DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE — Idm-E NO. 1213 — DMEA NO. 4930

Application
- [ ] Denied
- [ ] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

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

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [x] Closing Letter
- [x] Cost Audits
- [x] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [xx] Owner's Consent to Lien and Subordination Agreement
- [xx] Application and attachments

Right Side

- [x] Project summary (final)
- [x] Work Completed analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Final Field Team Report (Tab)
- [x] Operator's Final Report (Tab)
- [x] Interim Field Team Reports
- [x] Operator's monthly reports and all attachments
- [x] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No._____: Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

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

Folders No._____: Maps (Use pocket folder or envelope)

Folders No._____: Settlement Sheets

Folders No._____: Drill Logs

Folders No._____: Royalty material

17963

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/22	ALP	600
5/25	Frank	600
5/25	Talbert	800
5/25	Selfridge	120
		110
5/26	a	220
		600

600

MAY 25 1959

Hector Mining Company
c/o Mr. Burdette Thomas
Route 1
Spruce Pine, North Carolina

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina
Contract No. Idm-E1213

Gentlemen:

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

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

We appreciate your interest and participation in the DMEA Exploration program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

JWAlt:gad 5/22/59
Copy to: Dir. R. File
Audits
Field Team, Region V
Mr. Kiilsgaard, USGS
Mr. Irving, USBM
Mr. and Mrs. Ed Sparks

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
5/22	ALD	600
5/25	Talbert	800
		~~800~~
5/25	Jeffrey	120
		110
5/26	a	220
		600

600

MAY 25 1959

Mr. and Mrs. Ed Sparks
Route 2
Burnsville, North Carolina

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina
Contract No. Idm-E1213

Dear Mr. and Mrs. Sparks:

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

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on January 27, 1958, under the DMEA program which has now been succeeded by the Office of Minerals Exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

JWAlt:gad 5/22/59
Copy to: Dir. R. File
Region V
Audits
Mr. Kiilsgaard, USGS
Mr. Irving, USBM

43683

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of

Hector Mining Company
c/o Burdette Thomas
Route 1
Spruce Pine, North Carolina

pertaining to Exploration Project Contract No. Idm-E1213, DMEA No. 4930, for July 1958 to September 1958, inclusive, covering a mica project on the Ed Sparks Property, Yancey 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 that:

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

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

Total cost billed by Operator		$5,278.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Accepted cost		$5,278.00

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	$3,958.50
Paid to date	2,230.50
Balance due Operator	$1,728.00

E. D. Talbert, Auditor

December 2, 1958

Government's copy

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 24 1958

DATE	INITIALS	CODE

Appr'd. Col. Off.

TERMINATION AGREEMENT

It is agreed this 14th day of November, 1958, between the United States of America, ~~acting through~~ the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government", and Hector Mining Company, hereinafter called the "Operator", ~~parties to~~ that certain Exploration Project Contract ~~Idm-E1213~~, Docket No. DMEA-4930, dated June 20, 1958, hereinafter called the "Contract", that:

1. Effective September 23, 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.

THE UNITED STATES OF AMERICA

By Frank E. Johnson
ACTING Director, Office of Minerals Exploration

HECTOR MINING COMPANY

By Burdette Thomas

Title Partner

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

June 30, 1958

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract, DMEA-4930, Idm-E1213 (mica) Hector Mining Company. The Cox Mine on the Ed Sparks Property, Yancey County, N. C.

Transmitted are the Government and Audit copies of the subject contract, received signed in this office to day.

The usual distribution of the other copies has been made.

DMEA
RECEIVE JUL 17 1958

DATE	INITIALS	CODE
7/11/58	C	220
7/1	B	215
7/7	[illegible]	600

Robert A. Laurence for

OFFICIAL FILE COPY
DMEA
RECEIVE JUL 17 1958

MF-200A
(Rev. April 1956)

Government's copy

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
4930	Mica	1213	Yancey	North Carolina

It is agreed 20 JUL 1958, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Hector Mining Company, a partnership comprised of Jim Cox, Howard Sparks, Burdette Thomas, and R. C. Thomas

whose mailing address is c/o Mr. Burdette Thomas, Route 1
Spruce Pine, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) This contract is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF–200A), the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before JUL 20 1958, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 4 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 $5,536.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,152.00, in accordance with the provisions of Articles 4 and 5.

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

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

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

(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.*—

.....

.....

.....

.....

.....

.....

Austin Dunger
App'd. Sol. Off.

Executed in sextuplicate the day and year first above written.

HECTOR MINING COMPANY

By Jim Clark (Partner)

By Howard Parker (Partner)

By Burdette Thomas (Partner)

By R. C. Thomas (Partner)

THE UNITED STATES OF AMERICA

By C. F. Mittauer
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

Knowse
Hart
Chambers
Selfridge.
Johnson

EXPLORATION PROJECT CONTRACT
HECTOR MINING COMPANY
DOCKET NO. DMEA-4930

ANNEX I

The land referred to in Article 2 of the contract form is known as The Cox Mine on the Ed Sparks Property. It is situated in Crabtree Township, Yancey County, North Carolina, on the north slope above the North Toe River, 0.77 miles N. 70 degrees W. from Bench Mark 2402 Boonford, Yancey County.

The land consists of a tract described by metes and bounds as follows:

Beginning at the center, marked Cox Mine on the attached Figure I, which is the site of the proposed shaft; thence north 300 feet to a stake; thence west 300 feet to a stake; thence south 600 feet to a stake; thence east 600 feet to a stake; thence north 600 feet to a stake; thence west 300 feet to a stake enclosing an area 600 feet by 600 feet square, or not less than 8.26 acres.

The Operator represents and undertakes that it is in possession of the land pursuant to a lease dated January 27, 1958, from Ed Sparks and wife, Mary, for a period of 5 years, renewable.

MF-205
(Combines and supercedes MF-2[redacted] and MF-203)
June 1956

[redacted]vernment's Use Only
EXPLO[redacted] PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E
Contract Date 20 JUN 1958

RECEIVED
JAN 30 1958
D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of ~~America~~:

Referring to that certain land in the County of Yancey, State of North Carolina, described as follows: 2/ Located in Crabtree Township, Yancey County BEGINNING on an iron stake ~~stake~~ ~~North~~ South east corner of Asheville Mica Company property; / thence South 75 degrees West 200' to a stake; thence due West 100' to a stake; thence North 15 degrees West 100' to a stake; thence North 47 degrees West 100' to a stake; thence North 37 degrees West 100' to a stake; thence North 70 degrees West 100' to a stake; thence North 37 degrees West 100' to a stake; thence North 82 degrees West 150' to the shaft site; thence due North 300' to a stake; thence due West 300' to a stake; thence due South 600' to a stake; thence due East 600' to a stake; thence due North 600' to a stake; thence due West 300' to a stake.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

1/ Mining or production from the land is not required, and in the absence of production there is no obligation to pay royalty to the Government.

2/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated _____, and recorded in Book _____, Page _____, official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 27th day of January, 1958.

Ed Sparks	[Seal]	Route 2, Burnsville, N. C.	[Address]
Mary Sparks	[Seal]	Route 2, Burnsville, N. C.	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

EXPLORATION PROJECT CONTRACT
HECTOR MINING COMPANY
DOCKET NO. DMEA-4930

EXHIBIT A

General Provisions:

The objective of the project work is to explore at depth a strategic mica-bearing pegmatite exposed at the surface.

The shaft and drifts (or crosscuts) shall be timbered as necessary, and shall have cross-sectional dimensions of not less than 5 feet by 7 feet in the clear of timber. The shaft shall have two compartments.

The shaft and drifts (or crosscuts) shall be sunk and/or driven along the pegmatite, or as close thereto as is practicable.

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

Description of the Work:

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. (a) Prepare a shaft site on the exposed pegmatite shown on the attached map, Figure I, at a location approved by the Government. The Government will contribute to the cost of excavating not more than 173 cubic yards of material.

(b) At the shaft site, (item (a)) sink a shaft to a depth of not more than 50 feet.

3. Within 5 feet of the shaft bottom, drift (or crosscut) easterly and westerly, aggregating not more than 100 feet.

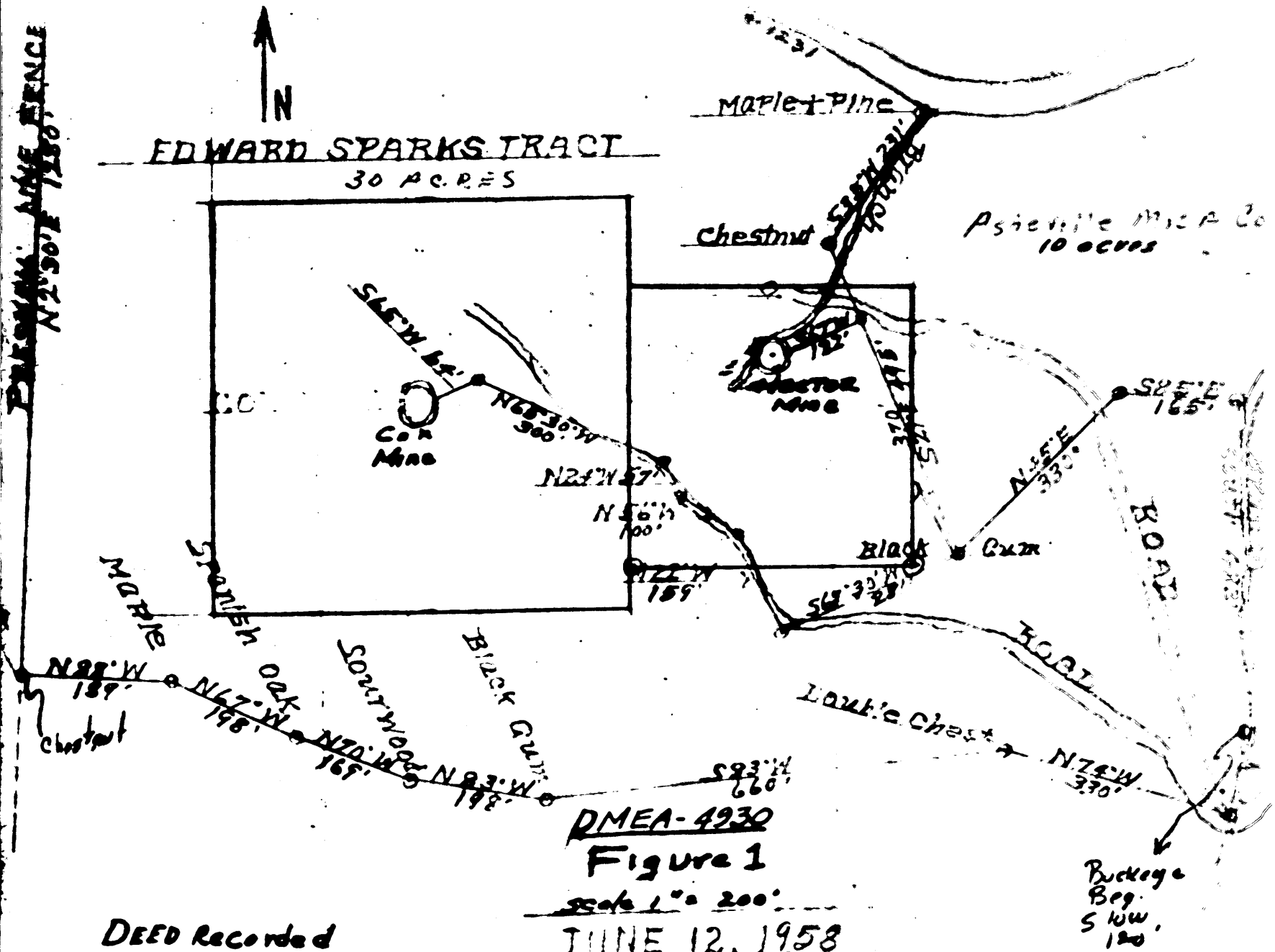
ESTIMATED COST OF THE PROJECT

Fixed Unit Cost

173 cu. yds. shaft site excavation @ $0.40/cu. yd.			$ 69.00
Construct:	Toolhouse 1/	$75.00	
	Powder magazine 1/	25.00	
	Exploder magazine 1/	15.00	115.00
50 ft. two-compartment shaft @ $43.00/ft.			2,150.00
100 ft. drifting and/or crosscutting @ $32.00/ft.			3,200.00

Estimated Total Cost of the Project (rounded to)	$5,536.00
Government Participation @ 75%	$4,152.00

1/ The completed item constitutes the unit.



DEED Recorded

BK 450 Pg 528

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1-3 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

COPY
DMEA
RECEIVED JAN 30 1958
DATE | INITIALS | CODE

January 28, 1958

Memorandum

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

From: Field Team, DMEA, Region V

Subject: Application from Hector Mining Company, Spruce Pine, N. C.
Ed Sparks property, Yancey County, North Carolina (Mica)

Enclosed are the original and two copies of the subject application which was received at this office, with the original and four executed copies of the Consent to Lien, and the original and two copies of the lease.

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

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 11

Form MF-103
Revised Oct. 1957

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

Budget Bureau No. 42-R1035.3
Approval expires June 30, 1958

APPLICATION FOR AID IN AN EXPLORATION PROJECT

PURSUANT TO DMEA ORDER I, UNDER THE DEFENSE PRODUCTION ACT OF 1950, AS AMENDED

NAME OF APPLICANT (Full legal name and mailing address as it should appear on contract if one is executed)

HECTOR MINING COMPANY
% Burdette Thomas
Route 1,
Spruce Pine, North Carolina

RECEIVED JAN 30 1958 D.M.E.A.

APPLICANT NOT TO USE THIS BLOCK

Docket Number: DMEA-4930
Date Received: 1/30/58
Government Participation %:
Region: V
Division Code: 600

BUSINESS ORGANIZATION (Check one)

- Individual [ ]
- Corporation [ ]
- Partnership [x]
- Other (Specify) [ ]

State in which firm is organized:

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

Name	Address	Title
Jim Cox	Route 1, Spruce Pine, N. C.	Partner
Howard Sparks	Route 1, Spruce Pine, N. C.	Partner
Burdette Thomas	Route 1, Spruce Pine, N. C.	Partner
R. C. Thomas	Route 1, Spruce Pine, N. C.	Partner

Mineral(s) for which you wish to explore: Mica

Estimated Cost of Project: $ 5980.00

LOCATION OF PROPERTY

Name	County	State
Ed Sparks Property	Yancey	North Carolina

GENERAL INSTRUCTIONS

Before filling out this application, please read DMEA Order-I, Revised, "Government Aid in Defense Exploration Projects." To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit four copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 1, existing mine workings and geology in item 2, and the proposed exploration project in item 4. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 2(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest DMEA Field Office.*

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.

1-27-58
Dated

RECEIVED JAN 28 1958 U. S. Geological Survey Geologic Division Room

Burdette Thomas
BY (Signature)

Partner
Title

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. *Applicant's Property Rights:*

(a) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all land adjacent to the proposed project area which you own or control. Describe any part of the project land or workings which should not be subject to Government lien for royalty payments. If the land consists of unpatented claims, state the book and page number for each recorded location notice, including amended locations, and the place where recorded (courthouse, recorder's office, county, and state).

(b) State all the names by which you know the property.

(c) State your interest in the land, whether owner, lessee, purchaser under contract, or otherwise. If you are not the owner, submit with this application one exact copy of the lease, contract, or other document (with address of owner) under which you control the property.

(d) Describe all liens, mortgages, or other encumbrances on the property.

2. *Physical Description:*

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the lands, including existing mine workings. Describe all production facilities.

(b) State your interest, if any, in operations stated in 2*(a)*.

(c) State, as far as you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves on the property giving quantities and grades and sampling methods used, supporting your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you may have, indicating on each whether you require its return to you.

3. *Accessibility of Project:*

(a) To aid DMEA representatives who may be required to examine the property, state the name and address of the person who will meet the DMEA representative; give directions for reaching the property; and describe accessibility of the property including the mine workings.

(b) Name the shipping and supply points and places where employees reside and state the distances between them and the property.

4. *The Exploration Project:*

(a) Describe fully the proposed exploration project giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and longitudinal and cross sections as necessary. Show the location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *property boundaries* or to the closest identifiable corner.

(b) If an access road to the project must be built, show the location on the property map and state the length, type, and construction methods proposed.

(c) In the event that an exploration contract with DMEA is executed, how soon will the work start and how many months will be required to complete it? State your anticipated average daily or monthly rate of progress for each type of work.

5. *Experience:*

State your operating experience and background with relation to your ability to carry out this exploration project, and also that of the person or persons who will supervise the operations.

6. *Estimate of Costs:*

Furnish detailed estimates of the costs *for each item of the work proposed in 4(a)* under the headings listed below with a total for each heading and the estimated total cost of the project. Costs for any work to be performed by an independent contractor should be shown separately under category *(a)* below. Costs for any work that is not to be performed by an independent contractor should be given in detail under categories *(b)* through *(g)*.

(a) Independent contracts. State the cost of any proposed independent contract for the performance of all or any part of the work, expressed in units of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. *(Note* – If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. For necessary supervision, engineering and geological services, and labor, include an itemized schedule of numbers, classes, rates of wages, salaries or fees, and periods of employment. State whether these technicians and employees are available.

(c) Operating materials and supplies. List items of material and supplies with their cost. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of operating equipment to be used giving specifications and indicating how each item is to be acquired – i.e., rented, purchased, or provided by the applicant. If it is rented or purchased, state the estimated rental or purchase price. If it is to be furnished by the applicant, give its present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of necessary *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant, which will be used on the exploration project.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration project stating specifications and cost including labor, materials and supervision.

(g) Miscellaneous. For the operating equipment listed in 6*(d)*, describe the type and estimate the cost of repairs and maintenance expected during project operations. Do not repeat initial repairs listed in 6*(e)*. Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories.

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)* State whether you are prepared to furnish your share of the cost of the proposed project in accordance with the regulations on Government participation stated in Sec. 7 of DMEA Order–I, Revised.

(b) Explain to what extent you propose to furnish your share of the costs by providing money, by use of equipment owned by you, or otherwise.

* * * * *

INT.-DUP. SEC., WASH., D.C. 25960

DMEA
RECEIVED JAN 30 1956
DATE | INITIALS | CODE

MF 103 Continuation Sheet.

1. (a) Legal description given on attached lease.
   (b) Ed Sparks property.
   (c) Lessee.
   (d) No liens or other encumbrances on property.

2. (a) New prospect, some bulldozing done.
   (b) Present applicants done bulldozing.
   (c) Records of production are on file at Government Mica Depot, Spruce Pine, N. C.
   (d) See (c)
   (e) Map attached.
   (f) We believe mica exists. Present out cropping shows mica existing.

3. Property is accessible for examination. Mr. Burdette Thomas will accompany DMEA representative to site.

   All applicants live within few miles radius of mine. Supply and shipping points near.

4. (a) We propose to bulldoze away overburden for proposed shaft site, lower a shaft approximately 50 feet to reach vein, then drift or crosscut a distance of 100 feet.
   (b) No access road necessary.
   (c) Work will begin immediately if contract granted. Five to six months work should complete contract.

5. Each applicant is experienced in mining, having done extensive mining work in this area. Work will be supervised by Howard Sparks, partner.

6. Estimate of costs:

Bulldozing, 8 Hrs. @ $10.00 per hr.	$ 80.00
50' Shaft @ $45.00 per ft.	2250.00
100' Drift @ $35.00 per ft.	3500.00
10' x 12' Tool House	100.00
Powder Magazine	25.00
Explosives Magazine	25.00
Total Estimated Cost	$5980.00

7. Applicants prepared to furnish their share of costs. Will furnish cash and equipment.

MINING LEASE

State of North Carolina Yancey County:

This indenture made this 27th day of January, 1958

between Ed Sparks and wife, Mary Sparks

of Yancey County and State of North Carolina as party of the first part, and known as lessor, and Jim Cox, Howard Sparks, Burdette Thomas and R. C. Thomas

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

WITNESSETH, That the part of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessor, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit: Located in Crabtree Township, Yancey County, N. C. BEGINNING on an iron stake ~~Northeast~~ South corner of Asheville Mica Company property, thence South 75 degrees West 200' to a stake; thence due West 100' to a stake; thence North 15 degrees ~~West 100' to a stake; thence North 47 degrees West 100' to a stake; thence North 37 degrees~~ West 100' to a stake; thence North 70 degrees West 100' to a stake; thence North 37 degrees West 100' to a stake; thence North 82 degrees West 150' to the shaft site; thence ~~due~~ North ~~300' to a stake; thence due West 300' to a stake; thence due South 600' to a stake; thence~~ due East 600' to a stake; thence due North 600' to a stake; thence due West 300' to a stake.

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

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of one-eighth

on the minerals taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operation then being conducted. The lessor reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

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

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

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

Subscribed and sworn to before me this 27th day of January, 1958

Witness: Tom Burleson (Notary Public)

My comm. expires: 1-18-60

Ed Sparks (Seal)

Mary Sparks (Seal)

_____ (Seal)

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 30 1958

DATE		CODE

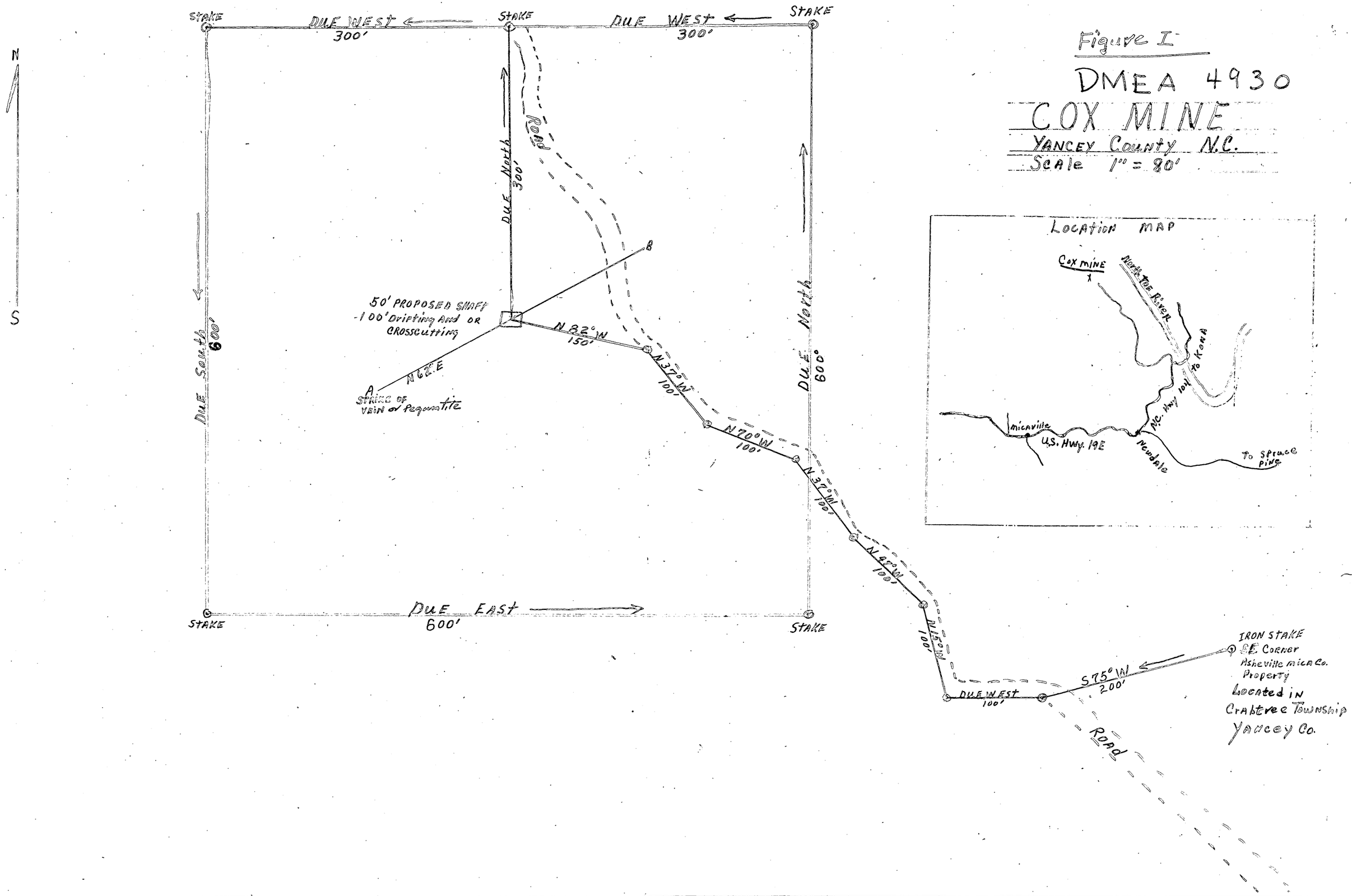
Figure I

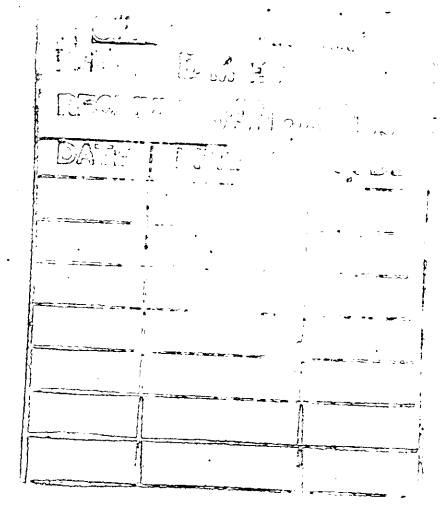
DMEA 4930

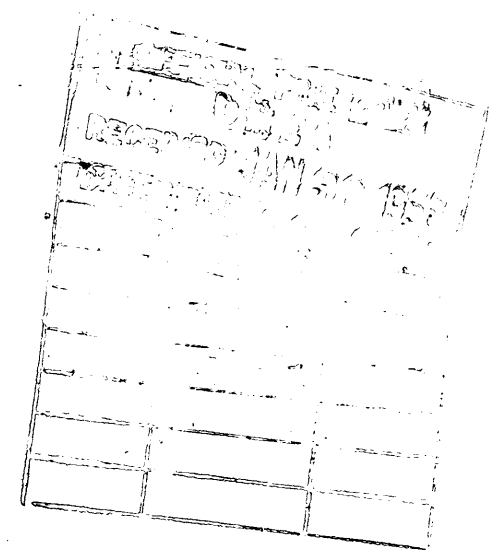
COX MINE

YANCEY COUNTY N.C.

Scale 1" = 80'







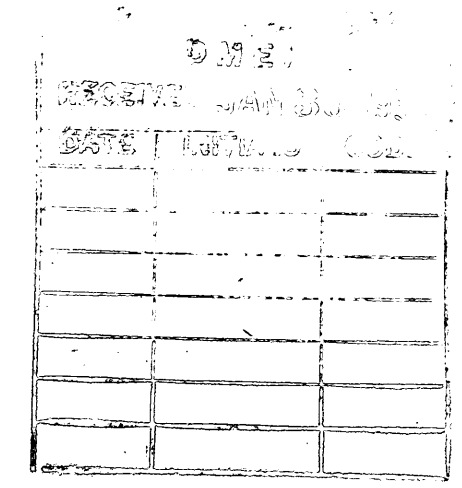


Figure I.

DMEA 4930
COX MINE
YANCEY County N.C.
Scale 1" = 80'

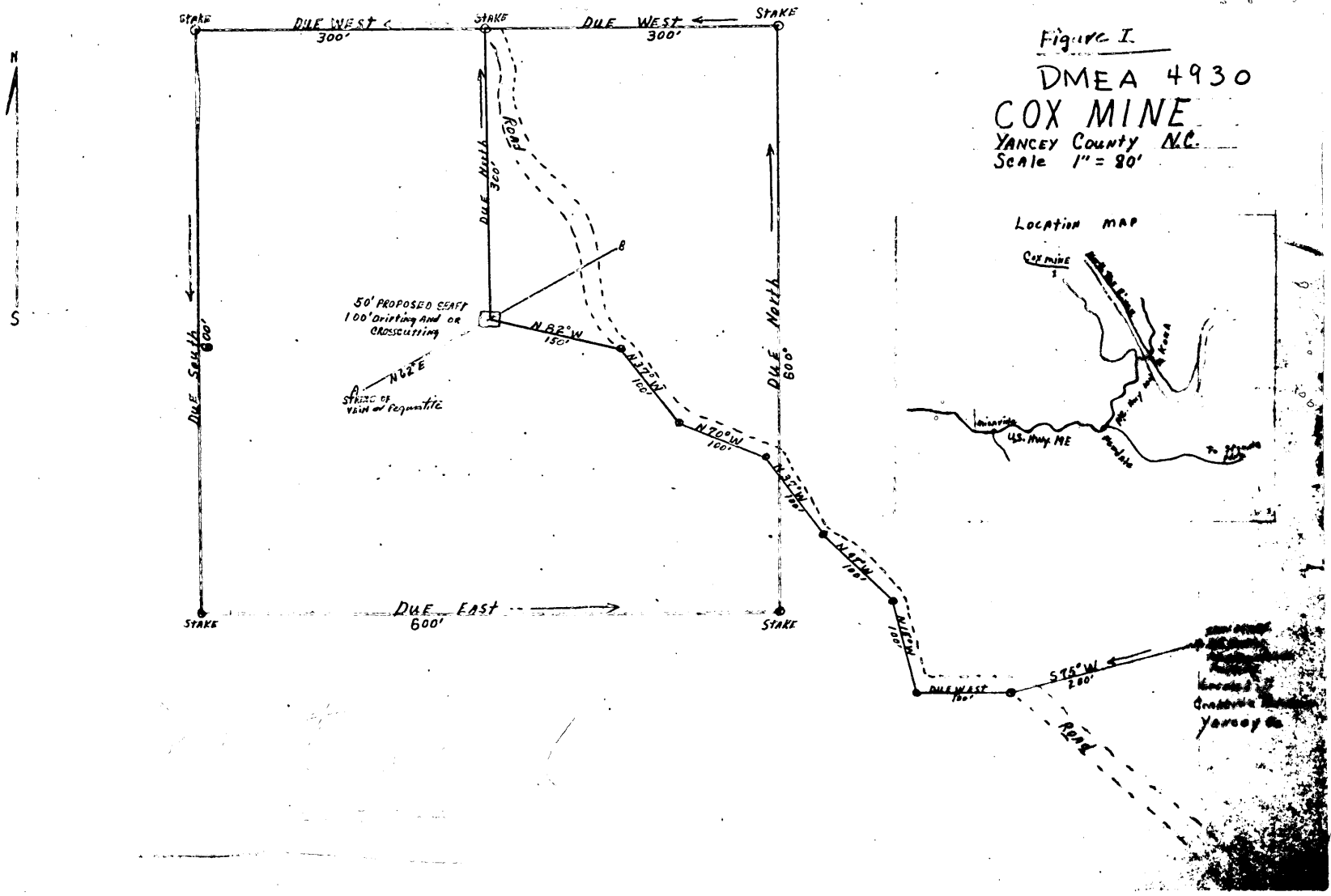


Figure I

DMEA 4930

COX MINE

YANCEY County N.C.

Scale 1" = 80'

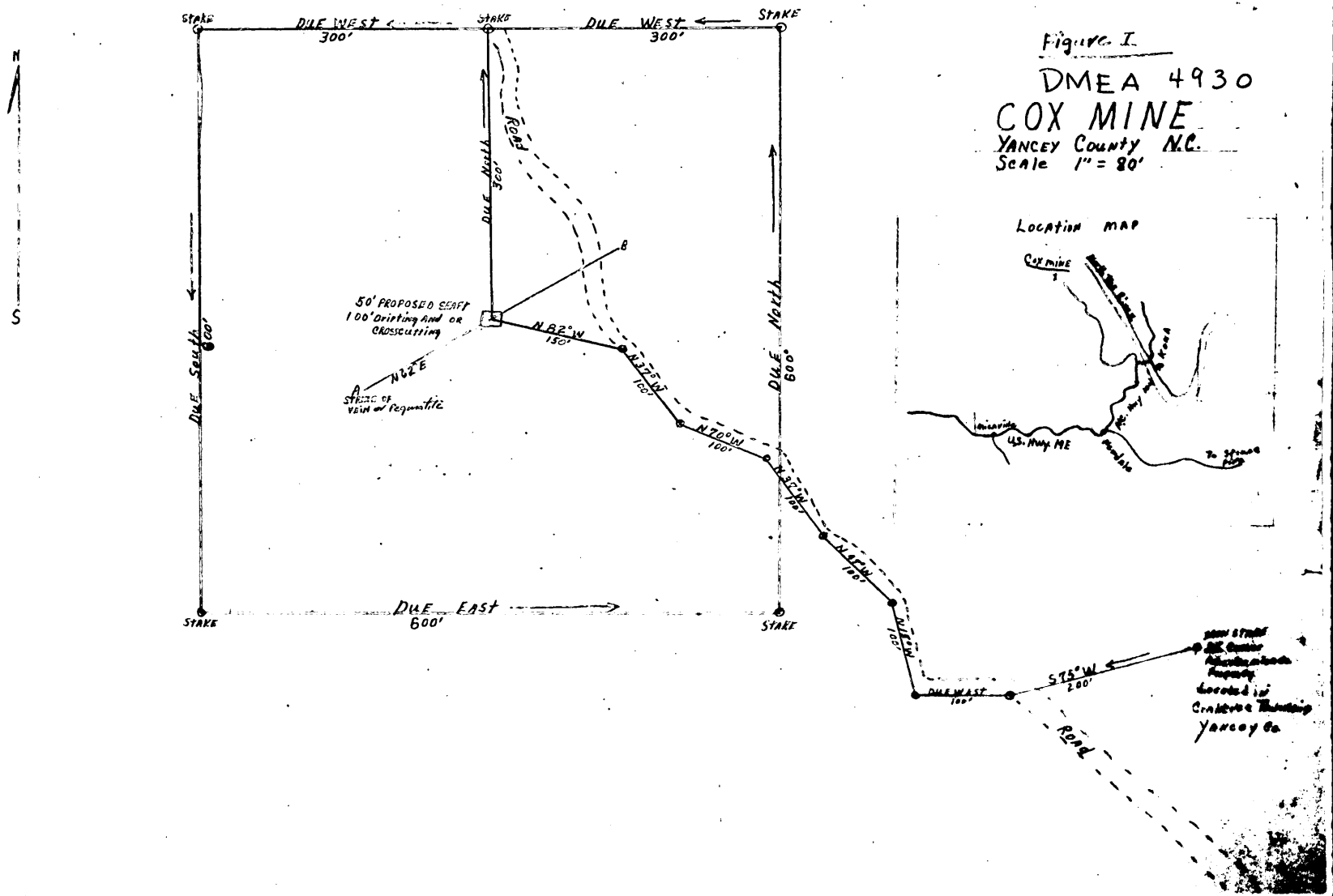


Figure I.

DMEA 4930
COX MINE
YANCEY COUNTY N.C.
Scale 1" = 80'

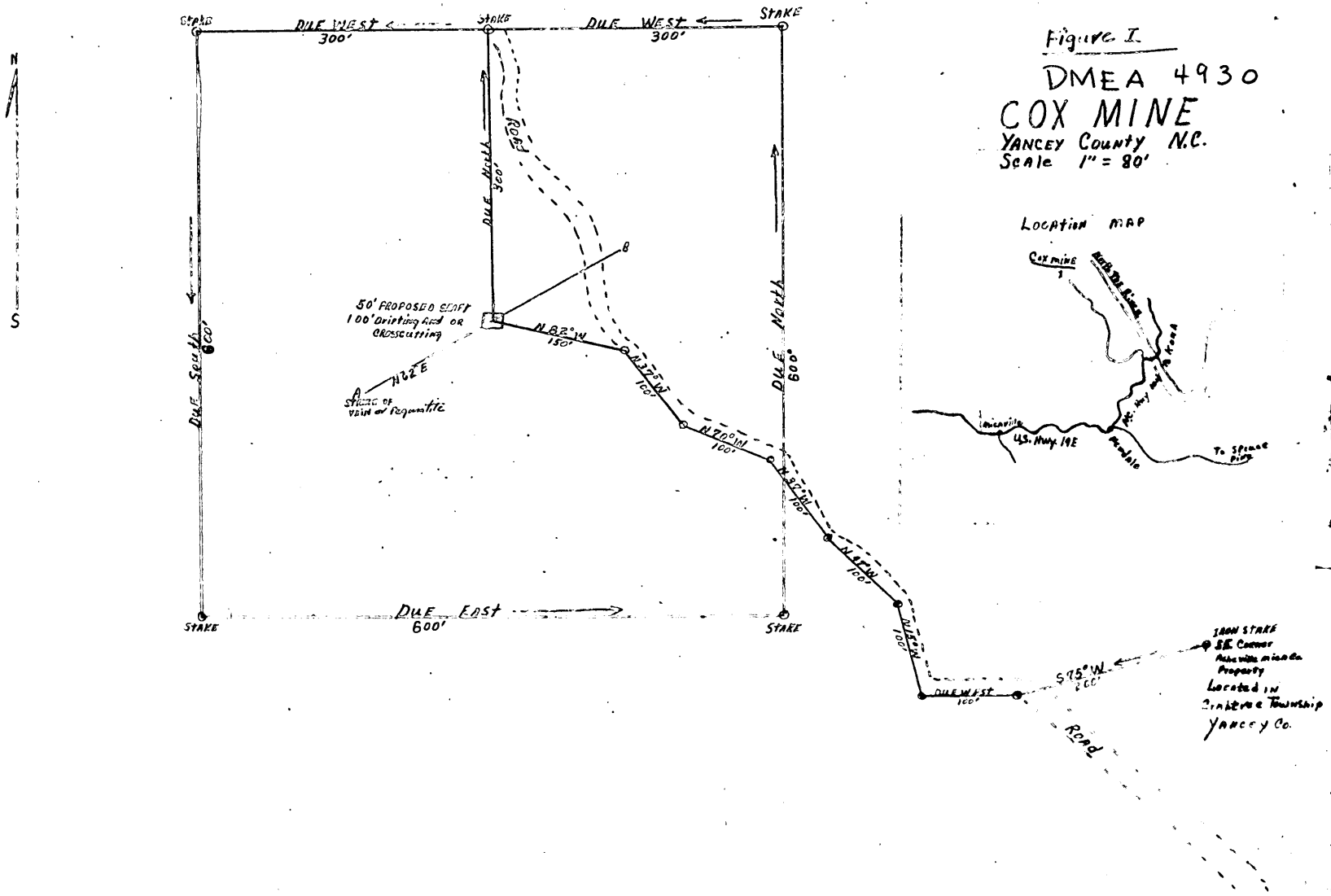


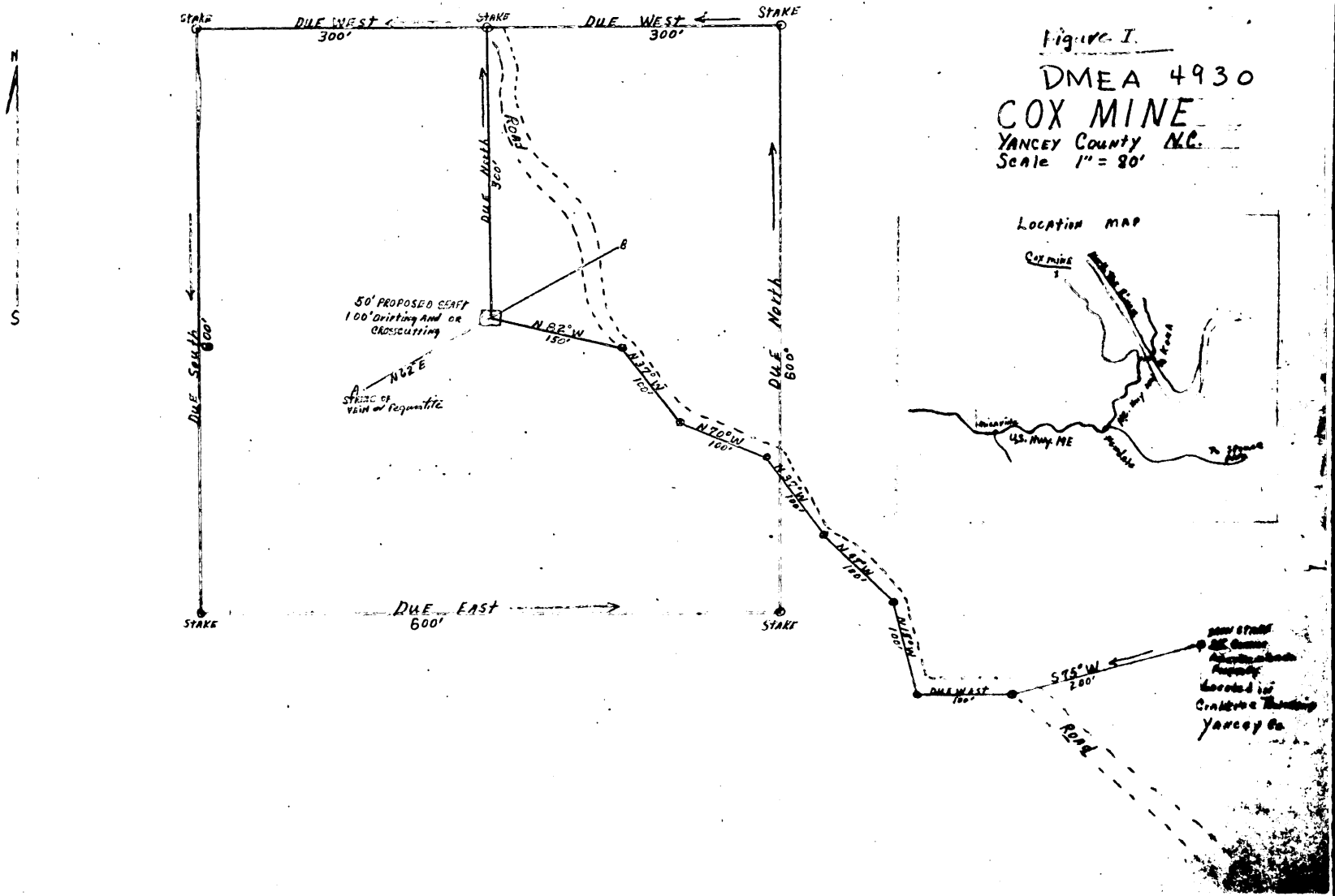
Figure I.

DMEA 4930

COX MINE

YANCEY COUNTY N.C.

Scale 1" = 80'



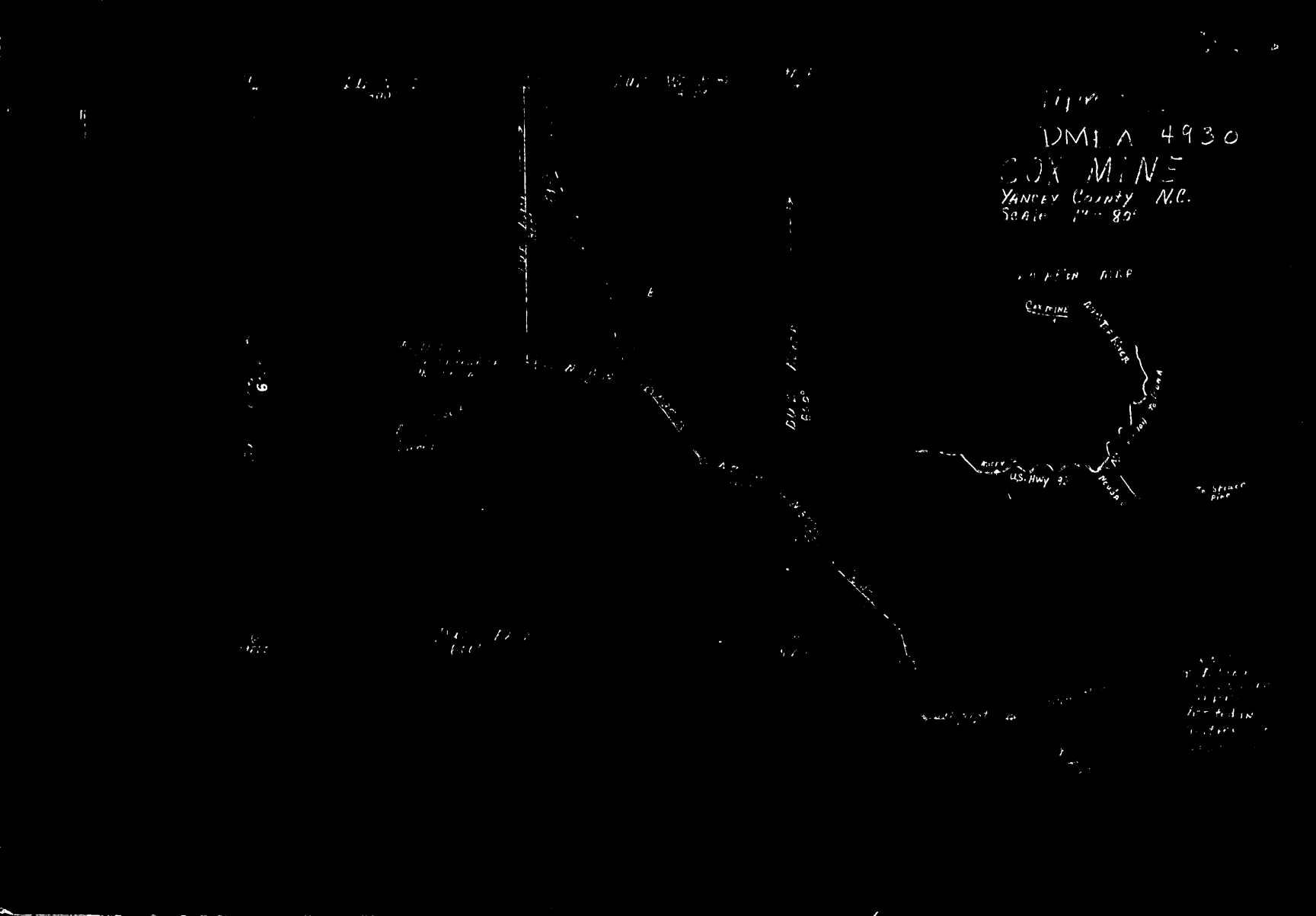

DMLA 4930
COX MINE
YANCEY County N.C.
Cox Mine
Nolan Creek
U.S. Hwy 19

Figure I.

DMEA 4930
COX MINE
YANCEY COUNTY N.C.
Scale 1" = 80'

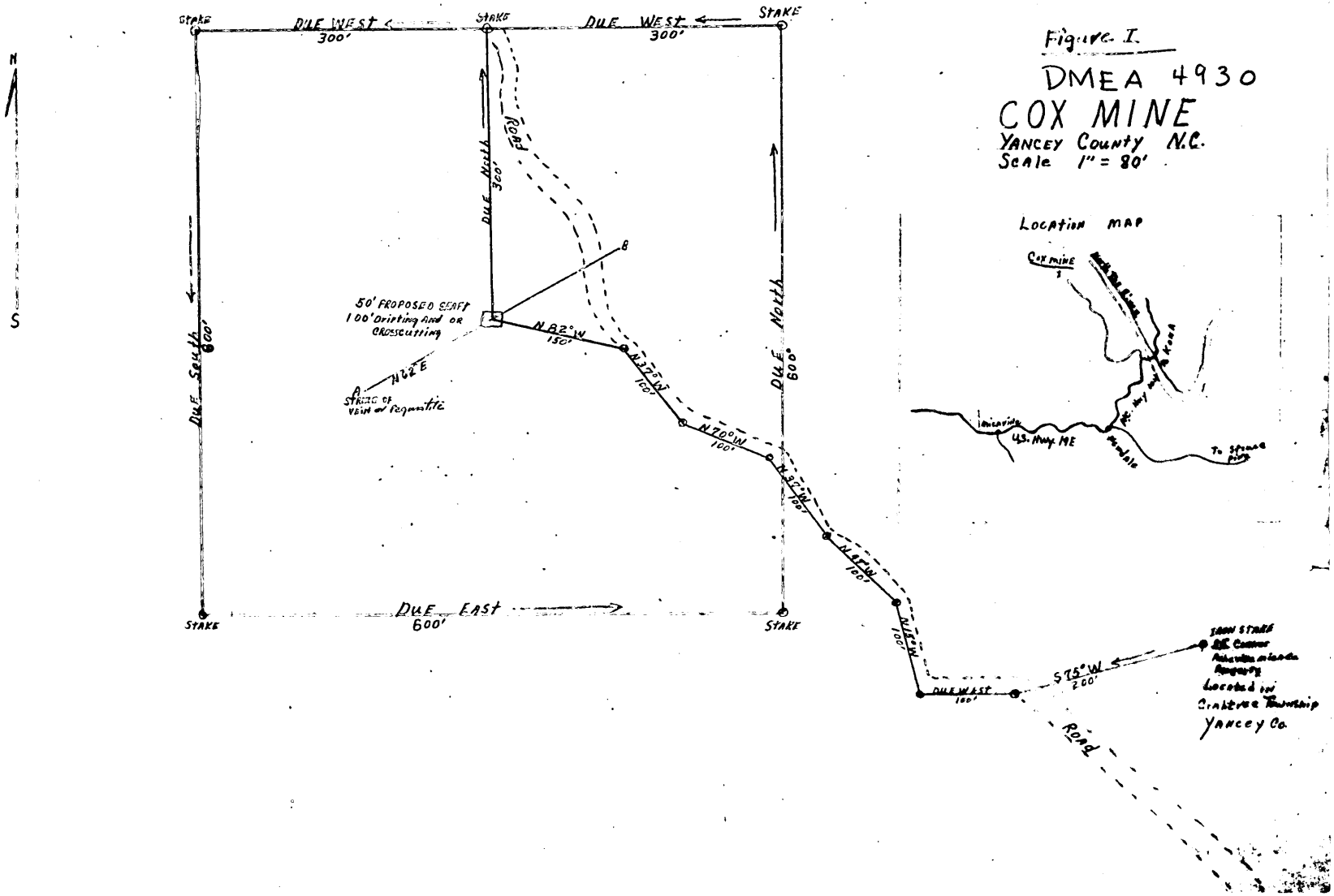


Figure I.

DMEA 4930
COX MINE
YANCEY County N.C.
Scale 1" = 80'

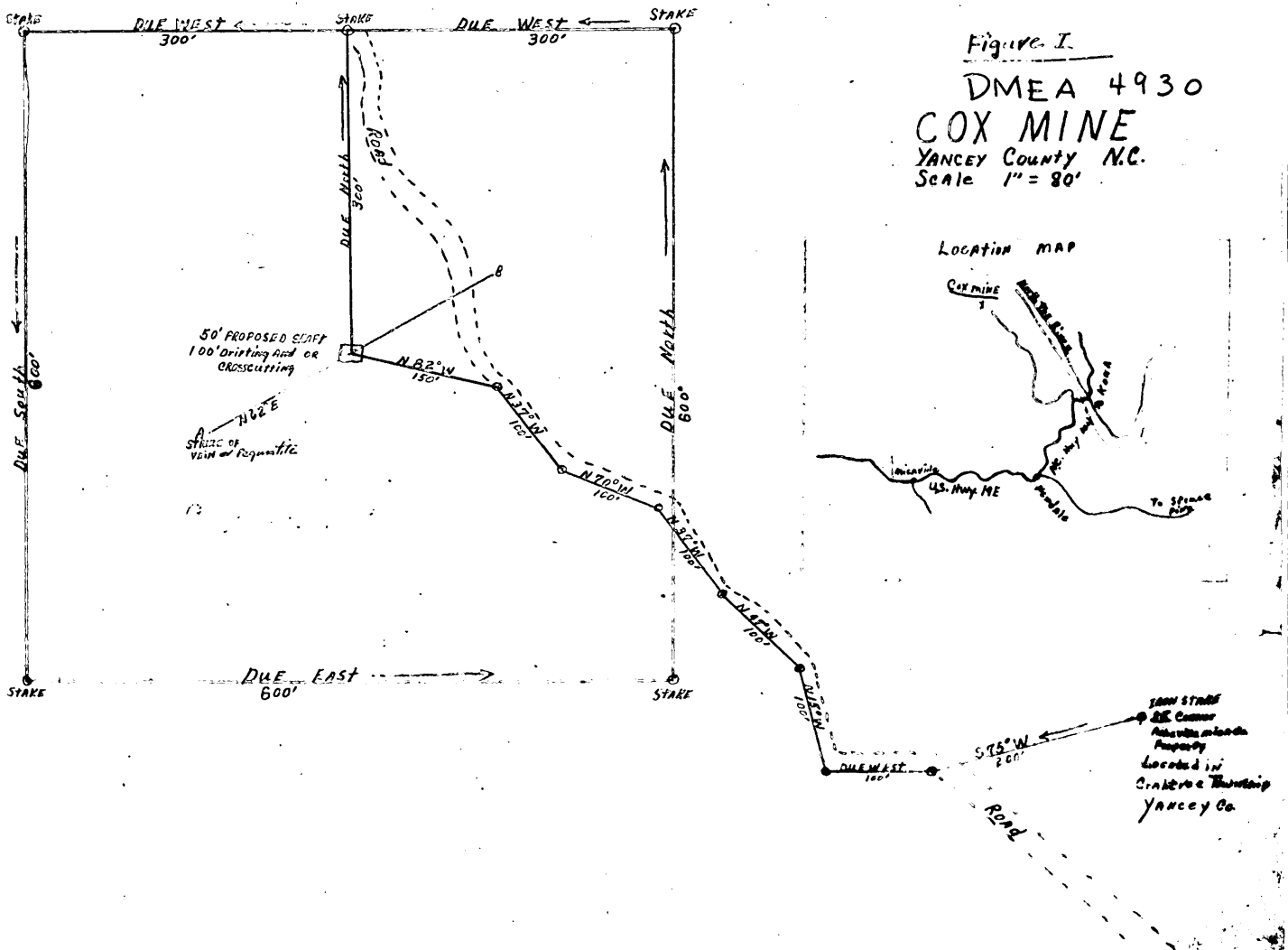
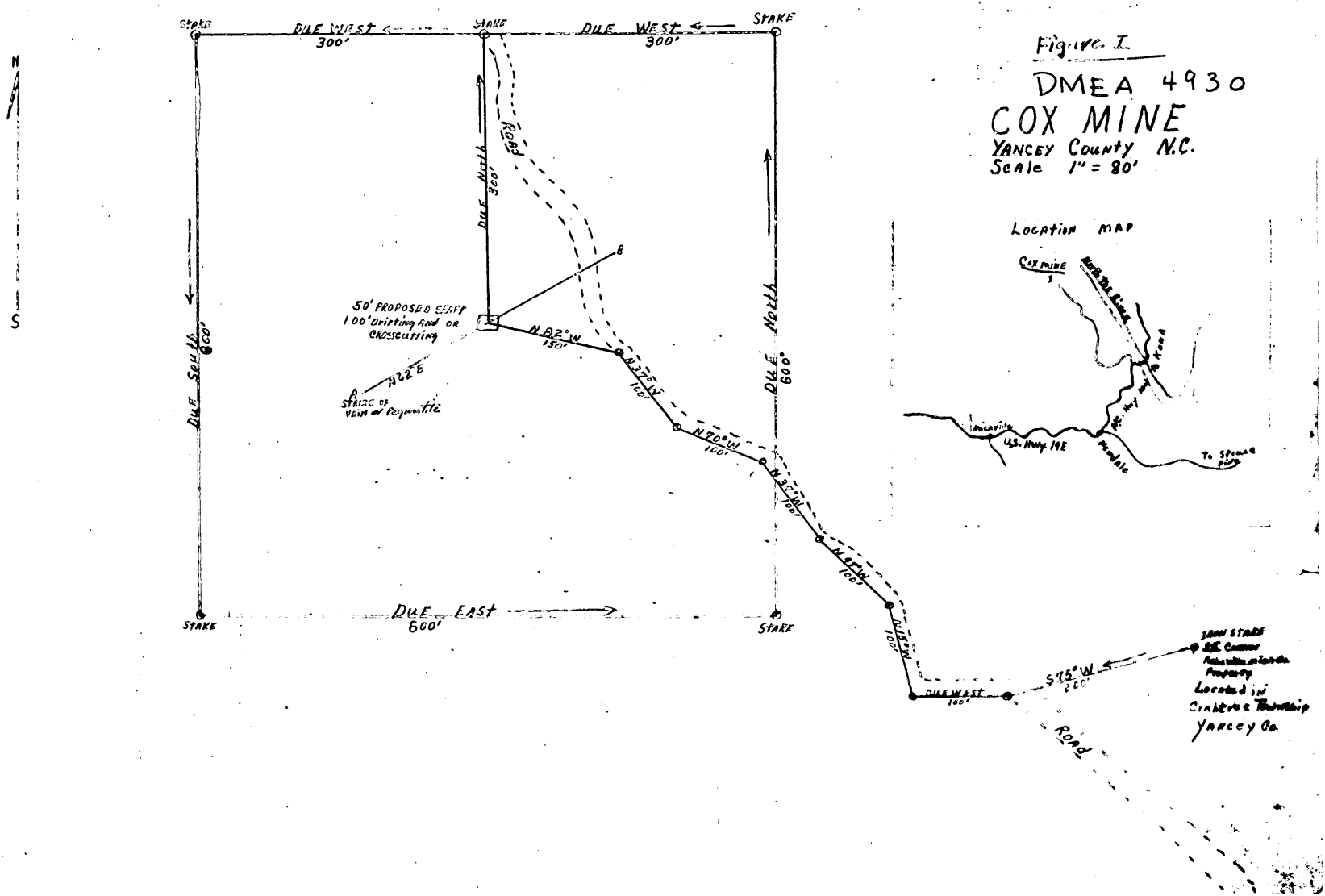
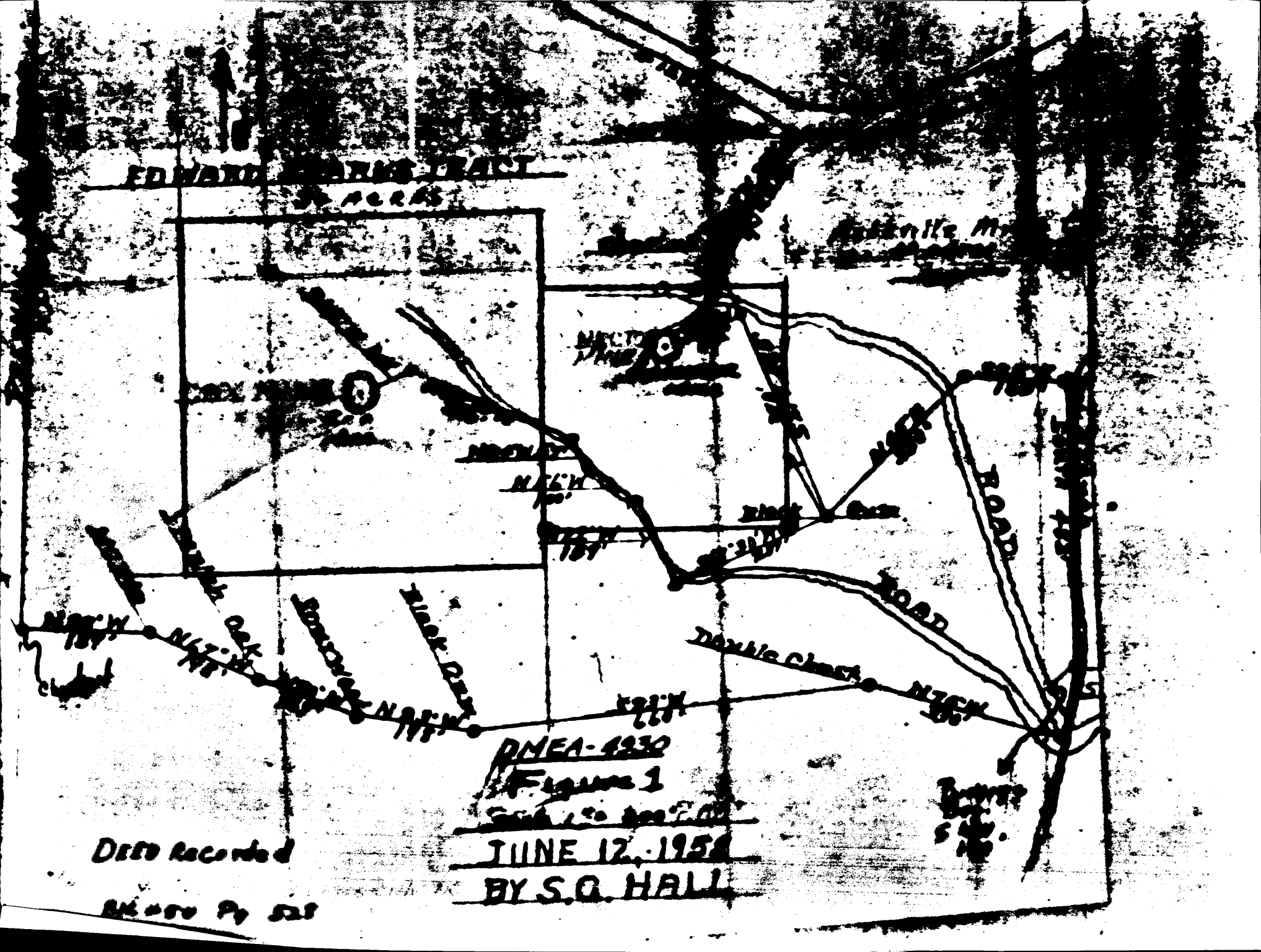
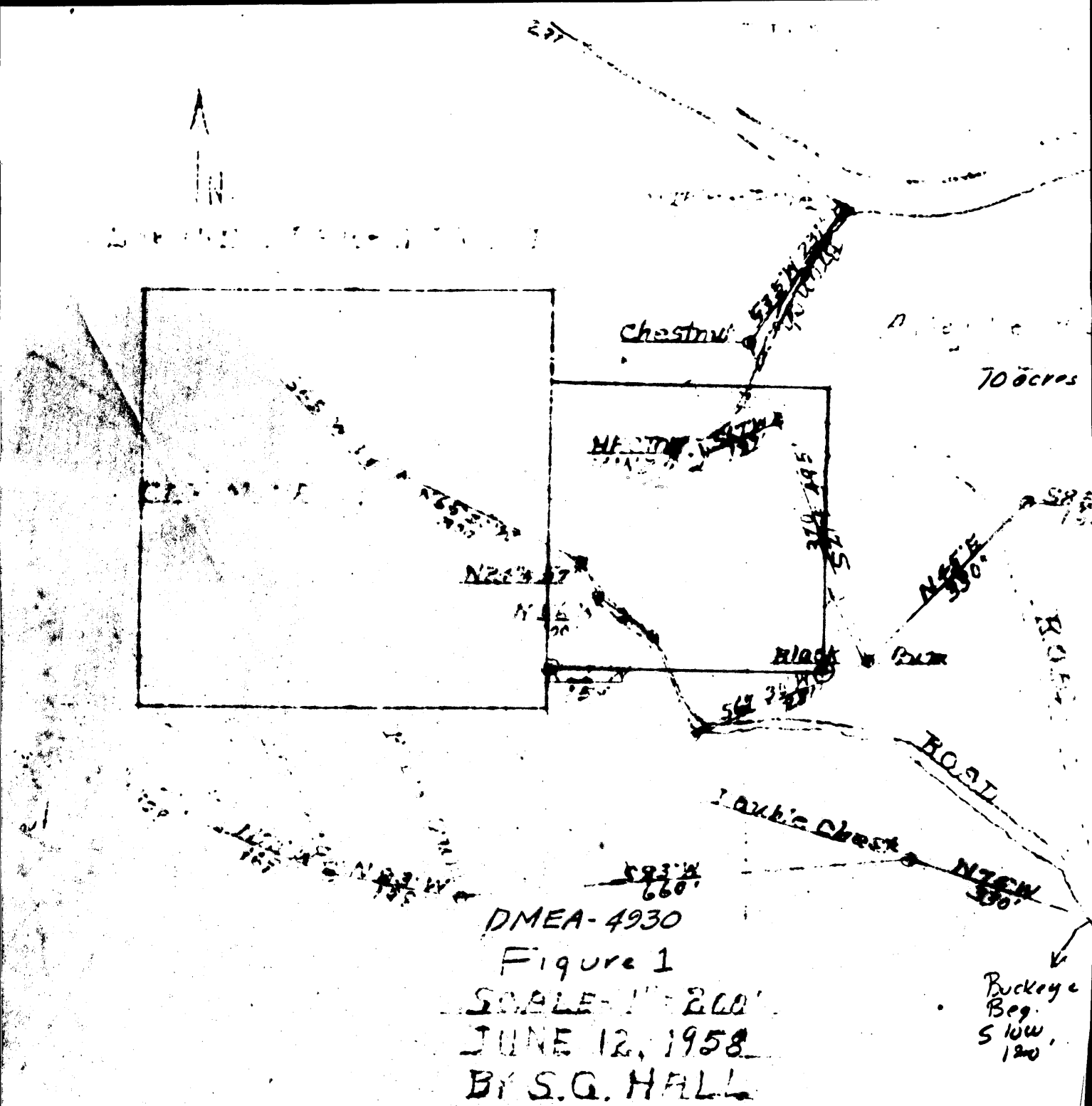


Figure I

DMEA 4930
COX MINE
YANCEY COUNTY N.C.
Scale 1" = 80'




ACRES
ROAD
ROAD
Double Chest
DNEA-4330
Figure 1
JUNE 12, 1958
BY S.O. HALL
DEED Recorded



DMEA-4930
Figure 1
SCALE 1" = 200'
JUNE 12, 1958
BY S.G. HALL

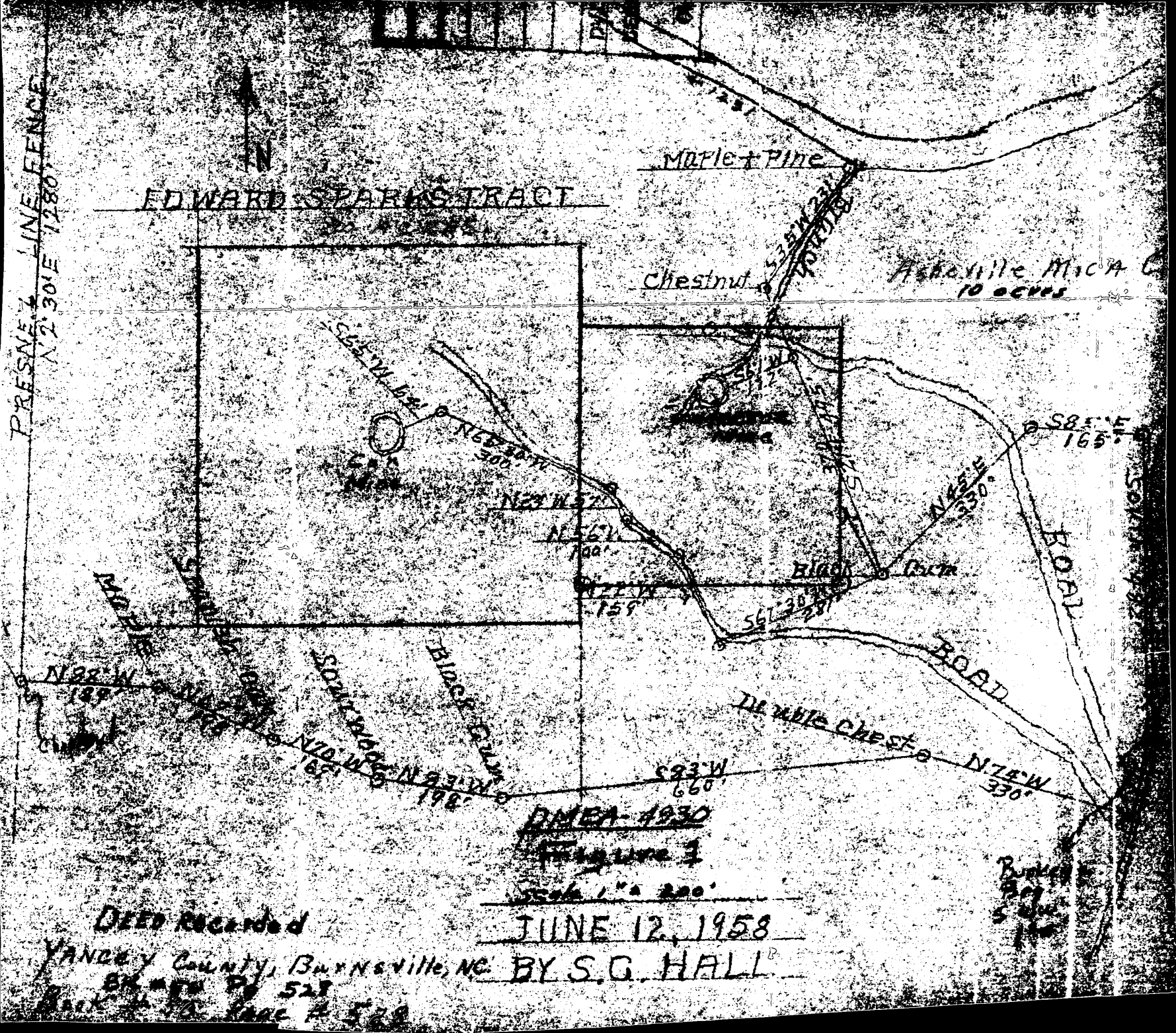
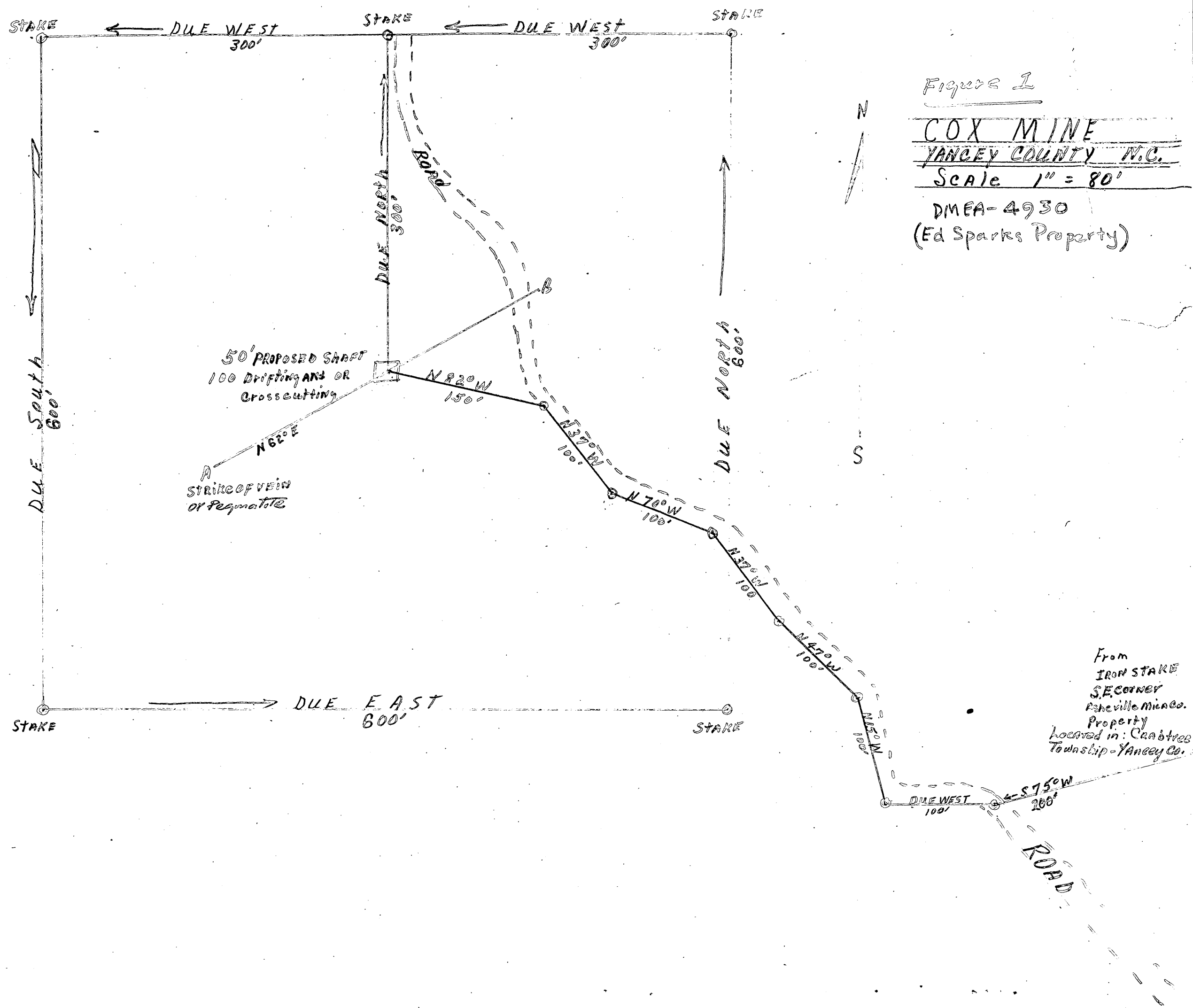

N
PRESNELL LINE FENCE
N 2° 30' E 1,280'
EDWARD SPARKS TRACT
30 ACRES
Maple + Pine
Chestnut
Asheville Mica Co
10 acres
S 62° W 641'
N 62° 30' W 300'
Oak
Maple
N 27° W 57'
N 56° W 100'
N 27° W 159'
Black Oak
S 67° 30' W 281'
S 85° E 165'
N 45° E 330'
ROAD
ROAD
Dogwood
Chestnut
N 74° W 330'
S 93° W 660'
N 9° W 198'
N 10° W 165'
N 82° W 189'
Maple
Black Gum
Sourwood
DMBA-1930
Figure 1
Scale 1" = 200'
Deed Recorded
JUNE 12, 1958
Yancey County, Burnsville, NC
BY S.G. HALL
BK 52 Pg 521
Back to 52 Page 528

Figure 1

COX MINE
YANCEY COUNTY N.C.
Scale 1" = 80'

DMEA-4930
(Ed Sparks Property)



DTIC
ELECTE
APR 3 1991

ORM 6 REFERENCE SLIP

12-56 DEFENSE MINERALS EXPLORATION ADMINISTRATION

TO:	INITIALS	DATE
1. ~~Code 220~~		
2. " 600	Hank	4/14
3.		
4.		
5.		
FROM: HBerry		4/7

FOR: Check items for action desired

____ Action ____ Reply for signature of ____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Bertie:

Did not receive 7 extra copies of geologic map. HBerry

Send 6 more map

INT.-DUP. SEC., WASH., D.C. M25803

Project Summary Report

By: J. W. Alt May 14, 1959

1. Docket No. DMEA-4930-Mica
Contract No. Idm-E1213
Ed Sparks Property
Yancey County, North Carolina

Application: Form MF-103 (October 1957) received January 30, 1958.

Work proposed by Applicant:

Preparation of shaft site - bulldozing 8 hrs @ $10/hr.	$80.00
50 feet of shaft sinking @ $45.00/ft.	2,250.00
100 feet of drifting @ $35.00/ft.	3,500.00
10'x12' toolhouse	100.00
Powder magazine	25.00
Explosives magazine	25.00
Total estimated cost	$5,980.00

Operator: Hector Mining Company
c/o Mr. Burdette Thomas
Route 1
Spruce Pine, North Carolina

Operator's property rights:
Five year mining lease from Ed Sparks and wife, Mary, consisting of 8.26 acres, dated January 27, 1958.
Consent to Lien and Subordination Agreement, dated January 27, 1958.

2. Contract: Form 200A (April 1956) dated June 20, 1958.

Work authorized:

173 cu.yds. shaft site excavation @ $0.40/cu.yd.	$69.00
Construct: Toolhouse, powder and exploder magazines	115.00
50 ft. tw-compartment shaft @ $43.00/ft.	2,150.00
100 ft. drifting and/or cross-cutting @ $32.00/ft.	3,200.00
Estimated total cost of the project	$5,536.00
(rounded to)	~~$4,152.00~~
Government participation @ 75%	$4,152.00

Amendments: None

Work completed:

92 feet of drifting @ $32.00/ft.	$2,944.00
57 feet of shaft sinking* @ $43.00/ft.	2,150.00
Shaft site excavation 173 cu.yds. @ $0.40/cu.yd.	69.00
New buildings	115.00
Total cost	$5,278.00

* 50 feet sunk under terms of contract, 7 feet at the expense of Operator.

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Signed _____

Interior--Duplicating Section, Washington, D. C.

Work was started on July 11, 1958, and the contract was terminated by mutual agreement, effective September 23, 1958.
Final Field Team report was received December 23, 1958.
Operator's final report received November 24, 1958.
No equipment was purchased under the contract.
Three hundred pounds of mine-run mica of poor quality was recovered during contract work.

3. Audit: Report of Review issued December 2, 1958.

Total accepted cost	$5,278.00
Government participation @ 75%	$3,958.50

4. Certification of discovery: None issued.

5. Comments:

How conducted: All of the work in which the Government participated was acceptable.
Operation: The work was done quickly and efficiently. The Operator was cooperative and followed the suggestions of the Examiner.
Engineering: Operator's reports contained only meager information.
Geological premise: The excellent pegmatite surface exposure did not continue down.
Geological criteria upon which work was based:

1. A pegmatite lens at least 60 feet long and 1 to 7 feet thick was well exposed in a recent bulldozer trench.
2. Mica - good grade. Books up to 12 by 12 inches. Most of the books ranged from 4 by 5 inches to 6 by 8 inches.
3. Production from trenching,a recovery of 5 tons of block mica sold at $540.00 a ton. Total value $2,700.00.

Criteria developed during project:

1. The pegmatite which looked promising at surface with 65 feet of strike length and a prominent quartz core, the body thinned, lost its core, and finally fingered out at the drift level.
2. Mica - 300 pounds of mine-run mica of poor quality was recovered from the upper part of the shaft.

Future possibilities: The pegmatite is too small and the mica too poor quality to justify mining or any additional exploration.

Recommendations: The Division of Nonmetallic Minerals concurs in the Field Team's recommendation that no certification be made.

J. W. Alt
Division of Nonmetallic Minerals

DEFENSE MINERALS ADMINISTRATION

97023

PRODUCTION EXPANSION DIVISION

PROCUREMENT APPLICATIONS

Name of Company and Address _____

Name of Mine and Location _____

Docket No. DMA - _____ Date received by P.E.D. _____

Metals or Minerals involved _____

Length of Contract (preproduction plus production) _____

Amount of Metals or Minerals in tons, units or pounds _____

Floor price or Guaranteed price and whether or not escalated _____

Maximum Government Commitment _____

Comments on Contract: _____

_____

_____

_____

_____

_____

Date sent to Legal Division _____

Date of Recommendation to D.P.A. for Certification _____

Date Certification sent to G.S.A. by D.P.A. _____

Date signed into Contract by G.S.A. _____

Additional Remarks: _____

_____

_____

_____

_____

NOTE: If application is denied, or if it is recommended for change into exploration, etc., please state under additional remarks.

Signed _____

Interior—Duplicating Section, Washington, D. C.

☑ Audited 12/2/58 WORK ANALYSIS SHEET - DMEA PROJECT ☐ Actual Cost

☐ Certified Analysis as of 11-7-58 ☑ Agreed Unit Costs

Incl. Voucher for Sept. 58.

ame Hector Mining Co. Docket No. 4930

tate No. Carolina Commodity Mica Idm-E No. 1213

OPERATION	AUTHORIZED Units	AUTHORIZED Cost	COMPLETED Units	COMPLETED Cost	NET COST
ifting & Crosscutting	100 Ft.	$3,200.00	92	2,944.00	2944.00
sing					
fts	50 Ft.	2,150.00	50	2150.00	2150.00
zes					
lling ecify)					
face Excavation Shaft site 173 c.yds @ 40¢		69.00		69.00	69.00
erground Excavation					
ds and Trails					
rating Equipment Purchased					
face Rehabilitation & Repairs					
erground Rehabilitation					
Building, Improvements, etc.		115.00		115.00	115.00
r (Specify)					
Totals		$5,536.00		5278.00	5278.00

Prepared by Walter C. Anderson

71626

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 30 1958

DATE	INITIALS	CODE
12/31	C	220
		600

December 23, 1958

Memorandum

To: Nonmetallic Minerals Division
Office of Minerals Exploration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4930 (mica)

Applicant: Hector Mining Co.

Name and Location of Property: Ed Sparks Property, Yancey County, N. C.

Contract Number: Idm-E 1213

Date of Field Team Final Report: 12/17/58

Date Rec'd. by Branch of Ceramic and Fertilizer Materials: 12/22/58

Field Team Recommendation: Recommend that no certification be issued.

Comments:

1. Contract work consisted of 57 feet of vertical and inclined shaft sinking and 92 feet of drifting.
2. The pegmatite body thinned out at the drift level.
3. Three hundred pounds of mine-run mica of poor quality was recovered during contract work.
4. No significant reserves were outlined.
5. Expenditures -

Total approved	$5,536.00
Total cost	5,278.00
Gov't. share of the cost	3,958.50
Value of production during operation	?

Recommendation:

I concur with the recommendation of the field team that no certification be issued.

W. F. Dietrich

W. F. Dietrich

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

December 17, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE
12/19	C	220
12/19	[illegible]	130
"	[illegible]	110
12/23	[illegible]	130
12/23	C	220
		600

Memorandum

To: Operating Committee, OME - Washington, D. C.

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

Subject: Final Field Team Report - DMEA-4930, Idm-E1213-mica. Ed Sparks Property, Yancey County, N. C.

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

The Field Team concurs with the recommendation of the Field Examiners that no certification be issued.

V. J. Lynch

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

Frank G. Lesure

Frank G. Lesure, Geologist
Geological Survey

Reviewed by
OME OPERATING COMMITTEE
12-23-58
(date)

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE
12/23	JB	130
		220

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

FINAL REPORT

DMEA-4930, Idm-E1213(mica) ED SPARKS PROPERTY
Yancey County, North Carolina

Final field team rept.

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

and

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

December 17, 1958

Reviewed by
OME OPERATING COMMITTEE
12-23-58
(date)

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE

FINAL REPORT

DMEA EXPLORATION PROJECT

DMEA-4930, Idm-E1213, ED SPARKS PROPERTY
(Cox Mine) mica, Yancey County, N.C.

Operator: Hector Mining Company, c/o Burdette ~~Thomas, R#1,~~
Spruce Pine, North Carolina.

SUMMARY

The Ed Sparks property was explored by sinking 57-feet of vertical and inclined shaft and driving 92 feet of drift. Although the pegmatite looked promising at the surface with 65 feet of strike length and a prominent quartz core, the body thinned, lost its core, and finally fingered out at the drift level. The only production was 300 pounds of mine-run mica from the upper part of the shaft. No significant reserves were outlined. We recommend that no certification be made. No further exploration is warranted.

INTRODUCTION

Location: The Ed Sparks property is on a north facing slope above the North Toe River, 0.77 mile N70°W of bench mark 2402 at Boonford, Yancey County, North Carolina (center of Micaville, N.C. Quad., TVA 1:24,000). The mine can be reached by truck or 4-wheel-drive vehicles on a rough dirt road 1.2 miles long that leads off N. C. State Highway 80.

History: The Operator in 1957 opened an exploration trench 100 feet long, 10 to 25 feet wide and a maximum of 15 feet deep. He recovered five tons of green mica which he sold as hand-cobbed mica under the name of "Cox Mine."

CONTRACT WORK

Work under DMEA-4930, Idm-E1213 was started July 11, 1958 and terminated September 23, 1958. A shaft site was

prepared by cutting back the steep southeast bank and cribbing up 10 feet from the bottom of the trench. Backfill was placed around the cribbing. A toolhouse, powder magazine, and exploder magazine were built. From the floor of the trench a shaft was sunk 5 feet vertically and 52 feet inclined at 40° to 50°. Seven feet of shaft were at the Operator's expense. From the bottom of the shaft a drift was driven 47 feet northeast and 45 feet southwest, along the strike of the pegmatite. The pegmatite at the drift level is discontinuous and work was terminated with no pegmatite in the working faces.

The work was done quickly and efficiently. The Operator was cooperative and followed the suggestions of the Examiners.

GEOLOGY

The Ed Sparks pegmatite is a partly discordant tabular body about 65 feet long and 5 feet wide at the surface. It fingers out into discontinuous pods and lenses at the DMEA drift level, 50 feet below the cribbed shaft collar. The pegmatite body trends northeast and dips 40° to 65° southeast. It is intruded into muscovite schist. Both schist and pegmatite are weathered down to the drift level.

At the surface the pegmatite is zoned. It contains a massive quartz core up to three feet in thickness and wall zones of plagioclase, perthite, quartz, and muscovite. Books of flat "A" green muscovite up to a foot in diameter were recovered in the surface bulldozing but the mica becomes less abundant and

smaller with depth. The quartz core narrows to 6 to 12 inches about 30 feet below the shaft collar.

Because the pegmatite flattened rapidly the hanging wall was not followed all the way down in the shaft and the amount and size of muscovite present along it are not known. Production from the footwall mica zone in the upper part of the shaft was about 350 pounds of mine-run mica in books up to 4 x 6 inches. This represents a mica concentration of one percent or less in the footwall zone.

At the DMEA drift level the pegmatite fingers out into discontinuous lenses, pods and stringers of weathered feldspar, quartz and scrap mica. The largest lense is near the bottom of the shaft and is only 18 feet long.

PRODUCTION AND RESERVES

Production during the contract was 350 pounds of mine-run mica found mostly along the footwall in the upper part of the shaft. The Operator reports that this is of non-strategic quality.

No significant reserves of mica were outlined. Probably not more than five tons of mediocre green muscovite are present in the pegmatite above the DMEA drift level. This represents both indicated and inferred reserves.

RECOMMENDATIONS AND CONCLUSIONS

We recommend that no certification be made. No significant reserves of mica were outlined. The pegmatite is too small and the mica too poor quality to justify mining or additional exploration. The pre-contract production from the open trench undoubtedly came from a core-margin mica zone where the pegmatite was five feet or more thick. At depth where the pegmatite thinned or where the core pinched out the mica was poorer quality and smaller.

EXPENDITURES

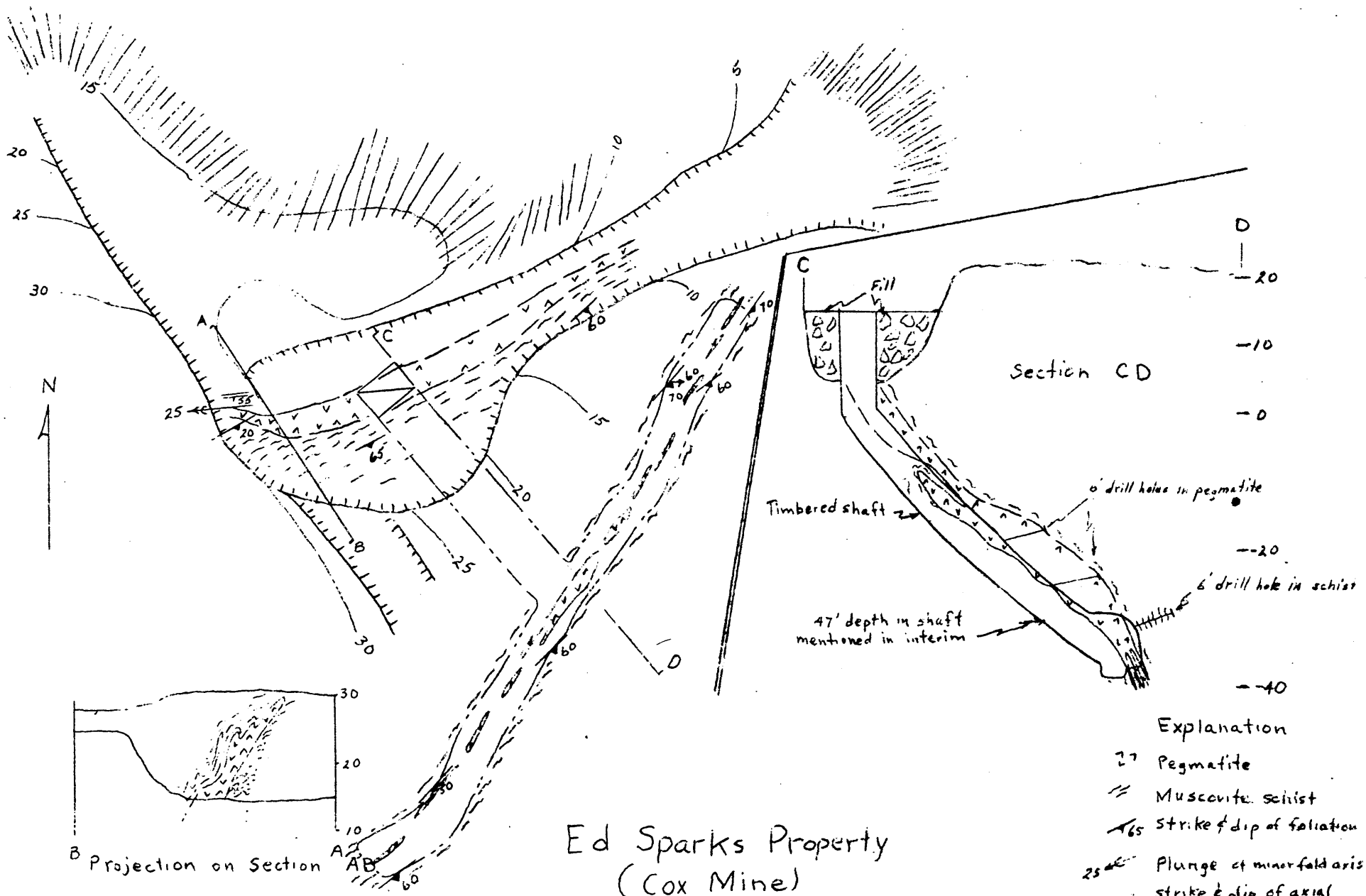
Total approved	$5,536.00
Total cost of project	5,278.00
Government's share	3,958.50
Government's share unexpended	193.50
Value of production	?

December 17, 1958

F. G. Lesure, Geologist
Geological Survey - OME

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

z



Ed Sparks Property
(Cox Mine)
Yancey County, North Carolina

DMEA-4930 (mica)

0 10 20 Feet

Explanation

- Pegmatite
- Muscovite schist
- 65 Strike & dip of foliation
- 25 Plunge of minor fold axis
- 55 Strike & dip of axial planes of minor fold
- Edge of cut
- Dump
- Underground workings

Tape & Brunton survey

FGL 10/80

OFFICIAL FILE COPY
O. M. E.
RECEIVED DEC 19 1958

DATE	INITIALS	CODE

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

Budget Bureau No. 42-R1036.5

RECEIVED
DEC 10 1958
O.M.E.

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

Month of September 1958 Docket No. DMEA 4930 Contract No. IdmE-1213

Operator's Name Hector Mining Company Minerals Mica

Address % Burdette Thomas, Route 1, Spruce Pine, N. C.

Contract Amount, $ 5536.00 Government Participation: 75 % Amount, $ 4152.00

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		69.00	69.00			
Crosscutting						
Drifting 72' @32.00	2304.00	640.00	2944.00			
Shafting		2150.00	2150.00			
(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						
(6) New Bldgs., Improvements, etc.		115.00	115.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2304.00	2974.00	5278.00	2304.00	2974.00	5278.00

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

Date 10-21-58 *Payee HECTOR MINING COMPANY

Per Burdette Thomas 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:

$ 1728.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 8 1958 Vou. No. 67

(See other side)

g & 7

T 9/23 576.00

(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-1213 in accordance with the terms of the contract.

Signature W. J. Lynch. Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 23 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date OCT 23 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.

MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED DEC 10 1958 O.M.E.

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of September 195 8 Docket No. DMEA 4930 Contract No. IdmE-1213
Operator's Name Hector Mining Company Minerals Mica
Address % Burdette Thomas, Route 1, 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	2304.00	72	2944.00	92	32.00	100	32.00
Crosscutting Powder Mag				25.00	1	25.00	1	25.00
Raising Toolhouse				75.00	1	75.00	1	75.00
Shafts				2150.00	50	43.00	50	43.00
Winzes Exploder Mag				15.00	1	15.00	1	15.00
Drilling: ~~Cm~~ Bulldozing				69.00	173	69.00	173	0.40
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2304.00	72	5278.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2304.00		5278.00				

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 10-21-58 Operator HECTOR MINING COMPANY

Per Burdette Thomas 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)

V. J. Lynch
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

MONTH OF SEPTEMBER, 1958

DMEA 4930
Idn E 1213

WORK ACCOMPLISHED:

September 1 - 5	Drilled, blasted and mucked - advanced 21 feet
September 8 - 12	Drilled, blasted and mucked - advanced 18 feet
September 15 - 19	Drilled, blasted and mucked - advanced 16 feet
September 22 - 26	Drilled, blasted and mucked - advanced 17 feet

Test holes were drilled at intervals of 15 feet. We got about 350 pounds of non-government quality mica and discontinued further work on advice of field team.

RECEIVED
OCT 23 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
12/2	Talbert	800
12/3	C	220
		600

DEC 2 1958

Mr. Robert A. Laurence
Executive Officer
OME Field Team, Region V
Room 2-E, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4930 (Mica)
Hector Mining Company
Contract No. Idm-E1213

Dear Mr. Laurence:

In accordance with the request in your November 21 memorandum and the reconfirmation of the work by your November 28 memorandum, a Report of Review on the referenced project has been prepared. The original and three copies are enclosed.

If you concur with the facts as stated, please make the usual distribution. If for any reason you do not concur, please return all copies to this Division with your comments.

The parenthetical statement in my November 25 letter that the Operator had claimed 97 feet of drift was an error. The Operator claimed only 92 feet. Any confusion caused by this error is regretted.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

Enclosures

EDTalbert/GMcC
December 2, 1958

cc: Docket
Director's Reading File
Mr. Chambers
Mrs. Helen R. Miller

8623

Official
~~EXTRA COPY~~

O. M. E.
RECEIVED DEC 1 1958

DATE	INITIALS	CODE
12/1	[illegible]	600

November 28, 1958

ndum

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

From: Acting Executive Officer, OME - Region V - Knoxville

Subject: DMEA-4930, Idm-E1213-mica. Hector Mining Co. Ed Sparks Property, Yancey County, N.C.

This is in reply to your memorandum of November 25, in regard to work completed under terms of the subject contract.

The Field Examiners visited the project on Sept. 23 and measured a total of 92 feet of drift work which had been completed previous to that date. This amount is verified in their interim report of September 23.

Mr. Laurence verified a total of 92 feet of drifting in his memorandum of November 21 to you requesting a Report of Review.

We have nothing to indicate that the Operator claimed 97 feet of drifting. His narrative stating that work continued until September 26 is incorrect.

V. J. Lynch

VJL/am
cc
Lynch
Files
Opr. Com-2

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/25	Talbert	800
11/26	C	220
		Loc

NOV 25 1958

Mr. Robert A. Laurence
Executive Officer
OME Field Team, Region V
Room 2-B, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4930 (Mica)
Hector Mining Company
Contract No. Idm-E1213

Dear Mr. Laurence:

By memorandum dated November 21, 1958, you forwarded the enclosed final (September 1958) MF-104, MF-104A, and narrative of the referenced Operator and requested a Report of Review in lieu of a final audit. The review has been made and a report has been drafted, but release is being withheld pending verification of the last date on which project work was performed.

The termination agreement provides that the Government shall contribute only to the fixed unit costs of work performed prior to September 23, 1958. The Operator's final narrative, however, indicates that 17 feet (of the total 97 feet of drift claimed) were advanced during the period of September 22 to 26. It does not seem likely that 17 feet of drift were completed in one day, that is September 22, 1958.

Your confirmation of the total footage of drift completed through September 22, 1958, would be appreciated.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers
Contract Administration
and Audit Division

Enclosures

EDTalbert/GMcC
November 25, 1958

cc: Docket
Director's Reading File
Mr. Chambers
Mrs. Helen Miller

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 21, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 24 1958

DATE	INITIALS	CODE
11-24	C	220
11/25	[illegible]	800
		600

Memorandum

To: Operating Committee - OME - Washington

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

Subject: Operator's Final Report - DMEA-4930, Idm-E1213-mica. Ed Sparks Property, Yancey County, N. C.

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

Robert A. Laurence

Robert A. Laurence

zm

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 24 1958

DATE	INITIALS	COPY

Route 1, Spruce Pine, N. C.
November 19, 1958

Mr. Robert A. Laurence
Executive Officer
Office of Minerals Exploration
Room 2-B Post Office Bldg.
Knoxville 2, Tennessee

RE: DMEA-4930 - Idm-E1213 - Mica
Final Engeneering Report

Dear Mr. Laurence:

Work was commenced on this project July 11, 1958, the shaft site was excavated and machinery moved in, the shaft was sunk to a depth of 50 feet.

From the bottom of the shaft we drifted 47 feet in a Northeasterly direction, then in a Southwesterly direction 45 feet, following pegmatite which varied from 12 inches to 4 feet wide all the way down. At 15 foot intervals test holes were drilled to a depth of 6 feet in each wall.

We obtained about 350 pounds of mica in this operation, which was of non-government quality. We are making an effort to sell this mica at the highest price.

We wish to express our sincere thanks to the field team for their cooperation on this subject. If you should need further information please contact us.

Very truly yours,

HECTOR MINING COMPANY

Burdette Thomas

Burdette Thomas, Partner

RECEIVED
NOV 20 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

Operator Final Rpt

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 21, 1958

EXTRA COPY
RECEIVED NOV 24 1958
CODE

Memorandum

To: Operating Committee - OME - Washington

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

Subject: Operator's Final Report - DMEA-4930, Idm-E1213-mica.
Ed Sparks Property, Yancey County, N. C.

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

Robert A. Laurence

xm
cc
Lynch
Files

Route 1, Spruce Pine, N. C.
November 19, 1958

EXTRA COPY
O. M. E.
RECEIVED NOV 24 1958
DATE | INITIALS | CODE

Mr. Robert A. Laurence
Executive Officer
Office of Minerals Exploration
Room 2-B Post Office Bldg.
Knoxville 2, Tennessee

RE: DMEA-4930 - Idm-K1213 - Mica
Final Engeneering Report

Dear Mr. Laurence:

Work was commenced on this project July 11, 1958, the shaft site was excavated and machinery moved in, the shaft was sunk to a depth of 50 feet.

From the bottom of the shaft we drifted 47 feet in a Northeasterly direction, then in a Southwesterly direction 45 feet, following pegmatite which varied from 12 inches to 4 feet wide all the way down. At 15 feet intervals test holes were drilled to a depth of 6 feet in each wall.

We obtained about 350 pounds of mica in this operation, which was of non-government quality. We are making an effort to sell this mica at the highest price.

We wish to express our sincere thanks to the field team for their cooperation on this subject. If you should need further information please contact us.

Very truly yours,

HECTOR MINING COMPANY

Burdette Thomas

Burdette Thomas, Partner

RECEIVED
NOV 20 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

November 21, 1958

Memorandum

To: Operating Committee - OME - Washington

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

Subject: Operator's Final Report - DMEA-4930, Idm-K1213-mica. Ed Sparks Property, Yancey County, N. C.

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

Robert A. Laurence

zm
cc
Lynch
Files

Route 1, Spruce Pine, N. C.
November 19, 1958

EXTRA COPY
O. M. E.
RECEIVED NOV 24 1958

DATE	INITIALS	CODE

Mr. Robert A. Laurence
Executive Officer
Office of Minerals Exploration
Room 2-B Post Office Bldg.
Knoxville 2, Tennessee

RE: DMEA-4930 - Tm-R1213 - Mica
Final Engineering Report

Dear Mr. Laurence:

Work was commenced on this project July 11, 1958, the shaft site was excavated and machinery moved in, the shaft was sunk to a depth of 50 feet.

From the bottom of the shaft we drifted 47 feet in a Northeasterly direction, then in a Southwesterly direction 45 feet, following pegmatite which varied from 12 inches to 4 feet wide all the way down. At 15 foot intervals test holes were drilled to a depth of 6 feet in each wall.

We obtained about 350 pounds of mica in this operation, which was of non-government quality. We are making an effort to sell this mica at the highest price.

We wish to express our sincere thanks to the field team for their cooperation on this subject. If you should need further information please contact us.

Very truly yours,

HECTOR MINING COMPANY

Burdette Thomas

Burdette Thomas, Partner

RECEIVED
NOV 20 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~DEFENSE MINERALS EXPLORATION ADMINISTRATION~~
Office of Minerals Exploration
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY, O. M. E. RECEIVED NOV 24 1958		
DATE	INITIALS	CODE
11/24	C	220
11/24	Hoch	600

November 21, 1958

Memorandum

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

From: Executive Officer, OME, Region V, Knoxville, Tenn.

Subject: Termination Agreement - Docket No. DMEA-4930
Contract No. Idm-E1213 (mica), Hector Mining Company
Ed Sparks Property, Yancey County, North Carolina

Transmitted are the Government and Audit signed copies of the subject Termination Agreement.

The usual distribution of the other copies has been made.

Robert A. Laurence
Robert A. Laurence

Enclosures 2

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
RECEIVED 1958
DATE 11/24 Dual 600

November 21, 1958

Memorandum

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

From: Executive Officer, OME - Region V - Knoxville

Subject: Request for Report of Review, DMEA-4930, Idm-E1213, mica. Hector Mining Company, Spruce Pine, N.C. Ed Sparks Property, Yancey County, N. C.

Work on the subject contratt has been terminated by mutual agreement effective September 23, 1958.

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

1) Construction of toolhouse, powder magazine and exploder magazine.

2) Shaft site preparation - 173 cu. yds. of material excavated.

3) Shaft sunk to a depth of 57 feet, 50 feet of which was under contract.

4) A total of 92 feet of drifting completed.

An adequate engineering and geological report has been received.

A report of Review is requested. Final MF-104-104A is attached.

WAB/
sm.
cc
Opr. Com-2
Lynch
Files

Robert A. Lawrence

rm 7

OFFICIAL FILE COPY

Date	Surname	Code
10/20	Anderson	600
10/20	Hough	600
11/14	[illegible]	130
11/15	[illegible]	110
11-17	C	220
10-21	Chambers	800
		600

600

NOV 1 - 1958

Mr. Robert A. Laurence
Executive Officer, OME
Field Team, Region V
Room 2-B, Post Office Bldg.
Knoxville 2, Tennessee

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County North Carolina
Contract No. Idm-K1213

Dear Mr. Laurence:

Pursuant to the Field Team's recommendation in memorandum of October 1, 1958, we have prepared the enclosed original and four copies of a proposed termination agreement signed by the Acting Director for the Government. Two extra copies are enclosed for the use of the Field Team.

If the proposed termination agreement meets with your approval present it to the Operator for execution. 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,

George C. Selfridge
ACTING Chairman, Operating Committee

Approved:

Richard H. Mote (esf)
Member, Bureau of Mines

N. E. Nelson (esf)
Member, Geological Survey

Enclosures 7

WCAnderson:gad 10/20/58
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk

8623

Form 7
-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/10	Anderson	600
		130
		220

600

November 10, 1958

Memorandum

To: Mr. Frank E. Johnson, Acting Director

From: Lawrence G. Houk, Chief, Division of Nonmetallic Minerals

Subject: Justification - Termination Agreement
Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina
Contract No. Idm-E1213

Contract work completed:

1. Shaft - 57 feet of which the bottom seven feet is at the Operator's expense.
2. Drifts - At the 55 foot level in the shaft 47 feet driven northeast and 45 feet southwest, both along strike of pegmatite. Total 92 feet.

Pegmatite:

The excellent surface exposure, 60 feet long by one to seven feet thick, did not continue down. Between the 47 foot level and the bottom of the shaft it pinched from six feet to two feet and finally fingered out completely. Consists of soda feldspar, quartz, and scrap muscovite in pods and lenses along the drift level.

Mica: About 350 pounds of mine-run block recovered during project, most from near the surface in the shaft.

Comments: The Field Team recommends termination because the target pegmatite has been adequately explored. However, we believe it could have been more adequately explored if shaft sinking was stopped at the 47 foot level instead of going below the pegmatite. Also, we believe that the chances for discovery would have been better if drifting was done at the 40 foot level instead of the 55 foot level.

Walter C. Anderson

Walter C. Anderson

WCAnderson:gad 11/10/58
Copy to: Dir. R. File
Mr. Houk

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 28, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 31 1958

DATE	INITIALS	CODE
10/31	C	220
11/3	Lynch	600

Memorandum

To: Operating Committee, OME - Washington, D.C.

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

Subject: DMEA-4930, Idm-E1213 (mica) Hector Mining Co., Spruce Pine, N.C. Ed Sparks Property, Yancey County, N.C.

Reference is made to your letter of October 24.

Enclosed are 2 copies of a plan and section showing work done at the Cox mine on the Ed Sparks property.

Between the 47-foot depth and the bottom of the shaft, the pegmatite pinches from six feet to two feet, and finally fingers out completely, as shown in the section. The pegmatite consists of soda feldspar, quartz and scrap muscovite in pods and lenses along the drift level. Drifting was done at the 55-foot level in the shaft.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

REGION V

ELECTROTECHNICAL
EXPERIMENT STATION

P. O. BOX 217
NORRIS, TENNESSEE

October 24, 1958

Memorandum

To: Jay L. Chambers, Office of Mineral Exploration, Interior Building, Washington 25, D. C.

From: Administrative Assistant, Norris, Tennessee

Subject: Monthly report and voucher

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

Idm-E1213 Hector Mining Company
Docket No. DMEA-4930
1st payment - months of July & August
Starting Date: 7/11/58
Amount $2230.50

Helen Miller
Helen R. Miller

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 27 1958

DATE	INITIALS	CODE
10/27	C	220
	JEG	110
		600

Form ME-101 (Rev.) (April 1958)

RECEIVED OCT 27 1958

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-95

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of Service August, 1958 Docket No. DMEA 4930 Contract No. Idm E-1213

Operator's Name Hector Mining Co. Minerals Mica

Address Burdette Thomas, & Rutel, Spruce Pine, N.C.

Contract Amount, $ 5536.00 Government Participation: 75 % Amount, $ 4152.00

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 173 cu yd @ .040	69.00		69.00			
Crosscutting						
Drifting 20' @ 32.00 ft.	640.00		640.00			
Shafting 50' @ 43.00 ft.	2150.00		2150.00			
(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						
(6) New Bldgs., Improvements, etc.	115.00		115.00			
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	2974.00		2974.00	2974.00	—	2974.00

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

Date 10-21-58 *Payee Hector Mining Co.

Per Burdette Thomas 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:

$ 2230.50

Signature Helen R. Miller (Authorized Certifying Officer)

Date OCT 24 1958 Vou. No. 52

(See other side)

743.50

(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-1213 in accordance with the terms of the contract.

Signature N. E. Lynch Title MINING ENGINEER U. S. BUREAU OF MINES Date OCT 23 1958

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature Robert A. Lawrence Title EXECUTIVE OFFICER OME FIELD TEAM REGION V Date OCT 23 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 July & Aug. 1958 Docket No. DMEA 4930 Contract No. Idm E 1213

Operator's Name Hector Mining Company Minerals Mica

Address % Burdette Thomas, Route 1, 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	640.00	20	640.00	20	32.00	100	32.00
Crosscutting Powder Mag	1	25.00	1	25.00	1	25.00	1	25.00
Raising Toolhouse	1	75.00	1	75.00	1	75.00	1	75.00
Shafts	ft	2150.00	50	2150.00	50	43.00	50	43.00
Winzes Exploder Mag	1	15.00	1	15.00	1	15.00	1	15.00
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching Bulldozing	Cu yd	69.00	173	69.00	173	0.40	173	0.40
Test Pits								
Roads and Trails								
TOTAL DISTRIBUTED COSTS		2974.00	246	2974.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		2974.00		2974.00				

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.

REMARKS:

Date 10-21-58 Operator HECTOR MINING COMPANY

Per Burdette Thomas Title Partner

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

(Instructions on reverse)

(For Government use only)

V. J. Lynch
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
MONTHS OF: July & August, 1958

DMEA 4930
IdmE 1213

WORK ACCOMPLISHED:

July 11 - Excavation of shaft site started

July 14 - 18 - Completed excavation of shaft site, and moved in some machinery.

July 21 - 25 - Finished moving in machinery, completed powder magazine and exploder magazine.

July 28 - 31 - Started two-compartment shaft, timbered - advanced 20 feet.

Aug. 1 - Drilled, blasted and mucked, timbered - advanced 3 feet

Aug. 4 - 8 - Drilled, blasted, mucked and timbered - advanced 15 feet

Aug. 11 - 15 - Drilled, blasted, mucked and timbered - advanced 6 feet, and completed tool house.

Aug. 18 - 22 - Completed shaft, drilled, blasted, mucked and timbered - advanced 6 feet.

Aug. 25 - 29 - Started drifting, drilled, blasted and mucked, advanced 20 feet.

Test holes were drilled in each wall to a depth of 6 feet, at intervals of 15 feet. The shaft followed pegmatite all the way down. In sinking shaft we got about 300 pounds of mica up to a size of 4 x 6, and about 100 pounds in the 20 feet of drifting.

RECEIVED
OCT 23 1958
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
10/23	Selfridge	130
10/24	Johnson	100
10/27	C	220
		600

600

Mr. Robert A. Laurence
Executive Officer, OME
Field Team, Region V
Room 2-B, Post Office Bldg.
Knoxville 2, Tennessee

OCT 24 1958

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina
Contract No. Idm-E1213

Dear Mr. Laurence:

Reference is made to the September 23, 1958, Interim Report and the recommendation for termination by mutual agreement with no certification.

Before a termination agreement can be prepared, we must have some additional information not covered in the interim reports. Will you please give us a detailed description of the pegmatite between the 47-foot depth and the bottom of the shaft. At what elevations were the drifts driven?

When the answers to the above questions have been received, we will further consider your recommendation for termination by mutual agreement.

Sincerely yours,

George C. Selfridge

ACTING Chairman, Operating Committee (GHB)

Approved:

Richard H. Mote (GHB)
Member, Bureau of Mines

N. E. Nelson (GHB)
Member, Geological Survey

GCSelfridge:gad 10/22/58
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard
Mr. Dietrich
Mr. Houk

8623

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4930, Idm-E1213 (mica) ED SPARKS PROPERTY

Operator: Hector Mining Company, Spruce Pine, North Carolina

Location: 0.77 mile N70°W from B.M. 2402 at Boonford, Yancey County, N.C., center of Micaville quadrangle.

The shaft has been sunk 57 feet of which 7 feet is at the Operator's expense.

A drift was driven 47 feet northeast along the strike. The pegmatite consisted of discontinuous pods with sparsely scattered scrap muscovite. No pegmatite is seen in the face.

A drift was driven 45 feet southwest from the shaft exposing discontinuous pegmatite less than one-foot thick, except for one pod five feet thick. No pegmatite is exposed in the face. A round had been drilled in the southwest heading. The Operator was prepared to blast this round if the Examiners considered it worthwhile.

The Examiners agree with the Operator that the pegmatite has been adequately explored and additional exploration would be wasteful.

Only 350 pounds of mine-run block muscovite were recovered in the course of the exploration. Most of this was from near surface in the shaft.

The excellent surface showing does not continue down and certification will not be recommended.

Drifts driven along strike for 92 feet adequately explore the target pegmatite. Termination by mutual agreement is recommended.

Work done under the contract: Site preparation 173 cu. yds. $69.00. Structures (3) $115.00; shaft 50 feet..$2,150.00; drift 92 feet-$2,944.00. Total $5,278.00.

Inspected; Sept. 23, 1958.

S. A. Feitler, Mining Engineer
Bureau of Mines

F. G. Lesure, Geologist
Geological Survey

z

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 1, 1958

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 3 1958

DATE	INITIALS	CODE
10/3	C	220
		130
		600

Memorandum

To: Operating Committee, OME - Washington

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

Subject: Request for Termination on DMEA-4930, Idm-E1213-mica. Ed Sparks Property, Yancey County, N.C.

Attached is the latest interim report on the subject contract. The Field Examiners, for reasons stated in the report, recommend termination of the contract. The Field Team agrees with their recommendation. If you concur please prepare the necessary papers to terminate the contract by mutual agreement. Effective date of termination Sept. 23, 1958. Certification will not be recommended.

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

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

DMEA
RECEIVED 1958
DATE | EDITOR | CODE
9-8 | C | 220
8 | | 100
" | | 110
9/9 | | 800
9/10 | | 600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4930, Idm-E1213 (mica) ED SPARKS PROPERTY

Operator: Hector Mining Company, Spruce Pine, North Carolina

Location: 0.77 mile N70°W from B.M. 2402 at Boonford, Yancey County, N. C. center of Micaville Quad.

The shaft is 47 feet deep below the 10 feet cribbed up from the original collar. The angle of dip has been flattened gradually and the shaft is a smooth arc below the vertical section.

The pegmatite exposed in the face contains weathered plagioclase, perthite, quartz and muscovite. The hangingwall is not exposed, and the footwall strikes N30°E and dips 55°SE. Scattered, small books of muscovite are found near the footwall, a few are up to 2 x 3 inches.

In the north end of the shaft, 5 feet of pegmatite thickness is exposed and a drill hole has penetrated the hanging wall 16 inches beyond the hanging wall of the shaft.

Holes drilled 6 feet into the hanging wall of the shaft at 30-foot and 40-foot depths were all in pegmatite.

The Operator will sink to 50 feet and drift east and west along the pegmatite.

Inspected: August 26, 1958

Stanley A. Feitler, Mining Engr.
Bureau of Mines (DMEA)

F. G. Lesure, Geologist
Geological Survey (DMEA)

z

SPECIAL FILE COPY
DMEA
RECEIVED AUG 21 1958

DATE	INITIALS	COST
8/21	J. J.	225
21	Cohen	100
"	[illegible]	110
8/25	[illegible]	800
8/25	[illegible]	600

DMEA EXPLORATION CONTRACT

INTERIM REPORT

DMEA-4930, Idm-E1213 (mica) ED SPARKS PROPERTY
Yancey County, N. C.

Operator: Hector Mining Company, Spruce Pine, N.C.

Location: 0.77 mile N70°W from B.M. 2402 at Boonford, Yancey County, N. C., center of Micaville Quad.

Work under the contract started July 11, 1958. A good job was done on site preparation. More than 173 cu. yds. was excavated from the wall of the cut. Some drilling and blasting was done. Cribbing was built up 10 feet and backfill placed around it.

The shaft is vertical for 15 feet including the 10 feet of surface cribbing or a net vertical depth of 5 feet. Then the shaft was sunk 20 feet at minus 55° along the pegmatite.

The pegmatite is narrow but has a 6 to 12 inch quartz core with mica on both sides of the quartz but most is concentrated on the hanging wall side.

About 200 pounds of mica up to 4 x 6 inches was recovered in the shaft.

Inspected: August 12, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines (DMEA)

F. G. Lesure, Geologist
Geological Survey (DMEA)

z

DMEA

7/31 C 220
31 Com 100
" 110
8/6 800
600

DMEA EXPLORATION PROJECT

INTERIM REPORT

DMEA-4930, Idm-E1213 (mica) ED SPARKS PROPERTY
Yancey County, North Carolina

Operator: Hector Mining Company, Spruce Pine, North Carolina

Location: 0.77 mile N 70°W from B.M. 2402 at Boonford, Yancey County, N. C., center of Micaville Quad.

Shaft site preparation as provided in the contract was not done completely because the Operator misunderstood the discussion during the examination 3 months ago. Instead of cutting back the bank to prepare the shaft site, he deepened the strike trench.

The problem was discussed and the shaft site will be prepared as planned.

Inspected: July 21, 1958

S. A. Feitler, Mining Engineer
Bureau of Mines (DMEA)

F. G. Lesure, Geologist
Geological Survey (DMEA)

Z

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
4/28	Kuenzer	600
4/28	Houk	600
4-28	Chambers	800
6/20	GCS	130
"	Johnson	110
"	Thompson	100
6/23	G	220
6-20	Lamb	130
6/20	Nelson	130

600

600

JUN 20 1958

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

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and four copies of a proposed short-form contract between the Government and the subject Applicant, signed by the Administrator. The contract consists of Form MF-200A; Annex I (one page); one Consent to Lien and Subordination Agreement; Exhibit A (two pages); and one map (Figure I). Also, enclosed for the use of the Field Team, are two extra copies of Annex I, Exhibit A, and the map (Figure I).

If you and the Applicant find the contract satisfactory, it is ready for the Applicant's signature after the starting date of the contract work is inserted in Article 1. When the contract is signed, please make the usual distribution of the document.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

/s/ James Paone (GCS)
Member, Bureau of Mines

/s/ Thor H. Killsgaard (GCS)
Member, Geological Survey

FLKnouse:gad 4/28/58
Copy to: Admr. R. File
Operating Committee
Mr. Killsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Enclosures 11

P.S. Copies of memoranda dated April 7 and 10, 1958, by Mr. W. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed. If you mail the contract to the Applicant for execution, advise it that the envelope returning the executed contract must be postmarked prior to midnight, June 30, 1958.

8623

EXPLORATION PROJECT CONTRACT
HECTOR MINING COMPANY
DOCKET NO. DMEA-4930

ANNEX I

The land referred to in Article 2 of the contract form is known as The Cox Mine on the Ed Sparks Property. It is situated in Crabtree Township, Yancey County, North Carolina, on the north slope above the North Toe River, 0.77 miles N. 70 degrees W. from Bench Mark 2402 Boonford, Yancey County.

The land consists of a tract described by metes and bounds as follows:

> Beginning at an iron stake - southeast corner of the Asheville Mica Company Property, thence S. 75° W. 200 feet to a stake; thence W. 100 feet to a stake; thence N. 15° W. 100 feet to a stake; thence N. 47° W. 100 feet to a stake; thence N. 37° W. 100 feet to a stake; thence N. 70° W. 100 feet to a stake; thence N. 37° W. 100 feet to a stake; thence N. 82° W. 150 feet to the shaft site; thence North 300 feet to a stake; thence West 300 feet to a stake; thence South 600 feet to a stake; thence East 600 feet to a stake; thence North 600 feet to a stake; thence West 300 feet to a stake enclosing an area 600 feet by 600 feet square, or not less than 8.26 acres.

The land is shown on the attached map entitled "Figure I - DMEA-4930 Cox Mine, Yancey County, N. C."

The Operator represents and undertakes that it is in possession of the land pursuant to a lease dated January 27, 1958, from Ed Sparks and wife, Mary, for a period of 5 years, renewable.

HECTOR MINING COMPANY

~~BURNSVILLE INSURANCE AGENCY, INC.~~
~~Second Floor Law Building Burnsville, N. C.~~

Rt. 1, Spruce Pine, N. C.

OFFICIAL FILE COPY
DMEA
RECEIVED JUN 19 1958

DATE	INITIALS	CODE
6/19	C	220
6/19	Hawk	600

6/18/58

U. S. Department of the Interior
Defense Minerals Admin.
Washington 25, D. C.

Gentlemen:

RE: Docket No. DM EA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey Co., N. C.

We are inclosing map of the Ed Sparks property containing Hector Mine # DMEA-3216 and Cox Mine # DMEA-4930.

Yours very truly,

HECTOR MINING COMPANY

BY: Burdette Thomas
Burdette Thomas

NATIONAL UNION INSURANCE COMPANIES
PROTECTION

OFFICIAL FILE COPY

Date	Surname	Code
6-26	Knouse	600
6/26	Houk	600
"	[illegible]	1000
		~~1000~~
		~~[illegible]~~
5/26	[illegible]	420
"	[illegible]	100
5/27	H.G.	220
		600

600

MAY 27 1958

Hector Mining Company
c/o Mr. Burdette Thomas
Route 1
Spruce Pine, North Carolina

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina

Gentlemen:

Reference is made to our letter of April 18, 1958, requesting additional information concerning the subject application for exploration assistance.

We wish to cooperate with you fully in allowing ample time to supply the requested information; however, we cannot indefinitely postpone action on an application. Therefore, if we do not receive the requested information within 30 days from the date of this letter, we will assume that you are no longer interested in proceeding with your application, and we will consider it as having been withdrawn.

Sincerely yours,

C. O. Mittendorf

Administrator

FLKnouse:rsi 5/26/58
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Knouse

8623

OFFICIAL FILE COPY

Date	Surname	Code
4-17	Krause	600
4/18	Houk	600
		~~220~~
•	Hutchinson	100
4/18	C-D	225
		600

APR 18 1958

600

Hector Mining Company
c/o Mr. Burdette Thomas
Route 1
Spruce Pine, North Carolina

Re: Docket No. DMMA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina

Gentlemen:

Before we can continue the processing of your application we require a boundary map of the entire Ed Sparks Property which shows the location of the leased areas included in (1) DMMA-3216, (Hector Mine), and (2) DMMA-4930, (Cox Mine). The book and page of recording and the total acreage should be shown on the map. The iron stake which is the bounding southeast corner of the Asheville Mica Property should be clearly marked on the property map.

The map should be sent soon to prevent a delay in the processing of your application.

Sincerely yours,

Lawrence G. Houk, Director
Division of Nonmetallic Minerals

LGHouk:rsi 4/17/58
Copy to: Admr. R. File
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

OFFICIAL FILE COPY
DMEA
RECEIVED APR 11 1958
4/11 C 1230 6.66

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

April 10, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4930 (mica)

Applicant: Hector Mining Co.

Name and Location of Property: Ed Sparks Property, Yancey County, N. C.

Date of Field Team Report: 4/1/58

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 4/8/58

Field Team Recommendation: Recommend that exploration assistance be granted

Comments:

1. A pegmatite lens at least 60 feet long and 1 to 7 feet thick was well exposed in a recent bulldozed trench.

2. Applicant claims to have recovered and sold 5 tons of green muscovite in large flat "A" books for $540 per ton, from trenching work.

3. Field examiners stated that muscovite in pegmatite is green and flat "A," and that some of the books are exceptionally large.

Appr. 121 tons req. av. 22.30/ton

Recommendation:

I concur with the field team in recommendation for DMEA assistance in sinking a 50 foot shaft and drifting 100 feet in the pegmatite.

W. F. Dietrich

W. F. Dietrich

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

April 1, 1958

4/3	C	220
4/7	248	130
4/8	C	220
4/8	H	650

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report, DMEA-4930,
Hector Mining Co., Spruce Pine, N.C.
Ed Sparks Property (Cox Mine) Yancey County, NC.

Enclosed are the original and two copies of the subject report, with one copy of the Applicant's property map and seven extra copies of the geologic map.

We believe a good exploration target exists here, and recommend approval of a contract, as outlined in the report. If approved, we believe the Applicant's property map should be used in the contract instead of the report's geological map.

It should be noted that the Applicant's property map is not tied to a corner of the Sparks property, although the "southeast corner of the Asheville Mica Co., property" may be a common corner with the Sparks property. The Applicant should be requested to submit a satisfactory tie-in to a property corner, and a description of the Sparks property, if a contract is approved.

Reviewed by
DMEA OPERATING COMMITTEE
4-7-58
(date)

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

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

Ex-Site Exam Rpt

UNITED STATES
DEPARTMENT OF THE INTERIOR 4/7 HB 130 220

DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXAMINATION REPORT, FIELD TEAM
REGION V

DMEA-4930, ED SPARKS PROPERTY, (Mica)
Yancey County, North Carolina

By

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

and

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

Reviewed by
DMEA OPERATING COMMITTEE
4-7-58
(date)

April 1, 1958

DMEA Exploration Project

FIELD EXAMINATION REPORT

DMEA-4930 (mica) ED SPARKS PROPERTY
Yancey County, North Carolina

Applicant: Hector Mining Company, c/o Burdette Thomas, R#1, Spruce Pine, North Carolina

SUMMARY

A pegmatite lens at least 60 feet long and 1 to 7 feet thick was well exposed in a recent bulldozer trench. Although subsequent caving has now covered much of the pegmatite the dump material and exposures remaining support the Applicant's statement that five tons of green muscovite in large flat "A" books was recovered. It is recommended that exploration assistance be granted in the form of a 50-foot shaft and 100 feet of drifting.

Est. 121 tons pay, produced 5 tons @ $540/ton $2700.00 cash value or $22.30/ton.

INTRODUCTION

Location: The Ed Sparks property is on a north facing slope above the North Toe River, 0.77 mile N70°W from bench mark 2402 at Boonford, Yancey County, North Carolina (center of Micaville, N.C., Quad., TVA, 1,24:000). The mine can be reached by truck or 4-wheel-drive on a rough dirt road 1.2 miles from N. C. State Highway No.80.

Examination: An examination lasting 2 hours was made of the Ed Sparks property March 4, 1958. Messrs. H. Burleson, Jim Cox, R. C. Thomas, and Burdette Thomas accompanied the Examiners.

Previous Operations: Mine workings on the Ed Sparks property consist of a bulldozer trench 100 feet long, 10 to 25 feet wide, and a maximum of 15 feet deep. A small trench, about 100 feet NE of the large trench, is 20 feet long, 8 feet wide and 8 feet deep.

The Applicant did this work during 1957 and reports a recovery of 5 tons of block mica which was sold for $540 a ton at the GSA Depot in Spruce Pine, N.C.

The name "Cox Mine" shown on the Applicant's property map is an alternate name for the mine and may have been used for the mica sales.

At the time of the examination there was no equipment or buildings on the property. Water is available for drilling and electric power is within a half-mile.

The mine area is uphill and more than 600 feet west of the Hector Mine (DMEA-3216, Idm-E665).

PROPERTY

The Applicant's lease is a 600-foot square, as shown on the map submitted with the application. The shaft site on that map and the shaft site on the geologic map accompanying this report may be used as a tie point between the two maps.

If a contract is to be prepared, we suggest that the Applicant be requested to submit a map showing boundaries of the Ed Sparks property in relation to the leased square and to the leased square of the Hector Mine (DMEA-3216). This information was not available at the time of the examination.

It should be noted that the present Hector Mining Co., consists of a different group of partners from the Hector Mining Company of DMEA-3216.

GEOLOGY

The Ed Sparks pegmatite body is a lens-shaped mass intruded along a fault in muscovite-biotite schist. The hanging wall of the pegmatite is concordant with the foliation of the country rock but the footwall is discordant.

Both pegmatite and schist are deeply weathered. At the time of the examination the southeast wall of the cut had caved, concealing most of the pegmatite. The outline of the pegmatite shown on the map was made from limited observations at the SW end of the cut and from descriptions given by the Applicants during the examination.

The pegmatite lens has an indicated exposed length of at least 60 feet and ranges from 1 to 7 feet thick. It trends N65°E and dips about 65°SE. Small folds along the hanging wall plunge 25°SW and the lens may do the same. The Applicants believe that the pegmatite is more or less continuous as a thin vein from the northeast end of the large cut to the pegmatite exposed in the small cut to the NE (see map). The strike and dip of the two bodies are similar but trenching to prove continuation has not been done.

The Ed Sparks pegmatite consists of coarse-grained plagioclase, quartz and muscovite. Pieces of massive quartz up to 3-feet in diameter were observed in the dump. These may represent a discontinuous quartz core, although the pegmatite exposed at the SW end of the cut was not zoned.

Muscovite in the pegmatite is green and flat "A". Some

of the books are exceptionally large; one measured 12" x 12" x 3" and larger ones were reported. Most of the books range from 4" x 5" to 6" x 8". Mica was found both in the plagioclase-quartz-pegmatite and along the edges of the massive quartz blocks.

RECOMMENDATIONS

We recommend that exploration assistance be granted. About 5 tons of good quality green muscovite is reported to have been recovered from the open cut in a pegmatite at least 60 feet long and 1 to 7 feet wide. We recommend a 50-foot inclined shaft and 100 feet of drift to explore this pegmatite. Trenching between the large cut and the small cut to the NE is not considered necessary for the present exploration program.

ESTIMATE OF COSTS

Prepare Shaft Site:

Bulldoze 173 cu.y. @ 40¢/c.y.		$ 69.00

Construct:

Toolhouse	$75.00	
Powder Magazine	25.00	
Detonator Magazine	15.00	115.00

Sink 50 feet of two-compartment shaft
5' x 7' in cross section (34 shifts)

Equipment(rental):

1 - Compressor @ $150/Mo.	$262.50	
1 - Hoist @ $50/Mo.	87.50	$250/mo max. for rental 1½ mos =
1 - Rock drill w/hose @ $40/Mo.	70.00	
1 - Sump pump @ $40/Mo.	70.00	
Total equipment rental.....		375.00 ~~$490.00~~

Labor:

1 - Foreman-Miner	$14/shift	
1 - Hoistman	12/shift	
1 - Laborer	8/shift	
Per 8 hour shift.....	$34	
Total labor ~~34~~ 30 shift @ $34/shift.....		* $1,020.00 ~~$1,156.00~~

Change sinking rate to 6 ft/shift. Allow 30 shifts.

Supplies, Tax & Insurance

Gasoline and oil	$112.50	
Explosives	175.00	
Drill steel	90.00	
Timber, 2 M. b.f.	130.00	
Small tools & Misc.	100.00	
Sales Tax	18.00	
Social Security	* 122.40	747.90
and insurance	* ~~139.00~~	~~764.50~~
Estimated cost of shaft.....		$2326.40 ~~$2,410.50~~

* 12% of $1,020 = $122.40/50 ft. shaft = $2.86/ft. Use $43.00/ft.

Estimated cost/foot shaft ~~$48.21.~~

Drift and/or crosscut 100 feet from or near the shaft bottom, 5' x 7' in cross section (50 shifts).

Adv. rate 2.3/ft shift = 43.5 shifts - use 44 shifts

Equipment (rental):

1 - compressor @ $150/Mo.	$375.00	Rental @ $250/mo
1 - Hoist @ $50/Mo.	125.00	2 1/4 mos. x $250 = $562.50
1 - Rock drill w/hose @ $40/Mo.	100.00	
1 - Sump pump @ $40/Mo	100.00	
1 - Jackleg @ $25/Mo.	67.50	562.50
Total equipment rental.....		767.50

Labor:

1 - Foreman-Miner	$14/shift	
1 - Hoistman	12/shift	
1 - Laborer	8/shift	
Per 8 hour shift.....	$34/shift	
Total labor ~~50~~ 44 shift @ $34/shift		* 1,496.00 ~~1,700.00~~

* See Next Page

Supplies, Tax and Insurance:

Gasoline and oil	$225.00	
Explosives	350.00	
Drill steel	140.00	
Small tools and Misc.	200.00	
Sales Tax	27.00	
Social Security and Insurance	* 179.52 ~~* 204.00~~	$ 1,121.52
Total supplies, etc.....		~~$ 1,146.00~~
		3,180.02
Total estimated cost of drift		~~$ 3,613.50~~

* 12% of $1496.00 = $179.52

Estimated cost /foot drift $36.14.

$3180.02 / 100 feet = $31.80/ft. use $32./ft.

Summary of Estimated

Shaft site preparation	$ 69.00	
Construction	115.00	
Shaft - 50 feet	~~2,410.50~~	2326.90
Drift - 100 feet	~~3,613.50~~	3180.02
	5536.00	
Estimated Total Cost.....	~~$6,208.00~~	

March 31, 1958

Frank G. Lesure, Geologist
Geological Survey

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

z

IN REPLY REFER TO:

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

April 7, 1958
Re: DMEA 4930
Hector Mining Company
Ed Sparks Property (Cox Mine)
Yancey County, N. C.
Appl. Est. $5,980.00
Rec'd " $6,208.00 Mica

Memorandum

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

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

Subject: Review of Field Team Report

The applicant requested assistance in exploring a pegmatite by shaft sinking and drifting. Recent bulldozing has uncovered the pegmatite for at least 60 feet and a width of 1 to 7 feet was revealed. In the course of the work, according to the applicant, 5 tons of green muscovite in large flat "A" books was recovered.

The examiners recommend work consisting of shaft sinking, 50 feet, and 100 feet of drifting.

I concur with the recommendation.

N. E. Nelson

N. E. Nelson

A Form 7
2-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/11	Houk	600
2/12	[illegible]	130
2/12	[illegible]	130
2/12	Kiilsgaard	130
"	[illegible]	110
"	Mittendorf	100
2/13	C	220
		600

600

FEB 12 1958

Hector Mining Company
c/o Mr. Burdette Thomas
Route 1
Spruce Pine, North Carolina

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina

Gentlemen:

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.

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

LGHouk:gad 2/11/58
Copy to: Admr. R. File
Field Team, Region V
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/11	Houk	600
2/12	GCS	130
"	Johnson	110
"	Dietrich	100
		220

600

FEB 12 1958

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

Re: Docket No. DMEA-4930-Mica
Hector Mining Company
Ed Sparks Property
Yancey County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda dated January 31 and February 7, 1958, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed. There is also enclosed a copy of the application for the use of the Field Team.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

Thor H. Kiilsgaard

Member, Geological Survey

Enclosures 5

LGHouk:gad 2/11/58
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.

2 | 10 | C | 220
600

February 7, 1958

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4930 (mica)

Applicant: Hector Mining Company (Burdette Thomas)

Name and Location of Property: Ed Sparks Property, Yancey County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 1/30/58

Comments:

1. Applicant wishes DMEA assistance to bulldoze, sink a 50 foot shaft, and drift 100 feet in a vein in which he states mica is showing in outcrops.
2. Applicant states this is a new prospect and also says production records are on file at Government Mica Depot.
3. This is probably a part of a pegmatite that has been partly explored.
4. Note: Map shows prospect as Cox Mine.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

OFFICIAL FILE COPY
DMEA
RECEIVED JAN 31 1958

DATE	INITIALS	CODE
1/31	gb	220
2/3	[illegible]	600

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

January 31, 1958
Re: DMEA 4930
Hector Mining Co. (Partnership)
Ed Sparks Property
Yancey County, N. C.
$5,980 - 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 doing shaft sinking and drifting on a 'new prospect' in which mica is believed to exist. Probably the new prospect is a part of a pegmatite that has been partly explored as the application says mica has been produced.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

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

January 30, 1958

Hector Mining Company
c/o Mr. Burdette Thomas
Route #1
Spruce Pine, North Carolina

Gentlemen:

Subject: DMEA-4930

Your application for exploration assistance, dated January 27, 1958 submitted to our office at Knoxville, Tennessee has been assigned Docket Number DMEA-4930 and referred to the Nonmetallic Minerals Division in the Washington office. Kindly identify all future correspondence relating to your application by this Docket Number.

Sincerely yours,

Allen S. Dakan, Director
Operations Control and
Statistics Division

Copy to:

Region V

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP

Use other side first

S. Government Messenger Envelope

ard Form No. 65 (Rev. 1/46)

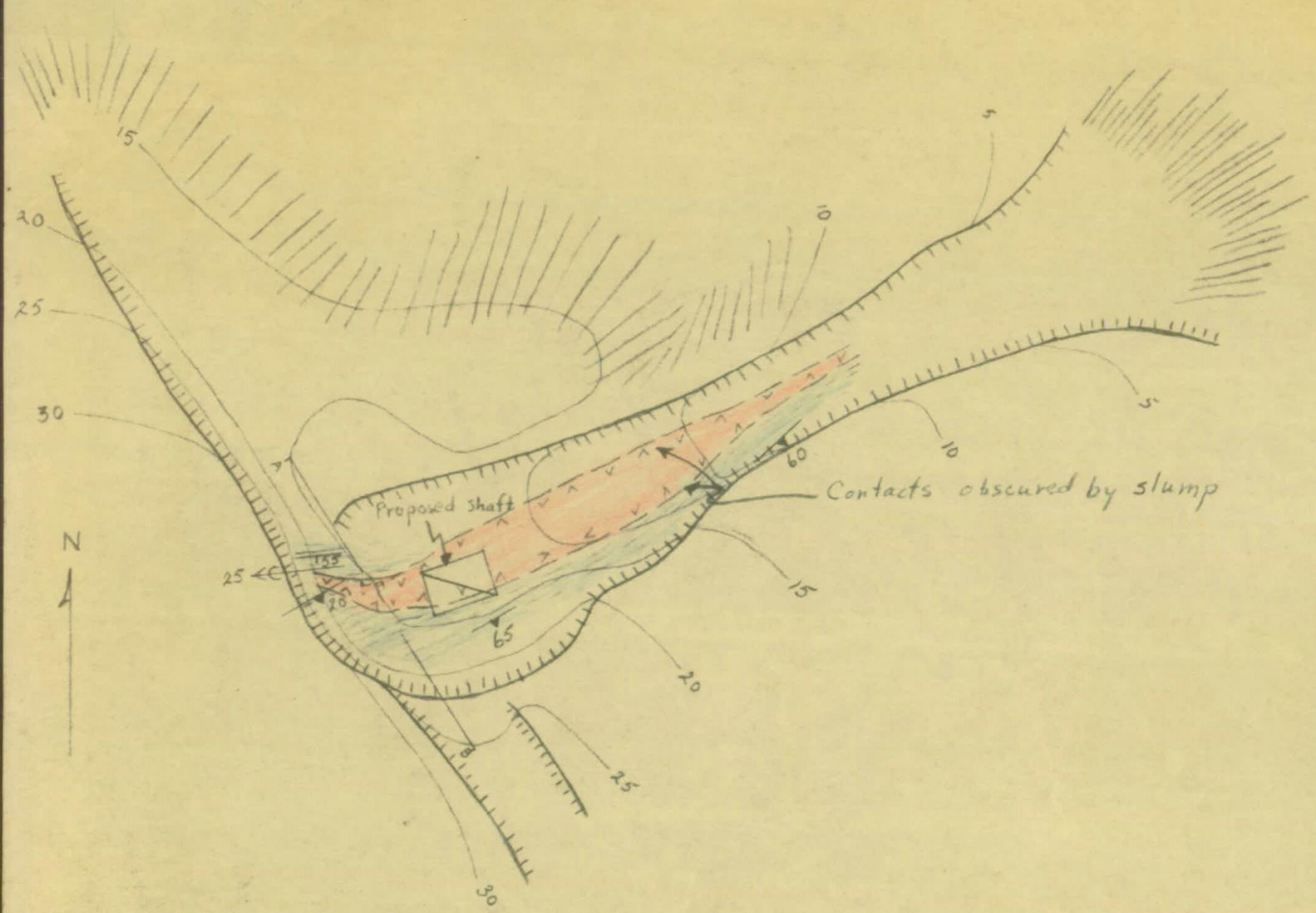
1. Use blocks consecutively, one at a time.
2. oid previous block.
3. Write clearly.

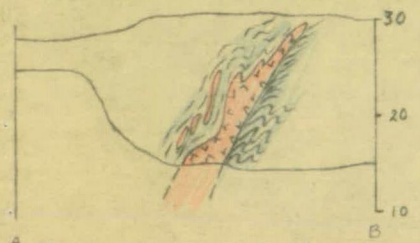
NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM	
. W. N. Chamberlain M. E. A.	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP
	RUN STOP		RUN STOP

nd surplus envelopes to
pply room for reissue.

Use other side

Use RUN and STOP only when messenger service between Government buildings in Washington is required.
Your mail room has RUN and STOP information.





Projection on Section AB

Ed Sparks Property
(Cox Mine)
Yancey County, North Carolina

DMEA-4930 (mica)

0 10 20 Feet

Explanation

- Plagioclase-quartz-muscovite pegmatite
- Muscovite schist
- 65 Strike & dip of foliation
- 25 Strike & plunge of minor fold axes
- 155 Strike & dip of axial planes of open folds
- Edge of cut
- Dump

Tape & Brunton Survey

Contours sketched - datum assumed

FGL 3/58

OFFICIAL FILE COPY
D M E A
RECEIVED APR 3 1958

DATE	INITIALS	CODE

Ed Sparks Property
(Cox Mine)
Yancey County, North Carolina

DMEA-4930 (mica)

FGL 12/58

OFFICIAL FILE COPY
DEC 31 1958
ANIMALS