DMA Form 1

DEFENSE MINERALS ADMINISTRATION
Control Slip

CONTROLLED DOCUMENT

DMA Docket No. 3155

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Exploration Assistance

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1 cy to USBM, 1 cy to USGS

Routing Slip

To:	Code 600 Rm. 4640	Date	8/31/53
To:	Robertson	Date	9/1/53
To:	Open Corr	Date	9-9-53
To:	Code 600 Rm 4640	Date	9-10-53
To:	Open Corr	Date	9-28-53
To:	Code 600	Date	9-29-53
To:	Open Corr	Date	10-26-53
To:	600	Date	10-27-53
To:	Open Corr	Date	1-26-55
To:		Date	
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To:		Date	
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To:		Date	
To:		Date	

DO NOT DETACH

CONTROLLED DOCUMENT

DMEA 3155

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION		DATE RECEIVED	8/31/53
2	CONTRACT		DATE	10/27/53
3	TERMINATION AGREEMENT		DATE	
4	CERTIFICATION		DATE	
5	AUDIT REPORT		DATE	
6	AMENDMENTS - NUMBERS	1	DATE	4/26/54

Docket Copy

DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration
MAY 10 1954

Rubin 6/3/4

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

AMENDMENT NO. I

Contract Docket No. DMEA-3155, Idm-E 629, dated 27th day of October 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina, hereinafter called the "Operator," is hereby amended as follows:

1. Article 3 is amended to read....."....; and shall bring the project to completion within a period of nine (9) months from date of this contract....." instead of six (6) months as written in the contract dated October 27th, 1953.

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

April 26, 1954

JOE A. BEASLEY

By: Joe A. Beasley

THE UNITED STATES OF AMERICA

By: Robert A. Lawrence
EXECUTIVE OFFICER
DMEA REGION VII

MF-200 (A)
(February 1952)

DOCKET NO. DMEA [illegible]

COMMODITY [illegible]

Docket Copy
IDM-E 629

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

EXPLORATION PROJECT CONTRACT[1]
(Short Form)

IT IS AGREED this 27th day of October, 1953, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and[2] [illegible]
Cleveland Metals
Shelby, North Carolina

hereinafter called the "Operator," as follows: [illegible] set forth in Exhibit A and is attached hereto and made a part hereof.

ARTICLE 1. *Authority for contract.*—This agreement is entered into under the authority of the Defense Production Act of 1950, as amended, pursuant to DMEA Order 1 entitled "Government Aid in Defense Exploration Projects."

ARTICLE 2. *Operator's property rights.*—With respect to that certain land situated in the State of North Carolina, County of Cleveland, described as follows:[3] [illegible]

the Operator represents and undertakes:[4]

(*a*) That the Operator is the owner in possession and entitled to possession, and that the property is subject only to the following claims, liens or encumbrances as to each of which the subordination agreement of the holder is attached: [illegible]

(*b*) That the Operator is a lessee, in possession and entitled to possession, and the Owner's Consent to Lien is attached.

The Operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of the exploration project without any allowance for the use, rental value, depreciation, depletion, or other cost of acquiring, owning, or holding possession thereof.

ARTICLE 3. *Exploration project.*—The Operator, within 60 days from the date of this contract shall commence work on a project of exploration for[5] Mica

in or upon the described land; and shall bring the project to completion within a period of six (6) months from the date of this contract. The work to be performed is more fully described in Exhibit "A" attached hereto, which, with any maps or drawings thereto attached, are made a part of this contract. The Government will contribute to the cost of this work as hereafter provided. The work shall be performed by the Operator or by independent contractor or contractors efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for workmen's compensation and employers' liability insurance, with suitable and adequate equipment, materials, and labor, to bring the project to completion within the time fixed. The Government shall have the right to enter and observe and inspect the work at all reasonable times, and the Operator shall provide the Government with all available means for doing so. The Government may consult with and advise the Operator on all phases of the work.

ARTICLE 4. *Costs of the project.*—The agreed, estimated costs of performing the work, expressed in terms of units of work to be performed (per foot of drifting, per foot of drilling, per cubic yard of material to be moved, etc.) are set forth in Exhibit "A," attached hereto. The Government will pay 50 percent of these agreed, estimated costs, as they accrue, for units of work actually performed that conform with the description or specifications for the work set forth in this contract, in an aggregate total amount not in excess of $[illegible], which is 50 percent of $[illegible], the agreed, estimated total cost of the project in which the Government will participate: *Provided,* That until the Operator's final report and final accounting have been rendered to the Government and any final check or auditing required by the Government has been made, and a final settlement of the contract has been made, the Government may withhold from the last voucher or vouchers such sums as it sees fit not in excess of ten (10) percent of the maximum total which the Government might have been called upon to pay under the terms of the contract. The Government may, as it sees fit, make payments direct to the Operator's independent contractors, if any, for the account of the Operator, rather than to the Operator.

ARTICLE 5. *Reports, accounts, audits.*—(*a*) *Progress reports.* The Operator shall provide the Government with monthly reports of units of work performed under the contract, in quintuplicate (five copies), upon forms provided by the Government. These progress reports shall be certified by the Operator, and shall constitute both the Operator's invoice of units of work performed on the project during the period covered by the report and his voucher for repayment by the Government, unless the Government requires the use of a standard voucher form with invoice attached. Progress reports shall include surface and/or underground engineering-geological maps or sketches showing the progress of the exploration, with assay-reports on samples taken concurrently with the advance in mineralized ground.

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] State name, address, and nature of organization if any.
[3] Give legal description or enough to identify the property, particularly excluding any land or interest therein to which the Government's lien is not to attach or the production from which is not to be subject to the Government's percentage royalty.
[4] Strike out the provision not applicable.
[5] Name of mineral or minerals.

(*b*) *Final report.*—Upon completion of the exploration work or termination of the contract the Operator shall provide the Government with an adequate geological and engineering report, in quintuplicate (five copies), including an estimate of ore reserves resulting from the exploration work.

(*c*) *Compliance with requirements.*—If, in the opinion of the Government, any of the Operator's reports are insufficient or incomplete, the Government may procure the making or completion of such reports and attachments as an expense of the exploration work; and the Government may withhold approval and payment of any vouchers depending upon insufficient or incomplete reports.

(*d*) *Accounts and audits.*—The Operator shall keep suitable records and accounts of the units of work performed, which the Government may inspect and audit at any time. The Government may at any time require a check of the work performed and an audit of the Operator's records and accounts, by a certified public accountant or otherwise, the cost thereof to be treated as a cost of the project. The Operator shall keep and preserve said records and accounts for at least 3 years after the completion of the project or the termination of this contract. Upon the completion of the project or termination of the contract the Operator shall render a final account and statement of work performed to accompany his final report.

ARTICLE 6. *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 6 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) percent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(2) One and one-half (1½) percent of any such net amounts, plus one-half (½) percent of 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) percent 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) percent; on a net amount of ten dollars ($10.00) per ton, three and one-half (3½) percent.)

(*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 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 the 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. Item II is substituted in lieu of Article 6.

ARTICLE 7. *Assignment, transfer, or loss of Operator's interest.*—Without the written consent of the Government, the Operator shall not assign or otherwise transfer or hypothecate this contract or any rights thereunder. The Operator shall not make any voluntary nor permit any involuntary transfer or conveyance of the Operator's rights in the land described in Article 2, without making suitable provision for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof; *Provided,* that mere failure by the Operator to maintain the Operator's rights in the land, without any consideration running to the Operator other than relief from the cost of maintaining such rights (as by surrender of a leasehold, failure to perform assessment work, or failure to exercise an option), coupled with complete abandonment by the Operator of all interest in or operations on the land for a period of 10 years from the date of this contract, shall not constitute such a transfer or conveyance. Should the Operator make or permit any transfer or conveyance in violation of this provision, the Operator shall be and remain liable for payment to the Government of the same amounts, at the same times, as would have been paid under the terms of the percentage royalty on production. If for any reason the net smelter returns, net concentrator returns, or other net amounts realized from the sale or other disposition of such production are not available as a means of measuring the amount of the Operator's liability, the amount thereof shall be estimated as well as may be, and in the event of dispute as to such estimates, the determination thereof by the Administrator of Defense Minerals Exploration Administration or by his successor shall be final and binding upon the Operator.

ARTICLE 8. *Termination and completion.*—The Government may, at any time, by written notice to the Operator, terminate this contract: (*a*) If the Operator fails to provide his share of the money necessary to prosecute operations pursuant to the terms of the contract; (*b*) if the Operator, in the opinion of the Government, fails to prosecute operations pursuant to the terms of the contract; or (*c*) if, in the opinion of the Government, operations up to the time of the notice have not indicated the probability of making any worth while discovery and in the opinion of the Government further operations are not justified.

ARTICLE 9. *Changes and added provisions* _____

_____

_____

_____

_____

Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

Joe A. Beasley
(Operator)
JOE A. BEASLEY - Operator

By _____

By C. F. Mitteudorf
Administrator, Defense Minerals Exploration Administration

Approved
Hank Chamberlin

_____

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

_____ [CORPORATE SEAL]

U. S. GOVERNMENT PRINTING OFFICE 16—66329-1

EXPLORATION PROJECT CONTRACT
JOE A. BEASLEY
DOCKET NO. DMEA-3155

ANNEX I

The land referred to in Article 2 of the contract form is part of a 50½-acre tract deeded by A. P. Meade and his wife, Carrie Meade, to Hubert T. Cook and his wife, Ethel Cook. The latter thereafter gave a Deed of Trust thereof to A. P. Meade (recorded, Register's office, Cleveland County, N. C., Book 300, p. 102), and leased the land to the Operator under a lease dated August 21, 1953 (recorded, Register of Deeds office, Cleveland County, N. C., Book 6-W, p. 243).

On August 20, 1953, Hubert T. Cook and Ethel Cook entered into an agreement with the said A. P. Meade and Carrie Meade (recorded, Register of Deeds office, Cleveland County, N. C., Book 6-W, p. 241), whereby the latter subordinated their Deed of Trust to the aforesaid lease given to the Operator. Attached hereto and made a part hereof is a Subordination Agreement of A. P. Meade dated August 19, 1953, and the Owner's Consent to Lien dated October 6, 1953, signed by Hubert T. Cook and Ethel Cook.

The land is known as the Hubert Cook No. 2 Mine and is a parcel of land 300 feet by 300 feet, as shown on Map No. 2 entitled "Location Plat of Hubert Cook No. 2 Mine, DMEA-3155 (mica)," also attached hereto and made a part hereof.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

ANNEX I

The following provisions are in lieu of Article 6 :

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by this contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of the net smelter returns, the net concentrator returns, or other net amounts realized from the sale or other disposition of any such production (including any bonuses), in whatever form disposed of, including ore, concentrates, or metal, as follows:

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

c. Definitions.--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 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.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

EXPLORATION PROJECT CONTRACT
JOE A. BEASLEY
DOCKET NO. DMEA-3125

EXHIBIT A

Description of the Work

As approximately indicated on the attached Map No. 1 entitled "Sketch of Hubert Cook No. 2 Mine, Cleveland Co., N. C. DMEA-3125 (mica), there shall be sunk a 5-foot by 7-foot shaft a distance of 45 feet on an incline following the dip of the vein, and from the bottom of said shaft there shall be driven exploratory 5-foot by 7-foot laterals (drifts and/or crosscuts) on the mica-pegmatite to a total length not in excess of 30 feet. The Operator is also building a suitable toolhouse and erecting an adequate powder magazine and an exploder magazine.

The location, direction, and extent of all work shall be subject to the prior approval of the Government engineers.

Agreed Unit Costs

Shaft sinking 45 feet @ $45/ft.	$2,025.00	
Drifting and/or crosscutting 30 feet @ $35/ft.	2,000.00	
Building tool house 1/	150.00	
Erecting powder magazine 1/	50.00	
Erecting exploder magazine 1/	25.00	
Total Agreed Unit Costs		$5,050.00
Government Participation [illegible]%		$4,545.00

1/ The unit is the completed structure.

MF-201
(June 1951)

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

Joe A. Beasley
Cleveland Hotel
Shelby, N.C.

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, the undersigned is the holder of a mortgage, claim, lien, or encumbrance identified and described as follows*:

Recorded in Book 300 at Page 102 of the Cleveland County Registry, dated March 1, 1945.

(See attached sheet for legal description of Property)

upon that certain parcel of ground described in a certain Exploration Project Contract dated

....., 195...., between Joe A. Beasley

.....,

and the United States of America;

NOW, THEREFORE, the undersigned does by these presents subordinate all of his right, title, and interest in said mortgage, claim, lien, or encumbrance to the right, title, and interest of the United States of America under the provisions of said Exploration Project Contract, and agrees that the lien and claim of the United States of America under the provisions of said contract shall be prior to the undersigned's rights under the provisions of said mortgage, claim, lien, or encumbrance; and

The undersigned agrees to commit no act nor assert any right, title, or interest under said mortgage, claim, lien, or encumbrance that might contravene or conflict with the prior lien and claim of the United States of America under the provisions of said Exploration Project Contract.

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

Dated this the 19th day of August, 1953

A B Beasley

*Include date of the instrument, and if recorded, book, page, and county of record.

U. S. GOVERNMENT PRINTING OFFICE 16—64581-2

Joe [redacted] Beasley Clevelan[redacted] Hotel, Shelby, N. C.

Lying on the East side of a branch and just North of the Brackett Land.
BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's West line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's South line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, containing 50½ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, N. C. reference being hereby made to said deed and the record thereof for further identification and description of said property.

MF-203
(Revised July 1, 1953)

OWNER'S CONSENT TO LIEN

DMEa-3155

WHEREAS, the undersigned, as owner, co-owner, lessor, or seller has an interest in certain property in the State of North Carolina, County of Cleveland, described ~~as follows~~ in a lease.

Being a 300 x 300 foot plot of land, and known as Hubert Cook Mine No.2, as indicated on map. Said land is part of 50¼ acres leased to Joe A. Beasley by Hubert T. Cook and wife, Ethel Cook on August 21, 1953, and recorded in Office of Register of Deeds for Cleveland County, N.C. in Book 6-W, Page 243

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/ Joe A. Beasley

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production (as set forth on the reverse side hereof) and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

2. To secure the payment to the Government of the percentage royalty on production3/ provided for under the terms of said exploration project contract, or any amendment thereof, there is hereby granted to the Government a lien upon the land above referred to and upon any production of minerals therefrom, until said royalty is fully paid or ten years have elapsed from the date of the contract, whichever occurs first.

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

4. Changes and added provisions If the above 300 x 300 footage is insufficient to complete the exploration project then the necessary additional land may be added out of the 50¼ acres leased to the said Joe A. Beasley.

Dated this 6th day of October, 1953.

Hubert T. Cook [Seal]
Hubert T. Cook

Ethel Cook [Seal]
Ethel Cook

[Seal]

Joe A. Beasley, Rm. 207 Cleveland Hotel. Shelby N.C.

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.

RELEVANT CONTRACT PROVISIONS

Repayment by Operator.--a. Certification.--If at any time the Government considers that a discovery or 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 final report and final account, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

b. Percentage royalty.--The Operator, or his successor in interest, shall pay to the Government a royalty on all minerals mined or produced from the land described in Article 2,--(1) regardless of any certification of discovery or development, from the date of the contract until the lapse of the time within which the Government may make such certification of discovery or development, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first, unless the Government waives its right to a royalty; or (2) if the Government makes a certification of discovery or development, for a period of ten years (or other period fixed by the contract) from the date of the contract, or until the total net amount contributed by the Government, without interest, is fully repaid, whichever occurs first. Said royalty shall be a percentage of 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, as follows:

(a) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts not in excess of eight dollars ($8.00) per ton.

(b) One and one-half ($1\frac{1}{2}$) per cent of any such net amounts, plus one-half ($\frac{1}{2}$) per cent of 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 ($1\frac{1}{2}$) per cent; on a net amount of ten dollars ($10.00) per ton, three and one-half ($3\frac{1}{2}$) per cent.)

c. Definitions.--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 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.

d. Lien for Payment.--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.

e. Notice to Purchasers.--The Operator shall notify any purchaser of the production of the Government's royalty interest, and shall authorize and direct the purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets; but failure or refusal by the purchaser to comply shall not relieve the Operator of liability to pay any royalty falling due.

f. No Obligation to Produce.--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.

Docket Copy
Surname:
Anderson
Houk
Chambers
Selbrede
Johnson

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

600

JAN 27 1955

Mr. Joe A. Beasley
Cleveland Hotel
Shelby, North Carolina

Re: Docket No. DMEA-3155 - Mica
Joe A. Beasley
Hubert Cook No. 2 Mine
Cleveland County, North Carolina
Contract No. Idm-E629

Dear Mr. Beasley:

We are pleased to advise you that your performance of exploration work under the subject contract has been acceptable to the Government, and the account relating thereto has been closed. The final audit of the Contract Administration and Audit Division shows:

Total claimed for units of work performed	$4,915.00
Total Government contribution at 90 percent	$4,423.50

Your attention is called to the provision of the contract which requires you to keep and preserve your records and accounts of this transaction for a period of three years for possible future reference.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the exploration contract. In the absence of such certification, the Government retains no claim or lien against the property or royalty on any production made after the date of this letter.

The Government thanks you for your interest and participation in the exploration program of the Defense Minerals Exploration Administration.

Sincerely yours,

C. O. Mittendorf

Administrator

WCAnderson:gad 1/24/55
Copy to: Mr. Hubert T. Cook and his wife Mrs. Ethel Cook (attached to Field Team, Region V copies) for forwarding)
Admr. R. File Docket Copy Mr. Chambers Mr. Houk
Mr. Kiilsgaard, 5222 Mr. Dietrich, 3061

R.C.B.

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

Project Summary Report

By: Walter C. Anderson January 24, 1955

1. Docket No. DMEA-3155 - Mica
Contract No. Idm-E629
Hubert Cook No. 2 Mine
Cleveland County, North Carolina

Operator: Joe A. Beasley
Cleveland Hotel
Shelby, North Carolina

Operator's property rights: Lease dated August 20, 1953. Subordination Agreement dated August 19, 1953. Owner's Consent to Lien dated October 6, 1953.

Application: Form MF-103 (April, 1952) received 8/31/53.
Work proposed: No proposal, suggests shaft sinking and drifting.

2. Contract - Form MF-200(A) (Feb.1952) dated October 27, 1953

Work authorized:

Construction - Toolhouse, powder & exploder magazines	$225.00
Sinking 45 feet of shaft @ $45.00/ft.	2,025.00
Driving 80 ft. of drifts and/or crosscuts @ $35.00/ft.	2,800.00
Total agreed unit costs	$5,050.00
Government participation @ 90%	$4,545.00

Amendments: No. 1 - 4/26/54 - Extends completion date from 6 months to 9 months.

Work completed:

Construction - Toolhouse, powder & exploder magazines	$225.00
Sinking 42 ft. of shaft @ $45.00/ft.	1,890.00
Driving 80 ft. of drifts and/or crosscuts @ $35.00/ft.	2,800.00
Total accepted cost	$4,915.00
Government participation @ 90%	$4,423.50

Work began on November 26, 1953 and was completed on June 30, 1954.
An estimated 100 lbs. of "mine run" mica was recovered during the project.
Field Team final report received 7/26/54. Operator's final report waived.

3. Audit - certificate issued July 6, 1954 (no exceptions).

Accepted cost	$4,915.00
Government participation 90%	$4,423.50

4. Certification of Discovery - none issued.

5. Comments -

How conducted - The work authorized in the contract was completed in a satisfactory manner. Additional time was required because of pumping problems due to heavy flows of water.

Operation - good.

Engineering - Operator's monthly narratives were quite complete, and because of this a final report was waived.

Geological premise - The premise that mica, heavily concentrated throughout a pegmatite but of poor quality, would continue and improve in quality was not correct. Only an insignificant amount of poor quality mica was found and the pegmatite bottomed sooner than expected.

Geological criteria upon which work was based:
1. Zoned pegmatite 4 to 6 feet thick.
2. Rich concentrations of mica of poor quality.

Criteria developed during project:
1. Disconformable zoned pegmatite 8 feet thick.
2. Pegmatite bottomed.
3. Insignificant amount of poor quality mica.

Future possibilities: Result of exploration eliminates any possibility of occurrence of strategic quality mica in this deposit.

Recommendations:

The Nonmetallic Minerals Division agrees with the Field Team that certification of discovery should not be issued, nor is additional exploratory work warranted. The Geological Survey and Bureau of Mines concur in this recommendation.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1405 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

August 6, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team - DMEA - Region VII

Subject: DMEA-3155, Idm-E629 (mica) Joe A. Beasley, Casar, N. C.
Hubert Cook Mine # 2. Cleveland County, N. C.

Reference is made to your letter of August 4.

Mr. Beasley thought the "gray soft rock" might be spodumene and therefore wanted it analyzed. Examination proved it to be cleavelandite instead, and it has no commercial value. If we had thought it worth anything, we would have so stated in the final report. We do not recommend certification.

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

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

Docket Copy
Surname:
Houk
Selfridge
Mitchenoff

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

AUG 4 1954

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

Subject: Docket No. DMEA-3155 - Mica
Joe A. Beasley
Hubert Cook Mine No. 2
Cleveland County, North Carolina
Contract No. Idm-M629

Dear Mr. Laurence:

Reference is made to the June Monthly Narrative Section of the Operator's Monthly Report in which he describes a gray soft rock which he is having analyzed and desires to know what steps can be taken to secure an analyses from the Bureau of Mines.

It is suggested that the Field Team obtain a small sample of this material for analysis, if it is deemed advisable. If the material proves to be of commercial importance the Field Team may desire to change their recommendations on certification.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (J.H.B.)

Approved:

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

Philip W. Guild (J.H.B.)
Member, Geological Survey

LGHouk:gad 8/3/54
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrick, 3061
Mr. Larrabee, 5216
Mr. Houk

R.C.G.

IN REPLY REFER TO:

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

August 4, 1954

Memorandum

REVIEW OF FIELD TEAM FINAL REPORT ON DMEA-3155 (mica)

To: Lawrence C. Houk, Defense Minerals Exploration Administration
From: R. D. Trace, U. S. Geological Survey
Applicant: Joe A. Beasley
Name of property: Hubert Cook No. 2 Mine
Location of property: Cleveland County, N. C.
Date of Field Team Report: July 22, 1954
Authorship of Field Team Report: Teague, Amos, and Shirley
Field Team's recommendation: No certification of discovery or additional exploration.
Comments: Negligible reserves found.
ACTION RECOMMENDED: Follow Field Team's recommendation.

Bob Trace

R. D. Trace

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

2

July 30, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3155 (mica)

Name and Location of Property: Hubert Cook Mine No. 2
Cleveland County, North Carolina

Contract Number: Idm-E629

Date of Field Team Report: July 22, 1954

Date Rec'd. by Ceramic & Fertilizer Mtls. Br.: July 29, 1954

Field Team Recommendation:

1. That certification of discovery should not be issued.

Comments:

1. Exploration by sinking a shaft 42 feet and drifting a total of 80 feet from the 39-foot level resulted in the recovery of only 100 pounds of small, badly cracked, clay-stained mica of no strategic value.

2. The pegmatite bottomed at a depth of 42 feet.

Recommendation:

I concur in the field team's recommendation that a certification of discovery or development should not be issued.

W. F. Dietrich

W. F. Dietrich

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

July 23, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA- Region VII

Subject: Final Report on: DMEA-3155, Idm-E 629 (mica)
Hubert Cook Mine No. 2, Cleveland County, N. C.

Enclosed herewith are 4 copies of the final report on the subject exploration contract.

We recommend that certification of discovery should not be issued.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
7-30-54
(date)

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

By

FIELD TEAM, REGION VII

On

DMEA-3155, HUBERT COOK No. 2 Mine

Cleveland County, N. C. (mica)

By

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

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

July 22, 1954

Reviewed by
DMEA OPERATING COMMITTEE

7-30-54
(date)

FINAL REPORT ON

DMEA-3155, HUBERT COOK No. 2 Mine
Idm-E 629 (mica)
Cleveland County, N. C.

The Hubert Cook No. 2 is 3.15 miles west of Toluca, Cleveland County, North Carolina. It is on the east side of a saoil road one mile south of N. C. Highway 10.

Work completed under the contract consisted of constructing a toolhouse and two magazines, sinking a 42-foot shaft and driving 80 feet of drift from this shaft. As no significant quantity of strategic mica was discovered, no certification of discovery should be issued, nor is additional exploratory work warranted.

Work began on November 26, 1953 and was completed on June 30, 1954. A combination inclined and vertical 5' x 7' shaft was sunk in pegmatite to a depth of 42 feet at which point the pegmatite bottomed. From the 39-foot level of this shaft a total of 80 feet of drifts were driven; 18 feet to the southwest and 62 feet to the northeast.

A disconformable pegmatite with a maximum thickness of about 8 feet was exposed in the shaft and the drifts. It strikes N. 45-60° E. and dips about 60° N. W. in the upper portion of the shaft, but becomes vertical below the 25-foot level. The body bottoms at about 40 feet and is zoned with a highly irregular quartz core up to 4 feet thick enclosed by a zone of plagioclase (in part cleavelandite), smoky quartz, muscovite, sulphides and garnet. Contacts of the pegmatite with the country rock, mica-sillimanite schist are indefinite, consisting of a zonee of mixed pegmatite and wall rock. Foliation of the wallrock strikes N. 30-50° W. and dips 35-60° SW.

An estimated 100 pounds of "mine-run" mica was recovered during the project; mostly from the upper 10 feet of shafting. It is small, badly cracked, and is somewhat clay-stained.

Reserves revealed by the work are negligible.

Expenditures :	(a)	Total approved	$5,050.00
	(b)	Total cost of project	4,915.00
	(c)	Government's share of cost	4,423.50
	(d)	Government's share unexpended	121.50
	(e)	Value of productiom	None

Work done under the contract was conducted in a satsifactory and efficient manner. No equipment was purchased under the contract.

July 22, 1954.

K. H. Teague and Dewey H. Amos, Geologists

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

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BB
Chambers

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

JUL 20 1954

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

Dear Mr. Laurence:

Enclosed herewith for distribution in accordance with the provisions of Sec. 3 to Supl. No. 4 of DMEA Circular 19, are four Reports of Review in lieu of final audits which were prepared as a result of Mr. Brekhus' recent visit to Knoxville:

Id.- 629	DMEA-2155	Joe A. Barsley
" 630	" 2154	Byrd Mica Miners
" 652	" 2172	Borden Mining Co.
" 662	" 2255	Non-Metallic Minerals

I wish to take this opportunity to thank you and the personnel of the Bureau of Mines for their usual courtesies extended to Mr. Brekhus. I wish to thank Mr. Hoch particularly for his invaluable assistance during the royalty repayment audits.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Chief
Contract Administration
and Audit Division

Enclosure

DJBrekhus/vb
July 20, 1954

Copy to: Mails & Files
Admr. Reading File
Mr. Chambers

ACTION ON ~~INTERIM~~ 55 E-629
OR FINAL FIELD TEAM REPORT

Date 7/29/54

Referred to:

1. ~~Mr. Mitchenor~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Code 600 Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Questionable certification.

   See Field Team Final Report 7/22/54.
2. Gray crystals are being analyzed by the Operator. Will defer closing letter and possible certification until results of analysis are made.
3.
4.

and take appropriate action.

- - - - -

Action taken by Division:

don't detach

ROBERT E. ADAMS

Initials

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, ~~Cleveland Hotel, Shelby, N. C.~~ P.O. Box 8, Casar, N.C.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Will certification be made?

This contract has been completed without making a sizeable discovery of strategic mica. No future work is warranted at this mine.

A brief summary of work completed under contract: A tool house and powder and cap magazines were constructed, 42 feet of steep incline was sunk (this was later shot vertical on the hanging wall by the operator at his own expense), and drifts totaling 80 feet were driven from the 39-foot shaft level. Most of the drift was driven in a sillimanitic schist-pegmatite mixture and only small amounts of mica was recovered. Those areas most promising in mica were explored fully near the end of the project.

The operator was cooperative throughout the contract and followed all suggestions made by the examiners.

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

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

July 14, 1954

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

July 8, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region VII

Subject: DMEA-3155, Idm-E 629 (mica). Joe A. Beasley, P.O. Box 8, Casar, N. C. Hubert Cook Mine # 2.

The subject exploration project has been completed, and Operator's final voucher received.

Because his monthly narratives have been quite complete, and because we do not think a final report prepared by Mr. Beasley would add anyting to what is in them, I am accepting them as filling the requirement for a final engineering and geological report under Article 5b of the contract.

Field Team final report will be submitted as soon as it can be prepared.

Robert A. Laurence

Robert A. Laurence
EXECUTIVE OFFICER
DMEA REGION VII

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, N. C.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Drifting continues on this contract and now totals 70 feet. All recent work has been confined to the northeast drift. 10 feet of drift remains to be driven under contract.

18 feet of drift has been driven S 35° W, but was discontinued because of the poor showing of the material. The remaining 52 feet has been driven to the northeast; the last 19.5 feet was driven N 55° E. Material encountered is a mixture of schist and pegmatite containing considerable secondary sulphides and a scattered unidentified mineral, possibly cleavelandite. Remaining drift will be driven to the northeast.

Progress on this contract is satisfactory.

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

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

June 30, 1954

INTERIM REPORT
ON

DMEA-3155, Idn-E 629, (mica) HUBERT COOKE MINE No.2

Operator: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina

Location: 3.15 miles west of Toluca in northern Cleveland County, N. C., on the east side of a soil road one mile south of N. C. Highway 10.

Drifting continues on this contract and now totals 43 feet; 25 feet to the northeast and 18 feet to the southwest. Material encountered in the northeast drift consists of a mixture of pegmatite and schist. Only a minor amount of pegmatite is present in the southwest drift and none in the last 8 feet.

The Operator was advised to continue to drift northeastward, but to discontinue the southwest drift.

Date of exam: June 15, 1954

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

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INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Drifting is underway on this contract and now totals 20 feet. Simultaneous headings are being pulled in both directions along the strike; 15 feet has been driven to the northeast and 5 feet to the southwest. No change in the target is anticipated and drifting will continue as outlined. Material encountered consists of a mixture of schist and pegmatite and a little small mica has been recovered.

Recent progress on this contract has been satisfactory. Timbering of the incline has been completed and the workings are in good shape. The foreman was advised to bar down the drift areas, particularly the weathered sections.

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

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

June 1, 1954

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Incline shaft sinking has been completed on this contract to a total depth of 42 feet. Instructions were given for turning off at the 39-ft. level, leaving a 3 foot water sump, and headings will be driven simultaneously in both directions along the strike. The pegmatite material is badly intermixed with country rock at this depth and the Field Examiners are of the opinion that no additional depth is warranted.

The hanging wall of the incline has been made near vertical and has been timbered adequately at the top to prevent loose material from working in at the collar. All workers were advised to wear safety hats.

L. E. Shirley

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

D. H. Amos

D. H. Amos, Geologist
U. S. Geological Survey

May 19, 1954

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

May 17, 1954

Memorandum

To: Administrator

From: Nonmetallic Minerals Division

Subject: Amendment No. 1 - Docket No. DMEA-3155 - Mica
Joe A. Beasley
Herbert Cook Mine No. 2
Cleveland County, North Carolina
Contract No. Idm-E629

The purpose of Amendment No. 1 to Contract No. Idm-E629 is to extend the completion date from April 27, 1954 to July 27, 1954. This is necessary because progress was interrupted by heavy flows of water resulting in difficulty to maintain steady working crews.

The Nonmetallic Minerals Division concurs in the Amendment as written.

W. C. Anderson

W. C. Anderson
Nonmetallic Minerals Division

RECEIVED
MAY 20 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON 25, D.C.
ROOM 15, POST OFFICE BLDG.
KNOXVILLE 2, TENN.
May 6, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team Executive Officer, Region VII

Subject: Amendment No. 1, on DMEA-3155, Idm-E 629. Joe A. Beasley

Transmitted herewith are three signed copies of the subject contract Amendment No. 1 on the subject contract. The usual distribution of the other copies has been made.

Robert A. Laurence

Robert A. Laurence

RECEIVED
MAY 20 1954
GENERAL COUNSEL
DEFENSE MINERALS
ADMINISTRATION

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, N. C.

LOCATION: 3.15 miles west of Toluca, In northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Incline sinking continues slowly on this contract and is now at 34 feet. The attitude of the pegmatite has changed considerably and the dip is now near vertical. Sinking will continue to a depth of 45 feet, following the body.

Material encountered consists of country rock, a sillimanite mica schist and pegmatite composed of quartz, feldspar and small mica. Due to the change in dip, sinking is now vertical. Some of the overhang on the incline has been removed and the hanging wall is now near vertical. The operators were advised to scale thoroughly all walls after shooting and to begin installation of timber as soon as practicable.

L. E. Shirley

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

K. H. Teague - D. H. Amos

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

April 7, 1954

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Inclined shaft sinking continues on this contract and is now at 29 feet. The incline is following pegmatite material composed of quartz, feldspar and muscovite mica. A few blocks of the recovered mica was of excellent quality, but recovery has been slight. Some mica

The operator has erected a barricade around the shaft opening to prevent loose material from working into the shaft. The need for timber on the hanging wall of the incline was stressed. Powder and cap magazines have been completed.

Mr. W. A. Beck, member of the DMEA Field Team, Region VII, accompanied the examiners on this visit to the mine.

L. E. Shirley

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

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

February 24, 1954

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

Inclined shaft sinking continues on this contract and is now at 20 feet. Pegmatite material extends to about 17 feet and the remaining 3 feet is in sillimanitic schist. The operator was advised to stay with the body while sinking and change the incline as the body changes its attitude. Sinking will continue from 17 feet. The pegmatite material encountered consists of feldspar, some massive quartz and small blocks of muscovite mica. Enclosing country rock is a sillimanitic schist.

A tool house, 10' x 15' has been completed. Powder and cap magazines are in the process of construction. The shaft has not been collared nor cribbed and no ladders for access have been installed. The operator was advised to take care of timbering as soon as practicable. A hoisting frame consisting of straight leg and boom pole has been constructed. Recent progress on this contract is satisfactory.

L. E. Shirley

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

K. H. Teague Dewey Amos

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

February 10, 1954

INTERIM REPORT

DMEA-3155 Idm-E629 (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a railroad one mile south of N. C. Highway No. 10.

Shaft sinking is underway on this contract and is now at 12 feet. Work accomplished in the shaft exhibits a quartz core of variable width flanked by feldspathic zones containing muscovite mica. Mica observed was clay stained. Equipment on the job consists of a small compressor and hand tools. No buildings or other surface facilities have been provided. No timbering has been accomplished in the shaft to date.

Mr. R. A. Laurence, Executive Officer of DMEA, Region VII, accompanied the Field Examiners on this visit to the mine.

L. E. Shirley

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

K. H. Teague

K. H. Teague, Geologist
U. S. Geological Survey

December 2, 1953

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
NOV 20 1953

November 18, 1953

Memorandum

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

From: Executive Officer, Region VII

Subject: Contract Idm-E 629, DMEA-3155 (Mica)
Joe A. Beasley, Shelby, North Carolina

Transmitted herewith are the Government's Copy, Division Copy and Docket Copy of the above-mentioned contract, on the Hubert Cook Mine No. 2.

Robert A. Laurence
Robert A. Laurence

Enclosures 3

cc
11-20

NOV 18 1953

INTERIM REPORT

DMEA-3155 Idm-E (mica) HUBERT COOK MINE NO. 2

OPERATOR: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.

LOCATION: 3.15 miles west of Toluca, in northern Cleveland County, N. C. It is on the east side of a soil road one mile south of N. C. Highway #10.

A visit was made to this prospect with the operator to spot the inclined shaft site, and to clarify the contract. The operator was ready to begin work, but had not returned the signed contract to the Regional Office. Instructions were given that work could proceed as soon as the contract was signed.

L. E. Shirley

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

November 4, 1953

FILE COPY
SURNAME:

140

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

October 20, 1953

N.S. in R.R.

Memorandum

To: The Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Joe A. Beasley - Docket No. DMEA-3155

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Map No. 2 referred to therein.

Albert E. Kane

for J. L. Hofflund
Chief Counsel

Attachments

AEKane/ep/ema
cc: Mails & Files
J. L. Hofflund
A. E. Kane
L. G. Houk
Chron.

cc 10-27

FILE COPY
SURNAME:

Robertson
Houk
Champlin
Selfridge
Kjellmark

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

600

OCT 27 1953

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

Subject: Docket No. DMEA-3155 - Mica
Joe A. Beasley
Hubert Cook Mine No. 2
Cleveland County, North Carolina

Dear Mr. Laurence:

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

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

After execution of the contract, the copies are to be distributed in the usual manner.

Copies of memoranda from the Geological Survey and the Bureau of Mines are enclosed.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (SWB)

Approved:

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

T. P. Thayer
Member, Geological Survey (SWB)

JTRobertson:gad 10/22/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

Enclosures 10

R.C.G. 10-27-53

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

140

October 20, 1953

Memorandum

To: The Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Joe A. Beasley - Docket No. DMEA-3155

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Map No. 2 referred to therein.

Albert E. Kane

for J. L. Hofflund
Chief Counsel

Attachments

R.C.L.
10-27-63

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

140

October 20, 1953

Memorandum

To: The Administrator

Through: L. G. Houk

From: Chief Counsel

Subject: Joe A. Beasley - Docket No. DMEA-3155

There is attached, in satisfactory legal form for execution, a contract covering the above-described project, subject to the attachment of the Map No. 2 referred to therein.

J. L. Hofflund
Chief Counsel

Attachments

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

October 20, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Ceramic and Fertilizer Materials Branch.

Subject: DMEA-3155, Mica

Applicant: Joe A. Beasley
Name and Location of Property: Hubert Cook No. 2 Mine, Cleveland County, North Carolina
Date of Field Team report: September 23, 1953.
Field Team Recommendation:

1. Exploration by sinking 45-foot shaft and drifting in both directions for 80 feet.
2. Total estimated costs - $5,050.

Comments:

1. Proposed method of exploration is consistent with good engineering practice.

Recommendation:

Concur in field team recommendation for an exploration program in the amount of $5,050.

Donald R. Irving

Donald R. Irving

Dry Owner's
Consent
DMEA - 3155

6 Copies

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
WASHINGTON, D.C.
EXECUTIVE OFFICER
DMEA REGION VII
Knoxville, Tenn.

October 12, 1953

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA- Region 7

Subject: DMEA-3155, Joe E. Beasley Application. Your letter of 9-29-53.

Transmitted herewith are six copies of MF-203(revised July 1, 1953) requested in your letter of September 29, on the subject application.

Robert A. Laurence
Robert A. Laurence

IN REPLY REFER TO:

G-MD-CNM

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

October 6, 1953

Memorandum

REVIEW OF FIELD TEAM REPORT ON APPLICATION DMEA-3155 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: Donald A. Brobst, U. S. Geological Survey
Applicant: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.
Name of property: Hubert Cook #2 Mine.
Location of property: 3.15 miles W. of Toluca, Cleveland County, North Carolina.
Date of field team report: September 23, 1953.
Authorship of field team report: K. H. Teague, USGS.
Field team's recommendation: An exploration project of 6 months duration, including:

45 ft. of 5'x7' incline at $45/ft.	$2,025.00
80 ft. of 5'x7' drift at $35/ft.	2,800.00
10x12' tool house	150.00
Powder magazine	50.00
Exploder magazine	25.00
Total estimated cost	$5,050.00

Comments:

1. At the conclusion of a previous surface exploration contract (DMEA-2428) for mica, further work below the weathered zone was suggested to the applicant, F. B. Hendricks of Shelby, North Carolina, by the field team, but the work was not done.

2. Indications are that the quality of the plentiful ruby mica in and near the core might improve at depth (below the weathered zone). The above proposal should be approved as a logical follow-up to work on a potentially good property on which the Government has already spent $2,100.00 without producing strategic mica.

ACTION SUGGESTED:
Follow field team's recommendation.

Donald A. Brobst

Donald A. Brobst

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

C
O
P
Y

September 30, 1953

Memorandum

To: Chairman, Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 7

Subject: DMEA Field Team Examination Reports

Transmitted herewith are two field examination reports, four copies of each, with six extra copies of the maps. The Field Team is in agreement with the recommendations set forth in the reports.

Wm. A Beck, Acting Executive Officer
DMEA Field Team, Region 7

Benjamin Gildersleeve, Geologist
U.S. Geological Survey

Reviewed by
DMEA OPERATING COMMITTEE

10-9-53
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT - 2 1953

UNITED STATES
DEPARTMENT OF THE INTERIOR

10/23/53

DEFENSE MINERALS EXPLORATION ADMINISTRATION

REPORT OF EXAMINATION BY FIELD TEAM, REGION VII

ON

DMEA-3155, HUBERT COOK MINE No. 2, mica
Cleveland County, N. C.

BY

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

September 23, 1953

Reviewed by
DMEA OPERATING COMMITTEE

10-9-53
(date)

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
OCT 2 1953

DEFENSE MINERALS ADMINISTRATION ADMINISTRATION
FIELD EXAMINATION REPORT
ON
HUBERT COOK NO. 2 Mine-DMEA-3155 (mica)
Applicant: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina

The examiner is of the opinion that this pegmatite merits additional exploration. The exploration work conducted by F. B. Hendricks under DMEA-2428, Idm-E355 exposed a pegmatite with a strike length of 150 feet to a depth of only 12 feet. All of this work was confined to the weathered zone, thus mica which was obtained contained much surface stain. Additional exploration should be directed towards exploring the pegmatite below the weathered zone.

This deposit was examined on September 23, 1953, Messrs. Joe A. Beasley and Lutz accompanied the examiner on the inspection which required two hours.

The Hubert Cook No. 2 Mine is 3.15 miles west of Toluca, in northern Cleveland County, North Carolina. It is on the east side of a soil road one mile south of N. C. Highway No. 10. Access is excellent at all times.

Area covered in sketch of 300 x 300 feet is adequate for the proposed exploration.

Workings consisted of trench approximately 230 feet long, 17-feet wide, with a maximum depth of 12 feet. This cut has been made along the strike of the pegmatite.

The pegmatite is exposed along the strike for 150 feet. It strikes N. 52° E., dipping 45°-60° NW. It is from 4 to 6 feet thick, and is emplaced in granitized sillimanite staurolite schist, foliation which strikes E-W, dipping 30° - 50° south.

The pegmatite has a continuous quartz core from three to four feet thick, bounded on both sides by feldspathic pegmatite which is composed of plagioclase feldspar, smokey quartz, and mica. The mica is concentrated along both flanks and in the quartz core. This portion of the pegmatite is exceptionally rich in mica; however, approximately 50 percent of it is "Wedge A", suitable only for scrap. To the present depth all of that recovered has been badly stained by surface waters, but with depth this objectionable feature should decrease. Both the wall rock and pegmatite are semi-weathered.

The mica is both ruby-and green colored. All of the flat mica is ruby colored, hard, splits well, and except for the surface staining would be of strategic grade. Books of flat mica up to 6 inches across are exposed.

The examiner believes that the deposit can best be explored by sinking a 45-foot shaft on the pegmatite in the open cut. The shaft should be inclined and follow the pegmatite down its dip. From about the 40-foot level, laterals should be driven in both directions; total length should be about 80 feet.

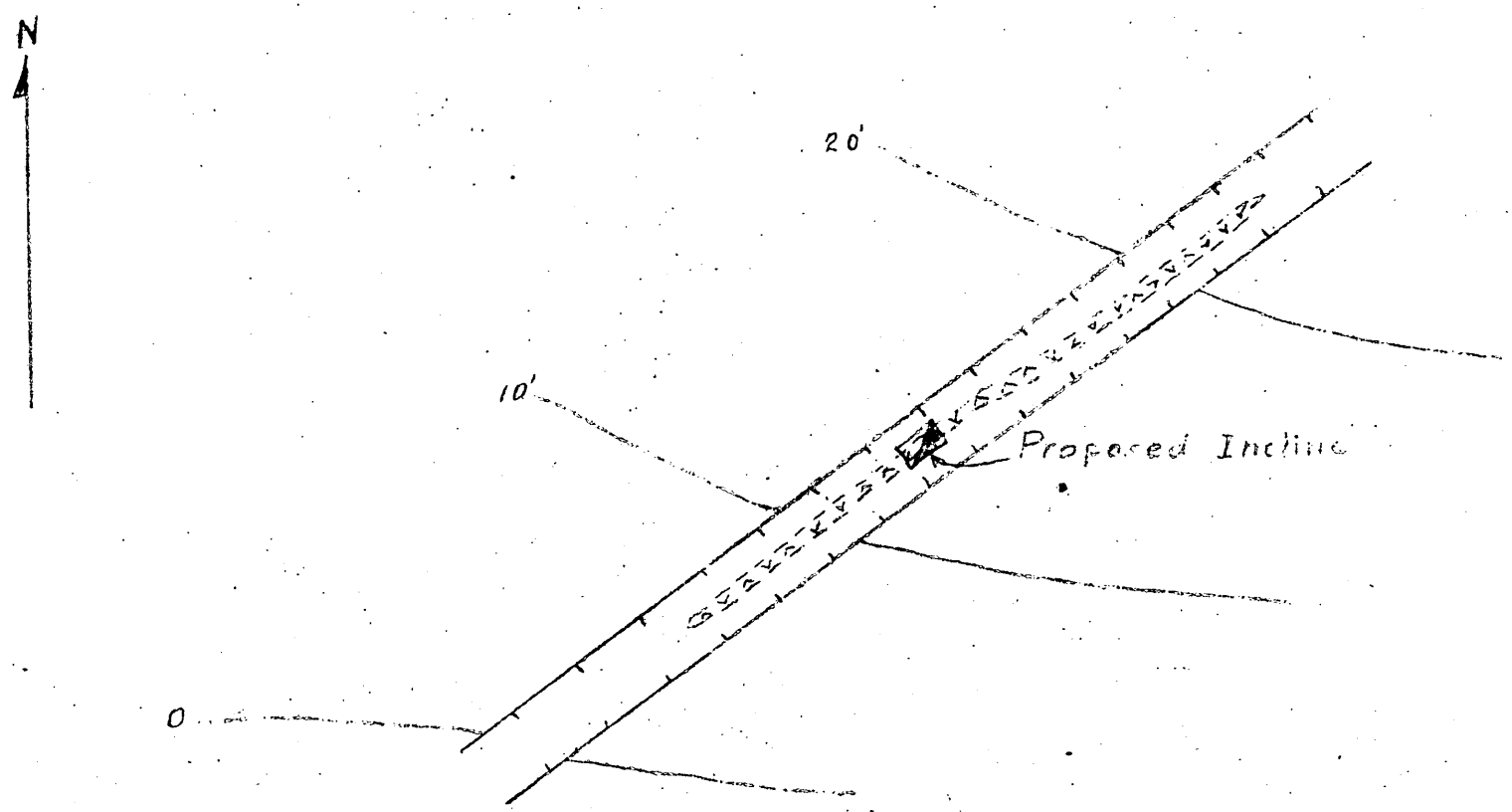
Estimated Cost:

45-foot, 5 x 7 foot incline @ $45.00/ft.	$2,025.00
80 feet, 5 x 7 foot drift, @ $35/ft.	2,800.00
10' x 12' tool house	150.00
Powder magazine	50.00
Exploder Magazine	25.00
Total Estimated Cost	$5,050.00

Estimated time required - 6 months.

K. H. Teague, Geologist
U. S. Geological Survey

Sept. 23, 1953



MAP No. 1

Sketch of
Hubert Cook No. 2 Mine
Cleveland Co. N.C.

0 40' 80'
Scale

DMEA-3155 (mic 9)

9/23/53

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

October 1, 1953

Mr. Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

Re: DMEA-3155 (mica) Hubert Cook
Mine # 2. Cleveland Co., N. C.

Dear Mr. Beasley:

Your application for exploration aid on the subject mine is being held up pending receipt of New Owner's Consent to Lien forms.

Transmitted with your application were six Owner's Consent to Lien duly executed but written on the old form. It is now required that the new forms MF-203 (Revised July 1, 1953) be used.

There are enclosed eight copies of the new form. Please have these signed by the land owner, give him one copy, retain one for your files and return the original and 5 copies to this office.

Upon their receipt we will forward them to Washington and they will proceed with the processing of your application.

Very truly yours,

Robert A. Laurence
Executive Officer, DMEA
Region 7

WAR/sm
cc:
Beck
Lynch
Opr. Com.
Files

FILE COPY
SURNAME:
600

Robertson
Selfridge

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

SEP 29 1953

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

Re: Docket No. DMEA 3155 - Mica
Joe A. Beasley
Hubert Cook Mine No. 2
Cleveland County, North Carolina

Dear Mr. Laurence:

Reference is made to the subject docket. The file contains six Owner's Consent to Lien duly executed but written on the old form. It is now required that the new form MF-203 (Revised July 1, 1953) be used.

In case you intend to recommend a project, please advise the applicant and send to him the required number of blank forms.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

APPROVED:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

JERobertson:foc 9-25-53
cc: Docket
Code 600
Adm. Read. File
Operating Comm.
FT. Reg. 7
Mr. Dietrich, 3526
Mr. Larrabee, G-232, GSA Bldg.

R.C.B. 9-29-53

FILE COPY
SURNAME:

Robertson
Houk
Rodgers
Selvaggio
Kirkhed
K. Johnson

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

600

SEP 9 - 1953

Mr. Joe A. Beasley
Room 207
Cleveland Hotel
Shelby, North Carolina

Re: Docket No. [illegible]-3155 - Mica
Hubert Cook Mine No. 2
Cleveland County, North Carolina

Dear Mr. Beasley:

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.

The Regional Office will contact you at an early date in regard to the examination of your property. Any assistance that you can give the members of the field team during the examination will be appreciated.

Sincerely yours,

C. O. Mittendorf / fw

Administrator

JTRobertson:gad 9/8/53

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

R.C.J.
9-9-53

FILE COPY
SURNAME:

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

600

SEP 9 - 1953

Relation Houk Selfridge

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

Subject: Docket No. DMEA-3155 - Mica
Joe A. Beasley
Hubert Cook Mine No. 2
Cleveland County, North Carolina

Dear Mr. Laurence:

Please review the subject application and, if required, arrange for an examination of the mine.

Enclosed find a plat showing the ground allotted to the project. The 300' x 300' parcel is only a small part of the applicant's leased ground and there is a possibility that more should be requested, particularly, if you think the quartz vein has considerable strike length to the south. Please check this feature.

For your information are enclosed the memoranda of the Geological Survey and the Bureau of Mines.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee

Approved:

J. H. Hedges
Member, Bureau of Mines

A. R. Kinkel, Jr.
Member, Geological Survey

Enclosures 5

JTRobertson:gad 9/4/53
Copy to: Admr. R. File
Docket File
Operating Committee
Mr. Dietrich, 3526
Mr. Larrabee, G-232 GSA Bldg.
Mr. Houk

R.C.S. 9-9-53

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

September 2, 1953

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3155, Mica, Hubert Cook Mine #2, Joe A. Beasley, Cleveland County, North Carolina

No data are available in this office on subject property since it is a new prospect. 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

IN REPLY REFER TO:

G-MD-CNM

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
SEP 2 - 1953

September 1, 1953

Memorandum

REVIEW OF APPLICATION DMEA-3155 (Mica)

To: L. G. Houk, Defense Minerals Exploration Administration
From: D. M. Larrabee, U. S. Geological Survey
Applicant's name and address: Joe A. Beasley, Cleveland Hotel, Shelby, North Carolina.
Name of property: Hubert Cook mine #2.
Location of property: Township 10, Cleveland County, North Carolina.
Summary of applicant's proposal: No proposal.
Sources of information on applicant's property: None.
Comments:

1. 20' quartz vein. Possibly core?
2. No plan of attack given.
3. What is pegmatite attitude?

RECOMMENDATION:

Refer to Field Team, enclosing map.

D. M. Larrabee

D. M. Larrabee

Enclosure

2428

Room 13 Post Office Bldg.
Knoxville 2, Tenn.

August 11, 1953

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VII

Subject: Letter from Joe A. Beasley, Shelby, North Carolina

Enclosed is copy of a letter just received from Mr. Joe A. Beasley, inquiring about the Hubert Cook No. 2 Mine, which was explored last summer by F. B. Hendricks under contract No. Idm-E-355, Docket No. DMEA-2428.

The Field Team final report on DMEA-2428 recommended further work, aimed at exploring the pegmatite at a depth of about 50 feet. If this is what Mr. Beasley proposes to do, there is no reason why a contract should not be approved without further field examination, though it would be desirable to inspect the nearby work which could be done when the field examiners are in the vicinity. In the examination report on DMEA-2871, the examiners state that the applicants (including Joe A. Beasley) appear to be competent to conduct an exploration project of this type.

If Mr. Beasley decides to apply, his application will be forwarded to your office as soon as it is received.

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

C O P Y

Mr. Joe A. Beasley
Room 207
Cleveland Hotel
Shelby, North Carolina

September 1, 1953
Subject: DMEA-3155
Re: Exploration Assistance
Hubert Cook Mine #2

Dear Mr. Beasley,

The receipt of your application dated August 24, 1953, for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3155 and referred to the Non-Metallic Minerals Division.

Kindly refer to DMEA-3155 in any future correspondence relating to your application.

Sincerely yours,

ROBERT E. ADAMS

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

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

August 31, 1953

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number 3155

There is listed below the assigned docket number to an application recently received from Region VII.

DMEA - 3155 - Joe A. Beasley

ROBERT E. ADAMS

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

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

August 27, 1953

Memorandum

To: Operating Committee, DMEA - Washington

From: Acting Executive Officer, DMEA - Region 7

Subject: Application for DMEA Aid on the Hubert Cook No. 2 Mine (mica), Cleveland County, N. C., by Joe A. Beasley

Transmitted herewith are the following which were received in this office from the subject applicant today:

3 Copies of application for DMEA Aid
6 Copies of Owner's Consent to Lien
8 Copies of Mortgagee's Subordination Agreement
1 Tracing and 1 blueprint of leased land
1 Copy of release of a former lease
1 Copy of lease
1 Copy of agreement between land owner and the holder of a deed of trust.

We have retained one copy of the application for our files.

Please refer to Mr. Laurence's Memo of August 11, 1953 on the subject applicant which will give further information on this application.

Wm. A. Beck

Wm. A. Beck

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

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

Not to be filled in by applicant

Docket No. DMEA - 3155
Metal or Mineral
Date Received 8-31-53
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: Joe A. Beasley, Room 207, Cleveland Hotel, Shelby, N.C.

(All questions and answers are attached)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16—66551-1

Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

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

.....

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

☐ Money ☐ Use of equipment owned by you ☐ Other

Explain in detail on acompanying paper.

CERTIFICATION

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

Dated August 24th, 1953

Joe A. Beasley
(Applicant)

By .....

.....

.....

Title 18, U. S. Code (Crimes), Section 1001, makes it a criminal offense to make a willfully false statement or representation to any department or agency of the United States as to any matter within its jurisdiction.

U. S. GOVERNMENT PRINTING OFFICE 16—66551-1

DEPARTMENT OF THE INTERIOR
Bureau of Mines Exploration
Received
JUL 1 1953

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

1. Name of Applicant - Joe A. Beasley, Cleveland Hotel, Shelby, N. C.

3. Applicant's property rights - (a) A tract of land 300 feet square, known as the Hubert Cook Mine # 2 (as shown by attached plat), being a part of a larger tract held by applicant under a lease agreement between Hubert T. Cook and wife, Ethel Cook as lessors, and the applicant as lessee, said lease is dated August 21, 1953. Said land is located in # 10 Township, Cleveland County, N. C.

The exploration project will be carried out on a 20 foot wide quartz vein that crosses the 300 foot square tract shown on the attached plat as the Hubert Cook Mine No. 2. It is thought that for exploration work that the 300 foot square tract will be large enough but any part or all of the 50¼ acres can be added to the project, if your office feels that it is advisable as the 50¼ acres is controlled under the attached mining base for a period of 10 years. There are a number of mica outcrops showing on the leased farm that have not been prospected which should benefit from the work to be done on the Hubert Cook Mine No. 2. Due northeast from the quartz vein of the Hubert Cook Mine No. 2, at a distance of 325 feet on land owned by Mr. A. P. Meade (see attached land plat) is an old mica prospect that has been opened up in the last 4 weeks and is producing higher grade ruby than "good stained" grade. The mica books are large size and a considerable amount of No. 3 mica is being sheeted from them. This mica vein is in line with the heavy quart z vein in the Hubert Cook Mine No. 2 that I wish to explore.

This A. P. Mead mine does not have much quartz in it as does the Hubert Cook Mine No. 2. Mr. A. P. Mead has offered to lease to me part of the land he owns between the mine on his property and the Hubert Cook Mine No. 2 as he would like to have it worked. It is available if the Hubert Cook Mine No. 2 project warrants tunneling in that direction.

Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

(3b) Hubert Cook Mine No. 2.

(c) Lessee

(d) Attached is lease and other required papers.

4. Physical description-

(a) There is a bulldozed cut (see attached plat) approximately 200 feet long, 26 to 30 feet wide and 15 to 20 feet deep at the middle of the cut. The attached plat shows a top view of the 20 to 25 feet wide quartz vein. There are several quartz veins crossing the bulldozed cut. This cut was made by others in the latter part of 1952. There has been no work done on the mine prospect since that time. The mine vein is accessible by way of the bulldozed cut. The quartz veins have fissures in some places allowing surface rain water seepage to enter into the cracks and soften some of the mica. In places where no fisures occur, the mica is hard and firm ruby. At a greater depth the surfact rain water seepage should disperse or dissipate as in the case of several other mines that I have worked. Red clay contacts the quartz vein at present depth. Kaolinite and small quartz particles have not yet been contacted.

4 (b) The Hubert Cook Mine No. 2 has not produced mica commercially because it is at present only a partly explored heavy vein prospect.

4 (c) The Hubert Cook Mine No. 2 is on a hill which is one of the highest elevations in Township 10, Cleveland County, N. C. The mine being on a high hill has natural drainage by deep valleys and should be free from water to a considerable depth. I wish to explore this prospect because I desire to assist the Government in the defense program. This mica prospect is located near mines that have been heavy producers of ruby sheet mica of high quality and the exposed quartz vein which is very braod, indicates that it should be a prolific producer.

4 (d) In the upper right hand corner of the attached plat of the mine is a sketch of the roads that lead to the mine. The City of Shelby, N. C. is 18 miles from the mine by good roads and paved highway. Lincolnton is 19 miles. Morganton

Joe A. Beasley
Cleveland Hotel.
Shelby, N. C.

21 miles. The small towns of Fallston and Lawndale are only 9 miles. The district in which the mine is located has many farm houses and housing for mine workers can be quickly located.

4 (e) There are a good number of men with mica mining experience in the district which are available. There are a number of mining equipment and supply houses in the City of Charlotte, N. C. which is only 1½ hours drive by paved highway from the mine. Well water for drinking is on the mine land less than ¼ mile from the mine. Two hundred and twenty volts of electricity is available at a short distance. Several gasoline and oil stations are within two miles.

5 (a) I wish to explore for sheet mica acceptable to the government for the mica purchasing program.

5 (b) The attached plat of the Hubert Cook Mine shows top view of bulldozed cut and exposed quartz vein. The proposed exploration work can be open cut or shaft and tunnels. I will use the method that your field mining engineer and geologist decide is the best after they inspect the mine.

5 (c) Can start the work within 30 days from the date of the project contract.

5 (d) Joe A. Beasley was a speculative builder of homes ranging in price from (10) ten to (25) twenty five thousand dollars and suburban store properties for many years, drawing the plans and superintending the construction work. Also detail designer, estimator and superintendent for contracting firm on heavy construction work. For the past fifteen (15) months have prospected and mined sheet mica in hard rock and soft vein mines using shafts and tunnels and open pit methods. I use compressed air drills, hoisting equipment and bulldozer. Miners of long experience in drifting, timbering and operating mine machinery are available.

6. Estimate of Costs - If your field mining engineer selects the shaft and tunnel method in exploring the vein, sinking a 5 foot by 7 foot shaft and drifting tunnels of the same size, the work could be let at around fifty dollars a lineal foot.

6 (a) Independent contracts. None

Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

The depth of the shaft and length of the tunnels decided on by your field engineer and geologist will govern the cost of the project. It is possible that mica of "good stained and better" grade will be found at a shallow depth which can eliminate any further exploration and the mining of the mica could start.

6 (b) Labor supervision consultants. Labor with mica mining experience can be had for 75¢ to 90¢ per hour. Miners of long experience of forman calibre can be had for $1.00 to $1.25 per hour. Engineering advice will be available from your field engineer.

6 (c) Operating materials and supplies- The amount required depends on the depth of shaft and length of tunnels.

6 (d) Operating equipment - 3/4 ton hoist with rig $1100.00 Owm. 105 compressor 55 pound air drill, 125 foot air hose 2 - 2 foot drill stems. Z-4 foot and 2 - 6 foot drill stems. 8 shovels and 8 picks. 2 heavy crow bars, sledge hammer and all kinds of repair tools, saws, etc. Compressor is leased with option to purchase. Rental $210.00 month with (Pheumatic Air Drill) electricity of 220 volts within ¼ mile. Drinking water within ¼ mile. Gasoline stations within 2 miles.

6 (e) Rehabililation and repairs - None

6 (f) New Building improvements, installations. None

6 (g.h.) Miscellaneous and contingencies. Can give these figures when your field engineer and geologist inspect the vein and decide on the size of the project.

7 (a) Yes

7 (b) Would prefer to contract to do the work myself, furnishing the necessary machinery.

Joe A. Beasley.
Cleveland Hotel
Shelby, N. C.

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 Cleveland, described as in a deed from A. P. Mead and wife, R.A. Mead to Hubert T. Cook on March 1, 1946 and recorded in the Office of the Register of Deeds for Cleveland County, N.C. in Book of Deeds 5-J, page 576.

(See attached sheet for legal description of said property)

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/ Joe A. Beasley

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/$ 12,000.00, 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 19th day of August, 1953.

Hubert T Cook [Seal]
Hubert E. Cook

Ethel Cook [Seal]
Ethel Cook

[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.

Joe A. Beasley
Cleveland Hotel
Shelby, N.C.

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.

Lying on the East side of a branch and just North of the Brackett Land. BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's West line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's South line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, containing 50¼ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, N. C. reference being hereby made to said deed and the record thereof for further identification and description of said property.

for A Beasley
Cleveland Hotel Shelby, N. C.

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 Cleveland, described as ~~xx in xxxxxxxxx~~ a deed from A. P. Mead and wife, R.A. Mead to Hubert T. Cook on March 1, 1946 and recorded in the Office of the Register of Deeds for Cleveland County, N.C. in Book of Deeds 5-J, page 576.

(See attached sheet for legal description of said property)

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/ Joe A. Beasley

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/$ 12,000.00, 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 19th day of August, 1953.

Hubert T. Cook [Seal]
~~Hubert T. Cook~~

Ethel Cook [Seal]
~~Ethel Cook~~

[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.

Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

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.

Lying on the East side of a branch and just North of the Brackett Land. BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's West line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's South line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, containing 50¼ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, N. C. reference being hereby made said deed and the record thereof for further identification and description of said property.

Joe A. Beasley.
Cleveland Hotel
Shelby, N. C.

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 Cleveland, described as in ~~a deed from A. P. Dean and wife, P. A. Dean to Robert T. Cook on March 1, 1946 and recorded in the Office of the Register of Deeds for Cleveland County, N.C. in Book of Deeds 3-J, page 576.~~

~~(See attached sheet for legal description of said property)~~

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/ Joe A. Beasley

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/$ 12,000.00, 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 10th day of August, 1952.

Hubert T. Cook [Seal]
~~Hubert T. Cook~~

Ethel Cook [Seal]
~~Ethel Cook~~

[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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Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

RELEVANT CONTRACT PROVISIONS

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BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's East line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's SSouth line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, containing 50¼ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, N. C. reference being hereby made said deed and the record thereof for further identification and description of said property.

Joe A. Beasley
Cleveland Hotel
Shelby, N. C.

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 ~~Cleveland~~, described as ~~xx in xxxxxxxxx~~/ ~~as follows~~ from A.P. Head and wife, R.A. Head to Hubert T. Cook on March 1, ~~1946 and recorded in the Office of the Register of Deeds for Cleveland County, N.C. in Book of Deeds 5-J, page 576.~~

~~(See attached sheet for legal description of said property)~~

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/ ~~Joe A. Beasley~~

hereinafter called the "Operator"; and

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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/$ ~~12,000.00~~, 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 ~~19th~~ day of ~~August~~, 195~~3~~.

Hubert T Cook [Seal]
~~Hubert E. Cook~~

Ethel Cook [Seal]
~~Ethel Cook~~

[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.

Joe A. Beasley - Cleveland Hotel Shelby N.C.

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.

Lying on the East side of a branch and just North of the Brackett Land. BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's West line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's SSouth line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, containing 50¼ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, N. C. reference being hereby made said deed and the record thereof for further identification and description of said property.

Joe A. Beasley
Cleveland Hotel Shelby N. C.

NORTH CAROLINA
Cleveland County

THIS AGREEMENT, made and entered into this the 20 day of August 1953, by and between Hubert T. Cook and wife, Ethel Cook, parties of the first part; and A. P. Meade and wife, Carrie Meade, parties of the second part, all of Cleveland County, North Carolina;

W I T N E S S E T H:

WHEREAS, Hubert T. Cook and wife, Ethel Cook, are the owners of a certain tract of land in Number Ten Township, Cleveland County, North Carolina, and have a given a deed of trust thereon to A. P. Meade, as shown in Book 300, page 102, in the Register's Office of Cleveland County, North Carolina, there being due and outstanding the sum of One Thousand ($1,000.00) Dollars as secured by the said deed of trust.

AND WHEREAS, Hubert T. Cook and wife, Ethel Cook, now desire to lease certain mineral rights and privileges connected with the property in question to Joe A. Beasley and have executed an agreement for that purpose;

AND WHEREAS, A. P. Meade and wife, Carrie Meade, are unwilling to permit any mining interest to be carried on or any minerals to be removed therefrom unless they participate in the net income therefrom, and the parties hereto have agreed that if such mining activities are carried out and the property is leased to Joe A. Beasley and subleased by him to the United States Government or other parties, that A. P. Meade and wife, Carrie Meade, will sub-ordinate the lien of their deed of trust to the lease in question provided they are to receive one-third of the net income from such operations;

NOW THEREFORE, in order to set forth this agreement the parties hereto agree as follows:

That A. P. Meade and wife, Carrie Meade, hereby subordinate their deed of trust to a lease given or to be given to Joe A. Beasley and/or the United States Government for the mining of certain minerals from the property as fully described in the deed of trust recorded in Book 300, page 102, and the description being as follows:

Lying on the East side of branch, and just North of the Brackett land. BEGINNING at a stake in center of branch, Brackett's North line; and runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to stone, corner in James Randall's West line; thence North 15 West 42 poles to stake; thence Nor h 58 East 16 poles to a stone and pine; corner in South line of Meade land; thence North with Mead's South line; North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch

Joe A. Beasley
Cleveland Hotel, Shelby, N.C.

in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's North line, the place of BEGINNING, containing 50¼ acres, more or less.

It is understood that from the net income to be paid for the said lease that A. P. Meade and wife, Carrie Meade, shall receive one-third of such income and Hubert T. Cook and wife, Ethel Cook, shall receive two-thirds of such income. It is understood that at such time that the payments made to A. P. Meade and wife, Carrie Meade, shall equal the sum of One Thousand ($1,000.00) Dollars- plus interest as due on the original obligation that the said deed of trust shall be thereby liquidated and no further payments shall be made under this agreement and the deed of trust shall be surrendered for cancellation, and this agreement shall be void. It being further understood, however, that no obligations are assumed by the parties hereto in such operations and this agreement is made solely for the purpose of permitting the operations by Joe A. Beasley and others, with specifications of the income therefrom, which payment shall be made directly to the parties herein in proportion to the amounts as above set forth.

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

Hubert T Cook (SEAL)

Ethel Cook (SEAL)

Parties of the First Part

A. P. Meade (SEAL)

Carrie Meade (SEAL)

Parties of the Second Part

NORTH CAROLINA

County

I, Edward W Pohl, Notary Public for said County and State, do hereby certify that Hubert T. Cook and wife, Ethel Cook, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this 21 day of August, 1953.

Edward W Pohl

Notary Public

My Commission Expires: 12-9-54

NORTH CAROLINA

Gaston County

I, Walter L. Pope, Notary Public for said County and

Joe A. Beasley.
Cleveland Hotel. Shelby, N.C.

State, do hereby certify that A. P. Meade and wife, Carrie Meade, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and notarial seal this the 20 day of August, 1953.

Walter L. Pope
Notary Public

My Commission Expires: 4-30-54

STATE OF NORTH CAROLINA
County of Cleveland

The foregoing certificates of Edward R. White and Walter L. Pope, Notary Publics are adjudged to be correct. Let the instrument and the certificate be registered.

This the 22 day of August, A. D., 1953.

Jeanette Nelson, Asst.
Clerk of the Superior Court
Cleveland County, North Carolina

Joe A. Beasley.
Cleveland Hotel.
Shelby N.C.

DMEA-3155

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
AUG 21 1953

Filed for registration on
24 day of Aug A. D., 1953
at 8:30 O'clock PM., and Registered in the Office of Register of Deeds, Cleveland County, N. C.,
in Book 620 page 241

Dan T. Moore
Register of Deeds
By [illegible]
Deputy

DAN T. HAMRICK
Attorney at Law
SHELBY, N. C.

NORTH CAROLINA
CLEVELAND COUNTY

A G R E E M E N T

THIS AGREEMENT made and entered into this the 20th day of August, 1953 by and between Hubert T. Cook and wife, Ethel Cook and F. B. Hendricks, all of the County of Cleveland, State of North Carolina:

WITNESSETH:

WHEREAS on October 15, 1951 the said parties hereof made and executed a mining lease, the same being recorded in the Office of the Register of Deeds for Cleveland County in Book 6-R at page 145.

That Whereas, all parties hereto desire that the aforesaid lease shall be null and void and as of this day all rights therein are terminated and the said Hubert T. Cook and wife, Ethel Cook may lease the premises described in the aforesaid mentioned lease to any person whomsoever they may desire, the said F. B. Hendricks forever releasing any rights in the aforesaid mentioned lease.

IN WITNESS WHEREOF the parties have hereunto subscribed their names and affixed their seals the day and year first above written.

Hubert T Cook (SEAL)
Ethel Cook (SEAL)
T F B Hendricks (SEAL)

North Carolina
Cleveland County

I, Edward W White, a Notary Public for said County and State do hereby certify that Hubert T. Cook and Ethel Cook, his wife personally appeared before me this day and acknowledged the due execution of the foregoing instrument;

Let the instrument and the certificate be registered.

WITNESS my hand and notarial seal, this 21 day of August, 1953.

Edward W White
Notary Public

My Commission Expires: 12-9-54

Joe. A. Beasley.
Cleveland Hotel
Shelby, N. C.

~~L. T. HAMRICK~~
~~ATTORNEY AT LAW~~
~~B.M. HULL BUILDING~~
~~SHELBY, N.C.~~

STATE OF NORTH CAROLINA

COUNTY OF CLEVELAND

I, Jack N. White, a Notary Public for said County and State do hereby certify that F. B. Hendricks personally appeared before me this day and acknowledged the due execution of the foregoing instrument;

Let the instrument and the certificate be registered.

WITNESS my hand and notarial seal, this 20th day of August, 1953.

Jack N. White
Notary Public

My Commission Expires: 4-18-55

STATE OF NORTH CAROLINA

County of Cleveland

The foregoing certificates of Edward N. White and Jack N. White are adjudged to be correct. Let the instrument and the certificates be registered.

This 22 day of August, A. D., 1953.

Jeannette Nelson
Asst. Clerk of the Superior Court for
Cleveland County, North Carolina

~~[illegible]~~
~~ATTORNEY AT LAW~~
~~[illegible] BUILDING~~
~~SHELBY, N.C.~~

Joe A. Beasley.
Cleveland Hotel
Shelby N.C.

DMEA-3155

Filed for registration on
24 day of Aug. A. D., 1953
at 8:30 O'clock A.M., and Registered in the Office of Register of Deeds, Cleveland County, N. C., in Book 1-W page 242

Dean H. Mauney
Register of Deeds
By Dorothy Z. Kennedy
Asst.

L. T. HAMRICK
ATTORNEY AT LAW
SHELBY, N. C.

NORTH CAROLINA
Cleveland County

THIS LEASE made and entered into this the 21 day of August, 1953, by and between Hubert T. Cook and wife, Ethel Cook, of Cleveland County, North Carolina, hereinafter called the Lessors; and Joe A. Beasley of the County of Cleveland, State of North Carolina, hereinafter called the Lessee.

W I T N E S S E T H:

That for and in consideration of the sum of one dollar in hand paid by the Lessee to the Lessors, receipt of which is hereby acknowledged by the Lessors and the further consideration of the faithful compliance with all the terms and conditions hereof as hereinafter recited, said Lessors do hereby grant and lease unto the said Lessee or his heirs and assigns, for a period of ten years from the date thereof, the exclusive right and privilege to mine, search for and take from the following described real estate all the mica, quartz, feldspar and other minerals. Said lands being located in Number Ten Township, Cleveland County, North Carolina, and being more fully described by metes and bounds as follows:

Lying on the East side of a branch and just North of the Brackett land.

BEGINNING at a stake in center of branch, Brackett's North line; runs thence with said Brackett line the following metes and courses: South 77 East 16 poles to a stake; North 84 East 19 3/4 poles to a stake; South 85 East 6 poles to a stake; South 69 East 6 poles to a stake in corner; South 28½ East 4 poles to a stake in corner; thence North 88 East 67 poles to a stone and corner in James Randall's West line; thence North 15 West 42 poles to a stake; thence North 58 East 16 poles to a stone and pine, corner in South line of Mead land; thence North with Mead's South line; thence with Mead's South line, North 70½ West 86 poles to a stake in corner; thence North 89 West 38 poles to a stake in center of branch in South line of Cook's land; thence with center and meanders of the branch in the Southern direction 78 poles to a stake in center of branch in Brackett's north line; thence to the point of BEGINNING, Containing 50¼ acres, the same being the property conveyed by A. P. Mead and wife, R. A. Mead to Hubert T. Cook and wife, Ethel Cook by deed dated March 1, 1945 and recorded in Book 5-J, page 576 in the Register's Office for Cleveland County, North Carolina, reference being hereby made to said deed and the record thereof for further identification and description of the said property.

The Lessee shall pay to the Lessors a royalty as follows:

For sheeted mica, including washer and punch 1/8 of the price obtained from such mica as sold from the property. For scrap mica $2.00 per ton, and for all other minerals 1/10 of the price obtained. This royalty shall be paid on or before the tenth day of each month for all mica and minerals marketed the preceding month, together with a full and complete statement of same.

The Lessee shall have the following rights and privileges:

Joe A. Beasley.
Cleveland Hotel
Shelby, N. C.

(a) The right to the use of the surface of said land to the full extent that such use is reasonably convenient or necessary in mining, digging, milling, processing and transporting minerals, equipment and supplies to and from the public roads.

(b) The right to construct and place upon said land buildings, materials, and equipment, and to remove same.

(c) Lessee shall have the right to take from lands of Lessors any timber to carry on said mining operations. Timber of high or special market value excepted.

The Lessee agrees to begin work upon said property within 180 days from the date hereof and to continue mining operations thereon diligently and in good faith as the market for the minerals obtainable permits profitable operations, and failure to operate the mining operations for ninety (90) days shall render the lease void.

The Lessee agrees that at the conclusion of its mining operations that where operations were carried on in cultivatable fields to back-fill all shafts, trenches or other surface workings and level down all waste material.

It is further understood by the parties hereto that the Lessee may surrender this lease by giving to the Lessors written notice of at least thirty (30) days.

It is further understood and agreed between the parties hereto that the Lessors shall not lease for the purpose of mining any part of the tract, of which the land herein described is a part, to persons other than the Lessee.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names and affixed their seals in duplicate this the day and year first above written.

Herbert Cook (SEAL)

Ethel Cook (SEAL)

Lessors

Joe A. Beasley (SEAL)

Lessee

NORTH CAROLINA
Cleveland County

I, Edward W. White, Notary Public for said County

Joe A. Beasley.
Cleveland Hotel.
Shelby, N. C.

and State, do hereby certify that Hubert T. Cook and wife, Ethel Cook and Joe A Beasley personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purpose and intent therein expressed.

WITNESS my hand and notarial seal this the 21 day of August, 1953.

Edward W White

Notary Public

My Commission Expires: 12-9-54

NORTH CAROLINA
CLEVELAND COUNTY

The foregoing certificate of Edward W. White, Notary Public of Said County, is adjudged to be correct.

Let the instrument, with the certificates, be registered.

Witness my hand, this 22 day of August, 1953

Jeanette Wilson
Clerk Superior Court
Asst.

Joe A. Beasley.
Cleveland Hotel,
Shelby, N.C.

DMEA-8130

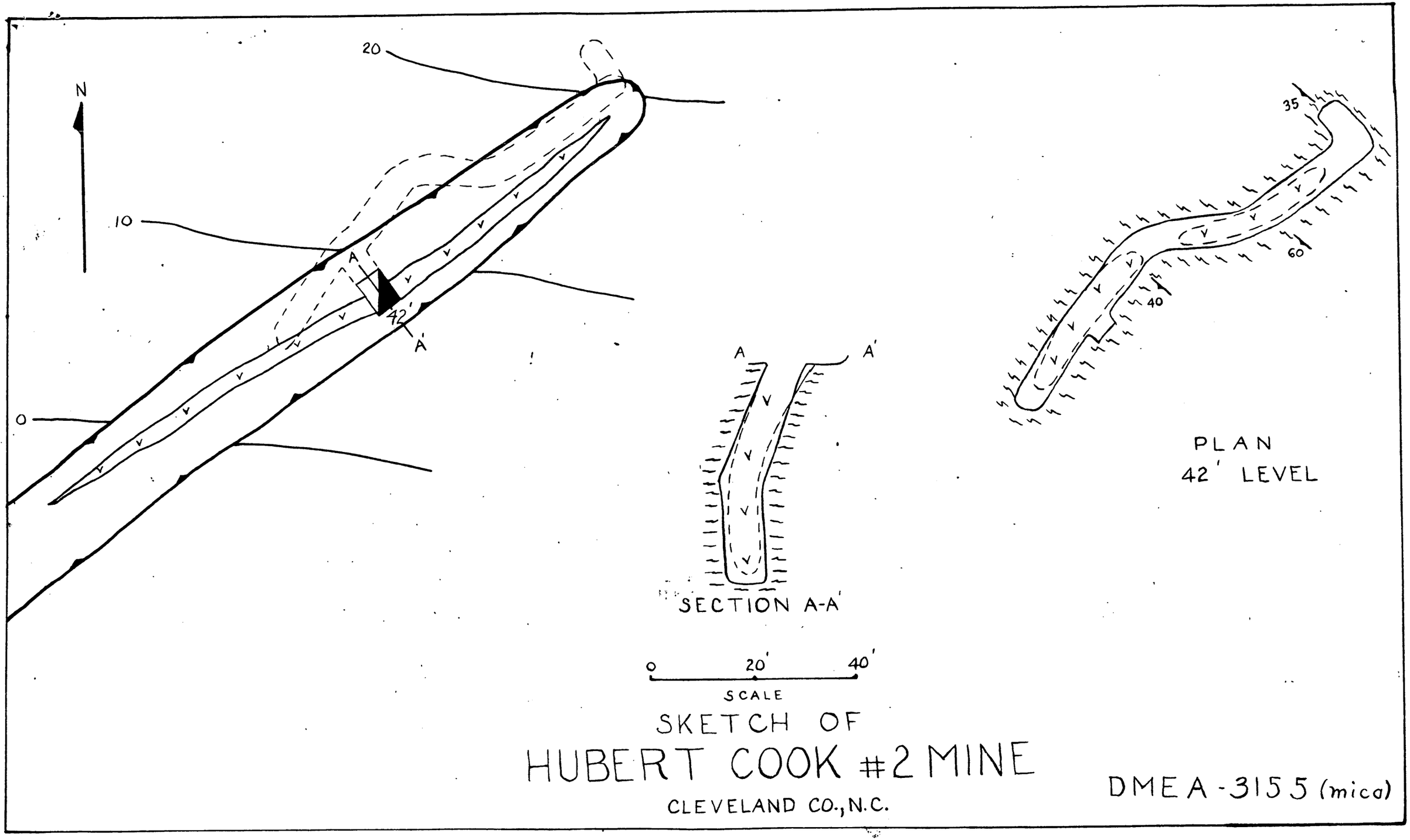
DEPARTMENT OF THE INTERIOR
Bonneville Power Administration
RECEIVED
AUG 1 1953

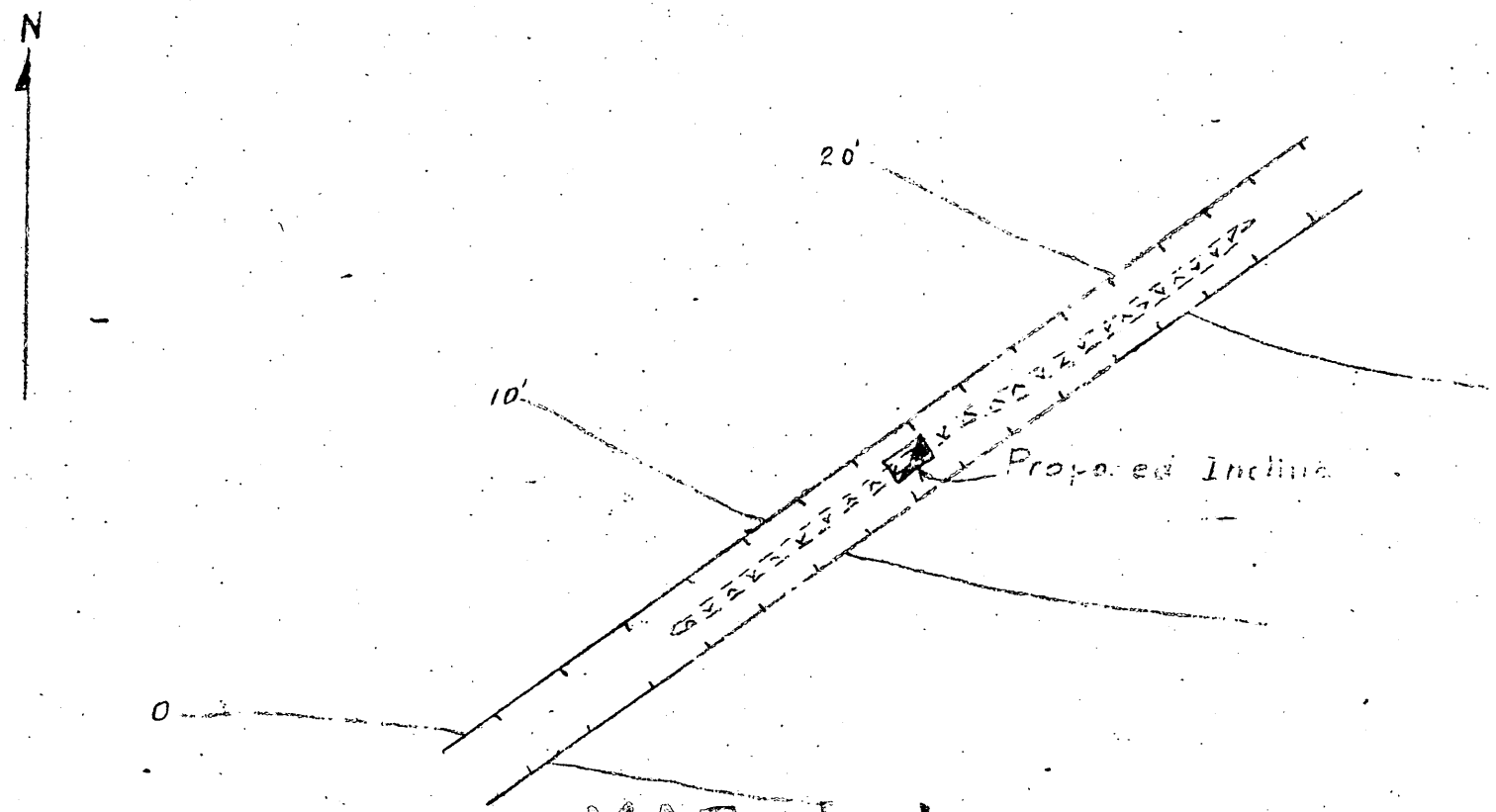
Filed for registration on
24 day of Aug A. D., 1953
at 8:30 O'clock A.M., and Regis-
tered in the office of Register of
Deeds, Cleveland County, N. C.,
in Book [illegible] page [illegible]

[illegible]

[illegible]

[illegible]


N
20
10
0
A
42'
A'
A
A'
SECTION A-A'
35
60
40
PLAN
42' LEVEL
0
20'
40'
SCALE
SKETCH OF
HUBERT COOK #2 MINE
CLEVELAND CO., N.C.
DMEA-3155 (mica)



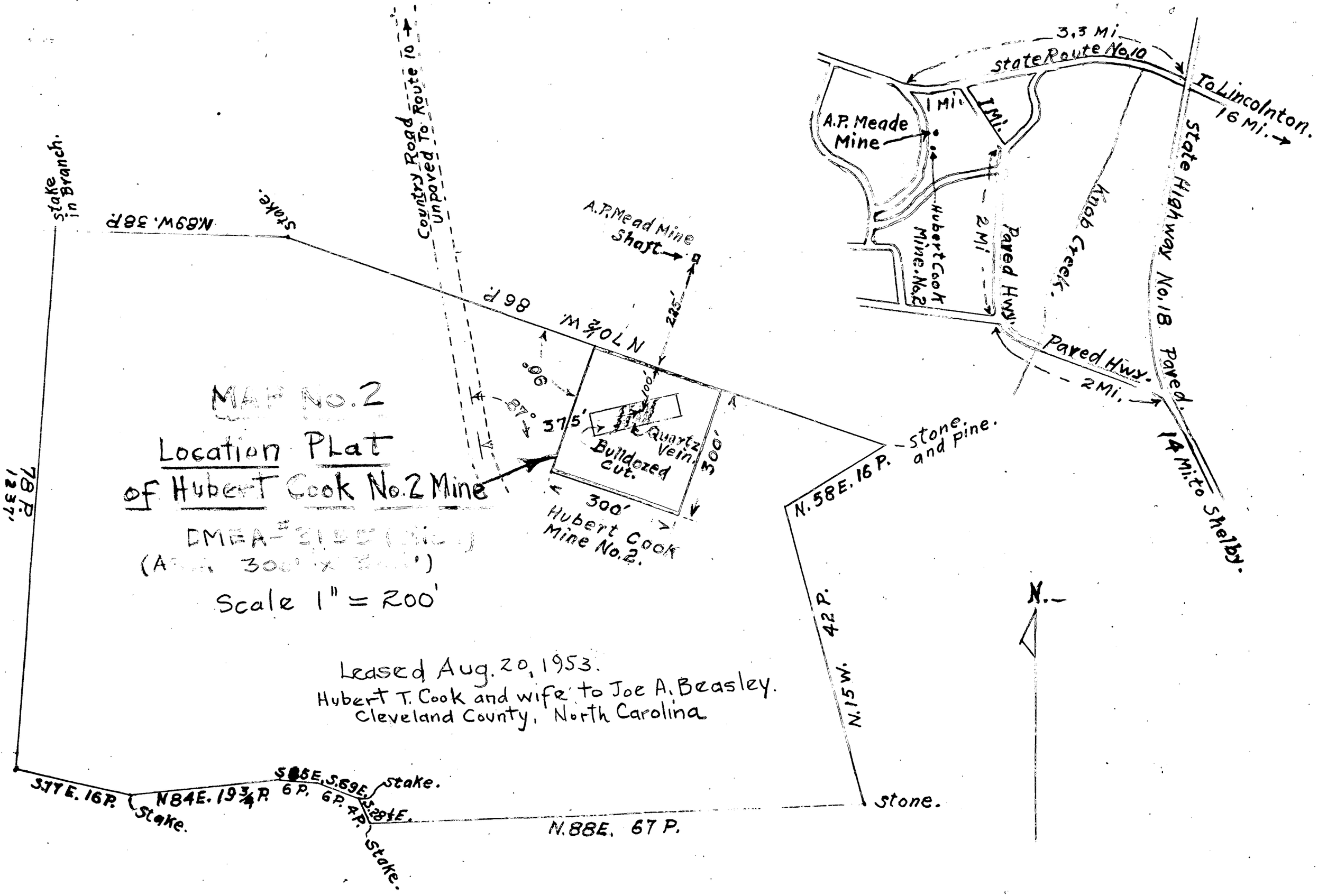
MAP No. 1

Sketch of
Hubert Cook No. 2 Mine
Cleveland Co. N.C.

0 40' 80'
Scale

DMEA_3155(mic 4)

9/23/53



DMEA-3155

Joe A. Beasley.
Cleveland Hotel.
Shelby, N.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
224 NEW CUSTOMHOUSE
DENVER 2, COLORADO

OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE $300
(PMGC)

Reg. Mail
Return Recpt. Requested

Mr. C.O.Mittendorf, Administrator
Defense Minerals Exploration Administration
Interior Bldg.
Washington 25, D.C.

66285