DMEA Form 9
Rev. 6/57

UNITED STATES
DEPARTMENT OF THE INTERIOR
~~Defense Minerals Exploration Administration~~
Office of Minerals Exploration

OFFICIAL DOCKET FILE

~~Idm-E~~ NO. 2001

~~DMEA NO.~~ OME6011

14-23-090-2001

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- [ ] Withdrawn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
- [ ] Closing Letter
- [x] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [x] Contract with all exhibits and annexes
- [x] Owner's Consent to Lien and Subordination Agreement
- [x] 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
- [ ] On-site Exam Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

✓ Folders No. 2 : Reports
- [ ] Analysis of Semi-Annual Inspection Reports
- [ ] Project Summary (Interim) by DMEA Engineers

Right Side

- [ ] Field Team Semi-Annual Report for Certified Project
- [x] Field Team Interim Reports
- [x] 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

OFFICE OF MINERALS EXPLORATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

George DeGorroh & M. M. McCormick, partners
511 Citizens Bank Building
Lexington, Kentucky

pertaining to Exploration Project Contract No. 11-23-090-2001, OME No. 6011, for May 1959 to September 1959, inclusive, covering a mica project on the Ed Robinson Property, Mitchell County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents, comparison of the claimed costs with the contract and pertinent schedules, confirmation 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 acceptable costs were under a contract provision for contribution by the Government on the basis of fixed unit costs for work performed.

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

Total cost billed by Operator		$8,350.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total acceptable cost		$8,350.00

The contract calls for a 50 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	$4,175.00
Paid to date	3,275.00
Balance due Operator	$ 900.00

Pd to Oper. 11/6/59
see Sept. '59 MF-104 folder #2

E. D. Talbert

E. D. Talbert, OME Auditor

November 2, 1959

Government's copy

MME Form 51
Feb. 1959

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

EXPLORATION CONTRACT
(Short Form)

Docket No.	Commodity	Contract No.	County	State
OME 6011	Mica	14-23-090- 2001	Mitchell	North Carolina

It is agreed 29 APR 1959 (Date), between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and

George D. Dorroh and M. M. McCormick, partners,

whose mailing address is 511 Citizens Bank Building, Lexington, Kentucky, hereinafter called the "Operator," as follows:

ARTICLE I. Authority and scope.--(a) This contract, entered into under the authority of Public Law 701, 85th Cong., 2d sess. (72 Stat. 700; 30 U.S.C. § 641 - 646), consists of this form, the attached Annex I (land description), Exhibit A (work and costs), and the maps and documents listed. The work is a search for new or unexplored deposits of the commodity designated above. The Operator shall begin the work on or before JUN 1 1959 (Date), and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 8 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the work is $8,464.00. The Government will contribute 50 percent of the total fixed unit costs of the work performed, not in excess of $4,232.00 in accordance with the provisions of Articles 4 and 5.

(c) Interest computation.--Simple interest computed annually at the rate of 6 percent shall accrue from the dates Federal funds are made available until the period specified for payment of royalty expires, or until the amount of Federal funds contributed is fully repaid with interest.

(d) 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 rights in land.--(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 right of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances:

None

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

See Annex I.

(c) The Operator shall preserve and maintain his right, title, or 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 royalty on production and liens for the payment thereof. Two true 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, in a workmanlike manner in accordance with good mining standards, and in compliance with State laws 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 production operations during the period that royalty is payable to the Government. 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. Until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been received, the Government may withhold such sums as are necessary to protect its interests. To the extent that amounts in excess of fixed unit costs or in excess of the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such amounts 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) Monthly reports.--The Operator shall provide the Government with five copies of monthly reports in three sections as follows:

(1) Operator's Monthly Voucher claiming costs for work performed;

(2) Operator's Progress Report showing the number of units of the various types of work performed; 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 monthly report). 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 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 the Government determines that 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 preparation or completion of same 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 mineral or metal production from the land covered by the contract may be possible as a result of the exploration work, it shall so certify in writing to the Operator at any time not later than six months after a sufficient final report and final accounting (see Article 5) have been furnished.

(b) Royalty on production.--The Operator, whether or not the producer (for example, if the Operator either transfers or does not retain his interest in the land), shall pay to the Government a royalty on all minerals and metals mined or produced from the land as follows:

(1) irrespective of any certification of possible production--from the date of the contract until the lapse of the time within which the Government may issue such certification or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first; or

(2) if the Government issues a certification of possible production--for a period of ten years from the date of the contract or until the total net amount contributed by the Government is fully repaid with interest, whichever occurs first.

(c) Payment of royalty.--(1) The Government's royalty shall be five percent of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, 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 (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable 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. No costs of the Operator are deductible in arriving at the "gross proceeds" as that term is here used.

The term "treatment processes" 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.

(2) 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.

(d) Unsold production.--If any production (ore, concentrate, 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, concentrate, 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) Lien for payment.--To secure the payment of royalty (see Article 6(b)), the Operator hereby grants to the Government a lien upon his interest in the land and upon any production of minerals and metals therefrom until the royalty claim is extinguished by lapse of time or is fully paid.

(f) 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 Government, and this estimate shall be final and binding upon the Operator.

(g) No obligation to produce.--Nothing in this contract shall be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 7. Termination of the Government's Obligations.--(a) If the Government determines that operations at any time have failed to achieve anticipated results and further work is not justified, the Government may give the Operator written notice thereof, and thereupon:

(1) the Government shall be free of all obligation to pay on account of units of work not then performed; and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

(b) If the Government determines that the Operator is 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:

(1) the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and

(2) the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to final accounting and reporting.

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 royalty and liens to secure the payment thereof, and such rights shall be fully preserved.

(d) The determinations of the Government are subject to appeal under Article 11.

ARTICLE 8. Notices to be given by the Government may be delivered to the Operator or may be sent by certified mail addressed to the Operator at his 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. Nondiscrimination.--In connection with the performance of work under this contract, the Operator agrees not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. The aforesaid provision shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Operator agrees to post hereafter in conspicuous places, available for employees and applicants for employment, notices to be provided by the Government setting forth the provisions of the nondiscrimination clause.

The Operator further agrees to insert the foregoing provision in all subcontracts hereunder, except subcontracts for standard commercial supplies or raw materials.

ARTICLE 11. Disputes.--Any dispute arising under this contract which is not disposed of by agreement shall be decided by the Director, Office of Minerals Exploration, who shall reduce his decision to writing and mail or otherwise furnish a copy thereof to the Operator. The decision of the Director, Office of Minerals Exploration, shall be final and conclusive unless, within 30 days from the date of receipt of such copy, the Operator mails or otherwise furnishes to the Director, Office of Minerals Exploration, a written appeal addressed to the Secretary. The decision of the Secretary or his duly authorized representative for the determination of such appeals shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence.

The term "Director, Office of Minerals Exploration," as used herein includes his duly authorized representative.

ARTICLE 12. Eight-Hour Law of 1912--Overtime compensation.--This contract, to the extent that it is of a character specified in the Eight-Hour Law of 1912, as amended (40 U. S. Code 324—326) and is not covered by the Walsh-Healey Public Contracts Act (41 U. S. Code 35—45), is subject to the following provisions and exceptions of said Eight-Hour Law of 1912, as amended, and to all other provisions and exceptions of said Law:

No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the Operator or any independent contractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight hours in any one calendar day upon such work, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this clause. The wages of every laborer and mechanic employed by the Operator or any independent contractor engaged in the performance of this contract shall be computed on a basic day rate of eight hours per day; and work in excess of eight hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this clause a penalty of five dollars shall be imposed for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight hours upon said work without receiving compensation computed in accordance with this clause, and all penalties thus imposed shall be withheld for the use and benefit of the Government.

ARTICLE 13. Copeland (Anti-Kickback) Act--Nonrebate of wages.--The regulations of the Secretary of Labor applicable to contractors and subcontractors (29 CFR, Part 3), made pursuant to the Copeland Act, as amended (40 U. S. C. 276c) and to aid in the enforcement of the Anti-Kickback Act (18 U. S. C. 874) are made a part of this contract by reference. The Operator will comply with these regulations and any amendments or modifications thereof and will be responsible for the submission of affidavits required of independent contractors thereunder. The foregoing shall apply except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances, and exemptions.

Vernon
Hoffman
App'd. Sol. Off.
Anderson
Hook
Talbert
Selfridge

ARTICLE 14. Changes and added provisions.--

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____ (Partner)

By _____ (Partner)

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

I, _____ (Name), certify that I am the _____ secretary of the corporation named as Operator herein; that _____ (Name), who signed this contract on behalf of the Operator, was then _____ (Title) 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]

INT.-DUP. SEC., WASH., D.C. 52375

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 14 1959

DATE	INITIALS	CODE

EXPLORATION PROJECT CONTRACT
GEORGE D. DORROH AND M. M. McCORMICK
DOCKET NO. OME-6011

ANNEX I

The land referred to in Article 2 of the Contract is known as the Ed. Robinson Property and owned by John C. Heuer, consisting of 9.2 acres. This property is on the steep southwest slope of a low ridge about 800 feet north of Bandana Post Office, Mitchell County, North Carolina.

The Operators are in possession of the land pursuant to a mineral lease from E. M. Robinson and his wife, Elizabeth, September 26, 1957, recorded in the Office of the Register of Deeds in Mitchell County, North Carolina, Deed Book 20, Page 25. On May 15, 1958, E. M. Robinson and his wife, Elizabeth conveyed the property under lease and subject to the lease of Robinson to Dorroh, Smith and Caudell, to J. C. Heuer. The property is described as follows:

Being located in Mitchell County, North Carolina and conveyed to John C. Heuer by E. M. Robinson and wife, Elizabeth Robinson on May 15, 1958, and recorded in Book 121, Page 502 in the office of the Register of Deeds for Mitchell County, North Carolina and further described as follows:

Being located in Snow Creek Tp., Mitchell County, North Carolina adjoining the land of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; north 22 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 229 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence

south 28 west 226 feet 3 inches to a stake in fence; thence south 31 west 225 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 223 feet 8 inches to a Spanish Oak, Selma Livingstone's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingstone's corner; thence up and with said Creek and into meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 202 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 25 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

The attached map shows the approximate location of the proposed work and the property lines in regard to metes and bounds.

A Lien and Subordination Agreement dated February 14, 1959, and signed by John C. Heuer, is attached.

A Lien and Subordination Agreement dated March 24, 1959, and signed by Earl Smith and Arnold Caudell, is attached.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

FOR GOVERNMENT USE ONLY
Operator
Docket No. OME – 6011
Contract No. 14-23-090 – 2001
Contract Date 4-29-59

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of Mitchell, State of North Carlonia

described as follows:[2] Copy of description hereto attached. Deed from E. M. Robinson and Elizabeth Robinson to John C. Heuer recorded in Deed Book 121, page 502, office of the Register of Deeds for Mitchell County, North Carlonia, (Bakersville, North Carlonia).

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

George D. Dorroh and M. M. McCormick[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance 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]

2. 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.

3. 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 blank.)

None

1/ 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 must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflic 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 th undersigned's right, title, claim, or interest in or against the land or any production therefrom, furnishing the Government with two true copies of such notice; and

5. 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.

6. Added provisions None (State "None" or "See Annex No. ".)

Dated this 24 day of March, 1959.

Earl Smith (Seal)	Clay City, Kentucky	(Street) (City & State)
Arnold Caudell (Seal)	Campton, Kentucky	(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)
(Seal)		(Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., 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)

Description of property upon which application for assistance is made is described as follows:

Being located in Mitchell County, North Carolina and conveyed to John C. Heuer by E. M. Robinson and wife, Elizabeth Robinson, on May 15, 1958 and recorded in Book 121, Page 502 in the office of the Register of Deeds for Mitchell County, North Carolina and further described as follows:

Being located in Snow Creek Tp., Mitchell County, North Carolina adjoining the land of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; north 22 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 229 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 28 west 226 feet 3 inches to a stake in fence; thence south 31 west 225 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 223 feet 8 inches to a Spanish Oak, Selma Livingston's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingston's corner; thence up and with said Creek and into meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 202 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 25 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less. ~~(Attached hereto is survey of above property)~~

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

FEB 27 1959
OME

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

GOVERNMENT USE ONLY
Operator
Docket No. OME - 6011
Contract No. 14-23-090 - 2001
Contract Date 4-29-59

LIEN AND SUBORDINATION AGREEMENTS 1/

To the United States of America:

That certain land in the County of Mitchell, State of North Carolina

described as follows: 2/ copy of discription hereto attached. Deed from E. M. Robinson and Elizabeth Robinson to John C. Hauer recorded in Deed Book 121, Page 502, office of Register of Deeds for Mitchell County, North Carolina, (Bakersville, North Carolina).

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

George D. Dorroh and M. M. McCormick 3/

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

X 1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance 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/

2. 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.

3. 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 blank.)

None

1/ 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 must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. 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 true copies of such notice; and

5. 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.

6. Added provisions ____ None ____ (State "None" or "See Annex No.____".)

Dated this 14th day of February, 19 59.

John C. Heuer (Seal) _____ (Street) (City & State)

John C. Heuer, Sole owner of land referred to in this agreement,
Address: 310 Willow Road
Muncie, Indiana

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

_____ (Seal) _____ (Street) (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., 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
GEORGE D. DORROH AND M. M. McCORMICK
DOCKET NO. OME-6011

EXHIBIT "A"

Description of the work

Exploration for concentration of strategic mica shall be performed in the area indicated on the attached map entitled "OME-6011, Ed. Robinson Property, Mitchell County, North Carolina", as follows:

1. Construct:

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

The toolhouse may be unfloored; shall be made from unfinished lumber, and 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 securely locked with the equivalent of a 5-tumbler jarproof lock.

2. Sink from the surface at the approximate location indicated on the attached map, a vertical shaft to a depth not to exceed 100 feet.

3. Explore the pegmatite by driving from or near the bottom of the shaft, drifts and/or crosscuts not to exceed an aggregate of 100 feet.

The shaft and the drifts and/or crosscuts shall be timbered as necessary and shall be not less than 5 feet by 7 feet in the clear in cross section.

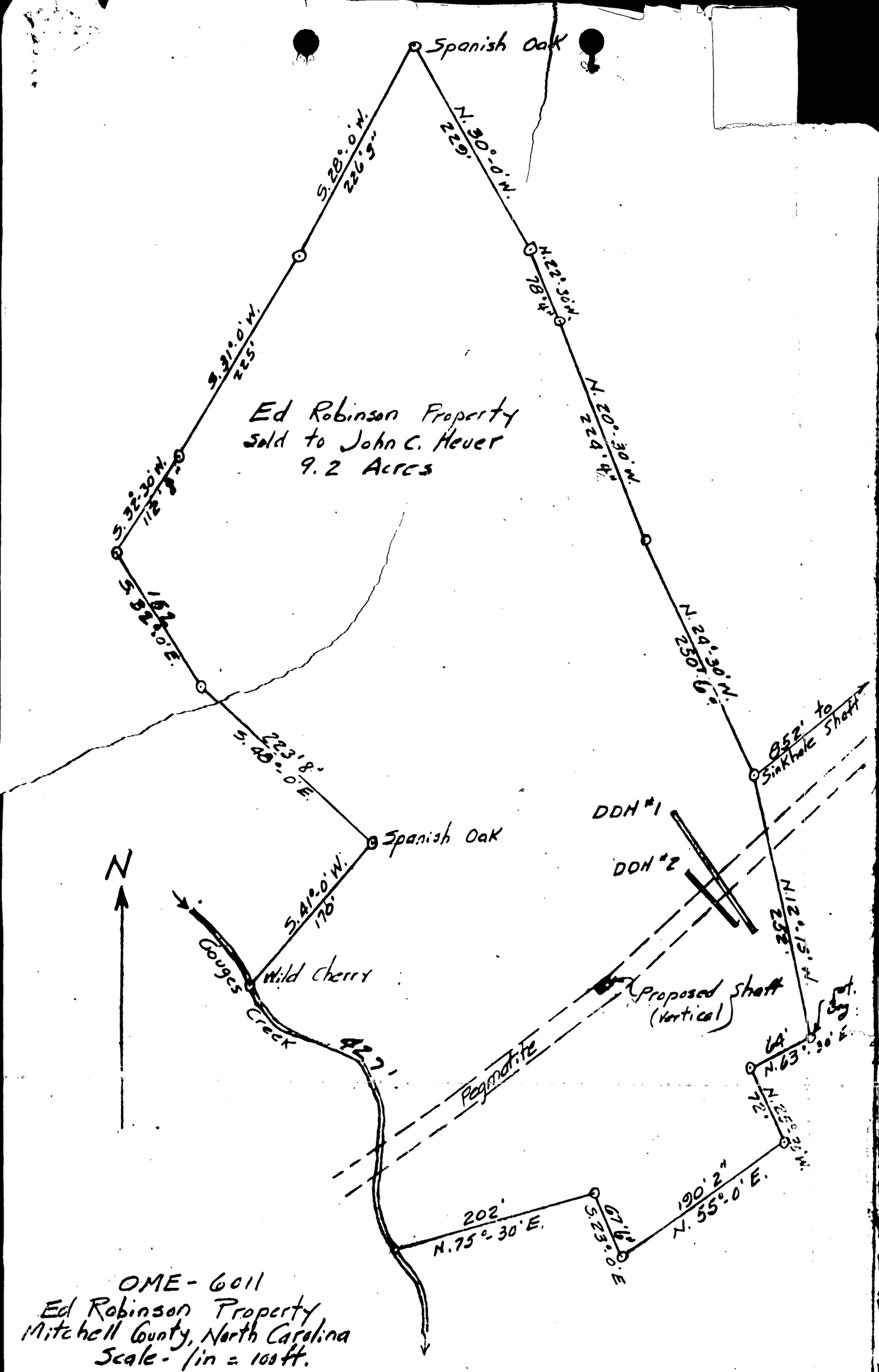
Level work shall be performed on the pegmatite or in as close proximity thereto as possible. The Government will not contribute to the cost of any work that is within 125 feet of any exterior property boundary.

The locations, inclinations, directions, and extent of all work are subject to the approval of the Government.

Fixed Unit Costs

1.	Construct:	Toolhouse 1/	$75.00	
		Powder magazine 1/	25.00	
		Exploder magazine 1/	14.00	$ 114.00
2.	Sink 100 feet of shaft @ $47.50/ft.			4,750.00
3.	Drive 100 feet of drifts and/or cross-cuts @ $36.00/ft.			3,600.00
	Estimated total cost of work			$8,464.00
	Government participation @ 50%			$4,232.00

1/ The completed work constitutes the unit.



OME-6011
Ed Robinson Property
Mitchell County, North Carolina
Scale - 1in = 100ft.

MME Form 52
Jan. 1959

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

GOVERNMENT USE ONLY
Operator
Docket No. OME –
Contract No. 14-23-090 –
Contract Date

LIEN AND SUBORDINATION AGREEMENTS[1]

To the United States of America:

That certain land in the County of **Mitchell**, State of **North Carolina**

described as follows:[2] **copy of discription hereto attached. Deed from E. M. Robinson and Elizabeth Robinson to John C. Hauer recorded in Deed Book 121, Page 502, office of Register of Deeds for Mitchell County, North Carolina, (Bakersville, North Carolina).**

hereinafter called the "land", is the subject of a proposed exploration contract, hereinafter called the "Contract", between the United States of America, hereinafter called the "Government" and

George D. Dorroh and M. M. McCormick[3]

hereinafter called the "Operator". In consideration for and as an inducement to the Government executing the Contract, the undersigned:

X 1. (a) Being the owner of an interest in the land, hereby grants to the Government a lien upon all of his right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of the royalty on production provided for by the Contract, and agrees if the Operator's interest should be surrendered or terminated at any time prior to the expiration of the rights of the United States under said Contract to pay royalty to the Government according to the terms of said Contract; or

(b) Being the holder of a claim, lien, or encumbrance against the land, hereby subordinates his claim, lien, or encumbrance 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]

2. 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.

3. 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 blank.)

None

1/ 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 must be inserted above. If the space provided is insufficient, use an Annex and refer to the Annex in the space.

3/ Insert name exactly as it appears in the Application MME Form 40.

4/ Subparagraph 1(a) does not apply to the holder of a claim, lien, or encumbrance.

4. 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 true copies of such notice; and

5. 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.

6. Added provisions None (State "None" or "See Annex No. ____".)

Dated this 4th day of February, 59.

(Signed) John C. Heuser (Seal) _____ (Street) _____ (City & State)

John C. Heuer, Sole owner of land referred to in this agreement,
Address: 310 Willow Road
Muncie, Indiana

_____ (Seal) _____ (Street) _____ (City & State)

_____ (Seal) _____ (Street) _____ (City & State)

_____ (Seal) _____ (Street) _____ (City & State)

_____ (Seal) _____ (Street) _____ (City & State)

_____ (Seal) _____ (Street) _____ (City & State)

I, _____ (Name), certify that I am the _____ (Title—Secretary, etc.) of the corporation named herein; that _____ (Name), who signed this agreement was then _____ (Title—Pres., Vice-Pres., 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)

INT.-DUP. SEC., WASH., D.C. 48694

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Copy

NORTH CAROLINA, Mitchell County.

THIS DEED, Made This 15th day of May, A.D. 1958, by E. M. Robinson and wife, Elizabeth Robinson, of Mitchell County and State of North Carolina, parties of the first part, to John C. Heuer of Delaware County and State of Indiana, party of the second part:

WITNESSETH, That said parties of first part in consideration of Ten Dollars, and other valuable considerations, to them paid by party of second part the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey to said John C. Heuer and his heirs and assigns, a certain tract or parcel of land in Snow Creek Tp., Mitchell County, State of North Carolina, adjoining the lands of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and others and bounded as follows, viz.:

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; thence north 22 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 229 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 28 west 226 feet 3 inches to a stake in fence; thence south 31 west 225 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 223 feet 8 inches to a Spanish Oak, Selma Livingstone's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingstone's corner; thence up and with said Creek and its meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 202 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 25 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

And for the considerations aforesaid, the parties of the first part herein do hereby grant unto the party of the second part herein and unto his heirs and assigns the right to use and maintain a road not to exceed 18 feet in width located parallel to and adjacent to Silvers Chapel Church and Cemetery and extending from N.C. Highway No. 80 to the southern boundary line of the hereinabove described tract.

This conveyance is made subject to that certain mineral lease of date September 26, 1957, from E. M. Robinson, et. ux., Elizabeth Robinson, to Earl Smith, Arnold Caudel and George D. Dorr as appears of record in the office of Register of Deeds for Mitchell County, N. C., in Book No._____on page _____.

The lands above described being a portion of a larger tract of 12 acres, more or less, conveyed by that certain deed of date January 31, 1918, from M. A. Robinson, et ux., Matilda Robinson, to E. M. Robinson recorded Book of Deeds No. 72 page 6 Mitchell County, N. C., registry.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging, to the said party of second part and his heirs and assigns, to their only use and behoof forever, subject to condition mentioned above.

And the said parties of first part for themselves and their heirs, executors and administrators, covenant with said party of second part and his heirs and assigns, that they are seized of said premises in fee and have good right to convey in fee simple; that the same are free and clear from all encumbrances and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said parties of first part have hereunto set their hands and seals, the day and year first above written.

/s/ E. M. Robinson (Seal)

/s/ Elizabeth Robinson (Seal)

Attest:

STATE OF NORTH CAROLINA, _____County.

I,_____, Clerk of the Superior Court, hereby certify that _____personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Let the instrument, with this certificate, be registered.

Witness my hand and official seal, this_____day of_____, A.D. 19____.

_____
Clerk Superior Court.

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10/29/59. /s/ Nell Bradshaw, N. P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10-29-59 /s/ Nell Bradshaw, N.P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

The foregoing certificate of Nell Bradshaw, a Notary Public of Mitchell County, State of North Carolina, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 22 day of May, A.D. 1958.

/s/ R. P. Greene
Clerk Superior Court.

(Recorded in Deed Book 121 - page 502
Office of Register of Deeds- for
Mitchell County, N. C.).

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

March 23 1959
Lexington, Kentucky

I, M.M.McCormick, of Lexington, Fayette County Kentucky do hereby affirm that the following statement is true and correct showing my assets and liabilities:

	ASSETS	LIABILITIES
Cash on hand (First National Bank)	$3,100.00	
Second mortgage on real estate, payable to M.M. and Beatrice McCormick	2,800.00	
Real estate (deeded jointly to M.M.McCormick and Beatrice McCormick with surviorship clause)	24,500.00	
Oil Lease	3,000.00	
Miscellaneous bills		$800.00
Mortgage on home		16,900.00
	$33,400.00	$17,700.00

$33,400.00
-117,700.00

$15,700.00 Net worth

Signed: M.M. McCormick
M.M.McCormick

GEORGE D. DORROH
ATTORNEY AT LAW
811 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Lexington, Kentucky

March 31, 1959

The following is a financial statement showing the assets and liabilities of George D. Dorroh as of March 31, 1959:

ASSETS:

Real estate:	House and Lot 126 Shady Lane, Lexington, Kentucky, (sole ownership)--	$25,000.00	
	Duplex, 1601-3 Elizabeth Street, Lexington, Kentucky (sole ownership) --	27,500.00	$52,500.00
Stocks:			
	100 shares, Textron, common,	2,325.00	
	100 shares, Dover Corp., Common,	2,150.00	
	100 shares, Hazel Bishop, common,	636.00	5,111.00
Automobile:	1956 Dodge, hardtop convt.----		1,200.00
Cash on deposit:	First National Bank & Tr., Co.,	1,967.05	
	" " " "		
	Savings account -	2,741.96	
	Citizens Union National Bank & Tr. Co.,	82.99	4,792.00
Insurance-life- cash value:			
	American National -	3,440.00	
	Kentucky Home Life -	410.44	
	Metropolitan Life -	1,944.00	5,794.44
	(Total life insurance coverage $58,300.00)		$69,397.44

LIABILITIES:

First National Bank & Tr., Co.,	7,500.00	
(Security - $2,300.00 against savings a/c)		
Citizens Union National Bank & Tr.Co.	5,650.00	
(Security - 100 shares Textron, 100 shares Dover Corporation & assignment of $20,000.00 American Insurance Company policy)		
Citizens Union National Bank & Tr. Co.	6,500.00	
(Security - first mtg. house & lot 126 Shady Lane)		
Realty Mortgage Company - -------	13,250.00	32,900.00
(Security - Duplex 1601 -3 Elizabeth Street)		
Net estate -		$36,497.44

George D. Dorroh

GEORGE P. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

NORTH CAROLINA, Mitchell County.

THIS DEED, Made This 15th day of May, A.D. 1958, by E. M. Robinson and wife, Elizabeth Robinson, of Mitchell County and State of North Carolina, parties of the first part, to John C. Heuer of Delaware County and State of Indiana, party of the second part:

WITNESSETH, That said parties of first part in consideration of Ten Dollars, and other valuable considerations, to them paid by party of second part the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey to said John C. Heuer and his heirs and assigns, a certain tract or parcel of land in Snow Creek Tp., Mitchell County, State of North Carolina, adjoining the lands of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and others and bounded as follows, viz.:

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; thence north 22 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 229 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 28 west 226 feet 3 inches to a stake in fence; thence south 31 west 225 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 223 feet 8 inches to a Spanish Oak, Selma Livingstone's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingstone's corner; thence up and with said Creek and its meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 202 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 25 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

And for the considerations aforesaid, the parties of the first part herein do hereby grant unto the party of the second part herein and unto his heirs and assigns the right to use and maintain a road not to exceed 18 feet in width located parallel to and adjacent to Silvers Chapel Church and Cemetery and extending from N.C. Highway No. 80 to the southern boundary line of the hereinabove described tract.

This conveyance is made subject to that certain mineral lease of date September 26, 1957, from E. M. Robinson, et. ux., Elizabeth Robinson, to Earl Smith, Arnold Gaudel and George D. Dorr as appears of record in the office of Register of Deeds for Mitchell County, N. C., in Book No._____ on page _____.

The lands above described being a portion of a larger tract of 12 acres, more or less, conveyed by that certain deed of date January 31, 1918, from M. A. Robinson, et ux., Matilda Robinson, to E. M. Robinson recorded Book of Deeds No. 72 page 6 Mitchell County, N. C., registry.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging, to the said party of second part and his heirs and assigns, to their only use and behoof forever, subject to condition mentioned above.

And the said parties of first part for themselves and their heirs, executors and administrators, covenant with said party of second part and his heirs and assigns, that they are seized of said premises in fee and have good right to convey in fee simple; that the same are free and clear from all encumbrances and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said parties of first part have hereunto set their hands and seals, the day and year first above written.

/s/ E. M. Robinson (Seal)

/s/ Elizabeth Robinson (Seal)

Attest:

STATE OF NORTH CAROLINA, _____County.

I,_____, Clerk of the Superior Court, hereby certify that _____personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Let the instrument, with this certificate, be registered.

Witness my hand and official seal, this_____day of_____, A.D. 19____.

_____
Clerk Superior Court.

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10/29/59. /s/ Nell Bradshaw, N. P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10-29-59 /s/ Nell Bradshaw, N.P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

The foregoing certificate of Nell Bradshaw, a Notary Public of Mitchell County, State of North Carolina, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 22 day of May, A.D. 1958.

/s/ R. P. Greene
Clerk Superior Court.

(Recorded in Deed Book 121 - page 502
Office of Register of Deeds - for
Mitchell County, N. C.).

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

March 23, 1959
Lexington, Kentucky

I, M. M. McCormick, of Lexington, Fayette County, Kentucky, do hereby affirm that the following statement is true and correct showing my assets and liabilities:

	ASSETS	LIABILITIES
Cash on hand (First National Bank)	$ 3,100.00	
Second mortgage on real estate, pauable to M. M. and Beatrice McCormich	2,800.00	
Real estate (deeded jointly to M. M. McCormich and Beatrice McCormick with surviorship clause)	24,500.00	
Oil Lease	3,000.00	
Miscellaneous bills		$ 800.00
Mortgage on home		16,900.00
	$ 33,400.00	$ 17,700.00

$33,400.00
-17,700.00

$15,700.00 Net worth

Signed: /s/ M. M. McCormick
M. M. McCormick

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Lexington, Kentucky

March 31, 1959

The following is a financial statement showing the assets and liabilities of George D. Dorroh as of March 31, 1959:

ASSETS:

Real estate:	House and Lot 126 Shady Lane, Lexington, Kentucky, (sole ownership)--	$25,000.00	
	Duplex, 1601-3 Elizabeth Street, Lexington, Kentucky (sole ownership) --	27,500.00	$52,500.00
Stocks:	100 shares, Textron, common,	2,325.00	
	100 shares, Dover Corp., Common,	2,150.00	
	100 shares, Hazel Bishop, common,	636.00	5,111.00
Automobile:	1956 Dodge, hardtop convt.-----		1,200.00
Cash on deposit:	First National Bank & Tr.,Co.,	1,967.05	
	" " " "		
	Savings account -	2,741.96	
	Citizens Union National Bank & Tr. Co.,	82.99	4,792.00
Insurance-life- cash value:	American National -	3,440.00	
	Kentucky Home Life -	410.44	
	Metropolitan Life -	1,944.00	5,794.44
	(Total life insurance coverage $58,300.00)		$69,397.44

LIABILITIES:

First National Bank & Tr., Co., (Security - $2,300.00 against savings a/c)	7,500.00	
Citizens Union National Bank & Tr.Co. (Security - 100 shares Textron, 100 shares Dover Corporation & assignment of $20,000.00 American Insurance Company policy)	5,650.00	
Citizens Union National Bank & Tr. Co. (Security - first mtg. house & lot 126 Shady Lane)	6,500.00	
Realty Mortgage Company - [illegible], (Security - Duplex 1601 -3 Elizabeth Street)	13,250.00	32,900.00
Net estate -		$36,49[illegible]

George D. Dorroh

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

NORTH CAROLINA, Mitchell County.

This DEED, made this 15th day of May, A.D. 1950, by E. M. Robinson and wife, Elizabeth Robinson, of Mitchell County and State of North Carolina, parties of the first part, to John C. Heuer of Delaware County and State of Indiana, party of the second part:

WITNESSETH, That said parties of first part in consideration of Ten Dollars, and other valuable considerations, to them paid by party of second part the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey to said John C. Heuer and his heirs and assigns, a certain tract or parcel of land in Snow Creek Tp., Mitchell County, State of North Carolina, adjoining the lands of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and others and bounded as follows, viz.:

BEGINNING on a stake in the cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 13 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 150 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 30 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; thence north 20 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 35 west [illegible] feet to a large Spanish oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 20 west 230 feet 3 inches to a stake in fence; thence south 31 west 3[illegible] feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 3[illegible] east [illegible] feet to a stake in fence; thence south 48 east [illegible] feet 8 inches to a Spanish oak, Selma Livingstone's corner; thence south 4[illegible] west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingstone's corner; thence up and with said Creek and its meanders 4[illegible]7 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 302 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 5[illegible] east 190 feet 2 inches to a stake in Cemetery fence; thence north 2[illegible] degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

And for the considerations aforesaid, the parties of the first part herein do hereby grant unto the party of the second part herein and unto his heirs and assigns the right to use and maintain a road not to exceed 15 feet in width located parallel to and adjacent to Silvers Chapel Church and Cemetery and extending from N.C. Highway No. 80 to the southern boundary line of the hereinabove described tract.

This conveyance is made subject to that certain mineral lease of date September 26, 1957, from E. M. Robinson, et. ux., Elizabeth Robinson, to Earl Smith, Arnold Gaudel and George D. Dorr as appears of record in the office of Register of Deeds for Mitchell County, N. C., in Book No._____on page _____.

The lands above described being a portion of a larger tract of 13 acres, more or less, conveyed by that certain deed of date January 31, 1918, from M. A. Robinson, et ux., Matilda Robinson, to E. M. Robinson recorded Book of Deeds No. 72 page 6 Mitchell County, N. C., registry.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging, to the said party of second part and his heirs and assigns, to their only use and behoof forever, subject to condition mentioned above.

And the said parties of first part for themselves and their heirs, executors and administrators, covenant with said party of second part and his heirs and assigns, that they are seized of said premises in fee and have good right to convey in fee simple; that the same are free and clear from all encumbrances and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said parties of first part have hereunto set their hands and seals, the day and year first above written.

/s/ E. M. Robinson (Seal)

/s/ Elizabeth Robinson (Seal)

Attest:

STATE OF NORTH CAROLINA, _____County.

I,_____, Clerk of the Superior Court, hereby certify that _____personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Let the instrument, with this certificate, be registered.

Witness my hand and official seal, this_____day of_____, A.D. 19____.

_____
Clerk Superior Court.

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10/30/59. /s/ Nell Bradshaw, N. P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10-30-59 /s/ Nell Bradshaw, N.P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

The foregoing certificate of Nell Bradshaw, a Notary Public of Mitchell County, State of North Carolina, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 22 day of May, A.D. 1958.

/s/ H. P. Greene
Clerk Superior Court.

(Recorded in Deed Book 121 - page 502
Office of Register of Deeds- for
Mitchell County, N. C.).

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

March 23, 1950
Lexington, Kentucky

I, H. H. McCormick, of Lexington, Fayette County, Kentucky, do hereby affirm that the following statement is true and correct showing my assets and liabilities:

	ASSETS	LIABILITIES
Cash on hand (First National Bank)	$ 3,100.00	
Second mortgage on real estate, payable to H. H. and Beatrice McCormick	2,800.00	
Real estate (deeded jointly to H. H. McCormick and Beatrice McCormick with survivorship clause)	24,500.00	
Oil Lease	3,000.00	
Miscellaneous bills		$ 800.00
Mortgage on home		16,900.00
	$ 33,400.00	$ 17,700.00

$ 33,400.00
-17,700.00

$15,700.00 Net worth

Signed: /s/ H. H. McCormick
H. H. McCormick

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Lexington, Kentucky

March 31, 1959

The following is a financial statement showing the assets and liabilities of George D. Dorroh as of March 31, 1959:

ASSETS:

Real estate:	House and Lot 126 Shady Lane, Lexington, Kentucky, (sole ownership)--	$25,000.00	
	Duplex, 1601-3 Elizabeth Street, Lexington, Kentucky (sole ownership) --	27,500.00	$52,500.00
Stocks:	100 shares, Textron, common,	2,325.00	
	100 shares, Dover Corp., Common,	2,150.00	
	100 dhares, Hazel Bishop, common,	636.00	5,111.00
Automobile:	1956 Dodge, hardtop convt.----		1,200.00
Cash on deposit:	First National Bank & Tr.,Co.,	1,967.05	
	" " " "		
	Savings account -	2,741.96	
	Citizens Union National Bank & Tr. Co.,	82.99	4,792.00
Insurance-life- cash value:	American National -	3,440.00	
	Kentucky Home Life -	410.44	
	Metropolitan Life -	1,944.00	5,794.44
	(Total life insurance coverage $58,300.00)		$69,397.44

LIABILITIES:

First National Bank & Tr., Co., (Security - $2,300.00 against savings a/c)	7,500.00	
Citizens Union National Bank & Tr.Co. (Security - 100 shares Textron, 100 shares Dover Corporation & assignment of $20,000.00 American Insurance Company policy)	5,650.00	
Citizens Union National Bank & Tr. Co. (Security - first mtg. house & lot 126 Shady Lane)	6,500.00	
Realty Mortgage Company, (Security - Duplex 1601 -3 Elizabeth Street)	13,250.00	32,900.00
Net estate -		$36,497.44

George D. Dorroh

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

COPY

NORTH CAROLINA, Mitchell County.

THIS DEED, Made This 15th day of May, A.D. 1955, by E. M. Robinson and wife, Elizabeth Robinson, of Mitchell County and State of North Carolina, parties of the first part, to John C. Heuer of Delaware County and State of Indiana, party of the second part:

WITNESSETH, That said parties of first part in consideration of Ten Dollars, and other valuable considerations, to them paid by party of second part the receipt of which is hereby acknowledged, have bargained and sold, and by these presents do grant, bargain, sell and convey to said John C. Heuer and his heirs and assigns, a certain tract or parcel of land in Snow Creek Tp., Mitchell County, State of North Carolina, adjoining the lands of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and others and bounded as follows, viz.:

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on top of ridge; thence north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; thence north 32 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 126 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 28 west 238 feet 3 inches to a stake in fence; thence south 31 west 325 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 383 feet 8 inches to a Spanish Oak, Selma Livingstone's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingstone's corner; thence up and with said Creek and its meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 208 feet to a stake in field; thence continuing with said new line south 33 east 67 feet 8 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 80 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

And for the considerations aforesaid, the parties of the first part herein do hereby grant unto the party of the second part herein and unto his heirs and assigns the right to use and maintain a road not to exceed 18 feet in width located parallel to and adjacent to Silvers Chapel Church and Cemetery and extending from N.C. Highway No. 80 to the southern boundary line of the hereinabove described tract.

This conveyance is made subject to that certain mineral lease of date September 28, 1957, from E. M. Robinson, et. ux., Elizabeth Robinson, to Earl Smith, Arnold Caudel and George D. Barr as appears of record in the office of Register of Deeds for Mitchell County, N. C., in Book No._____on page _____.

The lands above described being a portion of a larger tract of 1[illegible] acres, more or less, conveyed by that certain deed of date January 31, 1918, from M. A. Robinson, et ux., Matilda Robinson, to E. M. Robinson recorded Book of Deeds No. 72 page 6 Mitchell County, N. C., registry.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, and all privileges and appurtenances thereto belonging, to the said party of second part and his heirs and assigns, to their only use and behoof forever, subject to condition mentioned above.

And the said parties of first part for themselves and their heirs, executors and administrators, covenant with said party of second part and his heirs and assigns, that they are seized of said premises in fee and have good right to convey in fee simple; that the same are free and clear from all encumbrances and that they do hereby forever warrant and will forever defend the said title to the same against the claims of all persons whomsoever.

IN TESTIMONY WHEREOF, the said parties of first part have hereunto set their hands and seals, the day and year first above written.

/s/ E. M. Robinson (Seal)

/s/ Elizabeth Robinson (Seal)

Attest:

STATE OF NORTH CAROLINA, _____County.

I,_____, Clerk of the Superior Court, hereby certify that _____personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Let the instrument, with this certificate, be registered.

Witness my hand and official seal, this_____day of_____, A.D. 19____.

_____
Clerk Superior Court.

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial seal here)

My commission expires 10/20/59. /s/ Nell Bradshaw, N. P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

I, Nell Bradshaw, Notary Public, do hereby certify that E. M. Robinson and his wife, Elizabeth Robinson, personally appeared before me this day and acknowledged the due execution of the annexed deed of conveyance.

Witness my hand and notarial seal, this 21 day of May, A.D. 1958.
(Notarial Seal here)

My commission expires 10-20-59 /s/ Nell Bradshaw, N. P. (Seal)

STATE OF NORTH CAROLINA, Mitchell County.

The foregoing certificate of Nell Bradshaw, a Notary Public of Mitchell County, State of North Carolina, is adjudged to be correct. Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 22 day of May, A.D. 1958.

/s/ R. P. Greene
Clerk Superior Court.

(Recorded in Deed Book 121 - page 502
Office of Register of Deeds- for
Mitchell County, N. C.).

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

March 23, 1959
Lexington, Kentucky

COPY

I, M. M. McCormick, of Lexington, Fayette County, Kentucky, do hereby affirm that the following statement is true and correct showing my assets and liabilities:

	ASSETS	LIABILITIES
Cash on hand (First National Bank)	$ 3,100.00	
Second mortgage on real estate, payable to M. M. and Beatrice McCormich	2,800.00	
Real estate (deeded jointly to M. M. McCormich and Beatrice McCormick with surviorship clause)	24,500.00	
Oil Lease	3,000.00	
Miscellaneous bills		$ 800.00
Mortgage on home		16,900.00
	$ 33,400.00	$ 17,700.00

$33,400.00
-17,700.00

$15,700.00 Net worth

Signed: /s/ M. M. McCormick
M. M. McCormick

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Lexington, Kentucky

March 31, 1959

The following is a financial statement showing the assets and liabilities of George D. Dorroh as of March 31, 1959:

ASSETS:

Real estate:	House and Lot 126 Shady Lane, Lexington, Kentucky, (sole ownership)--	25,000.00	
	Duplex, 1601-3 Elizabeth Street, Lexington, Kentucky (sole ownership) --	27,500.00	$52,500.00
Stocks:	100 shares, Textron, common,	2,325.00	
	100 shares, Dover Corp., Common,	2,150.00	
	100 shares, Hazel Bishop, common,	636.00	5,111.00
Automobile:	1956 Dodge, hardtop convt.----		1,200.00
Cash on deposit:	First National Bank & Tr., Co.,	1,967.05	
	" " " "		
	Savings account -	2,741.96	
	Citizens Union National Bank & Tr. Co.,	82.99	4,792.00
Insurance-life- cash value:	American National -	3,440.00	
	Kentucky Home Life -	410.44	
	Metropolitan Life -	1,944.00	5,794.44
	(Total life insurance coverage $58,300.00)		69,397.44

LIABILITIES:

First National Bank & Tr., Co., 7,500.00	
(Security - $2,300.00 against savings a/c)	
Citizens Union National Bank & Tr.Co. 5,650.00	
(Security - 100 shares Textron, 100 shares Dover Corporation & assignment of $20,000.00 American Insurance Company policy)	
Citizens Union National Bank & Tr. Co. 6,500.00	
(Security - first mtg. house & lot 126 Shady Lane)	
Realty Mortgage Company ---------, 13,250.00	32,900.00
(Security - Duplex 1601 -3 Elizabeth Street)	
Net estate -	$36,497.44

George D. Dorroh

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

February 25, 1959

Memorandum

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

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

Subject: Application from George D. Dorroh and M. M. McCormick
511 Citizens Bank Building, Lexington, Kentucky
Ed Robinson Property (Mica), Mitchell County, N. C.

Enclosed are the original and two copies of an application received in this office today. ~~Five~~ only four copies of the Lien and Subordination agreement are attached.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

GEORGE D. DORROH
ATTORNEY AT LAW
204 CITIZENS BANK BUILDING
LEXINGTON 3, KENTUCKY

TELEPHONE 3616

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

February 23, 1959

District Manager
U.S. Dept.of the Interior
Office of Minerals Exploration
Knoxville, Kentucky

Dear Sir:

Attached hereto is application Form MME 40 and MME Form 52 and all other documents required in submitting application for a loan for mica mining in Mitchell County, North Carolina.

The application is submitted on behalf of the writer and M. M. McCormick,operating as a partnership.

Very truly yours,

George D. Dorroh

George D. Dorroh

P.S. Also attached hereto is fifth copy of MME Form 52.

RECEIVED
FEB 25 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

April 27, 1959

OFFICE OF MINERALS EXPLORATION

Revised Report on Exploration Assistance Application

Applicant:
George D. Dorroh and
M. M. McDormick
511 Citizens Bank Bldg.
Mitchell County, North Carolina

Docket No. OME-6011-Mica
Application dated February 2, 1959
Application received February 25, 1959
Ed. Robinson Property

Proposed Exploration and Estimated Cost

280 feet of shaft and 100 feet of drift
Estimated cost -- $27,110.80

The Field Team recommended approval of the contract for 100 feet of shaft and 100 feet of drift and/or crosscut for a total cost of $9,255.00. The Division of Nonmetallic Minerals concurs and recommends reduction of cost to $8,464.00.

Financial eligibility:

Six bank reply letters state that $15,000.00 was requested, one did not mention the amount. None of the letters give the date of the loan request nor the terms requested. Two of the bank reply letters indicated that the Applicants' request for funds were for mica mining, five of the bank reply letters indicated the funds were for mineral exploration.

The partnership financial statement indicates that no line of credit would have been advanced because of the relatively poor financial position of the Applicants. Talbert's analysis of April 7, 1959, shows that the Applicants would have been unable to finance the $27,110.80 project by refinancing their real property. He indicates that $14,000.00 in cash might be made available for the project by refinancing the two homes, as the Field Team recommended reducing the total cost of the project to $9,255.00 the Applicants now are in a position to furnish their share of the recommended cost of the work through refinancing their homes. No applicant should be required to mortgage his home, business, or any fixed asset.

Available collateral	$12,000 home)	Available cash in banks (Savings)	$2,392
	2,000 ")		3,100
	$14,000	Applicants share of cost $4,232.00	$5,492

Based on financial information, it appears that funds are not available from commercial sources on reasonable terms for exploration.

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.

Interior—Duplicating Section, Washington, D. C.

Signed _____

Both partners have certified that they would not undertake the exploration work under the present conditions and circumstances at their sole expense.

The Bureau of Mines and the Geological Survey concur with the Field Team's recommendation that a contract be written. The OME recommends a contract be granted.

a. Geologic probability.

The partnership, at their own expense, have drilled two diamond drill holes to intersect a possible extension of the Sinkhole pegmatite at depths of 150 and 200 feet, about 350 feet southwest of the most southwesterly head of the Sinkhole pegmatite. The Field Team reports the muscovite in the drill holes of similar color and quality to the Sinkhole, and points out that the productivity of the Sinkhole and the Banner pegmatites indicate the chances of the Ed. Robinson property are good. The pegmatite exposed in the drill holes may be a parallel pegmatite to the Sinkhole and about 100 feet southeast of it.

b. Estimated cost to explore the target.

The Applicants requested $27,110.80 to sink 280 feet of vertical shaft and drift 100 feet. The Field Team recommends 100 feet vertical shaft and level work of 100 feet for a total cost of $9,255.00. The Division of Nonmetallic Minerals recommends 100 feet of shaft and 100 feet of drift and/or crosscut for a total cost of $8,464.00. Over half the shaft will be in weathered rock and will require no drilling and blasting.

NOTE: The Sinkhole shaft 230 feet at $50 per foot, 541 feet of drifting at $30 per foot. The unit cost of the 100 feet of shaft at the Banner was $45.00, and drifting at $35.00. The unit cost at the Ed. Robinson for shaft sinking at $47.50 and drifting at $36.00 seems equitable. The Applicants' labor costs are high because they are based on union wages. The Field Team has set up costs in line with local practice and in this the Division of Nonmetallic Minerals concurs. This Division has increased the Field Team's estimate of 1.5 foot per shift to 1.6 foot per shift for shafting, and from 2.0 to 2.2 foot for drifting.

c. Plan and method of conducting exploration.

The Field Team states that they prefer a vertical shaft to an inclined one because two definite pegmatites intersections provide a definite target in depth, and second a deeply weathered terrain. The Division of Nonmetallic Minerals prefers an inclined shaft in the pegmatite but defers to the judgment of the Field Team. The Field Team has not stated whether their reduced program is agreeable to the partnership.

d. The project area is accessible for exploration and mining work throughout the entire year. There are no underground workings on the property.

e. Applicants background and experience.

Mr. McCormick, one of the partners, is a mining engineer with 25 years in operation planning and engineering in coal mining, and as State Mine Inspector for the State of Kentucky. Neither Applicant has had previous participation in the DMEA program.

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, Washi[illegible] D. C.

f. Applicants' title and right to possession of the land.

The partnership together with Earl Smith and Arnold Caudell leased the property from Robinson and wife. Caudell and Smith subsequently assigned their interest in the lease to Dorroh, retaining 4% of the minerals removed from the land and a 10% interest if the property was sold. Dorroh made an assignment to McCormick of 1/2. Subsequently the property was sold to John Heuer subject to the lease of Robinson to Dorroh. We have Liens and Subordination Agreements signed by John Heuer, the present owner, and copies signed by Earl Smith and Arnold Caudell.

The Field Team have checked the boundary corners in the field and found them to be as represented, and the Applicants have provided us with a copy of the latest deed transferring the property from Robinson to Heuer.

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.

Interior—Duplicating Section, Washington, D. C.

Signed _____

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/12	Anderson	600

OFFICE OF MINERALS EXPLORATION

Report on Exploration Assistance Application

Applicant:
George D. Dorroh and
M. M. McCormick
511 Citizens Bank Bldg.
Mitchell County, North Carolina

Docket No. OME-6011-Mica
Application dated
February 2, 1959
Application received
February 25, 1959
Ed Robinson Property

Proposed Exploration and Estimated Cost

280 feet of shaft and 100 feet of drifts
Estimated cost -- $27,110.80

1. Financial Eligibility
A - Bank letters of decline.

Applicant	Name of Bank	Purpose	Reason for Refusal
G. D. Dorroh	First National Bank & Trust, Lexington, Ky.	Mica Mining	Policy, ~~long distance~~
M. M. McCormick	" " "	Mineral Explor.	" "
G. D. Dorroh	Northwestern Bank Bakersville, N.C.	" "	" "
M. M. McCormick	" " "	[illegible]	" "
G. D. Dorroh	Northwestern Bank Spruce Pine, N. C.	" "	" "
M. M. McCormick	" " "	" "	
G. D. Dorroh	Citizens Union National Lexington, Ky.	Mica Mining	" out of State

Terms Requested [illegible]

In each case the request was for $15,000.00.

B. Financial Statement - none submitted with the application.

Comments

The analysis indicates that the Applicants are unable to receive loans for mica exploration from any of four banking institutions contacted. ~~However, they have not demonstrated that funds are unavailable from commercial sources on reasonable terms,~~ based on available collateral.

2. Reviews: Comments

By Bureau of Mines - Deposit appears to have possibilities for development of strategic mica, however, estimated cost is too high. Recommends field referral.

8623

Terms requested?

Not to make this type of loans particularly so far distant

Does not extend credit for this purpose

not sound loan

Does not make loans for property located out of state.

By Geological Survey - Recommends field referral.
By Office of Minerals Exploration, Division of Nonmetallic Minerals:

(a) Geological probability - Mining is being done at the Sinkhole property 320 feet away from the Robinson property. A mica bearing pegmatite has been cut by two drill holes at depths of 150 and 250 feet, showing characteristics similar to the Sinkhole deposit.

(b) The target is very good since this pegmatite appears to be the extension of the nearby Sinkhole and Banner pegmatites where extensive amounts of mica are being presently produced. The chances are good that the target is large enough to support the Applicants' proposed plan of exploration.

(c) The Applicants' plan of exploration is standard practice for pegmatites of this type and occurrence. However, their estimate of costs is approximately $10,000 too high. An inclined shaft in the vein may prove to be more economical and better exploration than a vertical shaft.

(d) The project area is accessible the year around. Examination can be made any time.

(e) Mr. M. M. McCormick, who will be in charge of operations, is a mining engineer with 25 years of experience. Approximately 50% of this time underground. Experience included manager of mines for private concerns and State Mine Inspector for the State of Kentucky. The Applicants have had no previous participation in DMEA program.

(f) Applicants have a five year mining lease on 9.2 acres of ground.

3. Action:

Referral to Field - The examining engineers and the Applicants should agree on a fair cost of exploration, which should be considerably less than estimated by the Applicants. Also, 280 feet of shaft sinking appears high. If a contract is recommended, the Applicants should be advised to furnish a financial balance sheet and net worth statement for each partner. The Field Team should check property corner in the field closest to the work site. They should also check the latest recording of the deed transferring the ownership to Heuer. They should provide the Applicants with Lien and Subordination Agreements to be signed by Earl Smith and Arnold Caudell for their 4% over-riding royalty. The Applicants should be required to provide an instrument conveying the property from Robinson to Heuer.

WCAnderson:gad 3/12/59

Division of Nonmetallic Minerals

MME Form 40
Dec. 1958

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

Budget Bureau No. 42-R1368
Approval expires Dec. 31, 1963

RECEIVED
FEB 25 1959
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85-701 (72 Stat. 700; 30 U.S.C. 641)

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

GEORGE D. DORROH and M. M. McCORMICK
511 CITIZENS BANK BUILDING, LEXINGTON, KY

FEB 27 1959 O.M.E.

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER: OME 6011

DATE RECEIVED: 2-27-59

REGION: V

DIVISION CODE: 600

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL	
CORPORATION	
PARTNERSHIP	X
OTHER *(Specify)*	

STATE IN WHICH FIRM IS ORGANIZED: Ky

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
George D. Dorroh	511 Citizens Bank Bldg. Lexington, Kentucky	
and		
M. M. McCormick	680 Providence Road Lexington, Kentucky	
a partnership		

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: Mica

ESTIMATED COST OF PROJECT: $ 27,110.80

PROPERTY NAME: Ed. Robinson Property

LOCATION COUNTY: (Bandana, N. C.) Mitchell, N. C.

STATE:

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). 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 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. 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 3(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 Office of Minerals Exploration, Department of the Interior, Washington 25, D. C., or with the nearest OME 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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

~~Feburary 2, 1959~~
DATE

George D. Dorroh
Co-partner
(By *(Signature)*)

~~M. M. McCormick~~
Co-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. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the exploration [redacted] cost.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) 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 adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. 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 land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if 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, giving quantities and grades and sampling methods used. Support 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 have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show 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 *land boundaries* or to the closest identifiable corner.

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

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or 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. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. 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 equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *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 in the exploration work.

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

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(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*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

C.-DUP. SEC., WASH., D.C. 48740

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

Application for Financial
Assistance in Exploration of
Mica Mining in Mitchell
County, North Carolina

1. Financial Eligibility:

a. Application has been filed on behalf of the two applicants for a loan through the First National Bank and Trust Company, Lexington, Kentucky, for a loan on behalf of each applicant for the exploration of Mica Mining in Mitchell County, North Carolina, and attached are letters from said bank showing its refusal to make the loan. The two applicants have also made applications for a loan through the Northwestern Bank, Bakersville, and Spruce Pine North Carolina, for the purpose stated and there are hereto attached letters from the Northwestern Bank, Bakersville, and Spruce Pine North Carolina, also refusing to make the loan.

Applicant, George D. Dorroh, has made application to the Citizens Union National Bank and Trust Company, Lexington, Kentucky, for a loan as above stated and attached is a letter from that bank refusing the loan.

The loans were not offered under any terms nor in any amount. These applicants have no other source through which financial assistance for the purpose desired can be obtained.

b. This is an operation to be worked solely by the two applicants, George D. Dorroh and M. M. McCormack, without any assistance from any other interested party or parties.

c. Through the refinancing of real property now owned by each applicant and by the use of the limited funds now in the hands of the applicants.

2. Applicant's Rights in Land:

a. Applicant, George D. Dorroh, together with Earl Smith and Arnold Caudell, procured a mineral lease on the property to be explored from E. M. Robinson and his wife, Elizabeth Robinson, on September 26, 1957, a copy of which is hereto attached and the original of which was recorded in the office of the Register of Deeds for Mitchell County, North Carolina, in Deed Book 20 on page 25 as of October 2, 1957.

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

On November 8, 1958, Earl Smith and Arnold Caudell made an assignment of their interest in said lease to George D. Dorroh with a royalty retained of 4% of the minerals removed from the lands. Attached is a copy of said assignment.

As of February 2, 1959, George D. Dorroh made an assignment to M. M. McCormick, his co-partner herein, of a one-half interest in and to the rights of the said George D. Dorroh. Attached is a copy of said assignment.

George D. Dorroh and M. M. McCormick now hold a lease on the land for mining purposes subject to a 12½% royalty to the land owner and a 4% royalty to Earl Smith and Arnold Caudell.

b. Eleven acres, more or less, on Gouges Branch in Snow Creek Township and being the same property conveyed to E. M. Robinson by M. A. Robinson and Matilda Robinson on January 31, 1918, and recorded in Deed Book 1 D, page 6, office of the Register Of Deeds for Mitchell County, North Carolina.

There are no leases against the property.

b. On May 5, 1958, E. M. Robinson and Elizabeth Robinson, his wife, conveyed the property under lease and subject to the lease of Robinson to Dorroh, Smith, and Caudell, to John C. Heuer and said deed is recorded in Deed Book 121, page 50 W, office of the Register of Deeds for Mitchell County, North Carolina, and the property is described as follows:

DESCRIPTION

Being located in Snow Creek Tp., Mitchell County, North Carolina, adjoining the land of W. B. Ellis, J. H. Davis, Selma Livingstone, E. M. Robinson and Silver Chapel Church, and

BEGINNING on a stake in the Cemetery fence north of Silver Chapel Church, corner between E. M. Robinson and W. B. Ellis, and runs thence north 12 degrees 15 minutes west 252 feet to a stake on top of ridge in Ellis' line; thence north 24 degrees 30 minutes west 250 feet 6 inches to a stake in Ellis' line on ridge; north 20 degrees 30 minutes west 224 feet 4 inches to a stake in Ellis' line on ridge; north 22 degrees 30 minutes west 78 feet 4 inches to a stake in Ellis' line on top of ridge; thence north 30 west 229 feet to a large Spanish Oak, common corner to W. B. Ellis, J. H. Davis and E. M. Robinson; thence south 28 west 226 feet 3 inches to a stake in fence;

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

thence south 31 west 225 feet to a stake in fence; thence south 32 degrees 30 minutes west 112 feet 8 inches to a Dogwood, Selma Livingston's corner; thence south 32 east 152 feet to a stake in fence; thence south 48 east 223 feet 8 inches to a Spanish Oak, Selma Livingston's corner; thence south 41 west 170 feet to a Wild Cherry tree at Gouges Creek, Selma Livingston's corner; thence up and with said Creek and into meanders 427 feet to a stake on the west side of said Creek, E. M. Robinson's corner; thence with a new line north 75 degrees 30 minutes east 202 feet to a stake in field; thence continuing with said new line south 23 east 67 feet 6 inches to a stake in fence; thence north 55 east 190 feet 2 inches to a stake in Cemetery fence; thence north 25 degrees 30 minutes west with said Cemetery fence to a stake, the northwest corner of said Cemetery; thence north 63 degrees 30 minutes east with said Cemetery fence to the point of beginning, containing nine and two-tenths (9.2) acres, more or less.

The applicants do not own nor control any adjacent lands to the land to be explored.

c. Attached are five copies of Form MME52 executed by John C. Heuer.

3. Physical Description:

a. Does not apply.

b. Does not apply.

c. Does not apply.

d. Drilled two 1 1/8" core holes through the sink hole vein. No. 1 hole was drilled 250 feet deep on 60 degree angle. This hole went through 12 feet of mica, bearing material similar in formation to the sink hole vein.

No. 2 hole was drilled 150 feet deep on 80 degree angle. This No. 2 hole also went through 23 feet of mica bearing material the same as above.

The mica bearing material that was drilled through, showed all of the characteristics of sink hole vein, which is now being mined within 320 feet of the two core drill holes mentioned above. (See Map)

e. See 3-D

f. Refer to 3-D

g. Copy of maps herewith attached.

4. Accessibility of Property:

a. Property is located in Mitchell County, North Carolina, near

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Bandana Post Office on State road No. 80 adjoining Silver Chapel Baptist Church property.

Representative of O. M. E. will be met by Dorroh or McCormick by appointment. Property joins highway No. 80. Proposed workings are to be located 400 feet north of Baptist Chruch on the gravel road.

b. Located approximately ten miles from Spruce Pine, North Carolina. Government Mica Buying Station.

5. Exploration Work:

a. Propose to sink one shaft 280 feet deep on south side of the sink hole vein. This shaft is to intercede the vein at 280 feet below the surface. The shaft size is to be five feet by seven feet after lining is in place.

The lining of the shaft will be constructed of a good grade of White Oak lumber. The first 60 feet of the shaft will be of soft to hard red clay with some flint and other stone mixed with the clay. The next 200 feet consists of hard, black, sandy slate and the last 20 feet should be in vein material. Also two entries are to be driven horizontal off shaft for 50 feet each entry.

b. Road has been constructed.

c. If an O.M.E. contract is executed, work will be started immediately upon receiving the notice.

As to the length of time required to complete the job, I would estimate three months to complete the shaft.

The progress of sinking the shaft will vary due to the three types of material to be executed from the shaft. Also, weather conditions and mechancical delays will have some bearing on future progress.

6. Experience:

Associate M. M. McCormick, who will be in charge of operations, planning, and engineering, has had a total of 25 years mining experience with approximately 50% of this time underground. He has served as District Mining Engineer for seven years for Pittsburgh Consolidated Coal Company.(1934 to 1940) He served as Superintendent

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

of Mines and Manager of Mines for 15 years. He has also serves as State Mine Inspector for State of Kentucky (Department of Mines).

7. Estimate of Costs:

a. No independent contracts to be used.

b. Labor and Supervision on Two-Shift Basis

No. Men		Hours Per Day	Rate Per Hour	Rate Per Day
2	Foremen	8	2.90	46.40
4	Muckers	8	2.10	67.20
4	Drillers & Shooters	8	2.25	72.00
2	Hoistmen	8	2.25	36.00
2	Truck Drivers	8	2.10	33.60
1	Repairman	8	2.35	18.80
1	Dozer Operator	8	2.80	22.40
16		Total Daily Labor		$296.40
Sixty-five work days to complete job.				65
				148200
				177840
All the above services are available.				$ 19,266.00

c. Operating Materials and Supplies

No. of Items	Item	Price
500	Drill Tips	48.60
4	Picks	12.00
6	Shovels	18.00
2	Drill Hose	29.00
4	Drill Connecters	13.20
200 feet	One-inch Pipe	40.00
20	One-inch Pipe Connections	8.60
200	1 1/4-inch Pipe	44.60
20	1 1/4-inbh Pipe Connections	9.90
2 dozen	Light Bulbs	14.20
1 dozen	Light Sockets (Weather Proof)	2.60
1"by 12'	Lumber	50.00
100 feet	Wire Rope	47.00
4	Pry Bars	7.80
2	Pump Suction Hose	26.00
Misc.	Office Supplies	10.00
3 Kegs	Nails	24.60
3	Hammers	7.50
2 Saws	Saws	8.70
2	Shooting Cables	7.50

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

D. To be Purchased

Timber and Material for Shaft	$ 310.00
Materials for Shaft Head House	415.00
Install Power Lines to Location of Shaft	300.00
Electricity for Use	310.00
Gasoline and Oil	810.00
Explosives (Powder)	950.00
Electric Exploders	360.00
Drill Steel (80)	190.00
Blower Fan and Tubing	350.00
Two Jack Hammers	520.00
One Electric Pump Low Head 1½"	220.00
One Electric Pump High Head 1½"	360.00
350 feet High Pressure Rubber Hose	210.00
	$ 5,315.00

Rental of Equipment

Air Compressor	50.00 per mo.	150.00	for 3 mo.
Single Drum Hoist with Controls	100.00 per mo.	300.00	for 3 mo.
Dump Truck	100.00 per mo.	300.00	for 3 mo.
Bull Dozer	250.00 per mo.	750.00	for 3 mo.
Pickup Truck	100.00 per mo.	300.00	for 3 mo.
	Total	$ 1,800.00	

E. None

F. New Buildings and Fixtures

Tool House	225.00	complete
Magazine for Explosives	50.00	complete
Magazine for Detnators	25.00	complete
Total	$ 300.00	

Total Cost of Items "B", "C", "D", and "F" under No. 7
Estimate of Cost

Item(B)Labor and Supervision total	$ 19,266.00
Item(C)Operating Materials and Supplies	429.80
Item(D)To be Purchased	5,315.00
Item(D)Rental of Equipment	1,800.00
Item(F)New Buildings and Fixtures	300.00
Grand Total Cost	$ 27,110.80

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

906

First National Bank and Trust Co.

ORGANIZED 1865
CAPITAL $ 1,250,000.00

Lexington, Ky.

J. B. BEARD,
EXECUTIVE VICE PRESIDENT

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

February 16, 1959

Mr. George A. Dorroh
511 Citizens Bank Building
Lexington, Kentucky

Dear Mr. Dorroh:

This is to advise you that your application made today for a loan in the amount of $15,000.00, to be used for the purpose of financing mica mining in Mitchell County, North Carolina, was not approved by our committee.

It has not been the policy of this bank to go into that type of financing, particularly, when it is being carried on such a long distance from Fayette County.

Yours very truly,

J. B. Beard
Vice President.

JBB/b

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

906

First National Bank and Trust Co.

ORGANIZED 1865
CAPITAL $ 1,250,000.00

Lexington, Ky.

CREDIT DEPARTMENT
NEILAN THURMAN,
ASST. CASHIER

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

FEBRUARY
Four
1 9 5 9

Mr. M. M. McCormick
680 Providence Road
Lexington, Kentucky

Dear Mr. McCormick:

This is in reference to your application for a line of credit to finance mineral explorations on property you have leased in Mitchell County, North Carolina.

It is the policy of this bank not to extend credit for this and allied purposes, which would come under the category of venture capital. This, of course, is no reflection upon your credit standing, but is rather a policy matter under which this bank determines the allocation of its funds for certain purposes.

We appreciate your contacting us in regard to this matter.

Yours very truly,

Neilan Thurman
Assistant Vice President

NT:ABP

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

THE NORTHWESTERN BANK

HOME OFFICE : NORTH WILKESBORO, N. C.

BAKERSVILLE, N. C.

E. H. POTEAT, CASHIER

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

February 20, 1959

Mr. George D. Dorroh
Lexington
Kentucky

Dear Mr. Dorroh:

We are in receipt of your application for loan ~~in the~~ amount of $15,000.00 to explore mining property in Mitchell County, North Carolina near Bandana, North Carolina.

As we do not make loans of this type, we will be unable to make the loan.

Very truly yours,

E. H. Poteat

Cashier

EHP:eac

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

THE NORTHWESTERN BANK

HOME OFFICE : NORTH WILKESBORO, N. C.

BAKERSVILLE, N. C.

E. H. POTEAT, CASHIER

Extra

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Cashier

EHP:eac

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

W. H. LEE
CASHIER

JAMES DALE
ASST. CASHIER

The Northwestern Bank

CAPITAL & SURPLUS $3,100,000.00

Spruce Pine, N. C.

BOARD OF MANAGERS
DR. C. A. PETERSON
EDWARD FORTNER
CHARLES S. GUNTER
DAVID G. BLEVINS

February 20, 1959

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O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

Mr. George D. Dorroh
Lexington
Kentucky

Dear Mr. Dorroh:

We are in receipt of your application for loan in the amount of $15,000.00 to explore mining property in Mitchell County, North Carolina near Bandana, North Carolina.

We will be unable to make the loan requested because this loan would be to explore for mica and my loan committee do not think this would be a sound loan.

Yours very truly,

W H Lee

Cashier.

WHL:bgd

W. H. LEE
CASHIER

JAMES DALE
ASST. CASHIER

The Northwestern Bank

CAPITAL & SURPLUS $3,100,000.00

Spruce Pine, N. C.

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLD
LEXINGTON, KENTUCKY

BOARD OF MANAGERS
DR. C. A. PETERSON
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DATE	INITIALS	CODE

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Lexington
Kentucky

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Yours very truly,

W H Lee

Cashier.

WHL:bgd

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

OFFICERS
ERNEST S. CLARKE
PRESIDENT
J. W. BRATCHER
VICE PRES. & CASHIER
HAROLD REDD
VICE PRES. & TRUST OFFICER
E. B. JORDAN
VICE PRESIDENT
PAUL SLATON
TRUST OFFICER
BEN P. BRANSOM
ASSISTANT VICE PRESIDENT

A. G. MAINOUS
CHAIRMAN OF THE BOARD

OFFICERS
WALTER BROCK
ASSISTANT CASHIER
PAUL BULLOCK
ASSISTANT CASHIER
EMILY B. CROOKS
ASSISTANT CASHIER
WILLIAM E. FARRA
ASSISTANT CASHIER
CLARK HESSEL
ASSISTANT CASHIER
GLADYS KARNES
ASSISTANT CASHIER
MAMIE SANDERS
ASSISTANT CASHIER
GORDON SMITH
ASSISTANT CASHIER

CHARTER NO. 14840

CITIZENS UNION NATIONAL BANK AND TRUST CO.

LEXINGTON · KENTUCKY

TELEPHONE 2-5020

February 16, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

Mr. George D. Dorroh
Citizens Union National Bank Bldg.
Lexington, Kentucky

Dear George:

Your application for a loan of $15,000, the proceeds of which were to be used in Mica Mining in Mitchell County, North Carolina, was disapproved by our Discount Committee.

It is contrary to the policy of this bank to make loans for the purpose stated and also for operations of any kind in another state.

I am sorry that we could not approve this application.

Sincerely,

J W Bratcher
Vice President and Cashier

JWB:o

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

MINING LEASE

State of North Carolina Mitchell County:

This indenture made this 26 day of September, 1957, 195

between E. M. Robinson

of ~~Mitchell~~ County and State of North Carolina as party of the first part, and known as lessor, and Earl Smith, Arnold Caudell and George D. Dorroh

of Fayette County, Kentucky ~~County and State of North Carolina~~, party of the second part and known as lessee.

FEB 2 1959 O.M.E.

WITNESSETH, That the party 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:

11 acres, more or less, on Gouges Branch in Snow Creek Township and being the same property conveyed to E. M. Robinson by M. A. Robinson and Matilda Robinson on January 31, 1918 and recorded in D. B. 1 D, page 6, office of the Register of Deeds for Mitchell County, N. C.

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 ~~1/8 for minerals and Fifty cents~~ per ton for spar 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.

Witness:

E. M. Robinson (Seal)

Elizabeth Robinson (Seal)

Earl Smith (Seal)
Arnold Caudell
George D. Dorroh

(over)

STATE OF NORTH CAROLINA

COUNTY OF [illegible]

This the [illegible] day of [illegible], 1957 [illegible] B. B. Pettigrew and Elizabeth Pettigrew and Earl Smith, Grantor herein and George D. Smith, the mortgagee herein, did signed and executed the foregoing deed this 30th day of September, 1957 [illegible] free act and deed.

Witness my hand and seal of office this 26th day of December, 1957.

[illegible] Notary Public
Mocksville, N. C.

(SEAL)

Recorded in the office of the Register of Deeds for Mitchell County, N. C. in Book [illegible] on page 85 on [illegible] of October 9, 1957

I certify that the foregoing is a true copy of the deed between B. B. Pettigrew and Elizabeth Pettigrew to Earl Smith, and Grantor and George D. Smith.

Witness my hand and seal of office this February 2, 1959 at Lexington, Kentucky

My Commission expires December 7, 1960

[illegible]
Notary

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

It is agreed by and between the parties hereto that Arnold Caudell and Earl Smith have bargained and sold and do hereby, for and in consideration of the payment of $10.00 cash in hand, sell, convey and transfer unto George D. Dorroh all of their right, title and interest in and to that certain mineral lease on the property in Mitchell County, N. C. on what is known as the Ed Robinson property at Bandana, N. C., part of which property has been conveyed to John Heuer by Ed Robinson and his wife, subject, however, to a royalty of four (4%) percent on all minerals removed and sold from said property, and it is further agreed, that if after a core drill by Dorroh and his associates, they should sell said lease, they Caudell and Smith are to receive a total of 10% of the sale price, equally devided between Smith and Caudell.

It is further understood and agreed that Caudell and Smith are to retain a 4% interest in the sale of minerals removed from said property should the lease be sold by Dorroh and his associates.

It is agreed that the percentages above referred to is to be on the gross sale of all minerals removed from said property .

WITNESS OUR SIGNATURES, at Lexington, Kentucky,
8th day of November, 1958

(s) Arnold Caudell
ARNOLD CAUDELL

(s) Earl Smith
EARL SMITH

(s) George D. Dorroh
GEORGE D. DORROH

I certify that the foregoing is a true copy of the sale and assignment of a mineral lease between Earl Smith and Arnold Caudell to George D. Dorroh.

Witness my signature and seal of office this February 2, 1959 at Lexington, Kentucky.

Lettie Hyne
NOTARY PUBLIC, FAYETTE COUNTY, KENTUCKY

My commission expires December 7, 1960

OFFICIAL FILE COPY
O. M. E.
RECEIVED FEB 27 1959

DATE	INITIALS	CODE

GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

Assignment

This assignment made and entered into this 2 day of February, 1959, by and between George D. Dorroh, party of the first part, and M. M. McCormick, party of the second part, both parties being of Lexington, Fayette County, Kentucky:

W I T N E S S E T H:

WHEREAS, George D. Dorroh, Earl Smith and Arnold Caudell obtained a mineral lease from E. M. Robinson and Elizabeth Robinson, his wife, on September 26, 1957, covering property located in Mitchell County, North Carolina, and being 11 acres, more or less, on Gouges Branch in Snow Creek Township and being the same property conveyed to E. M. Robinson by M. A. Robinson and Matilda Robinson on January 31, 1918, and the deed to said property being recorded in Deed Book 1D, page 6, office of the Register of Deeds for Mitchell County, North Carolina, and,

WHEREAS, Earl Smith and Arnold Caudell made an assignment to George D. Dorroh on November 8, 1958, to their interest in said lease, however, said assignment was made subject to a 4% royalty on minerals removed from said property, and

WHEREAS, E. M. Robinson and Elizabeth Robinson, his wife, sold, subject to the aforesaid lease, to John C. Heurer 9.2 acres of the above mentioned tract of land on May 5, 1956, and said deed is recorded in said Register's office in Deed Book 121, page 50W, and

WHEREAS, George D. Dorroh is now the sole owner of the aforesaid mineral lease to the above mentioned property, subject, however, to a 12½% royalty on the minerals to be removed from the property and 50 cents per ton royalty on feldspar, payable to the owner of said property and a 4% royalty on the minerals removed, payable to Earl Smith and Arnold Caudell.

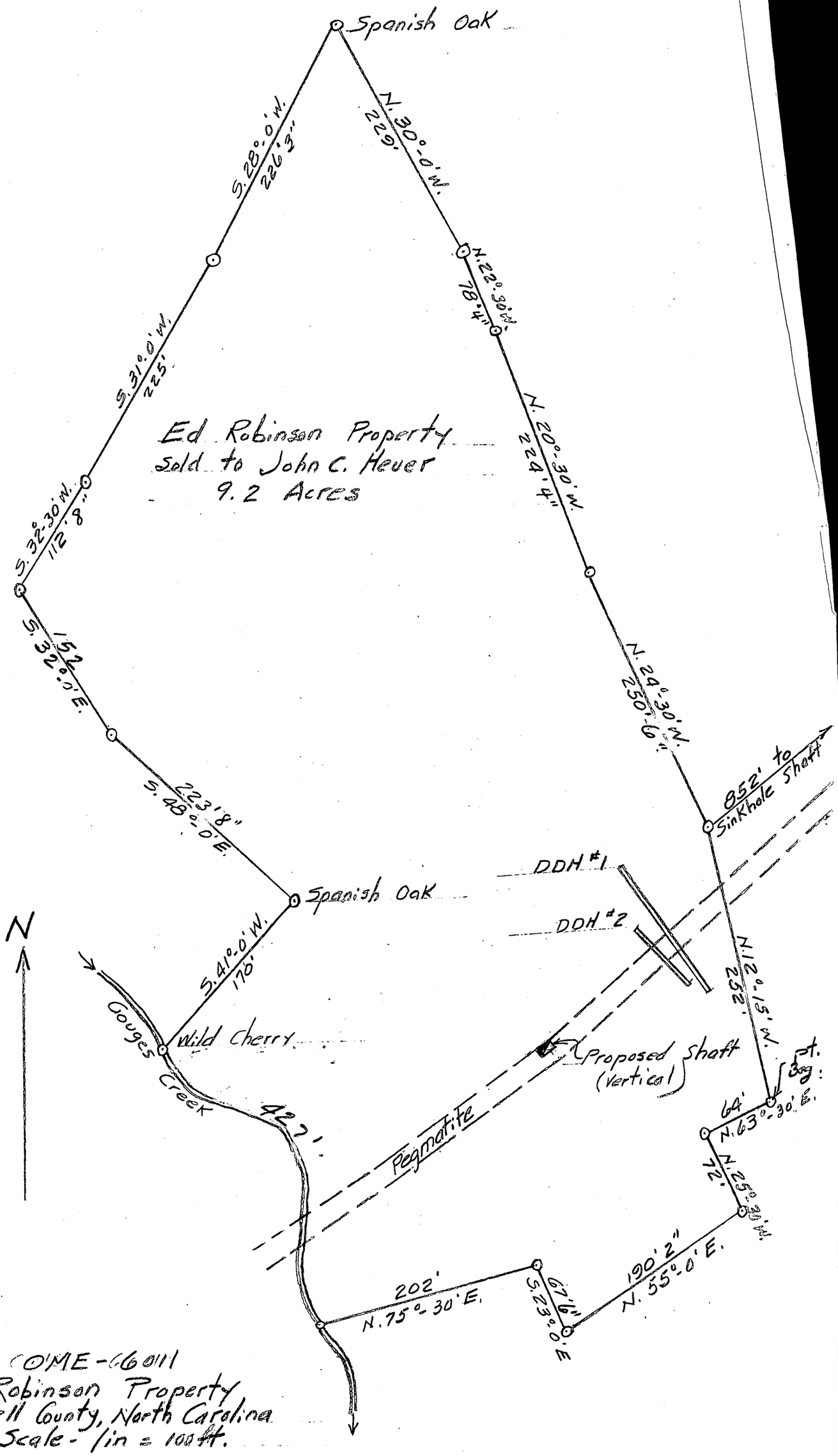
GEORGE D. DORROH
ATTORNEY AT LAW
511 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY

NOW THEREFORE, George D. Dorroh, party of the first, for and in consideration of the payment of $70 by M. M. McCormick, party of the second part, receipt of which is hereby acknowledged, does hereby assign and release unto the party of the second part a one-half interest in his holdings to said mineral lease as above set out, and it is agreed and understood that the parties hereto are to operate said mining ~~X~~ project as a partnership to share equally in the expenses and profits of said operation.

IN TESTIMONY WHEREOF, witness our signatures at Lexington, Fayette County, Kentucky, this February 2, 1959.

(S) George D. Dorroh
Party First Part

(S) M M McCormick
Party Second Part.



COME-66011
Ed Robinson Property
Mitchell County, North Carolina
Scale - 1in = 100 ft.

INSTRUCTIONS FOR USE

1. Identify Agency of Addressee
2. Void Previously Used Block
3. Write Clearly
4. Send Surplus Envelopes to Supply Room for Reissue

	STOP	STOP
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Use other side first

U.S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1957)
Promulgated by Bureau of the Budget Circular A-33 (Rev.)

NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL UNIT, ADDRESS, AND ROOM		NAME (OR TITLE) OF ADDRESSEE, AGENCY, ORGANIZATIONAL ADDRESS, AND ROOM
Mr. Woozley 5660	STOP	
Ted Stevenson	STOP	
Director Office of Mineral Explorations	STOP	
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Use other side

Use STOP only when messenger service between Government buildings in Washington, D. C., is required or wherever a STOP syste
Your mail room has STOP information.

orm 7
-58)

OFFICIAL FILE COPY

Date	Surname	Code
12/8		500
		120
		~~140~~
		500

Project Summary Report

By: J. W. Alt December 8, 1959

1. Docket No. OME-6011 (Mica)
Contract No. 2001

Operator: George D. Dorroh and M. M. McCormick, partners
511 Citizens Bank Building
Lexington, Kentucky

Property: Ed. Robinson Property
Mitchell County, North Carolina

Operators' property rights - lessee
Lease E. M. Robinson and his wife - dated May 15, 1958.
Lien and Subordination Agreements - dated March 24, 1959.
Lien and Subordination Agreements - dated February 14, 1959.

2. Contract, Form MME 51 (Feb. 1959), dated April 29, 1959.
Work to start on or before June 1, 1959. Work to be completed within 8 months.

Description of the Work

The purpose of the project is to explore for concentration of strategic mica.

1. Construct toolhouse, powder and exploder storage magazines.
2. Sink from surface a vertical shaft to a depth not to exceed 100 feet.
3. Explore the pegmatite by driving from the bottom of the shaft, drifts and/or crosscuts not to exceed an aggregate of 100 feet.

Fixed Unit Costs

1. Construct:	Toolhouse	$75.00	
	Powder magazine	25.00	
	Exploder magazine	14.00	$114.00
2. Sink 100 feet of shaft @ $47.50/ft.			4,750.00
3. Drive 100 feet of drifts and/or crosscuts @ $36.00/ft.			3,600.00

43683

Estimated total cost of work	$8,464.00
Government participation @ 50%	$4,232.00

Amendments

None

Work completed:

100 feet of shaft sinking @ $47.50/ft.	$4,750.00
100 feet of drifting and crosscutting @ $36.00/ft.	3,600.00
Total cost of project	$8,350.00

Final Reports:

Operators' final report - not dated, received October 23, 1959. Field Team's final report dated November 6, 1959, received November 12, 1959.

Work on the project under the terms of the contract began May 18, 1959,and the work was completed September 30, 1959.

3. Audit Report of Review, made in lieu of final audit, dated November 2, 1959.

Total cost billed by Operators	$8,350.00
Exceptions	-0-
Total acceptable cost	$8,350.00
Government participation @ 50%	$4,175.00

4. Certification of discovery: None issued.

5. Comments:

The shaft sinking, drifting and crosscutting were done efficiently and well. The shaft was timbered to a depth of 67 feet because of fractured gneiss which would not hold well.

A thin stringer of pegmatite was intersected at the 65-foot level and a larger lens of pegmatite at 77 feet. The target pegmatite was intersected near the bottom of the shaft. An 18-foot percussion drill hole in the northwest side of the shaft at the 97-foot level intersected 10 feet of pegmatite. From the 97-foot level a crosscut was driven to the northeast to intersect the footwall of the target pegmatite. A short drift was also driven from the shaft about 14 feet to the northeast along a thin pegmatite overlying the target pegmatite. The crosscut intersected the footwall of the main (target) pegmatite about 40 feet from the shaft. The footwall was followed for about 39 feet to the northeast and about 9 feet to the southwest.

Production from the contract work amounts to about 200 pounds of fair to generally poor quality muscovite. About 150 pounds of this mica is heavy stained and much of the rest is small size. No reserves can be estimated.

The pegmatite is not only mica-poor but also contains a high percentage of stained mica.

The Field Team states that a certification of a discovery is not recommended.

Additional exploration work on this property with Government financial assistance is not warranted.

J. W. Alt

J. W. Alt

JWAlt:gad 12/8/59

Copy to: Dir. R. File
Mr. Alt
Chron

Form 17
59

OFFICE OF MINERALS EXPLORATION

WORK COMPLETED ANALYSIS

Certified — After final audit or review report is received, prepare in duplicate. File original in official docket. Send copy to Code 210.

Operator: George D. Dorroh and M.M. McCormick, partners

Actual Cost

State: North Carolina

Commodity: Mica

Agreed Unit Cost: X

Final Report of Audit

Docket No. OME-6011

Final Report of Review: November 2, 1959

Contract No. 2001

Type of Work (Use these categories only)	Authorized by Contract and Amendments		Completed and Paid for		Net cost after sale of Gov't. Property
	Units	Cost 1/	Units	Cost 1/	
Drifting & Crosscutting	100'	$3,600.00	100'	$3,600.00	
Raising					
Shafts	100'	4,750.00	100'	4,750.00	
Winzes					
Drilling (Specify)					
Surface Excavation					
Underground Excavation					
Roads and Trails					
Operating Equipment Purchased					
Surface Rehabilitation & Repairs					
Underground Rehabilitation					
New Building, Improvements, etc.*		114.00			
Other (Specify)					
Totals		$8,464.00		$8,350.00	2/

1/ Round off to dollars.
2/ Net cost total must agree with final report of audit or review.

*Construct Toolhouse, powder & exploder magazines.

Prepared by J. W. Cell

Date 11/23/59

52616

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
3/16	alt	500
	Myers	500
3/18	GLS	130
3/18	Johnson	110
3/18	gad	220
	gla	500
		225

MAR 18 1960

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick, Partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

The attached letter dated February 23, 1960, and a copy of the letter to Messrs. George D. Dorroh and M. M. McCormick, partners, were sent to Mr. Arnold Caudell, who is a lessor of the cited property. They were returned to the Washington office because they were unclaimed.

We would appreciate it if you could obtain Mr. Caudell's address and send him the enclosed letters.

/s/ George C. Selfridge (GCS)

APPROVED:

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

W. P. Williams (GCS)
Member, Geological Survey

Attachments

JWAlt/fw-3/16/60
cc: Docket
Operating Com'te
Dir.Read.File
Mr. Kirkemo, USGS
Mr. Skow, USBM
Code 500
Chron.

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18		500
		500
		800
2/23	Selfridge	120
		110
2-23	gad	225

FEB 23 1960

Messrs. George D. Dorroh
and M. M. McCormick, partners
511 Citizens Bank Building
Lexington, Kentucky

Re: Docket No. OME-6011 (Mica)
George D. Dorroh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Gentlemen:

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

We sincerely regret that the work performed did not result in a certification of possible production 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 contract. 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 OME exploration program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Copies to:
Mr. Earl Smith, Clay City, Kentucky
Mr. Arnold Caudell, Campton, Kentucky
Mr. John C. Heuer, 310 Willow Road, Muncie, Indiana

GLAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
CA&A Division
OME Field Team, Region V (2)
M. L. Skow, USBM
Harold Kirkemo, USGS
Code 500 Docket Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18	GLA	500
	Brown	500
2/19	Tallant	800
		130
		110
		225

Messrs. George D. Dorroh
and M. M. McCormick, partners
511 Citizens Bank Building
Lexington, Kentucky

Re: Docket No. OME-6011 (Mica)
George D. Dorroh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2081

Gentlemen:

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

We sincerely regret that the work performed did not result in a certification of possible production 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 contract. 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 OME exploration program.

Sincerely yours,

Acting Director

Copies to:
Mr. Earl Smith, Clay City, Kentucky
Mr. Arnold Caudell, Campton, Kentucky
Mr. John C. Heuer, 310 Willow Road, Muncie, Indiana

GLAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
CA&A Division
OME Field Team, Region V (2)
M. L. Skow, USBM
Harold Kirkemo, USGS
Code 500
Docket Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18		500
		500
		800
2/23	Selfridge	120
		110
2-23	gad	225

FEB 23 1960

Mr. Earl Smith
Clay City, Kentucky
and
Mr. Arnold Caudell
Campton, Kentucky

Re: Docket No. OME-6011 (Mica)
George D. Dorroh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Gentlemen:

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

This correspondence relates to the Lien and Subordination Agreement signed by you on March 24, 1959, under the OME program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure

GLAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
OME Field Team, Region V (2)
Code 500
Docket
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18	[illegible]	500
	[illegible]	500
2/18	[illegible]	800
		130
		110
		225

Mr. Earl Smith
Clay City, Kentucky
and
Mr. Arnold Caudell
Campton, Kentucky

Re: George D. Dorreh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Gentlemen:

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

This correspondence relates to the Lien and Subordination Agreement signed by you on March 24, 1959, under the OME program.

Sincerely yours,

Acting Director

Enclosure

G LAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
OME Field Team, Region V (2)
Code 500
Docket
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18		500
		500
		800
2/23	Selfridge	120
		110
2-23	gad	225

FEB 23 1960

Mr. John C. Heuer
310 Willow Road
Muncie, Indiana

Re: Docket No. OME-6011 (Mica)
George D. Dorroh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Dear Mr. Heuer:

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

This correspondence relates to the Lien and Subordination Agreement signed by you on February 14, 1959, under the OME program.

Sincerely yours,

(signed) FRANK E. JOHNSON

Acting Director

Enclosure:

GLAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
OME Field Team, Region V (2)
Code 500
Docket
Chron

43683

MME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
2/18	GLA	500
	[illegible]	500
2/19	[illegible]	800
		130
		110
		225

Mr. John C. Heuer
310 Willow Road
Muncie, Indiana

Re: George D. Dorroh and
M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Dear Mr. Heuer:

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

This correspondence relates to the Lien and Subordination Agreement signed by you on February 14, 1959, under the OME program.

Sincerely yours,

Acting Director

Enclosure:

GLAult/a 2-18-60
cc to: Director's Reading File
Operating Committee
OME Field Team, Region V (2)
Code 500
Docket
Chron

43683

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 19 1959

DATE	INITIALS	CODE
11-19	gad	NRO
"	alt	500

~~November 17, 1959~~

Memorandum

To: Division of Minerals
Office of Minerals Exploration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: OME-6011 (mica)

Applicant: George D. Dorroh and M. M. Mc Cormick

Name and Location of Property: Ed Robinson Property
Mitchell County, North Carolina

Contract Number: Idm-E 2001

Date of Field Team Final Report: November 9, 1959

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: November 13, 1959

Field Team Recommendation: Recommend that no certification be made.

Comments:

1. Contract work consisted of 100 feet of shaft sinking and 100 feet of cross-cutting and drifting.
2. Some large-diameter books were recovered but all were thin.
3. Although some good quality mica was recovered no reserves were outlined.
4. Expenditures -

Total approved	$8,464.00
Total cost	8,350.00
Gov't. share of the cost	4,175.00
Value of production during operation	?
Royalty	None

Recommendation:

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

Donald R. Irving

Donald R. Irving

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 12 1959

DATE	INITIALS	CODE
11-12	gad	220
11-12	JB	130
"	FEG	110
11-17	JB	130
11-17	gad	220
"	FEG	110
11/19	[illegible]	800
"	[illegible]	500

November 9, 1959

Memorandum

To: Operating Committee, OME - Washington

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

Subject: Field Team Final Report - OME-6011, Contract 2001.
Ed Robinson Property, Mitchell County, N.C.
Dorroh & McCormick, Operators.

The original and two copies of the subject report with maps attached, are enclosed.

The Field Team concurs with the Field Examiners that certification is not warranted.

FIELD TEAM
FINAL REPT

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

Reviewed by
OME OPERATING COMMITTEE
11-17-59
(date)

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

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DATE	INITIALS	CC
11-17	243	130
		225

OFFICE OF MINERALS EXPLORATION

FINAL REPORT
FIELD TEAM, REGION V

OME-6011, Contract 2001,-mica

ED ROBINSON PROPERTY
Mitchell County, N.C.

By

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

November 6, 1959

Reviewed by
OME OPERATING COMMITTEE
11-17-59
(date)

OFFICE OF MINERALS EXPLORATION

FINAL REPORT

OME-6011, Contract 2001, mica.

ED ROBINSON PROPERTY
Mitchell County, N.C.

SUMMARY

A tabular pegmatite body on the Ed Robinson Property has been explored by sinking 100 feet of vertical shaft and cross-cutting and drifting 100 feet. Two mica-poor pegmatites were found. The target pegmatite consists of fine- to coarse-grained plagioclase, perthite, quartz, muscovite, biotite, and garnet. Production from the contract work was about 200 pounds of generally poor quality heavy stained mica. Certification is not recommended. No additional exploration is warranted.

Introduction

Location: The Ed Robinson property is on the steep southwest slope of a low ridge about 800 feet north of the former Bandana Post Office, Mitchell County, North Carolina (Micaville, N.C.Quad, TVA, 1:24,000). The prospect is about 900 feet southwest of the well known Sinkhole mine. A dirt road turning off N.C. State Highway 80 at Silver Chapel leads to the property.

History: Extensive prospecting has been carried on at the Ed Robinson property over a number of years. Prospecting on the target pegmatite before the OME contract work consisted of three small cuts and two diamond drill holes.

Contract Work: Work on the Docket No. OME-6011, Contract 2001, began May 18, 1959. A two compartment vertical shaft was sunk for 101 feet, one foot at the Operator's expense. A thin stringer of pegmatite was intersected at the 65-foot level and a larger

lens of pegmatite at 77 feet. The target pegmatite was intersected near the bottom of the shaft. An 18-foot percussion drill hole in the northwest side of the shaft at the 97-foot level intersected 10 feet of pegmatite. From the 97-foot level a crosscut was driven to the northeast to intersect the footwall of the target pegmatite. A short drift was also driven from the shaft about 14 feet to the northeast along the thin pegmatite overlying the target pegmatite. The crosscut intersected the footwall of the main (target) pegmatite about 40 feet from the shaft. The footwall was followed for about 39 feet to the northeast and about 9 feet to the southwest.

The work was done by Mr. George Howell of Bandana. The shaft was timbered to a depth of 67 feet because of fractured gneiss which would not hold well. The shaft and level work were done efficiently and well.

Geology

Two pegmatite bodies were partly explored by the contract work. These are generally tabular bodies conformable with the foliation of the interlayered biotite-muscovite and hornblende gneiss country rock. The first and smaller pegmatite was intersected in the shaft at about 77 feet. It ranges from 4 to 10 feet in thickness. The pegmatite strikes northeast and dips generally southeast. The southwest end appears to be faulted where the pegmatite ends against a strong fault that is exposed in the shaft from at least the 75-foot level to the bottom.

The pegmatite is composed of fine-to coarse-grained perthite, plagioclase, quartz, and biotite. Books of biotite up to a foot in diameter but only 1/4 to 1-inch in thickness are present in the pegmatite.

The second and larger pegmatite is probably the target pegmatite intersected in the precontract drilling and poorly exposed in the three surface cuts. This pegmatite is 5 to 20 feet thick. It also strikes northeast and dips from 30° to 55° SE. It is composed of fine to coarse-grained plagioclase, perthite, quartz, muscovite, biotite, and garnet. Iron sulfides are common in fracture zones in the pegmatite.

The pegmatite is poorly zoned. It seems to be more perthite-rich near the center where it consists of medium to coarse-grained perthite, plagioclase, quartz, and biotite. The biotite is finer grained and occurs as thin layers in fractures. Toward the footwall the pegmatite contains more plagioclase and sheet muscovite. Very little sheet muscovite was found near the hanging wall.

Muscovite recovered near the footwall near the end of the crosscut about 30 to 40 feet from the shaft is of fair quality. It is ruby and free of specks. The books are generally small but some are as large as 4" by 5". Ruling and bending are the principal defects. Muscovite obtained along the footwall to the northeast is heavily stained with iron oxides and iron sulfides. Books as large as 6" by 8" were recovered but this mica is not strategic quality.

Both pegmatites contain evidence of post-pegmatite deformation. Large feldspar crystals have been crushed and books of sheet muscovite commonly bent or shredded. Shearing has produced a distinct foliation with small flakes of muscovite and fine grains of plagioclase wrapped around larger grains of perthite. Fine grains of garnet and seams of quartz are also present along some shear planes. Near the shaft there is a prominent set of joints striking northwest. These are apparently associated with the fault exposed in the shaft. The iron sulfides which stain some of the feldspar grains green may have been introduced during faulting.

Production

Production from the contract work amounts to about 200 lbs. of fair to generally poor quality muscovite. About 150 lbs of this mica is heavy stained and much of the rest is small size. No reserves can be calculated.

Conclusion and Recommendations

It is recommended that no certification be made. Although there was some good quality muscovite in the surface pits and a little recovered from the level work no mica shoots were found and no reserves of mica outlined. The sheared pegmatite found at the drift level is similar to areas of sheared pegmatite seen in the nearby Bammer mine. The Ed Robinson pegmatite, however, is not only mica-poor but also contains a high percentage of stained mica. No further exploration is warranted.

Expenditures

Total approved.....	$ 8,464.00
Total cost of project.....	8,350.00
Government's participation.....	4,175.00
Government's share unexpended.....	57.00
Value of production.....	?
Royalty.....	none

November 6, 1959

Frank Lesure, Geologist
U. S. Geological Survey (OME)

z

OFFICIAL FILE COPY

Date	Surname	Code
11-2	gad	220
"	Clt	100

NOV 2 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh & M. M. McCormick, partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

The original and three copies of a Report of Review, in lieu of a final audit of the subject project, are attached. Your explanatory memorandum dated October 28, 1959, answered the only question raised in the audit review.

If you concur with the facts as stated in this Report of Review, please make the normal distribution. If for any reason you do not concur, please return the original and all copies to this Division with your comments.

Attachments

EDTalbert/ama
November 2, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Mrs. Helen R. Miller

43683

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED NOV 3 1959

DATE	INITIALS	CODE
11-3	gad	VVO
11/3	[illegible]	800
"	alt	500

October 29, 1959

Memorandum

To: Operating Committee, OME - Washington

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

Subject: OME-6011, Contract No.2001(mica) Geo. D. Dorroh and M. M. McCormick, Ptnrs. Ed Robinson property, Mitchell County, North Carolina.

The shaft location on the Operator's map is incorrect, as we reported in our memo to Mr. Talbert yesterday.

The southeast corner of the shaft is about 160 feet N60°W from the cemetery corner. The heading of the northeast drift is 125 feet from the east property line. These locations will show on the map in the Field Team report, which will be completed as soon as we receive Mr. Talbert's Report of Review.

Robert A. Laurence

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

V. J. Lynch

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

Official
original to Audit

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.
October 28, 1959

EXTRA COPY O. M. E. RECEIVED OCT 30 1959		
DATE	INITIALS	CODE
10/30	gad	VVO
10/30	Elt	500

Memorandum

To: Mr. E. D. Talbert, Acting Chief, Contract Admin. and Audit Division, OME

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

Subject: OME-6011, Contract No.2001(mica). George D. Dorroh and M. M. McCormick, Lexington, Ky.
Ed Robinson property, Mitchell County, N. C.

All workings done under the contract are more than 125 feet from the exterior property lines. The main drift was stopped when it reached a point 125 feet from the line. Please note the enclosed map, which was prepared for the Field Team report. This was made from plane-table surveys and is accurate. The 100-foot line shown on the Operator's final report is incorrect.

Robert A. Laurence
Executive Officer, OME
Region V

V. J. Lynch, Member
Bureau of Mines

RAL/xm
cc
cc
Opr. Com.-2
Lynch

OFFICIAL FILE COPY

Date	Surname	Code
10/27	Alt	500
	Friauel	500
10/27	Talbert	800
10/27	GCS	130
10/27	Johnson	110
10-27	gad	220
		500

OCT 27 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick, Partners
Ed. Robinson Property
Mitchell County, North Carolina
Contract No. 2001

With reference to the Operator's final report for the cited contract, we note on the map attached to this report that the shaft was sunk 100 feet from the cemetery corner. As stipulated in Exhibit "A" of the contract, the Government will not contribute to the cost of any work that is within 125 feet of any exterior property boundary.

Please advise us if the location of the shaft as shown on the Operator's map is correct and, if this is not correct, please give us the proper location of the shaft with relation to the property boundary.

We would appreciate receiving this information at your earliest convenience.

/s/ George C. Selfridge

(JGB)

APPROVED:

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

Harold Kirkemo (JGB)
Member, Geological Survey

JWAlt/gla 10-27-59
cc to: Director's Reading File
Operating Committee
M. L. Skow, USBM
Harold Kirkemo, USGS

8623

Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
10-27	gad	220
10/28	alt	1500

OCT 26 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: E. D. Talbert, Acting Chief (Signed) E. D. Talbert
Contract Administration and Audit Division

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

As requested by your October 22 memorandum a review in lieu of a final audit has been made of the referenced contract. However, preparation of a Report of Review is being withheld pending clarification of the specific location of the workings in relation to the property lines.

Exhibit "A" of the contract provides that "The Government will not contribute to the cost of any work that is within 125 feet of any exterior property boundary". The map submitted by the Operator with his final narrative report specifically indicates that the project shaft is located 100 feet from an exterior property line stake.

The final (September 1959) MF-104, which was submitted with your memorandum, is returned herewith. Payment of the balance due the Operator should not be made until this matter of the location of the workings is settled and a Report of Review is released.

Attachment

EDTalbert/ama
October 26, 1959

Copy to: Docket
Director's Reading File
CA & A Division
Mrs. Helen R. Miller
Mr. Talbert

43683

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 26 1959

DATE	INITIALS	CODE
10-26	gad	VVO
10-26	dlt	VOO

October 22, 1959

Memorandum

To: Contract Administration & Audit Division, OME

From: Acting Executive Officer, OME Field Team, Region V

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick, Partners
Ed Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Work under the subject contract was completed September 30, 1959.

The units of work completed by the Operator and accepted by the Field Team are as follows:

1 - 100 feet of shaft sinking
2 - 100 feet of drifting and/or crosscutting

An acceptable final engineering and geological report has been received.

A total of $3,275.00 has been paid to date to the Operator, $900.00 having been withheld pending final audit and review.

A Report of Review, in lieu of final audit, is in order and requested.

V. J. Lynch

VJL/mg
cc - Mr. E. D. Talbert
Operating Committee (2)
Finance Office
Mr. R. A. Laurence
Mr. V. J. Lynch

DMEA FORM 6 REFERENCE SLIP

REV. 12-5[redacted] DEFENSE MINERALS EXPLORATION ADMIN[redacted]RATION

TO:	INITIALS	DATE
1. 500 - Alt - 10/26/59		
2.		
3.		
4.		
5.		
FROM: 800		

FOR: Check items for action desired

____ Action ____ Reply for signature of _____

____ Approval ____ Investigate ____ Surname

____ Comment ____ Recommendations ____ Signature

____ Conference ____ Rewrite ____ File

____ Instructions ____ Your information

REMARKS:

Pls. note map shows shaft 100 ft from property line, whereas Exh A of contract specifies no contribution to any work within 125 ft of property line!!!!

Talbert 10/23/59

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 11 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

October 21, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 23 1959

DATE	INITIALS	CODE
10-23	gad	220
		~~130~~
10/23	[illegible]	800
10/26	J.W.L.	500

Memorandum

To: Operating Committee, OME, Washington 25, D. C.

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

Subject: Docket No. OME-6011, Contract No. 2001 (Mica)
George D. Dorroh and M. M. McCormick, partners
Ed Robinson Property, Mitchell County, North Carolina

Enclosed are the original and two copies of the final engineering and geologic report pertaining to the subject contract.

Also enclosed are the unsigned original and six copies of Amendment No. 1 to the subject contract. The Operator preferred to use the money for drifting rather than long hole drilling and, therefore returned the Amendment unsigned.

V. J. Lynch

V. J. Lynch

Enclosures 2

NARRATIVE REPORT

ENGINEERING AND GEOLOGIC REPORT
as required by Art. 5c of contract

OME -6011-Mica
Ed Robinson Property
Mitchell County, N. C.
Contract No. 2001

Dorroh - McCormick
511 Citizens Bank Bldg
Lexington, Kentucky

FINAL REPORT -- Work began May 18, 1959 - Contract completed September 30, 1959.

Began sinking 5 x 7 feet shaft on May 18, 1959, and continued sinking shaft until reaching a depth of 100 feet below the surface. The shaft was lined with sawed oak lumber for a depth of 65 feet. There were two compartments to the shaft, one with steps leading down and the other for the opeeration of the bucket for muck, etc.

The shaft complied with all government and state regulations in construction.

For the furst 30 to 35 feet we encountered soft material, such as clay and rock and for the remainder of the 100 feet we were in black sandy shale.

After the shaft was completed we drove a 5 x 7 foot entry to the N. E. 14 feet from the bottom of the shaft. No mica was produced. (See map attached). We then drove an entry 31 feet on a NW course of about 20 degrees through vein material and came in contact with the north slate wall. In this we did not produce any mica of value-only about 30 or 40 pounds of very badly stained mica.

On reaching the north wall we then turned north about 45 degrees E for a distance of 45 feet, going parallel to the north wall. This was all in vein material but no mica of any value was produced.

The last 10 feet was driven in the opposite direction of the above mentioned entry from the foot of the shaft. There was no mica found in this entry.

The 100 feet of entry was completed on September 30, 1959 and together with the 100 foot of shaft as above mentioned completes the contract without any favorable results.

Attached is a sketch showing the location of the shaft and the entries, marked in red, which were run in the bottom of the mine.

COPIES FINAL REPORT

Government's Copy

EXPLORATION CONTRACT
GEORGE D. DORROH AND M. M. McCORMICK
DOCKET NO. OME-6011

AMENDMENT NO. 1

It is agreed this 28th day of August, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and George D. Dorroh and M. M. McCormick, partners, hereinafter called the "Operator," that Exploration Contract No. 2001 (Docket No. OME-6011), dated April 29, 1959, hereinafter called the "Contract," is hereby amended, effective the date of the contract.

In Exhibit "A," under Description of the Work, Item 3, delete the figure "100" and substitute the figure "98."

Add Item 4:

From the underground workings drill not more than three percussion drill holes into the footwall to determine the presence or absence of a favorable pegmatite dike. The total amount of drilling shall not exceed 72 feet.

Under Fixed Unit Costs, in Item 3, delete the figure "100" and substitute the figure "98," and delete the figure "$3,600.00" and substitute "$3,528.00."

Add Item 4:

Percussion drilling, 72 feet @ $1.00/ft. $72.00

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate

amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By George C. Selfridge
Acting Director, Office of
Minerals Exploration

George D. Dorroh (Partner)

M. M. McCormick (Partner)

August 28, 1959

EXPLORATION CONTRACT
GEORGE D. DORROH AND M. M. McCORMICK
DOCKET NO. OME-6011

JUSTIFICATION FOR AMENDMENT NO. 1

We concur with the Field Team that the Operator be allowed to drill three percussion drill holes into the footwall from the underground workings to determine the presence or absence of a favorable pegmatite in that area. Due to faulting and shearing, it has been difficult to locate the original target.

J. W. Alt

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

October 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED OCT 14 1959

DATE	INITIALS	CODE
10/14	RCW	225
10/14	[illegible]	800
10/15	alt	500

Mr. George D. Dorroh
511 Citizens Bank Bldg.
Lexington, Kentucky

Re: OME-6011-Mica
Ed Robinson Property
Mitchell County, N.C.
Contract No. 2001.

Dear Mr. Dorroh:

Your September voucher and narrative report has been received. As this is your final report, we cannot process it for payment until we have your final engineering and geologic report, as required by Article 5c of the contract. Please send me this report at your earliest convenience.

As it did not become necessary to amend the contract to provide for percussion drilling, please return to me, unsigned, all the copies of the proposed amendment No.1 which I sent you on August 31. If this is returned unsigned, we can approve payment for the entire 100 feet of drifting; if signed we can pay for only 98 feet.

Very truly yours,

Robert A. Laurence
Executive Officer, OME
Region V

RAL/sm
cc
Opr. Com-2
Lynch
Files

OFFICIAL FILE COPY

Date	Surname	Code
9/4	abt	500
	[illegible]	500
9/4	Talbert	800
		~~130~~
	Sellards	100
9-4	gold	220
		500

SEP 4 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: ACTING Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick, Partners
Ed. Robinson Property
Mitchell County, North Carolina
Contract No. 2001

With reference to your memorandum, dated August 31, 1959, regarding the cited contract, we wish to advise you that the 98 feet of drifting and the $3,528.00 are now maximums as set forth in Amendment No. 1. You have stated that you already have authorized the Operator to do 20 feet of percussion drilling at a cost of $20.00; therefore, there would be only $52.00 left to do additional drifting beyond the 98 feet now allowed. In order to do this additional drifting, an amendment would have to be prepared to allow this work. We cannot see that this small amount of additional drifting would warrant the preparation of an amendment.

Unfortunately, the 1959 funds were granted as a single-year appropriation and expired for obligation purposes on June 30, 1959. However, the 1960 appropriation is a continuing appropriation and will be available for obligation purposes after June 30, 1960; therefore, we will not have this problem with future contracts. Under the DMEA program we operated under a similar continuing fund and, therefore, could increase the amount of the contract in a later fiscal year.

(S) W. R. Griswold (FLB)

APPROVED:

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

Harold Kirkemo (FLB)
Member, Geological Survey

JWAlt/gla 9-4-59
cc to: Director's Reading File
Operating Committee
M. L. Skow, USBM
Harold Kirkemo, USGS
Docket
Chron

8623

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
Room 11, Post Office Building
Knoxville 2, Tennessee

August 31, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED SEP 2 1959

DATE	INITIALS	CODE
9-v	gad	vvo
		~~1vo~~
9/3		800
9/3	alt	500

Memorandum

To: Operating Committee, OME, Washington 25, D. C.

From: Field Team, Region V, Knoxville, Tennessee

Subject: OME-6011, Contract No. 2001 (Mica)
George D. Dorroh and M. M. McCormick, partners
Ed Robinson property, Mitchell County, North Carolina

We have forwarded the proposed Amendment No. 1 to the Operator for execution.

However, our intention in requesting this amendment was to authorize drill holes, if they should be needed after completion of the drifting (except for one, already drilled at our suggestion). Thus, if it appears that the holes are not needed, is it then permissible to do more than 98 feet of drifting, or are 98 feet and $3528 now maximums?

Is this a new OME regulation, that the amount cannot be increased in a later fiscal year? Under DMEA, we had several contracts on which the original amount was increased in a later fiscal year, and we assumed that the $60 for this drilling could be added to the original amount.

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

OME Form 7
(10-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/28	alt	500
	Murray	500
	Fisher	800
		130
8/28	Selfridge	~~100~~
8/28	gad	220
		500

AUG 28 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: ACTING Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Hica)
George D. Dorroh and M. M. McCormick, partners
Ed. Robinson Property
Mitchell County, North Carolina
Contract No. 2001

In compliance with your memorandum of August 19, 1959, we have prepared a proposed Amendment No. 1 for the cited contract.

Attached are the original and four copies of a proposed Amendment No. 1 (2 pages), signed by the Acting Director for the Government. Also attached are two extra copies for the use of the Field Team.

In order to comply with your request to allow the Operator to do percussion drilling, we have reduced the amount of drifting to 98 feet. The amount of the original contract was obligated out of fiscal year 1959 funds and cannot be increased; therefore, we cannot add any more money to the contract.

If the proposed amendment meets with your approval, present it to the Operator for execution. Copies of the executed amendment are to be distributed in the usual manner. If any part of this proposed amendment does not have either your approval or that of the Operator and cannot be amended within your delegated authority, the original and all copies of the amendment are to be returned to this office, together with the proposed changes.

/s/ W. R. Griswold (24B)

Enclosures
APPROVED:
Frank D. Lamb (24B)
Member, Bureau of Mines

Harold Kirkemo (24B)
Member, Geological Survey

JWAlt/gla 8-28-59
cc to: Director's Reading File
Operating Committee
M. L. Skow, USBM
Harold Kirkemo, USGS

43683

Government's Copy

Delete Amendment Re-written

EXPLORATION ~~PROJECT~~ CONTRACT
GEORGE D. DORROH AND M. M. McCORMICK
DOCKET NO. OME-6011

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and George D. Dorroh and M. M. McCormick, partners, hereinafter called the "Operator," that Exploration Contract No. 2001 (Docket No. OME-6011), dated April 29, 1959, hereinafter called the "Contract," is hereby amended, effective the date of the contract.

In Exhibit "A," under Description of the Work, Item 3, delete the figure "100" and substitute the figure "98".

Add Item 4:

From the underground workings drill not more than three percussion drill holes into the footwall to determine the presence or absence of a favorable pegmatite dike. The total amount of drilling shall not exceed 72 feet.

Under Fixed Unit Costs, in Item 3, delete the figure "100" and substitute the figure "98," and delete the figure "$3,600.00" and substitute "$3,528.00."

Add Item 4:

Percussion drilling, 72 feet @ $1.00/ft. $72.00

This amendment shall not be construed to increase the estimated total cost of the project, the aggregate

8/27 Thyrch
8/27 Sollen
App'd. Sol. Off.

amount which the Government may be required to contribute, nor the fixed unit cost of any item of work.

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By _____
Acting Director, Office of
Minerals Exploration

_____
George D. Dorroh (Partner)

_____
M. M. McCormick (Partner)

Form 7
(0-58)

OFFICIAL FILE COPY

Date	Surname	Code
8/25	[illegible]	500
		500
8/26	[illegible]	140
	[illegible]	

August 25, 1959

Memorandum

To: Associate Solicitor
Division of Mineral Resources

From: W. R. Griswold, Chief
Division of Minerals

Subject: Preparation of Amendment No. 1
Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick, partners
Ed. Robinson Property
Mitchell County, North Carolina
Contract No. 2001

Will you please prepare Amendment No. 1 for the cited contract. A draft of the proposed amendment is attached to this memorandum.

SOLICITOR

AUG 25 1959 RECEIVED

INTERIOR DEPT. AUG 25 1959

ASSOC. SOLICITOR
MINERAL RESOURCES

Attachment

JWWlt/gla
cc to: Docket
Chron

43683

DRAFT
JWAlt/gla
8/25/59

Docket copy

AMENDMENT NO. 1

It is agreed this _____ day of _____, 1959, between the United States of America, acting through the Department of the Interior, Office of Minerals Exploration, hereinafter called the "Government," and George D. Dorroh and M. M. McCormick, partners, hereinafter called the "Operator," that Exploration Contract No. 2001 (Docket No. OME-6011), dated April 29, 1959, hereinafter called the "Contract," is hereby amended, effective the date of the contract.

In Exhibit "A," under Description of the Work, Item 3, delete the figure "100" and substitute the figure "98".

Add Item 4:

From the underground workings drill not more than three percussion drill holes into the footwall to determine the presence or absence of a favorable pegmatite dike. The total amount of drilling shall not exceed 72 feet.

Under Fixed Unit Costs, in Item 3, delete the figure "100" and substitute the figure "98," and delete the figure "$3,600.00" and substitute "$3,528.00."

Add Item 4:

Percussion drilling, 72 feet @ $1.00/ft. $72.00

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

Executed in quintuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

By_____
Acting Director, Office of
Minerals Exploration

GEORGE D. DORROH ~~(Partner)~~

_____(Partner)

M. M. McCORMICK

_____(Partner)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.
August 19, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 21 1959

DATE	INITIALS	
8-21	gad	vro
		730
8-24	Alb	500

Memorandum

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

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

Subject: OME-6011, Contract No.2001 (mica) George D. Dorroh and M. M. McCormick, Lexington, Ky.
Ed Robinson Property, Mitchell County, N.C.

At completion of the shaft on this project, there was some uncertainty as to whether the pegmatite intersected there was the main target dike. Therefore, at the suggestion of our Field Examiner, the Operator drilled a 20-foot per cussion hole into the footwall, revealing a larger pegmatite dike. At present, a crosscut is being driven through this pegmatite but its composition, structure, and lack of muscovite suggest that it too may not be the original target. The picture is complicated by faulting and shearing which cannot be detected in surface exposures. Therefore, it was suggested to the Operator that one or two holes be drilled into the footwall from the footwall drift, to determine the presence or absence of a favorable pegmatite dike in that area.

No such drilling is authorized in the contract. It is estimated that it will cost about $1 per foot. We consider these holes to be justifiable additions to the project work, and we think it is in the Government's interest to authorize and contribute to this additional $60 expenditure.

Therefore, we recommend preparation of an amendment to authorize three 20-foot percussion drill holes from the underground workings, at $1.00 per foot. Effective date of the amendment should be the same as that of the contract, in order to authorize the one already drilled at our suggestion.

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

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

August 17, 1959

Dorrok - McCormick
511 Citizens Union Bank Building
Lexington, Kentucky

Re: Contract 14-23-090-2001
OMK-6011

Gentlemen:

Reference is made to your July MF-104 and 104A covering the above contract.

Payment is being made today in the amount of $973.75, which is 50% of the approved total of $1947.50. Shaft sinking limited to 100 feet by contract, therefore footage claimed reduced by 1 foot.

Sincerely yours,

Helen R. Miller
Administrative Assistant

/hbm
Copies to R. A. Laurence
V. J. Lynch
E. D. Talbert
Morris files
Day files

OFFICIAL FILE COPY
O. M. E.
RECEIVED AUG 19 1959

DATE	INITIALS	
8-19	gad	vvo
8/20	[illegible]	800
8/21	[illegible]	500

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION

ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 12, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED MAY 14 1959

DATE	INITIALS	CODE
5/14	a	220
		600

Memorandum

To: Operating Committee, OME, Washington 25, D. C.

From: Acting Executive Officer, OME Field Team, Region V

Subject: Signed Contract No. 14-23-090-2001, Docket No. OME-6011
George D. Dorroh and M. M. McCormick, partners
511 Citizens Bank Building, Lexington, Kentucky
Ed Robinson Property (Mica), Mitchell County, North Carolina

Enclosed are the Government and Audit copies of the subject signed contract.

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

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

Enclosures 2

DMEA Form 20
March 1958

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

MEMORANDUM OF CONGRESSIONAL CALL

TO: Director, Division of Legislation (DL)

FROM: Administrator, DMEA _____ _____
Signature Date

Call from Cong Watts' (Ky) Office Date of call ~~April~~ May 5, 1959 Time 3:30 pm

State below subject of call and conclusions or action taken.

Miss (or Mrs) said Watts' constituents Dorroh and McCormick had complained about slow processing of their application (Docket 6011). I called back and told her that a contract had been mailed to Reg V April 30 for transmission to the applicant.

W. N. Chamberlain 5/5/59
Call received by Date

Prepare in duplicate when call is received. Send both copies to Administrator who will send original to DL and copy to DMEA Central Files. If call pertains to application or contract, copy will be recorded and filed in official docket.

34038

rm 7
8)

OFFICIAL FILE COPY

Date	Surname	Code
3/27	Houk	600
4/28	Talbert	800
4/29	GCS	130
"	Johnson	110
		~~120~~
		~~240~~
4/30	G	220
		600

APR 29 1959

600

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

Attached are the original and four copies of a proposed short-form contract signed by the Acting Director for the Government. It consists of the form, Annex I (2 pages), Exhibit "A" (2 pages), two Lien and Subordination Agreements forms, and one map. Also attached are two extra copies of Annex I and Exhibit "A" for Field Team use.

Please advise the Applicants that the 6% interest accrues from the date the money is made available, and like the principal is repayable only from the royalty on production.

If the proposed contract meets with your approval, present it to the Applicants for execution. Copies of the executed contract are to be distributed in the usual manner. If any part of this proposed contract does not have either your approval or that of the Applicants and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I and Exhibit "A" are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated April 13 and 16, 1959, by Mr. Donald R. Irving, USBM, and Mr. W. P. Williams, USGS, respectively, relating to the project are attached.

/S/ George C. Selfridge

Approved:
(sgd.) G. W. Josephson (GHB)
Member, Bureau of Mines

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

(GHB)

LGHouk:gad 4/27/59
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard
Mr. Skow, 3425

Attachments 11

43683

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

April 23, 1959

Memorandum

To: Acting Director
Office of Minerals Exploration

From: Acting Associate Solicitor
Division of Mineral Resources

Subject: Docket No. OME-6011 (mica)
George D. Dorroh and M. M. McCormick,
Partners, Ed Robinson property,
Mitchell County, North Carolina

We have drafted in final form the subject contract which you submitted to us on a routing slip dated April 16 on which Mr. Anderson asked for our "comments and suggestions". No doubt the latter request arises out of the fact that this is the first contract submitted to us under the new program.

The draft submitted by Mr. Anderson is in general entirely satisfactory, but we do have these comments which may also be useful for future reference:

- 1 -

The act and the regulations under which we are now operating require the applicant to furnish evidence that funds for the work are unavailable on reasonable terms from commercial sources. We assume that this requirement will often involve statements of assets, liabilities, and net worth; and representations that banks and other lending institutions have declined to lend money. No doubt the applicant can always furnish some "evidence" for the purpose; it is the sufficiency of the evidence that may be in question.

We think that the sufficiency of the evidence is a matter for administrative rather than legal determination. This office does not have auditors and accountants to weigh

the evidence in this respect. Moreover, we think the sufficiency and acceptance of the evidence is a matter of administrative discretion in the exercise of which this office can afford small aid, and which is not subject to question or attack.

Please advise us whether you agree with our ideas on this point. If you do, our action on proposed contracts submitted by you will always assume a finding by you that the applicant has submitted the required evidence and that the proposed contract is unobjectionable in this respect. We think that the file in each case should contain a finding by you to this effect for the sake of the record.

- 2 -

The rate of interest in Article I (c) should be inserted in the blank provided for that purpose.

- 3 -

When there are no claims, liens, or encumbrances, the word "none" should be inserted in the blank for that purpose in Article II.

- 4 -

The application shows that the applicants are partners, and we have therefore inserted the word "partners" after their names in the preamble.

- 5 -

We ordinarily accept land descriptions submitted to us without question, as we think the accuracy of the land description is a matter for engineering determination. However, in the current case, there appears to be some discrepancy between the metes-and-bounds description and the attached plat, which has been discussed with Mr. Anderson, and which we understand he will correct if necessary.

J. L. Hofflund

J. L. Hofflund

Attachments

IN REPLY REFER TO:

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

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 16 1959

DATE	INITIALS	CODE
4-16	C	220
		600

April 16, 1959

Memorandum

To: L. G. Houk, Office of Minerals Exploration

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Examination Report, OME 6011 (Mica)
G. D. Dorrah and M. M. McCormick, Ed Robinson property,
Mitchell County, North Carolina

The examining team report that geologic conditions on the applicant's property are favorable for the presence of undiscovered strategic mica reserves.

Previous exploratory work on the property consists of three small open cuts and two diamond drill holes. The work outlines a pegmatite that is 150 feet long and at least 140 feet deep.

Hard, ruby, book mica of good quality is exposed at the surface. The property is located near the Banner and Sinkhole mines. Those two mines are among the best in the district. Geologic relations suggest that the pegmatite on the applicant's property may be either an extension of the Sinkhole pegmatite or may be closely related genetically.

I agree with the recommendations of the examining team for approval of the application. Chances for success appear to be good.

W. P. Williams

W. P. Williams

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

April 13, 1959

Memorandum

To: Nonmetallic Minerals Division
Office of Minerals Exploration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: OME-6011 (mica)

Applicant: George D. Dorroh and M. M. McCormick

Name and Location of Property: Ed Robinson Property
Mitchell Co., N. C.

Date of Field Team Report: April 7, 1959

Date Rec'd. by Branch of Ceramic & Fertilizer Materials: April 13, 1959

Field Team Recommendation: Recommend approval of an exploration contract.

Comments:

1. Exploration by open cut and diamond drill holes has outlined a pegmatite zone with a strike length of over 150 feet and a down dip dimension of over 140 feet.

2. This pegmatite contains good-quality mica, and is in a zone of productive pegmatites (Sinkhole and Banner).

3. Proposed exploration outlined by the field team is consistent with good engineering practices and estimated costs are in line with other OME projects.

Recommendation:

I concur with the field team in recommending that assistance be granted.

Donald R. Irving

Donald R. Irving

OFFICIAL FILE COPY
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RECEIVED APR 14 1959
DATE
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UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF MINERALS EXPLORATION
ROOM 2-B POST OFFICE BLDG.
KNOXVILLE 2, TENN.

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE	INITIALS	CODE
4-9	C	226
4/14	26	130
4/14	C	220
		400

April 7, 1959

Memorandum

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

From: Field Team, Region V, Knoxville, Tennessee

Subject: Field Examination Report, OME-6011 (Mica)
G. D. Dorroh and M. M. McCormick, Lexington, Kentucky
Ed Robinson property, Mitchell County, North Carolina

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

We consider this prospect to have an excellent chance of providing a significant discovery, and we agree with the field examiners in recommending approval of a contract as outlined in the report. The revised proposal, as presented in this report, is preferable to the original proposal of the Applicants.

A vertical shaft is preferred to an inclined one because of (1) two definite pegmatite intersections providing a definite target in depth and (2) the deeply weathered terrain.

The position of the project area with relation to the lease boundaries was verified in the field by a Brunton - and - tape line run from drill hole no. 2 to the northwest corner of the cemetery, which is identified in the property description. Hole no. 1 is approximately 121 feet N. 10° E. from this corner and hole no. 2 is approximately 16 feet N. 45° W. from hole no. 1.

Reviewed by
OME OPERATING COMMITTEE
4-14-59
(date)

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

Enclosures 3

UNITED STATES

DEPARTMENT OF THE INTERIOR

OFFICE OF MINERALS EXPLORATION

Region V

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 9 1959

DATE	INITIALS	CODE
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FIELD EXAMINATION REPORT

OME-6011 (mica) ED ROBINSON PROPERTY
Mitchell County, North Carolina

F. G. Lesure, Geologist
Geological Survey

Wm. A. Beck, Mining Engineer
Bureau of Mines

April 6, 1959

Reviewed by
OME OPERATING COMMITTEE
4-14-59
(date)

OME
FIELD EXAMINATION REPORT

OME-6011(mica) ED ROBINSON PROPERTY
Mitchell County, No. Carolina

Applicants: G. D. Dorrah and M. M. McCormick
511 Citizens Bank Building, Lexington, Ky.

Summary

Three small open cuts and two diamond drill holes outline a tabular pegmatite with a strike length of at least 150 feet and a down-dip dimension of more than 140 feet. This pegmatite is parallel to the nearby Sinkhole pegmatite and contains muscovite of similar color and quality. Because of the extent of the pegmatite and its occurrence in a zone of productive pegmatites (the Sinkhole and Banner mines) the chances for a significant discovery of strategic mica seem good. We recommend that exploration assistance be granted. The Applicants proposal of 280 feet of shaft is much too ambitious, and we recommend 100 feet of shaft and 100 feet of drift.

Introduction

Location: The Ed Robinson property is on the steep southwest slope of a low ridge about 800 feet north of Bandana Post Office, Mitchell County, North Carolina (Micaville, N.C. Quad., TVA, 1:24,000). The prospect is about 900 feet southwest of the well known Sinkhole mine. A dirt road turning off N. C. State Highway 80 at Silver Chapel leads to the property.

Examination: An examination of the Ed Robinson property was made March 25, 1959. The Examiners, accompanied by Mr. Dorrah and Mr. McCormick, spent about four hours on the property mapping several surface pits and logging the core of the two diamond drill holes.

History: Extensive prospecting has been carried on at the Ed Robinson property over a number of years. At the north end of the property numerous shallow open cuts, small pits and several shallow shafts from the George mine (DMEA-3144). According to

to the Applicants, J. C. Heuer prospected the hill slope west of the old George workings with a bulldozer in 1958. He also sank a shallow shaft. The amount and quality of the mica recovered are unknown.

At the south end of the property near where the Applicants wh wish to explore, there is an old caved cut about 50 feet long near the bottom of the western hill slope. This cut is probably the Willis mine shown on Olson's map (1944, Economic Geology of the Spruce Pine Pegmatite District, North Carolina: N. C. Dept. of Consev. and Devel. Bull.43, plate 2). No history of this operation is available.

According to the Applicants the two small prospect pits above the Willis mine were dug by J. C. Heuer in 1958. These pits are in weathered pegmatite that is probably the same pegmatite body explored in the Willis cut. Some mica was recovered from both cuts but the amount and quality are unknown.

In December 1958 the Applicants drilled two diamond drill holes naar the southeast corner of the property. Hole No. 1 was drilled 250 feet at -60° N35W; hole No.2 was drilled 150± feet at -80°. Both holes intersected pegmatite that is probably the downward extension of pegmatite exposed in the nearby open cuts.

<u>Facilities:</u> There are no buildings on the property. Water and electricity are available nearby. The Applicants have no equipment. They intend to employ some local labor and also

some outside miners. Mr. McCormick is a mining engineer with experience in coal mining.

Geology

The three open cuts at the south end of the Ed Robinson property expose pegmatite along a strike length of 150 feet. Exposures in all three cuts are deeply weathered. The pegmatite appears to be a tabular body striking northeast and dipping steeply southeast. It ranges in thickness from 6 to 12 feet. The crest of the body, exposed in the upper cut, plunges about 5° to the northeast. The country rock, also deeply weathered, is layered muscovite-biotite gneiss.

In the exposures the pegmatite is medium-to coarse-grained and is oomposed of kaolinized feldspar, quartz, and muscovite. Mica in books up to 9 inches across is present but is generally 3 by 4 inches. The mica is ruby, hard, and of good quality. Some of it is locky, somewhat wavy and cracked. There is a minor amount of black specks. The mica at the surface has a little clay stain.

The pegmatite in the drill logs (see attached logs) is fine-to coarse-grained. Near the walls the pegmatite is crudely foliated and sheared, similar to the pegmatite at the northeast end of the nearby Banner mine.

The pegmatite exposed in the open cuts and that cut by the drill holes seem to form a tabular body that may be an extension of the main Sinkhole pegmatite as suggested by the Applicant.

A projection of the Ed Robinson pegmatite down to the present level of the Sinkhole workings, however, suggests that the Ed Robinson may be another body parallel to the Sinkhole pegmatite and about 100 feet to the southeast of the Sinkhole.

Drill Hole Logs

D D H No. I - 250' at -60°

Feet	Description
0-63	Reported to be weathered gneiss
63-112	Layered muscovite-biotite gneiss
112-115	Pegmatite, fine-grained, sheared. Composed of plagioclase, quartz and biotite.
115-121	Pegmatite, medium-to coarse-grained. Composed of plagioclase, perthite, quartz and muscovite.
121-122	Pegmatite, weathered, sheared. Composed of plagioclase, quartz and muscovite
122-125	Weathered biotite gneiss.
125-133.5	Layered muscovite - biotite gneiss
133.5-135.5	Pegmatite, fine-to medium-grained. Composed of plagioclase, quartz and muscovite.
135.5	Layered granitic gneiss - remaining core not logged. No pegmatite reported to bottom at 250 feet.

D.D.H. No.2 - 150' at-80°

0-63	Reported to be weathered gneiss
63-120.5	Layered muscovite-biotite gneiss
120.5-124.5	Pegmatite, fine to medium-grained. Composed of plagioclase, quartz, perthite, scrap muscovite and garnet.
124.5 -133.0	Pegmatite medium-to coarse-grained. Composed of perthite, plagioclase, quartz and muscovite with accessory biotite and garnet.
133.0-144	Pegmatite, fine-to medium-grained, sheared. Composed of plagioclase, perthite, quartz and muscovite.
144-150	Gneiss

Recommednations

We recommend that exploration assistance be granted. The surface exposures and two drill hole intersections suggest the presence of a tabular pegmatite with a strike length of over 150 feet and a down-dip extension of more than 140 feet. Although no full intersections of sheet mica are present in the drill holes, good quality mica is present in the surface cuts. The closeness to the Sinkhole and Banner pegmatites and the presence of mica of similar color and quality suggest that a significant discovery might be made.

The Applicants proposal of 280 feet of shaft is not justified as an exploration program because the deepest drill hole intersection is only 140 feet below the surface. As an alternative plan we recommend sinking 100 feet of vertical shaft about 160 feet N60°W of the northwest corner of the cemetery mentioned in the lease. From the bottom of this shaft 100 feet of drift would be driven to explore for mica concentrations. A vertical shaft instead of an inclined one is believed best because of the deep saprolite present in the drill holes.

The Applicants cost estimates are higher than the average cost of DMEA projects in the district because they are based on union wages.

Alternate OME -6011 (mica) Estimated Costs

Construct:	Hoist and toolhouse	$100.00	
	Powder Magazine	25.00	
	Exploder Magazine	15.00	
	Total construction.....		$ 140.00

Sink 100 feet of two-compartment shaft 5 x 7 feet inside dimension (67 shifts).

use 1.6'/Sh. = 63 shifts

Equipment Rental:

1 - Compressor @ $150/Mo.	$500.00
1 - Hoist @ $50/Mo.	167.00
1 - Rock drill w/ hose @ $40/Mo.	133.00
1 - Sump Pump @ $40/Mo.	133.00
2- Electric Pumps @ $20/Mo. each	133.00
1 - Electric blower, 5 H.P. @ $50/Mo.	167.00
Total equipment rental.....	$1,233.00
use $300/mo. =	945.00

Labor:

1 - Foreman-Miner	- $14.00/shift
1 - Hoistman	- 12.00/shift
1 - Laborer	- 8.00/shift
Per 8 hour shift	$34.00
Total labor 67 shifts @ $34/shift....	2,278.00
63 shifts =	2,142.00

Supplies, Tax, and Insurance:

Gasoline and oil	$230.00
Electric power	150.00
Explosives	300.00
Drill steel	150.00
Timber, 5 M b.f.	325.00
Air, water, pump column and ventilation piping	210.00
Small tools and Misc.	200.00
Sales tax	42.00
Social Sec. and Ins.	273.00
Total supplies, etc...	1,680.00
Total estimated cost of shaft....	$5,191.00
	4757.00

Estimated cost/foot of shaft $51.91 use $47.50/ft.

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

use 2.2'/Sh. = 46 shifts

Equipment Rental:

1 - Compressor @ $150/Mo.	$375.00
1 - Hoist @ $50/Mo.	125.00
1 - Rock drill w/hose @ $40/Mo.	100.00
2 - Electric pumps @ $20/Mo. ea.	100.00
1 - Electric blower-5 h.p. @ $50	125.00
1 - Jackleg @ $25/Mo.	65.00
Total equipment rental.....	890.00
use 300/mo. =	690.00

Labor:

1 - Foreman-miner,	$14/shift	117
1 - Hoistman	12/ "	
1 - Laborer	8/ "	
Per 8 hr. shift..	$34.00 x 50 shifts.....	$1,700.00
	46 " =	1,564.00

Supplies, tax, and Insurance:

Gasoline and oil	$250.00	
Electric power	100.00	
Explosives	325.00	
Drill steel	125.00	
Piping, track, ventilation tubing, small tools, and misc.	300.00	
Sales tax	30.00	188.00
Social Security & Ins.	204.00	1318.00
Total supplies, etc.....		1,334.00

Total estimated cost of drifts and or crosscuts $3,924.00
3572.00

Estimated cost/ft of level work $39.24
use $36/ft.

Summary of Estimated

Construction	$140.00
Shaft, 100 ft.	$5,191.00
Level work, 100 ft.	3,924.00
Total cost.....	$9,255.00

Government participation @ 50%.....$4,627.50

F. G. Lesure, Geologist
Geological Survey

Wm. A. Beck, Mining Engineer
Bureau of Mines

z

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

APR 7 1959

Memorandum

To: L. G. Houk
Chief, Division of Nonmetallic Minerals

From: E. D. Talbert
Acting Chief, Division of Contract Administration and Audit

Subject: Financial Eligibility - Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

Bank letters are of recent dates and indicate suggested loans 2/16/59

The applicants submitted seven letters from three banks denying a requested loan of $15,000 for exploration purposes. None of these letters show the date of the loan request or the terms requested, as required by item 1(a) of the application form. Furthermore, as copies of the applicants' requests were not submitted with the application, there is no evidence that collateral was offered. However, the application states in item 1(c) that the applicants' 50% share of the costs in the proposed $27,110.80 project will be obtained principally by refinancing real property now owned by the applicants.

The financial statement dated March 31, 1959, of Mr. Dorroh shows a net worth of $36,497.44, including a $32,750.00 equity in two parcels of real estate, one of which is the applicant's home. This real estate is listed at an aggregate value of $52,500.00 against which are mortgages of $19,750.00. Refinancing might produce about $12,000.00 in cash.

Practically all other assets, including cash, stock and life insurance, have been used as collateral for bank loans. In fact, one loan of $7,500.00 inexplicably is secured only by a $2,300.00 portion of a savings account; therefore, it is surmised that this is a character loan.

Mr. McCormick's March 23, 1959, balance sheet indicates a net worth of $15,700.00, including a $7,600.00 equity in his home. The balance of the net worth consists primarily of a second mortgage of $2,800.00 and a $3,000.00 oil lease, both of which are probably of negligible value as either liquid or collateral assets. Refinancing of his home might produce about $2,000.00 in cash.

In summary, it appears that refinancing of the real property held by these partners, together with the small amount of presently unencumbered cash, will not provide the funds required for financing a $27,110.80 project in its entirety.

OFFICIAL FILE COPY

Date	Surname	Code

600

April 6, 1959

Memorandum

To: Division of Contract Administration and Audit

From: Chief, Division of Nonmetallic Minerals

Subject: Financial eligibility - Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

Please review the attached financial statements of Messrs. M. M. McCormick and George D. Dorroh and comment on their financial eligibility.

Attachment

LGHouk:gad 4/6/59
Copy to: Dir. R. File

43683

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

April 3, 1959

OFFICIAL FILE COPY
O. M. E.
RECEIVED APR 6 1959

DATE		
4/6	C	220
		600

Memorandum

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

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

Subject: Docket No. OME-6011 (mica) George D. Dorrah and M. M. McCormick, Applicants.
Ed Robinson Property, Mitchell County, N.C.

The enclosed data concerning the subject docket was received to day. It includes the following:

5 copies of Lien and Subordination Agreements (MME-Form 52)

4 copies of property description

4 copies of deed to property

4 copies of financial statement of M.M.McCormick

4 copies of financial statement of Geo. D. Dorrah

This is in response to your letter of March 13.

The Field Examination report on this docket is in preparation and will be forwarded within the next few days.

Robert A. Laurence

Robert A. Laurence

Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
		600
3/13	GCS	130
"	Jones	110
		~~100~~
		~~115~~
3/16	C	220
		600

MAR 13 1959

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

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

Copies of memoranda dated March 2 and 9, 1959, 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.

If the field examination indicates that a loan can be recommended, the applicants should be requested to submit a recent detailed statement showing the assets and liabilities of the partnership and statements of each partner showing his net worth, excluding his interest in the partnership. The percentage of interest held by each in the partnership should also be given. The Field Team should provide the applicants with Lien and Subordination Agreements to be signed by Messrs. Earl Smith and Arnold Caudell for their 1% overriding royalty. The applicants should be required to provide an instrument conveying the property from Robinson to Hener. The Field Team should check the nearest corner to the work site and give a tie to it and the recording of the deed in Mitchell County Deed Book 121, Page 502.

George C. Selfridge (GCS)

Approved:

H. G. Iverson (HGI)
Member, Bureau of Mines

Thor H. Kiilsgaard (THK)
Member, Geological Survey

LGHouk/GCSelfridge/gad/fw/esf - 3/13/59
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, USBM
Mr. Selfridge

Enclosures 5

8623

Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/13	Houk	600
		130
		110
		100
		220

Memorandum

To: Executive Officer, OME Field Team, Region V

From: Chairman, Operating Committee, OME

Subject: Docket No. OME-6011 (Mica)
George D. Dorroh and M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

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

Copies of memoranda dated March 2 and 9, 1959, 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.

Change (If a contract is recommended, each partner should submit a net worth statement and a profit and loss statement for the calendar year 1958, and the relative interest of each of the partners in the partnership.) The Field Team should provide the Applicants with Lien and Subordination Agreements to be signed by Messrs. Earl Smith and Arnold Caudell for their 4% overriding royalty. The Applicants should be required to provide an instrument conveying the property from Robinson to Heuer. The Field Team should check the nearest corner to the work site and give a tie to it and the recording of the deed in Mitchell County Deed Book 121, Page 502.

Approved:

Member, Bureau of Mines

Member, Geological Survey

Enclosures 5

LGHouk:gad:fw-3/13/59
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, USBM

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
3/12	Houk	600
3/13	Selfridge	130
		110
		220
3/13	Lawrence	130
3/13	Kiilsgaard	9/30

600

MAR 13 1959

Messrs. George D. Dorroh and
M. M. McCormick
511 Citizens Bank Building
Lexington, Kentucky

Re: Docket No. OME-6011 (Mica)
George D. Dorroh and
M. M. McCormick
Ed. Robinson Property
Mitchell County, North Carolina

Gentlemen:

The application for assistance in exploring your property, under the captioned docket number, has been reviewed by the Division of Nonmetallic Minerals of the Office of Minerals Exploration. It has been referred to Mr. Robert A. Laurence, Executive Officer, OME Field Team, Region V, Room 2-B, Post Office Building, Knoxville 2, Tennessee.

The Regional Office will contact you in regard to your project if additional information is required. Any assistance you may give the members of the Field Team will be appreciated.

Sincerely yours,

Frank E. Johnson (for)

Acting Director

LGHouk:gad 3/12/59
Copy to: Dir. R. File
Operating Committee
Mr. Kiilsgaard, USGS
Mr. Dietrich, USBM
Field Team, Region V

8623

FILE
E.
9 1959
CODE
3/9 C 220
600

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

March 9, 1959

Memorandum

To: Nonmetallic Minerals Division
Office of Minerals Exploration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: OME 6011

Applicant: George D. Dorroh and M. M. McCormick

Name and Location of Property: Ed. Robinson Property
Mitchell County, North Carolina

Date Application Rec'd. by Br. of Ceramic & Fertilizer Mtls.: 2/27/59

Comments:

1. Applicants claim to have drilled two holes, one 250 feet and one 150 feet, both intersecting the "sink hole" vein; the first penetrating 12 feet of mica bearing material and the second 23 feet.

2. This deposit appears to have possibilities for the development of strategic mica.

3. The estimated cost in the amount of $27,110.80 for 280 feet of shaft and 100 feet of drift is approximately 60 percent higher than for equivalent work in the area under DMEA.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

AL FILE COPY
M. E.
MAR 3 1959

	INITIALS	CODE
3/5	C	220
		600

March 2, 1959
Re: OME 6011
George D. Dorroh &
M. M. McCormick
Robinson Property
Mitchell Co., N.C.
$27,110.80 - Mica

Memorandum

To: L. G. Houk, Office of Minerals Exploration

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

Subject: Review of application

The applicants request assistance in sinking a vertical shaft, 280 feet deep, to intersect the apparent extension of the Sinkhole vein.

The vein is said to have been cut in 2 drill holes, at depths of 150 and 250 feet. Mining in the Sinkhole Mine is being done, 320 feet from the line of the Robinson property.

Referral of the application to the Field Team is recommended.

N. E. Nelson

N. E. Nelson

February 27, 1959

Mr. George Dorroh and Mr. M. McCormick,
511 Citizens Bank Building
Lexington, Kentucky

Subject: OEE-6011

Gentlemen:

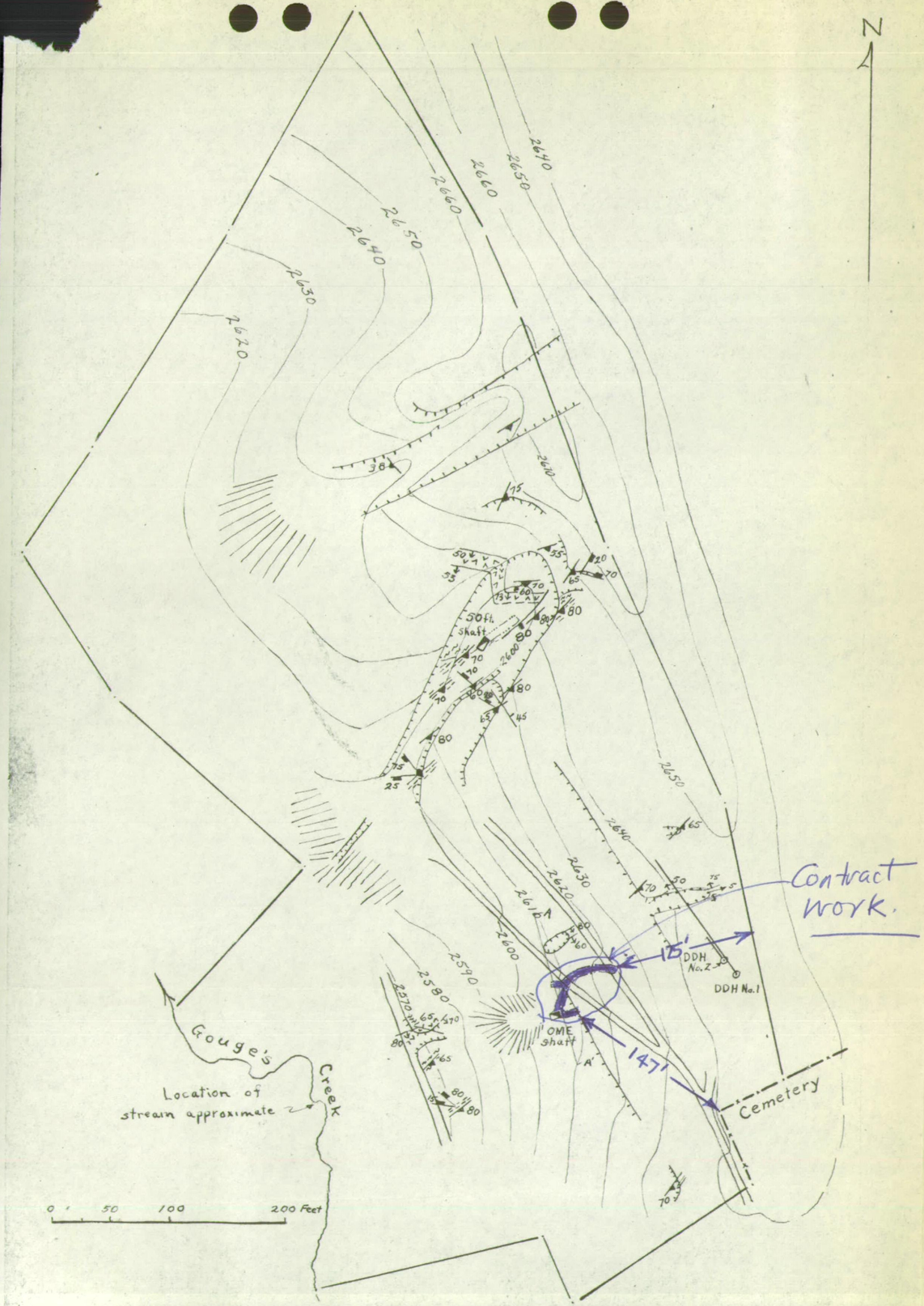
Your application for exploration assistance, dated February 2, 1959 submitted to our office at Knoxville, Tennessee has been assigned Docket Number OEE-6011 and referred to the Non Metallic Minerals Division in the Washington Office. Kindly identify all future correspondence relating to your application by this Docket Number.

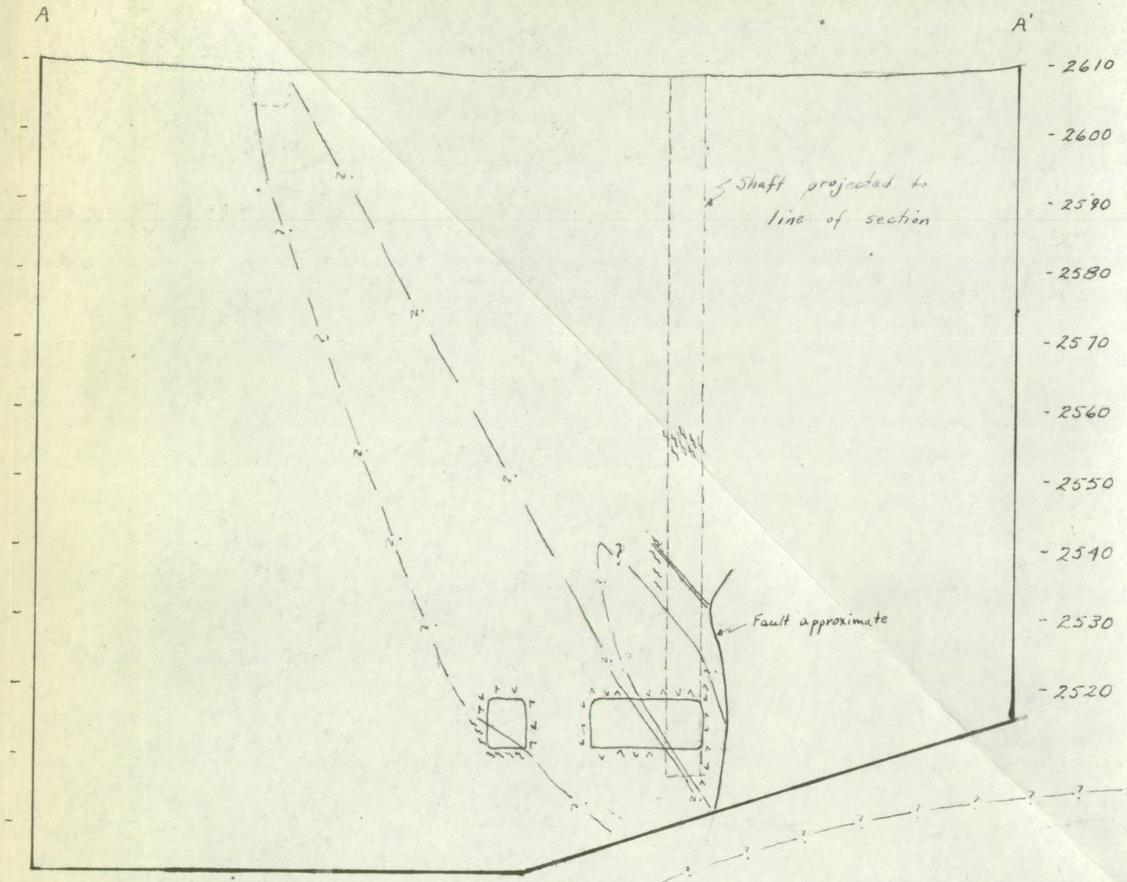
Sincerely yours,

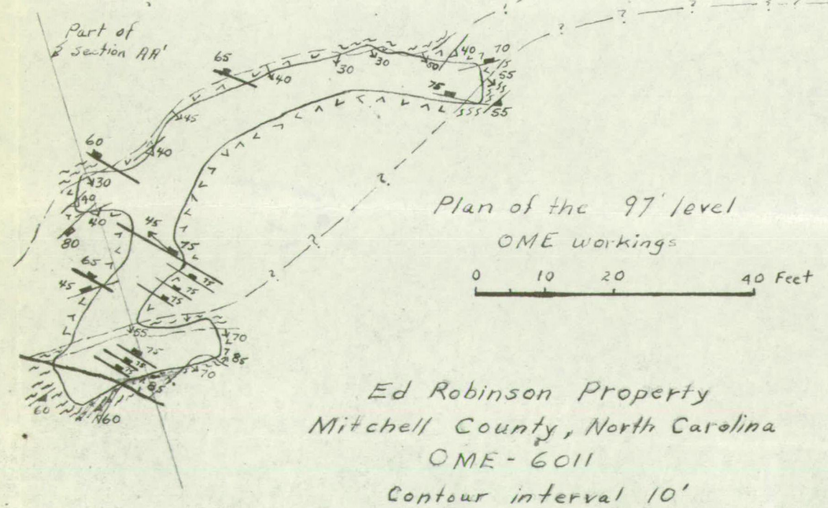
Allen S. Dakan, Chief
Operations Control and
Statistics Division

Docket No. OME - 6011 (Mica) - Dorroh and McCormick - Financial Status

	Assets								Liabilities			Net Worth
	Cash on Deposit in Banks	Real Estate	Stocks	Second Mortgage on Real Estate	Oil Lease	Life Insurance Cash Value	Automobile	Total Assets	Mortgage on Home	Security Against Savings and Stocks	Total Liabilities	Net Worth
Geo. D. Dorroh	$4792.00	52,500.00	5,111.00	—	—	5,794.44	1,200.00	69,397.44	13,250.00	19,650.00	32,900.00	36,497.44
M. M. McCormick	3,100.00	24,500.00	—	2,800.00	3,000.00	—	—	33,400.00	16,900.00	800.00	17,700.00	15,700.00
	7,892.00	77,00000	5,111.00	2,800.00	3,000	5,794.44	1,200.00	102,797.44	30,150.00	20,450.00	50,600.00	52,197.44





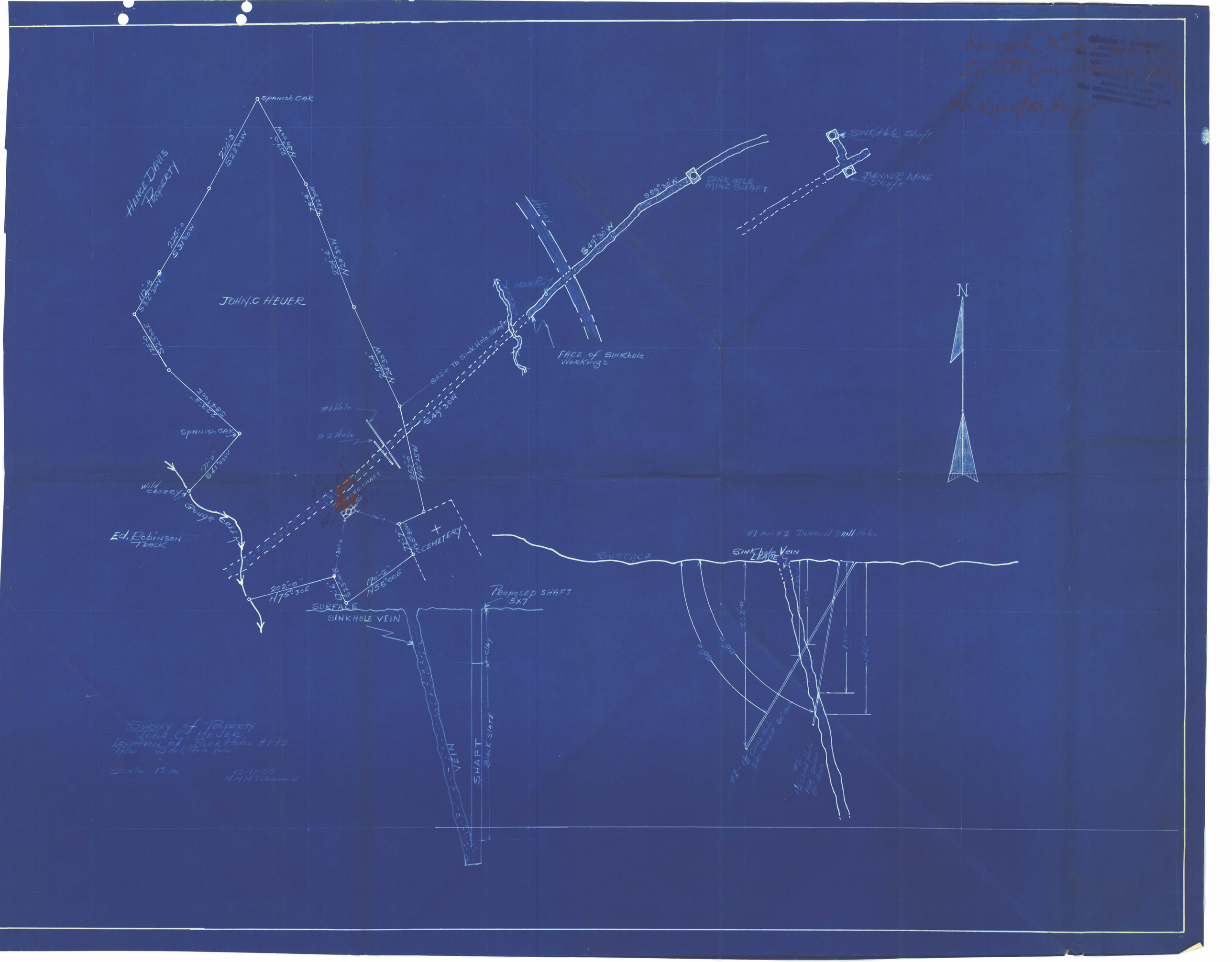


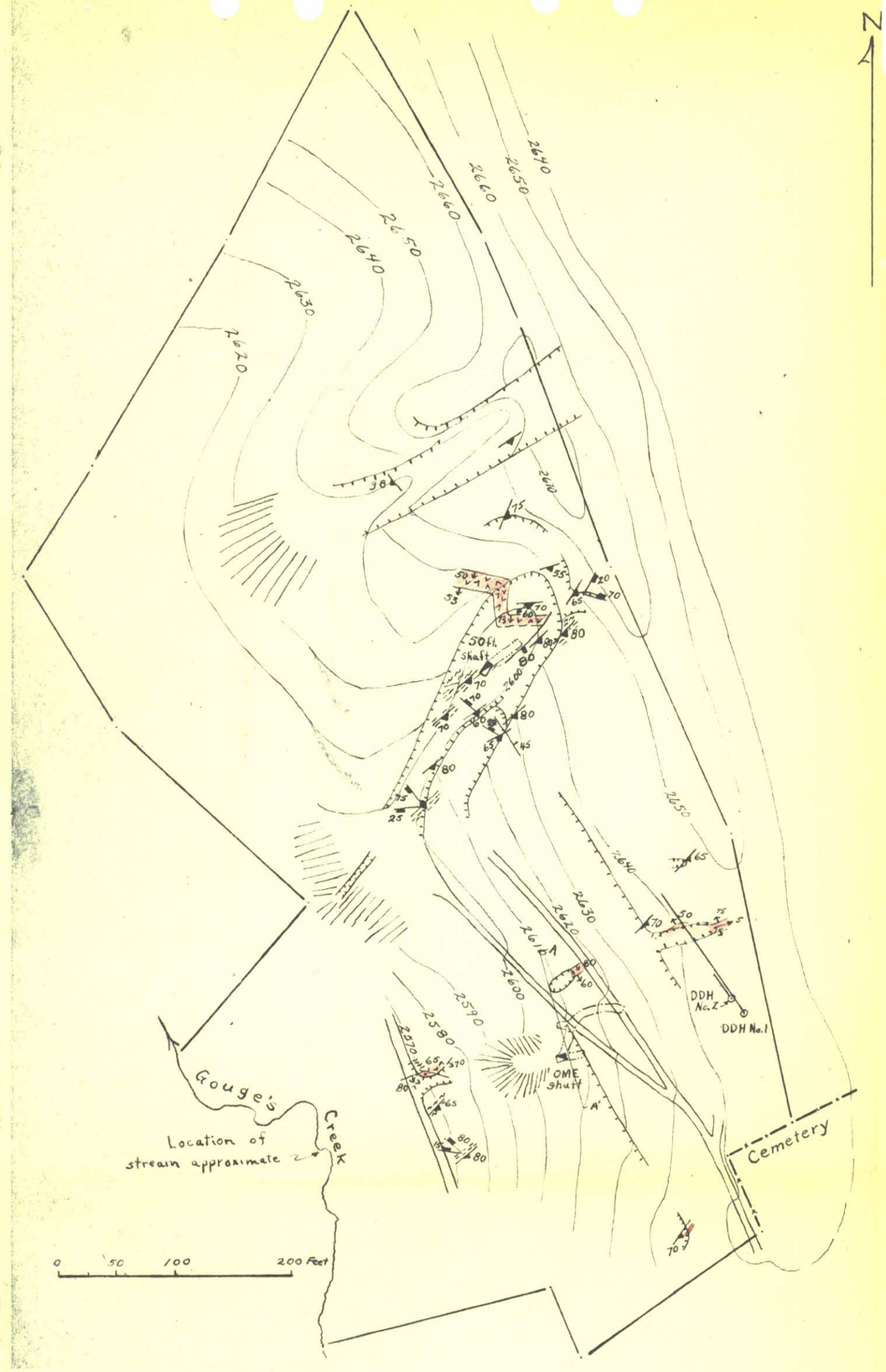
Explanation

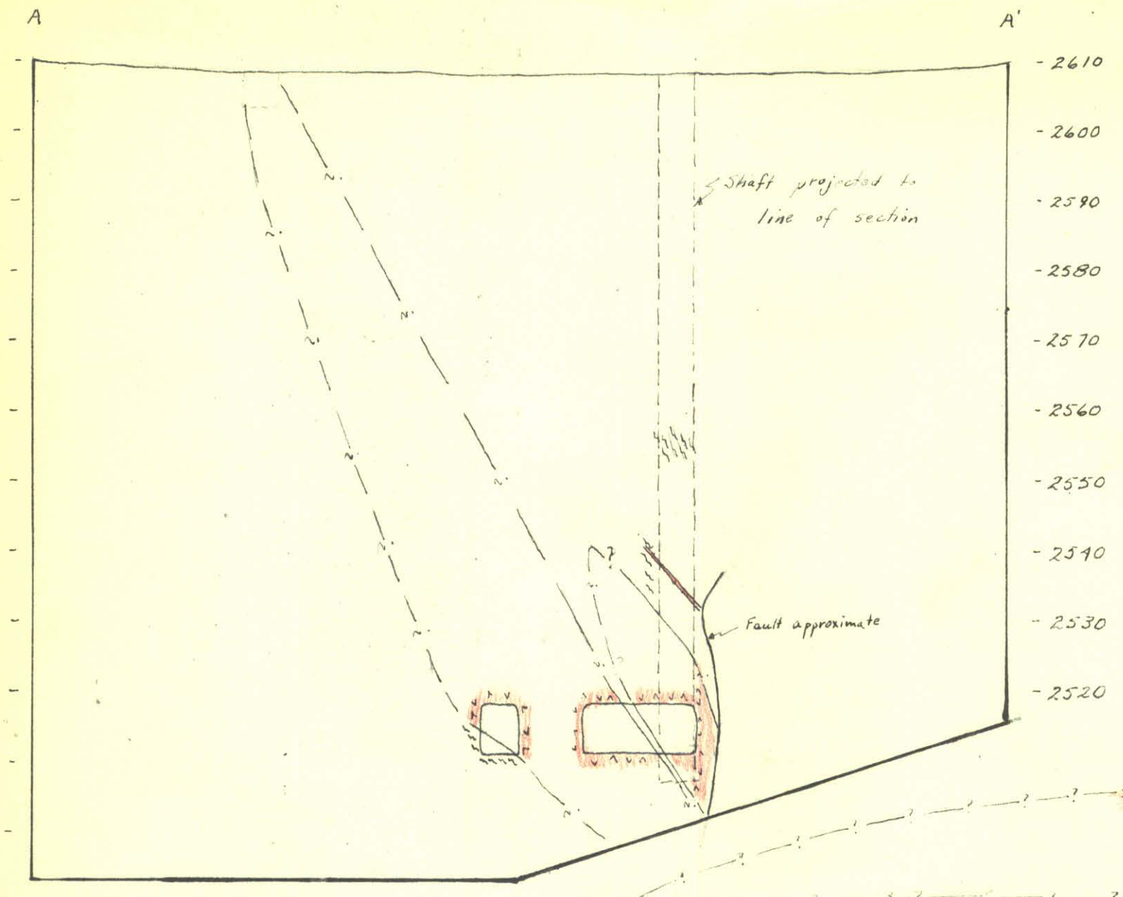
- Pegmatite
- Mica gneiss
- Hornblende gneiss
- Contact showing dip
- Strike and dip of foliation in gneiss
- Strike and dip of foliation in pegmatite
- Strike and dip of joint
- Strike and dip of fault
- Edge of opencut
- Dump
- Underground workings

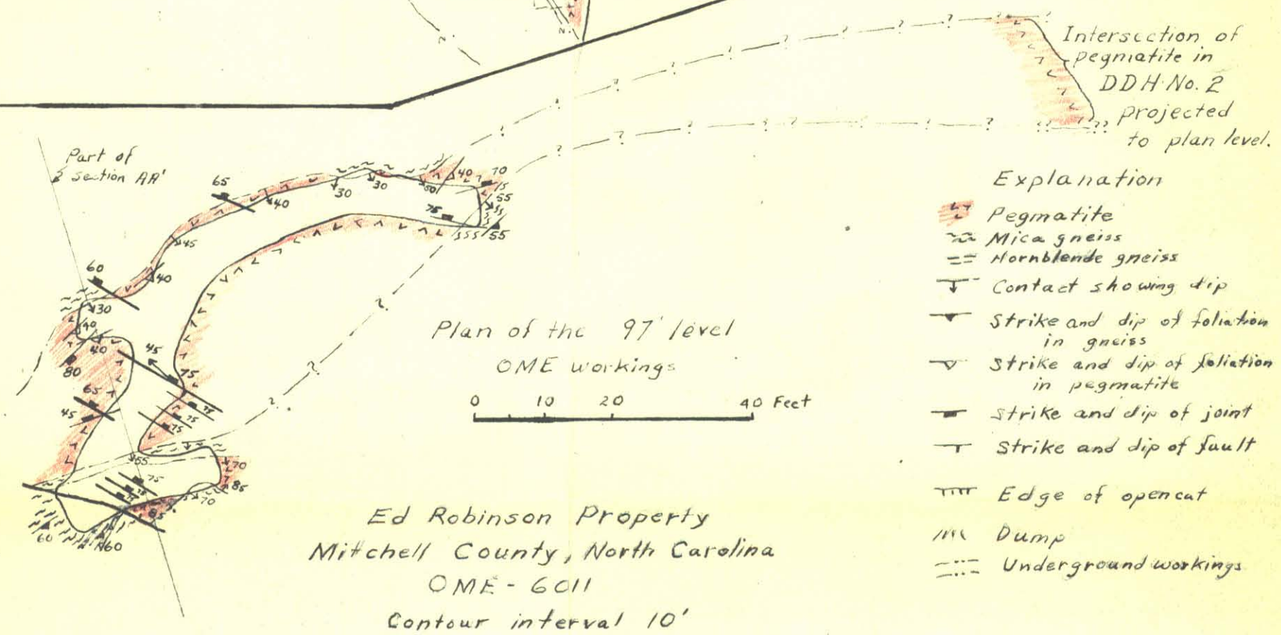
Ed Robinson Property
Mitchell County, North Carolina
OME-6011
Contour interval 10'
Base from unpublished U.S.G.S. planetable map by D.H. Amos & F.G. Lesure, 1957 & 1959

F.G.L. 12/59


HENCE DAVIS PROPERTY
JOHN C. HEUER
SPANISH OAK
SPANISH OAK
Wild Cherry
Gauge Creek
Ed. Robinson TRACK
CEMETERY
#1 Hole
#2 Hole
RED SHAFT
SINK HOLE MINE SHAFT
SINK Hole Shaft
BANNER MINE SHAFT
IRON PIN
FACE of SINKhole Workings
TO SINK Hole Shaft
N
SURFACE
SINKHOLE VEIN
PROPOSED SHAFT 5x7
VEIN
SHAFT
Black SLATE
Clay
SURFACE
SINK Hole Vein
LEADE
#1 and #2 Diamond Drill Holes
Survey of Property
John C. Heuer
Location of Bore Holes #1 & 2
Also Sink Hole Vein
Scale 1" = 100'
12-11-58
M.M. McCormick



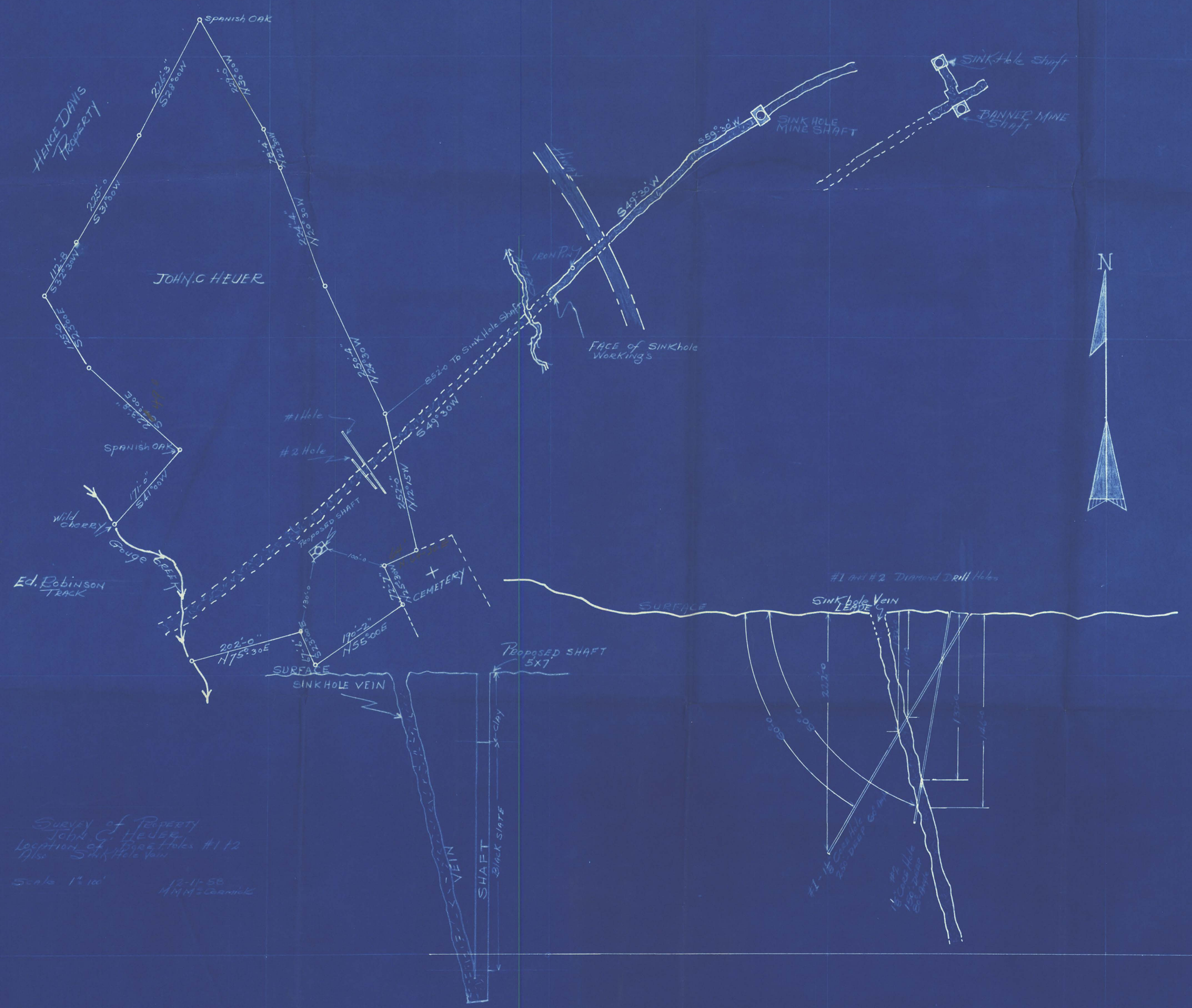


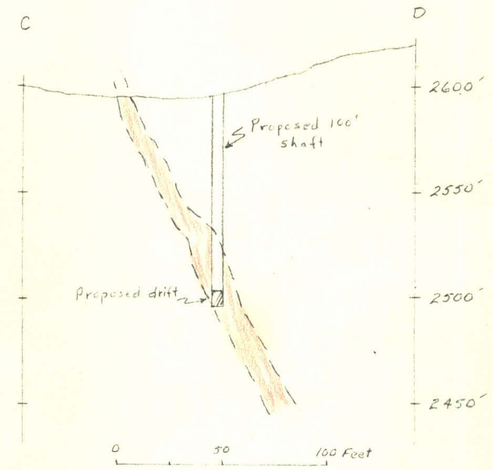


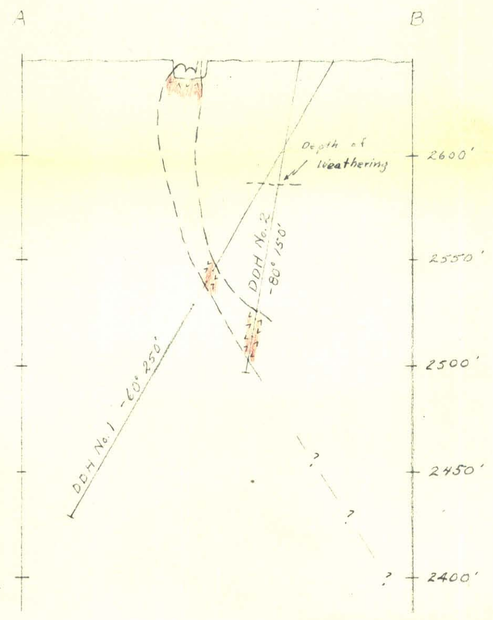
Ed Robinson Property
Mitchell County, North Carolina
OME - 6011
Contour interval 10'
Base from unpublished U.S.G.S. planetable map by D.M. Amos & F.G. Lesure, 1957 & 1959

F.G.L. 12/59

GEORGE D. DORSON
ATTORNEY AT LAW
844 CITIZENS-UNION BANK BLDG.
LEXINGTON, KENTUCKY







Projection to approximate level of Sinkhole workings

0 50 100 Feet

Explanation

- Pegmatite
- Contact showing dip
- Strike and dip of foliation & plunge of lineation
- Edge of cut
- Dump

Ed Robinson Property

Mitchell County, North Carolina

OME-6011

Contour interval 10'

Base unpublished U.S.G.S. plane table maps by D.H. Amos & F.G. Lesure, 1957
Contours in prospect area approximated

FGL 9/59