DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2294

DO NOT DETACH THIS SLIP

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

This document has been recorded as

EXPLORATION PROJECT

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

Routing Slip
(~~ONE TO U.S.G.S.~~ & ONE TO U.S.B.M.)

To: CODE 600 Rm. 4637 Date 12-17-51

To: Operating Com. Date 4/18/52

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

To: _____ Date _____

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To: _____ Date _____

DO NOT DETACH

CONTROLLED DOCUMENT

Dixie Minerals, Inc.
137 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-294 - Mica
T. A. Stevens Mine
Jackson County, North Carolina

Gentlemen:

Your application for exploration assistance on the T. A. Stevens Mine, Jackson County, North Carolina, has been reviewed by the Staff of the Defense Minerals Exploration Administration.

The trenches which were recently excavated along the two pegmatite dikes failed to show possibilities of finding any substantial bodies of mica of a strategic grade. The dikes are small and the few mica books which were found were badly ruled and cracked.

Hence, your request for exploration aid is denied, as your proposal, report submitted, and data and reports in our files, fail to show that the discovery of minable ore bodies of strategic mica are probable.

We thank you for your interest in the defense minerals program and regret that we are unable to approve the expenditure of Government funds.

Sincerely yours,

Acting Administrator
Defense Minerals Exploration
Administration

TJChapman:mp 4/11/52
cc: Docket File
Adm. Reading File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

February 5, 1952

Mr. Lawrence G. Houk, Acting Chief
Non Metallic Minerals Division
Defense Minerals Exploration Administration

Re : DMEA 2295K - Mica Dixie Minerals Inc. - L. M. Stephens Mine

Dear Mr. Houk:

Mr. H. A. Lawhead, President of Dixie Minerals, Inc., has passed on to me for reply your letter of January 4, 1952 with regard to the exploration project designated above. In line with our conversations with you in person in early January I will endeavor to answer all questions and furnish you all the information requested which I believe I can probably do best in narrative form in the form of this letter to you which I wish you to take as a supplement to our applications previously submitted on this project.

I am attaching over-lay taken from geographical survey maps of 1946 (North Carolina Tuckasegee Quadrangle, Jackson County) designating the area within which this mica prospect is located, outlined in red. I am also attaching copies of the best legal description available at the present time of the property on which the prospect is located. You will note that the prospect is just under the top of Cowarts Knob on the north side. I donot have a sketch of the pegmatite showing size and openings, but will give you a verbal description of the same as follows:

The present opening is typical "ground hog" prospect, worked out with hand tools with a 10 ft. deep cut approximately 7½ ft. wide, running downward with a drop from the opening to the bottom from 2 to 3 ft. The face of the opening has washed in to some extent and covered up with surface dirt so that part of the necessary work would be to bulldoze off the face of the mountain sufficiently to clean out debris down to the pegmatite at the point where it was last worked. There is no water in the mine; a small branch runs close by some distance below the line. The slope at this point, as you can tell from the map, is very steep, better than 45 degrees from horizontal, consisting of cliffs and ledges. The logging road which was cut in the mountain last summer comes in around and between the ledges within 100 ft. or so of the opening.

Mr. Lawhead says that the indications are that the vein dips down into the mountain to the southeast. Because of the fact that the opening has washed in a specimen was unobtainable when we visited the site recently.

However, the man who did the prospecting is available and lives nearby and the information we have from him is that all mica taken from this prospect was good ruby mica and no signs of electric or spotted mica has been found at this point. We have a report that two men worked out approximately $250.00 worth of mica from the surface and that the reason it was not worked any further was that no lease could be obtained at the time from the owners. The title to the land has since changed hands and we have a lease from present owners, a copy of which is attached to our original application.

The formation of the pegmatite, according to the best information available to Mr. Lawhead is feldspar with a streak of quartz in it; sand rock on one side and blue granite on the other. The site of the mine is ideal to take care of muck. A look at the Tuckasegee Quadrangle map will show the location of several mines located southeast and southwest of this prospect across the ridge which were good producing mines during world war two. North of the mine and across from the ridge facing Cowarts Knob at distances of one-half mile to a mile are the D. H. Stephens upper mine which produced over $2800.00 of good ruby mica with three workmen in less than sixty days, and the Cedar Cliff mine which is a well known mine that has been a producer for several years.

Also a little further to the northeast is the Sheep Mountain mine which was a good producer for several years. This mine can be considered hardly more than a prospect as it had not been worked to any great extent before for the reason stated.

I am also submitting hereto attached form MF-202, Landlord's Subordination Agreement, signed by lessors. With regard to item 5 of your letter pertaining to question 9, part 1, form MF-103 previously submitted, it is sufficient to say that Dixie Minerals will either pay one-tenth of the cost of the project or will furnish the equivalent in services or in rental value of available machinery. It perhaps should be understood that there is only one compressor available and a truck which would probably be put to work on the first of the three projects that might be approved. In the event that the machinery was not used on this project, but was put to work on another project then it would be sufficient to say that Dixie Minerals will put up their part of the cost on the basis of the funds requested.

I wish to point out that from a geographical standpoint we do not have available in this area a private individual of sufficient knowledge to be classified as a mineralogist in order to furnish you with a private statement from a mineralogist regarding this prospect. However, the United States Government has placed Mr. A. L. Payton from the Bureau of Mines on duty in Asheville and it is our understanding that his services are available upon request to the Defense Minerals Administration,

and it is our sincere and urgent request that Mr. Peyton 's services be requested and sent out by your department to look at this prospect in order for you to have an evaluation from a mineralogist's point of view.

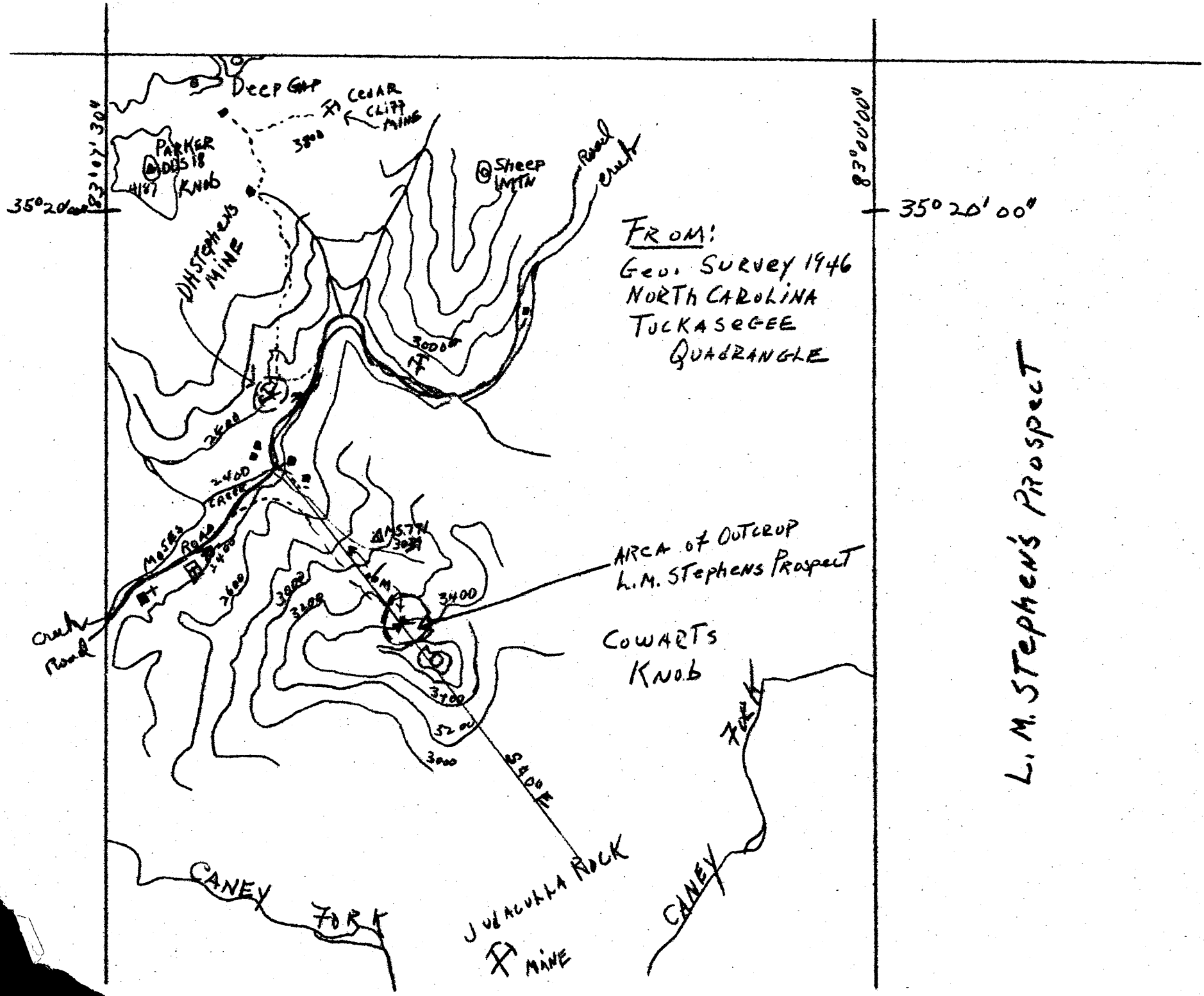
I will endeavor to supply you with any other information requested. Your kind attention to this application will be appreciated.

Very truly yours,

James M. Howell, Jr., Vice- President
Dixie Minerals, Inc.

JHH:LL

Enclosures


Deep Gap
Cedar Cliff Mine
3800
Parker Knob
4187
Sheep Mtn
Road
Crk
35°20'00"
83°01'30"
83°00'00"
35°20'00"
D.H. Stephens Mine
FROM:
Geo. Survey 1946
North Carolina
Tuckaseegee
Quadrangle
3000
2600
2400
Creek
Moses
Road
2400
2600
3000
3200
3400
3400
3200
3000
Area of Outcrop
L.M. Stephens Prospect
Cowarts
Knob
Crk
Road
Caney
Fork
Juvacualla Rock
Mine
Caney
Fork
L. M. Stephens' Prospect

BEGINNING on a chestnut at the mouth of the Henry Field Branch at Moses Creek; thence a North East Direction up the top of a ridge between the Low Field and Henry Field to a Chestnut Corner; thence North East up the ridge with a marked line to a chestnut corner in the upper part of Cosos (sic) Cove in Megs and Freeman line; thence South through (sic) the Henry Cove to a Beech at the falls of a branch; themce from said Beech up the top of a ridge with a marked line to the top of the James _____ Cedar Cliff to a hickory corner; thence _____ down said mountain to a hickory corner _____ top of the James Coward knob; themce _____ the meanders of a ridge, a marked line to Moses Creek to an iron wood at or near the ford; thence up said creek to BEGINNING. This deed is executed subject to timber deed to Harry Liner of same date as this deed.

Deed from L. M. Stephens and wife Lula Parker Stephens to George B. Stephens and wife Audrey Houston Stephens and Julius Howard Stephens and wife, Estelle Fore Stephens, recorded in Book 192 at page 586 in the office of the Register of Deeds for Jackson County, N. C.

FILE COPY
SURNAME:

Chapman
Houk
Norton
Dietrich
Hayes
Rodgers
Johnson

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

APR 21 1952

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-2294 - Mica
L. M. Stevens Mine
Jackson County, North Carolina

Gentlemen:

Your application for exploration assistance on the L. M. Stevens Mine, Jackson County, North Carolina, has been reviewed by the Staff of the Defense Minerals Exploration Administration.

The trenches which were recently excavated along the two pegmatite dikes failed to show possibilities of finding any substantial bodies of mica of a strategic grade. The dikes are small and the few mica books which were found were badly ruled and cracked.

Hence, your request for exploration aid is denied, as your proposal, report submitted, and data and reports in our files, fail to show that the discovery of minable ore bodies of strategic mica are probable.

We thank you for your interest in the defense minerals program and regret that we are unable to approve the expenditure of Government funds.

Sincerely yours,

C. O. Mittendorf (for) CC 4/21

Acting Administrator
Defense Minerals Exploration
Administration

TLChapman:mp 4/11/52
cc: Docket File
Adm. Reading File
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232, GSA Bldg.
Mr. Houk

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

April 9, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMEA-2294, Dixie Mints Company, L. M. Stephens Mine (Mica)

I concur with the field team's recommendation to deny subject application because of insufficient evidence of the possible occurrence of minable quantities of strategic mica.

W. F. Dietrich

W. F. DIETRICH

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

April 9, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: W. F. Dietrich, Chief
Ceramic and Fertilizer Materials Branch

Subject: DMEA-2294, Dixie Mints Company, L. M. Stephens Mine (Mica)

I concur with the field team's recommendation to deny subject application because of insufficient evidence of the possible occurrence of minable quantities of strategic mica.

W. F. DIETRICH

IN REPLY REFER TO:

G-MD-JJN

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

April 2, 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2294 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Commodity: Mica.
Applicant: Dixie Minerals, Inc.
Name of property: L. M. Stephens.
Location of property: Jackson County, North Carolina.
Field team's recommendation: Denial.
Comments: Field team volunteered this examination because a nearby property of same applicant was also being examined.
ACTION SUGGESTED: Follow field team's recommendation.

J. J. Norton

Norton:jeh
G-4/2/52
copy to: Director's reading file 4212
Branch reading file 4212
Norton G-230
DMEA files

COPY

Room 13, Post Office Building
Knoxville, Tennessee

March 27, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee DMEA.

From: Field Team, Region VII

Subject: DMEA-2294, Dixie Minerals Inc. L. M. Stephens Mine (mica)

Transmitted herewith are 4 copies of field examination report on the subject application. We have not received the docket on this, but the examination was made in conjunction with an examination of a nearby property of the same applicant.

The Field Team agrees with the findings of this report.

/s/ Robert A. Laurence

Robert A. Laurence
Executive Officer, DMEA
Region VII

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

December 27, 1951

Non-metallic Minerals Div.

Donald H. Kupfer

Dixie Minerals, Inc.
2294

L. M. Stephens

(mica)

Jackson County, North Carolina

IN REPLY REFER TO:

G-MD-JJN

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

April 2, 1952

Chapman

DEPARTMENT OF THE INTERIOR
Defense Materials Administration
ASTORIA

APR 3 - 1952

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-2294 (Mica).

To: Non-Metallic Minerals Division, DMEA.
From: J. J. Norton, U. S. Geological Survey.
Commodity: Mica.
Applicant: Dixie Minerals, Inc.
Name of property: L. M. Stephens.
Location of property: Jackson County, North Carolina.
Field team's recommendation: Denial.
Comments: Field team volunteered this examination because a nearby property of same applicant was also being examined.
ACTION SUGGESTED: Follow field team's recommendation.

J J Norton

J. J. Norton

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION
~~WASHINGTON 25, D.C.~~
Room 13, Post Office Building
Knoxville, Tennessee

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1952

March 27, 1952

Memorandum

To: Frank E. Johnson, Chairman, Operating Committee DMEA.

From: Field Team, Region VII

Subject: DMEA-2294, Dixie Minerals Inc. L. M. Stephens Mine (mica)

Transmitted herewith are 4 copies of field examination report on the subject application. We have not received the docket on this, but the examination was made in conjunction with an examination of a nearby property of the same applicant.

The Field Team agrees with the findings of this report.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1952

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2294, L. M. STEPHENS MINE

Jackson County, North Carolina

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

March 19, 1952

Reviewed by
DMEA OPERATING COMMITTEE
4/2/52
(JHB) (date)

Report of Examination on
DMEA-2294, L. M. STEPHENS MINE
(mica)
(Dixie Minerals, Inc.)
Jackson County, North Carolina

These deposits are located along the western and southwestern side of Cowarts Knob six miles airline S 55° E of Sylva, Jackson County, N.C. The property is owned jointly by George and Harry Stephens.

Recently two pegmatites on the property have been prospected with a bulldozer. A trench about four feet deep and 65 feet long has been cut along each of the pegmatites. At the southwest cut a pegmatite 1 to 2 feet thick has been exposed along its strike for 40 feet. It has a strike of N 55° E, dipping 70° SE. The pegmatite is conformable in strike and dip to the schistosity of the biotite gneiss country rock.

Some small books of mica was recovered from the prospecting. The mica is hard, ruby colored, and free splitting, but it is badly ruled, and cracked. Small black spots (biotite ?) are present in most all of the mica.

At the north pegmatite conditions are similar to those exposed at the south one. The north pegmatite strikes N 65° E, dipping steeply to the southeast. It is less than two feet thick and is exposed along the strike for 50 feet. Quality and size of mica recovered from the pegmatite is similar to that from the south deposit.

These deposits are too small to justify an exploration loan. Also the quality of the mica does not appear to be of strategic grade.

March 19, 1952

K. H. Teague, Geologist

UNITED STATES
DEPARTMENT OF THE INTERIOR
OSCAR L. CHAPMAN, SECRETARY

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

DMEA-2294, L. M. STEPHENS MINE

Jackson County, North Carolina

DEPARTMENT OF THE COMMERCE
Defense Documentation Center
RECEIVED
MAR 3 - 1952

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

March 19, 1952

Reviewed by
DMEA OPERATING COMMITTEE
4-2-52
(date) (NB)

Report of Examination on
DMEA-2294, L. M. STEPHENS MINE
(mica)
(Dixie Minerals, Inc.)
Jackson County, North Carolina

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These deposits are too small to justify an exploration loan. Also the quality of the mica does not appear to be of strategic grade.

March 19, 1952 K. H. Teague, Geologist

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
P. O. BOX 24
WAYNESVILLE, N. C.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
MAR 31 1952

March 29, 1952

Mr. Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration Administration
Department of the Interior
Washington 25, D. C.

Subject: Docket No. DMEA-2294-Mica, L. M. Stephens Mine
Jackson County, North Carolina

Dear Mr. Houk:

With regard to the above named exploration project we have heard nothing from your office in quite some time and wish to inquire as to the present status of this application.

Your reply will be greatly appreciated.

Very truly yours,

James H. Howell, Jr.

James H. Howell, Jr.

JHH:LL

FILE COPY
SURNAME:

Chapman
Mutt

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

FEB 8 1952

Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Subject: Docket No. DMEA-2294 - Mica
L. M. Stephens Mine
Jackson County, North Carolina

Gentlemen:

In reference to your application for exploration assistance on the L. M. Stephens Mine, we find that we require further information as follows:

1. A rough sketch map of the property is needed showing size and location of deposit.

2. The location of the property is inadequately described.

3. No information as to the size and quality of the mica is given.

4. Submit a sample of the mica.

5. Give a more adequate plan of the program of exploration, i.e., whether work is trenching, drifting, cross-cutting, sinking, etc., and approximate the number of feet of each type of work.

6. Cost of jackhammer appears to be low.

Break down costs of rentals into amount per month and number of months.

Give amount of supplies such as explosives and cost per pound.

Sincerely yours,

SIGNED

S.N. 2-8-52

Lawrence G. Houk, Acting Chief
Non-Metallic Minerals Division
Defense Minerals Exploration Administration

TLChapman:gad
2/8/52
Copy to: Admin. Reading File
Docket File
Mr. Houk
Mr. Dietrich, 3526
Mr. Norton, G-228, GSA Bldg.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
FEB 7 1952

JAMES H. HOWELL, JR.
ATTORNEY-AT-LAW
WAYNESVILLE, N. C.

February 5, 1952

Mr. Lawrence G. Houk, Acting Chief
Non Metallic Minerals Division
Defense Minerals Exploration Administration

Re : DMEA 2295X - Mica Dixie Minerals Inc. - L. M. Stephens Mine

Dear Mr. Houk:

Mr. H. A. Lawhead, President of Dixie Minerals, Inc., has passed on to me for reply your letter of January 4, 1952 with regard to the exploration project designated above. In line with our conversations with you in person in early January I will endeavor to answer all questions and furnish you all the information requested which I believe I can probably do best in narrative form in the form of this letter to you which I wish you to take as a supplement to our applications previously submitted on this project.

I am attaching over-lay taken from geographical survey maps of 1946 (North Carolina Tuckasegee Quadrangle, Jackson County) designating the area within which this mica prospect is located, outlined in red. I am also attaching copies of the best legal description available at the present time of the property on which the prospect is located. You will note that the prospect is just under the top of Cowarts Knob on the north side. I do not have a sketch of the pegmatite showing size and openings, but will give you a verbal description of the same as follows:

The present opening is typical "ground hog" prospect, worked out with hand tools with a 10 ft. deep cut approximately 7½ ft. wide, running downward with a drop from the opening to the bottom from 2 to 3 ft. The face of the opening has washed in to some extent and covered up with surface dirt so that part of the necessary work would be to bulldoze off the face of the mountain sufficiently to clean out debris down to the pegmatite at the point where it was last worked. There is no water in the mine; a small branch runs close by some distance below the line. The slope at this point, as you can tell from the map, is very steep, better than 45 degrees from horizontal, consisting of cliffs and ledges. The logging road which was cut in the mountain last summer comes in around and between the ledges within 100 ft. or so of the opening.

Mr. Lawhead says that the indications are that the vein dips down into the mountain to the southeast. Because of the fact that the opening has washed in a specimen was unobtainable when we visited the site recently.

However, the man who did the prospecting is available and lives nearby and the information we have from him is that all mica taken from this prospect was good ruby mica and no signs of electric or spotted mica has been found at this point. We have a report that two men worked out approximately $230.00 worth of mica from the surface and that the reason it was not worked any further was that no lease could be obtained at the time from the owners. The title to the land has since changed hands and we have a lease from present owners, a copy of which is attached to our original application.

The formation of the pegmatite, according to the best information available to Mr. Lawhead is feldspar with a streak of quartz in it; sand rock on one side and blue granite on the other. The site of the mine is ideal to take care of muck. A look at the Tuckasegee Quadrangle map will show the location of several mines located southeast and southwest of this prospect across the ridge which were good producing mines during world war two. North of the mine and across from the ridge facing Cowarts Knob at distances of one-half mile to a mile are the D. H. Stephens upper mine which produced over $2800.00 of good ruby mica with three workmen in less than sixty days, and the Cedar Cliff mine which is a well known mine that has been a producer for several years.

Also a little further to the northeast is the Sheep Mountain mine which was a good producer for several years. This mine can be considered hardly more than a prospect as it had not been worked to any great extent before for the reason stated.

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I wish to point out that from a geographical standpoint we do not have available in this area a private individual of sufficient knowledge to be classified as a mineralogist in order to furnish you with a private statement from a mineralogist regarding this prospect. However, the United States Government has placed Mr. A. L. Peyton from the Bureau of Mines on duty in Asheville and it is our underatanding that his services are available upon request to the Defense Minerals Administration,

and it is our sincere and urgent request that Mr. Peyton 's services be requested and sent out by your department to look at this prospect in order for you to have an evaluation from a mineralogist's point of view.

I will endeavor to supply you with any other information requested. Your kind attention to this application will be appreciated.

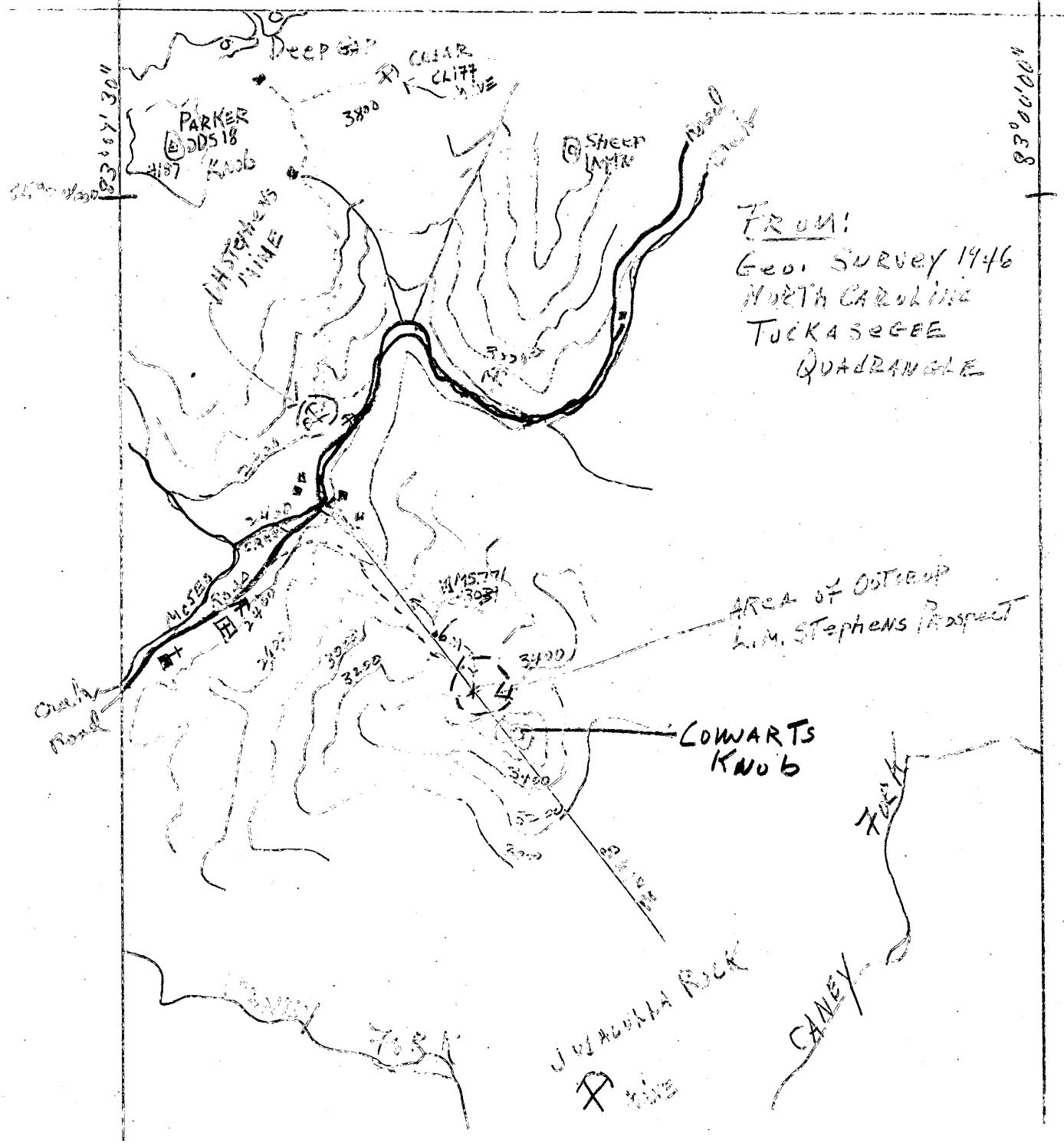
Very truly yours,

James H. Howell, Jr.

James H. Howell, Jr., Vice- President
Dixie Minerals, Inc.

JHH:LL

Enclosures



L. M. Stephens' Prospect

BEGINNING on a chestnut at the mouth of the Henry Field Branch at Moses Creek; thence a North East Direction up the top of a ridge between the Low Field and Henry Field to a Chestnut Corner; thence North East up the ridge with a marked line to a chestnut corner in the upper part of Coses (sic) Cove in Megs and Freeman line; thence South through (sic) the Henry Cove to a Beech at the falls of a branch; thence from said Beech up the top of a ridge with a marked line to the top of the James _____ Cedar Cliff to a hickory corner; thence _____ down said mountain to a hickory corner _____ top of the James Coward knob; thence _____ the meanders of a ridge, a marked line to Moses Creek to an iron wood at or near the ford; thence up said creek to BEGINNING. This deed is executed subject to timber deed to Harry Liner of same date as this deed.

Deed from L. M. Stephens and wife Lula Parker Stephens to George B. Stephens and wife Audrey Houston Stephens and Julius Howard Stephens and wife, Estelle Fore Stephens, recorded in Book 192 at page 386 in the office of the Register of Deeds for Jackson C ounty, N. C.

February 5, 1952

Mr. Lawrence G. Houk, Acting Chief
Non Metallic Minerals Division
Defense Minerals Exploration Administration

Re : DMEA 4 - Mica Dixie Minerals Inc. - L. M. Stephens Mine

Dear Mr. Houk:

Mr. H. A. Lawhead, President of Dixie Minerals, Inc., has passed on to me for reply your letter of January 4, 1952 with regard to the exploration project designated above. In line with our conversations with you in person in early January I will endeavor to answer all questions and furnish you all the information requested which I believe I can probably do best in narrative form in the form of this letter to you which I wish you to take as a supplement to our applications previously submitted on this project.

I am attaching over-lay taken from geographical survey maps of 1946 (North Carolina Tuckasegee Quadrangle, Jackson County) designating the area within which this mica prospect is located, outlined in red. I am also attaching copies of the best legal description available at the present time of the property on which the prospect is located. You will note that the prospect is just under the top of Cowarts Knob on the north side. I donot have a sketch of the pegmatite showing size and openings, but will give you a verbal description of the same as follows:

The present opening is typical "ground hog" prospect, worked out with hand tools with a 10 ft. deep cut approximately 7½ ft. wide, running downward with a drop from the opening to the bottom from 2 to 3 ft. The face of the opening has washed in to some extent and covered up with surface dirt so that part of the necessary work would be to bulldoze off the face of the mountain sufficiently to clean out debris down to the pegmatite at the point where it was last worked. There is no water in the mine; a small branch runs close by some distance below the line. The slope at this point, as you can tell from the map, is very steep, better than 45 degrees from horizontal, consisting of cliffs and ledges. The logging road which was cut in the mountain last summer comes in around and between the ledges within 100 ft. or so of the opening.

Mr. Lawhead says that the indications are that the vein dips down into the mountain to the southeast. Because of the fact that the opening has washed in a specimen was unobtainable when we visited the site recently.

However, the man who did the prospecting is available and lives nearby and the information we have from him is that all mica taken from this prospect was good ruby mica and no signs of electric or spotted mica has been found at this point. We have a report that two men worked out approximately $250.00 worth of mica from the surface and that the reason it was not worked any further was that no lease could be obtained at the time from the owners. The title to the land has since changed hands and we have a lease from present owners, a copy of which is attached to our original application.

The formation of the pegmatite, according to the best information available to Mr. Lawhead is feldspar with a streak of quartz in it; sand rock on one side and blue granite on the other. The site of the mine is ideal to take care of muck. A look at the Tuckasegee Quadrangle map will show the location of several mines located southeast and southwest of this prospect across the ridge which were good producing mines during world war two. North of the mine and across from the ridge facing Cowarts Knob at distances of one-half mile to a mile are the D. H. Stephens upper mine which produced over $2800.00 of good ruby mica with three workmen in less than sixty days, and the Cedar Cliff mine which is a well known mine that has been a producer for several years.

Also a little further to the northeast is the Sheep Mountain mine which was a good producer for several years. This mine can be considered hardly more than a prospect as it had not been worked to any great extent before for the reason stated.

I am also submitting hereto attached form MF-202, Landlord's Subordination Agreement, signed by lessors. With regard to item 5 of your letter pertaining to question 9, part 1, form MF-103 previously submitted, it is sufficient to say that Dixie Minerals will either pay one-tenth of the cost of the project or will furnish the equivalent in services or in rental value of available machinery. It perhaps should be understood that there is only one compressor available and a truck which would probably be put to work on ~~[illegible]~~ the three projects that might be approved. In the event that the machinery was not used on this project, but was put to work on another project then it would be sufficient to say that Dixie Minerals will put up their part of the cost on the basis of the funds requested.

I wish to point out that from a geographical standpoint we do not have available in this area a private individual of sufficient knowledge to be classified as a mineralogist in order to furnish you with a private statement from a mineralogist regarding this prospect. However, the United States Government has placed Mr. A. L. Peyton from the Bureau of Mines on duty in Asheville and it is our understanding that his services are available upon request to the Defense Minerals Administration,

and it is our sincere and urgent request that Mr. Peyton 's services be requested and sent out by your department to look at this prospect in order for you to have an evaluation from a mineralogist's point of view.

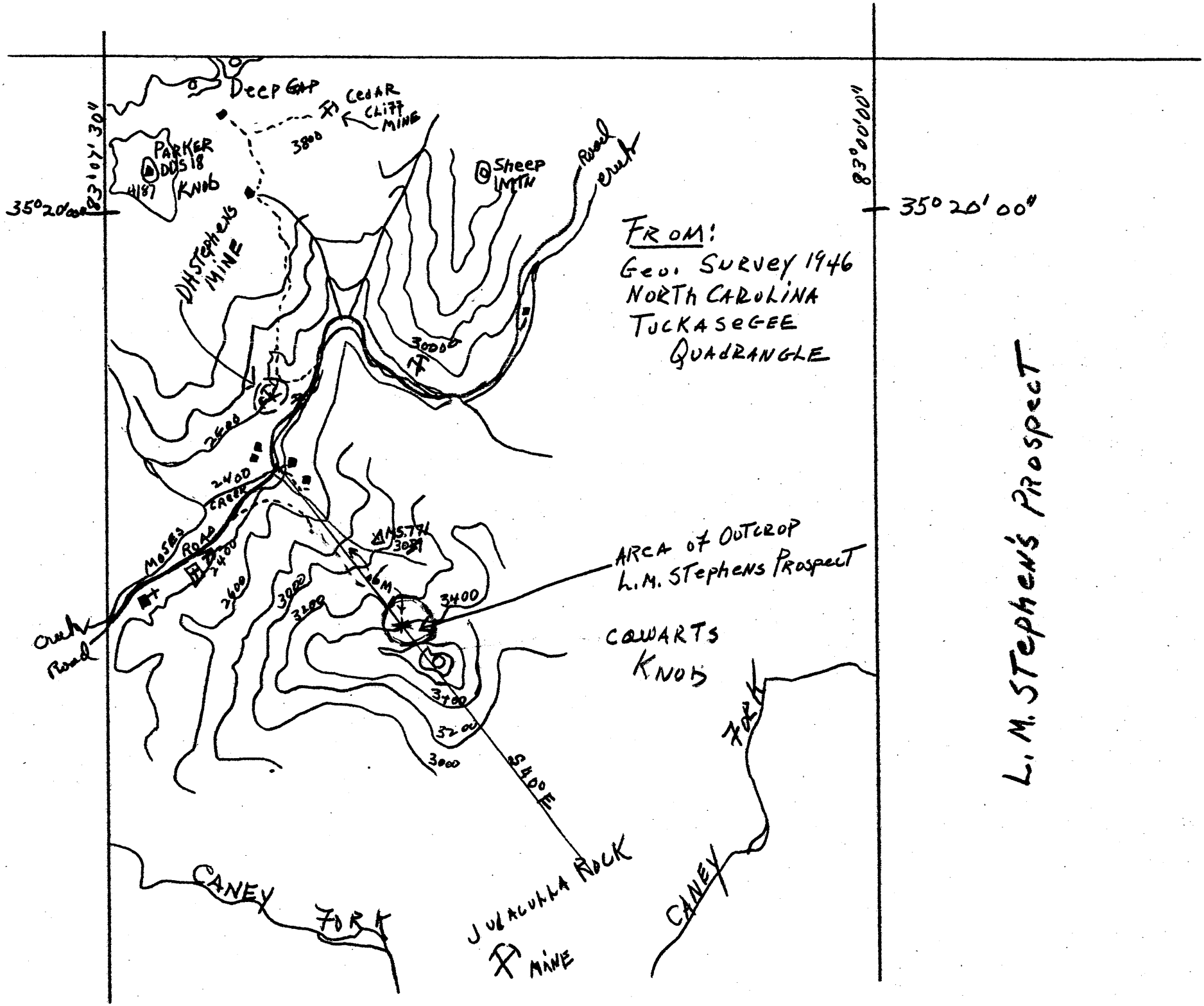
I will endeavor to supply you with any other information requested. Your kind attention to this application will be appreciated.

Very truly yours,

James H. Howell, Jr., Vice- President
Dixie Minerals, Inc.

JHH:LL

Enclosures


Deep Gap
Cedar Cliff Mine
3800
Parker Knob
4187
DH Stephens Mine
Sheep Mtn
Road exit
35°20'00"
83°07'30"
83°00'00"
35°20'00"
FROM:
Geo. Survey 1946
North Carolina
Tuckaseegee
Quadrangle
3000
2600
2400
Moses Road
2400
2600
3000
3200
3400
3400
3200
3000
Area of Outcrop
L. M. Stephens Prospect
Cowarts Knob
Road exit
Caney Fork
Caney Fork
Juglanda Rock Mine
S400E
L. M. Stephens' Prospect

BEGINNING on a chestnut at the mouth of the Henry Field Branch at Moses Creek; thence a North East Direction up the top of a ridge between the Low Field and Henry Field to a Chestnut Corner; thence North East up the ridge with a marked line to a chestnut corner in the upper part of Coses (sic) Cove in Megs and Freeman line; thence South through (sic) the Henry Cove to a Beech at the falls of a branch; thence from said Beech up the top of a ridge with a marked line to the top of the James _____ Cedar Cliff to a hickory corner; thence _____ down said mountain to a hickory corner _____ top of the James Coward knob; thence _____ the meanders of a ridge, a marked line to Moses Creek to an iron wood at or near the ford; thence up said creek to BEGINNING. This deed is executed subject to timber deed to Harry Liner of same date as this deed.

Deed from L. M. Stephens and wife Lula Parker Stephens to George B. Stephens and wife Audrey Houston Stephens and Julius Howard Stephens and wife, Estelle Fore Stephens, recorded in Book 192 at page 586 in the office of the Register of Deeds for Jackson County, N. C.

600

FILE COPY
SURNAME:

Mott

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

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

Re: DMEA 2294X - Mica
Dixie Minerals Inc.
L. M. Stephens Mine

Dear Mr. Lawhead:

Your application for aid in exploring the L. M. Stephens Mine in Jackson County, North Carolina, has been reviewed by Defense Minerals Exploration Administration.

Your suggested program of exploration is vague and in order to properly evaluate your proposal this office must have more information.

(1) A sketch map of pegmatite showing size, openings and areas where the proposed work is to be done.

(2) Give more detail on location of this mine.

(3) Furnish statement on quality and size of sheeted mica and supply a specimen of each quality.

(4) Kindly have executed seven copies of enclosed form MF 202.

(5) Question 9 part 1 has not been answered.

When the above information is received, this office will evaluate your proposal.

Sincerely yours,

C. O. Mittendorf (for) 1-4-52

Lawrence G. Houk, Acting Chief
Non Metallic Minerals Division
Defense Minerals Exploration
Administration.

LGHouk/hmj
1-2-51

cc to: Adm. Reading File
Mails and Files
Mr. Houk
Mr. Dietrich
Mr. Norton
Region VII (2)
Docket

December 27, 1951

Non-metallic Minerals Div.

Donald H. Kupfer

Dixie Minerals, Inc.
2294 L. M. Stephens
(mica)

Jackson County, North Carolina

Donald H. Kupfer

EXPLORATION

Subject: DMEA-2294
Re: Exploration Loan
L. M. Stephens Mine

Mr. H. A. Lawhead
Dixie Minerals, Inc.
131 Main Street
Waynesville, North Carolina

My dear Mr. Lawhead:

This will acknowledge receipt of your application dated December 5, 1951 for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2294 and referred to the Non-Metallics Division.

Kindly refer to DMEA-2294 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams,
Acting Administrative Officer

7862

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMEA-2294

Date received 12-17-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951

DIXIE MINERALS, INC.
131 Main Street
Waynesville, N.C.

Name and address of applicant

Date Dec. 5th, 1951

FILL IN THIS BLOCK

Date of application Dec. 5th, 1951

Estimated cost $5965.00

Mineral or metal Sheet Mica

Percentage of Government participation 90%

Location of mine Jackson County, N.C.

(L.M.Stephens Mine)

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

(Name of company)

By H. A. Lawhead
(Signature of authorized official)

(Date)

(Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO

MINERAL ORDER 5, UNDER THE DEFENSE PRODUCTION ACT OF 1950.

(Supplementary sheets attached to MF-103)

Application of: DIXIE MINERALS, Inc.
131 Main Street,
Waynesville, N. C.

For: L. M. Stephens Mine Project.

Date: December 5th, 1951.

THE APPLICANT:

1. Applicant is a newly organized corporation.

2. Not applicable.

3. Names and Addresses of officers and directors and stockholders: (Only three stockholders, all of which are named below.)

H. A. Lawhead, Sylva, N. C. — President (a director)

H. L. Liner Sr. Waynesville, N. C. — Secretary-Treasurer, (a director)

J. H. Howell, Jr., Waynesville, N. C. — Vice-President (a director)

4. Mining and business experience of applicant: none, newly organized corporation.

Mining and business experience of persons who will manage operations of applicant corporation:

a. H. A. Lawhead, Sylva, N. C., has had the following experience: for the last 11 years has engaged in the business of mining mica, feldspar, and vermiculite; prior to that he has had 10 years of experience in the mining of coal; he has also had 14 years experience in the business of operating a trucking line in interstate commerce, both as manager and as owner-manager. Experience in mining has been as manager and as part-owner manager.

b. H. L. Liner Sr., Waynesville, N. C., has been in business for himself for 30 years during which time he has and is now engaged in various and sundry enterprises consisting of logging, lumbering, building supplies, real estate and insurance, all of which are going enterprises. Also 1½ years of mining experience.

5. Applicant will operate project as lessee.

6. Not applicable.

7. Copy of lease attached. Lease is in good standing.

Supplemental sheets attached to MF 103, L.M.Stephens project (cont).

8. Statement of current financial status:

No profit and loss statement can be submitted inasmuch as corporation is newly organized with no past operating history.

ASSETS		LIABILITIES	
Paid In Capital Stock - - -	$300.00	Capital Stock Outstanding - -	$300.00
TOTAL	$300.00		$300.00

Approximately five thousand dollars ($5,000.00) worth of equipment and machinery will be transferred to corporation in exchange for capital stock, which will shortly give corporation that much additional assets.

9. How much money is applicant prepared to invest in the proposed project?

Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation? - - -YES.

10. For description of property involved, reference is made to attached copies of lease.

11. Name of mine property: L.M.Stephens Mine.

12. Property is located 15½ miles Southeast of Sylva, N.C., ½ miles off of the Moses Creek road in Caney Fork Township, Jackson County, North Carolina. Sylva, N.C. is nearest rail and shipping point, also nearest town and residence point, and supply point. Road is good gravel country road to within ½ mile of project. Log road ½ mile rest of way.

13. Water: Moses Creek nearby and within reach of project with ample supply for all seasons.

Power: It is contemplated that gasoline operated machinery will be used. However, for such electricity as is needed, there is an REA power line which services area nearby from which electric power can be had at REA industrial rates.

14. There are no useable facilities now on property other than road.

15. Mica will be trucked to Sylva, North Carolina, which is a shipping point.

16. History: There is a good mica outcropping here. For mining purposes it has never been opened. However, outcropping is in area known for mica mining, with approximately six mines which were operated during World War II in the near vicinity on neighboring properties. The prospects for this outcropping being in a good mica lead are good and extremely encouraging.

17. Not applicable.

Supplemental sheets attached to MF 103, L.M.Stephens project (cont).

18. Not applicable.

19. None

THE EXPLORATION:

20. Exploration shall be for mica, principally sheet, with punch and scrap mica and feldspar as by-products.

21. Proposed work is to uncover outcropping, probe and explore for vein of sheet mica, which it is estimated will require five (5) months to complete, or sixty (60) working days.

22. Prime factors in leading applicant to expect to find sheet mica are the fact that the outcropping looks good, good samples of mica have been picked up from surface of ground, and the locality of the project is in area of known and proven mica mines.

THE REQUIREMENTS AND COST:

23. (a) Labor: (estimated)

1 miner @ $12.00 per day, - - - - - - - - - - - - - - - - - -	$720.00
2 muckers, $8.00 per day ea., - - - - - - - - - - - - - - - -	960.00
1 powder and gen. Utility man, $8.00 per day - - - - - - - -	480.00
(b) 1 foreman, $12.00 per day - - - - - - - - - - - - - - - - - -	720.00
	$2880.00

(c) None.

(d) Necessary installation, structures, buildings, consisting of compressor house, tool shed, magazine, etc.		500.00
(e) Items which must be purchased:		
1 Jack hammer	$125.00	
Jack hammer steel	100.00	
Blacksmith shop equip.	100.00	
Mine car and rails	300.00	
Sump pump	200.00	
	$825.00	825.00
(f) Cost of rental of compressor		450.00
(g) Rental value of truck to be devoted to work:		450.00
(h) Materials and supplies costing less than $50.00 each consisting of hand tools, explosives, wheel barrows, etc.		500.00
(i) Power: Gas, oil, grease, electricity @ $6.00 per day		360.00
Total - - - - - -		$5965.00

24. Time schedule:

Approximately two calendar months will be required for obtaining equipment and installing same and preparing site of mine for exploratory work. Approximately three months, or sixty working days will be required to properly open, explore and locate vein of mica.

In the first phase of operation named above, it is expected that one-third of the dost estimate submitted will be expended in those items set forth for installation, structures, buildings, items that must be purchased, and that by the end of the second phase of operations indicated above, the entire amount requested will be expended.

* * * * * * * * * *

(COPY)

NORTH CAROLINA
JACKSON COUNTY

THIS MINING LEASE, made entered, executed and delivered, this the 30th day of September, A.D.1951, by L.M.STEPHENS and wife, LULA PARKER STEPHENS, and GEORGE B. STEPHENS and wife, AUDREY HOUSTON STEPHENS, and JULIUS HOWARD STEPHENS and wife ESTELLA FORE STEPHENS, all of Jackson County, North Carolina, parties of the first part to DIXIE MINERALS INCORPORATED, A Corporation, duly chartered, organized and existing under and by virtue of the Laws of the State of North Carolina, with its principal office in the town of Waynesville, Haywood County, North Carolina, party of the second part:

WITNESSETH, that said parties of the first part, for and inconsideration of the sum of One ($1.00) Dollar and other valuable considerations, the receipt of which is hereby acknowledged, and the agreements and covenants hereinafter contained and the royalty payments hereafter to be made, hereby bargain, lease and grant to said party of the second part, its successors and assigns, for the purposes and upon the terms and conditions hereinafter set forth, the following described piece, tract or parcel of land, to-wit:

> BEING and comprehending that certain piece, tract or parcel of land fully described in, and conveyed by, a deed dated September 12, 1951 executed by L.M.Stephens and wife, Lula Parker Stephens, to George B. Stephens and wife, Audrey Houston Stephens and Julius Howard Stephens and wife, Estella Fore Stephens, which deed is duly recorded in the office of the Register of Deeds for Jackson County, North Carolina, in Book 192, at page 386, to which deed and record reference is hereby made for a full and complete description of said lands by metes and bounds, and the calls in said deed are by this reference made the calls in this lease as fully and completely to every intent and purpose as if said calls were herein written out in full.

The terms of this lease are as follows:

1. Said party of the second part shall have the right to enter upon said piece, tract or parcel of land and prospect for, dig, mine and remove mica and feldspar therefrom for a period of five years from the date hereof, or for a longer period if this lease shall be renewed as is hereinafter provided.

2. The party of the second part shall pay to George B. Stephens and Julius Howard Stephens (payment to them shall be considered as payment to all of the parties hereto) the sum of Ten (10) per cent of the purchase price received for all mica or feldspar mined and removed from said lands during the six months period following the date of this lease, and thereafter during the remainder of the term of this lease, or any renewal, said party of the second part, or its successors or assigns, shall pay to said George B. Stephens and Julius Howard Stephens, the sum of Twelve and one-half ($12\frac{1}{2}$) per cent of the purchase price received for all mica and/or feldspar mined and removed from said lands.

Payments of royalty made to George B. Stephens and Julius Howard Stephens shall be considered as having been made to all of the parties to this lease. The party of the second part, or its successors or assigns, shall keep a complete record of all mica and/or feldspar mined, removed and sold from said land, and shall, on or before the 10th day of each month pay the royalty on all mica and/or feldspar sold during the preceeding month, and shall furnish to said George B. Stephens and Julius Howard Stephens a statement showing the amount, to whom sold and the price received therefor of all mica and/or feldspar sold from said land during the previous month. Said George B. Stephens and Julius Howard Stephens or their agent or representative shall have the right to inspect the books of the party of the second part or its successors or assigns, for the purpose of determining the amount of mica and/or feldspar mined and removed from said land and the price received therefor.

3. Said party of the second part, its successors and assigns, shall have the right to build and maintain on said land such roads, dumping grounds, tunnels, pits, shafts or cuts as may be necessary to the successful mining and removing of said mica and/or feldspar from said land, as well as the right to install machinery and equipment and erect buildings thereon for use in the mining and removing of said mica and/or feldspar from said land. All machinery and equipment installed on said land or any buildings erected thereon may be removed therefrom by said party of the second part or its successors and assigns, provided the same are removed within sixty days after the termination of this lease or any renewal thereof, either by expiration of the lease period or by termination otherwise.

4. Said party of the second part shall have the right to assign this lease without any further consent on the part of the parties of the first part, provided however, that any assignee of said party of the second part shall be required to comply with the terms thereof.

5. Said party of the second part or its successors or assigns shall have the right to renew this lease for an additional period of five years under the same terms and conditions by giving to George B. Stephens and Julius Howard Stephens, notice of its intention to renew the same, which notice shall be given in writing on or before the first day of November, A.D., 1956.

6. The party of the second part shall begin the prospecting for and/or mining and removing of mica and/or feldspar from said land within a period of sixty days after the mines on said land have been approved by agents of the Federal Government for prospectors and miners loans, and shall continuously

THEREAFTER operate said mines for as much as eight months in each year, and if at any time during said lease period or any renewal thereof, said party of the second part or its successors or assigns, shall, after said Governmental approval, fail for a period of four months to either prospect for, mine or remove mica and/or feldspar from said land, said failure shall operate as a forfeiture of the rights granted hereunder and said parties of the first part shall be entitled to the possession of said lands and premises. Likewise, if said party of the second part or its successors or assigns, shall fail to pay the royalty as hereinabove set forth, then said failure shall operate as a forfeiture of the rights granted under this lease, and said parties of the first part shall be entitled to the possession of said lands and premises.

IN WITNESS WHEREOF, said parties of the first part have hereunto set their hands and seals, this the day and year first above written.

(SGD) L.H.STEPHENS (SEAL)

(SGD) LULA PARKER STEPHENS (SEAL)

(SGD) GEORGE B. STEPHENS (SEAL)

(SGD) AUDREY HOUSTON STEPHENS (SEAL)

(SGD) HOWARD STEPHENS (SEAL)

(SGD) ESTELL FORE STEPHENS (SEAL)

Witness:

Frank Hadgin (sgd)

NORTH CAROLINA
JACKSON COUNTY

I, Oscar Lovedahl, a Notary Public of Jackson County, North Carolina, do hereby certify that L.M.Stephens and wife, Lula Parker Stephens, and George B. Stephens and wife, Audrey Houston Stephens and Julius Howard Stephens and wife, Estella Fore Stephens, grantors, each personally appeared before me this day and acknowledged the due execution of the foregoing lease, for the purposes therein expressed.

WITNESS my hand and Notarial Seal, this the 30th day of November, 1951.

(SGD) OSCAR LOVEDAHL
Notary Public (Notary Seal)

My commission Expires

Oct. 2n, 1952.

Form MF-103
(April 1951)

U. S. DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Budget Bureau No. 42-R1035.
Approval expires 6-30-51.

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO MINERAL ORDER 5, UNDER DEFENSE PRODUCTION ACT OF 1950

DO NOT FILL IN THIS BLOCK

Docket No. DMEA-229

Date received 12-17-51

Participation

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
DEC 17 1951

DIXIE MINERALS, INC.
131 Main Street
Waynesville, N.C.

Name and address of applicant

Date Dec.5th,1951

FILL IN THIS BLOCK

Date of application Dec. 5th, 1951

Estimated cost $5965.00

Mineral or metal Sheet Mica

Percentage of Government participation 90%

Location of mine Jackson County, N.C. (L.M.Stephens Mine)

Date of filing MF-100

DMA Docket Number, if available

INSTRUCTIONS

Read Mineral Order 5, Regulations Governing Government Aid in Defense Projects, before completing this application. Submit four signed copies of the application to Defense Minerals Administration, Department of the Interior, Washington 25, D. C., or to the nearest field executive officer thereof, with your name and address on each sheet of the application and all accompanying papers. If any question is inapplicable, or if you cannot answer it, so state on the form. Where the space provided for answer is insufficient, answer on a separate sheet, annex it to the application form, and refer to it in space for answer. If the application is approved, you will be presented with an exploration project contract on Form MF-200, for your signature.

THE APPLICANT

*1. Is applicant an individual, partnership, or corporation?
*2. If a partnership, state names and addresses of partners.
*3. If a corporation, state names and addresses of officers, directors, and five largest stockholders.
*4. Describe the mining and general business experience of (*a*) the applicant, and (*b*) the person or persons who will manage the project.
*5. Are you the owner or the lessee of the property?
6. If owner, state what claims, liens, or encumbrances, if any, are against the property.
7. If lessee, attach a copy of the lease and state if it is in good standing.

NOTE.—It will be necessary to procure and attach to the exploration project contract agreements of claimants, lienors, encumbrances and lessors subordinating their interests in the property to the interest of the Government under the contract.

8. Furnish current financial statement, showing assets and liabilities, and a profit and loss statement.
9. How much money is applicant prepared to invest in proposed project? Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation (Section 9 of Mineral Order 5)?

*If you have already answered these questions on MF-100, you are not required to answer the questions for this application.

16—64067-1

THE PROPERTY

10. (*a*) Give a description of the real property that will be in any way involved in the exploration project, including any existing mine or operating property.
    (*b*) Give the legal description of the exact parcel, plot, or area upon which the exploration is to be conducted.

    NOTE.—If both areas are the same, so state. The only obligation to repay the Government is from the net earnings from any commercial discovery made in the area specified in (*b*) above in which the exploration is to be conducted, and the expenditure of funds which may be charged as costs of the project must be limited to that area or to work necessary to perform the exploration in that area.

*11. State the present and former names of the property, if any.

*12. State, in detail, the location of the property with reference to towns, railroads, roads, shipping points, including distances and directions and kinds and conditions of roads.

*13. State source and quantity of water available for operations and its sufficiency at all seasons.
State amount of power to be used, rate per hour or other cost, and source.

*14. Describe any existing useable facilities, equipment, buildings, or structure now on the property that will be devoted to the exploration work.

15. State in detail how the ore could be shipped and how and where milled.

*16. History:
    (*a*) Give a statement, as complete as possible, of previous exploration, development, operation, and production of property, with reasons for any past suspensions of operations.
    (*b*) State briefly the known history and production of adjoining and neighboring properties.
    (*c*) Furnish any available (private) reports that may apply to this application, including results of mine examinations, recommended exploration and development, and metallurgical investigations.

*17. Production:
    (*a*) If mine is in production, furnish the following information:

	Tons per day	*Grade or analysis*	*Cost per ton*	*Net value per ton*
(1) Mining				
(2) Milling				
(3) Shipped or sold				

*18. Ore or mineral reserves: (If property is or has been operating.)
    (*a*) Describe the ore or mineral deposits briefly.
    (*b*) Submit available maps and assay data.
    (*c*) Give estimated tonnage and grade of each class of ore reserves.

19. State any conditions or circumstances regarding the property not sufficiently brought out by the foregoing questions.

THE EXPLORATION

20. For what mineral or minerals and for what types of deposits and ores will the exploration be conducted?

21. Describe briefly, but concisely, the proposed work and the estimated time required to complete it.

    NOTE.—The Government will not participate in a project that will require more than 2 years to complete.

22. Furnish statement of the geological basis of the project with particular emphasis on factors leading the operator to expect the finding of commercial ore bodies. This statement should be accompanied by supporting maps such as geological maps, maps of the proposed openings and assay maps, sample lists, and other pertinent data.

THE REQUIREMENTS AND COSTS

23. Tabulate in the form of an itemized statement with a sum for each item the estimated requirements and costs of the project so that the total will give the estimated cost of the project in which the Government will participate, as follows:
    (*a*) Labor, by numbers and classes (miners, muckers, millmen, etc.), with wages of each.
    (*b*) Supervisors, by numbers and positions, with salaries of each.
    (*c*) Cost of necessary repairs to existing facilities, structures, and buildings.
    (*d*) Cost of necessary installation or construction of additional facilities, structures, and buildings.
    (*e*) Cost of items of equipment, not now owned by the applicant which must be purchased for operations at a cost of $50 or more each.
    (*f*) Cost of rental for equipment which the operator proposes to rent.
    (*g*) Rental value of items of equipment which the operator now owns and which will be devoted to the work.
    (*h*) Cost of materials and supplies, including items of equipment costing less than $50 each.
    (*i*) Cost of power, water, utilities, and any other items not provided for above.

24. Furnish a time schedule of the project, stated in terms of months after project is approved, showing progress expected to be accomplished and the money expected to be spent.

CERTIFICATION

The undersigned company, and the official executing this certification on its behalf, hereby certify that the information contained in this form and accompanying papers is correct and complete to the best of their knowledge and belief.

By W. A. Lawhead

(Name of company) (Signature of authorized ~~official~~)

(Date) (Title)

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.

*Same as footnote on page 1.

16—64067-1 U. S. GOVERNMENT PRINTING OFFICE

APPLICATION FOR AID FOR AN EXPLORATION PROJECT PURSUANT TO

MINERAL ORDER 5, UNDER THE DEFENSE PRODUCTION ACT OF 1950.

(Supplementary sheets attached to MF-105)

Application of: DIXIE MINERALS, Inc.
131 Main Street,
Waynesville, N. C.

For: L. M. Stephens Mine Project.

Date: December 5th, 1951.

THE APPLICANT:

1. Applicant is a newly organized corporation.

2. Not applicable.

3. Names and Addresses of officers and directors and stockholders: (Only three stockholders, all of which are named below.)

H. A. Lawhead, Sylva, N. C. — President (a director)

H. L. Liner Sr. Waynesville, N. C. — Secretary-Treasurer, (a director)

J. H. Howell, Jr., Waynesville, N. C. — Vice-President (a director)

4. Mining and business experience of applicant: none, newly organized corporation.

Mining and business experience of persons who will manage operations of applicant corporation:

a. H. A. Lawhead, Sylva, N. C., has had the following experience: for the last 11 years has engaged in the business of mining mica, feldspar, and vermiculite; prior to that he has had 10 years of experience in the mining of coal; he has also had 14 years experience in the business of operating a trucking line in interstate commerce, both as manager and as owner-manager. Experience in mining has been as manager and as part-owner manager.

b. H. L. Liner Sr., Waynesville, N. C., has been in business for himself for 30 years during which time he has and is now engaged in various and sundry enterprises consisting of logging, lumbering, building supplies, real estate and insurance, all of which are going enterprises. Also 1½ years of mining experience.

5. Applicant will operate project as lessee.

6. Not applicable.

7. Copy of lease attached. Lease is in good standing.

Supplemental sheets attached to MF 103, L.M.Stephens project (cont).

8. Statement of current financial status:

No profit and loss statement can be submitted inasmuch as corporation is newly organized with no past operating history.

ASSETS		LIABILITIES	
Paid In Capital Stock - - -	$300.00	Capital Stock Outstanding - -	$300.00
TOTAL	$300.00		$300.00

Approximately five thousand dollars ($5,000.00) worth of equipment and machinery will be transferred to corporation in exchange for capital stock, which will shortly give corporation that much additional assets.

9. How much money is applicant prepared to invest in the proposed project?

Is it sufficient to pay your part of the cost of the project as detailed in question 23 of this application form, in accordance with the regulations on Government participation? - - -YES.

10. For description of property involved, reference is made to attached copies of lease.

11. Name of mine property: L.M.Stephens Mine.

12. Property is located 15½ miles Southeast of Sylva, N.C., ½ miles off of the Moses Creek road in Caney Fork Township, Jackson County, North Carolina. Sylva, N.C. is nearest rail and shipping point, also nearest town and residence point, and supply point. Road is good gravel country road to within ½ mile of project. Log road ½ mile rest of way.

13. Water: Moses Creek nearby and within reach of project with ample supply for all seasons.

Power: It is contemplated that gasoline operated machinery will be used. However, for such electricity as is needed, there is an REA power line which services area nearby from which electric power can be had at REA industrial rates.

14. There are no useable facilities now on property other than road.

15. Mica will be trucked to Sylva, North Carolina, which is a shipping point.

16. History: There is a good mica outcropping here. For mining purposes it has never been opened. However, outcropping is in area known for mica mining, with approximately six mines which were operated during World War II in the near vicinity on neighboring properties. The prospects for this outcropping being in a good mica lead are good and extremely encouraging.

17. Not applicable.

Supplemental sheets attached to MF 103, L.M.Stephens project (cont).

18. Not applicable.

19. None

THE EXPLORATION:

20. Exploration shall be for mica, principally sheet, with punch and scrap mica and feldspar as by-products.

21. Proposed work is to uncover outcropping, probe and explore for vein of sheet mica, which it is estimated will require five (5) months to complete, or sixty (60) working days.

22. Prime factors in leading applicant to expect to find sheet mica are the fact that the outcropping looks good, good samples of mica have been picked up from surface of ground, and the locality of the project is in area of known and proven mica mines.

THE REQUIREMENTS AND COST:

23. (a) Labor: (estimated)

1 miner - $12.00 per day, - - - - - - - - - - - - - - - - - -	$720.00
2 muckers, $8.00 per day ea., - - - - - - - - - - - - - - - -	960.00
1 powder and gen. Utility man, $8.00 per day - - - - - - - -	480.00
(b) 1 foreman, $12.00 per day - - - - - - - - - - - - - - - - - - -	720.00
	$2880.00

(c) None.

(d) Necessary installation, structures, buildings, consisting of compressor house, tool shed, magazine, etc.		500.00
(e) Items which must be purchased:		
1 Jack hammer	$125.00	
Jack hammer steel	100.00	
Blacksmith shop equip.	100.00	
Mine car and rails	300.00	
Sump pump	200.00	
	$825.00	825.00
(f) Cost of rental of compressor		450.00
(g) Rental value of truck to be devoted to work:		450.00
(h) Materials and supplies costing less than $50.00 each consisting of hand tools, explosives, wheel barrows, etc.		500.00
(i) Power: Gas, oil, grease, electricity @ $6.00 per day		360.00
Total - - - - - -		$5965.00

24. Time schedule:

Approximately two calendar months will be required for obtaining equipment and installing same and preparing site of mine for exploratory work. Approximately three months, or sixty working days will be required to properly open, explore and locate vein of mica.

In the first phase of operation named above, it is expected that one-third of the cost estimate submitted will be expended in those items set forth for installation, structures, buildings, items that must be purchased, and that by the end of the second phase of operations indicated above, the entire amount requested will be expended.

* * * * * * * * * *

(COPY)

NORTH CAROLINA
JACKSON COUNTY

THIS MINING LEASE, made entered, executed and delivered, this the 30th day of September, A.D.1951, by L.M.STEPHENS and wife, LULA PARKER STEPHENS, and GEORGE B. STEPHENS and wife, AUDREY HOUSTON STEPHENS, and JULIUS HOWARD STEPHENS and wife ESTELLA FORE STEPHENS, all of Jackson County, North Carolina, parties of the first part to DIXIE MINERALS INCORPORATED, A Corporation, duly chartered, organized and existing under and by virtue of the Laws of the State of North Carolina, with its principal office in the town of Waynesville, Haywood County, North Carolina, party of the second part:

WITNESSETH, that said parties of the first part, for and inconsideration of the sum of One ($1.00) Dollar and other valuable considerations, the receipt of which is hereby acknowledged, and the agreements and covenants hereinafter contained and the royalty payments hereafter to be made, hereby bargain, lease and grant to said party of the second part, its successors and assigns, for the purposes and upon the terms and conditions hereinafter set forth, the following described piece, tract or parcel of land, to-wit:

> BEING and comprehending that certain piece, tract or parcel of land fully described in, and conveyed by, a deed dated September 12, 1951 executed by L.M.Stephens and wife, Lula Parker Stephens, to George B. Stephens and wife, Audrey Houston Stephens and Julius Howard Stephens and wife, Estella Fore Stephens, which deed is duly recorded in the office of the Register of Deeds for Jackson County, North Carolina, in Book 192, at page 584, to which deed and record reference is hereby made for a full and complete description of said lands by metes and bounds, and the calls in said deed are by this reference made the calls in this lease as fully and completely to every intent and purpose as if said were herein written out in full.

The terms of this lease are as follows:

1. Said party of the second part shall have the right to enter upon said piece, tract or parcel of land and prospect for, dig, mine and remove mica and feldspar therefrom for a period of five years from the date hereof, or for a longer period if this lease shall be renewed as is hereinafter provided.

2. The party of the second part shall pay to George B. Stephens and Julius Howard Stephens (payment to them shall be considered as payment to all of the parties hereto) the sum of Ten (10) per cent of the purchase price received for all mica or feldspar mined and removed from said lands during the six months period following the date of this lease, and thereafter during the remainder of the term of this lease, or any renewal, said party of the second part, or its successors or assigns, shall pay to said George B. Stephens and Julius Howard Stephens, the sum of Twelve and one-half (12½) per cent of the purchase price received for all mica and/or feldspar mined and removed from said land.

Payments of royalty made to George B. Stephens and Julius Howard Stephens shall be considered as having been made to all of the parties to this lease. The party of the second part, or its successors or assigns, shall keep a complete record of all mica and/or feldspar mined, removed and sold from said land, and shall, on or before the 10th day of each month pay the royalty on all mica and/or feldspar sold during the preceeding month, and shall furnish to said George B. Stephens and Julius Howard Stephens a statement showing the amount, to whom sold and the price received therefor of all mica and/or feldspar sold from said land during the previous month. Said George B. Stephens and Julius Howard Stephens or their agent or representative shall have the right to inspect the books of the party of the second part or its successors or assigns, for the purpose of determining the amount of mica and/or feldspar mined and removed from said land and the price received therefor.

3. Said party of the second part, its successors and assigns, shall have the right to build and maintain on said land such roads, dumping grounds, tunnels, pits, shafts or cuts as may be necessary to the successful mining and removing of said mica and/or feldspar from said land, as well as the right to install machinery and equipment and erect buildings thereon for use in the mining and removing of said mica and/or feldspar from said land. All machinery and equipment installed on said land or any buildings erected thereon may be removed therefrom by said party of the second part or its successors and assigns, provided the same are removed within sixty days after the termination of this lease or any renewal thereof, either by expiration of the lease period or by termination otherwise.

4. Said party of the second part shall have the right to assign this lease without any further consent on the part of the parties of the first part, provided however, that any assignee of said party of the second part shall be required to comply with the terms thereof.

5. Said party of the second part or its successors or assigns shall have the right to renew this lease for an additional period of five years under the same terms and conditions by giving to George B. Stephens and Julius Howard Stephens, notice of its intention to renew the same, which notice shall be given in writing on or before the first day of November, A.D., 1956.

6. The party of the second part shall begin the prospecting for and/or mining and removing of mica and/or feldspar from said land within a period of sixty days after the mines on said land have been approved by agents of the Federal Government for prospectors and miners loans, and shall continuously

THEREAFTER operate said mines for as much as eight months in each year, and if at any time during said lease period or any renewal thereof, said party of the second part or its successors or assigns, shall, after said Governmental approval, fail for a period of four months to either prospect for, mine or remove mica and/or feldspar from said land, said failure shall operate as a forfeiture of the rights granted hereunder and said parties of the first part shall be entitled to the possession of said lands and premises. Likewise, if said party of the second part or its successors or assigns, shall fail to pay the royalty as hereinabove set forth, then said failure shall operate as a forfeiture of the rights granted under this lease, and said parties of the first part shall be entitled to the possession of said lands and premises.

IN WITNESS WHEREOF, said parties of the first part have hereunto set their hands and seals, this the day and year first above written.

(SGD) L.H.STEPHENS (SEAL)

(SGD) LULA PARKER STEPHENS (SEAL)

(SGD) GEORGE B. STEPHENS (SEAL)

(SGD) AUDREY HOUSTON STEPHENS (SEAL)

(SGD) HOWARD STEPHENS (SEAL)

(SGD) ESTELL FORE STEPHENS (SEAL)

Witness:

Frank Hedgin (sgd)

NORTH CAROLINA
JACKSON COUNTY

I, Oscar Lovedahl, a Notary Public of Jackson County, North Carolina, do hereby certify that L.H.Stephens and wife, Lula Parker Stephens, and George B. Stephens and wife, Audrey Houston Stephens and Julius Howard Stephens and wife, Estella Fore Stephens, grantors, each personally appeared before me this day and acknowledged the due execution of the foregoing lease, for the purposes therein expressed.

WITNESS my hand and Notarial Seal, this the 30th day of November, 1951.

(SGD) OSCAR LOVEDAHL
Notary Public (Notary Seal)

My commission Expires

Oct. 2n, 1952.

MF-202

2294

LANDLORD'S SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of Jackson, State of North Carolina, described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated September 30th, 1951, does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 14th day of January, 1952, 195__

George B Stephens
Howard Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MF-202

2294

LANDLORD'S SUBORDINATION AGREEMENT

DMEA ~~2295X~~-Mica
Dixie Minerals Inc.
L. M. Stephens Mine

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of JACKSON, State of NORTH CAROLINA, described in a certain Exploration Project Contract dated _____, 195__, between _____,

the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated September 30th, 1951., does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

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Dated this 14th day of January 1952, 195__

George B Stephens
Howard Stephens

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LANDLORD'S SUBORDINATION AGREEMENT

2294

[redacted]
[redacted]
[redacted]

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of [redacted], State of [redacted], described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated [redacted], does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this [redacted] day of [redacted], 195__

Howard B Stephens
Howard Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

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Defense Minerals Administration
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LANDLORD'S SUBORDINATION AGREEMENT

2294

[redacted]
Dixie Minerals Inc.
L. M. Stephens Mine

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of [redacted], State of [redacted], described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated [redacted], does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

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This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this [redacted] day of [redacted], 195__

George B Stephens
Howard Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

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Defense Minerals Administration
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MF-202

LANDLORD'S SUBORDINATION AGREEMENT

2294

DMEA [illegible]
Dixie Minerals Inc.
L. M. Stephens Mine

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This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 14th day of January 1952, 195__

Howard B. Stephens
Howard B. Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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FEB 7 1952

MF-202

LANDLORD'S SUBORDINATION AGREEMENT

2294

KNOW ALL MEN BY THESE PRESENTS:

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The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this 14th day of January, 1952, 195__

George B Stephens
Howard Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—84582-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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MF-202

LANDLORD'S SUBORDINATION AGREEMENT

2294

[redacted]

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the owner in fee simple of that certain parcel of ground in the county of [redacted], State of [redacted], described in a certain Exploration Project Contract dated _____, 195__, between _____, the Lessee of said property, and the United States of America;

NOW, THEREFORE, the undersigned, as Lessor of said property under lease dated [redacted], does by these presents subordinate all of his right, title, and interest under the provisions of said lease to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights to rentals or royalties under the terms of said lease; and

The undersigned further agrees that if said leasehold interest should be surrendered or if said lease should terminate at any time prior to the expiration of the rights of the United States of America under said Exploration Project Contract, the undersigned shall assume and does hereby assume all of the obligations of the Lessee under said Exploration Project Contract to make repayment to the United States of America according to the terms of said contract; and

The undersigned agrees to commit no act, nor assert any claim under judicial process or otherwise that may contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

This undertaking and covenant shall be binding upon the heirs, successors, and assigns of the undersigned.

Dated this [redacted] day of [redacted], 195__

George B Stephens
Howard Stephens

U. S. GOVERNMENT PRINTING OFFICE 16—64582-1

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
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