DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMEA ~~DMA~~ Docket No. 2578

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 Copies to USBM and USGS. One copy was retained by Region VII.

To: Code 600, Rm. 4637 Date 6-11-52

To: Fuller Date 6/12/52

To: _____ Date _____

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DO NOT DETACH

CONTROLLED DOCUMENT

Entered

600

JUN 23 1952

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

Subject: Docket No. DMEA-2578 - Mica
Hall-Burra Mine
Macon County, North Carolina

Dear Mr. Siersma:

Reference is made to the subject application for assistance in exploring for mica at the Hall-Burra Mine.

About a year ago Mr. Mashburn submitted an application, Docket No. 1662, dated June 5, 1951 for a similar exploration program. This was denied on June 28, 1951 by Mr. Tom Lyon, Director, Supply Division, Defense Minerals Administration.

A careful review of the subject application, the field report, and other data on the Hall-Burra Mine leads to the conclusion that this mine offers no promise of containing strategic mica in significant quantities. As this precludes Government participation, the application must be denied.

Thank you for your willingness to cooperate in the defense minerals program.

Sincerely yours,

C. O. Mittendorf

Acting Administrator
Defense Minerals Exploration
Administration

SAFeitler:gad 6/20/52

Copy to: Admin. Reading File
Operating Committee (2)
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Morton, G-232 GSA Bldg.
Mr. Hook
Docket File

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

June 25, 1952

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2578, Mica, Hall-Burra Mine,
Macon County, North Carolina

I concur in the field team's recommendation to deny subject application on the basis that the new information submitted is inadequate to justify alteration of the previous denial.

W. F. Dietrich

W. F. Dietrich

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 26 1952

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

June 25, 1952

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W. F. Dietrich

FILE COPY
SURNAME:

Sd

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

JUN 23 1952

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

Subject: Docket No. DMEA-2578 - Mica
Hall-Burra Mine
Macon County, North Carolina

Dear Mr. Sierema:

Reference is made to the subject application for assistance in exploring for mica at the Hall-Burra Mine.

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A careful review of the subject application, the field report, and other data on the Hall-Burra Mine leads to the conclusion that this mine offers no promise of containing strategic mica in significant quantities. As this precludes Government participation, the application must be denied.

Thank you for your willingness to cooperate in the defense minerals program.

Sincerely yours,

C. O. Mittendorf (fw) DN. 6-23-52

Acting Administrator
Defense Minerals Exploration
Administration

SAFeitler:gad 6/20/52

Copy to: Admin. Reading File
Operating Committee (2)
Field Team, Region VII
Mr. Dietrich, 3526
Mr. Norton, G-232 GSA Bldg.
Mr. Houk
Docket File

IN REPLY REFER TO:

G-MD-PLW

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

June 18, 1952

Memorandum

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 18 1952

REVIEW OF APPLICATION DMEA-2578 (Mica)

To: L. G. Houk, Non-Metallic Minerals Division, DMEA.
From: P. L. Weis, U. S. Geological Survey.
Applicant: N. E. Mashburn and Frank Siersma.
Name of property: Hall-Burra mine.
Location of property: Macon County, North Carolina.
Estimated cost of project: $12,000.
Summary of applicant's proposal:
(1) Bulldozing to a depth of 20 feet at the old tunnel opening.
(2) Construction of a 200 foot adit extending south into the pegmatite.

Sources of information on applicant's property:
1. Docket DMEA-1662 (Mica).
2. Pray, L. C., and Heinrich, Wm. Geology of the Hall and Hall-Burra Mica Mines, Macon County, North Carolina. U. S. Geological Survey (Microfilmed) 1944. 106 # 606.00
3. Colonial Mica Corporation purchase records.
4. Letter dated June 9, 1952 from R. A. Laurence, Executive Officer, DMEA, Field Team, Region VII, to Operating Committee, DMEA.

Comments: (1) Applicant makes the following statement in his answer to question 4d, form MF-103:
"Norman E. Mashburn applied one year ago for aid to explore this mine; DMA-1662X. An examination was made by the Field Team at that time and their proposed method of exploration did not coincide with that of Applicant. In April of this year Mr. Mashburn discussed this mine with members of the Field Team and they now believe procedures will permit approval in line with proposed work to be explained herein."
(2) In the letter to the Operating Committee from R. A. Laurence, Laurence states:
"Under question 4,d, third paragraph, applicant states that in April we expressed approval of the present proposal. This is erroneous. No representative of this office has made such a statement.

"This mine was examined in March 1944 by L. C. Pray of the Geological Survey, at a time when it was in operation

the adit was accessible. Pray's report says: "The muscovite from this property is of poor quality . . . . .Judging from its past record, and the present exposures in the mine, this deposit does not show promise as a source of strategic mica." Pray reports that mine-run mica recovered at that time was less than 2 per cent of the rock mined, and that about 3 per cent of the mine-run mica was recoverable as trimmed sheet and punch mica.

"We do not see that the applicant has provided any new information. The cost of his proposed new adit is far out of line with any reasonable exploration of this pegmatite. We therefore, reaffirm the recommendation for denial of this application."

(3) In view of the opinion expressed by Mr. Laurence of the field team, there appears to be no justification for considering this application.

RECOMMENDATION: Denial.

Paul L. Weis

P. L. Weis

IN REPLY REFER TO:

G-MD-PLW

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

June 18, 1952

Memorandum

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"We do not see that the applicant has provided any new information. The cost of his proposed new adit is far out of line with any reasonable exploration of this pegmatite. We therefore, reaffirm the recommendation for denial of this application."

(3) In view of the opinion expressed by Mr. Laurence of the field team, there appears to be no justification for considering this application.

RECOMMENDATION: Denial.

P. L. Weis

Weis:jeh
G-6/18/52
cc: Director's reading 4212 GSA Bldg.
Branch 2 " "
DMEA
Weis, USGS
Norton, USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

C
O
P
Y

~~WASHINGTON, D.C.~~
Room 13, Post Office Building
Knoxville, Tennessee

DMEA-2578

June 9, 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region VII

Subject: New Application from Mashburn & Siersma, Franklin, N. C.
Same as DMA-1662X, N. E. Mashburn, Hall-Burra Mine, (Mica)

Enclosed are 3 copies of form MF-103 and 5 copies of MF-203, just received from Frank Siersma, re-applying for aid in certain proposed work at the Hall-Burra mine.

On June 21, 1951, we recommended denial of an application for this same project, on grounds of (1) Improbability that the deposit will produce strategic mica (2) the proposed work was development, not exploration.

Under question 4,d, third paragraph, applicant states that in April we expressed approval of the present proposal. This is erroneous. No representative of this office has made such a statement.

This mine was examined in March 1944 by L. C. Pray of the Geological Survey, at a time when it was in operation the adit was accessible. Pray's report says: "The muscovite from this property is of poor quality . . . . .Judging from its past record, and the present exposures in the mine, this deposit does not show promise as a source of strategic mica." Pray reports that mine-run mica recovered at that time was less than 2 per cent of the rock mined, and that about 3 per cent of the mine-run mica was recoverable as trimmed sheet and pumch mica.

We do not see that the applicant has provided any new information. The cost of his proposed new adit is far out of line with any reasonable exploration of this pegmatite. We therefore, reaffirm the recommendation for denial of this application.

The fourth copy of this application is being retained here.

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

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

C O P Y

STATE OF NORTH CAROLINA
COUNTY OF MACON

LEASE

THIS INDENTURE Made and entered into this the 2nd day of June, 1952, by and between MARGARET B. McGUIRE, widow, of said County and State, lessor, and NORMAN E. MASHBURN and FRANK SIERSMA, of said County and State, lessees.

WITNESSETH: That lessor, in consideration of the agreements hereinafter contained, on the part of lessees to be performed, hereby bargains, leases and grants to lessees and their heirs, for a period of five years from the date hereof, upon the terms and conditions hereinafter specified, the exclusive right to mine and remove all mica in and upon the following described premises in Cowee Township, County of Macon, State of North Carolina:

> BEGINNING at the Hall Branch and Moore Line, running with Hall Branch in an easterly direction for a distance of 300 feet, thence south approximately 500 feet to a chestnut tree in crest of hill, thence with Welch and Hall line to old Hall Mine Road, thence with Moore and Hall line to Hall Branch and point of BEGINNING.

Lessees shall have the right for the aforesaid period of five years to enter upon said premises and dig and mine mica, and in connection therewith to exercise in so far as necessary the mining rights and privileges upon said property.

Lessees shall pay the lessor upon all sheet, punch, and small block mica mined from said premises a royalty of Twelve and One-Half (12-1/2%) Per Cent of the market price thereof; on scrap mica, a royalty of One Dollar and Fifty Cents ($1.50) per ton; and on any other minerals Ten (10%) Per Cent of the gross sales price. Sheet and punch mica is to be sheeted and graded before sale. The royalties herein provided may be changed by agreement upon the request of any party made thirty days prior to the expiration of the then current lease year and upon failure of the parties to agree upon the royalties to be paid thereafter this lease shall terminate at the expiration of the lease year in which such notice was given.

All royalties shall be due and payable on or before the 20th day of each month upon upon all mica marketed during the preceding month. Royalties shall be based upon truck or railroad weights, and bills of lading or purchasers receipts shall be supplied to lessor on or before the time payment is made. Lessees shall keep a correct and itemized record of all mica mined and of all operations and transactions under this lease and at all times upon reasonable request shall permit lessor, or her agents, to inspect such records. Lessees agree that they will try, in all cases, to get the best price possible for mica mined under this lease.

It is expressly understood and agreed that in the event lessees shall cease mining operations of a permanent character upon said property for a period of ninety days, then this lease shall be null and void and lessees shall have no further rights hereunder.

Lessees shall at all times operate the property to the fullest extent and shall employ upon the property all men and equipment the property will justify being used.

Lessees shall conduct all mining operations hereunder according to approved mining standards, shall not commit any waste upon the premises herein included, or do any unnecessary damage to said premises.

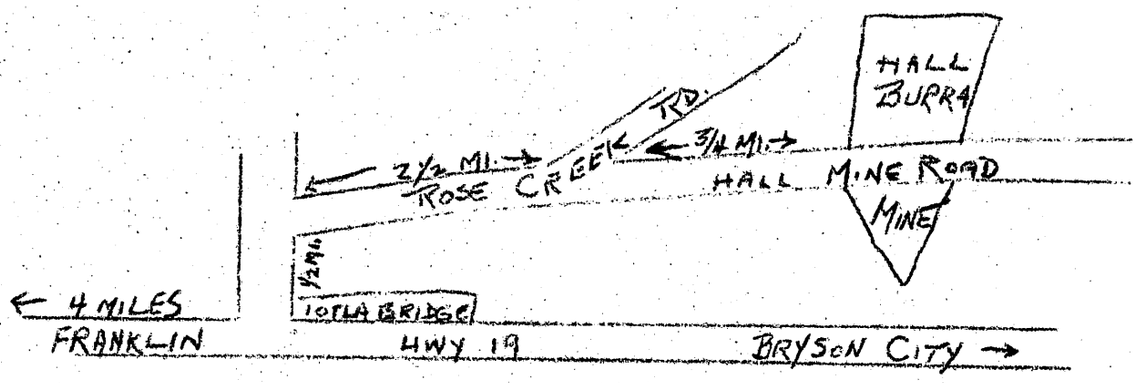
Neither this lease nor any interest therein shall be assignable by lessees, but the same in its entirety shall remain vested in lessees as long as it subsists, except the same may be assigned with the written consent of lessor.

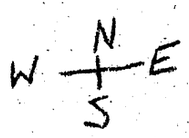
Lessees will indemnify and save harmless lessor from and against any and all damages, costs, and expenses sustained by lessor on account of any and all claims, suits, or judgments against lessor on account of the operations of lessees hereunder; and against any labor or material liens arising out of said operations; and upon demand lessees will furnish reasonable bond or insurance against such claims, suits, judgments, or liens.

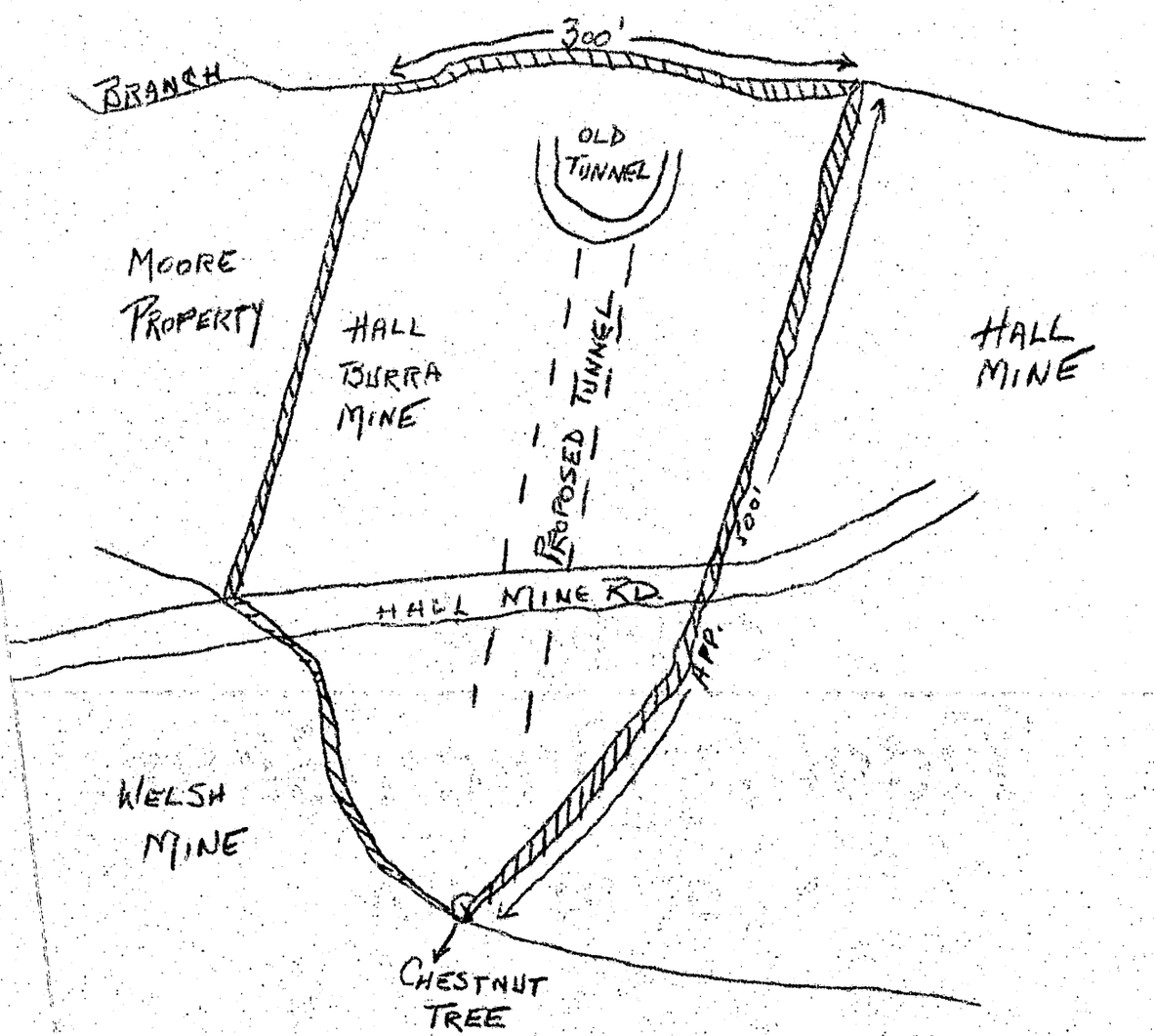
Upon the failure of lessees to do or perform any of the covenants and conditions of this lease, the same shall immediately terminate, and lessees shall have no further rights hereunder.

Upon the expiration or other termination of this lease, lessees shall have the right to remove any and all buildings, equipment, machinery, improvements and mica actually mined, provided all amounts due lessor are paid.

MP-103 MASSBURN & SIERRA P. O. BOX 336 FRANKLIN HALL-BURRA MINE







6/2/52

EXPLORATION

Subject: DMEA-2578
Re: Exploration Loan
Hall-Burra Mine
June 11, 1952

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

My dear Mr. Siersma:

This will acknowledge receipt of your application dated June 7, 1952, for a loan under the Defense Production Act of 1950.

Your application was assigned Docket Number DMEA-2578 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-2578 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams
Administrative Officer

7862

DMEA - 2578

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 11 1952

Room 13, Post Office Building
Knoxville, Tennessee

June 9, 1952

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region VII

Subject: New Application from Mashburn & Siersma, Franklin, N.C.
Same as DMA-1662X, N. E. Mashburn, Hall-Burra Mine, (mica)

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We do not see that the applicant has provided any new information. The cost of his proposed new adit is far out of line with

any reasonable exploration of this pegmatite. We therefore, reaffirm the recommendation for denial of this application.

The fourth copy of this application is being retained here.

Robert A. Laurence

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

Wm A Beck

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

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA-2578
Metal or Mineral
Date Received 6-11-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

MASHBURN & SIERSMA
P. O. BOX 336
FRANKLIN, N. C.

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

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

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

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

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

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 11 1952

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

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

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

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

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

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

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

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

5. *The exploration project.*—State the mineral or minerals for which you wish to explore .....

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 6/7/52, 195...

MASHBURN & SIERSMA
(Applicant)

By Frank Siersma
Partner

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

MF-103 MASHBURN & SIERSMA P. O. BOX 336 FRANKLIN, N. C. MICA 6/7/52

1. (b) Partnership.

(d) PARTNERS; NORMAN E. MASHBURN ROUTE 3 FRANKLIN, N. C.
FRANK SIERSMA P. O. BOX 336 " "

3. (a) Legal description of land is included in attached copy of lease.

(b) Name of mine - - HALL-BURRA.

(c) Applicant's interest is that of Lessees.

(d) Copy of lease attached. Five (5) copies of "Owner's Consent to Lien" are also attached.

4. (a) Norman E. Mashburn operated this mine, starting in 1943, for scrap
(b) mica and went down 30 feet. In 1944, with only hand tools, he reached
(c) strategic mica and within 6 months sold approximately $2000.00 worth
(d) to Colonial Mica Co. The vein is 2½ feet at the surface; 12 feet wide at a depth of 20 feet and has been worked for a distance of 100 feet in a tunnel (now closed in). At the 12 feet depth where block was first recovered, the quartz began to set up, with improved quality and size of block. Only STRATEGIC MICA - RUBY - was recovered thereafter. The "Geological Survey Professional Paper 225" records that 420 pieces from the Hall-Burra mine were examined and tested E-100 with no stains and type of material - 4,5,6. Because the mica previously recovered improved with continued operation, with the then worked tunnel being within the pegmatite, applicant wishes to explore to such an extent as will establish existing commercial ore bodies and prepare for full operation. (Past work ceased when Colonial Mica withdrew from purchasing and normal selling prices did not warrent continued work).

A sk etch of location of the Hall-Burra mine is attached; showing accessibility for examination and operation.

Norman E. Mashburn applied one year ago for aid to explore this mine; DMA-1662K. An examination was made by the Field Team at that time and their proposed method of exploration did not coincide with that of Applicant. In April of this year Mr. Mashburn discussed this mine with members of the Field Team and they now believe procedures will permit approval in line with proposed work to be explained herein.

(e) Sufficient manpower, materials, supplies, etc., are available.

5. (a) Mineral to be explored for - - STRATEGIC RUBY MICA.

(b) Sketch of proposed work is attached. The work will consist of dosing at the opening of old tunnel for a depth of 20 feet and then constructing a tunnel 6x6' and 200 feet long, southerly, into the pegmatite.

(c) The work will start immediately upon signing of contract and will be completed within four months (80 working days).

(d) Norman E. Mashburn has been engaged in mining for 30 years and has mined entirely for mica during the past 15 years. He will supervise exploration.

Mr. Mashburn's experience included all types of mining, such as open cut, tunnel and shaft; sheeting, grading and selling sheet mica. He is recognized to be one of the better qualified men in the Franklin Mining District.

Actual mining on the part of Mr. Mashburn includes work in a great many of the now known and producing mines, such as the Beasley, Poll Mill Knob, Hall, Welsh, etc.

6. ESTIMATE OF COSTS:

It is Applicant's understanding that DMEA is now providing a form of "short Form" contract, in which the entire alloted amount of loan is advanced, in payments as work proceeds, in one agreed upon sum.

This project will be conducted by building a tunnel to extend into the pegmatite for a distance of 200 feet. It will require a certain amount of bulldozing, equipment rentals, operating supplies, a working foreman, 4 or 5 miners, drillers and muckers, insurance, taxes, engineering etc.

Applicant will enter into such a "short form" contract to explore this mine based on the cost to complete the 200 foot tunnel at a price of $60.00 per foot (subject to consultation with the Field Team) or a total of $12,000.00. It is understood that any additional costs involved are to be paid for by Applicant.

7. (a) Applicant is prepared to furnish 10% of the cost of this project; sufficient in accordance with regulations.

(b) Applicant's share of costs will be provided either by the work of Norman E. Mashburn, as working foreman and engineer, or by cash if required.

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MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA-2578
Metal or Mineral
Date Received 6-11-52
Estimated Cost
Participation (Government %)

INSTRUCTIONS

1. *Name of applicant.*—(*a*) State here your full legal name, in the form in which you will wish to contract, and your mailing address:

MASHBURN & SIERSMA
P. O. BOX 336
FRANKLIN, N. C.

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

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

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

2. *General.*—Read DMEA Order 1, "Government Aid in Defense Exploration Projects," before completing this application. Submit this application and all accompanying papers in quadruplicate (four copies), with your name and address on each sheet of the application and on all accompanying papers. Where sufficient space is not provided on the form for all required information, state it on an accompanying paper, with a reference in each case to the instruction to which it refers by number. Comply with all applicable instructions; or, if not applicable, so state. File the application with Defense Minerals Exploration Administration, Department of the Interior, Washington 25, D. C., or with the nearest field executive officer thereof.

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract

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

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

(*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.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JUN 11 1952

16—66551-1

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

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☒ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated 6/7/52, 195...

MASHBURN & SIERSMA
(Applicant)

By Frank Siersma
Partner

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

MF-103 MASHBURN & SIERSMA P. O. BOX 336 FRANKLIN, N E. MICA 6/7/52

1. (b) Partnership.

(d) PARTNERS: NORMAN E. MASHBURN ROUTE 3 FRANKLIN, N. C.
FRANK SIERSMA P. O. BOX 336 " "

3. (a) Legal description of land is included in attached copy of lease.

(b) Name of mine - - HALL-BURRA.

(c) Applicant's interest is that of Lessees.

(d) Copy of lease attached. Five (5) copies of "Owner's Consent to Lien" are also attached.

4. (a) (b) (c) (d) Norman E. Mashburn operated this mine, starting in 1943, for scrap mica and went down 30 feet. In 1944, with only hand tools, he reached strategic mica and within 6 months sold approximately $2000.00 worth to Colonial Mica Co. The vein is 2½ feet at the surface; 12 feet wide at a depth of 20 feet and has been worked for a distance of 100 feet in a tunnel (now closed in). At the 12 foot depth where block was first recovered, the quartz began to set up, with improved quality and size of block. Only STRATEGIC MICA - RUBY - was recovered thereafter. The "Geological Survey Professional Paper 225" records that 420 pieces from the Hall-Burra mine were examined and tested E-100 with no stains and type of material - 4,5,6. Because the mica previously recovered improved with continued operation, with the then worked tunnel being within the pegmatite, applicant wishes to explore to such an extent as will establish existing commercial ore bodies and prepare for full operation. (Past work ceased when Colonial Mica withdrew from purchasing and normal selling prices did not warrent continued work).

A sk etch of location of the Hall-Burra mine is attached; showing accessibility for examination and operation.

Norman E. Mashburn applied one year ago for aid to explore this mine; DMA-1662X. An examination was made by the Field Team at that time and their proposed method of exploration did not coincide with that of Applicant. In April of this year Mr. Mashburn discussed this mine with members of the Field Team and they now believe procedures will permit approval in line with proposed work to be explained herein.

(e) Sufficient manpower, materials, supplies, etc., are available.

5. (a) Mineral to be explored for - - STRATEGIC RUBY MICA.

(b) Sketch of proposed work is attached. The work will consist of dozing at the opening of old tunnel for a depth of 20 feet and then constructing a tunnel 6x6' and 200 feet long, southerly, into the pegmatite.

(c) The work will start immediately upon signing of contract and will be completed within four months (80 working days).

(d) Norman E. Mashburn has been engaged in mining for 30 years and has mined entirely for mica during the past 16 years. He will supervise exploration.

Mr. Mashburn's experience included all types of mining, such as open cut, tunnel and shaft; sheeting, grading and selling sheet mica. He is recognized to be one of the better qualified men in the Franklin Mining District.

Actual mining on the part of Mr. Mashburn includes work in a great many of the now known and producing mines, such as the Beasley, Poll Mill Knob, Hall, Welsh, etc.

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(b) Applicant's share of costs will be provided either by the work of Norman E. Mashburn, as working foreman and engineer, or by cash if required.

- - - - -

STATE OF NORTH CAROLINA
COUNTY OF MACON

LEASE

THIS INDENTURE Made and entered into this the 2nd day of June, 1952, by and between MARGARET B. McGUIRE, widow, of said County and State, lessor, and NORMAN E. MASHBURN and FRANK SIERSMA, of said County and State, lessees.

WITNESSETH: That lessor, in consideration of the agreements hereinafter contained, on the part of lessees to be performed, hereby bargains, leases and grants to lessees and their heirs, for a period of five years from the date hereof, upon the terms and conditions hereinafter specified, the exclusive right to mine and remove all mica in and upon the following described premises in Cowee Township, County of Macon, State of North Carolina:

> BEGINNING at the Hall Branch and Moore Line, running with Hall Branch in an easterly direction for a distance of 300 feet, thence south approximately 500 feet to a chestnut tree in crest of hill, thence with Welch and Hall line to old Hall Mine Road, thence with Moore and Hall line to Hall Branch and point of BEGINNING.

Lessees shall have the right for the aforesaid period of five years to enter upon said premises and dig and mine mica, and in connection therewith to exercise in so far as necessary the mining rights and privileges upon said property.

Lessees shall pay the lessor upon all sheet, punch, and small block mica mined from said premises a royalty of Twelve and One-Half (12-1/2%) Per Cent of the market price thereof; on scrap mica, a royalty of One Dollar and Fifty Cents ($1.50) per ton; and on any other minerals Ten (10%) Per Cent of the gross sales price. Sheet and punch mica is to be sheeted and graded before sale. The royalties herein provided may be changed by agreement upon the request of any party made thirty days prior to the expiration of the then current lease year and upon failure of the parties to agree upon the royalties to be paid thereafter this lease shall terminate at the expiration of the lease year in which such notice was given.

All royalties shall be due and payable on or before the 20th day of each month upon upon all mica marketed during the preceding month. Royalties shall be based upon truck or railroad weights, and bills of lading or purchasers receipts shall be supplied to lessor on or before the time payment is made. Lessees shall keep a correct and itemized record of all mica mined and of all operations and transactions under this lease and at all times upon reasonable request shall permit lessor, or her agents, to inspect such records. Lessees agree that they will try, in all cases, to get the best price possible for mica mined under this lease.

It is expressly understood and agreed that in the event lessees shall cease mining operations of a permanent character upon said property for a period of ninety days, then this lease shall be null and void and lessees shall have no further rights hereunder.

Lessees shall at all times operate the property to the fullest extent and shall employ upon the property all men and equipment the property will justify being used.

Lessees shall conduct all mining operations hereunder according to approved mining standards, shall not commit any waste upon the premises herein included, or do any unnecessary damage to said premises.

Neither this lease nor any interest therein shall be assignable by lessees, but the same in its entirety shall remain vested in lessees as long as it subsists, except the same may be assigned with the written consent of lessor.

Lessees will indemnify and save harmless lessor from and against any and all damages, costs, and expenses sustained by lessor on account of any and all claims, suits, or judgments against lessor on account of the operations of lessees hereunder; and against any labor or material liens arising out of said operations; and upon demand lessees will furnish reasonable bond or insurance against such claims, suits, judgments, or liens.

Upon the failure of lessees to do or perform any of the covenants and conditions of this lease, the same shall immediately terminate, and lessees shall have no further rights hereunder.

Upon the expiration or other termination of this lease, lessees shall have the right to remove any and all buildings, equipment, machinery, improvements and mica actually mined, provided all amounts due lessor are paid.

Being part of lands owned by Margaret B McGuire, deeds being recorded in the office of Register of Deeds for Macon County in Book T-4 at page 83 and in Book D-4 at page 449.

MF-203

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 the property known as the HALL-BURRA MINE, as leased to Norman E. Mashburn and Frank Siersma on June 2, 1952.

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/ MASHBURN & SIERSMA

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this _____ day of JUNE, 195 2.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

MF-203

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 the property known as the HALL-BURRA MINE, as leased to Norman E. Mashburn and Frank Sieresma on June 2, 1952.

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

2/ _____

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this _____ day of JUNE, 1952.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

MF-203

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/

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

2/

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this _____ day of JUNE, 1952.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

MF-203

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 the property known as the HALL-BURRA MINE, as leased to Norman E. Mashburn and Frank Siersma on June 2, 1952.

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

2/ _____

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this _____ day of JUNE, 195 2.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

MF-203

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 Dixon, described as follows:1/

BEING the property known as the HALL-BERRY MINE, as leased to Norman E. Hanbburn and Frank Sicorsa on June 2, 1952.

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/ HASHEEM & SICORSA

hereinafter called the "Operator"; and

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

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

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

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

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

Dated this _____ day of JUNE, 1952.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

RELEVANT CONTRACT PROVISIONS

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

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

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

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

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

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

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

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

MF-203

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 the property known as the HALL-BURRA MINE, as leased to Norman E. Washburn and Frank Siersma on June 2, 1952.

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/ WASHBURN & SIERSMA

hereinafter called the "Operator"; and

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

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

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

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

Dated this _____ day of JUNE, 1952.

Margaret B. McGuire [Seal]

_____ [Seal]

_____ [Seal]

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

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

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

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

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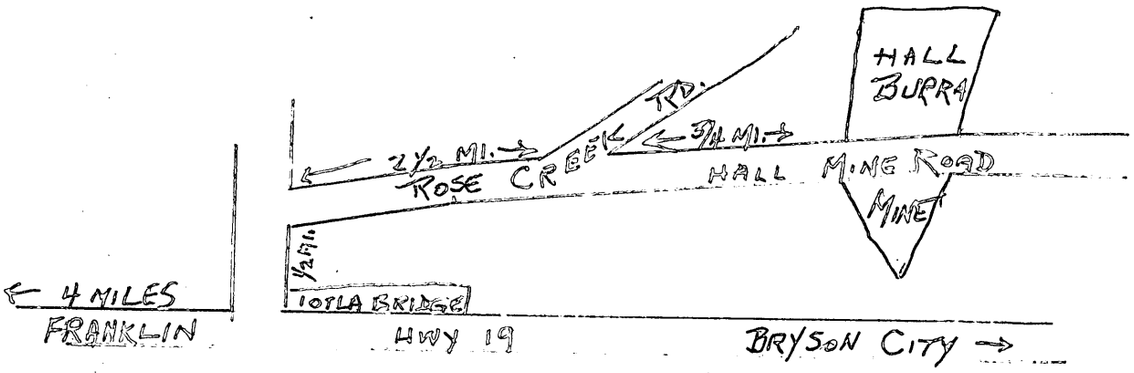
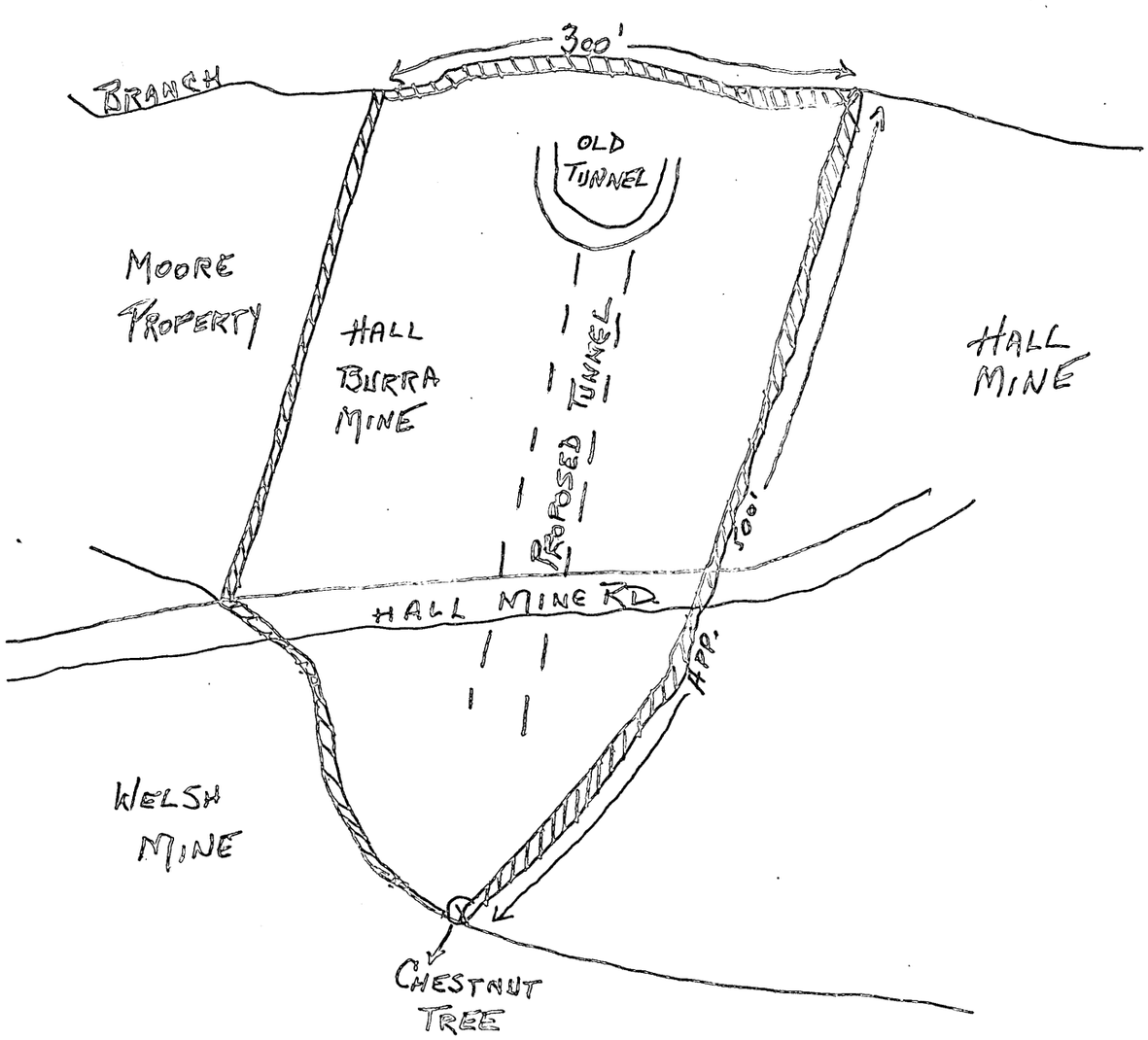
MF-103 MASHBURN & SIERSMA P. O. BOX 336 FRANKLIN HALL-BURRA MINE





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Frank E. Johnson, Chairman
Defense Minerals Exploration Admin.
Dept. of the Interior
Washington 25, D. C.