DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3765

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Cys to USBM and USGS.

This document has been recorded as

Exploration

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Routing Slip

To:	600	Date	4/12/55
To:	Anderson	Date	4/12/55
To:	Oper Com	Date	5-2-55
To:	Oper Com	Date	5-27-55
To:	Oper Com	Date	1-6-56
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CONTROLLED DOCUMENT

Docket Copy
Surname:
Anderson
Houk
Hedges
Kiilsgaard
Selfridge
Johnson

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

MAY 27 1955

Mr. B. M. Holland

Franklin, North Carolina

Re: Docket No. DMEA-3765 - Mica
B. M. Holland
J. R. McMahan Property
Jackson County, North Carolina

Dear Mr. Holland:

Your application for aid for an exploration project and other reports available to us in Washington relating to the subject property have been reviewed.

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

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

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

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 5/20/55
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region V
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

R.C.S.

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAY 26 1955

May 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for W. F. Dietrich, Chief
Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3765 (mica)

Applicant: B. M. Holland

Name and Location of Property: J. R. McMahan Property
Jackson County, North Carolina

Date of Field Team Report: 5-20-55

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 5-25-55

Field Team Recommendation:

1. Denial.

Comments:

1. Only a small reserve of strategic mica appears to be present.

2. Examination did not reveal any likely area for exploration.

Recommendation:

I concur with the field team recommendation to deny subject application.

Donald R Irving

Donald R. Irving

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

May 20, 1955

Memorandum

To: The Files

From: Walter C. Anderson, Nonmetallic Minerals Division

Subject: Evaluation of application and field examination report

Docket No. DMEA-3765 - Mica
B. M. Holland
J. R. McMahan Property
Jackson County, North Carolina

Denial of this application is recommended.

Two locations.

Mica: At Location No. 1 - ruby colored, small in size, "flat-A", curved and mineral stained.

At Location No. 2 - small amount, badly curved and ruled.

Pegmatite: At Location No. 1 - Zoned, 0-6 feet thick and conformable to country rock, mica schist, exposed in cut for a distance of 110 feet.

At Location No. 2 - Unzoned, 2½ feet to 15 feet thick conformable to enclosing mica schist, exposed in open cut for a distance of 170 feet.

Method of exploring - Applicant proposes to bulldoze shaft site, sink 80 feet of shaft and drive 80 feet of drifts at a total cost of $7,195.00.

Economics: Since only a very small reserve of strategic mica is present, the chances for a paying project are remote. The DMEA and the commodity members from the Geological Survey and the Bureau of Mines concur in field team recommendation to deny the application.

Walter C. Anderson
Nonmetallic Minerals Division

Anderson

IN REPLY REFER TO:

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

May 20, 1955

Re: DMEA-3765
B. M. Holland
McMahan Property
Dillsboro, Jackson
County, N. C.
Mica

Memorandum

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

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

Subject: Review of Field Team report

The findings of the examiners are in keeping with their conclusions and justify the recommendation of denial of the application of the Field Team.

T. H. Kilsgaard
For: N. E. Nelson

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

COPY

ROOM 13, POST OFFICE BLDG.
KNOXVILLE 2, TENN.

May 16, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville

Subject: Field Examination Reports. (mica)

Transmitted are four copies each of the following reports:

DMEA-3756, Brown Property, Troup County, Georgia

DMEA-3765, J. R. McMahan Property, Jackson County, North Carolina

The Field Team concurs with the examiners recommendation that both applications be denied.

/s/ WM. A. BECK
Wm. A. Beck, Acting
EXECUTIVE OFFICER
DMEA REGION V

Reviewed by
DMEA OPERATING COMMITTEE
5-20-55
(Date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT
BY FIELD TEAM, Region V

On

DMEA-3765, J. R. MCMAHAN PROPERTY
(mica)
Jackson 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

May 2, 1955

Reviewed by
DMEA OPERATING COMMITTEE
5-20-55
(2230)

FIELD EXAMINATION REPORT
ON
DMEA-3765, J. R. McMAHAN PROPERTY(mica)

Applicant: B. M. Holland, Franklin, North Carolina.

Some exploration has been done at two locations on the property. Mica is sparse at both places and most is badly curved and in part stained; thus, it is recommended that exploration assistance be denied.

The McMahan Property is 5.3 airline miles S. 16° W. of Dillsboro, Jackson County, North Carolina on the spur of a ridge 1200 feet north of the New Savannah church. Access is available by about 1/2 miles of jeep road.

The examination was made on May 2, 1955. About one and one-half hours were spent on the property. Mr. B. M. Holland accompanied the examiners.

Location No. 1

A side-hill cut about 110 feet long has exposed a pegmatite 0-6 feet thick along its strike. The body strikes N. 5° W. and is vertical. It is conformable to the enclosing country rock, mica schist, and pinches completely out at the north end of the cut. Zoning consists of a quartz core up to ~~the~~ 2 1/2 feet thick enclosed by a zone of semi-weathered plagioclase, quartz, perthite, muscovite and biotite.

The mica is ruby-colored, small in size, and "flat-A". Much is curved and some contains biotite inclusions and other mineral staining. Very little is of strategic quality.

Location No. 2 (about 200 ft. north of location No. 1)

A pegmatite has been exposed for about 170 feet along its strike by an open cut and two adits at this location. Its attitude is variable striking N. 20-70° E., and dipping 50-85° NW. In general, it is conformable to the enclosing mica schist but with minor local exceptions. The thickness averages about 2 1/2 feet, except near the southwest most exposure where it reaches a maximum of 15 feet. No zoning is present other than scattered quartz pods which are near the center of the body. The pegmatite is considerably broken by several post-pegmatite faults of small displacements.

The only mica present is adjacent to the scattered quartz pods. It is all badly curved and ruled and not of strategic quality.

The examiners are of the opinion that only a very small reserve of strategic mica is present at the two locations; thus denial is recommended.

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

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

May 2, 1955.

Docket Copy
Surname:
Anderson
Houk
Martin
Johnson

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

May 2 1955

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

Subject: Docket No. DMEA-3765 - Mica
B. M. Holland
J. R. McMahan Property
Jackson County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from T. H. Kiilsgaard of the Geological Survey, dated April 18, 1955, and from Donald R. Irving of the Bureau of Mines, dated April 26, 1955, are enclosed for your information.

Sincerely yours,

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

Approved:

M. E. Volm
Member, Bureau of Mines (WCB)

/s/ R. D. Trace (WCB)
Member, Geological Survey

Enclosures 4

WCAnderson:gad 4/29/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

Cal

Docket Copy
Surname:
Anderson
Houk
Jane
Valin
Martin
Johnson

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

MAY - 2 1955

Mr. B. M. Holland

Franklin, North Carolina

Re: Docket No. DMEA-3765 - Mica
B. M. Holland
J. R. McMahan Property
Jackson County, North Carolina

Dear Mr. Holland:

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 V, Room 13, Post Office Building, Knoxville 2, Tennessee, for further consideration and possibly a field examination.

We note that you as an individual are the applicant, and that you and Mr. Donald Holland are parties to the lease. Please either make Mr. Donald Holland your partner in the application or have him assign his interest in the lease to you, and forward a copy of the assignment to this office.

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,

G. O. Mittendorf
Administrator By ESF

WCAnderson:gad 4/29/55
Copy to: Admr. R. File
Docket
Field Team, Region V
Operating Committee
Mr. Dietrich, 3061
Mr. Kiilsgaard, 5222
Mr. Houk

Cal

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

April 26, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Donald R. Irving, Acting for
Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3765 (mica)

Applicant: B. M. Holland

Name and Location of Property: B. M. Holland
Jackson County, North Carolina

Date Application Rec'd. by Br. of Ceram. & Fert. Mat.: April 12, 1955

Comments:

1. Blocks of mica were encountered in a trench.

2. Pegmatitic materials appear to extend below the existing cut.

3. Applicant appears to propose a project consisting of trenching, shaft sinking, and drifting. No map was attached to the copy of the application submitted to this office for preliminary appraisal.

4. Although it would be desirable for the applicant to furnish more complete information, it appears that a visit by an examiner would furnish more useful data.

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.

Donald R Irving
Donald R. Irving

IN REPLY REFER TO:

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

April 18, 1955

Memorandum

To: L. G. Houk, Chief, Nonmetallic Minerals Division, Defense Minerals Exploration Administration

From: T. H. Kiilsgaard, U. S. Geological Survey

Subject: Review of B. M. Holland application, DMEA Docket 3765 (mica), Franklin, North Carolina

I have examined the cited application and also referred to our files to determine if we had any information that would be useful in its appraisal; however, no information is to be found. Therefore, it is recommended that the application be sent to the field for a field examination.

If the Field Team elects to recommend approval of a contract a Brunton and tape tie-in should be made from the site of the proposed work to a corner of the land to be included in the contract so as to insure that project work will stay within the land limits.

The mica house requested in the application should be disallowed as it cannot be considered as an exploration cost.

T. H. Kiilsgaard

T. H. Kiilsgaard

one copy of lease
agreement received

April 12, 1955
Subject: DMEA 3765
Re: Exploration Assistance

Mr. B. M. Holland
Franklin, North Carolina

Dear Mr. Holland:

The receipt of your application dated March 25, 1955 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 3765 and referred to the Nonmetallic 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

April 12, 1955

Memorandum

To: Executive Officer, DMEA Field Team, Region V

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 V.

DMEA - 3765 B. M. Holland

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

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

March 6, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville

Subject: Application of B. M. Holland, Franklin, N. C. (mica)
J. R. McMahan Property, Jackson County, N. C.

Transmitted are the original and two copies of the subject application, together with the original and one copy of a sketch map, original and four copies of Owner's Consent to Lien, and a copy of the applicant's lease.

We have retained one copy of the application and a copy of the sketch map.

V. J. Lynch

V. J. Lynch

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

March 6, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 5, Knoxville

Subject: Application of B. M. Holland, Franklin, N. C. (mica)
J. R. McMahan Property, Jackson County, N. C.

Transmitted are the original and two copies of the subject application, together with the original and one copy of a sketch map, original and four copies of Owner's Consent to Lien, and a copy of the applicant's lease.

We have retained one copy of the application and a copy of the sketch map.

W. J. Lynch

WJL/sm
cc:
Lynch
Shirley
Files

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. 3765
Metal or Mineral Mica
Date Received 4-11-55
Estimated Cost $7,195
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: B. M. Holland
Franklin, North Carolina

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

(*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 All the lands described in a deed from J. R. McMahan and wife, Hattie McMahan to Roosevelt McMahan and wife Bonnie McMahan, said deed being dated Dec. 18, 1935, and registered in the office of the Register of Deeds for Jackson County, N. C., in Book

(*b*) State any mine name by which the property is known. (see attched desc.) 127, page 567.

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

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

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

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

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

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

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

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

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

RECEIVED
APR 7 - 1955
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

16—88851-1

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

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

(*c*) The work will start within 30 days and be completed within 12 months from the date of an exploration project contract.

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

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

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

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

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

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

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

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

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

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

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

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

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

[ ] Money [x] Use of equipment owned by you [x] Other Labor

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated March 25, 1955

B M Hallard
(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

Supplement of MF-103

APPLICATION FOR AID IN AN EXPLORATION PROJECT

B. M. Holland
Franklin, N. C.
March 25, 1955

3. (a) Legal Description:
BEGINNING on a stake located on the bank of McMahan Branch, corner common to J. R. McMahan, runs up said branch, with its meanders, N. 8 W. 29½ poles to a stake at the head of said brahch; thence N. 3 W. 37½ poles to a stake, corner common to J. R. McMahan division line; thence West 9 poles to a black oak; thence N. 24 W. 27 poles to a stake; thence S. 66 W. 66 poles to a chestnut oak on top of ridge; thence with said ridge the following two courses and distances: S. 28 poles to a black oak, and S. 20 E. 113 poles to a stake; thence N. 85 poles to a stake; thence S. 75 E. 36 poles to a stake on the bank of MacMahan Branch, the Beginning corner, containing acres more or less.

(d) lease attached to application.

4. (a)(b)(c) Some bulldozing has been done in the past, and some loose blocks of strategic mica uncovered, however, all were of heavy stain variety due to close proximity to surface and surface water. White pegmatite exposed, with loose flint. No past production of enough quantity to record. Pegmatite and other signs shows strong possibility of two veins merging at the site of the proposed shaft. Definite signs of higher quality mica below the surface. See attached sketch of proposal.

(d) Jeep access road onto the leased property. Power readily available (electric power) but not presently on property itself. Proposed project located approximately 10 miles from Franklin, N. C., about 9½ miles on US 23 & 441, and ½ mile on graveled and dirt road. Residence points located with ¼ mile of site.

(e) Manpower, water on leased premises, Electrical power available, though not on premises at present. Manpower, materials and supplies easily accessible.

5. (b) See attached sketch.

(d) Applicant, age 54, has had a lifetime in the mica mining and exploration business. Past owner of corrundum hill in Macon County. Applicant will be present at operations at all times and will perform a large part of the labor himself.

Supplement of MF-103 (con'd)

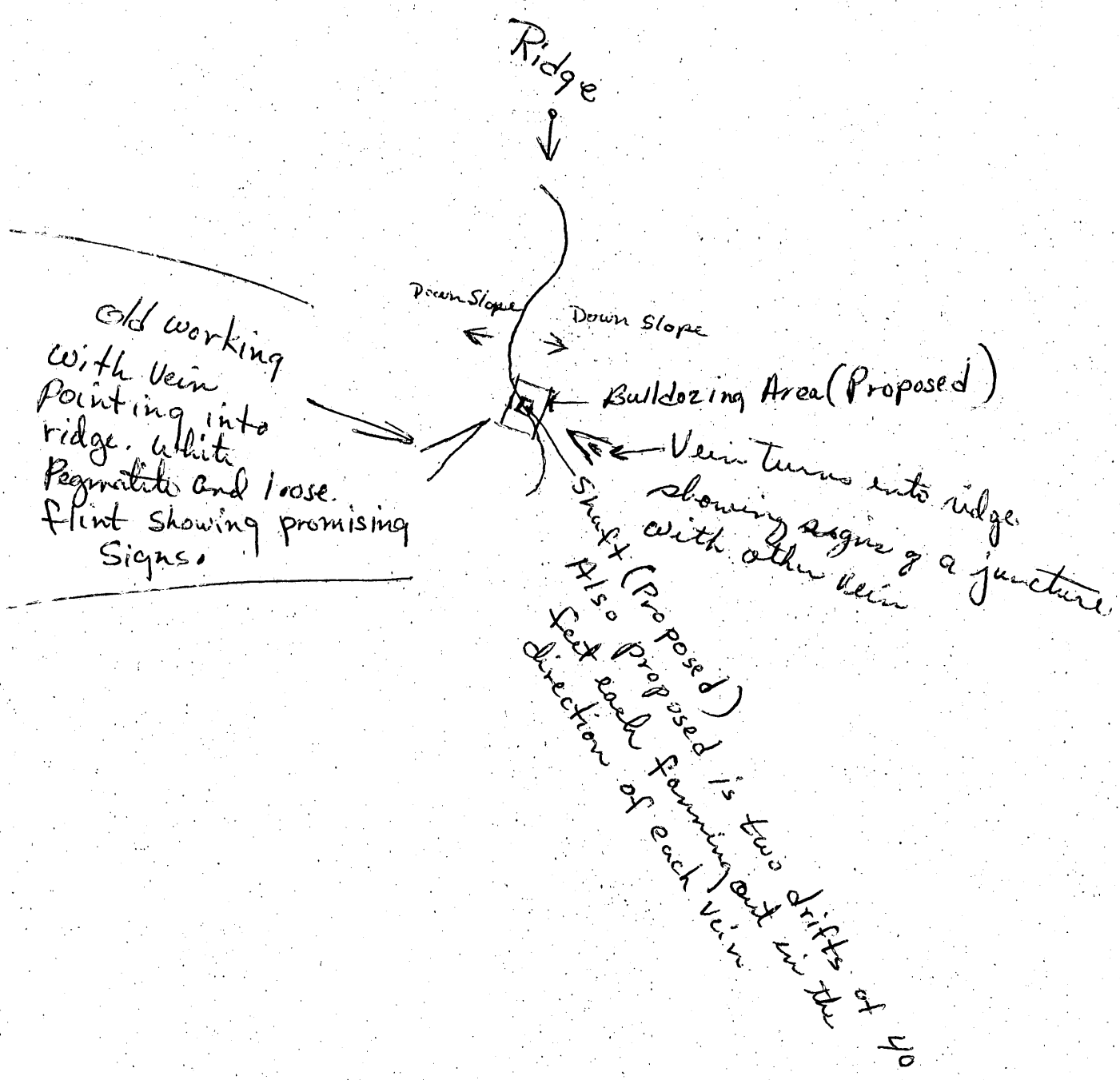
B. M. Holland
Franklin, N. C.

6. Estimate of Costs.

Costs for the total project can best be broken down as follows: (Applicant will do all work, and will not sub-contract any)

Explosives shed - - - -	$ 50.00
Tools shed	100.00
Mica House - -	100.00
Shed for hoist	25.00
12 hours of bulldozing @ 10.00 per hr	120.00
80 ft of shaft @ 50.00 per ft.	4000.00
80 ft of drift @ 35.00 per ft.	2800.00
Total:	7195.00

This Estimation includes contingencies.



Old workings as shown above have produced a small quantity of high-grade ruby mica. However, this project was commenced at the wrong place to be successfully exploited.

It is proposed to knock off an area near the juncture of the two veins asthey turn into the ridge, with a bulldozer, sink a shaft of 80 feet which should be at the juncture at about that depth, and then fan out with two 40 ft. drifts one going in the direction of each vein.

NORTH CAROLINA
JACKSON COUNTY

THIS LEASE AGREEMENT, Made and entered into this the 24th day of April, 1952, by and between ROOSEVELT McMAHAN and wife BONNIE McMAHAN, of Jackson County, North Carolina, parties of the first part, and DONALD HOLLAND and B. M. HOLLAND, of Macon County, North Carolina, parties of the second part,

WITNESSETH:

That said parties of the first part for and in consideration of the sum of One Dollar to them paid by parties of the second part, the receipt of which is hereby acknowledged, and subject to the terms and conditions hereinafter set forth, have let and leased and by these presents do hereby let and lease unto said parties of the second part, their heirs and assigns, the mica and mica mining privileges upon the following described land in Savannah Township, Jackson County, North Carolina, towit:

> All the lands described in a deed from J. R. McMahan and wife, Hattie McMahan to Roosevelt McMahan and wife Bonnie McMahan, said deed bearing date of December 18, 1935, and registered in the office of Register of Deeds for Jackson County, North Carolina, in Book 127, page 567.

The terms and conditions of this lease are as follows:

1. The parties of the second part shall have the right under the terms hereof to enter upon said property and explore, prospect for, mine, dig, mill, process and remove all mica now in, under, or upon the above described land; to construct such roads or trails and erect such structures and buildings upon said property as may be necessary and convenient to properly conduct mining operations, and the right to use the water of any streams upon said lands for said mining projects and such timber as is necessary in said mining operations.

2. The parties of the second part agree to pay to parties of the first part the following royalties: 15% of the gross selling price of all minerals recovered from said property with the exception of scrap mica for which the royalty shall be $1.50 per ton.

3. Parties of the second part agree to make all royalty payments monthly on or before the 10th day of each calendar month on all mica sold the preceding month.

4. Parties of the second part agree to keep a correct and itemized record of all sales, which record shall be open for inspection of parties of the first part, and the parties of the second part shall furnish to parties of the first part at the time of each monthly payment a copy of each sales slip or invoice.

5. The term of this lease shall be five years from this date.

6. If the parties of the second part shall fail to commence operation of the mine upon said property on or before thirty days from this date, or fail to operate the mine for any period of six months, the parties of the first part, at their option, may declare this lease terminated and of no further force and effect, and upon notice to the parties of the second part of such termination the said parties of the second part shall surrender to said parties of the first part immediate possession of said property.

7. Parties of the first part agree that at any time during the existence of this lease, the parties of the second part may have the option and privilege of purchasing all the minerals and mining rights upon the land above described for the purchase price of TWO THOUSAND ($2,000.00) DOLLARS; and should, during the term of this lease, the parties of the second part tender to parties of the first part the said sum of

TWO THOUSAND ($2,000.00) DOLLARS, the parties of the first part agree and bind themselves to execute and deliver to parties of the second part a good and indefeasible deed for said minerals and mining privileges, free and clear from all encumbrances.

TO HAVE AND TO HOLD said mica and mining privileges hereinabove set forth according to the terms hereof unto said parties of the second part, their heirs and assigns, to their only use and behoof.

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

Velt McMahan (SEAL)

Bonnie McMahan (SEAL)

Donald Holland (SEAL)

B M Holland (SEAL)

NORTH CAROLINA
JACKSON COUNTY

Personally appeared before me this day ROOSEVELT McMAHAN and wife BONNIE McMAHAN, who acknowledged the due execution of the foregoing lease agreement for the purposes therein expressed.

WITNESS my hand and notarial seal, this 30 day of April, 1952.

Notary Public, ~~Jackson~~ Macon County, N. C.

My Commission Expires 10-20-53

NORTH CAROLINA
MACON COUNTY

Personally appeared before me this day DONALD HOLLAND and B. M. HOLLAND, who acknowledged the due execution of the foregoing lease agreement for the purposes therein expressed.

WITNESS my hand and Notarial seal, this 24th day of April, 1952.

Notary Public, Macon County, N. C.

My Commission Expires December 22, 1953

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

Bonneville Power Administration
RECEIVED
APR 11 1955

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ Being all the lands described in a deed from J. R. McMahan and wife, Hattie McMahan to Roosevelt McMahan and wife Bonnie McMahan, said deed being dated December 18, 1935, and registered in the ~~office of the Register of Deeds for Jackson County, N. C., in Book 127,~~ page 567.

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/ B. M. Holland, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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 In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 24th day of March, 1955.

_____ [Seal]

Roosevelt Hartman [Seal]

Bonnie Hartman [Seal]

Macon County
REGISTER
APR 11 1955

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 Carolina, County of Macon, described as follows:1/ Being all the lands described in a deed from J. N. McMahan and wife, Hattie McMahan to Roosevelt McMahan and wife Bonnie McMahan, said deed being dated December 18, 1935, and registered in the office of the Register of Deeds for Jackson County, N. C., in Book 127, page 567.

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/ B. M. Holland, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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 In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 24th day of March, 1955.

_____ [Seal]

Rosa Belle McMahon [Seal]

Bonnie McMahon [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

APR 11 1955

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Macon, described as follows:1/ Being all the lands described in a deed from J. N. McMahan and wife, Nattie McMahan to Roosevelt McMahan and wife Dennie McMahan, said deed being dated December 18, 1935, and registered in the office of the Register of Deeds for Jackson County, N. C., in Book 127, page 567.

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/ D. M. Holland, Franklin, N. C.

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production 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 In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 24th day of March, 1955.

_____ [Seal]

Bernard E. McMahon [Seal]

Bernard McMahon [Seal]

RECEIVED
APR 11 1955

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 Carolina, County of Bryan, described as follows:1/ Being all the lands described in a deed from J. D. Mahan and wife, Lucile Mahan to Reconvalt Mahan and wife Dennis Mahan, said deed being dated December 20, 1955, and registered in the office of the register of deeds for Jackson County, N. C., in book 127, page 567.

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/ D. M. Holland, Brevard, N. C.

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 In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

Dated this 24th day of March, 1955.

_____ [Seal]

Roosevelt McMahan [Seal]

Barbara McMahan [Seal]

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

APR 1 1 19[illegible]

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

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under 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 In paragraph 2 the words "the period fixed in the contract or any amendment thereof has" are substituted for "ten years have."

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

_____ [Seal]

[illegible] [Seal]

[illegible] [Seal]