~~3,976.00~~ 4,208.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $~~2,982.00~~ 3,156.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: None

(b) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.) are attached, as follows: None

(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
Lindgren
Anderson
Hook
Chandler
Selfridge

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By .....

By _____

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

By .....

By .....

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

OFFICIAL FILE COPY
DMEA
RECEIVED SEP 23 1957

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
PAUL S. HUSKINS
DOCKET NO. DMEA-4741

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map entitled "Big Ridge Prospect, Mitchell County, North Carolina, DMEA-4741 (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 is approved in writing and in advance by the Government.

~~STAGE I~~

~~Excavate a trench, approximately 80 feet long by 15 feet wide by 5 feet deep, aggregating not more than 225 cubic yards of excavation, along the strike of the pegmatite.~~

~~STAGE II~~
STAGE I

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 $2\frac{1}{2}$ feet.
(c) An exploder storage magazine, minimum dimensions 2 feet by $1\frac{1}{2}$ 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. Rehabilitate the existing inclined shaft a distance of not more than 32 feet.

3. From the bottom of the rehabilitated shaft, sink a two-compartment inclined shaft a distance of not more than ~~50~~ 20 feet.

STAGE II

~~4.~~ 1. Explore the pegmatite by driving from or near the bottom of the shaft, not more than ~~40~~ 80 feet of drifts and/or crosscuts.

The rehabilitated shaft, the extended 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, 222 cubic yards @ $0.~~40~~/cubic yard (rounded to)		~~$90.00~~
Stage ~~II~~ I		
1. Construct - Toolhouse 1/	~~$76.00~~ 78.00	
Powder magazine 1/	25.00	118.00
Exploder magazine 1/	15.00	~~$116.00~~
2. Rehabilitate 32 feet of existing inclined shaft @ $15.00/ft.		480.00
3. Sink ~~50~~ 20 feet of inclined shaft @ $~~41.00~~ 44.50/ft.		~~2,050.00~~ 890.00
Stage II		
~~4.~~ 1. Drive ~~40~~ 80 feet of drifts and/or crosscuts @ $~~31.00~~ 34.00/ft.		~~1,240.00~~ 2,720.00
Estimated Total Cost of Project		~~$3,976.00~~ 4,208.00
Government Participation @ 75%		~~$2,982.00~~ 3,156.00

1/ The completed work constitutes the unit.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 18 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

WASHINGTON 25, D.C.

September 12, 1957

OFFICIAL FILE COPY DMEA RECEIVED SEP 16 1957		
DATE	INITIALS	CODE
9-17	C	220
9/17	Zbuch	600

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Proposed Contract, DMEA-4741(mica) Paul S. Huskins, et al., Bakersville, North Carolina. Big Ridge Mine, Mitchell County, N.C.

Reference is made to your letter of September 6, transmitting the subject contract.

After reviewing the contract and discussing it with the Field Examiners, and by telephone with Mr. Houk, we are forwarding it to the Applicant for signature. However, we do not agree with the reduction of the proposed drift footage. We think the best direction for exploration here is horizontal, rather than vertical, since the main target consists of steeply-plunging shoots. We do not object to the added 10 feet of shaft, though we consider it unnecessary, but it is quite probable that, in order to fully explore this deposit, it will be necessary to amend the contract and provide additional drift footage. We will wait until the drift is under way before making a definite decision on that.

We also cannot agree with the reduced costs. The estimates in the examination report are as realistic as the available data permit. Under comparable conditions in other mines of the Spruce Pine district, the advance per shift for sinking and drifting is much nearer 1.5 feet and 2.0 feet than 1.8 feet and 2.3 feet.

Robert A. Laurence

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

S A Feitler

S. A. Feitler for V. J. Lynch
Member, Bureau of Mines

September 11, 1957

Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region V, Knoxville, Tenn., telephoned to Mr. Houk.

Mr. Robert A. Laurence telephoned and discussed
DMEA-4741-Mica
Paul S. Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

and the reasons for the cut in price of the sinking and the reduction in the amount of drifting. I explained to Mr. Laurence that with only 30 ft. of strike length showing and no bulldozing proposed we felt that the most economical way to determine the lateral extent of the pegmatite was to put in some bulldozing and if the bulldozing would not be effective on this deep slope that test pitting might be substituted. Our rationale on the cut in price of the shaft sinking was explained to Mr. Laurence's satisfaction and I explained that if after Stage I and completion of the work under the subject docket the pegmatite looked good on the lateral faces we would favorably consider amending the contract. On increasing the vertical work I explained that I felt if the bottom looked good in most cases we would be justified to continue our vertical work at the expense of some of the horizontal work.

DEFENSE MINERALS ADMINISTRATION

97022

PRODUCTION EXPANSION DIVISION

EXPLORATION LOANS

Name of Company and Address: _____

Name of Mine and Location _____

Docket No. D.M.A. _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Amount of Total Project: _____

Government participation, percent and amount _____

Number of subprojects in total application _____

Type of Exploration	Feet	Cost per foot	Total cost
Preparatory & Rehabilitation			
Equipment			
Shaft sinking & winzes			
Drifts and crosscuts			
Raises			
Diamond or churn drilling			
Other			

Comments on Contract _____

_____

_____

_____

Date sent to Applicant for signature _____

Date returned to P.E.D. _____

Date sent to Legal _____

Date signed by Administrator _____

Additional remarks: _____

_____

_____

Interior—Duplicating Section, Washington, D. C.

Signed _____

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/5	Anderson	600
9/5	Hunt	600
9-5	Chambley	800
9/6	GC	130
"	Johnson	110
		~~100~~ SB
9/9	O	220
		600

600

SEP 6 1957

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

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and four copies of a proposed short-form contract signed by the Administrator for the Government. It consists of the form, Annex I (1 page), Exhibit A (2 pages), and one map. Also enclosed are two extra copies of Annex I, Exhibit A, and the map for Field Team use.

Please note that the contract has been written with some changes to that proposed by the Field Team as follows:

1. Stage I has been added consisting of trenching.
2. Rehabilitation cost for the inclined shaft has been reduced to $15.00 per foot.
3. Length of incline has been increased from 40 feet to 50 feet at a cost of $41.00 per foot. This reduced cost is based on an advance of 1.8 feet per shift in place of 1.5 as estimated by the Examining Engineers.
4. Drifting has been reduced from 80 feet to 40 feet at a cost of $31.00 per foot. This cost is based on an advance of 2.3 feet per shift in place of 2.0 feet as estimated by the Examining Engineers.

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 map are to be returned to this office, together with the proposed changes for consideration.

8623

Copies of memoranda dated August 5 and 8, 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 (HB)

Approved:

O. M. Bishop

Member, Bureau of Mines (HB)

Thor H. Kiilsgaard

Member, Geological Survey (HB)

Enclosures 7

WCAnderson:gad 9/5/57

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

P.S. Please insert in Article 1 of the contract the date work shall commence.

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 23 1957

DATE	INITIALS	CODE
8/23	C	220
		600

August 20, 1957

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4741 (mica) Paul S. Huskins, Bakersville, N.C.
Big Ridge Mine, Mitchell County, N.C.

Reference is made to your letter of August 16.

Surface work, by bulldozing might be helpful but we doubt if it would be adequate to fully explore the pegmatite, as it would give little information on the vertical dimensions of the body. It is the opinion of the Examiners that the best possibility of establishing significant reserves of mica is to sink on the plunging structures, and then drift on this zone to intersect possible multiples of the zoned bulges which are the most favorable portions of the pegmatite.

The bulge exposed in the incline is not considered to be the main target, but similar, as yet unexposed, bulges as well as the tabular pegmatite comprise the target.

The statement on pp 3-4 which you mention refers to the entire pegmatite, rather than just the bulges or other minor structures, if however, the tabular pegmatite has strong continuity there is an equally good chance of repetitions of the zoned bulges and offshoots.

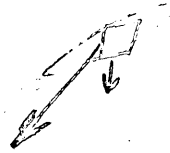
We would have no objection to the inclusion in the contract of a bulldozer trench about 80 feet along the strike (or three short cross-cutting trenches at intervals of about 25 to 30 feet) to explore the strike-length continuity at the surface, but it should be followed by underground work. Surface work was not discussed with the Applicant, so we do not know whether or not he would be agreeable to such a proposal.

If additional data on mica sales are available, we will send you the information. It is probable that the mica mentioned in the report has been prepared for sale, but we doubt if any additional mica has been mined.

Robert A. Laurence
R. A. Laurence
Executive Officer, DMEA

V. J. Lynch
V. J. LYNCH
MEMBER, BUREAU OF MINES

The horizontal [illegible] proposed
bottom of shaft to [illegible]
[illegible] intercept
multiples of any unequal
sold structures that would
[illegible]



Incline.

Incline 32' in summary ← 34' on page 2

Incline irregular 3½ × 6 to 7 × 10 [illegible]

Pegmatite

14" - 30" Thick concordant, tabular

Strike N66 - 83 E dip 55° - 70 SE

Developed along plane of differential movement

Mica Zone

4" - 12" wall zone.

20 - 30% of unzoned pegmatite as well as
wall zone portion.

Sales

1 Ton
- 13# $160 = $12.30 [illegible]
- 41.81# $464.86 [illegible]
- 35.5 trimmed but not sold ±1100#
- 100# rifted

½
- 1000# hand cobbed

(1) Possibly [illegible]

(2) Drafting [illegible]

(3) Tight [illegible]

(4) The 32 foot [illegible] [illegible] [illegible] [illegible] [illegible]

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/15	Houk	600
8/16	GCS	130
"	Johnson	110
"	Rittendorf	100
8/16	P	220
		608

AUG 16 1957

600

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

Subject: Docket No. DMEA-4741-Mica
Paul S. Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

Reference is made to the Field Team's recommendation on the subject application.

It is noted that the Applicant has produced and is producing mica from the 32 foot incline and the sales indicate a high return per foot of depth stoped. As considerable muscovite (20-30% of pegmatite) can be seen in place, and as the bulge (apophysis) that he has been mining seems to constitute the known target, it is not believed that the proposed program of the Field Team can be justified as exploration. Cannot the objective of the lateral work along the 14 to 30 inch pegmatite, "...to establish its composition and continuity and to intercept multiples of any marginal fold structures that might be developed," be more economically accomplished by surface bulldozing? Unless multiple targets can be expected, Government participation does not seem warranted. Perhaps the Examining Engineers could enlarge on the statement beginning at the bottom of Page 3: "The fairly regular development of the folding suggests that the structure is a result of pre-pegmatite stresses so that fairly good continuity of structure can be expected." Is this structure the bulge or the tabular pegmatite?

Please determine if work continues at this mine and if additional settlements and sales have been made, and advise this office of your reaction to our suggestions.

Sincerely yours,

Approved:

O. M. Bishop
Member, Bureau of Mines

W. P. Williams
Member, Geological Survey

George C. Selfridge
Chairman, Operating Committee

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

LGHouk:gad 8/15/57

8623

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 15 1957

DATE	INITIALS	CODE
8/15	@	220
		600

Spruce Pine, North Carolina
August 12, 1957

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

Dear Mr. Houk:

Re: DMEA #4741 (Mica)
Paul S. Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

The following is a list of the partners that I have in the above named operation:

Ed Huskins, Rt. 3, Bakersville, N.C.

Sam L. Phillips, Spruce Pine, N.C.

John Phillips, Spruce Pine, N.C.

Sincerely Yours,

Paul S. Huskins

Paul S. Huskins

P/p

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

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 9 1957

DATE	INITIALS	CODE
8/9	Q.K.	220
8/9	wra	600
August 8, 1957		

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA- 4741 (mica)

Applicant: Paul S. Huskins

Name and Location of Property: Big Ridge Prospect
Mitchell County, North Carolina

Date of Field Team Report: July 29, 1957

Date Rec'd. by Br. of Ceramic and Fertilizer Materials: August 5, 1957

Field Team Recommendation: Recommend that an exploration contract be granted.

Comments: 1. Applicant requests DMEA assistance to continue exploration on a thin discontinuously zoned dike-like pegmatite, which field examiners state contains 20 - 30 percent good quality strategic mica.

2. Applicant has driven a 32 foot incline down plunge of pegmatite with a recovery of 2.6 pounds of handcobbed block muscovite per cubic foot of pegmatite mined.

3. Applicant's proposal of deepening incline 40 feet and drifting on pegmatite is reasonable and estimated costs are consistent with equivalent DMEA projects.

Recommendation: I concur with the recommendation of the field team that DMEA assistance be granted.

W. F. Dietrich

W. F. Dietrich

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/	Houk	600
	Mitchell	100
8/7	P.K.	220
		600

600

AUG - 7 1957

Mr. Paul S. Huskins
Route 3, Box 68
Bakersville, North Carolina

Re: Docket No. DMEA-4741-Mica
Paul S. Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Huskins:

Reference is made to your application for exploration assistance which was submitted as an individual applicant.

The examining engineers inform us that Mr. Sam L. Phillips is a partner in this project. Please advise this office the type of partnership which you have with Mr. Phillips. In the event Mr. Phillips is supplying only the equipment and men under a contractual arrangement, please supply the details of the arrangement.

Sincerely yours,

SIGNED

Lawrence G. Houk, Director
Division of Nonmetallic Minerals

LGHouk:gad 8/6/57
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

OFFICIAL FILE COPY
DMEA
IN REPLY REFER TO:
RECEIVED AUG 6 1957

DATE	INITIALS	CODE
8/6	P.K.	220
8/9	WWR	600

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

August 5, 1957
Re: DMEA 4741
Paul S. Huskins
Big Ridge Prospect
Mitchell County, North Carolina
Applicant's ~~Estimate $4,389.40~~
Recommended Estimate $5,353.00 - Mica

Memorandum

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

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

Subject: Review of ~~application~~ Field Team Rept.

The applicant requests assistance in continuing the exploration of a thin, discontinuously zoned, dike-like pegmatite containing up to 20 - 30% good quality strategic muscovite.

The pegmatite which is 'new' has been explored by a 34-foot inclined shaft which appears to follow the plunge rather than the dip of the pegmatite. An apophysis of the main pegmatite occurs in a drag fold and also is strategic mica-bearing.

The recommended proposed work will continue the incline and by drifting explore for repetitions of the quartz core and the drag fold structure.

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

N. E. Nelson

N. E. Nelson

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

OFFICIAL FILE COPY
DMEA
RECEIVED 1 1957

DATE	INITIALS	CODE
8/1	C	220
		130
8/5	P.K.	220
8/6	Hawk	600

July 29, 1957

Memorandum

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

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

Subject: DMEA-4741 - Mica - Examination Report
Paul S. Huskins, Route 3, Bakersville, N. C.
Big Ridge Prospect, Mitchell County, North Carolina

Enclosed are the original and two copies of the above examination report. The Field Team agrees with the recommendation of the examiners.

There are also enclosed nine extra copies of the map.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 12

On-Site Exam Rpt

Reviewed by
DMEA OPERATING COMMITTEE
8-5-57
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OFFICIAL FILE COPY
D M E A
RECEIVED AUG 1 1957

DATE	INITIALS	CODE
		1302
		220

FIELD EXAMINATION REPORT
REGION V

On

DMEA-4741, BIG RIDGE PROSPECT - Mica
Mitchell County, N. C.

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
8-5-57
(date)

June 11, 1957

EXPLORATION PROJECT EXAMINATION
REPORT

DMEA-4741 (mica) BIG RIDGE PROSPECT
Mitchell County, North Carolina

Applicant

Paul S. Huskins, Route #3, Box 68, Bakersville, N. C.

SUMMARY

The Applicant and others have excavated a 32 foot deep, -52° incline on what is considered to be a previously unworked and unexplored mica-rich pegmatite. The structure appears to be a thin discontinuously zoned dike-like pegmatite with a strong south west plunging fold apophysis which has been the target for the previous work. Pegmatite material is mineralogically favorable and contains up to 20 to 30% good quality strategic muscovite. The Examiners saw sales receipts and mica in various stages of processing which indicated that about a ton of block mica had already been processed and partially sold, while about 1/2 ton of block remains to be processed. The Examiners recommend DMEA participation in rehabilitating the existing incline, sinking 40 feet of additional incline and drifting on the pegmatite for a distance of 80 feet.

INTRODUCTION

Location

The prospect is located on the southwest slopes of Big Ridge at an elevation of approximately 2950 feet. It is 0.9 air-line miles N76°W of Wing, Mitchell County, North Carolina. The site may be reached by about 0.6 miles of gravel road and jeep trail northwest from the paved Snow Creek (Lilly Branch) road, and can be located in the east-central 1/9th of the Micaville, N.C. Quad. USGS-TV Ed. 1934 (209NW) 1:24,000.

Examination

On June 11, 1957, an examination lasting about 1 1/2 hours was made of the subject prospect. The Examiners were accompanied by Messrs. Gover Grindstaff, Sam L. Phillips, and R. A. Laurence,

Executive Officer, DMEA, Region V. From all appearances, the site must have been practically undisturbed previous to the existent work which is todate only several months old. A fairly good access road, suitable for jeep travel has been bulldozed to and across the site, which is located on a moderately steep and heavily wooded slope. A source of single phase power is less than 1/4 mile downslope and water for drilling can probably be collected from local springs on the hillside. At the time of examination, a straight leg and boompole hoisting arrangement was erected at the site, and a 105CFM compressor in position for operations (see map).

The last section of bulldozed access road was driven a little east of due south obliquely up the hillslope. In the uphill bank of the road, and in a general west and southwest direction has been driven a -52° inclined shaft to a depth of 34 feet. The incline more or less parallels the indicated plunge of the pegmatite, and is very irregular in wall configuration, varying from 3 1/2 x 6 feet to 7 x 10 feet in cross-section.

Competency of Operator

The Applicant has had little association with DMEA activities, but is reportedly experienced in mica-mining methods, and is a partner in this venture with S. L. Phillips, who would presumably supply the manpower and equipment for any contract that might develop. The association is such that a competant job can be expected in every respect.

GEOLOGY

A limited amount of relatively thin, but very productive pegmatite has been exposed in the existent incline. The structure is a concordant, tabular pegmatite 14 to 30 inches thick, which strikes N66° -83°E and dips 55 to 70° southeast. It is enclosed in a partially weathered quartz-muscovite-biotite gneiss, the foliation and structure of which controls, the shape and attitude of the pegmatite. Pegmatite is developed along a plane of differential movement, evidenced by a strong dragfold implacement on the hangingwall of the tabular structure. The fold is occupied by a lenticular shaped zoned pegmatite apophysis which reaches a maximum thickness of 4 feet, and plunges about 50 degrees southwest. The zoning is symmetrical with a massive quartz core about 3 feet thick and medium to medium-fine-grained oligoclase, interstitial quartz, and considerable strategic muscovite, constituting 4 to 12 inch thick wall zones. A local thickening of the tabular structure near the surface has produced the same compositional zoning as described above, with the 1 1/2 to 2 foot thick core pinching out where the pegmatite thins downward. The plunge of this core is approximately the same as that of the hangingwall structure with a certain uniformity of plunge described by minor structures in the wall of the pegmatite. The existent work has followed the plunge of the tabular body plus that of the hangingwall apopyhsis. The fairly regular development of the folding suggests that the structure is

a result of pre-pegmatite stresses so that fairly good continuity of structure can be expected. Where structures develop contemporaneously with the introduction of pegmatite material, they are often sharply asymmetrical and "sloppy", occasionally anomalous, and obviously not a result of normal fold or fault stresses. Structures developed in this manner often do not have good predictable continuity. If good continuity can be established, multiples of the exposed fold structure should occur, which can best be explored for by extended drifting at depth, along the strike of the tabular structure. The whole structure has been slightly deformed, probably during the introduction of pegmatite material, and in a direction opposite to the gross structure (see x-section). Considerable muscovite was seen in place in the pegmatite, constituting 20 to 30% of the unzoned pegmatite as well as the wall zones of the zoned portions. The muscovite is a light brown color with a slight greenish caste, and is found in books up to 8 x 10 x 5 inches, although the average is probably 4 x 6 inches or smaller. It is essentially flat and free from mineral intergrowths, and only a very minor amount of flat "A" structure, isolated reeving, and a rare speck of oxide intergrowth was noted.

Mica Production Todate

The Examiners saw considerable muscovite in various stages of processing, which had been removed from this limited amount of incline. An initial sale of 13 pounds of trimmed material brought $160, and a recent sale of 41.81 lbs. of sheet has brought an

initial payment of $464.86 although processing of the sale is not complete. About 35.5 lbs of trimmed muscovite was seen and weighed which had not been sold, and another 100 lbs of material which has been rifted, but not trimmed. At another location, over 1000 lbs of unprocessed hand cobbed block was seen by the examiners. The mica seen in various stages of processing represents about a ton of block muscovite, with another 1/2 ton yet to be processed. Estimating block recovery versus measured volume of pegmatite removed, indicates roughly 2.6 lbs of handcobbed block muscovite per cubic foot of pegmatite, which is well above average of productive mica pegmatites in the area.

CONCLUSIONS AND RECOMMENDATIONS

A relatively recent discovery has exposed a mica-bearing pegmatite of good indicated structural continuity and favorable mineralogical environment. The volume and quality of contained muscovite are well above average for the Spruce Pine area, as evidenced by the already considerable production from a relatively small volume of pegmatite. The Examiners strongly recommend that DMEA assistance be granted to further outline the mica potential of this relatively unexplored structure. A program recommended by the Examiners, consists of rehabilitating the existing 32 feet of incline, extending the incline another 40 ft along the indicated plunge of the structure, and driving 80 feet of drift and/or crosscut along the tabular part of the pegmatite, in order to establish its composition and continuity and to intercept multiples of any marginal fold structures that might be developed."

Cost Estimates (Big Ridge Mine) DMEA-4741(mica)

Rehabilitate 32 ft of existing inclined shaft, including necessary trimming to 5' x 7' in cross section and timbering solid (10 shifts).

Labor:

1 - Foreman-miner @ $1.75/hr.	$140.00
2 - Laborers @ $1.00/hr.	160.00
	300.00

Equipment:

1 - single drum gasoline hoist @ $50/Mo. — $25/mo	25.00
1 - Air compressor with rock-drill and air hose @ $190/Mo.	95.00
1 - Air sump pump @ $40/Mo.	20.00
	122.00

Supplies:

Gasoline and oil	21.00
Explosives	32.00
Drill Steel	18.00
Timber - 1500 b.f. @ $65/M	98.00
Miscellaneous	10.00
Liability Ins. & Social Sec.	36.00
Sales Tax	5.00
	220.00

Estimated cost of rehabilitating existing 32 ft shaft.... $660.00

Construct:

~~use~~ $20/ft.
use $15/ft.

Toolhouse	75.00	
Powder magazine	25.00	
Exploder magazine	15.00	115.00

Sink 40 (50) ft of inclined shaft 5' x 7' om crpss-section, cribbed solid ~~where necessary~~ and install separated partition and manway (26 shafts).

1.7 ft/shift = 24 shifts
use 1.8 ft/shift = 28 shifts

Labor:

	This		
1- Foreman-Miner @ $1.75/hr.	392.00	364.00	336.00
1 - Hoistman @ $1.50/hr.	336.00	312.00	288.00
1 - Laborer @ $1.00/hr.	224.00	208.00	192.00
	952.00	884.00	816.00

Equipment (rental)

1 - Air compressor @ $150/Mo.	195.00

26) 400 (1.5
26
140
130

(equipt. cont'd)

1 - Hoist @ $50/Mo.	$65.00	
1 - Drill w/air hose @ $40/Mo.	52.00	
1 - Sump Pump @ $40/Mo.	52.00	
	364.00	$300.00

$250/mo

350.00

Supplies:

Gasoline and Oil	80.00	
Explosives	120.00	
Drill steel	70.00	
Timber, 2000 b.f. @ $65/M	130.00	
Small tools, pipe, etc.	80.00	
Sales Tax	10.00	
Liability Ins. and Social Sec.	106.00	
	596.00	745.00

$46.10

Estimated cost of shaft sinking..... $1,844.00

Drive 80 (40) feet of drift from the shaft bottom, 5' x 7' in cross-section, and timbered where necessary. (40 shifts)

$2047 — $1,712.00

~~use~~ $43.00/ft

use $41.00/ft.

Labor:

~~use~~ 2.2 ft/shift = 37 shifts

use 2.3 ft./shift = 18 shifts

		18 shifts	
1 - Foreman-Miner @ $1.75/hr.	252.00	560.00	518.00
1 Hoistman @ $1.50/hr.	216.00	400.00	444.00
1 - Laborer @ $1.00/hr.	144.00	320.00	296.00
	612.00	1280.00	1258.00

Equipment (rental)

1 - Air compressor @ $150/Mo.	300.00	
1 - Gasoline Hoist @ $50/Mo.	100.00	
1 - Sump Pump @ $40/Mo.	80.00	462.50
1 - Drill w/airhose-$40/Mo.	80.00	
1 - Air jackleg @ $25/Mo.	50.00	
	610.00	250.00

$250/mo

Supplies:

Gasoline and oil	140.00	
Explosives	220.00	
Drill steel	120.00	
Timber, 1500 b.f. @ $65/M	98.00	
Small tools, pipe, etc.	92.00	
Sales Tax	20.00	
Liability Ins, & Socl Sec.	154.00	422.00
	844.00	

34.17

Estimated Cost of drift..... $2,734.00

~~use~~ $33/ft

Estimated Total cost of project..... $5,353.00

use $31/ft.

$1284.00

July 2, 1957

Mr. Houk calling Mr. R. A. Laurence, Knoxville, Tennessee

Re: Docket No. DMEA-4741-Mica
Paul Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Mr. Laurence stated: "We are going to recommend a contract on that. He has a 16-18 ft. deep hole, and he has gotten mica - good mica - out of that small hole."

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 6 1957

DATE	INITIALS	CODE
6/6	[illegible]	220
6/6	[illegible]	600

Spruce Pine, North Carolina
June 4, 1957

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

Re: DMEA #4741 - Mica
Big Ridge Mica Mine
Mitchell County, N.C.

Dear Mr. Lawrence:

This will acknowledge receipt of your letter dated May 29, 1957.

Enclosed you will find a map and description made by a surveyor as requested, if this is not sufficient, please let me know, and I will try to furnish you with any futher information you need.

Sincerely yours,

Paul Huskins

Paul Huskins

H/b
Enclosures

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
5/27	Anderson	600
5/28	Houk	600
5/29	[illegible]	130
5/29	McMahon	130
5/29	Kiilsgaard	130
5/29	Mittendorf	~~110~~ 100
		~~100~~
5/31		220
		600

600

MAY 29 1957

Mr. Paul Huskins
Route 3, Box 68
Bakersville, North Carolina

Re: Docket No. DMEA-4741-Mica
Paul Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Huskins:

Your application for assistance in exploring the subject property has been reviewed by the Division of Nonmetallic Minerals 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.

We note that you are the owner of this property, a description of which was attached to your application, said description including six acres which was sold to Jack Huskins. We cannot plot the tract from the description given, since on two calls, either the direction or the distance was omitted. In order to process your application, it will be necessary that you furnish a map of the thirteen acre described property, showing the boundaries of the six acre tract sold to Jack Huskins. Also, we need a tie-in from the proposed DMEA work to one of the corners of the property.

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 5/27/57
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
5/27	Anderson	600
5/28	Houk	600
5/29	GCS	130
5/29	Nutendorf	~~110~~
		100
		220

600

MAY 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-4741-Mica
Paul Huskins
Big Ridge Mica Mine
Mitchell County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated May 10 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 (GCS)

Approved:

A. D. McMahon (GCS)
Member, Bureau of Mines

Thor H. Kiilsgaard (GCS)
Member, Geological Survey

Enclosures 4

WCAnderson:rsi 5/27/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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	wra	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-4741 (mica)

Applicant: Paul S. Huskins

Name and Location of Property: Big Ridge Mica Mine, Mitchell County North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 5/9/57

Comments:

1. Applicant has sunk a 5 x 5 foot shaft 12 feet in a 5 foot wide pegmatite.

2. Applicant states 1 ton of crude mica has been recovered during shaft work, some in books 6 x 6 inches or more, a small amount of which has been processed and sold to Government Mica Depot at Spruce Pine, North Carolina.

3. Exploration proposed by applicant is consistent with local practices and in line with unit-cost estimates for other DMEA projects.

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:

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

May 10, 1957
Re: DMEA 4741
Paul Huskins
Big Ridge Mica Mine
Mitchell County, N. C.
$4,389.40 - Mica

Memorandum

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

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

Subject: Review of application

The applicant requests assistance in exploring a 'new' pegmatite, exposed in a 5x5x12 foot shaft. About 1 ton of crude mica was recovered in sinking the shaft, and some mica was sold, how much is not stated.

The application says the pitch (dip?) of the pegmatite is only 2 degrees at the bottom of the shaft. An adit is suggested rather than a shaft.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

OFFICIAL FILE COPY
DMEA
RECEIVED MAY 13 1957

DATE	INITIALS	CODE
5/14	JWJ	220
5/14	NRA	600

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration
Washington 25, D. C.

May 9, 1957

Mr. Paul S. Huskins,
Route 3, Box 68,
Bakersville, North Carolina

Subject: DMEA 4741
Re: Exploration Assistance

Dear Mr. Huskins:

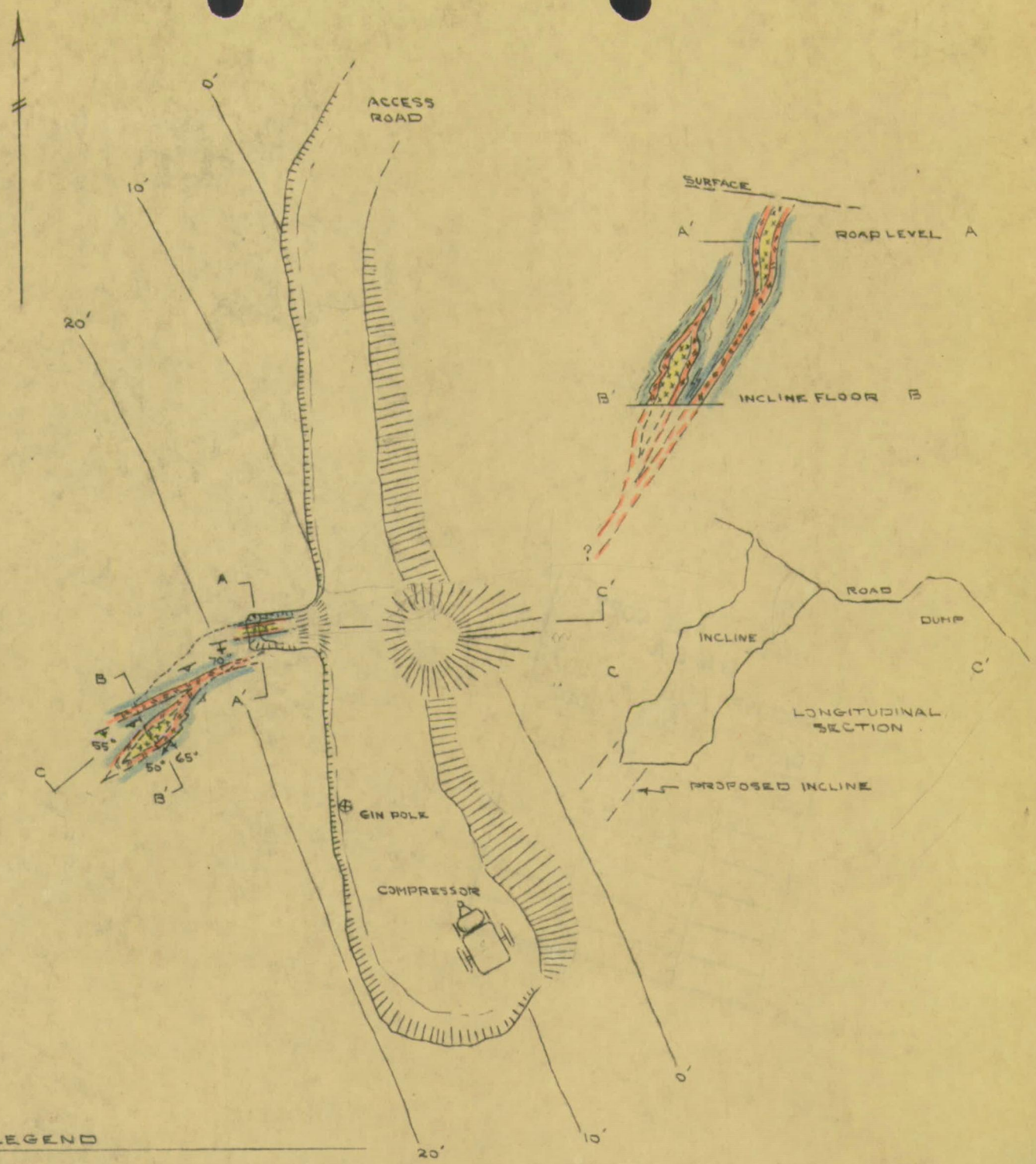
Your application for exploration assistance, dated May 4, 1957, submitted to our office at Knoxville, Tennessee, has been assigned Docket Number DMEA 4741 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Chief
Operations Control and
Statistics Division

Copy to: Region V.

3571



LEGEND

- OLIGOCLASE-QUARTZ-MUSCOVITE PEGMATITE
- DISCONTINUOUS QUARTZ CORE
- MUSCOVITE-BIOTITE GNEISS
- UNDERGROUND OPENING
- EXCAVATION
- DUMP

BIG RIDGE PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

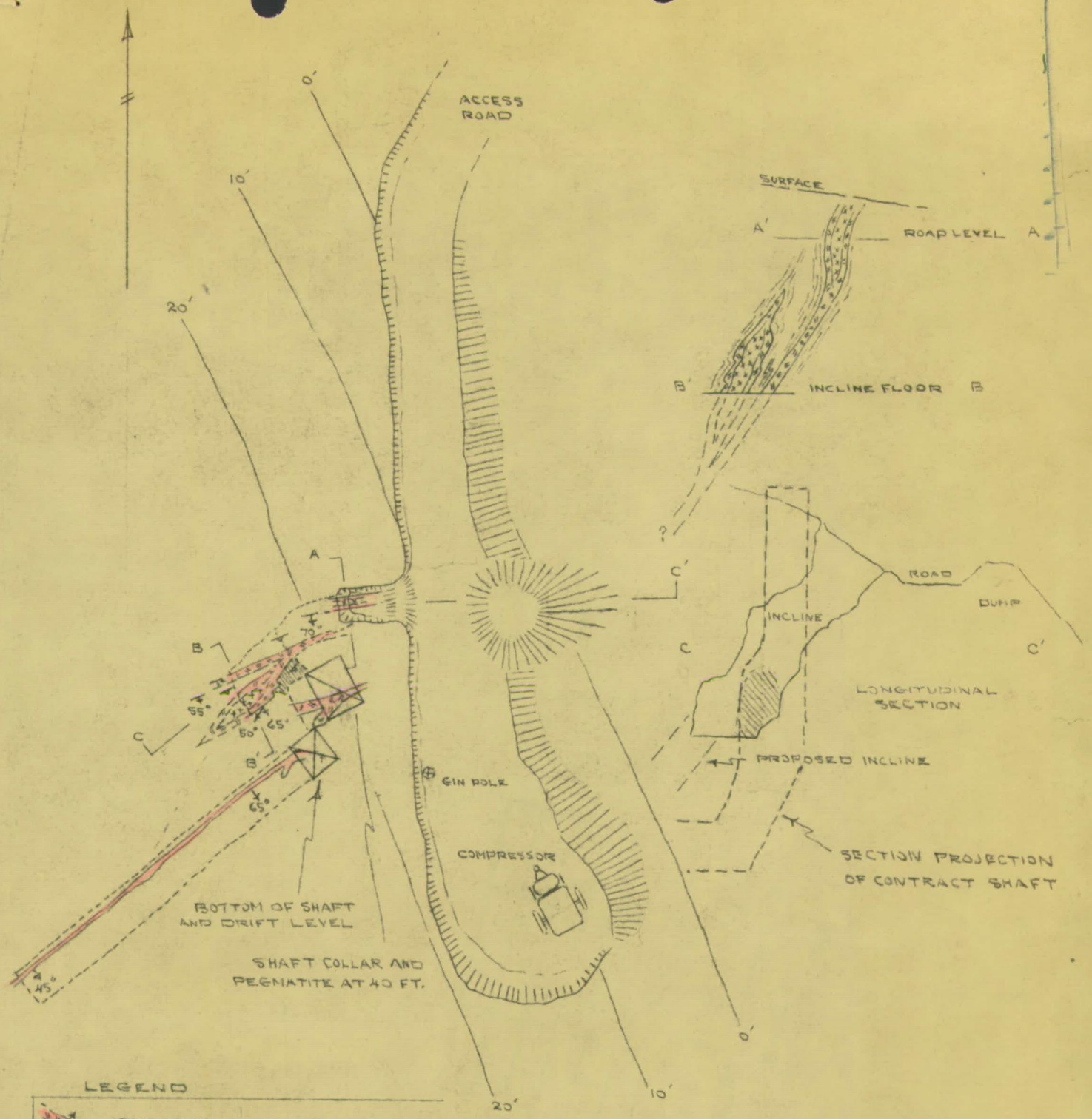
DMEA-4741 (MICA)

SCALE: 1" = 20'

SCB 6/77

OFFICIAL FILE COPY
DMEA
RECEIVED AUG 1 1957

DATE	INITIALS	CODE

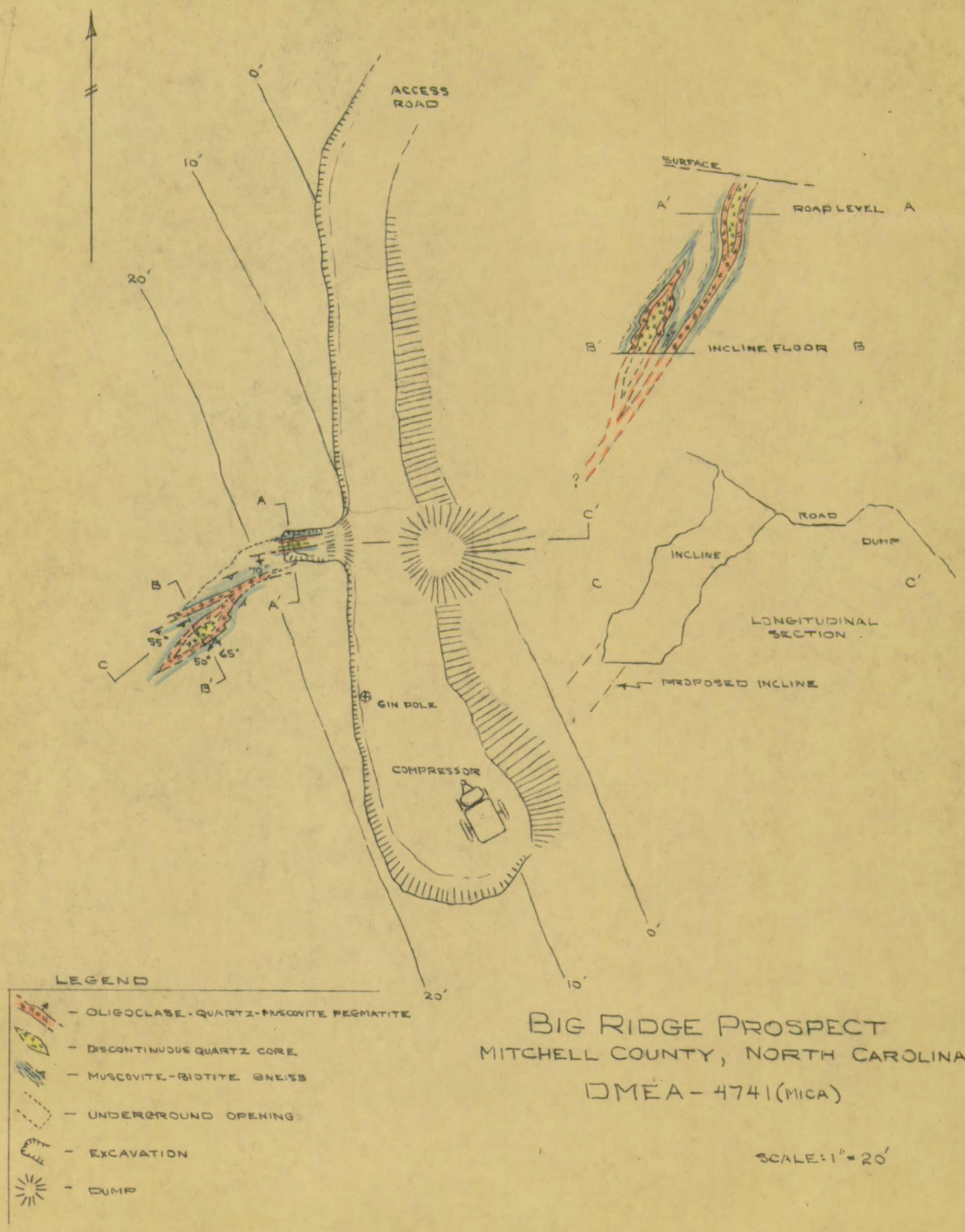


BIG RIDGE PROSPECT
MITCHELL COUNTY, NORTH CAROLINA
DMEA-4741 (MICA)

SCALE: 1" = 20'

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 20 1958

DATE	INITIALS	CODE



BIG RIDGE PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

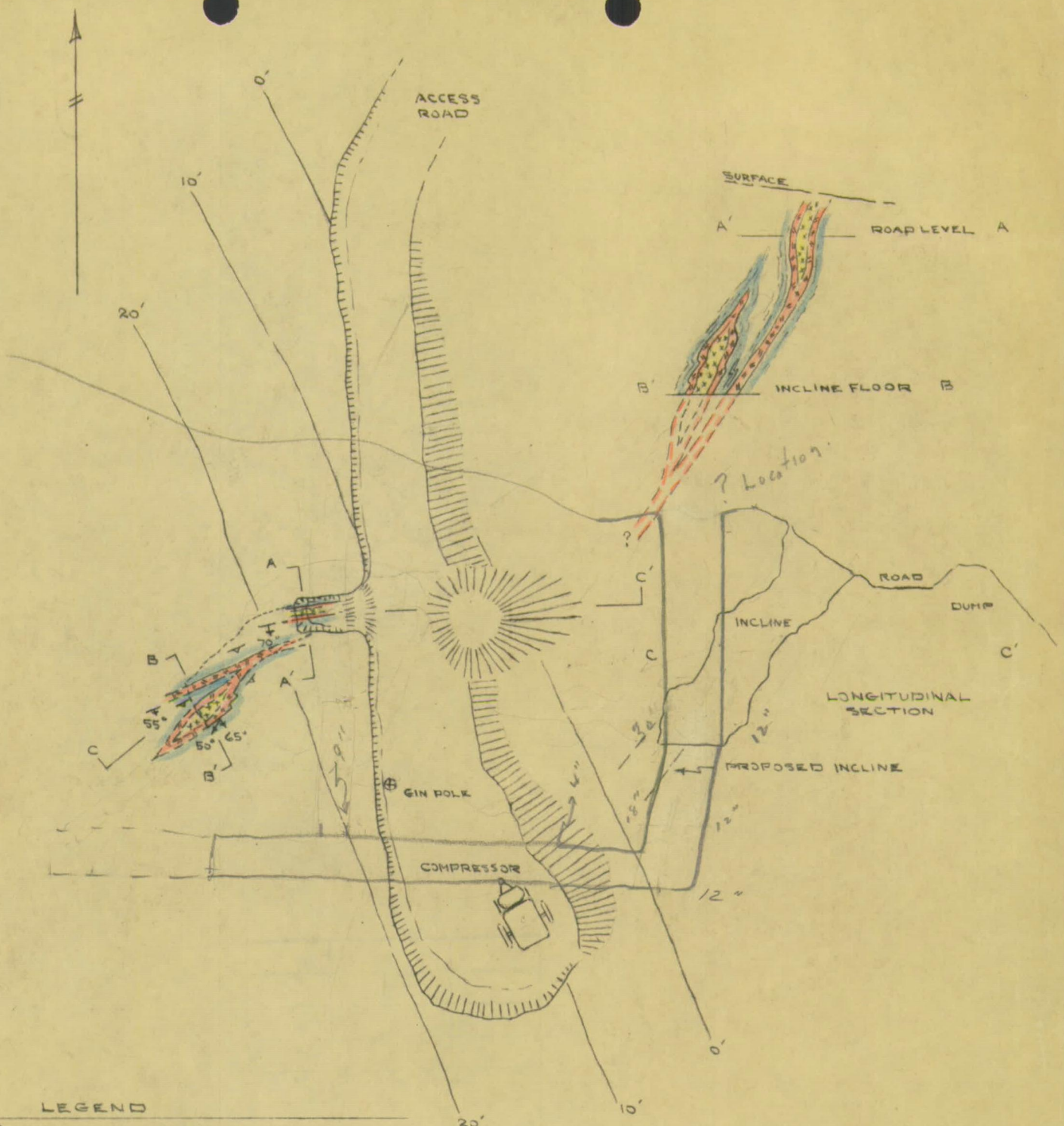
DMEA-4741 (MICA)

SCALE: 1" = 20'

SCB 6/57

EXTRA COPY
D M E A
RECEIVED AUG 1 1957

DATE	INITIALS	CODE



LEGEND

- OLIGOCLASE-QUARTZ-MUSCOVITE PEGMATITE
- DISCONTINUOUS QUARTZ CORE
- MUSCOVITE-BIOTITE GNEISS
- UNDERGROUND OPENING
- EXCAVATION
- DUMP

BIG RIDGE PROSPECT

MITCHELL COUNTY, NORTH CAROLINA

DMEA - 4741 (MICA)

SCALE: 1" = 20'

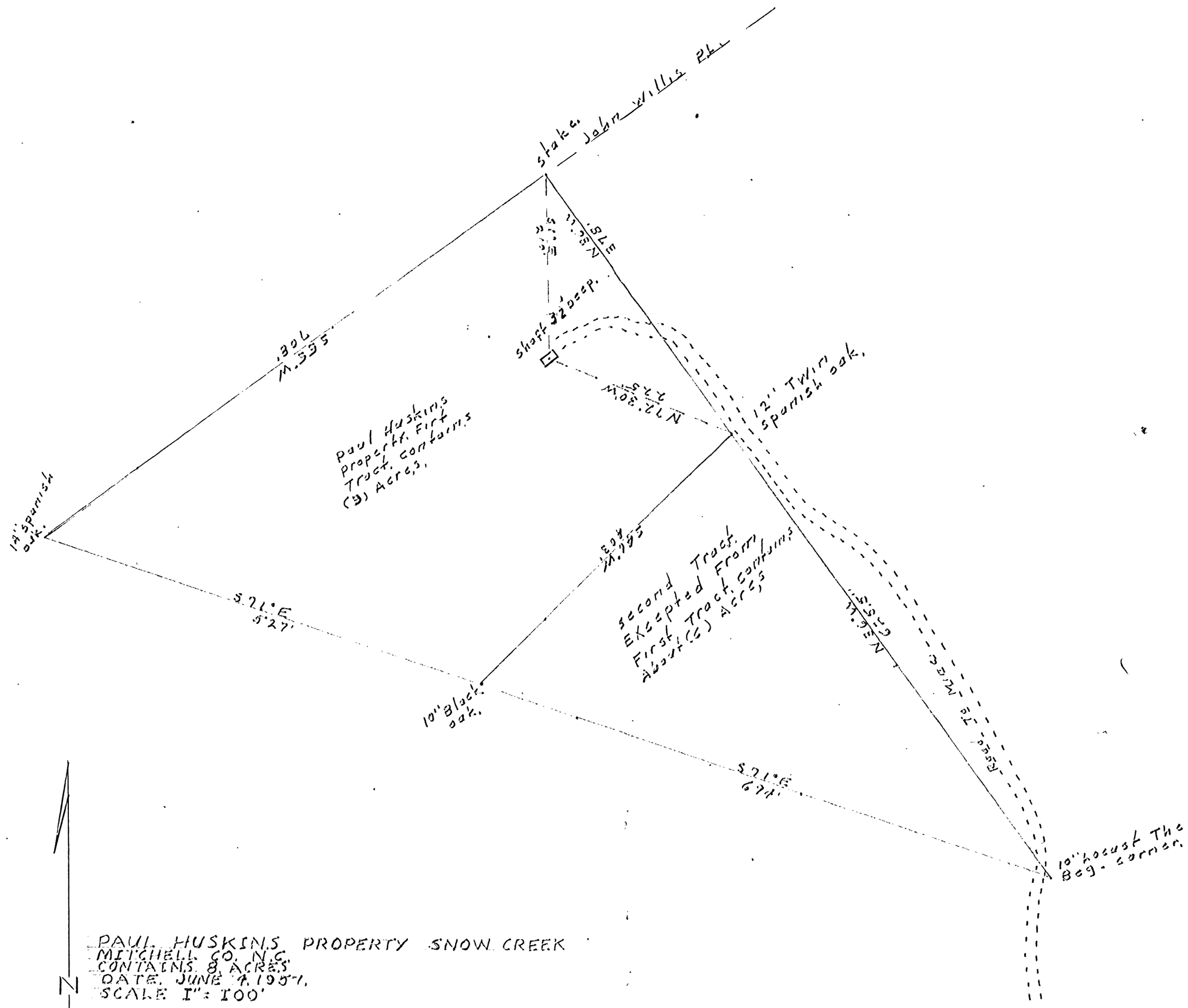
SCB 6/57

OFFICIAL FILE COPY
D M E A
RECEIVED SEP 23 1957

DATE	INITIALS	CODE

EXTRA COPY
D M E A
RECEIVED AUG 1 1957

DATE	INITIALS	CODE



PAUL HUSKINS PROPERTY SNOW CREEK
MITCHELL CO. N.C.
CONTAINS 8 ACRES
DATE. JUNE 4. 1957.
SCALE 1" = 100'