DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2962

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 USBM., to USGS. and to Region VII

Routing Slip

To:	Code 600, Room 4637	Date	3/31/53
To:	Foitler	Date	4/1/53
To:	Opw Comm	Date	4/29/53
To:	Mr 7	Date	7-30-53
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

JUL 2 9 1953

Mr. Frank Sizemore
P. O. Box 336
Franklin, North Carolina

re: Docket No. DMA-2902 - Mica
Frank Sizemore
Hollywood Mine
Macon County, North Carolina

Dear Mr. Sizemore:

Your application for aid for an exploration project and other data available to us in Washington concerning the subject 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 domestic 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 sizable 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

Hopkins:doc 7/17/53
Copy to: Admr. G. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-218 GSA Bldg.
Mr. Hoff

DMEA-2962
Mica
Region VII

FRANK SIERSMA, FRANKLIN, NORTH CAROLINA. Holbrooks Mine, Macon County, North Carolina.
Field Report recommending denial. The report was referred to the Commodity Group.

5-22-53
No. 219

DMEA-2962
Mica 4-29-53
Region VII

FRANK SIERSMA, FRANKLIN, NORTH CAROLINA. Holbrooks 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.

4-29-53

DMEA-2962
Mica
Region VII

FRANK SIERSMA, FRANKLIN, NORTH CAROLINA. Holbrooks Mine, Macon County, North Carolina.
Letter to the Applicant denying the application.

7-29-53
#248

JUL 29 1953

600

July 17, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMRA-2962 - Mica
Frank Sierema
Holbrooks Mine
Macon County, North Carolina

Closing letter: Denial of application attached.

Resume: On March 30, 1953, the applicant submitted an application in which he proposes to drive a 400 to 500 foot adit to intersect the pegmatite at a cost of $18,251.25. This is a down dip extension of the pegmatite mined as the Beasely No. 2 Mine and is based on two drill holes by the U. S. B. M. described in Report of Investigations 4241, April 1948. Recent exploration at the Beasely No. 2 Mine has been discouraging.

4/29/53 Referred to Region VII.
5/13/53 Field Team report recommends denial.
5/22/53 U. S. G. S. memo concurs with Field Team.
6/1/53 U. S. B. M. memo concurs with Field Team.
7/7/53 Denial letter prepared.

SIGNED

James Hopkins
Nonmetallic Minerals Division

JHopkins:dec 7/17/53
Copy to: Admr. R. File
Docket File
Mr. Houk

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

June 1, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2962, Mica, Holbrooks Mine
Macon County, North Carolina

I concur in the field team's recommendation to deny subject application on the basis that it is unlikely that strategic mica will be found at this mine.

Signed

W. F. Dietrich

IN REPLY REFER TO:
G-MD-CNM

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

May 22, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-~~2912~~ 2962 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Frank Siersma, Franklin, North Carolina.
Name of property: Holbrooks mine.
Location of property: Adjacent to Beasley #2 mine, 8 miles N. 25° E. of Franklin, North Carolina.
Date of field team report: May 13, 1953.
Authorship of field team report: Teague & Shirley.
Field team's recommendation: Denial.
Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D. M. Larrabee

Larrabee:jeh
G-5/22/53
cc:
Director's reading 4212
Branch " "
DMEA (3) ✓
Larrabee G-230

60

APR 2 9 1953

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

Subject: Docket No. DMRA-2962 - Mica
Frank Sierman
Holbrooks Mine
Macon County, North Carolina

Dear Mr. Laurence:

Please arrange for a field examination of the subject mine.

Copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 4

SAFeitler:gad 4/27/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

600

APR 2 9 1953

Mr. Frank Sizemore
P. O. Box 336
Franklin, North Carolina

Re: Docket No. DMEA-2962 - Mica
Holbrooks Mine
Macon County, North Carolina

Dear Mr. Sizemore:

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

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

Sincerely yours,

C. O. Mittenderf

Administrator

AFeitler:gad 4/28/53

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

APR 16 1953

Mr. Frank Siersma
P. O. Box 336
Franklin, North Carolina

Re: Docket No. DMEA-2962 - Mica
Holbrooks Mine
Macon County, North Carolina

Dear Mr. Siersma:

Reference is made to the subject application for exploration assistance. Certain necessary data has been omitted and will be required before processing of your application.

Please note Articles 2 and 6 of MF-103, a blank copy of which is enclosed. A copy of the lease under which the property is held and a detailed cost estimate for the necessary work are required as part of the application. Kindly supply answers to Article 6 (a) to (f) inclusive, giving a detailed cost breakdown under each of the sub-headings.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

SAFeitler:gad 4/15/53

Copy to: Admr. H. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO: G-MD-CNM

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

April 9, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2962 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton and Basil G. Dean, U. S. Geological Survey
Applicant: Frank Sierema, P. O. Box 336, Franklin, North Carolina.
Name of property: Holbrooks mine.
Location of property: 10 miles northeast of Franklin, Macon County, North Carolina. This property lies immediately to south of Beasley No. 2 property. (See DMEA-1194 and 2961.)
Estimated cost of project: None given.
Summary of applicant's proposal:
400-500 foot adit to intersect Beasley No. 2 pegmatite south of property line and below lowest level.
Sources of information on applicant's property:
See docket DMEA-2961.
Comments:
(1) This project is for exploring the Beasley No. 2 pegmatite down the dip and across a property line. A previous application, DMEA-2961, is for exploration on the Beasley side of the property line.
(2) Frank Sierema (DMEA-2962) and the American Mica Corporation (DMEA-2961) are probably closely associated. It seems to us that if exploration is undertaken, the two dockets should be handled as a single project.
(3) Do apex laws apply here or are all boundaries vertical?
RECOMMENDATION:
Refer to field team with DMEA-2961.

J. J. Norton

Norton:Dean:jeh
G-4/9/53
cc: Director's reading 4212
Branch reading 4212
DMEA 3
Norton G-228

Basil G. Dean

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

April 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2962, Holbrooks Mine,
Macon County, North Carolina

No data are available in this office on subject property. It is located in a general area in which ruby mica is known to be the characteristic variety. On the basis of the applicant's description of present exposures, a field team investigation is recommended.

Signed

W. F. Dietrich

FILE COPY
SURNAME:

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

Hopkins
Houk
Mulell
Hughes
Stillwage
Johnson

JUL 29 1953

Mr. Frank Sierema
P. O. Box 336
Franklin, North Carolina

Re: Docket No. DMEA-2962 - Mica
Frank Sierema
Holbrooks Mine
Mason County, North Carolina

Dear Mr. Sierema:

Your application for aid for an exploration project and other data available to us in Washington concerning the subject 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,

U. O. Mittendorf

Administrator

JHopkins:dec 7/17/53
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

July 17, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-2962 - Mica
Frank Siersma
Holbrooks Mine
Macon County, North Carolina

Closing letter: Denial of application attached.

Resume: On March 30, 1953, the applicant submitted an application in which he proposes to drive a 400 to 500 foot adit to intersect the pegmatite at a cost of $18,251.25. This is a down dip extension of the pegmatite mined as the Beasely No. 2 Mine and is based on two drill holes by the U. S. B. M. described in Report of Investigations 4241, April 1948. Recent exploration at the Beasely No. 2 Mine has been discouraging.

4/29/53 Referred to Region VII.
5/13/53 Field Team report recommends denial.
5/22/53 U. S. G. S. memo concurs with Field Team.
6/1/53 U. S. B. M. memo concurs with Field Team.
7/7/53 Denial letter prepared.

James Hopkins
Nonmetallic Minerals Division

FILE COPY
SURNAME:

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

July 17, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-2962 - Mica
Frank Siersma
Holbrooks Mine
Macon County, North Carolina

Closing letter: Denial of application attached.

Resume: On March 30, 1953, the applicant submitted an application in which he proposes to drive a 400 to 500 foot adit to intersect the pegmatite at a cost of $18,251.25. This is a down dip extension of the pegmatite mined as the Beasely No. 2 Mine and is based on two drill holes by the U. S. B. M. described in Report of Investigations 4241, April 1948. Recent exploration at the Beasely No. 2 Mine has been discouraging.

4/29/53 Referred to Region VII.
5/13/53 Field Team report recommends denial.
5/22/53 U. S. G. S. memo concurs with Field Team.
6/1/53 U. S. B. M. memo concurs with Field Team.
7/7/53 Denial letter prepared.

SIGNED

James Hopkins
Nonmetallic Minerals Division

JHopkins:dec 7/17/53
Copy to: Admr. R. File
Docket File
Mr. Houk

MDB
7-29-53

Mu - Fertilizer

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

June 1, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2962, Mica, Holbrooks Mine
Macon County, North Carolina

I concur in the field team's recommendation to deny subject application on the basis that it is unlikely that strategic mica will be found at this mine.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

May 22, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2962 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Frank Siersma, Franklin, North Carolina.
Name of property: Holbrooks mine.
Location of property: Adjacent to Beasley #2 mine, 8 miles N. 25° E. of Franklin, North Carolina.
Date of field team report: May 13, 1953.
Authorship of field team report: Teague & Shirley.
Field team's recommendation: Denial.
Comments: None.
ACTION SUGGESTED: Follow field team's recommendation.

D M Larrabee

D. M. Larrabee

Mr. Fulton

UNITED STATES
DEPARTMENT OF THE INTERIOR

MAY 18 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2962, HOLBROOKS MINE, (mica)
Franklin, Macon County, N. C.

By

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

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

May 13, 1953

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

Field Examination Report
on
DMEA-2962, HOLBROOKS MINE, (Mica) -
Applicant: Frank Siersma, P.O. Box 336, Franklin, N. C.

This application is based entirely on the results of two drill holes (U.S. B.M., R. I. 4241, April 1948 -Beasley No. 2 Mine). Recent results from exploration at the adjacent Beasley No. 2 Mine have been most discouraging. It has indicated that the mica shoots in this pegmatite have short lengths on the rake. Furthermore, there is no logical justification for driving such a long crosscut when the same objectives can be reached by sinking an inclined winze on the pegmatite from the drifts on the Beasley No. 2 pegmatite. The examiners, therefore, recommend that this application be denied.

This property is 8 airline miles and 11.9 miles by road N. 25° E. of Franklin, Macon County, North Carolina. It is southeast and adjacent to the Beasley No. 2 Mine. Access is good. It was visited on May 8, 1953.

There are no pegmatite exposures on the property, and as was pointed out above the application is based on exploring the down-dip extension of the Beasley No. 2 pegmatite. Because of the meager information on such a large expenditure of funds are based, the examiners recommend denial.

Kefton H. Teague, Geologist, USGS

May 13, 1953

Lawrence E. Shirley, Mining Engineer
USBM

zm

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

Mr. Gaetter
Send copy

COPY

Room 13, Post Office Bldg.
Knoxville 2, Tenn.

May 15, 1953

Memorandum

To: Operating Committee, D M E A - Washington

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

Subject: Field Examination Reports.

Transmitted herewith are four copies each of the following field team examinations:

DMEA-~~2945~~ 2327*, May Mine (mica), North Carolina

DMEA-2948, Jim Roper (Blaine) Mine (mica) North Carolina
(6 copies of Owner's Consent to Lien attached).

DMEA-2949, Anderson Mine (mica) North Carolina

DMEA-2962, Holbrooks Mine (mica) North Carolina

The Field Team concurs in the denial of the above listed 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

*DMEA-2945 was withdrawn on April 6, 1953 and material transferred to DMEA-2327.

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

7/29/53

UNITED STATES
DEPARTMENT OF THE INTERIOR

JUL 18 1953

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2962, HOLBROOKS MINE, (mica)
Franklin, Macon County, N. C.

By

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

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

May 13, 1953

Reviewed by
DMEA OPERATING COMMITTEE
5-22-53
(date)

Field Examination Report
on
DMRA-2962, HOLBROOKS MINE, (Mica) -
Applicant: Frank Sierema, P.O. Box 336, Franklin, N. C.

This application is based entirely on the results of two drill holes (U.S. B.M., R. I. 4241, April 1948 -Beasley No. 2 Mine). Recent results from exploration at the adjacent Beasley No. 2 Mine have been most discouraging. It has indicated that the mica shoots in this pegmatite have short lengths on the rake. Furthermore, there is no logical justification for driving such a long crosscut when the same objectives can be reached by sinking an inclined winze on the pegmatite from the drifts on the Beasley No. 2 pegmatite. The examiners, therefore, recommend that this application be denied.

This property is 8 airline miles and 11.9 miles by road N. 25° E. of Franklin, Macon County, North Carolina. It is southeast and adjacent to the Beasley No. 2 Mine. Access is good. It was visited on May 8, 1953.

There are no pegmatite exposures on the property, and as was pointed out above the application is based on exploring the down-dip extension of the Beasley No. 2 pegmatite. Because of the meager information on such a large expenditure of funds are based, the examiners recommend denial.

Kefton H. Teague, Geologist, USGS

May 13, 1953

Lawrence E. Shirley, Mining Engineer
USBM

RR

FILE COPY
SURNAME:

Feitler
Hedges
Selfridge
Hedges

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

600

APR 29 1953

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

Subject: Docket No. DMEA-2962 - Mica
Frank Sierman
Holbrooks Mine
Mason County, North Carolina

Dear Mr. Laurence:

Please arrange for a field examination of the subject mine.

Copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GCS)

Approved:

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

A. R. Kinkel, Jr. (ARK)
Member, Geological Survey

J.H. 4-29-53

Enclosures 4

SAFeitler:gad 4/27/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Feitler
Houk
Kimbrel
Hedges
Jeffrey
Jefferson

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

630

APR 29 1953

Mr. Frank Sierema
P. O. Box 336
Franklin, North Carolina

Re: Docket No. DMEA-2962 - Mica
Holbrooks Mine
Macon County, North Carolina

Dear Mr. Sierema:

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

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

Sincerely yours,

C. O. Mittendorf (for)

Administrator

P.N.
4-29-53

GAFeitler:gad 4/28/53

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
APR 23 1953

MF-103 FRANK SIERSMA P.O.BOX 336 FRANKLIN, N.C.

- MICA -
HOLBROOKS MINE
MACON COUNTY

DOCKET NO. DMEA -2962

ANSWERS TO QUESTION NO. 6.

It is proposed to construct a tunnel 400' to 500', which can be done in 120 working days with two (2) shifts.

(a) Bulldozing, to prepare access road 60 feet from present road and doze off mine face area; 35 hours @ $10.00 per hour to remove app. 700 cu. yds. (50¢)	$ 350.00	$ 350.00
(b) Supervisor, 60 days @ $15.00 per day	900.00	
2 Foremen 120 days @ $12.00 per day each	2880.00	
2 Miners 120 " 10.00 " " "	2400.00	
4 Muckers 120 " 8.00 " " "	3840.00	10,300.00
(c) Hand Tools:- picks, shovels, wheelbarrow etc.	125.00	
9 Lamps & Carbide	65.00	
9 Miners' Hard Hats @ $6.25	56.25	
100 pcs. Steel @ $6.00 average	600.00	
2000 Timkin Bits @ 42¢	840.00	
80 cases explosives @ $13.50	1080.00	
Exploders	250.00	
Blasting Machine	75.00	
Gasoline & Oil	600.00	
600' track, tram car, ties & spike	500.00	4,191.25
(d) Rental, 105 cfm Air Compressor 6 mos. @ $175.00	1050.00	
45# Jackhammer 6 " 40.00	240.00	
Purchase, Timber for props, legging etc.	450.00	1,740.00
(e) None		
(f) Tool & Equipment House	350.00	
Explosive Storahe House	140.00	490.00
(g) Accounting	100.00	
Compensation & Liability Insurance	900.00	
Payroll Taxes	180.00	1,180.00
TOTAL ESTIMATED COST		$ 18,251.25

NOTE:- Four (4) copies of Bureau of Land Management lease were supplied with application on March 25, 1953. If same has not been received, it is preferred to await result of Field Team's examination before making additional copies because the form is an unusually long one.

ABOVE INFORMATION SUPPLIED IN ANSWER TO LETTER OF MR. LAWRENCE G. HOUK, CHIEF NONMETALLIC MINERALS DIVISION, DMEA, DATED APRIL 16, 1953.

- - - - -

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DMEA-2962

DATE 4/23/53

REFERRED TO:

1. ~~Code 600, Room 4637~~
2.
3.
4. [illegible]

FOR:

..... Action	..... Recommendation
..... Approval	..... Record of .....
..... Comment	..... Referring to .....
..... Conference	..... Reply for signature of .....
..... Consideration	..... Rewriting
..... Filing	..... Signature
..... Instructions	..... Suggestions
..... Investigation	..... Your information
..... Initials	
..... Mailing	
..... Previous correspondence	

REMARKS: One copy of the attached material to USBM., to USGS. and to Region VII.

Check (X) before the items needing attention.

(bl)
Initials of sender.

GPO 16—63815-1

FILE COPY
SURNAME:

Feitler
Houk

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

600

Mr. Frank Sierema
P. O. Box 336
Franklin, North Carolina

APR 16 1953

Re: Docket No. DMEA-2962 - Mica
Holbrooks Mine
Macon County, North Carolina

Dear Mr. Sierema:

Reference is made to the subject application for exploration assistance. Certain necessary data has been omitted and will be required before processing of your application.

Please note Articles 2 and 6 of MF-103, a blank copy of which is enclosed. A copy of the lease under which the property is held and a detailed cost estimate for the necessary work are required as part of the application. Kindly supply answers to Article 6 (a) to (f) inclusive, giving a detailed cost breakdown under each of the sub-headings.

Sincerely yours,

L.C. 4/16/53

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosure

SAFeitler:gad 4/15/53

Copy to: Admr. R. File
Docket File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

IN REPLY REFER TO:
G-MD-CNM

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

April 9, 1953

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 10 1953

Memorandum

REVIEW OF APPLICATION DMEA-2962 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: J. J. Norton and Basil G. Dean, U. S. Geological Survey
Applicant: Frank Siersma, P. O. Box 336, Franklin, North Carolina.
Name of property: Holbrooks mine.
Location of property: 10 miles northeast of Franklin, Macon County, North Carolina. This property lies immediately to south of Beasley No. 2 property. (See DMEA-1194 and 2961.)
Estimated cost of project: None given.
Summary of applicant's proposal:
400-500 foot adit to intersect Beasley No. 2 pegmatite south of property line and below lowest level.
Sources of information on applicant's property:
See docket DMEA-2961.
Comments:
(1) This project is for exploring the Beasley No. 2 pegmatite down the dip and across a property line. A previous application, DMEA-2961, is for exploration on the Beasley side of the property line.
(2) Frank Siersma (DMEA-2962) and the American Mica Corporation (DMEA-2961) are probably closely associated. It seems to us that if exploration is undertaken, the two dockets should be handled as a single project.
(3) Do apex laws apply here or are all boundaries vertical?

RECOMMENDATION:
Refer to field team with DMEA-2961.

J. J. Norton

Basil G. Dean

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

MAR 30 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 2962
Metal or Mineral
Date Received 3-30-53
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:

FRANK SIERSMA
P. O. BOX 336
FRANKLIN, N.C.

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

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

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

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 part of Forest Service Tract #1050, located in the Nantahala National Forest, Macon County, North Carolina, consisting of 50 acres, more or less.

(*b*) State any mine name by which the property is known. HOLBROOKS 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. COPY - BUREAU OF LAND MANAGEMENT (DEPT. INTERIOR) ATTACHED.

(*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*) [redacted]e the mineral or minerals for which you wis[redacted] 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?

[X] 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 MARCH 25th, 195-3

Frank Fiorina
(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

4. This property joins the Beasley No. 1 mine, to the south. Although outcroppings do not appear on it, the mica pegmatite is known to exist because of core drillings made during the last war, by U.S. Bureau of Mines. Those drillings are recorded in Bulletin R. I. 4241, April 1948. They originated in the Beasley mine and penetrated to depths of 247 feet which, with the dip of the vein, establishes the fact that the mica vein continues well down into the Holbrooks mine. Excerpts from the report state -"the country rock is a banded gneiss (layers) with alternating quartz and biotite-rich bands. The pegmatite has much the same general strike as the gneiss but the dip averages somewhat flatter from 45 to 57 degrees. A typical section of the pegmatite from the hanging wall to the foot wall shows a 3 to 4 foot zone containing strategic mica".

Beasley Mine No. 1 was first opened in 1890 and has been worked profitably, though intermittently, since that time. In September, 1942, the Asheville Mica Company began operations and during that war period produced very large quantities. The last year of this operation resulted in sales to the Colonial Mica Corporation in excess of $100,000.00. The mica is deep rum in color and the books are generally hard and flat, sheeting to 6" x 8".

Applicant desires to explore the Holbrooks mine, as herein outlined, to reach the pegmatite which is known to continue into this mine.

Property is accessible for examination, about 10 miles northeast of Franklin, the shipping, supply and residence point. Sufficient manpower, materials, etc., are available for all purposes.

5. It is proposed to construct a tunnel, approximately 400' to 500', directly into the pegmatite - to a point between Drill Hole # 1 and Drill Hole #3. Survey is now being made to determine location of tunnel entrance and same will be discussed with Field Team.

Work will start upon signing of contract and completed in 120 days.

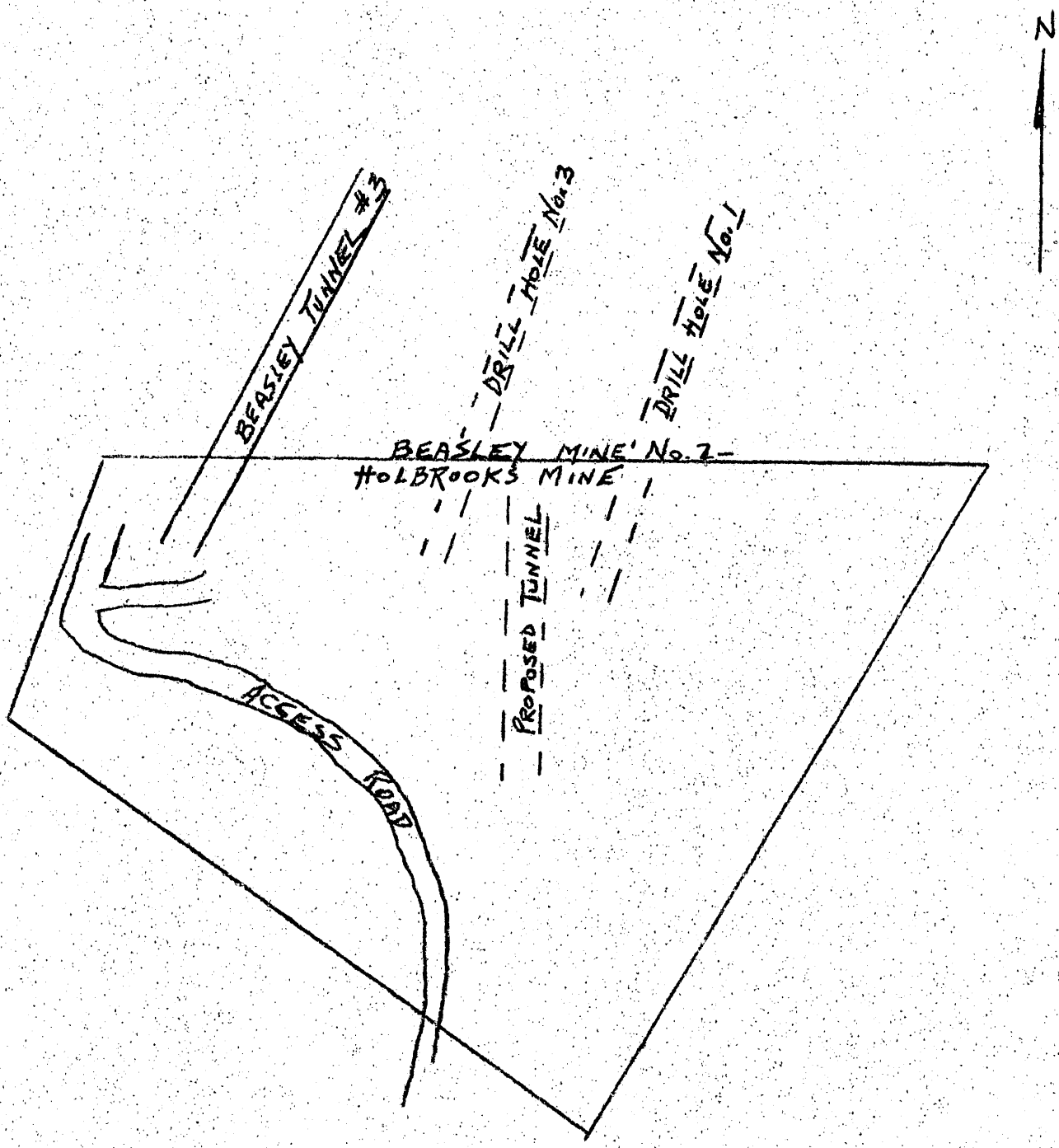
The American Mica Corporation holds lease to Beasley Mine No. 1, in which exploration is currently being made. Their facilities will be employed in exploring and tunnel construction in the Hollbrook Mine. Applicant has been associated with mica mining since 1946 but supervision of the work will be under R. G. Lichtenstein, President of American Mica Corporation, who has had many years of experience in mica mining and processing.

6. It is anticipated that the Field Team will recommend approval of this work under a footage basis contract, at figures to be agreed upon between them and Mr. Lichtenstein and applicant.

- - - - -

MF-103 FRANK SIERSMA P.O.BOX 366 FRANKLIN, N.C.

- MICA -
HOLBROOKS MINE
MACON COUNTY



Serial No. BLM-A 031772
North Carolina

MINERAL LEASE - ACQUIRED LANDS Nantahala National Forest

This mineral lease entered into in quintuplicate this 1st day April, 1953, by and between the United States of America, the lessor; through the Bureau of Land Management, and Frank Siersma, the lessee, of Box 336, Franklin, N. Carolina, pursuant to Section 402 of the President's Reorganization Plan No. 3 of 1946, and regulations thereunder (43 CFR 200.31 Et seq.); witnesseth:

SECTION 1. Rights of Lessee. In consideration of the rents and royalties to be paid and conditions and covenants to be observed as herein set forth the lessor grants to the Lessee, subject to all privileges and uses heretofore duly authorized and prior valid claims, for a period of ten years from the date hereof, the exclusive right to mine, remove and dispose of all the mica and associated minerals in, upon, or under the following described tracts:

In Nantahala National Forest, Macon Count , N.C., being a part of Forest Service tract #1050, William Holbrooks, more specifically described as beginning at Corner 5 of said tract, an 8" x 12" x 48" stone in a mound of stones on south slope, with witnesses; thence N. 88 deg. 45' W. with a line of grant 3247, 65.17 chains to Corner 6 on east bank of a branch, a 10" x 20" x 46" stone in mound of stones, with witnesses; thence s. 46 deg. 11 W., 6.07 chains to Corner 7 on South slope; a 2" x 6" x 16" stone in mound of stones; thence S. 70 deg. 31' E. 1.60 chains to Corner 8, a point; thence S. 75 deg. 55' E., 19.80 chains to Corner 9, a post scribed M-13; thence S. 65 deg. 55' E., 8.98 chains to Corner 10 of Said William Holbrook tract, a post scribed MC14; thence on a straight line common to Grants 432 and 8214, northeasterly to the place of beginning.

containing 50.00 acres, more or less, together with the right to construct and maintain thereupon such structures and other facilities as may be necessary for the mining, preparation and removal of said minerals.

SECTION 2. In consideration of the foregoing, the lessee agrees:
(a) Production. To begin production within 24 months and to continue production thereafter unless operations are interrupted by strikes, the elements or casualties not attributable to the lessee. The lessor may grant reasonable extensions of time for the commencement of production, and may authorize suspensions of production for reasonable periods of time in the interest of conservation or when the lease cannot be successfully operated at a profit, or for other reasons when such action does not adversely affect the interest of the United States.
(b) Rental. To pay to the lessor annually in advance, beginning with the date of this lease, rental of $1.00 for each acre of fraction thereof for each lease year until production commences, the rental payment for the year in which production commences to be credited on royalties that accrue during that lease year.
)c) Royalty. To pay the lessor within 30 days after the end of each period prescribed in subsection (f) of this section a royalty of 8 percent of the gross value of the minerals mined hereunder at the point of shipment to market, such point of shipment to be the mine or preparation plant, as the case may be. The lessee agrees that the Secretary of the Interior, for the purpose of determining the royalties due hereunder, may establish reasonable minimum values for the minerals mined, due consideration being given to the highest price paid for a part or a majority of the production of minerals of like quality from the same general area, the price received by the lessee, posted prices, and other relevant matters.
(d) Minimum Royalty. If there is no production or if royalties under subsection (c) of this section total less than $50.00 in any lease year, to pay the lessor a sum equal to thedifference between such royalties and $50.00, such minimum royalty obligation to become effective the first lease year commencing after production begins, and to be payable within 30 days following the end of the lease year for which due. Lessor may, in its discretion, suspend the minimum royalty requirement when production is interrupted or suspended as provided in subsection (a).
(e) Bond. To furnish and maintain a bond in the sum of $1,000.00 conditioned upon compliance with the terms and conditions of this lease.
(f) Statement. To furnish for each month or such other period as may be designated by the District Mining Supervisor of the Geological Survey, *statements in detail, in such form as may be (*3227, General Services Administration Bldg., Washington,25, D. C.) prescribed by him, 1/ of the amount and value of output from the le sehold during such period for use in determining royalties, such statements to be furnished within 30 days from the close of the month or peroid so designated. Falsification of such statements shall be gounds for cancellation of the lease. 2/
(g) Inspection. To permit al all reasonable times: (1) inspection by any duly authorized officer of the supervising agencies, of the leased premises and all surface and underground improvements, works, machinery, equipment, and all books and records pertaining to operations and surveys or investigations under this lease; and (2) the lessor to

make copies of and extracts from any or all books and records pertaining to operations under this lease.
(h) Maps - Reports. To furnish in duplicate to the District Mining Supervisor, at such times as he may require, a plat in the manner and form prescribed by him 1/ showing prospecting and developement work and improvements on the lease land and other related information, with a report as to all buildings, structures, and other works or equipment, situated elsewhere and owned or operated in conjunction with, or as a part of the operations hereunder.
(i) Operations. To conduct operations in compliance with all Federal and State laws and the operating regulations of the Department of the Interior (30 CFR, Chap. II, Part 231), which are made a part hereof, and to exercise reasonable diligence, skill and care in the operation of the property, and to carry on all operations in accordance with approved methods and practices, having due regard for the prevention of damage to mineral deposits, water horizons and property, injury to life and health, and economic waste.
(j) Taxes. To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, output of mines, and other rights, property and assets of the lessee.
(k) Deliver Premises. To deliver up to the lessor in good order and condition and subject to the provisions of Section 9 hereof on the termination of this lease as a result of forfeiture thereof the lands covered thereby, including all underground timbering and such other supports and structures as are necessary for the preservation of the mine.
(l) Assignment. Not to assign this lease, or any interest therein, whether by direst assignment, operating agreement, working or royalty interest, or otherwise, nor sublet any portion of the leased premises, except with the approval in writing of the lessor. All such assignments or subleases must be submitted in triplicate within 90 days from the date of execution and must contain all of the terms and conditions agreed upon by the parties thereto. No overriding royalties or payments out of production shall be created which would exceed 1/2 the royalties payable under this lease to the lessor. An assignment of all or part of the record title to a portion of the acreage in the lease shall separate the lease into separate leaseholds and the terms hereof shall apply separately to the segregated portions. Advance annual rental payments if previously terminated shall be resumed as to an undeveloped segregated portion on the next anniversary date of the lease, the minimum royalty payment therein specified shall apply separately to the segregated portions and the time allowed within which to commence operations on an undeveloped segregated portion shall be such reasonable period as shall be prescribed by the lessor at the time the assignment is approved.
(m) Non-discrimination. Not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin, and to require an identical provision to be included in all subcontrats.
(n) Payments. To make all payments to the lessor under this section as directed, such payments to be made to the order of the Treasurer of the United States.

SECTION 3. In further consideration of the foregoing, the lessee also agrees:
(a) Protection of Property. To conduct all operations authorized by this lease with due regard for good land management; not to cut or destroy timber without first obtaining permission from the authorized representative of the Secretary of Agriculture, and to pay for all such timber cut or destroyed at rates prescribed by such representative; to avoid damage to improvements, timber, crops, or other cover; whenever practicable, to control soil erosion resulting from the operation; to prevent pollution of soil and water resources; unless authorized by the representative of the Secretary of Agriculture, not to carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the lease land within 200 feet of any building standing on the leased land; whenever required in writing by the authorized representative of the Secretary of Agriculture, to fence all sump holes and other excavations made by lessee.
(b) Forest, Brush and Grass Fire Precautions. To do all in his power to prevent and suppress forest, brush and grass fires on the leased land and in its vicinity, and to require his employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. Unless prevented by circumstances over which he has no control, the lessee shall place his employees, contractors, subcontractors, and employees of contractors and subcontractors employed on the leased land at the disposal of any authorized officer of the Department of Agriculture

(1/ All forms herein required are subject to approval by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.
2/ 18 U.S.C. sec. 1001 makes it a crime for any person knowinly and wilfully to submit or cause to be submitted to any agency of the United States any false or fraudulent statement as to any matter within its jurisdiction.))

for the purpose of fighting forest, brush, or grass fires, with the understanding that payment for such servides shall be made at rates to be determined by the authorized representative of the Secretary of Agriculture, which rates shall not be less than the current rates of pay prevailing in the vicinity for services of a similar character; except that if the lessee, his employees, contractors, subcontractors, or employees of contractors or subcontractors caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered.

During periods of serious fire danger to forest, brush, or grass, as may be specified by the authorized representative of the Secretary of Agriculture, the lessee shall prohibit smoking and the building of camp and lunch fires by his employees, contractors, subcontractors, and employees of contractors or subcontractors, within the leased area except at established camps, and shall enforce thei prohibition by all means within his power. However, the authorized representative of the Secretary of Agriculture may designate safe places where, after all imflammable material has been cleared away, camp fires may be built for the purpose of heating lunches and where, at the option of the lessee, smoking may be permitted.

The lessee shall not burn rubbish, trash, or other imflammable material except with the consent of the authorized representative of the Secretary of Agriculture and shall not use explosives in such manner as to scatter imflammable materials on the surface of the land during the forest, brush or grass fire season, except as authorized to do so or on areas approved by such representative.

The lesse shall build or construct such fire lines or do such clearing on the leased land as the authorized representative of the Secretary of Agriculture decies is necessary for forest, brush, and grass fire prevention and shall maintain such fire tools at his headquarters on the lease land as are deemed necessary by such representative.

(c) Damage to Property. To pay the lessor or its tenant, as the case may be, for any and all damage to or destruction of property caused by the lessee's operations hereunder; to save and hold the lessor or its teneant harmless from all damage or claims to persons or property resulting from the lessee's operations under this lease; and where the surface of the leased landis owned by other than the lessor, to pay such owner, or his tenant, as the case may be, for damage or injury to livestock, crops, trees, pipe lines, buildings, and other improvements on the leased land.
(d) Restoration of Surface of Land. Upon any partial or total relinguishment, cancellation or expiration of this lease, as to that part of the leased land as to which the lessee(s rights have terminated and to the extent deemed necessary by the authorized representative of the Secretary of Agriculture, to fill all sump holes, ditches and other excavations, remove or cover all debris, and, so far as reasonable possible, restore the surface of the lease land to its ofrmer condition, including the removal of structures as and if required.
(e) Department of Agriculture Regulations. To comply with all the rules and regulations of the Secretary of Agriculture governing the national forests or other lands under his jurisdiction which are embraced in this lease.
(f) Special Stitulations. None.
(g) Appropriate Agency Official. To address all matters relating to this section to Forest Supervisor, Nantahala Nat. Forest at Franklin, N. C., who is the authorized representative of the Secretary of Agriculture, or to such other representative as may, from time to time, be designated provided that such designation shall be in writing and be delivered to the lessee or his agent as provided by Section 4 hereof.

SECTION 4. Lessee-Agent. Prior to the beginning of operations the lessee shall appoint and maintain at all times during the term of this lease a local agent upon whom may be served written orders or notices respecting matters contained in this lease, and shall inform the authorized representative of the Secretary of Agriculture, and the District Mining Supervisor of the United States Geological Survey, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessee shall immediately so inform the said representatives.

SECTION 5. Renewal of Lease. If, upon the expiration of this lease, the issuance for an ensuing period of a lease of similar character is determined to be in the public interest, andall of the terms hereof have been satisfactorily complied with, and the lessee is then qualified, he shall be accorded a preference in the issuance of said ensuing lease upon such reasonable terms and considerations as may be prescribed by the Secretary of the Interior, unless otherwise provided by law. The exercise of such preference right shall be in accordance with regulations prescribed by the Secretary of the Interior.

SECTION 6. The lessor expressly reserves:
(a) Rights Reserved. The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the land leased, occupied, or used as may be necessary or appropriate to the working of the same or other lands, and the preparation and shipment of the products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.
(b) Monopoly and Fair Prices. Full power and authority to promulgate and enforce all orders necesarry to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interest of the United States, to prevent monopoly, and to safeguard the public welfare.
(c) Fissionable materials. All fissionable source materials, together with the right, at any and all times, to enter upon the lands and prospect for, mine and remove such

materials, pursuant to Executive Order No. 9908 (12 F.R. 8223).
(d) Waiver of Conditions. The right to waive any breach of the covenants and conditions contained herein, but any such waiver shall extend only to the particular breach so waived and shall not limit the rights of the lessor with respect to any future breach; nor shall the waiver of a particular cause of forfeiture prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

SECTION 7. It is mutually agreed:
(a) Strip Mining. That this lease does not authorize mining or removal of minerals by stripping or contour mining unless otherwise specifically authorized herein.
(b) Reduction or Smelting of Ores. That the reduction or smelting of ores on the leased land is expressly prohibited in the absence of an agreement between the lessee and the designated representative of the Secretary of Agriculture authorizing such use of the surface of the land and providing for the necessary protection of life and property. Such agreement shall contain all of the terms and conditions under which the reduction or smelting of ores may be carried on and any violation of that agreement shall be considered a violation of the terms of this lease for the purpose of Section 9.
(c) Uses and Disposition of Surface. That the lease land shall be subject at all times to any other lawful uses or sale by the United States, its lessees, permittees, licensees, and assigns; provided that ush uses or sale shall not prevent, obstruct, or unduly interfere with any privilege granted under this lease.
(d) Granting Leases for Other Minerals. That the granting of this lease will not preclude the issuance of other leases of the same land for the mining of other minerals with suitable stipulations as to joint operations, in order that full developement of the mineral resources may by obtained.

SECTION 8. Relinquishment of Lease. Upon payment of all rentals, royalties and other debts due and payable to the lessor and upon payment of all wages or moneys due and payable to the workmen employed by the lessee, the lessee may, upon a satisfactory showing that the public interest will not be impaired, surrender all or any subdivision or subdivisions of the area included in the lease. In no case will the lease be terminated in whole or in part until and unless the lessee shall have made provision for the preservation of any mines and mineral deposits or productive works or permanent improvements on the lands covered thereby and complied with Section 3)d) hereof. A surrender must be by a relinquishment filed, in triplicate, with the Director, Bureau of Land Management. A relinquishment upon its approval shall take effect as of the date it is filed.

SECTION 9. Removal of Equipment, etc., on Termination of Lease. On termination of this lease, by surrender, forfeiture, or otherwise the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools and materials, other than underground timbering placed by the lessee in or on the leased lands, which are not necessary for the preservation of the mine. Any materials, tools, appliances, machinery, structure and equipment, subject to removal as above provided, which are allowed to remain on the leased land shall become the property of the lessor on expiration of the 90 day period or such extension thereof as may be granted by the lessor, but the lessee shall remove any or all of such property when so directed by the lessor.

SECTION 10. Proceedings in case of default. If the lessee does not comply with the applicable regulations made a part hereof or the terms of this lease and such default continues for a period of 30 days after service of written notice thereof by the lessor, the lease may be canceled by the Director, Bureau of Land Management. However, if production has commenced on the lease, it may be canceled only by appropriate proceeding in a court competent jurisdiction; but this provision does not apply to leases issued for a period of five years or less which may be canceled in the manner stated above. Futhermore, if the lessee fails to take prompt and necessary steps to prevent loss or damage to the mine, property, or premises, or danger to the employees, the lessor may enter on the premises and take such measures as may be deemed necessary to prevent such loss or damage or to correct the dangerous or unsafe condition of the mine or works thereof, which shall be at the expense of the lessee, but the lessee shall not be held responsible for delays or casualties occasioned by causes beyond the lessee's control.

SECTION11 Heirs and successors-in-interest. It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, admimistrators, successors, or assigns of the respective parties hereto.

SECTION 12. Unlawful Interests. It is also further agreed that no Member of, or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior or of the Department of Agriculture shall be admitted to any share or part of this lease, or derive any

benefit that may arise therefrom, and the provisions of Section 3741 of the Revised Statutes, as amended, and 18 U. S. C. 431, 432, and 433, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

THE UNITED STATES OF AMERICA

By s/
Director, Bureau of Land Management,
Assistant Chief, Division of Minerals

Witnesses to signature of Lessee

s/ Helen Siersma

s/ Frank Siersma - Lessee.

(The reporting requirements contained in this lease have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. If this lease is executed by a corporation, it must bear the corporate seal.)

Mr. Fletcher

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 7 1953

April 7, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2962, Holbrooks Mine,
Macon County, North Carolina

No data are available in this office on subject property. It is located in a general area in which ruby mica is known to be the characteristic variety. On the basis of the applicant's description of present exposures, a field team investigation is recommended.

W. F. Dietrich
(ale)

W. F. Dietrich

March 31, 1953

Mr. Frank Siersma
P. O. Box 336
Franklin, North Carolina

DMEA-2962
Subj Exploration Assistance
Re: Holbrooks Mine

My dear Mr. Siersma:

The receipt of your application dated March 25, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2962 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-2962 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Chief, Operations Control
and Statistics Division

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA 2962
Metal or Mineral
Date Received 3-30-53
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:

FRANK SIERSMA
P. O. BOX 336
FRANKLIN, N.C.

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

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

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

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 part of Forest Service Tract #1050, located in the Nantahala National Forest, Macon County, North Carolina, consisting of 50 acres, more or less.

(*b*) State any mine name by which the property is known. HOLBROOKS 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. COPY - BUREAU OF LAND MANAGEMENT (DEPT. INTERIOR) ATTACHED.

(*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*) [redacted]e the mineral or minerals for which you wis[redacted] 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?

[X] 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 MARCH 25th, 1953

Frank Iversud
(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

4. This property joins the Beasley No. 1 mine, to the south. Although outcroppings do not appear on it, the mica pegmatite is known to exist because of core drillings made during the last war, by U.S. Bureau of Mines. Those drillings are recorded in Bulletin R. I. 4241, April 1948. They originated in the Beasley mine and penetrated to depths of 247 feet which, with the dip of the vein, establishes the fact that the mica vein continues well down into the Holbrooks mine. Excerpts from the report state -"the country rock is a banded gneiss (layers) with alternating quartz and biotite-rich bands. The pegmatite has much the same general strike as the gneiss but the dip averages somewhat flatter from 45 to 57 degrees. A typical section of the pegmatite from the hanging wall to the foot wall shows a 3 to 4 foot zone containing strategic mica".

   Beasley Mine Mo. 1 was first opened in 1890 and has been worked profitably, though intermittently, since that time. In September, 1942, the Asheville Mica Company began operations and during that war period produced very large quantities. The last year of this operation resulted in sales to the Colonial Mica Corporation in excess of $100,000.00. The mica is deep rum in color and the books are generally hard and flat, sheeting to 6" x 8".

   Applicant desires to explore the Holbrooks mine, as herein outlined, to reach the pegmatite which is known to continue into this mine.

   Property is accessible for examination, about 10 miles northeast of Franklin, the shipping, supply and residence point. Sufficient manpower, materials, etc., are available for all purposes.

5. It is proposed to construct a tunnel, approximately 400' to 500', directly into the pegmatite - to a point between Drill Hole # 1 and Drill Hole #3. Survey is now being made to determine location of tunnel entrance and same will be discussed with Field Team.

   Work will start upon signing of contrack and completed in 120 days.

   The American Mica Corporation holds lease to Beasley Mine No. 1, in which exploration is currently being made. Their facilities will be employed in exploring and tunnel construction in the Hollbrook Mine. Applicant has been associated with mica mining since 1946 but supervision of the work will be under R. G. Lichtenstein, President of American Mica Corporation, who has had many years of experience in mica mining and processing.

6. It is anticipated that the Field Team will recommend approval of this work under a footage basis contract, at figures to be agreed upon between them and Mr. Lichtenstein and applicant.

- - - - -

Serial No. BLM-A 031772
North Carolina

MINERAL LEASE - ACQUIRED LANDS Nantahala National Forest

This mineral lease entered into in quintuplicate this 1st day April, 1953, by and between the United States of America, the lessor; through the Bureau of Land Management, and Frank Siersma, the lessee, of Box 336, Franklin, N. Carolina, pursuant to Section 402 of the President's Reorganization Plan No. 3 of 1946, and regulations thereunder (43 CFR 200.31 Et seq.); witnesseth:

SECTION 1. Rights of Lessee. In consideration of the rents and royalties to be paid and conditions and covenants to be observed as herein set forth the lessor grants to the Lessee, subject to all privileges and uses heretofore duly authorized and prior valid claims, for a period of ten years from the date hereof, the exclusive right to mine, remove and dispose of all the mica and associated minerals in, upon, or under the following described tracts:

In Nantahala National Forest, Macon Count., N.C., being a part of Forest Service tract #1050, William Holbrooks, more specifically described as beginning at Corner 5 of said tract, an 8" x 12" x 48" stone in a mound of stones on south slope, with witnesses; thence N. 88 deg. 45' W. with a line of grant 3247, 65.17 chains to Corner 6 on east bank of a branch, a 10" x 20" x 46" stone in mound of stones, with witnesses; thence s. 46 deg. 11 W., 6.07 chains to Corner 7 on South slope; a 2" x 6" x 16" stone in mound of stones; thence S. 70 deg. 31' E. 1.60 chains to Corner 8, a point; thence S. 75 deg. 55' E., 19.80 chains to Corner 9, a post scribed M-13; thence S. 65 deg. 55' E., 8.98 chains to Corner 10 of Said William Holbrook tract, a post scribed M014; thence on a straight line common to Grants 432 and 8214, northeasterly to the place of beginning.

containing 50.00 acres, more or less, together with the right to construct and maintain thereupon such structures and other facilities as may be necessary for the mining, preparation and removal of said minerals.

SECTION 2. In consideration of the foregoing, the lessee agrees:
(a) Production. To begin production within 24 months and to continue production thereafter unless operations are interrupted by strikes, the elements or casualties not attributable to the lessee. The lessor may grant reasonable extensions of time for the commencement of production, and may authorize suspensions of production for reasonable periods of time in the interest of conservation or when the lease cannot be successfully operated at a profit, or for other reasons when such action does not adversely affect the interest of the United States.
(b) Rental. To pay to the lessor annually in advance, beginning with the date of this lease, rental of $1.00 for each acre of fraction thereof for each lease year until production commences, the rental payment for the year in which production commences to be credited on royalties that accrue during that lease year.
)c) Royalty. To pay the lessor within 30 days after the end of each period prescribed in subsection (f) of this section a royalty of 8 percent of the gross value of the minerals mined hereunder at the point of shipment to market, such point of shipment to be the mine or preparation plant, as the case may be. The lessee agrees that the Secretary of the Interior, for the purpose of determining the royalties due hereunder, may establish reasonable minimum values for the minerals mined, due consideration being given to the highest price paid for a part or a majority of the production of minerals of like quality from the same general area, the price received by the lessee, posted prices, and other relevant matters.
(d) Minimum Royalty. If there is no production or if royalties under subsection (c) of this section total less than $50.00 in any lease year, to pay the lessor a sum equal to thedifference between such royalties and $50.00, such minimum royalty obligation to become effective the first lease year commencing after production begins, and to be payable within 30 days following the end of the lease year for which due. Lessor may, in its discretion, suspend the minimum royalty requirement when production is interrupted or suspended as provided in subsection (a).
(e) Bond. To furnish and maintain a bond in the sum of $1,000.00 conditioned upon compliance with the terms and conditions of this lease.
(f) Statement. To furnish for each month or such other period as may be designated by the District Mining Supervisor of the Geological Survey, *statements in detail, in such form as may be (*3227, General Services Administration Bldg., Washington,25, D. C.) prescribed by him, 1/ of the amount and value of output from the leasehold during such period for use in determining royalties, such statements to be furnished within 30 days from the close of the month or peroid so designated. Falsification of such statements shall be gounds for cancellation of the lease. 2/
(g) Inspection. To permit al all reasonable times: (1) inspection by any duly authorized officer of the supervising agencies, of the leased premises and all surface and underground improvements, works, machinery, equipment, and all books and records pertaining to operations and surveys or investigations under this lease; and (2) the lessor to

make copies of and extracts from any or all books and records pertaining to operations under this lease.

(h) Maps - Reports. To furnish in duplicate to the District Minigg Supervisor, at such times as he nay require, a plat in the manner and form prescribed by him 1/ showing prospecting and developement work and improvements on the lease land and other related information, with a report as to all buildings, structures, and other works or equipment, situated elsewhere and owned or operated in conjunction with, or as a part of the operations hereunder.

(i) Operations. To conduct operations in compliance with all Federal and State laws and the operating regulations of the Department of the Interior (30 CFR, Chap. II, Part 231), which are made a part hereof, and to exercise reasonable diligence, skill and care in the operation of the property, and to carry on all operations in accordance with approved methods and practices, having due regard for the prevention of damage to mineral deposits, water horizons and property, injury to life and health, and economic waste.

(j) Taxes. To pay when due all taxes lawfully assessed and levied under the laws of the State or the United States upon improvements, output of mines, and other rights, property and assets of the lessee.

(k) Deliver Premises. To deliver up to the lessor in good order and condition and subject to the provisions of Section 9 hereof on the termination of this lease as a result of forfeiture thereof the lands covered thereby, including all undergwound timbering and such other supports and structures as are necessary for the preservation of the mine.

(l) Assignment. Not to assign this lease, or any interest therein, whether by direst assignment, operating agreement, working or royalty interest, or otherwise, not sublet any portion of the leased premises, except with the approval in writing of the lessor. All such assighments or subleases must be submitted in triplicate within 90 days from the date of execution and must contain all of the terms and conditions agreed upon by the parties thereto. No overriding royalties or payments out of production shall be created which would exceed 1/2 the royalties payable under this lease to the lessor. An assignment of all or part of the record title to a portion of the acreage in the lease shall separate the lease into separate leaseholds and the terms hereof shall apply separately to the segregated portions. Advance annual rental payments if previously terminated shall be resumed as to an undeveloped segregated portion on the next anniversary date of the lease, the minimum royalty payment therein specified shall apply separately to the segregated portions and the time allowed within which to commence operations on an undeveloped segregated portion shall be such reasonable period as shall be prescribed by the lessor at the time the assignment is approved.

(m) Non-discrimination. Not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin, and to require an identical provision to be included in all subcontrats.

(n) Payments. To make all payments to the lessor under this section as directed, such payments to be made to the order of the Treasurer of the United States.

SECTION 3. In further consideration of the foregoing, the lessee also agrees:

(a) Protection of Property. To conduct all operations authorized by this lease with due regard for good land management; not to cut or destroy timber without first obtaining permission from the authorized representative of the Secretary ofAgriculture, and to pay for all such timber cut or destroyed at rates prescribed by such representative; to avoid damage to improvements, timber, crops, or other ocver; whenever practicable, to control soil erosion resulting from the operation; to prevent pollution of soil and water resources; unless authorized by the representative of the Secretary of Agriculture, not to carry on operations, make excavations, construct tunnels, drill, or otherwise disturb the surface of the lease land within 200 feet of any building standing on the leased land; whenever required in writing by the authorized representative of the Secretary of Agriculture, to fence all sump holes and other excavations made by lessee.

(b) Forest, Brush and Grass Fire Precautions. To do all in his power to prevent and suppress forest, brush and grass fires on the leased land and in its vininity, and to require his employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. Unless prevented by circumstances over which he has no control, the lessee shall place his employees, contractors, subcontractors, and employees of contractors and subcontractors employed on the leased land at the disposal of any authorized officer of the Department of Agriculture,

1/ All forms herein required are subject to approval by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

2/ 18 U.S.C. sec. 1001 makes it a crime for any person knowinly and wilfully to submit or cause to be submitted to any agency of the United States any false or fraudulent statement as to any matter within its jurisdiction.

for the purpose of fighting forest, brush, or grass fires, with the understanding that payment for such servides shall be made at rates to be determined by the authorized representative of the Secretary of Agriculture, which rates shall not be less than the current rates of pay prevailing in the vicinity for services of a similar character; except that if the lessee, his employees, contractors, subcontractors, or employees of contractors or subcontractors caused or could have prevented the origin or spread of said fire or fires, no payment shall be made for services so rendered.

During periods of serious fire danger to forest, brush, or grass, as may be specified by the authorized representative of the Secretary of Agriculture, the lessee shall prohibit smoking and the building of camp and lunch fires by his employees, contractors, subcontractors, and employees of contractors or subcontractors, within the leased area except at established camps, and shall enforce thei prohibition by all means within his power. However, the authorized representative of the Secretary of Agriculture may designate safe places where, after all imflammable material has been cleared away, camp fires may be built for the purpose of heating lunches and where, at the option of the lessee, smoking may be permitted.

The lessee shall not burn rubbish, trash, or other imflammable material except with the consent of the authorized representative of the Secretary of Agriculture and shall not use explosives in such manner as to scatter imflammable materials on the surface of the land during the forest, brush or grass fire season, except as authorized to do so or on areas approved by such representative.

The lesse shall build or construct such fire lines or do such clearing on the leased land as the authorized representative of the Secretary of Agriculture decies is necessary for forest, brush, and grass fire prevention and shall maintain such fire tools at his headquarters on the lease land as are deemed necessary by such representative.

(c) Damage to Property. To pay the lessor or its tenant, as the case may be, for any and all damage to or destruction of property caused by the lessee's operations hereunder; to save and hold the lessor or its teneant harmless from all damage or claims to persons or property resulting from the lessee's operations under this lease; and where the surface of the leased landis owned by other than the lessor, to pay such owner, or his tenant, as the case may be, for damage or injury to livestock, crops, trees, pipe lines, buildings, and other improvements on the leased land.
(d) Restoration of Surface of Land. Upon any partial or total relinguishment, cancellation or expiration of this lease, as to that part of the leased land as to hich the lessee's rights have terminated and to the extent deemed necessary by the authorized representative of the Secretary of Agriculture, to fill all sump holes, ditches and other excavations, remove or cover all debris, and, so far as reasonable possible, restore the surface of the lease land to its ofrmer condition, including the removal of structures as and if required.
(e) Department of Agriculture Regulations. To comply with all the rules and regulations of the Secretary of Agriculture governing the national forests or other lands under his jurisdiction which are embraced in this lease.
(f) Special Stitulations. None.
(g) Appropriate Agency Official. To address all matters relating to this section to Forest Supervisor, Nantahala Nat. Forest at Franklin, N. C., who is the authorized representative of the Secretary of Agriculture, or to such other representative as may, from time to time, be designated provided that such designation shall be in writing and be delivered to the lessee or his agent as provided by Section 4 hereof.

SECTION 4. Lessee-Agent. Prior to the beginning of operations the lessee shall appoint and maintain at all times during the term of this lease a local agent upon whom may be served written orders or notices respecting matters contained in this lease, and shall inform the authorized representative of the Secretary of Agriculture, and the District Mining Supervisor of the United States Geological Survey, in writing, of the name and address of such agent. If a substitute agent is appointed, the lessee shall immediately so inform the said representatives.

SECTION 5. Renewal of Lease. If, upon the expiration of this lease, the issuance for an ensuing period of a lease of similar character is determined to be in the public interest, andall of the terms hereof have been satisfactorily complied with, and the lessee is then qualified, he shall be accorded a preference in the issuance of said ensuing lease upon such reasonable terms and considerations as may be prescribed by the Secretary of the Interior, unless otherwise provided by law. The exercise of such preference right shall be in accordance with regulations prescribed by the Secretary of the Interior.

SECTION 6. The lessor expressly reserves:
(a) Rights Reserved. The right to permit for joint or several use easements or rights-of-way, including easements in tunnels upon, through, or in the land leased, occupied, or used as may be necessary or appropriate to the working of the same or other lands, and the preparation and shipment of the products thereof by or under authority of the Government, its lessees or permittees, and for other public purposes.
(b) Monopoly and Fair Prices. Full power and authority to promulgate and enforce all orders necesarry to insure the sale of the production of the leased lands to the United States and to the public at reasonable prices, to protect the interest of the United States, to prevent monopoly, and to safeguard the public welfare.
(c) Fissionable materials. All fissionable source materials, together with the right, at any and all times, to enter upon the lands and prospect for, mine and remove such

materials, pursuant to Executive Order No. 9908 (12 F.R. 8223).
(d) Waiver of Conditions. The right to waive any breach of the covenants and conditions contained herein, but any such waiver shall extend only to the particular breach so waived and shall not limit the rights of the lessor with respect to any future breach; nor shall the waiver of a particular cause of forfeiture prevent cancellation of this lease for any other cause, or for the same cause occurring at another time.

SECTION 7. It is mutually agreed:
(a) Strip Mining. That this lease does not authorize mining or removal of minerals by stripping or contour mining unless otherwise specifically authorized herein.
(b) Reduction or Smelting of Ores. That the reduction or smelting of ores on the leased land is expressly prohibited in the absence of an agreement between the lessee and the designated representative of the Secretary of Agriculture authorizing such use of the surface of the land and providing for the necessary protection of life and property. Such agreement shall contain all of the terms and conditions under which the reduction or smelting of ores may be carried on and any violation of that agreement shall be considered a violation of the terms of this lease for the purpose of Section 9.
(c) Uses and Disposition of Surface. That the lease land shall be subject at all times to any other lawful uses or sale by the United States, its lessees, permittees, licensees, and assigns; provided that ush uses or sale shall not prevent, obstruct, or unduly interfere with any privilege granted under this lease.
(d) Granting Leases for Other Minerals. That the granting of this lease will not preclude the issuance of other leases of the same land for the mining of other minerals with suitable stipulations as to joint operations, in order that full developement of the mineral resources may by obtained.

SECTION 8. Relinquishment of Lease. Upon payment of all rentals, royalties and other debts due and payable to the lessor and upon payment of all wages or moneys due and payable to the workmen employed by the lessee, the lessee may, upon a satisfactory showing that the public interest will not be impaired, surrender all or any subdivision or subdivisions of the area included in the lease. In no case will the lease be terminated in whole or in part until and unless the lessee shall have made provision for the preservation of any mines and mineral deposits or productive works or permanent improvements on the lands covered thereby and complied with Section 3)d) hereof. A surrender must be by a relinquishment filed, in triplicate, with the Director, Bureau of Land Management. A relinquishment upon its approval shall take effect as of the date it is filed.

SECTION 9. Removal of Equipment, etc., on Termination of Lease. On termination of this lease, by surrender, forfeiture, or otherwise the lessee shall have the privilege at any time within a period of 90 days thereafter of removing from the premises all machinery, equipment, tools and materials, other than underground timbering placed by the lessee in or on the leased lands, which are not necessary for the preservation of the mine. Any materials, tools, appliances, machinery, structure and equipment, subject to removal as above provided, which are allowed to remain on the leased land shall become the property of the lessor on expiration of the 90 day period or such extension thereof as may be granted by the lessor, but the lessee shall remove any or all of such property when so directed by the lessor.

SECTION 10. Proceedings in case of default. If the lessee does not comply with the applicable regulations made a part hereof or the terms of this lease and such default continues for a period of 30 days after service of written notice thereof by the lessor, the lease may be canceled by the Director, Bureau of Land Management. However, if production has commenced on the lease, it may be canceled only by appropriate proceeding in a court competent jurisdiction; but this provision does not apply to leases issued for a period of five years or less which may be canceled in the manner stated above. Futhermore, if the lessee fails to take prompt and necessary steps to prevent loss or damage to the mine, property, or premises, or danger to the employees, the lessor may enter on the premises and take such measures as may be deemed necessary to prevent such loss or damage or to correct the dangerous or unsafe condition of the mine or works thereof, which shall be at the expense of the lessee, but the lessee shall not be held responsible for delays or casualties occasioned by causes beyond the lessee's control.

SECTION11 Heirs and successors-in-interest. It is further agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors, or assigns of the respective parties hereto.

SECTION 12. Unlawful Interests. It is also further agreed that no Member of, or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior or of the Department of Agriculture shall be admitted to any share or part of this lease, or derive any

benefit that may arise therefrom, and the provisions of Section 3741 of the Revised Statutes, as amended, and 18 U. S. C. 431, 432, and 433, relating to contracts, enter into and form a part of this lease so far as the same may be applicable.

THE UNITED STATES OF AMERICA

By s/
Director, Bureau of Land Management,
Assistant Chief, Division of Minerals

Witnesses to signature of Lessee

s/ Helen Siersma

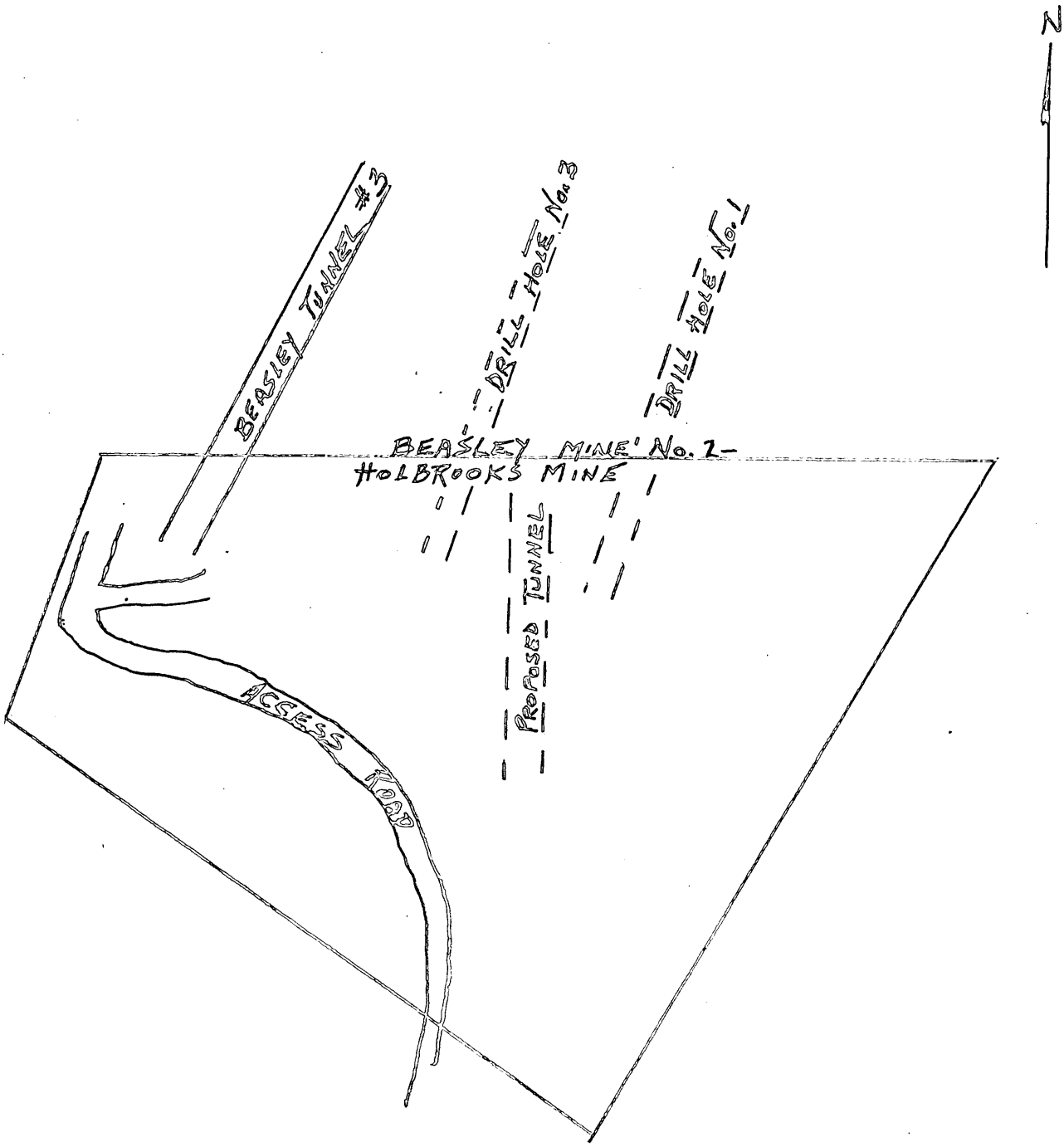
s/ Frank Siersma - Lessee.

(The reporting requirements contained in this lease have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942. If this lease is executed by a corporation, it must bear the corporate seal.)

dmea 2962

MF-103 FRANK SIERSMA P.O.BOX 366 FRANKLIN, N.C.

- MICA -
HOLBROOKS MINE
MACON COUNTY



dmea 2962