DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3311

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.

Cys to USBM & USGS

Routing Slip

To:	600	Date	4/14/54
To:	Anderson	Date	4/15/54
To:	Oper Com	Date	4-28-54
To:	Oper Com	Date	6-21-54
To:	130	Date	7-5-57
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CONTROLLED DOCUMENT

DOCKET FILE COPY
Surname:
Anderson
Houk
Hedges
McWright for Thayer
Schneider
Gillman

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

JUN 22 1954

Mr. Zeb Angel

Franklin, North Carolina

Re: Docket No. DMEA-3311 - Mica
J. M. Lyle Mine
Macon County, North Carolina

Dear Mr. Angel:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property 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 indicates to us that the probability of disclosing significant reserves of mica 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 (for)

Administrator

WCAnderson:gad 6/18/54
Copy to: Admr. R. File
Docket File
Operating Committee
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.B.

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

June 17, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: A denial of exploration assistance and summary report.

By: Walter C. Anderson

1. DMEA Docket No. 3311 - Mica

Property: J. M. Lyle Mine
Macon County, North Carolina

Applicant: Zeb Angel
Franklin, North Carolina

Application: Form MF-103, date received April 14, 1954
Work proposed: Construction of buildings, bulldozing, 80 feet of shaft and 100 feet of drift.
Amount requested: $7,935.00.
No contract: Application denied.

2. Comments:

Geological premise: No pegmatite exposed. Field Team's opinion is that the deposit is largely worked out and that pegmatite may have bottomed.

Geological criteria:
1. No pegmatite exposed.
2. Size, character and attitude of pegmatite is not known.
3. Mica is small in size.

Future possibilities - Remote for additional production of mica.

Recommendations: The Nonmetallic Minerals Division concurs with the field team that the application should be denied. The Geological Survey and the Bureau of Mines concur.

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

June 15, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3311 (mica)

Applicant: Zeb Angel

Name and Location of Property: J. M. Lyle (Doc Lyle) Mines
Macon County, North Carolina

Date of Field Team Report: May 24, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: June 3, 1954

Field Team Recommendation:

1. Denial.

Comments:

1. The field team made two examinations of the subject mine within a period of less than a month.

2. As a result of these examinations they concluded that exploration assistance was not warranted because of the doubtful size of the pegmatite and indications that the pegmatite may have bottomed. In addition, operating difficulties would be encountered because of heavy ground and water conditions.

Recommendation:

I concur in the field team's recommendation to deny exploration at the subject mine.

Donald R. Irving

Donald R. Irving

IN REPLY REFER TO:

G-MD-CNM

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

May 28, 1954

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3311 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant: Zeb Angel, Franklin, North Carolina
Name of property: J. M. Lyle Mine.
Location of property: Macon County, North Carolina.
Date of field team report: May 24, 1954
Authorship of field team report: K. H. Teague, L. E. Shirley, and D. H. Amos.
Field team's recommendation: Denial.
Comments: None.
ACTION RECOMMENDED: Follow field team's recommendation.

D. M. Larrabee

D. M. Larrabee

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 331, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 24, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII

Subject: Field Examination Report, DMEA-3311 (mica) J. M. Lyle Mine
Macon County, North Carolina

Enclosed are 4 copies of the subject examination report.

The Field Team agrees with the recommendation for denial of this application.

Robert A. Laurence

Robert A. Laurence

Wm. A. Beck

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

Reviewed by
DMEA OPERATING COMMITTEE
6-2-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

6/21/54

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT BY FIELD TEAM, REGION VII

ON

DMEA-3311, J.M. LYLE MINE (mica)
Macon County, N. C.

BY

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

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

Dewey H. Amos, Geologist
U. S. Geological Survey

May 24, 1954

Reviewed by
DMEA OPERATING COMMITTEE
6-2-54
(date)

Field Examination Report on
DMEA-3311, J. M. LYLE (Doc Lyle) Mine
(Mica)

Applicant: Zeb Angel, Franklin, North Carolina

No pegmatite is exposed at present on the property, nor are there any underground workings accessible that are in pegmatite. Mica on the dump is of strategic quality but small in size. As the size, character and attitude of the pegmatite is not known and the extent and location of the underground workings are indefinite, it is recommended that exploratory assistance be denied. In addition, heavy ground and much water would create major difficulties.

The J. M. Lyle Mine is located on the west side of U. S. Highway 23, 1.4 airline miles N. 45° E. of the center of Franklin, Macon County, North Carolina.

Mr. Zeb Angel accompanied the examiners on two inspections which required a total of two hours. Examinations were made on April 27 and May 17, 1954.

No pegmatite is presently exposed on the property and the only accessible old working is a shaft in country rock that is partially filled with water.

An unpublished U.S.G.S. report by E. Wm. Heinrich, dated December 1944 gives the following information of the mine:

"The workings lie 25 to 50 feet west of U. S. Highway 23, and the main old dumps lie east of the road. The mine is owned by Mrs. Bessie Johnson of Franklin. It was operated first in 1909 by Dr. Lyle and later by Hardy Lyle and Zeb Angel, all of Franklin. A. W. Reid reopened it in 1928, then it remained idle until December 22, 1943, when M. A. Pearce (Rt.4 Franklin) cleaned out and began deepending the North Shaft. This operation ended August 10, 1944.

The workings trend N. 40° E. The northernmost is a slump pit, perhaps an old shaft, 25 feet long, 15 feet wide, and 15 feet deep. The North Shaft, which Mr. Pearce deepened from 42 to 65 feet, is 30 feet southwest of the pit. A crosscut from its bottom intersected the main pegmatite body, but as large quantities of water probably from old workings were encountered there, the mine was abandoned. The waste rock from the north shaft was dumped into the Central Shaft, 20 feet to the south, filling it completely. It was at least 30 feet deep. The south shaft, 50 feet south of the North Shaft, is filled with water to a point 45 feet beneath the collar."

"The deposit was worked to a depth of at least 65 feet. The shafts were sunk in gneiss, and crosscuts were driven southeast to the pegmatite body. The old workings were reported to be extensive. They are probably now caved.

The country rock is a weathered biotite gneiss whose foliation strikes N. 75° E. and dips 45° NW. The pegmatite body is reported to strike NE.-SW., but the dip is not known. It is probably crosscutting. The dumps indicate that the body contains blocky microcline probably in the core and a medium-grained intergrowth of greenish plagioclase, quartz, and a little biotite and muscovite probably in the wall zone. A few pieces of mica up to 2 inches in diameter were found on the dumps. The mineral is light brown in color, cracked and ruled, but generally hard and free splitting.

The deposit may be largely worked out. A large amount of money was spent in deepending the North Shaft and in driving the crosscut without adequate knowledge of the positions of old workings. Heavy ground and much water caused operational difficulties to the greatest depth yet reached. Reopening of the mine is not recommended."

No additional work has been done since the report was written. All openings described in this report are now caved except the North Shaft. It was taped to a 62-foot depth with water at about 50 feet.

In the opinion of the Field Examiners, exploratory assistance on the mine is not warranted because of the doubtful size and attitude of the pegmatite, the unknown extent and locations of underground workings, and the possibility that the pegmatite may have bottomed. Also, heavy ground and water conditions would be major operational hazards.

May 17, 1954.

K. H. Teague and D. H. Amos, Geologists
U. S. Geological Survey

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

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RECEIVED
MAY 07 1954

May 4, 1954

Mr. C. O. Mittendorf, Administrator
U. S. Department of the Interior
Defense Minerals Exploration Administration
Washington 25, D. C.

Re: Docket No. DMEA-3311-Mica
J. M. Lyle Mine
Macon County, North Carolina

Dear Mr. Mittendorf:

This will acknowledge receipt of your letter of April 29, concerning the above.

I am aware of the new ruling allowing only 75% government participation, and hereby express my willingness to have the above application processed under the new rate.

Set out below is the legal description of the property under application:

> "BEGINNING at a stake on the edge of U. S. No. 23, approximately 50 ft. East from new culvert, runs thence due North 210 feet to an iron pin in Soper's line, thence due East 400 feet to a post oak, Soper's line; thence due South 180 feet to the edge of old U. S. No. 23 at stake; thence back 490 feet to the place of BEGINNING, containing 1.75 acres, be the same more or less."

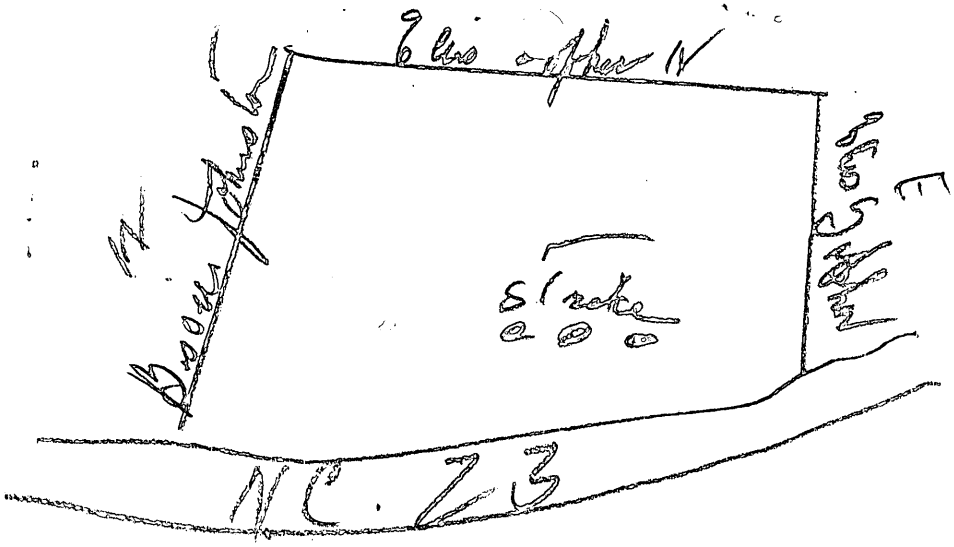
I trust this is the information you requested.

Yours very truly,

Zeb. Angel

ZA:bf

Attched: Sketch


Elvis Jeffers N
Brooks Johnson
Street
NC 23

File Copy
Surname:

Houk
Larrabee
Stedman
Myatt
Johnson

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

APR 29 1954

Mr. Bob Angel

Franklin, North Carolina

Re: Docket No. DMEA-3311 - Mica
J. H. Lyle Mine
Macon County, North Carolina

Dear Mr. Angel:

References is made to the subject application for exploration assistance.

Please note in Article 3 (a) of MF-103, a blank copy of which is enclosed, that the legal description of your land is required. This legal description should state the bounding bearings and distances enclosing the area, and the total acreage all tied to a known point in the legal description. A map, if available, of your property or surroundings would be helpful.

On March 19, 1954, DMEA Order-1, Amended, became effective and continues the limiting of Government participation in the case of mica to 75 percent of the approved costs. This limitation became effective on November 3, 1953, by Amendment No. 3 to DMEA Order-1. A copy of the March 23, 1954, press release is enclosed for your information. Inasmuch as your application was received after November 3, 1953, please advise this office in writing if you desire to have your application processed under the new Government participation rate.

Kindly furnish this office with the above requested information as soon as practicable. Meanwhile, your application has been referred to the Field for further consideration and possibly a field examination.

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

Sincerely yours,

C. O. Mittendorf

Administrator

Enclosures 2

WCAnderson:gad 4/27/54
Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.G.

File Copy
Surname:

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

APR 29 1954

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

Subject: Docket No. DMEA-3311 - Mica
Zeb Angel
J. M. Lyle Mine
Macon County, North Carolina

Dear Mr. Laurence:

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

The property to be explored is described as lying within 250 feet of the main mine shaft indicating a circular area about 4.3 acres. This office requires rectilinear descriptions tied to a known point in the legal description. Please advise the applicant of our requirements. Please ascertain whether the acreage is sufficient to sustain an exploration project.

Copies of memoranda from the Geological Survey, dated April 15, 1954, and from the Bureau of Mines, dated April 21, 1954, are enclosed for your information.

Sincerely yours,

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

Approved:

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

D. M. Larrabee (WHB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 4/27/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3061
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.A.L.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D.C.~~
ROOM 313, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 19, 1954

Memorandum

To: Operating Committee, D M E A - Washington

From: Executive Officer, DMEA - Region VII

Subject: Application of Zeb Angel on J. M. Lyle Mine-DMEA-3311. N. C.

Transmitted herewith is the copy of Form MF-203 mentioned in our memo of April 12, with which we transmitted the application and 5 copies of Owner's Consent to Lien.

Robert A. Laurence

Robert A. Laurence

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

April 21, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3311

Applicant: Zeb Angel

Name and Location of Property: J. M. Lyle Mine
Macon County, North Carolina

Date Application Rec'd. by Ceramic & Fert. Mats. Br.: April 14, 1954

Comments:

1. No data available in this office on subject mine.

2. Proposed exploration is by sinking 80-foot shaft and drifting 100 feet and is consistent with local engineering practices.

3. Applicant is well known to the field team and has operated other mines under the DMEA program.

4. Estimated costs - $7,935.

Recommendation:

It is suggested the field team examine this mine to ascertain if an exploration program is justified.

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.

Memorandum April 15, 1954

REVIEW OF APPLICATION DMEA-3311 (mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Zeb Angel, Franklin, N. C.
Name of property: J. M. Lyle mine (Old Doc Lyle (Honeycutt)).
Location of property: Macon County, N. C.
Summary of applicant's proposal: 80' shaft
100' drift
$7,935

Sources of information on applicant's property:

U.S.G.S. ms. report, E. Wm. Heinrich, Dec. 1944
"Old workings extensive--to depth of at least 65'"
"All shafts collared in gneiss, with crosscuts SE to the pegmatite."
"Strike NE but dip unknown; workings inaccessible."
"The mine appears to have been worked out."
"A large amount of money was expended in deepening the north shaft, and in -- crosscutting without adequate knowledge of the positions of old workings."
"Heavy ground and much water are other operational difficulties.
The reopening of this mine is not recommended."

Comments:

1. No sketch of proposed exploration.
2. Is the work to be in pegmatite or just looking for it?
3. The fact that Zeb Angel himself worked this hole in 1914 raises the question of "why did he give up?"
4. In consideration of the above excerpts, I take a very dim view of this application, and will vote to deny it unless something startlingly new is found by the Field Examiners, and excellent evidence is presented in favor of the deposit.

RECOMMENDATION:

Refer to Field Team for examination if necessary, and attach copy of this memorandum.

D. M. Larrabee

D. M. Larrabee

April 14, 1954

Mr. Zeb Angel
Franklin
North Carolina

Subject: DMEA-3311
Re: Exploration Assistance
J. M. Lyle Mine

Dear Sir:

The receipt of your application dated April 6, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3311 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-3311 in any future correspondence relating to your application.

Sincerely yours,

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

April 14, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA - 3311 Zeb Angel (J. M. Lyle Mine)

Robert E. Adams
Chief, Operation's Control
and Statistics Division

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

April 12, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Application of Zeb Angel on J. M. Lyle Mine (mica) Macon Co., N.C.

Transmitted herewith are original and two copies of subject application together with original and two copies of lease, and five copies of Owners Consent to Lien, that were received in this office today. We have retained one copy of the application and one copy of the lease in our files.

We have written the applicant for another copy of Form MF-203.

Robert A. Laurence

Robert A. Laurence

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. 3311
Metal or Mineral Mica
Date Received
Estimated Cost $7,935
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: ZEB ANGEL
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 A tract of land on the North side of the Dillsboro Road, 1¼ miles East of the Town of Franklin, being the old J. M. Lyle Mine, adjoining the highway right-of-way and the land lying within 250 feet of the main mine shaft, now owned by Bessie Johnson.

(*b*) State any mine name by which the property is known. (see above)

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

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

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

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

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

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

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

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

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

5. *The exploration project.*—(*a*) State the mineral or minerals for which you wish to explore 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 10 days and be completed within 12 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)?

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

[X] Money [X] 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 April 6, 1954

(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

Bureau of Mines
Received
APR 14 1954

ZEB ANGEL
FRANKLIN, N. C.

Supplemental information
MF-103

4. This mine was worked by shaft by applicant and another partner in 1914. High grade ruby sheet in blocks as high as 300 lbs. were recovered at that time. Since that time mica has not been recovered, although Colonial Mining Co sunk a shaft about 60 ft deep in 1942. Mine location is easily accessible from U.S. Highway # 23, being located next to said highway.
(c) Veing is decomposed vein turned hard. No past records available.
(d) Located on U. S. Highway # 23 just outside city limits of Franklin, N. C.
(e) All resources and manpower are available at mine site.

5. (b) Proposed to sink 80 ft. shaft and drift out 100 ft, probably 50 ft. in each direction. Preparatory work will consist of about 16 hours of clearing by bulldozer and construction of a tool house, powder house, and an exploder house.

(d) Applicant is well-known by Knoxville and Asheville office of Bureau of Mines - has been in Mica Exploratory work all of his life.

6. Construction of Buildings:

Tool House:	$150.00	
Powder House:	75.00	
Exploder House:	50.00	
	275.00	
Bulldozing:		
16 hrs @ 10.00:	160.00	
Shaft: 80 ft. @ 50.00 per ft.		$4,000.00
Tunnell: 100 ft. @ 35.00 per ft		3,500.00
Total Amount of Contract		7,935.00

STATE OF NORTH CAROLINA
COUNTY OF MACON

MINING LEASE

THIS LEASE, made and entered into this the 30th day of March, 1954, by and between Bessie Johnson, hereinafter called party of the first part; and Zeb Angel, hereinafter called party of the second part; both of the above County and State;

W I T N E S S E T H :

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

> A tract of land on the North side of the Dillsboro Road, 1¼ miles East of the Town of Franklin, being the old J. M. Lyle Mine, adjoining the highway right-of-way and the land lying within 250 feet of the main mine shaft, now owned by Bessie Johnson.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a period of one year, with the further right to renew from year to year.

2. As rental or royalty, the party of the second part or his assigns shall pay to the party of the first part or her legal representative a sum equal to twelve and one-half per cent (12½%) of all the sheet or pattern mica, Two Dollars ($2.00) per ton for scrap mica, and fifty (50) cents per ton for all feldspar. In the event the party of the second part or his assigns shall, in the course of conducting mining operations upon said property, encounter any other metals or minerals not specifically set forth herein in merchantable quantities, said party of the second part or his assigns shall recover same, use their best efforts to obtain a market therefor and pay the party of the first part a royalty equal to that prevailing in the community for metals or minerals of like character.

3. That all royalties shall be paid between the first and tenth of each calendar month following production, sale and receipt of the sale price thereof.

4. Party of the first part or his assigns shall keep a correct and itemized record of all operations upon the premises, including transactions relating to the sale of minerals from the premises, said records to be open to the inspection of the party of the first part at any time upon reasonable request.

5. The party of the second part will commence operations upon the premises within ninety (90) days from the date of this lease, and shall not cease operations at any time for a period exceeding ninety (90) working days; failure to comply with these provisions shall cause the lease to become null and void without further action on the part of party of the first part.

So long as this lease remains in force the parties of the second part or his assigns in connection therewith shall have and enjoy the following rights and privileges:

(a) The right to use the surface of said lands to the full extent that such use is reasonable, convenient or necessary in mining and removing the minerals from said lands and to use any portion of said surface for the purpose of dumping mine refuse and tailings as may be reasonable, necessary or convenient. In this connection, however, the party of the second part agrees that no unnecessary damage shall be done to the property in the process of conducting mining operations thereon.

(b) The right to construct and place upon said lands buildings and machinery and to remove the same.

(c) The right to cut and use upon said lands for the purposes herein set out any standing timber thereon at the time of such use.

(d) The right to use any water upon said property as may be necessary in the course of said operations.

(e) The right to construct and maintain roads in such locations as the parties of the second part may deem advisable and complete right of ingress and egress to and from any portion of said property that the said parties of the second part, their assigns, may conduct mining operations.

(f) The right of first refusal of any purchase price set upon the lands herein leased by the party of the first part.

IN TESTIMONY WHEREOF, the said parties hereto have set their respective hands and seals, the day and year first above set out.

Bessie Johnson (SEAL)

Zeb Angel (SEAL)

NORTH CAROLINA
MACON COUNTY

I, Don L. Henry, Notary Public in the above County and State, hereby certify that BESSIE JOHNSON and ZEB ANGEL personally appeared before me this date and and acknowledged the due execution of the foregoing instrument for the purposes therein ~~expressed~~.

WITNESS my hand and ~~seal~~ seal, this the 5 day of April, 1954.

Don L. Henry

My comm. Exp. 10-20-55

NORTH CAROLINA, Macon County.

The foregoing certificate of Don L. Henry Notary Public of Macon County, State of N. C., attested by his/~~her~~ notarial seal, is adjudged to be correct.

Let the instrument, with the certificates, be registered.

Witness my hand and official seal, this 6 day of April, 1954

Kate McGee
CLERK SUPERIOR COURT.

Filed for registration on the 6th day o
April 19 54 ; at 10:00
o'clock A M., and registered and verified in th
office of the Register of Deeds for Maco
County in Book No. 6-6, Page 124
This 6 day of April 19 54

Register of Deeds for Macon County

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

Defense Minerals Administration
RECEIVED
APR 21 1954

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

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

2/ Zeb Angel, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

4. Changes and added provisions Authorized to sink 80 feet shaft and 100 feet of drift.

Dated this 13th day of April, 1954.

Bessie Johnson [Seal]

[Seal]

[Seal]

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

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

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

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

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

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ A tract of land on the North side of the Dillsboro Road, 1¼ miles East of the Town of Franklin, being the old J. M. Lyle ~~Mine, adjoining the highway right-of-way and the land lying within 250~~ feet of the main mine shaft, now owned by Bessie Johnson.

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

2/ Zeb Angel, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

4. Changes and added provisions Permission is granted to dig an 80 foot shaft and a 100 foot tunnel or drift, in addition to other usual mining operations

Dated this 31 day of March, 1954.

Bessie Johnson [Seal]

[Seal]

[Seal]

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

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Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

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

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

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior—Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ A tract of land on the North side of the Dillsboro Road, 1½ miles East of the Town of Franklin, being the old J. M. Lyle Mine, adjoining the highway right-of-way and the land lying within 250 feet of the main mine shaft, now owned by Bessie Johnson.

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

2/ Zeb Angel, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

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

4. Changes and added provisions Permission is granted to dig an 80 foot shaft and a 100 foot tunnel or drift, in addition to other usual mining operations

Dated this 31 day of March, 1954.

Bessie Johnson [Seal]

[Seal]

[Seal]

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

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

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e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior—Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

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WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as

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Jacob Angel, Franklin, N. C.

2/

hereinafter called the "Operator"; and

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

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4. Changes and added provisions: Permission is granted to dig an 80 foot shaft and a 100 foot tunnel or drift, in addition to other usual mining operations

Dated this 31 day of March, 1954.

Bessie Johnson [Seal]

[Seal]

[Seal]

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

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Interior—Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ tract of land on the North side of the Sylvaboro Road, 1 mile East of the Town of Franklin, being the old J. M. Lyle line, adjoining the highway right-of-way and the land lying within 50 feet of the main line track, now owned by Bessie Johnson.

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

2/ ob Lyel, Franklin, N. C.

hereinafter called the "Operator"; and

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

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

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

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4. Changes and added provisions Permission is granted to dig an 80 x 80 office and a 100 foot tunnel or entry, in addition to other work in the open close

Dated this 1 day of March, 195 4.

Bessie Johnson [Seal]

[Seal]

[Seal]

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

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production, in whatever form disposed of, including ore, concentrates, or metal, as follows:

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

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

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

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

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

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--This article is not to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any mining or production operations.

Interior--Duplicating Section, Washington, D. C. 47318

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ Tract of land on the North side of the Hillsboro Road, 1 mile East of the Town of Franklin, being the old J. M. Lyle Mine, adjoining the highway right-of-way and the land lying within 250 feet of the main mine shaft, now owned by Bessie Johnson.

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

2/ CO Mgr, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

Permission is granted to dig an 80 foot shaft 100 feet tunnel or drift, in addition to other usual mining operations

Changes and added provisions

Dated this _____ day of _____, 195___.

Bessie Johnson [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or development from which production may be made has resulted from the exploration work, the Government, at any time not later than six months after the Operator has rendered the final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

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