DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 2996

DO NOT DETACH THIS SLIP

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

This document has been recorded as

EXPLORATION ASSISTANCE

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

Routing Slip
CYS TO USBM, USGS, REGION VII

To:	Code 600	Date	4/23/53
To:	Robertson	Date	4/24/53
To:	Oper Comm	Date	5-22-53
To:	Oper Comm.	Date	7-29-53
To:		Date	
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DO NOT DETACH

CONTROLLED DOCUMENT

AUG 4 1953

Mr. X. M. Algier

Gay, North Carolina

Re: Docket No. [illegible] (Mica)
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Algier:

Your application for aid for an exploration project and other data available to us in Washington concerning your application have been reviewed.

Careful study of all our information on your property indicates that you fail to qualify for exploration assistance because you do not have a sufficient interest in the land as lessee for the purpose of an exploration project contract. (See Section 9 of DMA Order-1, Operator's property rights.)

We regret to advise you that under these circumstances your application for exploration assistance is denied.

Sincerely yours,

C. O. Mittendorf

Administrator

LGHouk:AEKrep 7-30-53

Copy to: Mails & Files
Admr. Reading File
Field Team, Region VII (2)
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Mr. Hofflund
Mr. Kane
Chron.
Pending

R	DMEA-2996 Mica Region VII	M. S. ZIGLER, GAY, NORTH CAROLINA. Bishop-Browning Mine (Murray Mountain or Murray Cove Mine), Jackson County, North Carolina. Letter to the Applicant denying the application.

✓ 7-29-53
#245

✓	DMEA-2996 Mica Region VII R	M. S. ZIGLER, GAY, NORTH CAROLINA. Bishop-Browning Mine, Jackson County, North Carolina. Letter to the Field requesting a review of the application, an examination if necessary, and report, and enclosing copies of memoranda from the Bureau of Mines and the Geological Survey. Letter to the applicant.

5-22-53
No. 219

July 20, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMRA-2996 - Mica
Property: Bishop-Browning Mine
(correct name - Murray Mountain or Murray Cove Mine)
Jackson County, North Carolina
Being land deeded from Bryent Browning, et al., to H. H. Bishop, March 25, 1952. County Records Bk. 194, Page 402.
Applicant: M. S. Zigler (a lessee)
Gay, North Carolina
Amount requested: $7,752
No contract: Application denied

Docket Summary

4/22/53 Application received, MF-103
4/23/53 Application acknowledged
4/27/53 Memo from Basil G. Dean, U. S. G. S., suggests referral to field team.
4/30/53 Memo from W. F. Dietrich, U. S. B. M., suggests referral to field team.
5/25/53 Application referred to Region VII
6/23/53 Memo from Region VII recommending denial

Comments:

Field examiners visited the subject mine June 15, 1953. They report as follows:

"Accompanied by Dexter Hall, Superintendent for M. S. Zigler Mining Company, they found the mine in operation by another party. As explained by one of the former owners (J. I. Cope) when the lessee did not begin operations within the time specified in the lease, the mine was leased to other parties. Since that time the property has been sold to the last lessee".

"As the applicant has no right in the property, the application should be denied without further consideration".

The operator has no right to operate the subject mine and a denial of application is recommended. Letter of denial is submitted herewith.

SIGNED

Jasper T. Robertson
Nonmetallic Minerals Division

JTRobertson:dec 7/20/53
Copy to: Admr. H. File
Docket File
Mr. Houk

MAY 2 5 1953

Mr. Robert A. Laurence
Executive Officer, [illegible]
Field Test, Region VII
Room 13, Post Office Building
Knoxville 2, Tennessee

Subject: Docket No. [illegible]-2996 - Mica
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Laurence:

Please review the subject exploration application and, if necessary, arrange for a field examination.

Enclosed are memoranda from the Geological Survey and the Bureau of Mines.

Sincerely yours,

W. S. Martin

ACTING Chairman, Operating Committee

Approved:

J. H. Hedges

Member, Bureau of Mines

A. R. Kinkel, Jr.

Member, Geological Survey

Enclosures 4

JRRobertson:fls 5/2[illegible]/53

Copy to: Admr. [illegible] File
Docket File
Operating Committee
Mr. Dietrich, 3[illegible]26
Mr. Larrabee, G-232, [illegible] Bldg.
Mr. Houk

MAY 25 1953

Mr. [illegible] Taylor
Hwy.
North Carolina

Re: Project No. [illegible] - Mica
Alternate Site
Jackson County, North Carolina

Dear Mr. Taylor:

Your application for assistance in the [illegible] project property has been reviewed by the Strategic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Brown, Executive Officer, [illegible] Field Team, Region III, DMEA, Post Office Building, Knoxville 2, Tennessee, for a field examination, should he deem it necessary.

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

Sincerely yours,

C. O. Mittendorf

Administrator

Washington, D.C. 5/20/53

Copy to: Subj. file
Project file
Field exec. sec. VII
Executive Committee
Mr. Letsch, 526
Mr. Larrabee, [illegible], Gen. Mtg.
Mr. [illegible]

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

C O P Y

May 19, 1953

Memorandum

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

From: D. M. Larrabee, U. S. Geological Survey

Subject: DMEA dockets 2993, 2994, 2995, 2996, and 3031

Recent information from the Field Team Executive Officer, Region 7, makes it advisable to amend our earlier memoranda on the above dockets. The amendments follow:

2993 be submitted to field team for their review. It may be unnecessary to make a field examination.

2994 denial - previously denied under docket 2224, and no new information.

2995 denial - previously denied under docket 2212, and no new information.

2996 same action as 2993. R

3031 denial - previously denied under docket 2527, and no new information.

D. M. Larrabee

Larrabee:jah
5/19/53
cc. Director's reading 4212
Branch 4211
Branch reading 4212
DMEA (3)
Larrabee G-230

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

APR 30 1953

April 30, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2996, Mica, Bishop-Browning Mine
Jackson County, Gay, North Carolina

No data are available in this office on subject property. It is located in a general area in which strategic mica is known to be the characteristic variety. It is suggested that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

Signed

W. F. Dietrich

IN REPLY REFER TO:

G-MD-CNM

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

April 27, 1953

Memorandum

REVIEW OF APPLICATION DMEA-2996 (mica).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: Basil G. Dean, U. S. Geological Survey.
Applicant's name and address: M. S. Zigler, Gay, North Carolina.
Name of property: Bishop-Browning mine.
Location of property: About 6 miles west of Dillsboro, Jackson County, North Carolina, on county road 3/4 mile north of State Highway 23.
Summary of applicant's proposal:
150 foot adit.

Sources of information on applicant's property:
None.

Comments:

(1) Applicant states mine has been worked for many years. Workings are said to consist of several cuts and pits and 3 adits.

(2) As no information on this property is available other than that furnished by the applicant, a field team examination is necessary.

(3) The lease on this property was transferred to the applicant by Frank Siersma on January 7, 1953.

RECOMMENDATION:
Field team examination.

Basil G. Dean

Copy to DMEA (3)

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
APR 22 1953

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-2996
Metal or Mineral
Date Received 4-22-53
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: H. S. ZIGLER
GAY (JACKSON CO.)
NORTH CAROLINA

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract. Being the property described in deed from Bryant Browning, et al, dated March 25, 1952, to H. N. Bishop, et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

(*b*) State any mine name by which the property is known. BISHOP-BROWNING MINE

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

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

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

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

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

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

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

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

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

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

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

(*c*) The work will start within ..... 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)? YES

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

[X] 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 APRIL 21st, 1953

M. S. ZIGLER
(Applicant)

By C. D. Zigler
C. D. Zigler, Manager

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 M. S. ZIGLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

1. Applicant is an Individual. C. D. Zigler is Manager, with full right to sign all instruments.

2. Copy of lease, assignments and Owner's Consent to Lien are attached.

4. This mine has been worked for a good many years, through several cuts and pits as well as three tunnels to 40feet. These workings shown the evidence of a large pegmatite formation consisting of quarts, flint, etc.

   Blocks of hard, flat ruby mica have been recovered, which sheeted to 3" x 5". All previous sales have been made to the Asheville Mica Company, but with recent change of ownership no available records can be obtained.

   Because this mine is located within the main mica lead passing through the districts and because of existing exposures, which give evidence of contents, it is desired to explore as herein outlined to the commercial ore bodies which are known to rest within the pegmatite.

   This mine is about 3/4th mile north of State Highway 23, on a county road, and about six (6) miles west of Dillsboro - shipping, supply and residence points (the larger town of Sylva is about four (4) miles further east).

5. Exploration will be by means of a tunnel, 150 feet, with adit about 30 feet below past workings. This will lead into the heart of the mica vein and allow for production from all previously worked areas.

   Work will start upon receipt of contract and will be completed within 80 working days with one (1) shift.

   Charles D. Zigler, applicant's son and manager, has not had a great deal of experience in mica mining. However, his Superintendent is Dexter Hall, a native of the district - fully versed in all phases of mining, processing, etc., of mica. He has more than 20 years experience in the pegmatites of the area.

   At applicant's own expense, a tunnel is now being contructed in the nearby Painter Knob Mine for a distance of 215' (165' has been completed). Applicant holds leases on several mines in this district which have been examined and tested and proven to contain commercial reserves; therefore desires exploratory aid to place all in operation and reach production, in maximum quantities, as quickly as possible.

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MF-103 M. S. ZIOLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

ANSWERS TO QUESTION 6.

(a)	Bulldozing to prepare for tunnel entrance, etc. 40 hours @ $12.00 per hour, to remove about 1200 cu. yds. of overburden (40¢ cu. yd.)	480.00	$ 480.00
(b)	1 Working Foreman, 80 days @ $12.00	960.00	
	1 Miner-Driller 80 " 10.00	800.00	
	2 Muckers 80 " 8.00 each	1280.00	3,040.00
(c)	Hand Tools:- picks, shovels, hammers, wheelbarrow, axes, saws, etc.	80.00	
	4 Lamps & Carbide	35.00	
	4 Miners' Hard Hats @ $6.25	25.00	
	25 pcs. Steel @ $6.00 average	150.00	
	1000 Timkin Bits @ 42¢	420.00	
	25 cases Explosives @ $13.50	~~3375.00~~ 337.50	
	Exploders	70.00	
	Blasting Machine	75.00	1,467.00
	Timber, props, legging, etc.	275.00	~~4,705.00~~
(d)	Rental, 105 cfm Air Compressor, 4 months	700.00	
	45# Jackhammer 4 "	120.00	
	Purchase, 400' track, Tram Car, spikes, & cross ties (est.)	350.00	1,170.- ~~1,090.00~~
(e)	None.		
(f)	Tool & Equipment House to be erected	275.00	
	Exlposives storage house "	80.00	355.00
(g)	Accounting	65.00	
	Compensation & Liability Insurance	600.00	
	Payroll Taxes	55.00	720.00
(h)	Contingencies - 5%	520.00	520.00
	ESTIMATED COSTS		$ ~~10,910.00~~ 7,752.00

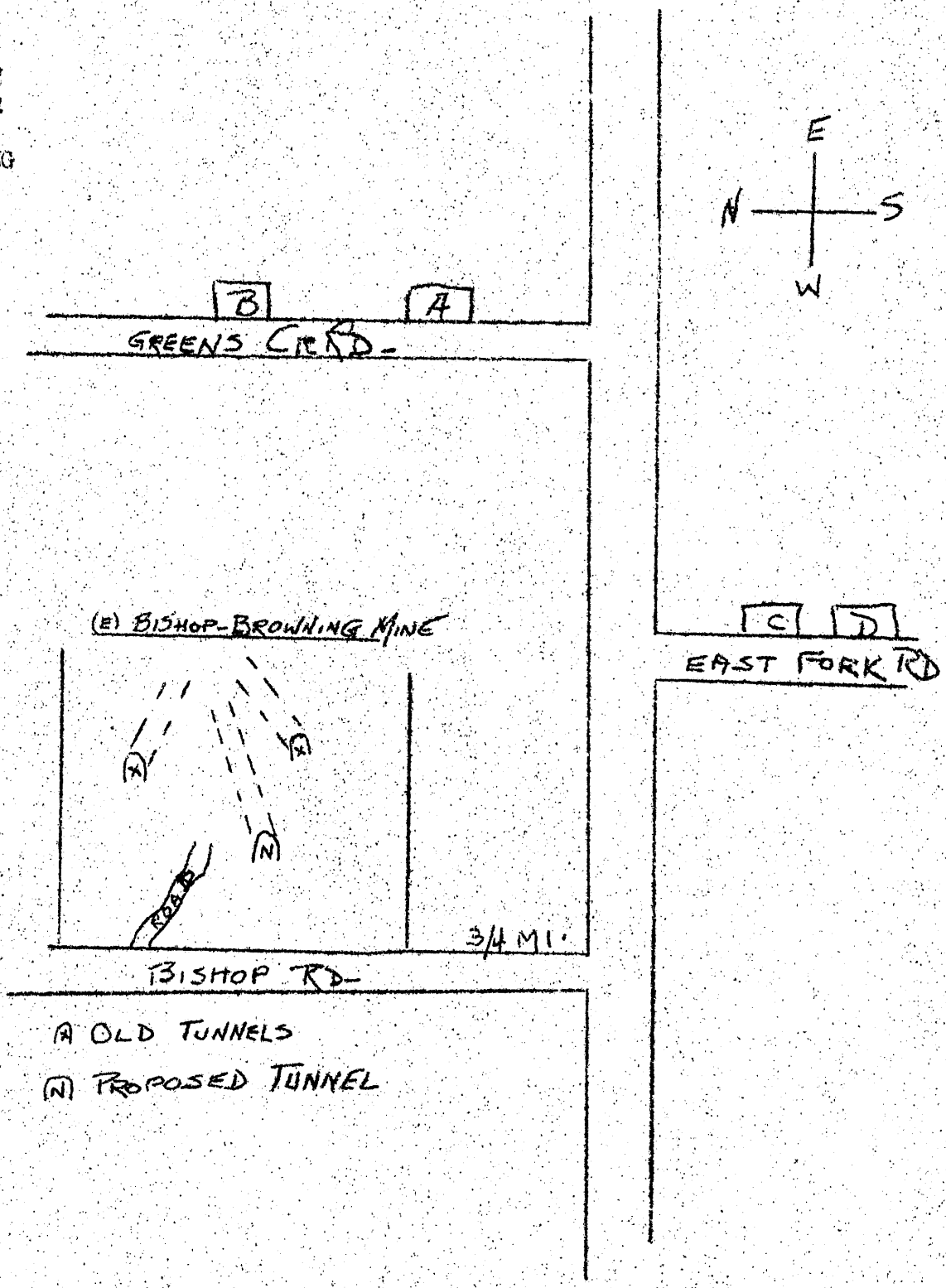
- - - - -

MF-103 M. S. ZIGLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

ZIGLER MINES:

A. CARL CAGLE
B. ELCIE BUCHANAN
C. CANDLER-KEENER
D. PAINTER KNOB
E. BISHOP BROWNING



MF-103 M. S. ZIGLER GAY, N. C. COPY - BISHOP-BROWNING MINE LEASE

THIS LEASE AGREEMENT, made and entered into this 8th day of October 1952, by and between H. N. Bishop and wife Rosa Bishop, J. I. Cope, Bryant Browning and wife Lula Browning, all of Jackson County, N. C., partiesof the first part, hereinafter referred to as Lessors, and Dexter Hall of Jackson County and Frank Siersma of Macon County, N. C., parties of the second part hereinafter referred to as Lessess,

WITNESSETH, that subject to the terms and conditions hereinafter set forth, said Lessors have let and leased unto said Lessees, their heirs and assigns the exclusive right and privilege to mine, dig and remove all minerals now in, under and upon a certain tract or parcel of land lying and being in Jackson County, N. C., consisting of 28 acres more or less, described as follows:

BEING the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. N. Browning et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a term of five years from date hereof; however, it is mutually understood and agreed, upon compliance with its terms and conditions, same ~~wil~~ shall be extended from year to year thereafter.

2. As rental or royalty Lessees, their heirs and assigns, shall pay to Lessors a sum equal to twelve percent of the selling price of all minerals mined and sold from said property, said royalties shall be paid on or before the 20th day of each calendar month following the production, sale and receipt of the sale price thereof. The said Lessees shall keep and ~~maintain~~ and make available to said Lessors an accurate record of all sales of minerals from this property.

3. Upon failure to pay any royalties as herein set forth whensame shall become due and payable, this lease shall becomenull and void and all rights of the Lessees shall thereupon cease adn terminate; however, Lessors agree that written notice shall be given to Lessees who shall have thirty (30) days within which to remedy any non-payment of royalties or any other cause of forfeiture of this lease.

4. Parties of the second part shall begin operations within a period of four (4) months from date hereof and shall continue such operations for a period of not less than eight (8) months each this lease is in effect.

5. Lessors covenant and agree that they possess, in fee simple, the mineral and mining privileges herein described.

6. In the event Lessees apply for government aid, or a loan to explore or operate this property, Lessors hereby authorize Dexter Hall, as Attorney in Fact, to sign any subordination agreement, Owner's Consent to Lien or other required agreements, in the name and stead of said Lessors, in connection with same.

So long as this lease remains in force the Lessees, their heirs and assigns, in connection with same, shall have and enjoy the following rights and privileges:

The right to reasonable use of said lands as may be necessary or convenient in mining and removing minerals from same and to such use of the surface as may be required for the purpose of dumping mine refuse and tailings; the right to construct and place buildings and machinery upon said lands and remove same; the right to use any water and to cut and use any timber on said lands for mining purposes; the right to construct and maintain roads, trails and railways to such portions of the property where mining operations are in progress or to be conducted; the complete right to do all things necessary of convenient in the conduct of said mining operations.

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

MF-103 M. S. ZIGLER GAY, N. C. COPIES - LEASE ASSIGNMENTS
BISHOP-BROWNING MINE

I, Dexter Hall of Jackson County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations hereby sell, assign and transfer to Frank Siersma all my right, title, and interest in and to the following described lease:

> BEING the lease executed on October 8, 1952 from H. N. Bishop et al, to Dexter Hall and Frank Siersma, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. H. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194, page 402.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 25th day of November, 1952.

ASSIGNMENT - SIERSMA TO ZIGLER

I, Frank Siersma, of Macon County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, do hereby sell, assign and transfer to M. S. Zigler, all my right, title and interest in and to the following lease:

> BEING the lease executed October 8, 1952, from H. N. Bishop et al, to Dexter Hall and Frank Siersma, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, said deed being recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 194 at page 402, the interest of Dexter Hall having been assigned to me on November 25, 1952, which assignment is attached hereto and made a part hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this the 7th day of January, 1953.

- - - - -

FOREGOING LEASE AND ASSIGNMENTS WERE RECORDED IN JACKSON COUNTY, N. C., MARCH 10, 1953 IN BOOK 198, PAGE 86.

- -

140

FILE COPY
SURNAME:

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

Houk
Dietrich
Kinkel
Hedges
Kane
Hofflund
Alridge
Jeffries

Rewritten by
Ch. Counsel

AUG 4 1953

Mr. M. S. Zigler

Gay, North Carolina

Re: Docket No. DMEA-2996 (Mica)
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Zigler:

Your application for aid for an exploration project and other data available to us in Washington concerning your application have been reviewed.

Careful study of all our information on your property indicates that you fail to qualify for exploration assistance because you do not have a sufficient interest in the land as lessee for the purposes of an exploration project contract. (See Section 8 of DMEA Order-1, Operator's property rights.)

We regret to advise you that under these circumstances your application for exploration assistance is denied.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

LGHouk:AEK:ep 7-30-53

Copy to: Mails & Files
Admr. Reading File
Field Team, Region VII (2)
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk
Mr. Hofflund
Mr. Kane
Chron.
Pending

R.C.B. 8-4-53

FILE COPY
SURNAME:

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

60C

Houk
Detrich
Linkel
Hodges

Mr. M. S. Zigler

Gay, North Carolina

Re: Docket No. DMA-2996 - Mica
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Zigler:

Your application for aid for an exploration project and other data available to us in Washington concerning your application have been reviewed.

Careful study of all our information on your property indicates that you failed to qualify for exploration assistance because you have failed to maintain a sufficient interest in the land as lessee for the purposes of an exploration project contract. (See Section 8 of DMA Order-1, Operator's property rights.)

We regret to advise you that under these circumstances your application for exploration assistance is denied.

Sincerely yours,

Administrator

LGHouk:gad 7/28/53

Copy to: Admr. R. File
Docket File
Field Team, Region VII
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

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

July 20, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-2996 - Mica
Property: Bishop-Browning Mine (correct name - Murray Mountain or Murray Cove Mine) Jackson County, North Carolina Being land deeded from Bryant Browning, et al., to H. N. Bishop, March 25, 1952. County Records Bk. 194, Page 402.
Applicant: M. S. Zigler (a lessee) Gay, North Carolina
Amount requested: $7,752
No contract: Application denied

Docket Summary

4/22/53 Application received, MF-103
4/23/53 Application acknowledged
4/27/53 Memo from Basil G. Dean, U. S. G. S., suggests referral to field team.
4/30/53 Memo from W. F. Dietrich, U. S. B. M., suggests referral to field team.
5/25/53 Application referred to Region VII
6/23/53 Memo from Region VII recommending denial

Comments:

Field examiners visited the subject mine June 15, 1953. They report as follows:

"Accompanied by Dexter Hall, Superintendent for M. S. Zigler Mining Company, they found the mine in operation by another party. As explained by one of the former owners (J. I. Cope) when the lessee did not begin operations within the time specified in the lease, the mine was leased to other parties. Since that time the property has been sold to the last lessee".

"As the applicant has no right in the property, the application should be denied without further consideration".

The operator has no right to operate the subject mine and a denial of application is recommended. Letter of denial is submitted herewith.

Jasper T. Robertson
Jasper T. Robertson
Nonmetallic Minerals Division

FILE COPY
SURNAME:

Robertson
Hoak
Thomson

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

July 20, 1953

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Closing Review of Docket No. DMEA-2996 - Mica
Property: Bishop-Browning Mine
(correct name - Murray Mountain or Murray Cove Mine)
Jackson County, North Carolina
Being land deeded from Bryant Browning, et al., to H. N. Bishop, March 25, 1952. County Records Bk. 194, Page 402.
Applicant: M. S. Zigler (a lessee)
Gay, North Carolina
Amount requested: $7,752
No contract: Application denied

Docket Summary

4/22/53 Application received, MF-103
4/23/53 Application acknowledged
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"As the applicant has no right in the property, the application should be denied without further consideration".

The operator has no right to operate the subject mine and a denial of application is recommended. Letter of denial is submitted herewith.

SIGNED
Jasper T. Robertson
Nonmetallic Minerals Division

R. C. G.
8-4-53

JTRobertson:dec 7/20/53
Copy to: Admr. R. File
Docket File
Mr. Houk

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

June 23, 1953

Memorandum

To: Operating Committee, DMEA

From: Field Team, Region VII

Subject: Docket No. DMEA-2996 (mica) Bishop-Browning Mine
Jackson County, North Carolina

The field examiners made arrangements with the applicant to examine the subject mine (correct name-Murray Mountain or Murray Cove Mine) on June 15, 1953. When the examiners arrived at the mine, accompanied by Dexter Hall, Superintendent for M. S. Zigler Mining Company, they found the mine in operation by another party. As explained by one of the former owners (J. I. Cope) when the leasee did not begin operation within the time specified in the lease, the mine was leased to other parties. Since that time the property has been sold to the last leasee.

As the applicant has no right in the property, the application should be denied without further consideration.

June 23, 1953.

Robert A. Laurence

Robert A. Laurence, Executive Officer
DMEA Field Team, Region 7

Wm. A. Beck

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

FILE COPY
SURNAME:

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

Robertson
Houck
Martin
Hedges
Mitchell
Johnson

MAY 25 1953

Mr. M. S. Zigler
Gay,
North Carolina

Re: Docket No. DMEA-2996 - Mica
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Zigler:

Your application for assistance in exploring the subject property has been reviewed by the Nonmetallic Minerals Division of the Defense Minerals Exploration Administration and has been referred to Mr. Robert A. Laurence, Executive Officer, DMEA Field Team, Region VII, Room 13, Post Office Building, Knoxville 2, Tennessee, for a field examination, should he deem it necessary.

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

Sincerely yours,

C. O. Mittendorf

Administrator

JTRobertson:fls 5/20/53

Copy to: Admr. R. File
Docket File
Field Team, Reg. VII
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.
Mr. Houk

FILE COPY
SURNAME:

Robertson
Houk
Martin
Johnson

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

MAY 2 5 1953

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

Subject: Docket No. DMEA-2996 - Mica
Bishop-Browning Mine
Jackson County, North Carolina

Dear Mr. Laurence:

Please review the subject exploration application and, if necessary, arrange for a field examination.

Enclosed are memoranda from the Geological Survey and the Bureau of Mines.

Sincerely yours,

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

Approved:

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

A. R. Kinkel, Jr. (JHB)
Member, Geological Survey

J.N.
5-25-53

Enclosures 4

JTRobertson:fls 5/20/53

Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232, SGA Bldg.
Mr. Houk

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

April 30, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-2996, Mica, Bishop-Browning Mine
Jackson County, Gay, North Carolina

No data are available in this office on subject property. It is located in a general area in which strategic mica is known to be the characteristic variety. It is suggested that the field team visit this property when a member of the field team is in that vicinity to ascertain if an exploration program is justified.

W. F. Dietrich

W. F. Dietrich

Mr. Robertson

IN REPLY REFER TO:

G-MD-CNM

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

April 27, 1953

Department of the Interior
Bureau of Mines
RECEIVED
APR 28 1953

Memorandum

REVIEW OF APPLICATION DMEA-2996 (mica).

To: L. G. Houk, Defense Minerals Exploration Administration.
From: Basil G. Dean, U. S. Geological Survey.
Applicant's name and address: M. S. Zigler, Gay, North Carolina.
Name of property: Bishop-Browning mine.
Location of property: About 6 miles west of Dillsboro, Jackson County, North Carolina, on county road 3/4 mile north of State Highway 23.
Summary of applicant's proposal:
150 foot adit.

Sources of information on applicant's property:
None.

Comments:

(1) Applicant states mine has been worked for many years. Workings are said to consist of several cuts and pits and 3 adits.

(2) As no information on this property is available other than that furnished by the applicant, a field team examination is necessary.

(3) The lease on this property was transferred to the applicant by Frank Siersma on January 7, 1953.

RECOMMENDATION:
Field team examination.

Basil G. Dean

Basil G. Dean

April 23, 1953

Mr. M. S. Zigler
Gay
North Carolina

Subject: DMEA-2996
Re: Exploration Assistance
Bishop-Browning Mine

My dear Mr. Zigler:

The receipt of your application dated April 21, 1953 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-2996 and referred to the Nonmetallic Minerals Division.

Kindly refer to DMEA-2996 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

Robert E. Adams, Chief
Operations Control and
Statistics Division

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

LIBRARY, DEPT. OF THE INTERIOR
Defense Minerals 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

APR 22 1953

Not to be filled in by applicant

Docket No. DMEa-2996
Metal or Mineral
Date Received 4-22-53
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:

M. S. ZIGLER
GAY (JACKSON CO.)
NORTH CAROLINA

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

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

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

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

3. *Applicant's property rights.*—(*a*) State the legal description of the land upon which you wish to explore, including all land which you possess or control that may be benefited by the exploration, and excluding any land or interest in land which is not to be included in the exploration project contract BEING the property described in deed from Bryant Browning, et al, dated March 25, 1952, to H. N. Bishop, et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

(*b*) State any mine name by which the property is known. BISHOP-BROWNING MINE

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

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

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

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

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

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

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

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

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

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

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

(*c*) The work will start within ..... 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)? YES

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

[X] 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 APRIL 21st, 1953

M. S. ZIGLER
(Applicant)

By C. D. Zigler
C. D. Zigler, Manager

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 M. S. ZIGLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

1. Applicant is an Individual. C. D. Zigler is Manager, with full right to sign all instruments.

2. Copy of lease, assignments and Owner's Consent to Lien are attached.

4. This mine has been worked for a good many years, through several cuts and pits as well as three tunnels to 40feet. These workings shown the evidence of a large pegmatite formation consisting of quarts, flint, etc.

   Blocks of hard, flat ruby mica have been recovered, which sheeted to 3" x 5". All previous sales have been made to the Asheville Mica Company, but with recent change of ownership no available records can be obtained.

   Because this mine is located within the main mica lead passing through the districts and because of existing exposures, which give evidence of contents, it is desired to explore as herein outlined to the commercial ore bodies which are known to rest within the pegmatite.

   This mine is about 3/4th mile north of State Highway 23, on a county road, and about six (6) miles west of Dillsboro - shipping, supply and residence points (the larger town of Sylva is about four (4) miles further east).

5. Exploration will be by means of a tunnel, 150 feet, with adit about 30 feet below past workings. This will lead into the heart of the mica vein and allow for production from all previously worked areas.

   Work will start upon receipt of contract and will be completed within 80 working days with one (1) shift.

   Charles D. Zigler, applicant's son and manager, has not had a great deal of experience in mica mining. However, his Superintendent is Dexter Hall, a native of the district - fully versed in all phases of mining, processing, etc., of mica. He has more than 20 years experience in the pegmatites of the area.

   At applicant's own expense, a tunnel is now being contructed in the nearby Painter Knob Mine for a distance of 215' (165' has been completed). Applicant holds leases on several mines in this district which have been examined and tested and proven to contain commercial reserves; therefore desires exploratory aid to place all in operation and reach production, in maximum quantities, as quickly as possible.

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MF-103 M. S. ZIGLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

ANSWERS TO QUESTION 6.

(a)	Bulldozing to prepare for tunnel entrance, etc. 40 hours @ $12.00 per hour, to remove about 1200 cu. yds. of overburden (40¢ cu. yd.)	$480.00	$ 480.00
(b)	1 Working Foreman, 80 days @ $12.00	960.00	
	1 Miner-Driller 80 " 10.00	800.00	
	2 Muckers 80 " 8.00 each	1280.00	3,040.00
(c)	Hand Tools:- picks, shovels, hammers, wheelbarrow, axes, saws, etc.	80.00	
	4 Lamps & Carbide	35.00	
	4 Miners' Hard Hats @ $6.25	25.00	
	25 pcs. Steel @ $6.00 average	150.00	
	1000 Timkin Bits @ 42¢	420.00	
	25 cases Explosives @ $13.50	~~3575.00~~ 337.00	
	Exploders	70.00	
	Blasting Machine	75.00	1,467.00
	Timber, props, legging, etc.	275.00	~~4,705.00~~
(d)	Rental, 105 cfm Air Compressor, 4 months	700.00	
	45# Jackhammer 4 "	120.00	
	Purchase, 400' track, Tram Car, spikes, & cross ties (est.)	350.00	1,170.00 ~~1,090.00~~
(e)	None.		
(f)	Tool & Equipment House to be erected	275.00	
	Exlposives storage house "	80.00	355.00
(g)	Accounting	65.00	
	Compensation & Liability Insurance	600.00	
	Payroll Taxes	55.00	720.00
(h)	Contingencies - 5%	520.00	520.00
	ESTIMATED COSTS		$ ~~10,910.00~~ 7,752.00

- - - - -

MF-103 M. S. ZIGLER GAY, N. C. COPY - BISHOP-BROWNING MINE LEASE

THIS LEASE AGREEMENT, made and entered into this 8th day of October 1952, by and between H. N. Bishop and wife Rosa Bishop, J. I. Cope, Bryant Browning and wife Lula Browning, all of Jackson County, N. C., partiesof the first part, hereinafter referred to as Lessors, and Dexter Hall of Jackson County and Frank Siersma of Macon County, N. C., parties of the second part hereinafter referred to as Lessess,

WITNESSETH, that subject to the terms and conditions hereinafter set forth, said Lessors have let and leased unto said Lessees, their heirs and assigns the exclusive right and privilege to mine, dig and remove all minerals now in, under and upon a certain tract or parcel of land lying and being in Jackson County, N. C., consisting of 28 acres more or less, described as follows:

BEING the property described in deed from Bryant Bishop Browning et al, dated March 25, 1952, to H. N. Browning et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a term of five years from date hereof; however, it is mutually understood and agreed, upon compliance with its terms and conditions, same ~~wit~~ shall be extended from year to year thereafter.

2. As rental or royalty Lessees, their heirs and assigns, shall pay to Lessors a sum equal to twelve percent of the selling price of all minerals mined and sold from said property, said royalties shall be paid on or before the 20th day of each calendar month following the production, sale and receipt of the sale price thereof. The said Lessees shall keep and ~~maintain~~ and make available to said Lessors an accurate record of all sales of minerals from this property.

3. Upon failure to pay any royalties as herein set forth whensame shall become due and payable, this lease shall becomenull and void and all rights of the Lessees shall thereupon cease adn terminate; however, Lessors agree that written notice shall be given to Lessees who shall have thirty (30) days within which to remedy any non-payment of royalties or any other cause of forfeiture of this lease.

4. Parties of the second part shall begin operations within a period of four (4) months from date hereof and shall continue such operations for a period of not less than eight (8) months each this lease is in effect.

5. Lessors covenant and agree that they possess, in fee simple, the mineral and mining privileges herein described.

6. In the event Lessees apply for government aid, or a loan to explore or operate this property, Lessors hereby authorize Dexter Hall, as Attorney in Fact, to sign any subordination agreement, Owner's Consent to Lien or other required agreements, in the name and stead of said Lessors, in connection with same.

So long as this lease remains in force the Lessees, their heirs and assigns, in connection with same, shall have and enjoy the following rights and privileges:

> The right to reasonable use of said lands as may be necessary or convenient in mining and removing minerals from same and to such use of the surface as may be required for the purpose of dumping mine refuse and tailings; the right to construct and place buildings and machinery upon said lands and remove same; the right to use any water and to cut and use any timber on said lands for mining purposes; the right to construct and maintain roads, trails and railways to such portions of the property where mining operations are in progress or to be conducted; the complete right to do all things necessary of convenient in the conduct of said mining operations.

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

THIS LEASE AGREEMENT, made and entered into this 8th day of October 1952, by and between H. N. Bishop and wife Rosa Bishop, J. I. Cope, Bryant Browning and wife Ila Browning, all of Jackson County, W. C., parties of the first part, hereinafter referred to as lessors, and Dexter Hall of Jackson County and Frank Bivens of Mason County, W. C., parties of the second part, hereinafter referred to as lessee,

WITNESSETH, that subject to the terms and conditions hereinafter set forth, said lessors have let and leased unto said lessee, their heirs and assigns the exclusive right and privilege to mine, dig and remove all minerals now in, under and upon a certain tract or parcel of land lying and being in Jackson County, W. C., consisting of 28 acres more or less, described as follows:

BEING the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. N. Browning et al, and recorded in the office of the Register of Deeds for Jackson County, W. C., in Book 191 at page 502.

THE TERMS AND CONDITIONS OF THIS LEASE ARE AS FOLLOWS:

1. Unless sooner terminated as herein provided, this lease shall exist and continue for a term of five years from date hereof; however, it is mutually understood and agreed, upon compliance with its terms and conditions, same ~~will~~ shall be extended from year to year thereafter.

2. As rental or royalty lessees, their heirs and assigns, shall pay to lessors a sum equal to twelve percent of the selling price of all minerals mined and sold from said property, said royalties shall be paid on or before the 20th day of each calendar month following the production, sale and receipt of the sale price thereof. The said lessees shall keep and ~~maintain~~ make available to said lessors an accurate record of all sales of minerals from this property.

3. Upon failure to pay any royalties as herein set forth whenever shall become due and payable, this lease shall becomenull and void and all rights of the lessees shall thereupon cease and terminate; however, lessors agree that written notice shall be given to lessees who shall have thirty (30) days within which to remedy any non-payment of royalties or any other cause of forfeiture of this lease.

4. Parties of the second part shall begin operations within a period of four (4) months from date hereof and shall continue such operations for a period of not less than eight (8) months each this lease is in effect.

5. Lessors covenant and agree that they possess, in fee simple, the mineral and mining privileges herein described.

6. In the event lessees apply for government aid, or a loan to explore or operate this property, lessors hereby authorize Dexter Hall, as Attorney in fact, to sign any subordination agreement, Owner's Consent to Lien or other required agreements, in the name and stead of said lessors, in connection with same.

So long as this lease remains in force the lessees, their heirs and assigns, in connection with same, shall have and enjoy the following rights and privileges:

The right to reasonable use of said lands as may be necessary or convenient in mining and removing minerals from same and to such use of the surface as may be required for the purpose of dumping mine refuse and tailings; the right to construct and place buildings and machinery upon said lands and remove same; the right to use any water and to cut and use any timber on said lands for mining purposes; the right to construct and maintain roads, trails and railways to such portions of the property where mining operations are in progress or to be conducted; the complete right to do all things necessary or convenient in the conduct of said mining operations.

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

MF-103 M. S. ZIGLER GAY, N. C. COPIES - LEASE ASSIGNMENTS
BISHOP-BROWNING MINE

I, Dexter Hall of Jackson County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations hereby sell, assign and transfer to Frank Siersma all my right, title, and interest in and to the following described lease:

BEING the lease executed on October 8, 1952 from H. N. Bishop et al, to Dexter Hall and Frank Siersma, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. H. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194, page 402.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 25th day of November, 1952.

ASSIGNMENT - SIERSMA TO ZIGLER

I, Frank Siersma, of Macon County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations, do hereby sell, assign and transfer to M. S. Zigler, all my right, title and interest in and to the following lease:

BEING the lease executed October 8, 1952, from H. N. Bishop et al, to Dexter Hall and Frank Siersma, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, said deed being recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 194 at page 402, the interest of Dexter Hall having been assigned to me on November 25, 1952, which assignment is attached hereto and made a part hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this the 7th day of January, 1953.

- - - - -

FOREGOING LEASE AND ASSIGNMENTS WERE RECORDED IN JACKSON COUNTY, N. C., MARCH 10, 1953 IN BOOK 198, PAGE 86.

- -

MF-102 M. S. ZIGLER DAY, N. C. COPIES - LEASE ASSIGNMENTS
BISHOP-BROWNING MINE

I, Dexter Hall of Jackson County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable considerations hereby sell, assign and transfer to Frank Sierems all my right, title, and interest in and to the following described lease:

BEING the lease executed on October 8, 1952 from H. N. Bishop et al, to Dexter Hall and Frank Sierems, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. H. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 191, page 402.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 25th day of November, 1952.

ASSIGNMENT - SIEREMS TO ZIGLER

I, Frank Sierems, of Macon County, N. C., for and in consideration of the sum of One Dollar ($1.00) and other good and valuable consideration, do hereby sell, assign and transfer to M. S. Zigler, all my right, title and interest in and to the following lease:

BEING the lease executed October 8, 1952, from H. N. Bishop et al, to Dexter Hall and Frank Sierems, covering the property described in deed from Bryant Browning et al, dated March 25, 1952, said deed being recorded in the office of the Register of Deeds for Jackson County, N. C. in Book 191 at page 402, the interest of Dexter Hall having been assigned to me on November 25, 1952, which assignment is attached hereto and made a part hereof.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this the 7th day of January, 1953.

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FOREGOING LEASE AND ASSIGNMENTS WERE RECORDED IN JACKSON COUNTY, N. C.,

MARCH 10, 1953 IN BOOK 198, PAGE 85.

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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 JACKSON, described as follows:1/

BEING the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. N. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

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/ M. S. ZIGLER
GAY, N. C.

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/$ 9,000.00, 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 20th day of April, 1953.

_____ [Seal]

Dillin H. Hall [Seal]
Attorney in Fact
(in accordance with lease) [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 JACKSON, described as follows:1/

BEING the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. N. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 402.

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/ M. S. ZIGLER

GAY, N. C.

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/$ 9,000.00, 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 20th day of April, 195 3.

[Seal]

Dalton Hall [Seal]

Attorney in Fact
(in accordance with lease) [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 JACKSON, described as follows:1/

BEING the property described in deed from Bryant Browning et al, dated March 25, 1952, to H. H. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 492.

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/ H. S. BRUHN
OAK, N. C.

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/$ 2,000.00, 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 20th day of April, 195 3.

_____ [Seal]

Dillon Hall [Seal]
Attorney in Fact
(in accordance with lease) [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.

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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 [illegible], County of [illegible], described as follows:1/

[illegible] the property described in deed from [illegible] [illegible] et al, dated March 25, 1952, to H. H. Bishop et al, and recorded in the office of the Register of Deeds for Jackson County, N. C., in Book 194 at page 422.

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

2/ [illegible]

[illegible]

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/$ 2,000.00, 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 20th day of April, 1953.

_____ [Seal]

Dillon Hall [Seal]
Secretary in fact
(in accordance with Deed) [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.

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RELEVANT CONTRACT PROVISIONS

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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.)

(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.

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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 [illegible], County of [illegible], described as follows:1/

[illegible] the property described in deed from [illegible] dated [illegible], [illegible], to [illegible] of [illegible] and recorded in the office of the Recorder of [illegible] County, D. C., in Book [illegible] at page [illegible].

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under 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:

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

[illegible] [Seal]

Dexter Hall [Seal]

[illegible] [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.

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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.)

(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 [illegible], County of [illegible], described as follows:1/

[illegible]

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

2/ [illegible]

hereinafter called the "Operator"; and

WHEREAS, under 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/$ [illegible], 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 [illegible] day of [illegible], 195 3.

_____ [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.

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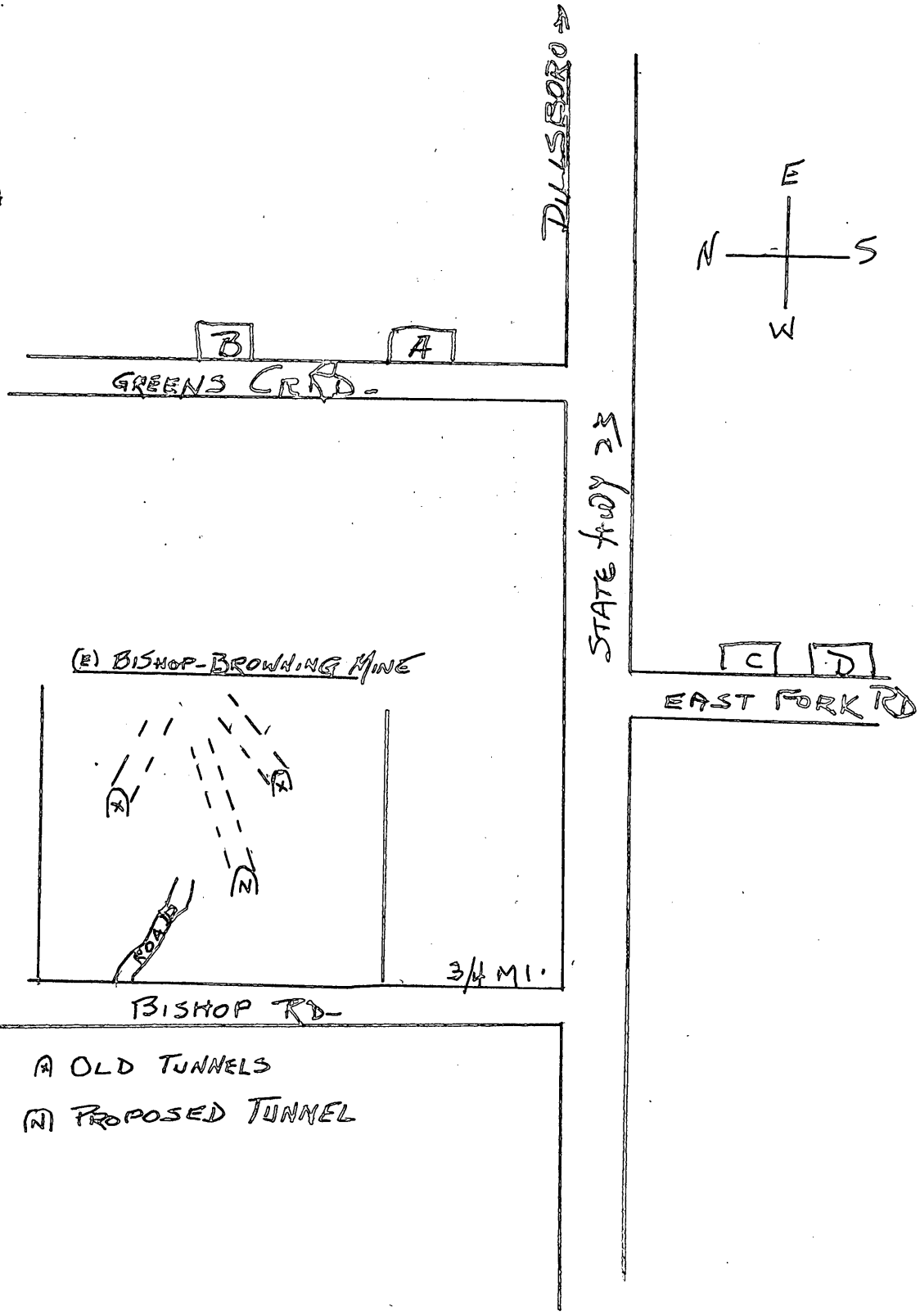
MF-103 M. S. ZIGLER SYLVA, N. C.

- MICA -
BISHOP-BROWNING MINE
JACKSON COUNTY

ZIGLER MINES:

A. CARL CAGLE
B. ELCIE BUCHANAN
C. CANDLER-KEENER
D. PAINTER KNOB
E. BISHOP BROWNING



SPOKANE 2, WASHINGTON

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PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, $300
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Mr. George C. Selfridge, Chairman,
Operating Committee,
Defense Minerals Exploration Administration,
Department of the Interior,
Washington 25, D. C.

1 copy of map enclosed

4-23-59