DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2906

DO NOT DETACH THIS SLIP

Action on this document is recorded and controlled in Reports and Records Branch. Any movement of this document between divisions or offices of DMA or movement outside DMA must be reported to the Reports and Records Branch. Actions taken that affect status of the case must also be reported.

This document has been recorded as
EXPLORATION ASSISTANCE

Any action taken to change the type of request for assistance must be promptly reported to the Reports and Records Branch. Use DMA Form 2 for submitting these reports.

One copy to USGS., TO USBM. AND TO REGION VII.

Routing Slip

To:	Code 600, Room 4637	Date	2/26/53
To:	Robertson	Date	3/3/53
To:	Ogw Com	Date	3-11-53
To:	Ogw Com	Date	4-15-53
To:		Date	
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CONTROLLED DOCUMENT

JUN 1 5 1953

[illegible]

[illegible]

[illegible]

[illegible]

Dear Mr. [illegible]

Reference is made to your letter of May 20, 1953, concerning the subject application [illegible] by [illegible] letter of your date, April 16.

The Board has considered and reconsidered as well the data presented by the [illegible] office. The Board is of the opinion that you should be informed that applicant conditioned is not a condition on the part of the Commission to grant the construction permit.

It appears to advise you that a series of the information contained in an indication that your company does not have the [illegible] necessary to qualify as the applicant [illegible].

Sincerely yours,

C. O. Mittendorf

Administrator

[illegible]/[illegible]ittendorf/gad/tw
6/1[illegible]/53
cc: [illegible] Reading File
Docket
[illegible] Chief, Reg. [illegible]
[illegible]r. [illegible]istrick, 3526
[illegible]r. Lurrabee, G-232 [illegible]
[illegible]r. [illegible]
Operating Committee

DMEA-2906
Mica
Region VII

TED HIGDON, CULLASAJA, NORTH CAROLINA. Lenoir Mine, Macon County, North Carolina.

Letter to the Applicant in reply to his letter of May 3, 1953, regarding denial of the application. The Applicant was advised that a review of the application indicates that the prospect does not meet criteria necessary to qualify for exploration assistance.

R

No. 200 DMEA-2906
Mica
4-8-53 Region VII

R

TED HIGDON, CULLASAJA, NORTH CAROLINA. Lenoir Mine, Macon County, North Carolina.

Field Report recommending denial. The report was referred to the Commodity Group.

No. 203 DMEA-2906
Mica
4-15-53 Region VII

R

TED HIGDON, CULLASAJA, NORTH CAROLINA. Lenoir Mine, Macon County, North Carolina.

Letter to the applicant denying the application.

DMEA-2906
Mica
Region VII

JR

MR. TED HIGDON, CULLASAJA, NORTH CAROLINA. Lenoir Mine, Macon County, North Carolina.

Letter to the Field requesting an examination and report, and enclosing copies of memoranda from the Bureau of Mines and the Geological Survey. Letter to the applicant.

188
3-11-53

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

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMEA-2906 - Mica
Lenoir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Reference is made by my letter to you dated concerning to your letter of May 3, 1953, on the subject application which was denied ~~on~~ April 16~~th~~.

The field team examination and recommendation on each specific property is reviewed by the Washington office. The fact that Mr. Teague suggested that you ~~put in~~ submit an application for exploration assistance is not a commitment on the part of the Government to grant the assistance. requested

We regret to advise you that a review of the information ~~shows~~ indicates that your prospect does not meet the criteria necessary to qualify it for exploration assistance.

Sincerely yours,

Administrator

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

April 20, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

I concur in the field team's recommendation to deny subject application on the basis that the mica is of poor quality.

Signed

W. F. Dietrich

6..

APR 1 6 1953

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMA-2906 - Mica
Lendir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Your application for aid for an exploration project and other data available to us in Washington concerning your mine have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of mica on your property, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:gad 4/13/53
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Larrabee, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

April 10, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review of Docket No. DMEA-2906 - Mica

A Denial (after field examination).

Contract: None
Property: Lenoir Mine
A four acre tract located four airline miles S. 70 W. of Franklin, Macon County, N.C.
Applicant: Ted Higdon, Lessee
Cullasaja, N. C.
Amount applied for - $4,100
Proposed work: A 60-ft. trench, a 40-ft shaft and 60 ft of drifting.

Docket Summary:

2/24/53 Application (NF-103) received. Also received copy of lease and six copies of Owner's Consent to Lien.
2/26/53 Application acknowledged.
3/11/53 Referred to Region VII for field team examination of mine.
4/2/53 Received field examination report by K. H. Teague, L. E. Shirley and Wm. A. Beck. A denial of application is recommended by field team.
4/10/53 Closing letter of denial prepared and attached hereto.

Resume: The following excerpts from the field examination report briefly describe the mine and the nature of the deposit.

"The workings consist of a single bulldozer trench along the pegmatite over a length of about 125 feet. The sides of the trench are slumped, thus the pegmatite is poorly exposed. The pegmatite strikes N. 70° E., dips 45° S.E., and averages 5 feet in thickness. The country rock is a highly decomposed biotite gneiss. In the southwestern part of the dike, a thin central rib of massive quartz and a well-defined one-foot hanging-wall mica zone are present. The rest

of the dike consists of an intergrowth of quartz and decomposed feldspar (probably microcline). The zones do not appear to be persistent, for in the shallow trench to the east of the shaft the strongest concentration of muscovite is along the footwall."

"The mica is deep green to greenish rum in color, and occurs in books up to 7 x 5 inches in size. Most of the books are cracked and warped, but reeves and "A" structures are uncommon. A little biotite occurs as intergrowths in some of the books. It is estimated that 90% of the mica contains abundant black mineral inclusions, and in a few books these spots are so densely distributed as to make the mica nearly opaque. Very few pieces of mica are sufficiently good quality to yield even punch."

"This deposit does not appear to offer sufficient promise for the production of strategic mica to justify exploration assistance, therefore, the application should be denied."

Comment: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that this application for exploration assistance be denied. Form of a letter of denial for transmittal to the applicant is attached hereto.

Jasper T. Robertson
Nonmetallic Minerals Division

Attachment

JTRobertson:gad 4/10/53

Copy to: Admr. R. File
Docket File
Mr. Houk

IN REPLY REFER TO:
G-MD-CNM

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

April 7, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2906 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 mi. S. 70° W. of Franklin, Macon County, North Carolina.
Date of field team report: March 30, 1953.
Authorship of field team report: Teague, Shirley, Beck.
Field team's recommendation: Denial.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-4/7/53
cc: Director's reading 4212
Branch reading 4211
DMEA 3 ✓
Larrabee G-230

IN REPLY REFER TO:
G-MD-CNM

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

April 7, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2906 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 mi. S. 70° W. of Franklin, Macon County, North Carolina.
Date of field team report: March 30, 1953.
Authorship of field team report: Teague, Shirley, Beck.
Field team's recommendation: Denial.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-4/7/53
cc: Director's reading 4212
Branch reading 4211
DMEA 3 ✓
Larrabee G-230

REFER TO:

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

April 7, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2906 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 mi. S. 70° W. of Franklin, Macon County, North Carolina.
Date of field team report: March 30, 1953.
Authorship of field team report: Teague, Shirley, Beck.
Field team's recommendation: Denial.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-4/7/53
cc: Director's reading 4212
Branch reading 4211
DMEA 3
Larrabee G-230

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

COPY

Room 13, Post Office Bldg.
Knoxville 2, Tennessee

March 31, 1953

Memorandum

To: Operating Committee, D M E A - Washington

From: Field Team, D M E A - Region 7

Subject: Field Examinations.

The following examinations were made by the Field Team and four copies each of the following are attached:

DMEA-2905, Lequire Mine (mica) North Carolina

DMEA-2906, Lenoir Mine (mica) North Carolina

The Field Team concurs in the denial of both of the above applications.

/s/ Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

/s/ Wm. A. Beck, for V. J. Lynch
U. S. Bureau of Mines

xm.
cc:
Beck
Lynch
Laurence-2

DMEA C[illegible]

4-8-53
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2906, LENOIR MINE (Mica)
Macon County, N. C.

Kefton H. Teague, Geologist
U. S. Geological Survey

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

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

March 30, 1953

4-8-53
(date)

Field Examination Report on

DMEA-2906, LENOIR MINE (Mica)
Applicant: Ted Higdon, Cullasaja, North Carolina

This deposit does not appear to offer sufficient promise for the production of strategic mica to justify exploration assistance, therefore, the application should be denied.

This property was examined on March 23, 1953. Ted Higdon accompanied the examiners on the visit which required one hour.

The Lenoir mica prospect is four airline miles S. 70° W. of Franklin, Macon County, North Carolina. It lies on a low hill 200 feet south of U. S. Highway 64.

The workings consist of a single bulldozer trench along the pegmatite over a length of about 125 feet. The sides of the trench are slumped, thus the pegmatite is poorly exposed. The pegmatite strikes N. 70° E., dips 45° SE, and averages 5 feet in thickness. The country rock is a highly decomposed biotite gneiss. In the southwestern part of the dike, a thin central rib of massive quartz and a well-defined one-foot hanging-wall mica zone are present. The rest of the dike consists of an intergrowth of quartz and decomposed feldspar (probably microcline). The zones do not appear to be persistent, for in the shallow trench to the east of the shaft the strongest concentration of muscovite is along the footwall.

The mica is deep green to greenish rum in color, and occurs in books up to 7x5 inches in size. Most of the books are cracked and warped, but reeves and "A" structure are uncommon. A little biotite occurs as intergrowths in some of the books. It is estimated that 90% of the mica contains abundant black mineral inclusions, and in a few books these spots are so densely distributed as to make the mica nearly opaque. Very few pieces of the mica are of sufficiently good quality to yield even punch.

Kefton H. Teague, USGS

Lawrence E. Shirley, USBM

Wm. A. Beck, USBM

March 30, 1953

sm.

600

MAR 2 1 1953

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMTA-2906 - Miss
Lenoir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Your application for assistance in exploring your property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurenson, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination.

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you may give the members of the field team in the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:gxl 3/10/53

Copy to: Adm. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

600

MAR 1 1 1953

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

Subject: Docket No. DMSA-2906 - Mica
Ted Higdon
Lenoir Mine
Macon County, North Carolina

Dear Mr. Laurence:

A field team examination is requested for the subject mine.

Please find enclosed for your information, memoranda on the subject by the Bureau of Mines and the Geological Survey.

Sincerely yours,

George L. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

D. M. Lemmon

Member, Geological Survey

Enclosures 4

JTRobertson:gad 3/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

March 6, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

The Geological Survey (Professional Paper No. 225, page 75) tested 447 pieces of mica from subject mine to be 100 percent E-1 capacitor quality and color classed as cinnamon brown, generally acceptable as ruby mica. On the basis of this and the applicant's description of exposures, a field team investigation is recommended.

Signed

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 1953

G-MD-CLM

IN REPLY REFER TO:

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

MAR 5 1953

Memorandum

REVIEW OF APPLICATION DMEA-2906 (mica).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: D. M. Larrabee, U. S. Geological Survey.
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 miles west of Franklin in Macon County, N. C.
Estimated cost of project: $4,100.00
Summary of applicant's proposal:

1) Sink a shaft, 40 feet deep, at the west end of existing dozer cut.

2) Then, tunnel or drift 60 feet east within the pegmatite.

Sources of information on applicant's property:

1) Heinrich, E. W., May 1944, Lenoir mica prospect, Macon County, North Carolina: U.S. Geological Survey Unpublished Report, 2 pp.

2) Heinrich, E. W. and Pray, L. C., May 10, 1944, Lenoir mica prospect, Macon County, North Carolina: U.S. Geological Survey Strategic minerals investigations preliminary map, open filed in September 1944.

3) Jahns, R. H., Lenoir prospect: Mica deposits of the Blue Ridge province, North Carolina and Georgia: U.S. Geological Survey Unpublished Prof. Paper.

4) Jahns, R. H. and Lancaster, F. W., 1950, Physical characteristics of commercial sheet muscovite in the southeastern United States: U.S. Geological Survey Prof. Paper 225, p. 75.

Comments:

1) Applicant states that work was done at this mine about three years ago in order to recover scrap but considerable block mica, sheeting to 4" x 4", was found, and not sufficient scrap mica for that operation to continue.

2) According to Heinrich in May, 1944, the mica at the Lenoir mine was deep green and densely covered with black mineral inclusions. He also said, "Very few pieces of the mica are good enough to yield even punch of strategic grade." He recommends that the Lenoir prospect be abandoned chiefly because (1) neither the pegmatite body nor the mica zones appear to be persistent, and (2) the percentage of strategic grade mica in the zones appears to be very low.

RECOMMENDATION:

Field examination.

D M Larrabee

D. M. Larrabee

DMLarrabee:lmc
cc: Director's Reading, 4212
Branch Reading, 4212
DMEA-(3)
Norton Files
Larabee-232

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Defense Minerals
RECEIVED
FEB 24 1953

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

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

Not to be filled in by applicant

Docket No. dmea 2906
Metal or Mineral
Date Received 2-24-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

TED HIGGS
CULLASAJA
NORTH CAROLINA

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. INDIVIDUAL

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract [illegible] four (4) acres, lying on the south side of State Hwy 64, of the lands deeded to J. B. Lenoir, on March 11, 1936, said deed being registered in the office of the Clerk of Superior Court of Macon County, N. C., in Book of Wills No. 4 at page 329.

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

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

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

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

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

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

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

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

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

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

5. *The exploration project.*—(*a*) St[illegible]he mineral or minerals for which you wish [illegible]xplore .....

.....

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

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

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

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated February 21st, 1953

Ted Higdon
(Applicant)

By .....

.....

.....

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

3. (d) Lease copies attached hereto. Owner's Consent to Lien (6 copies) also attached.

4. (a) First work was done at this mine about three years ago, by bulldozing an open cut on the knoll - 10' wide, 10' deep and 60' long. This work was done to recover scrap but considerable block mica, sheeting to 4" x 4", was found, and not sufficient scrap mica for that operation to continue.

The mine is easily reached over a good access road; 200 yards from State Highway 64. The vein is exposed for examination.

(c) Vein material consists of quartz and feldspar and blocks of strategic ruby mica. The vein has been exposed to a width of eight (8) feet. Sheet mica samples were recently sent to the GSA buying office at Spruce Pine, N. C. Attached report from that office states that the mica from this mine will be acceptable.

(d) The property is on State Highway 64, four (4) miles west of Franklin, N. C. (shipping, supply and residence points).

(e) Sufficient manpower, materials, etc., available for all purposes.

5. (b) It is proposed to sink a shaft, 40 feet deep, at the west end of existing dozer cut and then tunnel or drift 60 feet east within the pegmatite. This will prepare the mine for maximum operation.

(c) Work will start immediately upon receipt of contract and will be completed in 30 working days.

(d) Applicant will be supervisor-foreman of this work. He has mined and processed minerals in this district for more than 20 years and is thoroughly familiar with all methods connected therewith. His help will include miners of long experience.

6. (a) The only independent contract will be for bulldozing, $200.00, to clear the somewhat fallen-in cut to prepare shaft opening.

It is anticipated that the Field Team will approve a footage-basis contract for this work; estimated at $45.00 per foot for the shaft, with timber, ($1800.00), and $35.00 per foot for the tunnel ($2100.00) - a total, with dozing, of $4,100.00.

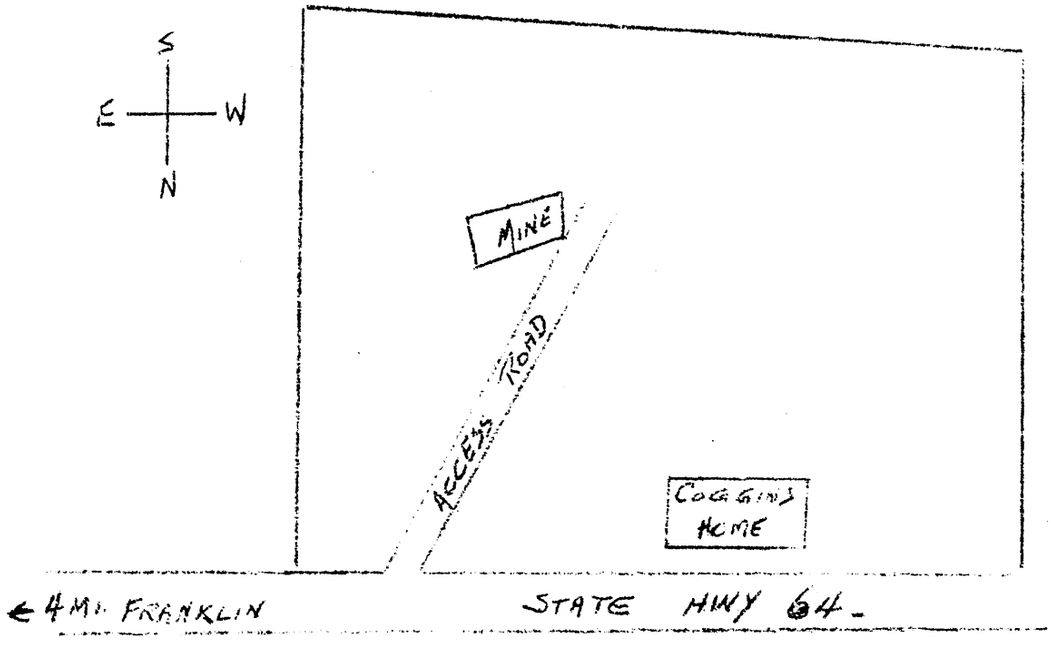
7. (b) Applicant's 10% of cost will be contributed through his labor.

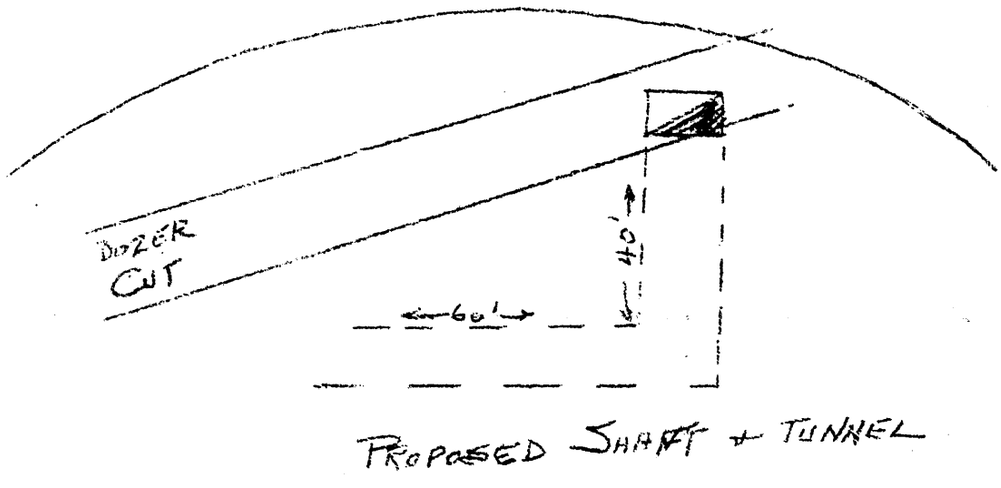
The vein of this mine runs northeast by southwest. It is on the same lead, and close to the Baird-Cove mine which has always been prolific in exceptionally large blocks of strategic ruby mica. Every evidence points to the fact that the Lenoir Mine, when properly opened, should become an important source of the mineral.

- - - - -

MF-103 TED HIGDON CULLASAJA, N. C. - MICA -

LENOIR LINE. LOCATION, PAST WORK & PROPOSED EXPLORATION.





NORTH CAROLINA

MACON COUNTY

THIS LEASE AGREEMENT, made and entered into this 21st day of February, 1953, by A.M. COGGINS and wife ANNIE COGGINS of Macon County, North Carolina, parties of the first part, hereinafter referred to as LESSORS, and TED HIGDON of Macon County, North Carolina, party of the first part, hereinafter referred to as LESSEE,

W I T N E S S E T H

That subject to the terms and conditions hereinafter set forth, said Lessors have let and leased unto said said Lessee, his heirs and assigns the exclusive right and privilege to mine, dig and remove all minerals now in, under and upon a certain tract or parcel of land lying and being in Macon County, North Carolina, described as follows:

> BEING four (4) acres, lying on the south side of State Highway 64, of the lands deeded to J. B. Lenoir on March 14, 1936, said deed being registered in the office of the Clerk of Superior Court of Macon County, N. C., in Book of Wills No. 4 at page 339.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a term of three years from date hereof; however, it is mutually agreed, upon compliance with its terms and conditions, same shall be extented from year to year thereafter.
2. As rental or royalty Lessee, his heirs and assigns, shall pay to Lessors a sum equal to twelve and one-half percent (12½%) of the selling price of all minerals mined and sold from said property. Said royalties shall be paid on or before the 20th day of each calendar month following the production, sale and receipt of the sale price thereof. The said Lessee shall keep and make available to said Lessors an accurate record of all sales of minerals from this property.
3. Upon failure to pay any royalties as herein set forth when same shall become due and payable, this lease shall become null and void and all rights of the Lessee shall thereupon cease and terminate; however, Lessors agree that written notice shall be given to Lessee who shall have thirty (30) days from the date of such written notice within which to remedy any non-payment of royalties or any other cause of forfeiture of this lease.

4. Lessee, his heirs and assigns, agree that they will conduct mining operations upon said property for a period of not less than eight (8) months each year this lease remains in force and effect.

5. In the event Lessee applies for Government aid, or a loan to explore or operate this property, Lessors hereby authorize Ted Higdon, as Attorney in Fact, to sign any subordination agreement, Owner's consent to Lien, or other required agreements, in the name and stead of said Lessors, in connection with same.

So long as this lease remains in force the Lessee, his heirs and assigns, in connection with same, shall have and enjoy the following rights and privileges:

The right to reasonable use of said lands as may be necessary or convenient in mining and removing the minerals from same and to such use of the surface as may be required for the purpose of dumping mine refuse and tailings; the right to construct and place buildings and machinery upon said lands and remove same; the right to use any water and to cut and use any timber on said land for mining purposes; the right to construct and maintain roads, trails and railways to such portions of the property where mining operations are in progress or to be conducted; the complete right of ingress, egress and regress to, into and from said lands and the full right to do all things necessary or convenient in the conduct of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

_____(SEAL)

_____(SEAL)

_____(SEAL)

NORTH CAROLINA
MACON COUNTY

The execution of the foregoing instrument was this day acknowledged before me by A. M. Coggins, Annie Coggins and Ted Higdon for the purposes therein expressed.

WITNESS my hand and Notarial seal this, the day of February, 1953.

(SEAL)

_____
Notary Public

My Commission Expires:

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

April 20, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

I concur in the field team's recommendation to deny subject application on the basis that the mica is of poor quality.

Signed

W. F. Dietrich

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

April 20, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

I concur in the field team's recommendation to deny subject application on the basis that the mica is of poor quality.

Signed

W. F. Dietrich

FILE COPY
SURNAME:

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

JUN 15 1953

Mr. Ted Higdon
Cullasaja, North Carolina

Re: Docket DMEA-2906 - Mica
Lenoir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Reference is made to your letter of May 3, 1953, concerning the subject application which was denied by my letter to you dated April 16.

The Field Team examination and recommendation on each specific property is reviewed by the Washington office. The fact that Mr. Teague suggested that you submit an application for exploration assistance is not a commitment on the part of the Government to grant the assistance requested.

We regret to advise you that a review of the information available to us indicates that your prospect does not meet the criteria necessary to qualify it for exploration assistance.

Sincerely yours,

C. O. Mittendorf (fw

Administrator

p.H.
6-15-53

LGHouk/COMittendorf/gad/fw
6/15/53
cc: Admr Reading File
Docket
Field Team, Reg. VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Operating Committee

FILE COPY
SURNAME:

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

600

Houk
Kimball
Higdon
Selfridge

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMEA-2906 - Mica
Lenoir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Reference is made to your letter of May 3, 1953, on the subject application denied on April 16th.

The field team examination and recommendation on each specific property is reviewed by the Washington office. The fact that Mr. Teague suggested that you put in an application for exploration assistance is not a commitment on the part of the Government to grant the assistance. requested

We regret to advise you that a review of the information shows your prospect does not meet the criteria necessary to qualify it for exploration assistance.

Sincerely yours,

Administrator

LLHouk:gad 6/11/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Operating Committee

May 3, 1953
Cullasaja, N.C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 5 1953

Mr. C.O. Mittendorf
Defense Minerals Expl. Adm.
Washington 25, D.C.

Dear Sir:

your letter of April 16, Says you can-not give me a loan on the Senior Mine - your No 2906.

Last February Mr. Teague of the feild team went down and looked at this mine with Jay Loyd Tamey and me he told us he would approve about $3000.00 he told me to go ahead and put in for a loan. I know that there is mica at this mine and I Can't See why he changed his-

mind after what he told us in February. Jay Loyd Stamey and me would make and Affadavit that this is true.

yours truly
Ted Higdon
Cullasaja, N.C.

Mr. Robertson

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

April 20, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 21 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

I concur in the field team's recommendation to deny subject application on the basis that the mica is of poor quality.

W. F. Dietrich

W. F. Dietrich

FILE COPY
SURNAME:

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

Robertson
Mark
Ballard
Cantril
Hodges
Selfridge
Hyland

APR 16 1953

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMEA-2906 - Mica
Lonsdir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Your application for aid for an exploration project and other data available to us in Washington concerning your mine have been reviewed.

Projects approved by the Defense Minerals Exploration Administration must, in its judgment, show definite promise of yielding materials of acceptable grade in quantities that will significantly improve the mineral supply position for the National Defense Program.

Careful study of all our information, although noting a small amount of mica on your property, indicates to us that the probability of disclosing minable ore reserves by your proposed program is not sufficiently promising to justify Government participation. We regret to advise you, under these circumstances, that your application for exploration assistance is denied.

We wish to thank you for your interest in the Defense Minerals Program and for bringing your property to our attention.

Sincerely yours,

C. O. Mittendorf (fw)

Administrator

JTRobertson:gad 4/13/53
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Larrabee, G-232 GSA Bldg.
Mr. Dietrich, 3526
Mr. Houk

J. C. 4/16/53

FILE COPY
SURNAME:

Roberts
Frank
Selfridge

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

April 10, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review of Docket No. DMEA-2906 - Mica

A Denial (after field examination).

Contract: None
Property: Lenoir Mine
A four acre tract located four airline miles S. 70 W. of Franklin, Macon County, N.C.
Applicant: Ted Higdon, Lessee
Cullasaja, N. C.
Amount applied for - $4,100
Proposed work: A 60-ft. trench, a 40-ft shaft and 60 ft of drifting.

Docket Summary:

2/24/53 Application (MF-103) received. Also received copy of lease and six copies of Owner's Consent to Lieh.
2/26/53 Application acknowledged.
3/11/53 Referred to Region VII for field team examination of mine.
4/2/53 Received field examination report by K. H. Teague, L. E. Shirley and Wm. A. Beck. A denial of application is recommended by field team.
4/10/53 Closing letter of denial prepared and attached hereto.

Resume: The following excerpts from the field examination report briefly describe the mine and the nature of the deposit.

"The workings consist of a single bulldozer trench along the pegmatite over a length of about 125 feet. The sides of the trench are slumped, thus the pegmatite is poorly exposed. The pegmatite strikes N. 70° E., dips 45° S.E., and averages 5 feet in thickness. The country rock is a highly decomposed biotite gneiss. In the southwestern part of the dike, a thin central rib of massive quartz and a well-defined one-foot hanging-wall mica zone are present. The rest

of the dike consists of an intergrowth of quartz and decomposed feldspar (probably microcline). The zones do not appear to be persistent, for in the shallow trench to the east of the shaft the strongest concentration of muscovite is along the footwall."

"The mica is deep green to greenish rum in color, and occurs in books up to 7 x 5 inches in size. Most of the books are cracked and warped, but reeves and "A" structures are uncommon. A little biotite occurs as intergrowths in some of the books. It is estimated that 90% of the mica contains abundant black mineral inclusions, and in a few books these spots are so densely distributed as to make the mica nearly opaque. Very few pieces of mica are sufficiently good quality to yield even punch."

"This deposit does not appear to offer sufficient promise for the production of strategic mica to justify exploration assistance, therefore, the application should be denied."

Comment: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that this application for exploration assistance be denied. Form of a letter of denial for transmittal to the applicant is attached hereto.

Jasper T. Robertson
Nonmetallic Minerals Division

Attachment

JTRobertson:gad 4/10/53

Copy to: Admr. R. File
Docket File
Mr. Houk

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

April 10, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A closing review of Docket No. DMEA-2906 - Mica

A Denial (after field examination).

Contract: None
Property: Lenoir Mine
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Cullasaja, N. C.
Amount applied for - $4,100
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"This deposit does not appear to offer sufficient promise for the production of strategic mica to justify exploration assistance, therefore, the application should be denied."

Comment: The Nonmetallic Minerals Division concurs in the Field Team's recommendation that this application for exploration assistance be denied. Form of a letter of denial for transmittal to the applicant is attached hereto.

Jasper T. Robertson

Jasper T. Robertson
Nonmetallic Minerals Division

Attachment

IN REPLY REFER TO:
G-MD-CNM

Mr. Robertson

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

April 7, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2906 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 mi. S. 70° W. of Franklin, Macon County, North Carolina.
Date of field team report: March 30, 1953.
Authorship of field team report: Teague, Shirley, Beck.
Field team's recommendation: Denial.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

BUREAU OF MINES
WASHINGTON, D.C.

APR 8 2 20 PM '53

Mr. Robertson

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 2 1953

4/14/53

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2906, LENOIR MINE (Mica)
Macon County, N. C.

Kefton H. Teague, Geologist
U. S. Geological Survey

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

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

March 30, 1953

Reviewed by
DMEA CLEARANCE COMMITTEE
4-8-53
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 2 1953

Field Examination Report on

DMEA-2906, LENOIR MINE (Mica)
Applicant: Ted Higdon, Cullasaja, North Carolina

This deposit does not appear to offer sufficient promise for the production of strategic mica to justify exploration assistance, therefore, the application should be denied.

This property was examined on March 23, 1953. Ted Higdon accompanied the examiners on the visit which required one hour.

The Lenoir mica prospect is four airline miles S. 70° W. of Franklin, Macon County, North Carolina. It lies on a low hill 200 feet south of U. S. Highway 64.

The workings consist of a single bulldozer trench along the pegmatite over a length of about 125 feet. The sides of the trench are slumped, thus the pegmatite is poorly exposed. The pegmatite strikes N. 70° E., dips 45° SE, and averages 5 feet in thickness. The country rock is a highly decomposed biotite gneiss. In the southwestern part of the dike, a thin central rib of massive quartz and a well-defined one-foot hanging-wall mica zone are present. The rest of the dike consists of an intergrowth of quartz and decomposed feldspar (probably microcline). The zones do not appear to be persistent, for in the shallow trench to the east of the shaft the strongest concentration of muscovite is along the footwall.

The mica is deep green to greenish rum in color, and occurs in books up to 7x5 inches in size. Most of the books are cracked and warped, but reeves and "A" structure are uncommon. A little biotite occurs as intergrowths in some of the books. It is estimated that 90% of the mica contains abundant black mineral inclusions, and in a few books these spots are so densely distributed as to make the mica nearly opaque. Very few pieces of the mica are of sufficiently good quality to yield even punch.

Kefton H. Teague, USGS

Lawrence E. Shirley, USBM

Wm. A. Beck, USBM

March 30, 1953

zm.

FILE COPY
SURNAME:

Robertson
Houk
Lemmon
Hedges
Sutherlage

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C. 620

MAR 11 1953

Mr. Ted Higdon

Cullasaja, North Carolina

Re: Docket No. DMEA-2906 - Mica
Lemmir Mine
Macon County, North Carolina

Dear Mr. Higdon:

Your application for assistance in exploring your property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert L. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination.

J. C. 3/11/53

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you may give the members of the field team in the examination will be appreciated.

Incerely yours,

C. O. Mittendorf (fw)

Administrator

JTRobertson:gad 3/10/53

Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, C-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Robertson
Houk
Selfridge

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

630

MAR 1 1 1953

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

Subject: Docket No. DMEA-2906 - Mica
Ted Higdon
Lenoir Mine
Macon County, North Carolina

J. C. 3/11/53

Dear Mr. Laurence:

A field team examination is requested for the subject mine.

Please find enclosed for your information, memoranda on the subject by the Bureau of Mines and the Geological Survey.

Sincerely yours,

George C. Selfridge
(JHB)
Chairman, Operating Committee

Approved:

J. H. Hedges (JHB)
Member, Bureau of Mines

D. M. Lemmon (JHB)
Member, Geological Survey

Enclosures 4

JTRobertson:gad 3/10/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk

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

March 6, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2906, Mica, Lenoir Mine, Macon County
North Carolina

The Geological Survey (Professional Paper No. 225, page 75) tested 447 pieces of mica from subject mine to be 100 percent E-1 capacitor quality and color classed as cinnamon brown, generally acceptable as ruby mica. On the basis of this and the applicant's description of exposures, a field team investigation is recommended.

W. F. Dietrich

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 9 1953

IN REPLY REFER TO:
G-MD-CLM

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

MAR 5 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 6 1953

Memorandum

REVIEW OF APPLICATION DMEA-2906 (mica).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: D. M. Larrabee, U. S. Geological Survey.
Applicant: Ted Higdon, Cullasaja, North Carolina.
Name of property: Lenoir mine.
Location of property: 4 miles west of Franklin in Macon County, N. C.
Estimated cost of project: $4,100.00
Summary of applicant's proposal:

1) Sink a shaft, 40 feet deep, at the west end of existing dozer cut.
2) Then, tunnel or drift 60 feet east within the pegmatite.

Sources of information on applicant's property:

1) Heinrich, E. W., May 1944, Lenoir mica prospect, Macon County, North Carolina: U.S. Geological Survey Unpublished Report, 2 pp.
2) Heinrich, E. W. and Pray, L. C., May 10, 1944, Lenoir mica prospect, Macon County, North Carolina: U.S. Geological Survey Strategic minerals investigations preliminary map, open filed in September 1944.
3) Jahns, R. H., Lenoir prospect: Mica deposits of the Blue Ridge province, North Carolina and Georgia: U.S. Geological Survey Unpublished Prof. Paper.
4) Jahns, R. H. and Lancaster, F. W., 1950, Physical characteristics of commercial sheet muscovite in the southeastern United States: U.S. Geological Survey Prof. Paper 225, p. 75.

Comments:

1)Applicant states that work was done at this mine about three years ago in order to recover scrap but considerable block mica, sheeting to 4" x 4", was found, and not sufficient scrap mica for that operation to continue.

2) According to Heinrich in May, 1944, the mica at the Lenoir mine was deep green and densely covered with black mineral inclusions. He also said, "Very few pieces of the mica are good enough to yield even punch of strategic grade." He recommends that the Lenoir prospect be abandoned chiefly because (1) neither the pegmatite body nor the mica zones appear to be persistent, and (2) the percentage of strategic grade mica in the zones appears to be very low.

RECOMMENDATION:

Field examination.

D. M. Larrabee

D. M. Larrabee

February 26, 1953

Mr. Ted Higdon
Cullasaja, North Carolina

Subject: DMEA-2906
Re: Exploration Assistance
Lenoir Mine

My dear Mr. Higdon:

The receipt of your application dated February 21, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2906 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-2906 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operations Control
and Statistics Division

dmca 2906

GENERAL SERVICES ADMINISTRATION

Spruce Pine, North Carolina

February 16, 1953

Mr. Ted Higdon
Cullasaja, North Carolina

Dear Mr. Higdon:

We are in receipt of your letter together with samples of mica from your mine. We are pleased to advise that this mica is of the ruby variety and with proper preparation, would be acceptable on our mica purchasing program.

If we can be of any further assistance to you, please call on us.

Yours very truly,

W. S. Flynt, Superintendent
Spruce Pine Mica Depot

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

DEPARTMENT OF THE INTERIOR
Form Approved.
Budget Bureau No. 42-R1035.2.
RECEIVED
FEB 24 1953

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

Not to be filled in by applicant

Docket No. dmea 2906
Metal or Mineral
Date Received 2-24-53
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

TED HIGDON
CULLASAJA
NORTH CAROLINA

(*b*) If other than an individual, add to your name above whether a corporation, partnership, etc., and the name of the State in which incorporated or otherwise organized. INDIVIDUAL

(*c*) If a corporation, add to above statement, titles, names and addresses of officers.

(*d*) If a partnership, add to the above statement the names and addresses of all partners.

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract BEING four (4) acres, lying on the south side of State Hwy 64, of the lands deeded to J. B. Lenoir, on March 14, 1936, said deed being registered in the office of the Clark of Superior Court of Macon County, N. C., in Book of Wills No. 4 at page 339.

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

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

(*d*) If you are not the owner, submit with this application a copy of the lease, contract, or other document under which you control the property.

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

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

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

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

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

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

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

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

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

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

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

6. *Estimate of costs.*—Furnish a detailed estimate of the costs of the proposed work (you will have to use a separate sheet), under the following headings. Add the totals under all headings to give the estimated total cost of the project:

(*a*) *Independent contracts.*—(Note.—If the applicant does not intend to let any of the work to contractors, write "none" after this item. To the extent that the work is to be contracted, do not repeat the cost of the contract-work in subsequent items.) State the cost of any proposed independent contracts for the performance of all or any part of the work, expressed in terms of units of work (such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, per cubic yard of material moved, etc.).

(*b*) *Labor, supervision, consultants.*—Include an itemized schedule of numbers, classes and rates of wages, salaries or fees for necessary labor, supervision and engineering and geological consultants.

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

(*d*) *Operating equipment.*—Furnish an itemized list of any operating equipment to be rented, purchased, or which is owned and will be furnished by the Operator, with the estimated rental, purchase price, or suggested use-allowance based on present value, as the case may be.

(*e*) *Rehabilitation and repairs.*—Furnish a detailed list showing the cost of any necessary initial rehabilitation or repairs of existing buildings, installations, fixtures, and movable operating equipment, now owned by the Operator and which will be devoted to the exploration project.

(*f*) *New buildings, improvements, installations.*—Furnish a detailed list showing the cost of any necessary buildings, fixed improvements, or installations to be purchased, installed or constructed for the benefit of the exploration project.

(*g*) *Miscellaneous.*—Furnish a detailed list showing the cost of repairs to and maintenance of operating equipment (not including initial rehabilitation or repairs of the Operator's equipment), analytical work, accounting, workmen's compensation and employers' liability insurance, and payroll taxes.

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

The undersigned, whether as an individual, corporate officer, partner, or otherwise, both in his own behalf and acting for the applicant, certifies that the information set forth in this form and accompanying papers is correct and complete, to the best of his knowledge and belief.

Dated February 21st, 1953

Ted Kigdom
(Applicant)

By .....

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

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

3. (d) Lease copies attached hereto. Owner's Consent to Lien (6 copies) also attached.

4. (a) First work was done at this mine about three years ago, by bulldozing an open cut on the knoll - 10' wide, 10' deep and 60' long. This work was done to recover scrap but considerable block mica, sheeting to 4" x 4", was found, and not sufficient scrap mica for that operation to continue.

The mine is easily reached over a good access road; 200 yards from State Highway 64. The vein is exposed for examination.

(c) Vein material consists of quartz and feldspar and blocks of strategic ruby mica. The vein has been exposed to a width of eight (8) feet. Sheet mica samples were recently sent to the GSA buying office at Spruce Pine, N. C. Attached report from that office states that the mica from this mine will be acceptable.

(d) The property is on State Highway 64, four (4) miles west of Franklin, N. C. (shipping, supply and residence points).

(e) Sufficient manpower, materials, etc., available for all purposes.

5. (b) It is proposed to sink a shaft, 40 feet deep, at the west end of existing dozer cut and then tunnel or drift 60 feet east within the pegmatite. This will prepare the mine for maximum operation.

(c) Work will start immediately upon receipt of contract and will be completed in 30 working days.

(d) Applicant will be supervisor-foreman of this work. He has mined and processed minerals in this district for more than 20 years and is thoroughly familiar with all methods connected therewith. His help will include miners of long experience.

6. (a) The only independent contract will be for bulldozing, $200.00, to clear the somewhat fallen-in cut to prepare shaft opening.

It is anticipated that the Field Team will approve a footage-basis contract for this work; estimated at $45.00 per foot for the shaft, with timber, ($1800.00), and $35.00 per foot for the tunnel ($2100.00) - a total, with dozing, of $4,100.00.

7. (b) Applicant's 10% of cost will be contributed through his labor.

The vein of this mine runs northeast by southwest. It is on the same lead, and close to the Baird-Cove mine which has always been prolific in exceptionally large blocks of strategic ruby mica. Every evidence points to the fact that the Lenoir Mine, when properly opened, should become an important source of the mineral.

- - - - -

3. (d) Lease copies attached hereto. Owner's Consent to Lien (6 copies) also attached.

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The mine is easily reached over a good access road; 200 yards from State Highway 64. The vein is exposed for examination.

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The vein of this mine runs northeast by southwest. It is on the same lead, and close to the Baird-Cove mine which has always been prolific in exceptionally large blocks of strategic ruby mica. Every evidence points to the fact that the Lenoir Mine, when properly opened, should become an important source of the mineral.

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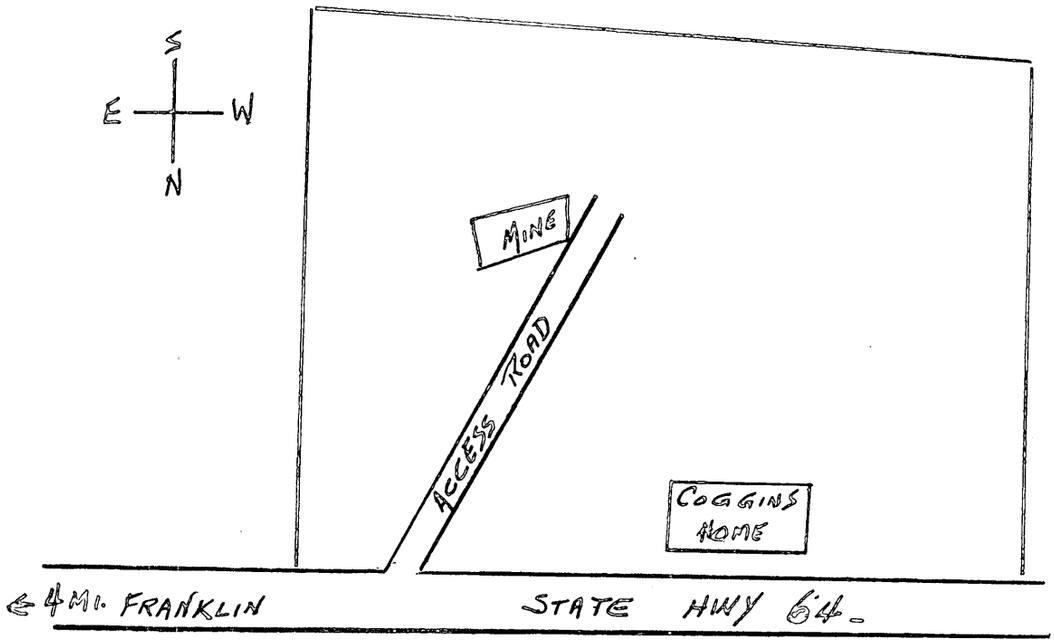
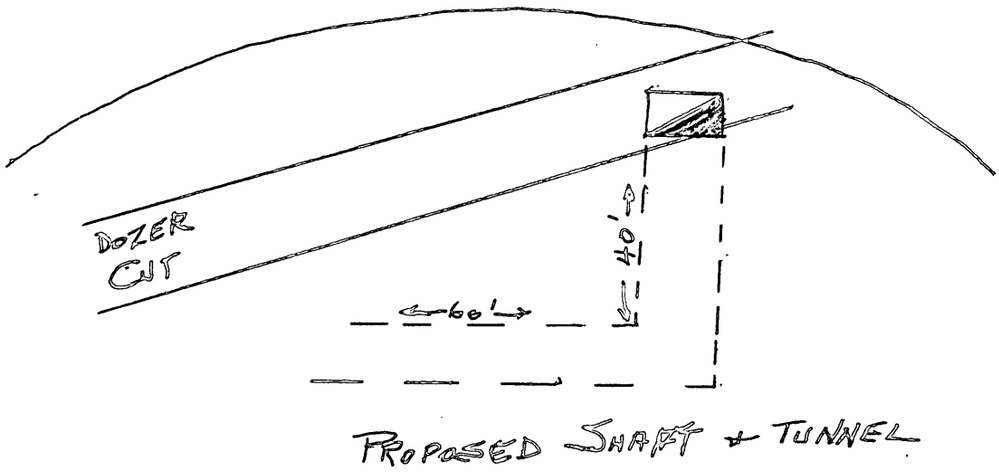
MF-103 TED HIGDON CULLASAJA, N. C. - MICA -

LENOIR MINE. LOCATION, PAST WORK & PROPOSED EXPLORATION.





NORTH CAROLINA

MACON COUNTY

THIS LEASE AGREEMENT, made and entered into this 21st day of February, 1953, by A.M. COGGINS and wife ANNIE COGGINS of Macon County, North Carolina, parties of the first part, hereinafter referred to as LESSORS, and TED HIGDON of Macon County, North Carolina, party of the first part, hereinafter referred to as LESSEE,

W I T N E S S E T H

That subject to the terms and conditions hereinafter set forth, said Lessors have let and leased unto said said Lessee, his heirs and assigns the exclusive right and privilege to mine, dig and remove all minerals now in, under and upon a certain tract or parcel of land lying and being in Macon County, North Carolina, described as follows:

> BEING four (4) acres, lying on the south side of State Highway 64, of the lands deeded to J. B. Lenoir on March 14, 1936, said deed being registered in the office of the Clerk of Superior Court of Macon County, N. C., in Book of Wills No. 4 at page 339.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a term of three years from date hereof; however, it is mutually agreed, upon compliance with its terms and conditions, same shall be extented from year to year thereafter.

2. As rental or royalty Lessee, his heirs and assigns, shall pay to Lessors a sum equal to twelve and one-half persent (12½%) of the selling price of all minerals mined and sold from said property. Said royalties shall be paid on or before the 20th day of each calendar month following the production, sale and receipt of the sale price thereof. The said Lessee shall keep and make available to said Lessors an accurate record of all sales of minerals from this property.

3. Upon failure to pay any royalties as herein set forth when same shall become due and payable, this lease shall become null and void and all rights of the Lessee shall thereupon cease and terminate; however, Lessors agree that written notice shall be given to Lessee who shall have thirty (30) days from the date of such written notice within which to remedy any non-payment of royalties or any other cause of forfeiture of this lease.

4. Lessee, his heirs and assigns, agree that they will conduct mining operations upon said property for a period of not less than eight (8) months each year this lease remains in force and effect.

5. In the event Lessee applies for Government aid, or a loan to explore or operate this property, Lessors hereby authorize Ted Rigdon, as Attorney in Fact, to sign any subordination agreement, Owner's consent to Lien, or other required agreements, in the name and stead of said Lessors, in connection with same.

So long as this lease remains in force the Lessee, his heirs and assigns, in connection with same, shall have and enjoy the following rights and privileges:

The right to reasonable use of said lands as may be necessary or convenient in mining and removing the minerals from same and to such use of the surface as may be required for the purpose of dumping mine refuse and tailings; the right to construct and place buildings and machinery upon said lands and remove same; the right to use any water and to cut and use any timber on said land for mining purposes; the right to construct and maintain roads, trails and railways to such portions of the property where mining operations are in progress or to be conducted; the complete right of ingress, egress and regress to, into and from said lands and the full right to do all things necessary or convenient in the conduct of said mining operations.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

NORTH CAROLINA
MACON COUNTY

The execution of the foregoing instrument was this day acknowledged before me by A. W. Coggins, Annie Coggins and Ted Rigdon for the purposes therein expressed.

WITNESS my hand and Notarial seal this, the day of February, 1953.

(SEAL)

_____
Notary Public

My Commission Expires:

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of [illegible], County of [illegible], described as follows:1/

[illegible] four (4) acres, lying on the south side of State Hwy 64, of the lands deeded to J. B. Lenoir on March 14, 1936, said deed being registered in the office of the Clerk of Superior Court of Macon County, N.C., in Book of Title No. 4 at page 339.

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ [illegible], or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 21st day of February, 1959.

Ted Higdon [Seal]
Attorney in Fact

[Seal]

[Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of [illegible], County of [illegible], described as follows:1/

[illegible] four (4) acres, lying on the south side of State Hwy 64, of the lands deeded to C. B. Lanier on March 14, 2004, said deed being recorded in the office of the Clerk of Superior Court of Union County, N.C., in Book of Deeds 64 at page 227.

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this [illegible] day of [illegible], 195[illegible].

Ted Higdon [Seal]

_____ [Seal]

_____ [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of [illegible], County of [illegible], described as follows:1/

[illegible] four (4) acres, lying on the south side of State Rt. 4, of the lands deeded to [illegible] on June 1, 1[illegible], said deed being recorded in the office of the Clerk of Superior Court of [illegible] County, [illegible], in Deed of Title Bk. [illegible] at page [illegible].

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the Government's claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ _____, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this [illegible] day of [illegible], 195 __.

[illegible] [Seal]

_____ [Seal]

_____ [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

(b) As here used, "net smelter returns", "net concentrator returns", and "other net amounts realized from the sale or other disposition", mean gross revenue from sales; or if not sold, the market value, the market value of the material after it is mined in the form in which and the place where it is held. In the case of integrated operations in which the material is not disposed of as such, these terms mean what is or would be gross income from mining operations for percentage depletion purposes in income tax determination.

(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

MF-203

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of NORTH CAROLINA, County of MACON, described as follows:1/

BEING four (4) acres, lying on the south side of State Hwy 64, of the lands deeded to J. B. Lenoir on March 14, 1936, said deed being registered in the office of the Clerk of Superior Court of Macon County, N.C., in Book of Wills No. 4 at page 339.

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

2/ TED HIGDON

hereinafter called the "Operator"; and

WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

NOW THEREFORE, the undersigned, in consideration of said contract and as an inducement to the Government to enter into same, undertakes and agrees as follows:

1. The Government's equity in and right to dismantle, sever, take possession of, and remove and dispose of facilities, buildings, fixtures, equipment, or other items as provided in the contract, or any amendment thereof, shall prevail over and be prior and superior to any conflicting or adverse rights of the undersigned, and the Government is authorized to enter upon the land for such purposes.

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 5,000.00, or ten years have elapsed from the date of the contract.

3. The undersigned shall commit no act nor assert any claim that may contravene or conflict with the lien, claim, or rights of the Government under the provisions of said contract. This agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the undersigned.

Dated this 21st day of February, 1953.

Ted Higdon [Seal]
Attorney in Fact

_____ [Seal]

_____ [Seal]

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

2/ Insert the name of the Operator as it will appear in the exploration project contract.

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

4/ Insert the maximum amount of the Government's contribution.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator. (a) If, at any time, the Government considers that a discovery or a development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the required final report and final account, may so certify in writing to the Operator. The certification shall describe broadly or indicate the nature of the discovery or development. In the event of such certification, any minerals mined or produced from the land described in Article 2 within 10 years from the date of this contract, including any mined or produced before the certification, shall be subject to a percentage royalty which the Operator or his successor in interest shall pay to the Government, upon the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, until the total amount contributed by the Government, without interest, is fully repaid, or said 10 years have elapsed, whichever occurs first, as follows:

(1) One and one-half (1½) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) per cent of any such net amounts, plus one-half (½) per cent such net amounts for each additional full fifty cents ($0.50) by which such net amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) per cent of such net amounts.

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

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(c) To secure the payment of its percentage royalty, the Government shall have and is hereby granted a lien upon the land described in Article 2 and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(d) This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Title to and disposition of property. All facilities, buildings, fixtures, equipment, or other items costing more than $50.00 each, paid for or purchased with funds contributed jointly by the Operator and the Government, although title may be taken in the name of the Operator, shall belong to the Operator and the Government jointly, in proportion to their respective contributions, and upon the completion of the work or the termination of the contract shall be disposed of promptly by the Operator for the joint account of the Government and the Operator, either by return to the vendor, by sale to others, or purchase by the Operator at a price at least as high as could otherwise be obtained, as may appear to be for the best interest of the Government, unless the Government, in writing, waives its interest in any such item. If necessary to accomplish such disposition, the Operator shall dismantle, sever from the land, and remove any such item, the cost thereof to be for the joint account of the parties in proportion to their respective interests. If the Operator, within 90 days after the receipt of written notice from the Government, fails, neglects, or refuses to dispose of such property, the Government may itself enter upon the land, take possession of, and remove and dispose of any such property as above provided.

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WHEREAS, under certain provisions of said contract which are set forth on the reverse side hereof, the Government is entitled to a percentage royalty on production and to certain other rights and equities which do or may conflict with or be adverse to the interest of the undersigned in said property;

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2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof which does not increase the maximum amount of the Government's claim here stated or alter the provisions for repayment, there is hereby granted to the Government a lien upon the land herein described and upon any production of minerals therefrom, until the royalty claim is fully paid in the amount of the Government's contribution, not in excess of 4/$ 5,000.00, or ten years have elapsed from the date of the contract.

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