DMEA 3549

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED	1/25/54
2	CONTRACT	DATE	1/6/55
3	TERMINATION AGREEMENT	DATE	
4	CERTIFICATION	DATE	
5	AUDIT REPORT	DATE	
6	AMENDMENTS - NUMBERS 1	DATE	4-4-55

DOCKET COPY

Putin 5/25/5

EXPLORATION PROJECT CONTRACT
DOCKET NO.3549
Idm-E756 (mica)

AMENDMENT No. 1

Contract Idm-E756, Docket No. DMEA-3549, between the United States of America, acting through the Department of the Interior, Defense MineralsExploration Administration and Ernest Crowder of Spruce Pine, North Carolina, dated January 6, 1955 is hereby amended as follows:

1. Article 3 is amended to read..."..... and shall bring the project to completion within a period of five (5) months from date of contract".... instead of three (3) months as first written.

This amendment is necessary because of inclement weather.

April 4, 1955

This amendment shall not be construed to increase th estimated total cost of the project, the aggregate total amount which the Government may be required to pay, nor the amount of any item designated as 'allowable maximum.'

ERNEST CROWDER, Operator

Ernest Crowder

Robert A. Lawrence

EXECUTIVE OFFICER
DMEA REGION V

Docket Copy

Department of the Interior
Defense Minerals Exp...
RECEIVED
JAN 14 1955

MF-200A
(Revised June 1954)

Docket No. DMEA-3549

Commodity Mica

Contract No. Idm-E - 756

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 6th day of January, 195 5, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Ernest Crowder, whose mailing address is Spruce Pine, North Carolina, hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and Owner's Consent to Lien

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

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Lincoln, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] unrecorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: Owner's Consent to Lien

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

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before FEB 15 1955 shall commence the work, and on or before 3 months from date * (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work. * Date means date of Contract.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $4,946.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,709.50: *Provided,* That until the Operator has rendered to the Government his final report, and any final auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

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

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

Ernest Crowder

ERNEST CROWDER
(Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By O. Mistreadore

Administrator, Defense Minerals Exploration Administration

Hoffland

Hook
Hopkins
Talbert

I, ..., certify that I am the ..... secretary of the corporation named as Operator herein; that ..... who signed this contract on behalf of the Operator, was then ..... of said corporation; that said contract was duly signed for and in behalf of said corporation by authority of its governing body, and is within the scope of its corporate powers.

.....

[CORPORATE SEAL]

Selfridge
J. J. Simons

U. S. GOVERNMENT PRINTING OFFICE 16—70618-1

EXPLORATION PROJECT CONTRACT
ERNEST CROWDER
DOCKET NO. DMEA-3549

ANNEX I

The land referred to in Article 2 of the contract form is described as follows:

BEGINNING at a stake in the old line and runs north 60 west 38 poles to a stake on the southwest bank of the creek; then north 29½ west 25½ poles crossing the creek to a stone; then north 60 east 42 poles to a stake; then south 32 3/4ths degrees east 52 and 3/4ths poles to a stone; then south 60 west 80 poles to a stone in the old line; then with it north 35½ west 27¼ poles to the BEGINNING, and containing 20 acres (Book 140 at page 179 Lincoln County registry.)

EXPLORATION PROJECT CONTRACT
ERNEST CROWDER
DOCKET NO. DMEA-3549

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be accomplished in two stages in the area indicated on the attached map entitled, "Sketch of Hoyle Cline Pros. Lincoln County, N. C. DMEA-3549 (Mica)" as follows:

Stage I

1. Cut a crosscut trench approximately 30 feet long by 15 feet wide by 10 feet deep to expose the pegmatite.

Stage II

1. Construct:

(a) A toolhouse, minimum dimensions 7 feet by 10 feet by 12 feet.

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from rough unfinished lumber with a protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hard lumber or 3-inch soft lumber; and shall be braced at the corners. Lumber for these two boxes shall be smooth on the inside. No metal shall be exposed; and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jar-proof lock.

2. Sink a 60-foot, two compartment shaft on the pegmatite from the bottom of the bulldozer trench.

3. From the bottom of the shaft, drive 80 feet of drifts and/or crosscuts on the pegmatite.

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

All underground work shall be in pegmatite.

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

The work under Stage II shall be undertaken only upon prior approval of the Government.

Fixed Unit Costs

Stage I

Bulldozing a crosscut trench 3 hrs. @ $10.00/hr.	$ 30.00	
Estimated total cost Stage I		$ 30.00

Stage II

Constructing:		
Toolhouse 1/	$ 78.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Sinking 60 feet of shaft @ $40.00/ft.	2,400.00	
Driving 80 feet of drifts and/or crosscuts @ $30.00/ft.	2,400.00	
Estimated total cost Stage II		$4,916.00
Estimated total cost of project		$4,946.00
Government participation @ 75%		$3,709.50

1/ The completed work constitutes the unit.

MF-203
(Revised July 1, 1954)

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 _____, County of _____, described as follows:1/

_____

_____

_____

_____

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/_____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 _____

_____

_____

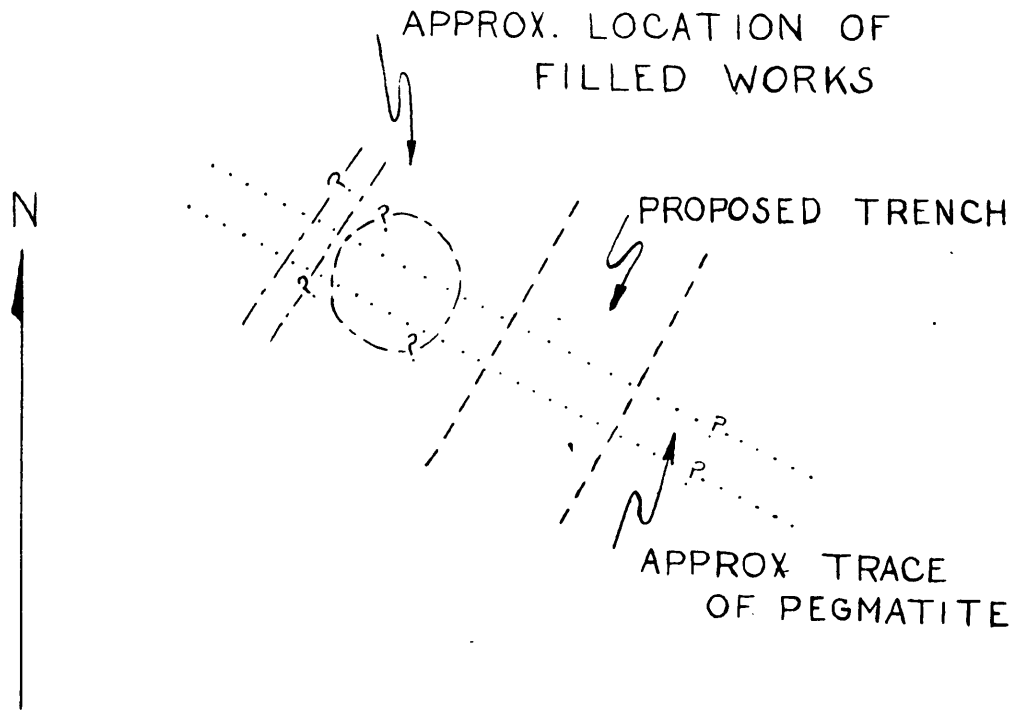
_____

Dated this 6th day of December, 1954.

N C Hauser [Seal] Route 3, Vale NC

Etta Hauser [Seal]

_____ [Seal]



0 20' 40'

SCALE

SKETCH OF
HOYLE CLINE PROS.
~~CLEVELAND~~ CO., N.C.
Lincoln

DMEA-3549(mica)

DOCKET COPY
Surname:

Hopkins
Houk
Chambers
Yager
Eldridge
Zimmerman

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

MAR - 2 1956

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3549-Mica
Ernest Crowder
Maggie Kline Tract
Lincoln County, North Carolina
Contract No. Ida-2736

Dear Mr. Crowder:

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

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

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

C. O. Mittenhuber (for)

Administrator

JHopkins:ms 2/23/56
Copy to: Admr. R. File
Docket
Mr. Chambers
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Field Team, Region V
Mr. Houk
Mr. Hopkins
N. C. Hauser)
Etta Hauser)Owners of Land

R.C.S.

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

Project Summary Report

February 23, 1956

By: James Hopkins

1. Docket No. DMEA-3549-Mica
Contract No. Idm-E756
Hoyle Cline Land
Lincoln County, North Carolina

Operator: Ernest Crowder
Spruce Pine, North Carolina

Operator's Property Rights:
Lessee

2. Contract: Dated January 6, 1955
a) Work authorized:

Stage I	
Bulldozing 3 hrs. @ $10.00/hr.	$ 30.00
Stage II	
Construction:	
Toolhouse, Powder and Exploder magazines	116.00
Sinking shaft 60 ft. @ $40.00/ft.	2400.00
Drifting 80 ft. @ $30.00/ft.	2400.00
Estimated total cost	$4946.00

b) Amendments: none
c) Work Completed:

Bulldozing 3 hrs. @ $10.00/hr.	$ 30.00
Construction	116.00
Shaft Sinking 60' @ $40.00/ft.	2400.00
Drifting 80' @ $30.00/ft.	2400.00
Total cost	$4946.00

Work began January 13, 1955
Work completed April 29, 1955
Final Field Team Report June 9, 1955
Operator's Final Report - waived June 9, 1955

3. Audit: Report of Review dated June 3, 1955

Total cost as billed by Operator	$4508.00
Exceptions	None
Total accepted cost	$4508.00
Government participation @ 75%	$3381.00

4. Certification of discovery: None issued

5. Comments:

The project was conducted in a very efficient and workmanlike manner.

There were no particularly difficult engineering problems.

Project was established to explore the down-dip extension of a previously mined pegmatite. Dump material indicated strategic mica would be found.

No strategic mica was recovered from the work. Material encountered in the shaft consisted of mica sillimanite schist containing inter-layered granite, hornblende gneiss and pegmatite stringer and pods.

Operation was good.

The Field Team concluded that no further work was warranted, as no reserves were found.

It was recommended that no certification of discovery be made.

The Nonmetallic Minerals Division concurs in the recommendation.

The Commodity Divisions of the Geological Survey and Bureau of Mines also concur.

IN REPLY REFER TO:

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

RECEIVED
AUG 30 1955

August 29, 1955

Re: DMEA 3549
Ernest Crowder
Hoyle Cline land
Lincoln Co., N. C.
$4,943.00 - Mica

Memorandum

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

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

Subject: Review of Final Field Team Report.

This project was based very much on hearsay and float mica in the overburden. After Stage I work was completed the prospects were little better and Stage II revealed no mica.

Probably more attention should have been devoted to finding the pegmatite from which the reported mica might have come.

I concur with the recommendation of the Field Team that no certificate of discovery be issued.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 28 1955

June 28, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3549 (mica)

Applicant: Ernest Crowder

Name and Location of Property: Hoyle Cline Prospect
Lincoln County, North Carolina

Contract Number: Idm-E 756

Date of Field Team Report: June 9, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 17, 1955

Field Team Recommendation: No certification of discovery

Comments:

1. No extension of pegmatite was found.

2. Expenditures -

Total approved	$4,946.00
Total cost	4,508.00
Gov't share of the cost	3,381.00
Value of production during operation	None

Recommendation:

I concur with the field team's recommendation of no certification of discovery.

W F Dietrich

W. F. Dietrich

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

June 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tennessee

Subject: Final Report, DMEA-3549, Idm-E756(mica) Ernest Crowder, Spruce Pine, N. C. Hoyle Cline Prospect, Lincoln County, North Carolina

Enclosed are four copies of the subject report. We recommend that no certificate of discovery be issued.

Requirement of the Operator's final engineering and geologic report is considered to have been met by information submitted in the Operator's final narrative. We do not think that insistence on a formal final report would provide us with any significant new information.

Robert A. Laurence
Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

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

RECEIVED
JUN 15 1955

Reviewed by
DMEA OPERATING COMMITTEE
6-17-55
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT
BYFIELD TEAM, REGION V

On

DMEA-3549, HOYLE CLINE PROSPECT
(mica)
Lincoln County, N. C.

Reviewed by
DMEA OPERATING COMMITTEE
6-17-55
(date)

By

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

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

RECEIVED
JUN 15 1955

June 9, 1955

FINAL REPORT

DMEA-3549, Idn-E756, HOYLE CLINE BROS.

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 miles due west of Henry and one mile south of the Catawba-Lincoln County line, in Lincoln County, N. C.

The exploration conducted at this prospect failed to reveal a down dip extension of a previously mined pegmatite body. It is recommended that no certification of discovery be made. Additional exploratory work is not warranted.

Work under the contract began on January 13, 1955 and ended April 29, 1955. Under Stage I, a trench about 50' x 15' x 5' deep was bulldozed. This trenching required 3 equipment hours. A toolhouse was then constructed and a 50-foot vertical shaft 5' x 7' in cross-section was sunk and in part timbered. A total of 83 feet of laterals were driven from two levels of the shaft (3 feet of lateral were done at the Operator's expense). These laterals are: (1) a 40-foot crosscut driven in a S. 60° direction and two laterals from its head driven 13 feet N. 25° E. and 14 feet S. 25° W. all from the 45-foot level of the shaft, and (2) a 16-foot crosscut driven in a S. 45° E. direction ffom the 26-foot level.

Material encountered in the shaft consisted of mica-sillimanite schist containing interlayered granite, hornblende gneiss and pegmatite stringer and pods. The foliation and layering of the rock is variable but most of the dips are 10° - 50° to the southwest.

The muck filled bottom of the old stope from which mica-bearing pegmatite was previously mined was encountered near the head of the crosscut driven on the 26-foot level.

No strategic mica was recovered from the work except a small amount from the overburden while dozing, nor were any reserves revealed. The Operator plans to mine the muck left above the 26-foot level as it contains some strategic mica.

Expenditures;	(a)	Total approved	$4,946.00
	(b)	Total cost of project	4,508.00
	(c)	Government's share of cost	3,381.00
	(d)	Government's share unexpended	328.50
	(e)	Value of production during operation	none

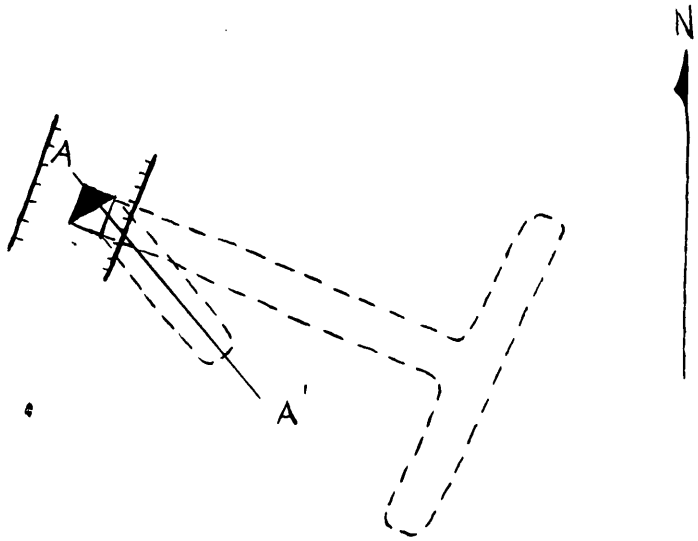
The work completed under the contract was performed in an efficient and satisfactory manner. No equipment was purchased under the contract.

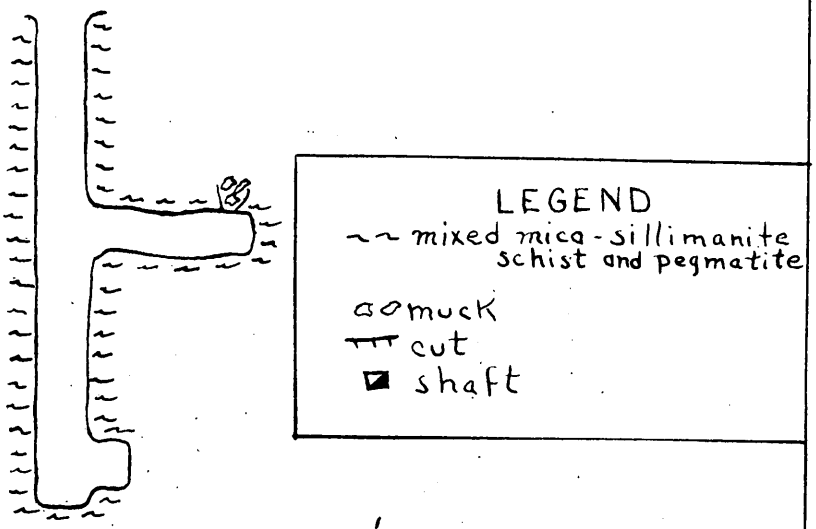
June 9, 1955

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

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

z





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scale

SKETCH OF
HOYLE CLINE PROS.
LINCOLN CO., N.C.

DMEA-3549
May 3, 1955

Jr. 4
Houk

600

May 23, 1955

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Prospect
Lincoln County, North Carolina

The Nonmetallic Minerals Division concurs in Amendment No. 1, dated April 4, 1955, to the subject contract as written and executed in the field. This amendment extends the completion date from three months to five months or until June 6, 1955.

Amendment No. 1 is necessary because of time lost due to inclement weather.

/S/
James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 5/23/55
Copy to: Admr. R. File
Mr. Houk

INTERIM REPORT

DMEA-3549, Idm-E756 (mica) HOYLE CLINE PROSPECT

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 miles due west of Henry, one mile south of the Catawba-Lincoln County Line, Lincoln County, N. C.

With the exception of 10 feet of shaft, all work as outlined under contract has been completed without making a sizeable discovery of strategic mica. Stage I of the contract consisted of cutting a cross-cut trench 30' x 15' x 10'.

Stage II consisted of construction of a toolhouse, powder and exploder magazines, sinking 50 feet of two-compartment shaft and 80 feet of level work from two levels in the shaft. From the 45-foot level, 67 feet of crosscut was driven from the 19.5 foot level. This last crosscut encountered pegmatite and old workings at the head; from the shaft the work followed a granitic stringer, containing sillimanite until pegmatite was encountered.

The Operator has stated that he plans to do additional work in an effort to make the mine a producer by exploring the old workings and working the back-filled muck for strategic mica. This work was conducted satisfactorily.

Inspected: May 3, 1955

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

and

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

z

INTERIM REPORT

DMEA-3549, Idm-E756, HOYLE CLINE PROSPECT
(mica)

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 mile due west of Henry, one mile south of the Catawba-Lincoln County Line, In Lincoln County, N. C.

Level work continues on this contract and now totals 67 feet as follows: (1) a lateral driven 40 feet in a S. 65° E. direction from the 50-foot level of the shaft, (2) a level driven from the head of this opening 13 feet N. 25° E., and (3) another level driven 14-feet S. 25° W. from the same point. Material encountered in this work was interlayered mica-sillimanite schist, granite, hornblende gneiss and thin pegmatitic stringers all of which dip 10 - 30° to the southwest.

Progress is satisfactory.

Examined: April 19, 1955.

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

and

V. J. Lynch, Mining Engineer
U. S. Bureau of Mines

z

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

April 15, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region 5, Knoxville, Tenn.

Subject: Amendment No. 1 : Idm-E756, DMEA-3549 (mica) Ernest Crowder, Spruce Pine, N. C.

Transmitted are three copies of the subject amendment.

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

Robert A. Laurence

Robert A. Laurence

INTERIM REPORT

DMEA-3549, Idm-E756, HOYLE CLINE PROSPECT
(mica)

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 mile due west of Henry, one mile south of the Catawba-Lincoln County Line, in Lincoln County, N. C.

Lateral work continues on this contract and how totals 28 feet all of which has been driven in a S. 60° E. direction. Material encountered in recent advance consists of interlayered mica schist and granitic material which dips about 30° to the southwest.

The Operator was advised to advance the level an additional 12 feet in the same direction until another examination by the Field Team could be made.

Progress on the contract is satisfactory.

Date of Examination:
April 6, 1955.

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 205 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED

April 5, 1955

Memorandum

To: Operating Committee, DMEA- Washington

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

Subject: DMEA-3549, Idm-E756 (mica) Ernest Crowder, Opr.
Hoyle Cline Prospect, Lincoln County, N. C.

Reply to your letter of March 24, was delayed, because the subject prospect was on the itinerary for Mr. Houk and Mr. Kiilsgaard last week.

The description of the material encountered in the workings, as given in the interim reports, is probably misleading. Actually the pegmatite apparently broke up into pods and stringers; the field examiners thought it still looked good enough to continue. Although much of the material encountered is not pegmatite, the workings are in the pegmatite zone. Permission to begin the level work was given to the Operator, and an amendment to extend the time for completion will be prepared today.

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION V

V. J. Lynch

V. J. Lynch, Representative
U. S. Bureau of Mines
DMEA- Region V

INTERIM REPORT

DMEA-3549, Idm-E756 (mica) Hoyle Cline Prospect

Operator: Ernest Crowder, Spruce Pine, N. C.

Location: About 1 1/2 miles due west of Henry, one mile south of the Catawba County Line, Lincoln County, N. C.

Drifting is underway from the 50 foot shaft level and is now at 12 feet. The drift is being driven S. 55° E. and material encountered to date is narrow granitic stringers, separated by zones of mica schist. Stringer material is composed predominantly of kaolinized feldspar, some scattered quartz and scrap-size mica. No material containing sheet mica has been encountered to date.

The Operator was advised to top-lag the drift as needed. Timbers being used are 2" x 8" sawed oak planking.

Lawrence G. Houk and Thor H. Kiilsgaard accompanied the Examiners on this visit to the mine.

March 30, 1955 - inspected.

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

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

z

INTERIM REPORT

DMEA-3549, Idm-E756, HOYLE CLINE PROSPECT
(mica)

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1½ miles due west of Henry, one mile south of the Catawba-Lincoln County line, Lincoln County, N. C.

Shaft sinking continues slowly on this contract and is now at 50 feet. The Operator was advised to continue sinking and upon completion, establish a sump, floor, and turnoff on a level to the southeast. Material encountered has not changed since the last Interim Report. The mine continues to make considerable water, which is being handled satisfactorily with a newly-installed electric pump.

Inspected: March 15, 1955

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

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

z

Defense Minerals Administration
RECEIVED
MAR 16 1955

Interim Report

DMEA-3549, Idm-E756 (mica) Hoyle Cline Prospect

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 miles due west of Henry, one mile south of the Catawba-Lincoln County Line, Lincoln County, N. C.

Shaft sinking is nearing completion on this contract. The bottom contained water and was not examined. Dump material examined does not show any change in material encountered, which is principaly a sillimanitic-mica schist, containing pods of granitic material. The Operator was advised to provide a sump and upon reaching a total depth of 60 feet, including the sump, to turn off and drive level work.

The Operator states that a power line to the mine will be completed within the coming week. An electric pump to handle the water will greatly facilitate progress on this contract.

Inspected: March 1, 1955.

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

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

z

DEFENSE MINERALS EXPLORATION

INTERIM REPORT
On

DMEA-3549, Idm-E756 (mica) Hoyle Cline Pros.

Operator : Ernest Crowder, Spruce Pine, North Carolina

Location: About 1½ miles due west of Henry, one mile south of Catawba - Lincoln County Line, Lincoln County, N. C.

Shaft sinking continues on this contract and is now at 42 feet. The bottom contained water and no examination could be made of material in place. Dump material examined shows a granite-schist mixture. No sheet mica was observed in any of the material.

This operation has been hampered recently by inclement weather and the mine is beginning to make considerable water. The Operator states that an electric line will be installed to the mine immediately, and that an electric pump will be used for water removal. Cribbing has been necessary for the last 15 feet of sinking. Progress on this contract is satisfactory.

February 15, 1955.
Inspected.

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

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

Docket Copy
Surname:
Houk
Selfridge
Fleming
Hedges

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

600

MAR 24 1955

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

Subject: Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Prospect
Lincoln County, North Carolina

Dear Mr. Laurence:

Reference is made to the Interim Report of March 1, 1955, and to the results of the work completed to date.

The geologic premise upon which this contract was written was the representation by the Operator that the pegmatite was six feet thick. The covering memorandum transmitting the Field Examination Report recommends that all underground work shall be in the pegmatite, and a contract was written conforming to the recommendation.

The Interim Report of January 18, 1955, shows the pegmatite to be 12 inches thick. The February 1, 1955, Interim Report indicates that the shaft at 35 feet was in coarse pegmatitic material and mica-sillimanite schist. On February 15, 1955, the shaft was at 42 feet and no examination was made of the material in place. The March 1, 1955, Interim Report states that shaft sinking is nearing completion and the bottom contains water and was not examined. If the pegmatite has bottomed are we justified in paying the Operator when the contract specifically reads: "...in the pegmatite"?

From the information available to this office it does not appear that the drifting under Stage II of the contract is justified.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

LGHouk:gad 3/21/55
Copy to: Admr. R. File
Docket Copy
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.L.S.

C

INTERIM REPORT

DMEA-3549, Lom-R756 (mica) HOYLE CLINE PROSPECT

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1-1/2 miles due west of Henry, Lincoln County, N. C.

Shaft sinking is in progress at this prospect and has reached a depth of 35 feet. A toolhouse has been constructed.

Interlayered coarse pegmatitic material and mica-sillimanite schist was encountered in the shaft. The foliation of the schist and the layering strikes N. 70° W. and dips about 50° to the southwest. No strategic mica has been recovered to date.

The Operator was advised to timber the upper five feet of the shaft and to install a second clamp on the bucket end of the hoist cable.

The work is being done in an efficient manner and progress on the contract is satisfactory.

Examined: February 1, 1955.

K. H. Teague D. H. Amos

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

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

Defense Minerals Administration
RECEIVED
JAN 27 1955

January 25, 1955

Mr. Ernest Crowder

Spruce Pine, N. C.

Re: DMEA-3549, Idm-E756 (mica)
Hoyle Cline Mine

Dear Mr. Crowder:

This will confirm the verbal authorization given you last week to proceed with Stage II of the exploratory work at the Hoyle Cline Prospect, as provided in the subject exploration contract.

Very truly yours,

Wm. A. Beck, Acting
Executive Officer, DMEA
Region V.

DMA/mm
cc:

Beck
Opr. Com.
Shirley
Files

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 27 1955

INTERIM REPORT
DMEA-3549, Idm-E756 (mica) HOYLE CLINE PROSPECT

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: About 1 1/2 miles due west of Henry, Lincoln County, N. C.

Stage I of this contract has been completed. A trench about 50' x 15' x 5' deep was bulldozed. Its long direction is in a N. 20° E. direction.

A pegmatite about 12 inches thick is exposed in the trench. It is conformable to the enclosing country rock, weathered mica schist, striking N. 55° W. and dipping about 60° to the southwest. Several thin conformable pegmatite streaks were disclosed by the trenching. A few blocks of excellent quality mica were uncovered by the dozing, largely from the overburden.

It is recommended that the work authorized under Stage II of the contract be undertaken.

Examined: January 18, 1955.

K. H. Teague D. H. Amos

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 14 1955

January 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: Signed Contract- DMEA-3549, Idm-E 756 (mica)
Ernest Crowder, Spruce Pine, N. C.

Transmitted are three signed copies of the subject contract. The usual distribution of the other copies has been made from this office.

Robert A. Laurence

Robert A. Laurence

Docket Copy
Surname:

Hopkins
Houk
Selfridge
Selfridge
H. G. Johnson

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

JAN - 6 1955

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

Subject: Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Prospect
Lincoln County, North Carolina

Dear Mr. Laurence:

Please find herewith the original and five copies of a contract covering the subject exploration project which have been signed by the Government with register number and effective date as shown.

If the contract meets with your approval present it to the Operator for his approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he is obligated to complete the work outlined at the agreed unit cost. If any part of this contract does not have either your approval or that of the Operator and cannot be amended within your delegated authority, then the original and all copies of the contract are to be returned to this office, together with the proposed changes for consideration.

After execution of the contract, the copies are to be distributed in the usual manner. Copies of memoranda from the Geological Survey, dated November 18, 1954, and from the Bureau of Mines, dated December 9, 1954, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (GHB)

Approved:

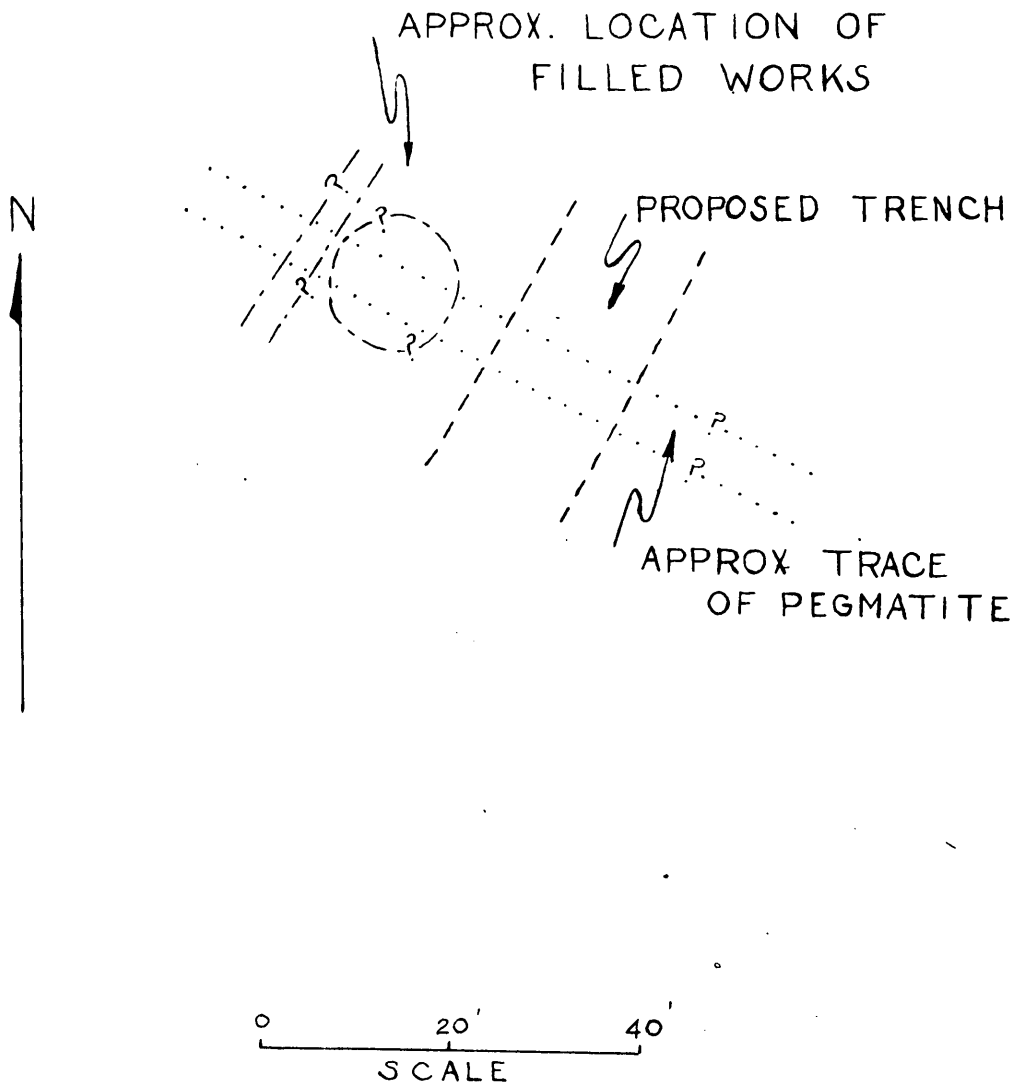
J. H. Hedges (GHB)
Member, Bureau of Mines

Thor H. Kiilsgaard (GHB)
Member, Geological Survey

Enclosures 10

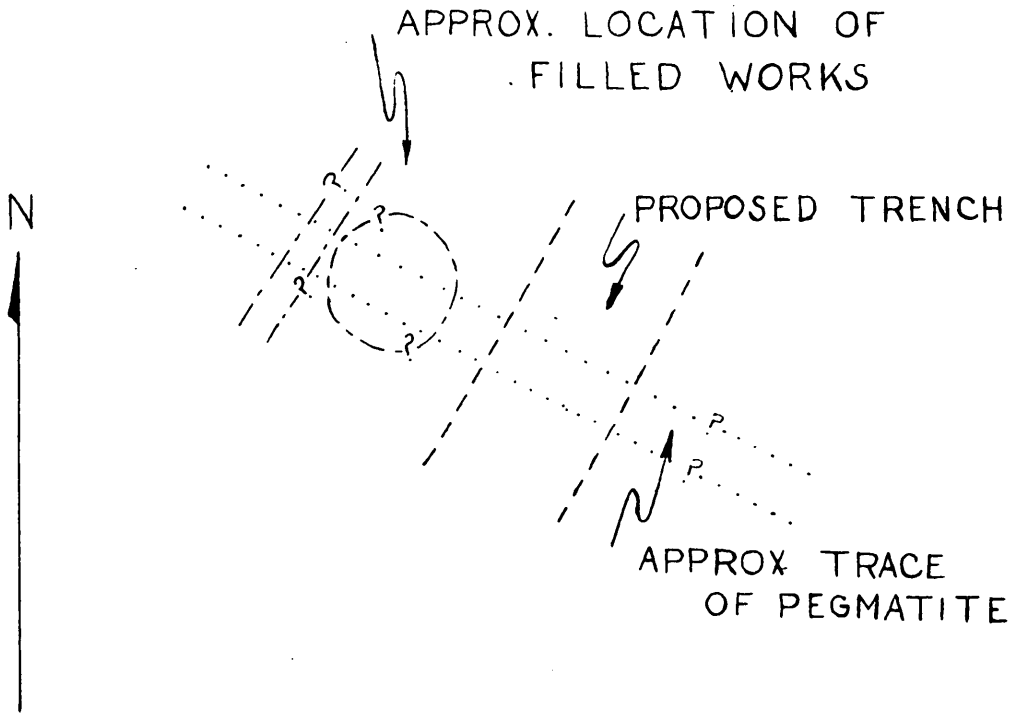
JHopkins:gad 1/4/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R. L. L.



SKETCH OF
HOYLE CLINE PROS.
CLEVELAND CO., N.C.

DMEA-3549(mica)



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SKETCH OF
HOYLE CLINE PROS.
CLEVELAND CO., N.C.

DMEA-3549(mica)

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

Defense Minerals
RECEIVED
DEC 9 1954

December 9, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3549 (mica)

Applicant: Ernest Crowder

Name and Location of Property: Hoyle Cline Prospect
Lincoln County, North Carolina

Date of Field Team Report: November 12, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: November 18, 1954

Field Team Recommendation:

1. Approval of a two-stage exploration project.

Comments:

1. Mica of good quality was found at the mining site.
2. Proposed exploration is consistent with good engineering practices.
3. Estimated costs are in line with other DMEA projects and total $4,943 for a two-stage project.

Recommendation:

I concur in the field team's recommendation to approve an exploration project on subject property in the amount of $4,943.

W. F. Dietrich

W. F. Dietrich

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

December 9, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3549 (mica) Hoyle Cline land, Lincoln County, N. C.
Ernest Crowder, applicant

Enclosed are ten copies of a sketch map showing the work proposed by our field examiners for the Hoyle Cline property.

The boundaries of the property as pointed out in the field by the applicant, are at least 250 feet in all directions from the proposed work. However, we do not have any accurate measurements which will tie this to the boundaries as given in the legal description.

Also enclosed are six signed copies of the Owner's Consent to Lien.

Robert A. Laurence

Robert A. Laurence

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

December 9, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3549 (mica) Hoyle Cline land, Lincoln County, N. C.
Ernest Crowder, applicant

Enclosed are ten copies of a sketch map showing the work proposed by our field examiners for the Hoyle Cline property.

The boundaries of the property as pointed out in the field by the applicant, are at least 250 feet in all directions from the proposed work. However, we do not have any accurate measurements which will tie this to the boundaries as given in the legal description.

Also enclosed are six signed copies of the Owner's Consent to Lien.

Robert A. Laurence

RAL/sm
cc:
Beck
Lynch
Files

Docket Copy
Surname:

Hopkins
Houk
Kiilsgaard
Selfridge
Johnson

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

600

NOV 24 1954

Mr. Warren H. Pritchard

Spruce Pine, North Carolina

Re: Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Land
Lincoln County, North Carolina

Dear Mr. Pritchard:

Reference is made to the description of the land upon which the applicant wishes to explore for mica. We find that the description given in Paragraph 3 of the application to be too general for our purpose. Will you kindly have Mr. Crowder provide us with a legal description (bearings and distances) of the actual boundary lines of the tract of land.

We are enclosing six copies of the new Owner's Consent to Lien form to be executed by the owners of the Hoyle Cline Land.

Sincerely yours,

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 6

JHopkins:gad 11/22/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.G.H.

Docket Copy
Surname:
~~Hopkins~~
Houk
Selfridge
F. Johnson
Mittendorf

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

NOV 24 1954

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

Subject: Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Land
Lincoln County, North Carolina

Dear Mr. Laurence:

Receipt is acknowledged of your memorandum, dated November 12, 1954, together with copies of report of field examination on the subject property by the Field Team, Region VII.

Before a contract can be prepared we will require a sketch of the Hoyle Cline Land showing the boundary lines and the approximate locations of the old shallow trench and the proposed trench and shaft. Kindly prepare such a sketch and forward to this office at your earliest convenience.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

JHopkins:gad 11/22/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

IN REPLY REFER TO:

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

Department of the Interior
Defense Minerals Administration
RECEIVED
NOV 19 1954

November 18, 1954

Re: DMEA-~~2267~~ 3549
Ernest Crowder
(Hoyle Cline Prospect)
Lincoln Co., N. C.
$4,943 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of field examination report

The applicant proposed sinking a 50 foot shaft and then drifting 80 feet in pegmatite.

The Field Team has recommended a crosscut trench, a 60-foot shaft and an 80 foot drift be approved as a contract project.

Although the evidence in scattered dump material indicates further exploration is warranted, I believe a staged project is needed on this property. Stage I to consist of trenching to locate the pegmatite and sinking a 60 foot shaft. If results of this work were favorable then the 80 feet of drifting would be allowed as a second stage.

E. L. Newcomb
E. L. Newcomb

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
~~WASHINGTON 25, D. C.~~
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 15 1954

November 12, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA, Region VII

Subject: Field Examination Report, DMEA-3549 (mica)
Ernest Crowder, Spruce Pine, N. C.
Hoyle Cline prospect, Lincoln County, North Carolina

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

We agree with the examiners' conclusions, and recommend approval of a 2-stage contract, along the lines suggested in the report, except that the last sentence on page 1 should read, "all underground work should be in pegmatite."

No map was prepared for this report, as the entire area is one of very slight relief, with no outcrops or surface workings.

Robert A. Laurence
Robert A. Laurence
Executive Officer
DMEA Field Team, Region VII

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

Enclosures 4

Reviewed by
DMEA OPERATING COMMITTEE
11-19-54
(date)

SECRETARY OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 15 1954

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF FIELD EXAMINATION- FIELD TEAM, REGION VII

On

DMEA-3549, HOYLE CLINE PROSPECT
(mica)
Lincoln County, N. C.

By

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

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

November 2, 1954

Reviewed by
DMEA OPERATING COMMITTEE
11-19-54
(date)

NOV 15 195

FIELD EXAMINATION REPORT
On
DMEA-3549, HOYLE CLINE PROSPECT (mica)

Applicant: Ernest Crowder, Spruce Pine, North Carolina

This prospect appears to be one of the better ones that has been examined recently. Much excellent quality mica is in the soil where an old dump has been scattered. Although there are no exposures, exploration assistance is warranted.

The prospect was examined November 2, 1954. Messrs. Ernest Crowder and William Duncan accompanied the examiners on the inspection which required one hour.

The Hoyle Cline Prospect is about one and one-half miles due west of Henry, one mile south of the Catawba-Lincoln County line, in Lincoln County, N. C. Access is good at all times.

The applicant is capable to conduct the proposed work. Area of his lease is adequate for the project.

There are no facilities on the property. A toolhouse, powder magazine and exploder magazine will be needed.

All old workings have been filled, and the land returned to cultivation. From the best information available, an open cut about 12-15 feet in diameter and 40 feet deep, was sunk on this pegmatite about 35 years ago. Apparently there were no levels driven from the open cut.

The applicant sunk a shallow trench on the pegmatite several months ago (since filled). He reports that the pegmatite is about 6 feet thick, trends about N. 65° W., dips vertically and has a quartz core.

Dump material consists of much quartz, burr-rock, and mica in scales which are as much as 8 inches in diameter. Apparently the feldspar was completely kaolinized to the depth of old workings.

Both flat and flat-A are present in the dump material. It is hard, flat, splits well, and ruby-colored. The amount of mica present in the scattered dump suggests that the pegmatite is exceptionally rich in mica.

Exploration assistance is recommended on this deposit. It should consist of cutting a crosscut trench to locate the pegmatite, sinking a 60-foot shaft and driving 80 feet of drift. All work should be in pegmatite.

underground

Estimated Cost:

Toolhouse		$ 75.00
Powder Magazine		25.00
Exploder "		13.00

Crosscutting trench (30' x 10' x 15')

Bulldozer, 3 hrs. @ $10/hr.		30.00

Sink 60-foot, 5' x 7' shaft on pegmatite (30 shifts)

Labor:		
1 - Miners @ $1.50/hr.	$360.00	
1 - Hoistman @ $1.25/hr.	300.00	
1 - Laborer @ $1.00/hr.	240.00	
Equipment (rental)		
Compressor, drill & pump @ $240/Mo.	360.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Timber, 4000 B.F. @ $60/M	240.00	
Drill steel	75.00	
Explosives	150.00	
Pipe	75.00	
Gasoline and oil	125.00	
Small tools	100.00	
Miscellaneous	150.00	
Insurance & Social Security	150.00	$2,400.00

Drive 80 feet of drift on pegmatite (30 shifts)

Labor:		
1 - miner @ $1.50/hr.	360.00	
1 - hoistman @ $1.25/hr.	300.00	
2 - Laborers @ $1./hr.	480.00	
Equipment (rental)		
Compressor, drill, jackleg & pump @ $260/Mo.	390.00	
Hoist @ $50/Mo.	75.00	
Supplies:		
Timber, 2000 BF @ $60/M.	120.00	
Drill steel	100.00	
Explosives	175.00	
Pipe	75.00	
Gasoline and oil	150.00	
Small tools	75.00	
Miscellaneous	100.00	
Insurance and Social Security	100.00	$ 2,400.00

Estimated Total Cost	$ 4,943.00

November 2, 1954.

L. E. Shirley,
Mining Engineer,
U. S. B. M.

K. H. Teague and D. H. Amos, Geologists
U. S. G. S.

Docket Copy
Surname:

Hopkins
Houk
Selfridge

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

NOV 15 1954

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

Subject: Docket No. DMEA-3549 - Mica
Ernest Crowder
Hoyle Cline Land
Lincoln County, North Carolina

Dear Mr. Laurence:

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

A field examination will undoubtedly be contingent upon the applicant furnishing the information requested in your letter to Mr. Warren B. Pritchard, dated October 22, 1954.

Copies of memoranda from the Geological Survey, dated October 27, 1954, and from the Bureau of Mines, dated November 9, 1954, are enclosed for your information.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

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

E. L. Newcomb
Member, Geological Survey (JHB)

Enclosures 4

JHopkins:gad 11/10/54

Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

Docket Copy
Surname:

Hopkins
Houk
Newcomb
Hodges
Selfridge

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

NOV 15 1954

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3549 - Mica
Hoyle Cline Land
Lincoln County, North Carolina

Dear Mr. Crowder:

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. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

A field examination of your property will be contingent upon your furnishing information requested by Mr. Robert A. Laurence in his letter to Mr. Warren B. Pritchard, dated October 22, 1954.

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

JHopkins:gad 11/10/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.h.

Hopkins

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 9 - 1954

November 9, 1954

Memorandum

To: Nonmetallic Minerals Division,
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3549, Mica

Applicant: Ernest Crowder

Name and Location of Property: Prospect on Hoyle Circle Land
Lincoln County, North Carolina

Date Application Rec'd. by Ceram. & Fert. Mat. Br.: Oct. 26, 1954

Comments:

1. No data available in this office on this property and there is insufficient information given in the application to assist a preliminary appraisal.

Recommendation:

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

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 29 1954

October 27, 1954

Re: DMEA-3549
Ernest Crowder
(Hoyle Cline Land)
Lincoln Co., N. C.
$4,150 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

The applicant's exploration proposal consists of 50 feet of shaft sinking and 80 feet of drift.

We do not have any data on this property as described and defined in the application.

The application lacks considerable essential information for even a preliminary appraisal of the proposed project.

A letter to the applicant probably would not produce satisfactory answers. It would be more expedient to refer the application to the Field Team and request an examination be made at their convenience.

E. L. Newcomb

E. L. Newcomb

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

October 26, 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 - 3549 Ernest Crowder

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

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

October 26, 1954
Subject: DMEA-3549
Re: Exploration Assistance
Hoyle Cline Lands

Mr. Ernest Crowder
Spruce Pine
North Carolina

Dear Sir:

The receipt of your application dated October 16, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3549 and referred to the Non-Metallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

~~WASHINGTON 25, D. C.~~
ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

Defense Minerals Administration
RECEIVED
OCT 25 1954

October 22, 1954

Memorandum

To: Operating Committee, DMEA - Washington 25, D. C.

From: Executive Officer, DMEA Field Team, Region VII

Subject: Application from Ernest Crowder (Mica)
Hoyle Cline property, Mitchell County, North Carolina

Enclosed are the original and two copies of the subject application, received today in this office. The other copy is being kept here for our use.

Robert A. Laurence

Robert A. Laurence

Enclosures

MF-23
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
RECEIVED
OCT 25 1954

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. 3549
Metal or Mineral MICA
Date Received
Estimated Cost $4,150
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: Ernest Crowder, Spruce Pine, 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 Known as the Hoyle Cline land and bounded as follows: George Shull on the north and on the east side by Pink Detter and Coy Young and on the south side by Hoyle Cline and containing 15 acres. (As shown in deed Book 140, page 179, Linclon County registry).

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

(*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. Lease attached hereto.

(*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. See attached sheet

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

(*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. See attached sheet.

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

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

16—66551-1

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. See attached sheet

(*c*) The work will start within 30 days and be completed within 6 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. See attached sheet.

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?

[XX] Money [XX] 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 Oct. 16, 1954, 195__

Ernest Crowder
(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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 25 1954

4(a) There has been a shaft sunk previously a short distance below the point where I now desire to sink another shaft. My best information is that some several years ago a considerable amount of mica was mined on this property.

(b) Several years ago a considerable amount of mica was taken from this property.

(c) Vein

(d) The mine is located within 300 yards of a gravel road. To reach the mine you go out Highway #10 about 4 miles from the point where said Highway #10 intersects with Highway #18. This property is located in Lincoln County, North Carolina and is about 65 miles from the U. S. Government Mica Depot in Spruce Pine, North Carolina.

(e) Manpower, materials, supplies and equipment are all readily available.

5(b) Sink shaft 50 feet deep and drift each way a distance of 40 feet-Total 50 feet of shafting and 80 feet of drifting.

(c) Almost lifetime of mining experience

6. Costs: 50 feet of shafting @ $35 per foot--------$1750.00
80 feet of drifting @ $30 per foot-------- 2400.00

TOTAL-------$4150.00

ROOM 14 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 25 1954

October 22, 1954

Mr. Harry E. Pritchard

Spruce Pine, North Carolina

Dear Mr. Pritchard:

Your letter of October 20 and your copies of an application from Ernest Grosser, of Spruce Pine, have been received. The application has been forwarded to our Washington office for conformance with established procedures, and Mr. Grosser will be notified in advance by mail if a field examination is to be made.

Under item 6, the estimated costs for shaft-sinking and drifting should have been broken down to show supporting estimates of costs for labor, equipment, supplies, etc., from through a contract, if approved, would be made on the unit-cost basis. Could you have Mr. Grosser provide this information, to be added to his application?

Very truly yours,

Robert A. Laurence
Executive Officer
Field Team, Region VII

RAL/mg
cc - 1 with each copy of application
Beck
Lynch
Files

Defense Minerals
OCT 25 1954

MF-203
(Revised July 1, 1954)

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 Lincoln N. C., County of Lincoln, described as follows:1/

Being that certain tract of land described in deed recorded in Book 140 of Deeds at page 179 in the office of Register of Deeds for Lincoln County, North Carolina, to which deed reference is hereby made for a full and complete description of said lands.

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/ Ernest Crowder

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 _____

_____

_____

_____

Dated this 20 day of Oct, 1954.

M C Hoover [Seal]

Etta Hoover [Seal]

_____ [Seal]

Defense Minerals
OCT 25 1954

MF-203
(Revised July 1, 1954)

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 Lincoln N. C., County of Lincoln, described as follows:1/

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2/ Ernest Crowder

hereinafter called the "Operator"; and

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

(OVER)

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4. Changes and added provisions _____

_____

_____

_____

Dated this 20 day of Oct, 1954.

M C Hauser [Seal]

Etta Hauser [Seal]

_____ [Seal]

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 25 1954

MF-203
(Revised July 1, 1954)

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 N. C., County of Lincoln, described as follows:1/

Being that certain tract of land described in deed recorded in Book 140 of Deeds at page 179 in the office of Register of Deeds for Lincoln County, North Carolina, to which deed reference is hereby made for a full and complete description of said lands.

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/ Ernest Crowder

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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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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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3/ Mining or production from the land is not required, and in the absence of production there is no obligation to repay the Government.

(OVER)

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4. Changes and added provisions _____

_____

_____

_____

Dated this 20 day of Oct, 1954.

N C Hansen [Seal]

Etta Hansen [Seal]

_____ [Seal]

DEPARTMENT
Defense Materials
RECEIVED
OCT 25 1954

MF-203
(Revised July 1, 1954)

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 N. C., County of Lincoln, described as follows:1/

Being that certain tract of land described in deed recorded in Book 140 of Deeds at page 179 in the office of Register of Deeds for Lincoln County, North Carolina, to which deed reference is hereby made for a full and complete description of said lands.

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/ Ernest Crowder

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 _____

_____

_____

_____

Dated this 22 day of Oct, 1954.

M C Hamer [Seal]

Etta Hamer [Seal]

_____ [Seal]

MF-203

OWNER'S CONSENT TO LIEN

RECEIVED

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of N C, County of Iredell described as follows:1/ Knowing as the Hayle Cline Land Bounded on the north and George Shull & East side Pink Detter & cay yang south by Hayle Cline 15 acres for the Mica pit in this Property on this Property Reg in book 140/Page 179

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/ _____

_____

_____

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this 28 day of oct, 195 7.

x N C Houser [Seal]

Ernest Crowder [Seal]

_____ [Seal]

Witness Jie Jacobs

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

Department of the
Defense Minerals Ex
Branch

OCT 25 1954

MF-203
(Revised July 1, 1954)

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 N.C., County of Lincoln, described as follows:1/ Known as the Hayle Cline land Bounded on the North By George Shull + on the East By Pink Detter cop Young + on the South By Hayle Cline 15 acres for the Mica Inst on this Propperty Reg in book 140 Page 179

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/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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.

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.

(OVER)

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 _____

_____

_____

_____

Dated this 20 day of Oct, 1954

H C Hower [Seal]

_____ [Seal]

_____ [Seal]

Witness J C Goodson NP
my com Exp 2/12/55

RECEIVED
OCT 25 1954

MF-203
(Revised July 1, 1954)

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 Lincoln, County of N. C., described as follows: 1/ Knowing as the Hayle Celine Property Bounded as follows North By George Shill on the East By Pink Detter & Coy Young on the South By Hayle Celine 15 for the mica Trust on this Property Reg in Book 140 & Page 579

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/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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 production 3/ 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.

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.

(OVER)

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 _____

_____

_____

_____

Dated this 20 day of Oct, 1954.

M C Trauser [Seal]

_____ [Seal]

_____ [Seal]

Witness J C Goodson NP
My Com Exp 2/1/1955

Department of Conservation and Development
Division of Mineral Resources
RECEIVED
OCT 25 1954

MINING LEASE

State of North Carolina Lincoln County:

This indenture made this 19 day of October, 1954, /~~1953~~/

between N. C. Hauser and wife Etta Houser

of Lincoln County and State of North Carolina as party of the first part, and known as lessor S, and Ernest Crowder

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

WITNESSETH, That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessors, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Being that certain tract of land described in that certain deed recorded in Book 140 of Deeds at page 179 in the office of Register ~~of Deeds for Lincoln County, North Carolina, to which deed reference~~ is hereby made for a full and complete description of said lands.

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

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/8th of the selling price on all mica 1 2/3 cp

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

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

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

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

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

Witness:

/s/ N. C. Hauser (Seal)

/s/ Etta Hauser (Seal)

/s/ Ernest Crowder (Seal)

NORTH CAROLINA

LINCOLN COUNTY

I, J. C. Goodson, Notary Public, hereby certify that N. C. Hauser and wife Etta Hauser personally appeared before me this date and acknowledged the due execution by them of the foregoing Mining Lease for the uses and purposes therein expressed.

Witness my hand and notarial seal this the 19th day of October 1954.

/s/ J. C. Goodson
Notary Public

My comm. expires: 2/12/55

NORTH CAROLINA
LINCOLN COUNTY

I, J. C. Goodson, Notary Public, hereby certify that Ernest Crowder personally appeared before me this date and acknowledged the due execution by him of the foregoing Mining Lease.

Witness my hand and notarial seal this the 19th day of October 1954.

/s/ J. C. Goodson
Notary Public

My comm. expires: 2/12/55