DMEA 3568

DOCKET INDEX

ACTION DOCUMENTS

1	APPLICATION	DATE RECEIVED 11-15-54
2	CONTRACT	DATE 1-20-55
3	TERMINATION AGREEMENT	DATE 5-24-55
4	CERTIFICATION	DATE
5	AUDIT REPORT	DATE
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Docket Copy

RECEIVED

JUN - 2 1955

TERMINATION AGREEMENT

It is agreed this 24 day of May, 1955, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Ernest Crowder, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E758 (Docket No. DMEA-3568), dated January 20, 1955, hereinafter called the "Contract," that:

1. Effective April 6, 1955, the Contract and all obligations of the parties thereunder, except as otherwise herein expressly provided, shall be and are hereby terminated.

2. The Government shall contribute only to the fixed unit costs of work performed prior to said effective date.

3. The Operator shall promptly perform all winding-up and settlement actions provided for in the Contract, including the rendering of the final report and final account.

4. All rights of the Government provided for in the Contract with respect to a certification of discovery or development and a percentage royalty and lien for its payment are preserved.

5. The Operator hereby releases and agrees to save the Government harmless from all claims or demands under or arising out of said Contract, except as otherwise provided in this termination agreement.

IN WITNESS WHEREOF, these parties have executed this agreement as of the day and year first above written.

THE UNITED STATES OF AMERICA

By Robert A. Laurence
Robert A. Laurence,
Executive Officer, DMEA Field
Team, Region V

ERNEST CROWDER

Ernest Crowder

Robin Hofflund
Appd. sul. Cil. 1A
Chamberlin Hook
Selfridge
Hopkins

Docket Copy

MF-200A
(Revised June 1954)

Docket No. DMEA [illegible]

Commodity Mica

Contract No. Idm-E - 758

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
EXPLORATION PROJECT CONTRACT[1]
(Short Form)

It is agreed this 20th day of January, 195 5, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and [2] Ernest Crocker, whose mailing address is Spruce Pine, N. C., hereinafter called the "Operator," as follows:

ARTICLE 1. *This contract* is entered into under the authority of the Defense Production Act of 1950, as amended. It consists of this form (MF-200A), the attached Exhibit "A," Annex I, and .....

The Operator shall not transfer or assign this contract or any right thereunder without the written consent of the Government.

ARTICLE 2. *Operator's property rights.*—(a) The land which is the subject of this contract (hereinafter called "the land") is in the State of North Carolina, County of Gaston, and is described in Annex I.[3]

(b) The Operator represents and undertakes that:

(1) The Operator is the [4] lessee of [5] the mineral rights in the land, in possession and entitled to possession for all of the purposes of this contract, under and by virtue of a [6] lease, [7] unrecorded in Book ....., page ....., official records of said County; and

(2) The Operator's right, title, or interest (whether as owner, lessee, or otherwise) is subject only to the following claims, liens, or encumbrances: .....

(c) The Subordination Agreement of the holder of any claim, lien, or encumbrance listed above, and (if the Operator does not hold the legal title) the Consent to Lien of any holder of the legal title of the land (lessor, seller, optionor, etc.), are attached, as follows: Owner's Consent to Lien

[1] If sufficient space is not provided in any blank, use an extra sheet of paper and refer to it in the blank.
[2] Insert name, and if an organization, its nature (corporation and place of incorporation, partnership with names of partners, etc.).
[3] State on a separate sheet marked "Annex I" the legal description or enough to identify the property, particularly excluding any areas from which the production is not to be subject to the Government's percentage royalty.
[4] Insert "owner," "lessee," "contract purchaser," "locator," etc.
[5] Insert "the entire interest," "the mineral rights," "an undivided one-third," etc.
[6] Insert "deed," "lease," "contract," "location notice," "patent," etc.
[7] If not recorded, so indicate by inserting "un."

(d) The Operator shall preserve and maintain his right, title, and interest in the land and his right to the possession thereof for the purposes of this contract, and shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances to the purposes of this contract. Until the lapse of the time within which the Government may make a certification of discovery or development without any such certification having been made, and after any such certification has been made, the Operator shall neither transfer, convey, nor surrender the land nor any right, title, or interest therein, nor permit nor suffer any claim, lien, or encumbrance thereon, without expressly referring to and providing in the instrument of conveyance, lien, or encumbrance for the preservation of the Government's right to a percentage royalty on production and lien for the payment thereof. If the Government makes no certification of discovery or development within the time limited in Article 7, it shall thereafter have no claim against the land or any production therefrom except for any production referred to in Article 7(b)(1).

ARTICLE 3. *The exploration project.*—The project is a search for indicated or undeveloped deposits of Mica. The work to be performed is described in Exhibit "A." The Operator on or before FEB 21 1955 shall commence the work, and on or before 3 mos. after date of contract (unless the Operator's obligation to complete the work is terminated—see Article 8) shall complete the work.

ARTICLE 4. *Performance of the work.*—(a) *Operator's responsibility.*—The work shall be performed with reasonable diligence, efficiently, expertly, in a workmanlike manner, in accordance with good mining standards and State regulations for health and safety and for liability insurance covering employment; and with suitable and adequate equipment, facilities, materials, supplies, and labor, to bring it to completion within the time fixed.

(b) *Government may inspect.*—The Operator shall consult with and inform the Government on all phases of the work as it progresses. The Government may enter at all reasonable times to inspect the work under the contract, and also after a certification of discovery or development to inspect production operations and underground workings. The operator shall provide the Government with all reasonable means of access for such inspections.

ARTICLE 5. *Contribution by the Government.*—A fixed cost for each unit of work to be performed (per foot of drifting, per foot of drilling, per hour of operations, etc.) is hereby agreed upon, and is set forth in Exhibit "A" in connection with the estimated total cost of the project in the sum of $4,356.00. The Government will contribute 75 percent of the fixed unit costs as work is performed, in a total sum not in excess of $3,267.00: *Provided,* That until the Operator has rendered to the Government his final report, and any final 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 10 percent of the estimated total cost of the work. The Government will make its contribution on the basis of the monthly vouchers referred to in Article 6(b), but all payments by the Government are provisional only, subject to audit, until the account between the Operator and the Government is finally audited and settled. To the extent that excesses over fixed unit costs or any excess over the estimated total cost may be necessary for the performance of the work, the Operator shall incur and pay such excesses for his own account without contribution by the Government. The Government may make payments directly to independent contractors and suppliers for the account of the Operator rather than to the Operator.

ARTICLE 6. *Reports, accounts, audits.*—(a) *Operator's records.*—The Operator shall keep suitable records and accounts of the units of work performed and of any production in which the Government may have an interest; and shall preserve those with respect to work performed for at least three years after final payment by the Government, and those with respect to production for at least three years after any obligation to pay royalties to the Government has terminated. The Government may inspect and audit said records and accounts at any time, either by itself or by a certified public accountant. The Comptroller General of the United States or his representative, until the expiration of said three-year periods, shall have access to and the right to examine any pertinent books, documents, papers, and records of the Operator. All of the Operator's vouchers and records and accounts relating thereto and the Government's payments thereof remain subject to adjustment until final audit by the Government.

(b) *Progress reports and vouchers.*—The Operator shall provide the Government with five copies of monthly progress reports in three sections as follows: (1) Operator's Monthly Report and Voucher showing a detailed statement of units of work performed during the reporting period; (2) Operator's Unit Cost and Progress Report showing the various types of work performed during the reporting period and the fixed unit costs incurred for each type of work; and (3) a Narrative Report of the work

performed during the reporting period including adequate engineering-geological maps or sketches, drill hole logs and locations, and assay reports on samples taken concurrently with advance in mineralized ground. (Forms for reporting under (1) and (2) above will be provided by the Government.)

(c) *Final report.*—Upon completion of the work or termination of the Government's obligation to contribute to costs, the Operator shall furnish the Government with five copies of a final report (in addition to the final progress report and voucher). This final report shall include a geological and engineering evaluation of the results of the work performed under the contract with an estimate of the ore reserves resulting from such work, complete assay data, adequate geological and engineering maps or sketches, and a summary of the work performed and the unit costs thereof.

(d) *Report of sales.*—The Operator shall provide the Government with suitable accounting and documentary evidence covering all production to which the Government's percentage royalty relates, such as copies of smelter or concentrator settlement sheets, and certified accounts of production and sale or other disposition of production.

(e) *Compliance with requirements.*—If in the opinion of the Government any of the Operator's reports, records, or accounts are insufficient or incomplete, or if the Operator fails to make them, the Government may procure the making or completion of such with suitable attachments as an expense of the work to which the Operator shall contribute. The Government may withhold approval and payment of any vouchers relating to insufficient or incomplete reports, records or accounts.

ARTICLE 7. *Repayment by Operator.*—(a) *Certification.*—If the Government considers that a discovery or development from which production may be made has resulted from the work, the Government, at any time not later than six months after a sufficient final report and final account (see Article 6) has been rendered, may so certify in writing to the Operator. Such certification shall describe broadly or indicate the nature of the discovery or development.

(b) *Royalty on production.*—The Operator, as principal if the Operator is the producer, or as surety if the Operator is not the producer, shall pay to the Government a royalty on all minerals mined or produced from the land, as follows: (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, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first; or (2) if the Government makes a certification of discovery or development, within a period of ten years from the date of the contract, or until the total net amount contributed by the Government without interest is fully repaid, whichever occurs first.

(c) *Basis for computation.*—The Government's royalty shall be a percentage of the gross proceeds (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrates, metal, or equivalent), at the point of delivery (the f. o. b. point); *except,* that charges of *the buyer* arising in the regular course of business, and shown as deductions on the buyer's settlement sheets, on account of the cost of treatment processes performed by *the buyer,* sampling and assaying to determine the value of the production sold, and freight paid by *the buyer* to a carrier (not the Operator), shall be allowed as deductions in arriving at the "gross proceeds" as that term is used herein. Any costs of treatment processes, sampling or assaying, or transportation, performed or paid by the Operator or by anyone other than the buyer, are not deductible in arriving at the "gross proceeds" as that term is here used. The term "treatment processes," as here used, means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground, to put it into a commercially marketable form; excluding fabricating or manufacturing.

(d) *Unsold production.*—If any production (ore, concentrates, metal, or equivalent), after the lapse of six months from the date the ore was extracted from the ground, remains neither sold nor used by the Operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled), the Government, at its option, as long as it so remains, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrates, metal, or equivalent) it is in when the Government elects to require computation and payment. If any production is used by the Operator in integrated manufacturing or fabricating operations before the Government makes its election, the Government's royalty on such production shall be computed on the value thereof in the form in which and at the time when it is so used. "Value" as here used means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(e) *Percentages of royalty.*—The percentages of the Government's royalty shall be as follows:

One and one-half (1½) percent of amounts ("gross proceeds" or "value") not in excess of eight dollars ($8.00) per ton of production in the form in which sold, held, or used, plus one-half (½) percent for each additional full fifty cents ($0.50) by which such amounts exceed eight dollars ($8.00) per ton, but not in excess of five (5) percent of such amounts.

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

(f) *Time for computation and payment.*—The Government's royalty shall be computed and paid currently upon each lot sold, held, or used in integrated operations, as the case may be, as above provided in this article.

(g) *Lien for payment.*—To secure the payment of its percentage royalty, there is hereby granted to the Government a lien upon the land or the Operator's interest in the land and upon any production of minerals therefrom, until the royalty claim is extinguished by lapse of time or is fully paid.

(h) *Notice to purchasers.*—The Operator shall give notice of the Government's claim for royalty to any purchaser of the production, and shall authorize and direct such purchaser to pay the royalty directly to the Government and to furnish the Government with copies of the settlement sheets. If the records of any production and sales or other disposition of production, whether the production is by the Operator or by others, are not made available to the Government, the amount of the royalty may be estimated by the Administrator, Defense Minerals Exploration Administration, or his successor, and his estimate thereof shall be final and binding upon the Operator.

(i) *No obligation to produce.*—Nothing in this contract is to be construed as imposing any obligation on the Operator or the Operator's successor in interest to engage in any production operations.

(j) *Government not obligated to buy.*—Nothing in this contract shall be construed as imposing any obligation on the Government to purchase any minerals mined or produced from the land.

ARTICLE 8. *Termination of the Government's obligations.*—(a) If in the opinion of the Government operations at any time have failed to achieve anticipated results that indicate the probability of making a worthwhile discovery, and in the opinion of the Government further operations are not justified, the Government may give the Operator written notice thereof, and thereupon the Government shall be free of all obligation to pay on account of units of work not then performed, and the Operator shall be free of all further obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting.

(b) If in the opinion of the Government the Operator is in any manner in default under the terms of the contract, the Government may give the Operator written notice of such default with a specification of reasonable time within which the default must be cured; and if the Operator fails to cure such default as required, thereupon the Government shall be relieved of all obligation to pay on account of units of work not performed when the notice was given, and the Operator shall be free of all obligation to prosecute the work other than such as may be necessary and incidental to winding up, reporting, and accounting. The remedy provided for the Government in this paragraph "(b)" is in addition to any other remedy provided in this contract, and in addition to any other remedy the law may provide for breach of contract.

(c) The giving of any notice by the Government under the provisions of this Article 8 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and such rights shall be fully preserved.

ARTICLE 9. *Notices to be given by the Government* may be delivered to the Operator, or may be sent by registered mail addressed to the Operator at his mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 10. *Officials not to benefit.*—No member of or delegate to Congress or resident commissioner shall be admitted to any share or part of this contract or to any benefit that may arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

ARTICLE 11. *Changes and added provisions.*—

Executed in sextuplicate the day and year first above written.

Ernest Crowder
ERNEST CROWDER
(Operator)

By .....

.....

THE UNITED STATES OF AMERICA

By O P Mitchell
Administrator, Defense Minerals
Exploration Administration

Fulton
Hoffman
Hopkins
Kruh
Talbot
Selridge
Thomson

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—70618-1

EXPLORATION PROJECT CONTRACT
ERNEST CROWDER
DOCKET NO. DMEA-3568

ANNEX I

The land referred to in Article 2 of the Contract was leased by W. M. Lingerfeldt and his wife Florence E., to Ernest Crowder, by an instrument dated October 19, 1954, and is described as follows:

> BEGINNING at a black oak W. M. Hovis corner in the Lingerfeldt line and runs north 35 west 58 poles to a sourwood; thence south 57½ west 8 poles to a stake; thence south 76 west 65 poles to a stake; thence south 16 west 8 poles to a stake; thence south 2 east 15 poles to a stone; thence south 30 west 12 poles to a stone; thence south 20 east 3 and 2/5ths poles to a pine; thence north 72 east 22 and 2/5ths poles to a power line pole; thence south 25 east 50 poles to a stone; thence north 36 east 20 and 3/4ths poles to a stone; thence north 50 east 40 poles to the BEGINNING.

The description of the land is contained in a deed recorded in Book 168 of Deeds at page 171, Gaston County registry.

EXPLORATION PROJECT CONTRACT
ERNEST CROWDER
DOCKET NO. DMEA-3568

EXHIBIT "A"

The work consists of two successive stages, as follows:

Stage I

With a D-4 bulldozer or equivalent, cut a trench 50 feet long by 20 feet wide by 5 feet deep to better expose the pegmatite and to locate the most suitable shaft site. The approximate locations of the trench and the shaft site are shown on the attached sketch, entitled, "Sketch of Lingerfeldt Prop. Gaston Co., N. C. DMEA-3568 (mica)," made a part hereof.

Stage II

If the Government is of the opinion that the results of Stage I warrant it and it grants prior approval, Stage II shall be performed.

1. Construct

(a) A toolhouse, minimum dimensions 8 feet by 10 feet by 7 feet

(b) A powder storage magazine, minimum dimensions 4 feet by 3 feet by 2½ feet.

(c) An exploder storage magazine, minimum dimensions 2 feet by 1½ feet by 1 foot.

The toolhouse may be unfloored; shall be made from unfinished lumber, with protective roof covering; and shall be equipped with lock and key.

The powder and exploder magazines shall be boxed on all sides; shall be made from 2-inch hardwood or 3-inch softwood; and shall be braced at the corners. Lumber for these two boxes shall be smooth on the inside of the boxes. No metal shall be exposed; and the lids shall be securely locked with equivalent of a 5-tumbler jarproof lock.

2. Sink a 40-foot vertical or, if necessary, inclined shaft at a point agreed upon between the Government and the Operator. The shaft shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

On the 40-foot level of the shaft, drive 80 feet of drifts and/or crosscuts having minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber.

All work shall be timbered as necessary.

The location, inclination, direction and extent of all work are subject to prior approval of the Government.

Fixed Unit Costs

Stage I

Bulldozing 12 hours @ $10.00/hr.	$ 120.00

Stage II

Constructing:		
Toolhouse 1/	78.00	
Powder Magazine 1/	25.00	
Exploder Magazine 1/	13.00	
Sinking 40 feet of shaft @ $40.50/ft.	1,620.00	
Drifting and/or crosscutting 80 feet @ $31.25/ft.	2,500.00	
Estimated Total Cost of Project		$4,356.00
Government participation @ 75%		$3,267.00

1/ The completed work constitutes the unit.

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1955

MF-203
(Revised July 1, 1954)

OWNER'S CONSENT TO LIEN

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

Beginning at a black oak, W. M. Hovis' Corner on the Dingerfeldt line, and runs thence N. 35 W 58 poles to a sourwood, thence S. 57½ W. 8 poles to a stone, containing 25.6 Acres, more or less

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

2/ _____

_____

_____

hereinafter called the "Operator"; and

WHEREAS, under the provisions of said contract the Government is entitled to a percentage royalty on production and to other rights and equities which do or may conflict with or be adverse to the rights of the undersigned:

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

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

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

1/ Either (a) insert the legal description of the land, or (b) strike out the words "as follows" and insert "in a lease [or contract, deed, or other document] dated December 22, 1921 and recorded in book 168 page 171 official records of said county." If (b) is used, the book and page of recordation cannot be dispensed with. If the space provided is insufficient, use an Annex, and refer to the Annex in the space.

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

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

(OVER)

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

4. Changes and added provisions _____

_____

_____

_____

Dated this 11 day of October, 1954.

Wm. Lingerfeldt [Seal]

Florence E. Lingerfeldt [Seal]

_____ [Seal]

Signed before me, this 11th day of October 1954
Martha H. Zimerick, N.P.
my commission expires Jan. 19, 1955

BEGINNING at a black oak W. M. Hovis corner in the Lingerfeldt line and runs north 35 west 58 poles to a sourwood; thence south 57½ west 8 poles to a stake; thence south 76 west 65 poles to a stake; thence south 16 west 8 poles to a stake; thence south 2 east 15 poles to a stone; thence south 30 west 12 poles to a stone; thence south 20 east 3 and 2/5ths poles to a pine; thence north 72 east 22 and 2/5ths poles to a power line pole; thence south 25 east 50 poles to a stone; thence north 36 east 20 and 3/4ths poles to a stone; thence north 50 east 40 poles to the BEGINNING.

Wm. Lingerfeldt
Florence E. Lingerfeldt

DOCKET COPY
Surname:
Hopkins
Houk
Chambers
Selfridge
R. Johnson

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

600

MAR 22 1956

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3568-Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina
Contract No. Idm-5758

Dear Mr. Crowder:

Reference is made to your terminated exploration contract with the Government.

We sincerely regret that the work performed did not result in a certification of discovery or development under the provisions of the contract. In the absence of such certification, the Government retains no claim or lien against the property subject to the contract or any future production therefrom. We, therefore, are closing our books and records on this project. Your attention, however, is called to the provisions of the contract which require the Operator to keep and preserve certain records for the period indicated.

Your interest in the DMEA exploration program and participation therein are fully appreciated.

Sincerely yours,

Administrator

JHopkins:ms 3/19/56
Copy to: Docket
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Hopkins
Admr. R. File
W. M. Lingerfeldt)
Florence E. Lingerfeldt) TO FIELD FOR FORWARDING

R.S.J.

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

Project Summary Report

March 19, 1956

By: James Hopkins

1. Docket No. DMEA-3568-Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina
Contract No. Idm-E758

Operator: Ernest Crowder
Spruce Pine, North Carolina

Operator's Property Rights:
Lessee of the mineral rights from W. M. Lingerfeldt and his wife Florence E., owners.

2. Contract: dated January 20, 1955

a) Work authorized:

Stage I	
Bulldozing to expose pegmatite 12 hrs @ $10.00	$ 120.00
Stage II	
Construction: Toolhouse, Powder and Exploder magazines	116.00
Sinking 40 feet - 5'x7' shaft @ $40.50/ft.	1620.00
Drifting and/or crosscutting 80 ft. @ $31.25/ft.	2500.00
Estimated Total Cost	$4356.00

b) Amendments: none

c) Work completed:

Bulldozing trenches 12 hrs @ $10.00	$ 120.00
Shaft sinking 40 ft. @ $40.50/ft.	1620.00
Construction: Toolhouse, Powder and Exploder magazines	116.00
Drifting: 26 ft/@ $31.25/ft.	812.50
Total Cost	$2668.50

Work began February 8, 1955
Work was terminated by mutual agreement April 6, 1955 when it became apparent that there was little possibility of discovering a mica deposit.
Final Operator's Report was waived by the Executive Officer
Final Field Team Report dated June 9, 1955.

3. Audit Report: Report of Review dated May 25, 1955

Total Cost as billed by the Operator	$2668.50
Exceptions	None
Total Accepted Cost	$2668.50
Government participation @ 75%	$2001.37

4. Certification of Discovery - none issued

5. Comments:

Considerable mica of strategic quality had been recently revealed in numerous shallow test pits and an old partly caved shaft which suggested the existence of a strategic mica bearing pegmatite.

Geological Criteria on which work was based:

A thick(about 30') semi-weathered pegmatite, consisting of kaolinized feldspar, quartz, muscovite and biotite was exposed in a shaft and test pits. Material on dumps suggested country rock is hornblende gneiss and sillimanite schist.

Geologic Criteria developed during project work:

A disconformable pegmatite having maximum thickness of 40 feet was exposed.
No zoning was apparent
Country rock is mica-sillimanite schist
No concentration of mica
Small quantities of non-strategic mica - badly cracked somewhat curved, small in size and containing biotite inclusions was found, scattered through the pegmatite.
200 lbs. of "mine-run" mica having no value was produced.

Future Possibilities:

None. No additional work is warranted.

There are no reserves.
No equipment was purchased.
Work was completed in an efficient and satisfactory manner.

Recommendations:

The Field Team concluded and recommended that a certification should not be issued because the work failed to discover a concentration of mica.

The Nonmetallic Minerals Division concurs in the recommendation.

The Commodity Divisions of Geological Survey and Bureau of Mines also concur.

James Hopkins
Nonmetallic Minerals Division

IN REPLY REFER TO:

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

RECEIVED
SEP - 1955

September 29, 1955

Re: DMEA 3568, Idm-E758
Ernest Crowder
Lingerfeldt prospect
Gaston County, N. C.
$4,356.00 - Mica

Memorandum

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

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

Subject: Review of Field Team Final report.

A possible expenditure of $4,356.00 was approved for this project, but work was stopped and a termination by mutual agreement made after $2,668.50 had been spent.

A disconformable pegmatite with a maximum thickness of about 40 feet was exposed by trenches and partly crosscut by a 26-foot crosscut from the shaft at the 25-foot level. About 200 pounds of mica, badly cracked, somewhat curved, small in size and containing biotite inclusions was recovered. Little is of strategic value.

I concur with the recommendation of the Field Team that no certificate of discovery be issued.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUL - 5 1955

July 5, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA - 3568 (mica)

Applicant: Ernest Crowder

Name and Location of Property: Lingerfeldt Prospect
Gaston County, North Carolina

Contract Number: Idm-E 758

Date of Field Team Report: June 9, 1955

Date Rec'd by Br. of Ceramic & Fertilizer Materials: June 17, 1955

Field Team Recommendation: No Certification of discovery be issued

Comments:

1. No strategic quality mica was encountered in the pegmatite dike.

Recommendation:

I concur with the field team's recommendation.

W. F. Dietrich

W. F. Dietrich

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
WASHINGTON 25, D. C.
KNOXVILLE 2, TENN.

June 13, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: DMEA Field Team, Region 5, Knoxville, Tennessee

Subject: Final Report - DMEA-3568, Idm-E758 (mica) Ernest Crowder, Spruce Pine, N. C. Lingerfeldt Prospect, Gaston County, N.C.

Enclosed are four copies of the Field Team final report on the subject project. We recommend that no certificate of discovery be issued.

The Operator did not submit a final engineering and geologic report, but we are willing to accept his two narrative reports as fulfilling this requirement; it is unlikely that insistence upon a final engineering and geologic report would provide us with any information which we did not already have.

Effective date of the termination was April 6, instead of March 24, as stated in the report.

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

V. J. Lynch
V. J. Lynch, Mmember
Bureau of Mines

Reviewed by
DMEA OPERATING COMMITTEE
6-17-55
(date)

RECEIVED
JUN 15 1955

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

DMEA FIELD TEAM, REGION V

On

DMEA-3568, LINGERFELDT PROSPECT.
(mica)
Gaston County, N. C.

Reviewed by
DMEA OPERATING COMMITTEE
6-17-55
(date)

By

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

and

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

RECEIVED
JUN 15 1955

June 9, 1955

FINAL REPORT

DMEA-3568, Idm-E758, LINGERFELDT

Operator: Ernest Crowder, Spruce Pine, N. C.

Location: 5 miles southeast of Cherryville, Gaston County, N. C., and 1/4 mile west of the Huskins Mine.

Exploration under this contract of a thick pegmatite failed to discover a concentration of strategic mica. It is recommended that no certification of discovery be issued. Additional exploratory work is not warranted.

Work under the contract began February 8, 1955. The contract was terminated by mutual agreement, effective May 24, 1955, when it became apparent that there was little possibility of discovering a mica deposit. Two crossuctting trenches, parallel to each other, about 50' x 20' x 3' deep and trending N. 20° W. were bulldozed and a toolhouse, powder magazine and exploder magazine were constructed. A 40-foot vertical shaft was sunk and a 26-foot crosscut was driven in a N. 45° W. direction from the 25-foot level of the shaft.

A disconformable pegmatite having a maximum thickness of about 40 feet was exposed by the trenches and the underground work. It strikes N. 35° E. and dips 42° to the northwest. The body consists of semi-weathered potash feldspar, quartz, muscovite and vermiculitic biotite. No zoning is apparent except a tendency for muscovite to be concentrated along the contacts. The enclosing country rock is mica-sillimanite schist.

About 200 pounds of "mine-run" mica most of which is not of strategic quality was recovered from the work done under the contract. The mica is badly cracked, somewhat curved, small in size, and contains biotite inclusions.

Reserves revealed by the work completed are negligible.

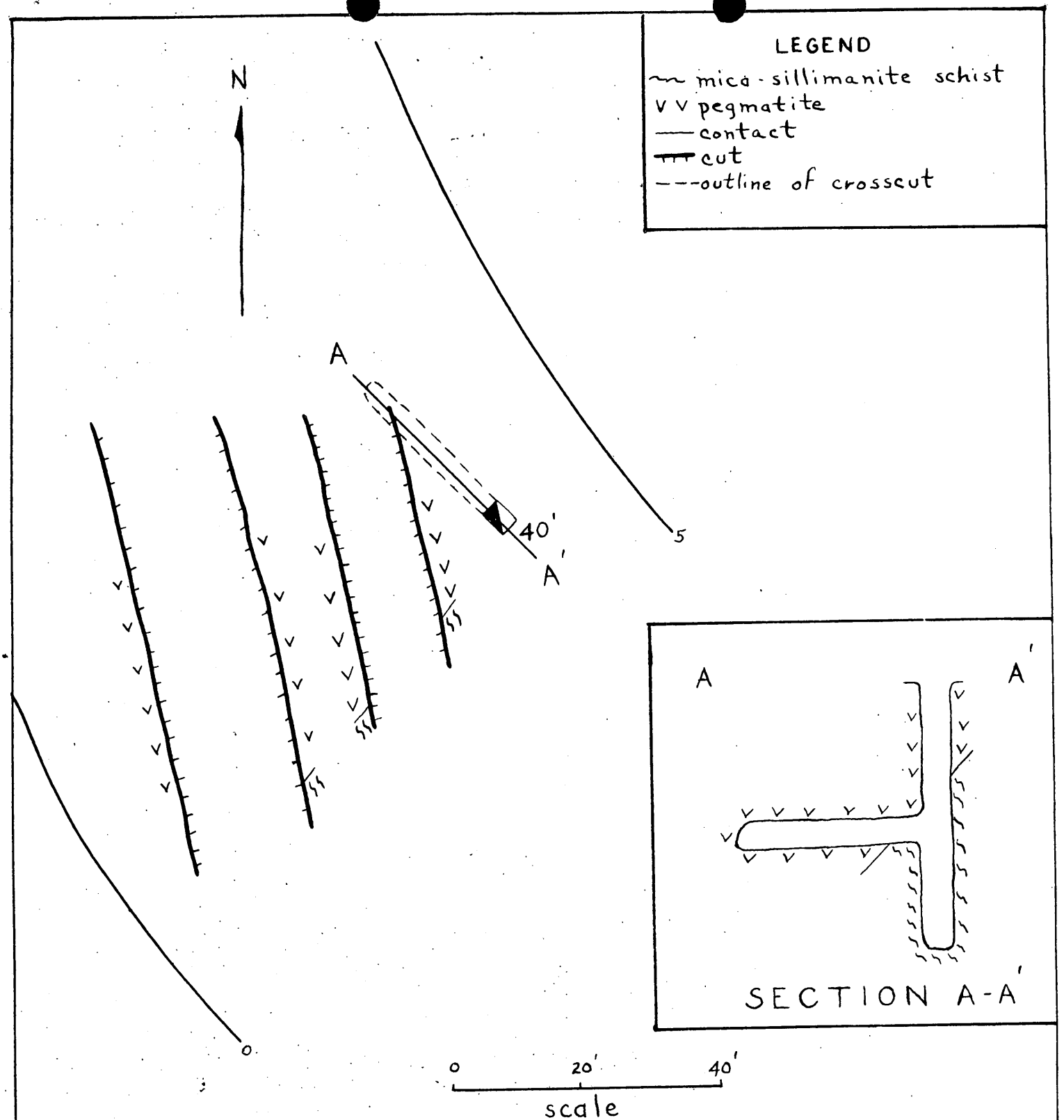
Expenditures:	(a)	Total approved	$4,356.00
	(b)	Total cost of project	2,668.50
	(c)	Government's participation	2,001.37
	(d)	Government's share unexpended	1,265.63
	(e)	Value of production during opr.	None ?

The work completed under the contract was conducted in an efficient and satisfactory manner. No equipment was purchased under the contract.

June 9, 1955.

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

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



SKETCH OF
LINGERFELDT PROP.
GASTON CO., N.C.

DMEA-3568

April 6, 1955

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

RECEIVED
JUN - 2 1955

May 31, 1955

Memorandum

To: Operating Committee, DMEA, Washington 25, D. C.

From: Executive Officer, DMEA, Region V

Subject: Termination Agreement, DMEA-3568, Idm-E758 (Mica)
Ernest Crowder, Spruce Pine, N.C.
Lingerfeldt Prospect

Enclosed are the Government, Docket, and Division copies of the executed Termination Agreement for the subject contract. The other copies have been distributed to the Finance Office, Operator, and Field Team files.

Robert A. Laurence
Robert A. Laurence

Enclosures 3

DOCKET FILE
Surname:

Hopkins
Houk
Chandler
Selfridge
Johnson
Mittendorf

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

600

MAY 23 1955

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

Subject: Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina
Contract No. Idm-E758

Dear Mr. Laurence:

Reference is made to the Field Team memorandum dated April 12, 1955, recommending termination of the subject contract by mutual agreement.

We have prepared and enclosed herewith the original and five copies of a Termination Agreement for your signature. If it meets with your approval please sign it in behalf of the Government and present it to the Operator for his approval and signature.

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

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard (JHB)
Member, Geological Survey

Enclosures 6

JHopkins:ad 5/18/55
Copy to: Admr. R. File
Docket
Operating Committee
~~XXXXXXXXXXXX~~
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

Docket Copy
Surname:

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

May 6, 1955

Memorandum

To: Mr. J. L. Hofflund, Acting Assistant Solicitor

From: Nonmetallic Minerals Division

Subject: Termination Agreement - Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina
Contract No. Idm-E758

Please prepare Termination Agreement to the subject contract to be signed by the Executive Officer, DMEA Field Team, Region V, pursuant to his request in memorandum dated April 12, 1955.

James Hopkins
Nonmetallic Minerals Division

JHopkins:gad 5/6/55
Copy to: Admr. R. File
Docket
Mr. Houk

INTERIM REPORT

DMEA-3568, Idm-E758 (mica) LINGERFELDT PROPERTY

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: 5 miles southeast of Cherryville, and 1/4 mile west of the Huskins Mine, Gaston County, N. C.

Drifting is underway on this contract. The shaft was floored at the 24.5 foot level and turnoff was made to the northwest. A drift advance of 17.5 feet has been made in a N. 45° W. direction in pegmatite material that is primarily feldspathic. Some small blocks of muscovite and occasional thin biotite around platy quartz has been encountered.

Powder and exploder magazines have been completed. Timber has been required in the drift and 2" x 8" sawed oak planking has been used throughout.

Thor H. Kiilsgaard and Lawrence G. Houk accompanied the Examiners on this visit to the mine.

Inspected: March 30, 1955.

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
ROOM 1 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

April 12, 1955

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region 5, Knoxville, Tennessee

Subject: DMEA-3568, Idm-E758 (mica) Ernest Crowder, Spruce Pine, N. C.
Lingerfeldt Property, Gaston County, N. C.
Request for permission to Terminate

Enclosed are 4 copies of the latest interim report on the subject exploration contract.

We agree with the examiners' recommendation, and request permission to terminate by agreement with the Operator, effective April 6, 1955.

Certification will not be recommended.

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

V. J. Lynch
V. J. Lynch, Member
DMEA Field Team
U. S. Bureau of Mines

INTERIM REPORT

DMEA-3568, Idm-E758 (mica) LINGERFELDT PROPERTY

Operator: Ernest Crowder, Spruce Pine, N. C.

Location: 5 miles southeast of Cherryville, and 1/4 mile west of the Huskins Mine, Gaston County, N. C.

Work completed to date on this contract consists of a 40-foot vertical shaft and 26 feet of level work. The shaft was collared in pegmatite but the body dipped out of the shaft at a depth of 24.5 feet. From this point a crosscut was driven 26 feet in a N. 45° W. direction all of which was in pegmatite. The body strikes N. 35° E. and dips 42° N. W., and shows no apparent zoning. It consists of semi-~~[illegible]~~ kaolinized potash feldspar, quartz, muscovite and vermiculitic biotite. The muscovite is in large part not of strategic quality being cracked, small in size, curved, and somewhat stained. Only an insignificant quantity of "mine-run" mica has been recovered from the work completed to date.

It is recommended that no further work be done at this property and that the contract be terminated by mutual agreement. The Operator is in agreement.

Date of Exam: April 6, 1955.

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

z

INTERIM REPORT

DMEA-3568, Idm-E758, LINGERFELDT PROPERTY
(mica)

Operator: Ernest Crowder, Spruce Pine, N. C.

Location: 5 miles southeast of Cherryville, and 1/4 mile west of the Huskins Mine, Gaston County, N. C.

Shaft sinking has been completed to a total depth of 40 feet on this contract. A pegmatitic stringer was followed for the last ten feet of sinking, but proved insignificant. The Operator was advised to floor the shaft at the 30 ft. level, turn off a drift level and drive in a N. 50° W. direction. Evidence of movement by the presence of slickensides was noticed at contacts with the country rock, a mica schist.

A gasoline-powered single drum hoist, and conventional hoisting rig has been moved to the mine site and are now in use. Progress on this contract is satisfactory.

Inspected: March 15, 1955

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

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

z

INTERIM REPORT

DMEA-3568, Idn-E758 (mica) LINGERFELDT PROPERTY

Operator: Ernest Crowder, Spruce Pine, N. C.

Location: Five miles southeast of Cherryville, and 1/4 mile west of the Huskins Mine, Gaston County, N. C.

Shaft sinking is underway on this contract and is now at 6 feet. The shaft is being sunk in pegmatite composed of massive quartz, kaolinized feldspar and muscovite mica, some of which is badly clay stained. About 25 pounds of mica has been recovered from shafting completed.

No equipment, with the exception of hand tools, is on the property. A hoist and air compressor will be necessary before much additional sinking can be accomplished. A toolhouse has been constructed which is satisfactory.

Inspected: March 1, 1955.

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

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

z

DEFENSE MINERALS EXPLORATION ADMINISTRATION

INTERIM REPORT

DMEA-3568, Idm-E758 (mica) Lingerfeldt Property

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: 5 miles southeast of Cherryville, and 1/4 mile west of the Huskins Mine, Gaston County, N. C.

No additional work has been accomplished on this contract since the completion of Stage I. Shaft site location for Stage II has been made. A later contact with the Operator divulged that shaft sinking would begin in the near future, but no definite date could be given at that time.

Examined:
February 15, 1955

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

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

z

Department of the Interior
Defense Minerals Administration
RECEIVED
FEB 11 1955

DEFENSE EXPLORATION ADMINISTRATION

INTERIM REPORT

DMEA-3568, Idm-E758, LINGERFELDT PROPERTY
(mica)

Operator: Ernest Crowder, Spruce Pine, North Carolina

Location: 5 miles southeast of Cherryville, Gaston County, N. C., and 1/4 mile west of the Huskins Mine (DMEA-1388X).

The starting date on this contract is January 31, 1955. Two parallel trenches trending N. 20° W., each about 50' x 20' x 3' deep, were bulldozed normal to the strike of the pegmatite. The field examiners were present during the latter part of the dozing and recommended the second trench. Stage I of the contract has been completed.

A pegmatite about 40 feet thick was exposed by the trenching. It strikes about N. 45° E. and dips steeply to the northwest. Muscovite of strategic quality and size is present along the southeast wall of the body. It is flat, has minor mineral staining and is considerably cracked. The remainder of the pegmatite contains abundant mica, but it is mostly too small to yield sheet mica.

It is recommended that Stage II of the contract be undertaken. Location for a shaft was sited about 50 feet N. 70° E., of the existing shaft shown on the sketch attached to the contract.

Date of examination: February 1, 1955.

K. H. Teague D. H. Amos

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

z

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

January 28, 1955

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: Signed Contract - Idm-E758, DMEA-3568, Ernest Crowder (mica)
Spruce Pine, N. C.

Transmitted are three signed contract on the subject DMEA project. The usual distribution of the other copies has been made by this office.

Wm. A. Beck

Wm. A. Beck

DOCKET FILE
Surname:

Hopkins
Hirsch
Talbert
Selfridge
J. Johnson

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

600

JAN 20 1955

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

Subject: Docket No. DMEA-3568 - Miss Ernest Crowder
Lingerfeldt Property
Gaston 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 his approval and signature. Please explain to the Operator that the contract, when executed, is a firm commitment under the terms of which he 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, dated December 17, 1954, and from the Bureau of Mines, dated January 11, 1955, are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JHB)

Approved:

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

E. L. Newcomb (JHB)
Member, Geological Survey

Enclosures 10

JHopkins:ad 1/17/55
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.C.S.

DMFA 3568

MF-500

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS ADMINISTRATION

REFERENCE SLIP

DATE 1/7/55

REFERRED TO:
1. Secretary Records Section
2. Solicitor's Office
3. Mr. Hoffland
4. Room 7351

RECEIVED
JAN - 7 1955
GENERAL COUNSEL
DEFENSE MINERALS ADMINISTRATION

INTERIOR DEPT.
JAN- 7 1955
SOLICITOR

FOR:

..... Action	..... Recommendation
..... Approval	..... Record
..... Comment	of .....
..... Conference	..... Referring
..... Consideration	to .....
..... Filing	..... Reply for signature of .....
..... Instructions	..... Rewriting
..... Investigation	..... Signature
..... Initials	..... Suggestions
..... Mailing	..... Your information
..... Previous correspondence	

REMARKS: Please prepare contract from attached draft.

Check (X) before the items needing attention.

Nonmetallic Minerals Division
L. C. Hoover
per James Taylor
Initials of sender.

DMFA

GPO 16—63815-1

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

December 9, 1954

Memorandum

To: Operating Committee, DMEA - Washington

From: Field Team, DMEA - Region VII - Knoxville, Tennessee

Subject: Field Examination Report, DMEA-3568 (mica) Ernest Crowder, Spruce Pine, N. C. Lingerfeldt Property, Gaston County

Enclosed are four copies of the subject examination report and six extra copies of the map. Examination was made without referral to avoid extra travel.

We recommend approval of a contract as outlined in the report, on a unit-cost basis.

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

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

Reviewed by
DMEA OPERATING COMMITTEE
12-15-54
(date)

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD TEAM EXAMINATION REPORT, REGION VII

On

DMEA-3568, LINGERFELDT PROPERTY
(mica)
Gaston County, N. C.

BY

Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines
D. H. Amos, Geologist
U. S. Geological Survey

November 30, 1954

Reviewed by
DMEA OPERATING COMMITTEE
12-15-54
(date)

FIELD EXAMINATION REPORT
ON
DMEA-3568, LINGERFELDT PROPERTY (mica)

Applicant: Ernest Crowder, Spruce Pine, North Carolina

Considerable mica of strategic quality has recently been revealed on this property in numerous shallow test pits sunk by the applicant. It is recommended that exploration assistance be granted. The proposed program of exploration should be somewhat modified.

The Lingerfeldt Property is 5 miles southeast of Cherryville, Gaston County, North Carolina and 1/4 mile west of the Huskins Mine (DMEA-1388K, Idm-E 77).

The property was examined on November 30, 1954. Mr. Ernest Crowder accompanied the examiners on the inspection which required one hour.

The applicant is competent to conduct the proposed exploration. Area under lease is adequate and no property lines are near the deposit. Access is via 1/4 mile of farm lanes which are passable to vehicles in dry weather.

The only workings on the property are a shaft reported to have been about 25 feet deep but now filled to within 8 feet of the surface and several shallow test pits most of which are now filled. Most of the pits were made in recent months by the applicant.

A thick semi-weathered pegmatite is exposed in the shaft and several of the test pits. Distribution of pits exposing pegmatite material suggests that the body is in excess of 30 feet thick and strikes about N. 50° E. Direction and amount of dip can not be determined from the limited scattered exposures but it is probably steep to the northwest. No country rock is exposed but abundant float of horndlende gneiss and mica-sillimanite schist is present. The pegmatite consist of kaolinized feldspar, quartz, muscovite and biotite, in order of abundance. Muscovite is more abundant, larger in size and of better quality in the vicinity of the existing shaft. Quartz is also more abundant in the pegmatite at this point.

The muscovite is ruby-colored, flat and free-splitting. The chief defect is the cracked character of the mica.

Necessary equipment, supplies and labor are either locally available or can be obtained from the Spruce Pine area.

The applicants proposed program of exploration is sound but needs minor modifications. It is recommended that a limited amount of bulldozing be done in order to better expose the pegmatite and to locate the most suitable shaft site. A 40-foot vertical shaft rather than the 60-foot one proposed by the applicant should be sufficient to adequately explore the pegmatite. A total of 80 feet of drift and/or crosscuts should then be driven

from the bottom of the shaft. No major water problem is anticipated. The shaft and possibly the level work will require timbering.

Estimated Costs are as follows:

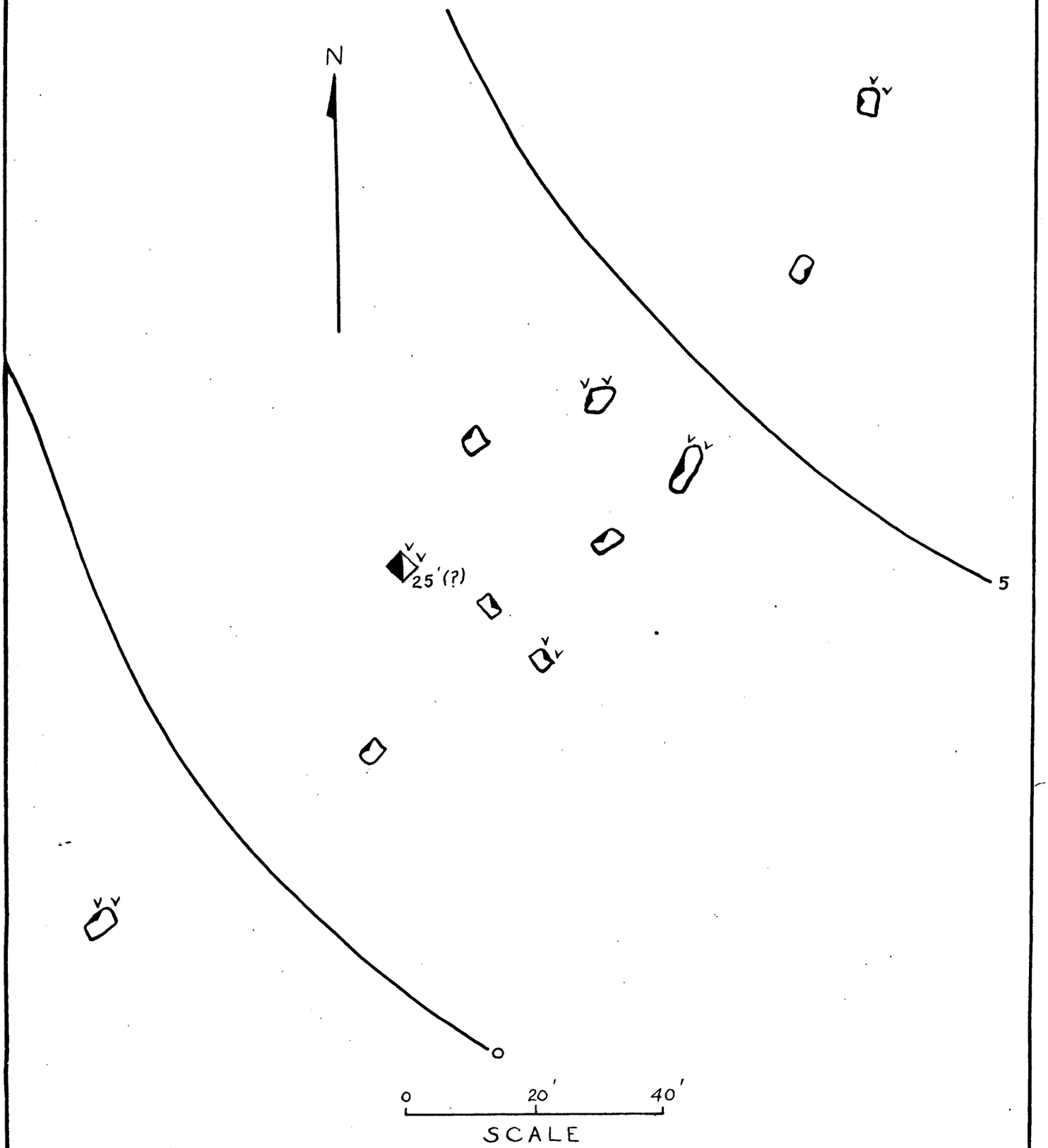
Bulldoze a trench 50' x 20' x 5' deep, 12 hours @ $10/hr.		$120.00
Construct:		
Toolhouse	~~$75.00~~ 78.00	
Powder Magazine	25.00	116.00
Exploder "	13.00	~~113.00~~
Sink 40-foot, 5' x 7' vertical (or inclined if necessary) shaft on pegmatite-timbered (20 shifts)		
Labor:		
1 - Miner @ $1.50/hr.	$240.00	
1 - Hoistman @ $1.25/hr	200.00	1500
1 - Laborer @ $1.00/hr.	160.00	
Equipment (rental):	600	
Compressor, drill & pump @ $240/Mo.	240.00	730
Hoist @ $50/Mo.	50.00	
Supplies:		
Timber 3000 b.f. @ $60/M	180.00	450
Drill steel	50.00	150
Explosives	100.00	
Pipe	50.00	
Gasoline & Oil	75.00	
Small tools	75.00	40.50
Miscellaneous	100.00	
Insurance & Social Security	100.00	$1,620.00
Drive 80-foot 5' x 7' drift on pegmatite (30 shifts)		
Labor:		
1 - Miner @ $1.50/hr.	360.00	
1 - Hoistman @ $1.25/hr.	300.00	
2 - Laborer @ $1.00/hr.	480.00 1140	
Equipment (rental):		
Compressor, drill, jackleg and pump @ $260/Mo.	390.00	
Hoist @ $50/Mo.	75.00 465	
Supplies:		
Timber, 2000 b. f. @ $60/M	120.00	

Supplies con'd.

Drill steel	$100.00	
Explosives	175.00	
Pipe	75.00	
Gasoline and oil	150.00	
Small tools	75.00	
Miscellaneous	100.00	
Insurance and Social Security	100.00	$ $2,500.00
	175.00	
Estimated Total Cost of Project.....		$ $4,353.00
		4356.00

November 30, 1954.

Lawrence E. Shirley, Mining Engineer
U. S. Bureau of Mines
and
D. H. Amos, Geologist
U. S. Geological Survey



SKETCH OF
LINGERFELDT PROP.
GASTON CO., N.C.

DMEA-3568(mica)

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

Defense Minerals
JAN 11 1955

January 11, 1955

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-3568 (mica)

Applicant: Ernest Crowder

Name and Location of Property: Lingerfeldt Property
Gaston County, North Carolina

Date of Field Team Report: December 9, 1954

Date Rec'd. by Br. of Ceram. & Fert. Mat.: December 16, 1954

Field Team Recommendation:

1. Approval of contract.

Comments:

1. Ruby muscovite was found in the exposed pegmatite dike.

2. Mica is more abundant in vicinity of existing shaft.

3. Proposed plan of exploration is consistent with good engineering practices and costs are in line with other DMEA projects.

Recommendation:

I concur in the field team's recommendation for an exploration project in the amount of $4,353.

W. F. Dietrich

W. F. Dietrich

IN REPLY REFER TO:

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

December 17, 1954

Re: DMEA-3568
Ernest Crowder
(Lingerfeldt Property)
Gaston Co., N. C.
$4,353 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Recommendation for approval

The Field Team has recommended a project of 50 feet of trenching, a 40-foot shaft and 80 foot drift be approved.

Although the evidence of significant mica is limited, a staged exploration program appears to be geologically justified.

I recommend a two-stage project be approved. Stage I is to consist of trenching and Stage II the shaft and drift work. On the completion of Stage I, the results of the work should be appraised by the Field Team. The location of the shaft should be contingent upon the trenching results.

E. L. Newcomb

E. L. Newcomb

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

DEPARTMENT OF THE INTERIOR
Defense Minerals Administration
RECEIVED
JAN 5 1955

DEC 17 1954

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina

Dear Mr. Crowder:

Reference is made to your application for exploration assistance. The legal description of the Lingerfeldt property in your lease and Owner's Consent to Lien which accompanied your application is inadequate for the purposes of an exploration project.

We are returning the copies of Owner's Consent to Lien which you submitted with your application. You may type the legal description from Book of Deeds 168, Page 171, on the back of these forms and have the owners initial the description.

Sincerely yours,

Lawrence G. Houk

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 7

DOCKET FILE
Surname:

Hopkins
Houk
Mitterdorf

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

DEC 17 1954

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina

Dear Mr. Crowder:

Reference is made to your application for exploration assistance. The legal description of the Lingerfeldt property in your lease and Owner's Consent to Lien which accompanied your application is inadequate for the purposes of an exploration project.

We are returning the copies of Owner's Consent to Lien which you submitted with your application. You may type the legal description from Book of Deeds 168, Page 171, on the back of these forms and have the owners initial the description.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

Enclosures 7
JHopkins:ad 12/16/54
Copy to: Admr. R. File
Docket
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

cc

DOCKET FILE
Surname:

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

Hyer
Houk
Selfridge
JG Johnson

DEC - 8 1954

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

Subject: Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina

Dear Mr. Laurence:

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

Copies of memoranda from the Geological Survey, dated November 24, 1954, and from the Bureau of Mines, dated November 22, 1954, are enclosed for your information.

If the field examination indicates that the property warrants an exploration project, it will be necessary for you to prepare the required map of the land because no sketch accompanied the application.

Sincerely yours,

George C. Selfridge
Chairman, Operating Committee (JHB)

Approved:

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

Thor H. Kiilsgaard
Member, Geological Survey (JHB)

Enclosures 4

JHopkins:ad 12/6/54
Copy to: Admr. R. File
Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

DOCKET FILE
Surname:

Hopkins
Houk
Hedges
Kilsgaard
Selfridge
Johnson

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

600

DEC - 8 1954

Mr. Ernest Crowder

Spruce Pine, North Carolina

Re: Docket No. DMEA-3568 - Mica
Ernest Crowder
Lingerfeldt Property
Gaston County, North Carolina

Dear Mr. Crowder:

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 further consideration and possibly a field examination.

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

Sincerely yours,

C. O. Mittendorf

Administrator

JHopkins:ad 12/6/54
Copy to: Admr. R. File
Docket
Operating Committee
Field Team, Region VII
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

IN REPLY REFER TO:

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

DEPARTMENT OF
Defense Minerals
RECEIVED
NOV 30 1954

November 24, 1954

Re: DMEA-3568
Ernest Crowder
Gaston Co., N. C.
$5,900 - Mica

Memorandum

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

From: E. L. Newcomb, U. S. Geological Survey

Subject: Review of application

The operator has requested exploration assistance for an unnamed prospect. The project involves sinking a 60-foot shaft and drifting 100 feet.

In its present form this application contains nothing that we can evaluate.

Although this application is poor, in all justice to it we have to admit that many others have been on a par with it. Most of these others have been referred to the Field Team. Under the circumstances, I believe we will save time in the long run if we send this one to the field for their review and recommendations.

E. L. Newcomb

E. L. Newcomb

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

Bureau of Mines Washington
RECEIVED
NOV 23 1954

November 22, 1954

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Chief, Ceramic and Fertilizer Materials Branch

Subject: DMEA-3568 (mica)

Applicant: Ernest Crowder

Name and Location of Property: E. Crowder Prospect
Gaston County, North Carolina

Date Application Rec'd. by Ceramic & Fertilizer Mtls. Br.: 11/15/54

Comments:

1. Proposed exploration consists of sinking a 60-foot shaft and drifting 100 feet. No mention is made whether or not it is proposed to construct a new shaft or extend the existing small shaft.

2. Expenditures are estimated at $5,900.

3. It is difficult to determine from the information submitted by the applicant if an exploration project is justified or if the above plan would be the best way of explorating this property.

Recommendation:

It is recommended that the field team visit this mine when in that vicinity to ascertain if an exploration project is justified. If so, the field team and applicant should agree on a definite plan of exploration on a unit-cost basis.

W. F. Dietrich

W. F. Dietrich

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

November 15, 1954

Memorandum

To: Executive Officer, DMEA Field Team, Region VII

From: Chief, Operation's Control and Statistics Division

Subject: Assignment of Docket Number

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

DMEA - 3568 Ernest Crowder

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

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

November 15, 1954
Subject: DMEA-3568
Re: Exploration Assistance

Mr. Ernest Crowder
Spruce Pine
North Carolina

Dear Sir:

The receipt of your application dated October 16, 1954 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA-3568 and referred to the Non-Metallic Minerals Division.

Kindly identify all future correspondence relating to your application by this docket number.

Sincerely yours,

Robert E. Adams, Chief
Operations Control and
Statistics Division

60932

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 12 1954

November 12, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VII

Subject: Application from Ernest Crowder, Spruce Pine, N. C.
Lingerfeldt property, Gaston County, North Carolina (mica)

Enclosed are the original and two copies of the subject application, received in this office today. The fourth copy is being kept for our use.

Robert A. Laurence

Robert A. Laurence

Enclosures

ROOM 13 POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED

November 12, 1954

Memorandum

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

From: Executive Officer, DMEA Field Team, Region VII

Subject: Application from Ernest Crowder, Spruce Pine, N. C.
Lingerfeldt property, Gaston County, North Carolina (mica)

Enclosed are the original and two copies of the subject application, received in this office today. The fourth copy is being kept for our use.

Robert A. Laurence

RAL/mg
Enclosures
cc - Beck
Lynch
Files
Division File-DMEA, Washington

MF-1[illegible]
(Revised A[illegible] 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED

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. 3568
Metal or Mineral MICA
Date Received
Estimated Cost $5,900
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: Ernest Crowder, Spruce Pine, N. C.

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

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

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

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

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

(*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
Lessee

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

(*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. See attached sheet

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

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

16—66551-1

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

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

(*c*) The work will start within 30 days and be completed within 6 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. See attached sheet

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?

[X] Money [X] 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 Oct. 16, 1954, 195__

Ernest Crawder
(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
Defense Minerals Administration
RECEIVED
NOV 13 1954

4(a) Small shaft has been sunk heretofore. Mine workings are readily accessible for examination purposes.

(b) Small amount of mica has been taken from mine heretofore.

(c) Vein-Huskins Mine about one-fourth ($\frac{1}{4}$) mile away.

(d) Located 6 miles out of Cherryville, N. C. in Gaston County, North Carolina. Go out Shelby Highway and mine is about one mile off of Shelby Highway near the Hawkins Mine. 82 miles from Spruce Pine, North Carolina

(e) Manpower, materials, supplies and equipment are all available.

5(d) Many years of mining experience.

6. EXPENSES:

Desire to do 60 feet of shafting @ $40 per foot-----	$2400.00
100 feet of drifting @ $35 per foot----	3500.00
TOTAL----------	$5900.00

Leased Minerals
RECEIVED
NOV 2 3 1954

MINING LEASE

State of North Carolina Gaston County:

This indenture made this 19th day of October 1954, ~~1952~~,

between W. M. Lingerfeldt and wife Flornce E. Lingerfeldt

of Gaston County and State of North Carolina as party of the first part, and known as lessor, and Ernest Crowder

of Mitchell County and State of North Carolina, party of the second part and known as lessee.

WITNESSETH, That the parties of the first part in consideration of One Dollar in hand received and hereby acknowledged by the lessors, and in consideration of the agreements hereinafter contained, on the part of the party of the second part to be performed, hereby bargains, leases and grants to the party of the second part, and his heirs and assigns, for the period of five years from the date of this agreement, the following described real property, for mining purposes, in the County and State first above written to wit:

Being that certain tract of land containing 25.6 acres more or less which is more fully described in that certain deed recorded in Book 168 of Deeds at page 171, Gaston County registry, to which deed reference is hereby made for a full and complete description of said tract of land.

TO HAVE AND TO HOLD the said lands to him, for mining purposes, the said lessee and his heirs and assigns for the aforesaid period of five years in compliance with the condition of this instrument, for the purpose and with the right to dig, quarry, search, explore for, obtain, and remove any kind of minerals, metals or fossils, and particularly mica, and to conduct the same to any extent the said party of the second part, the lessee, may desire. And it is hereby agreed between the parties to this agreement that the party of the second part is to have the use of any unoccupied buildings on said lands for mining purposes, and that he shall have the right to erect such buildings as he needs to carry on such mining operatins during the period of this lease, and that the party of the second part shall keep the same in as good condition as when received, unavoidable accidents excepted. And it is also agreed by the party of the second part that no unnecessary damage is to be done to the lands herein leased during the period of this lease and the continuance of said lease, but the said party of the second part shall have the right to take from said lands leased to the party of the second part any wood or timber the party of the second part may need to carry on said mining operations or which may be needed to carry on the addition to existing buildings or to erect new buildings or sheds on said lands. (Timber of high or special market value is excepted and shall not be used by the lessee.) And it is hereby agreed that the party of the second part, the lessee, is to have right-of-way of ingress and egress to said mines or land upon which exploration is being conducted.

AND IT IS FURTHER AGREED That the party of the second part, the lessee hereby agrees to pay to the said part of the first part, or his or their heirs or assigns, a rental royalty of 1/10th of the selling price on all mica ~~on the minerals~~ taken and sold from said mines which shall be for the use of the said lands for the aforesaid period of five years. The said amounts shall be payable on the computation of selling bills on the tenth day of each month covering sales made during the previous month. Any minerals other than those set forth above which may be taken and sold shall be paid for and at the usual royalty rate of the minerals taken.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, shall have the option to renew this lease and to extend the period of its running for an additional five years from the date of its present termination. The option shall be exercised by giving formal written notice to the party of the first part or by the continuation of any mining operations then being conducted. The lessors reserve the right to use the land, or convey the same not conflicting with this lease, but under any conveyance the terms of this lease must be recognized by the grantee, purchaser, or assigns thereof. And it is agreed that the lessee may assign this mining lease or any part thereof and that he may sublease.

AND IT IS FURTHER AGREED That the lessee, the party of the second part, his heirs or assigns, is hereby given an option to purchase all the right, title and interest, legal and equitable to and in the real estate described and set forth in this lease for a total purchase price of _____, said purchase price to be paid in full within three years from the date of this instrument and it is agreed that all rental royalties paid to the party of the first part shall apply toward and be a part of the total purchase price above set forth, and that at such time that the total purchase price is paid in the form of royalties or a lump sum payment or a combination of both, the party of the first part will execute a special warranty deed to the party of the second part and that a tender of the remaining purchase price at any time within the next three years shall entitle the party of the second part to specific performance of this option contract.

BUT IT IS EXPRESSLY AGREED That unless mineral or fossil material of practical value for mining purposes shall be found within a period of two years from the date of this instrument, the lease may be terminated by the lessee at any time thereafter on thirty days notice to the lessor. The lessee agrees that during the period of this lease or the continuance of this lease work in said mines or exploration for new mines within the area leased shall not cease longer than ninety days at any one time, unavoidable accidents excepted.

WITNESS our hands and seals the day and year first above written.

Witness:

W. M. Lingerfeldt (Seal)

Florence E. Lingerfeldt (Seal)

Ernest Crowder (Seal)

NORTH CAROLINA
GASTON COUNTY

I, Martha H. Limerick, Notary Public, hereby certify that W. M. Lingerfeldt and wife Flornce E. Lingerfeldt personally appeared before me this date and acknowledged the due execution of the foregoing Mining Lease for the uses and purposes therein expressed.

Witness my hand and notarial seal this the 19th day of October 1954.

Martha H. Limerick
NOTARY PUBLIC

My comm. expires: January 19, 1955

NORTH CAROLINA

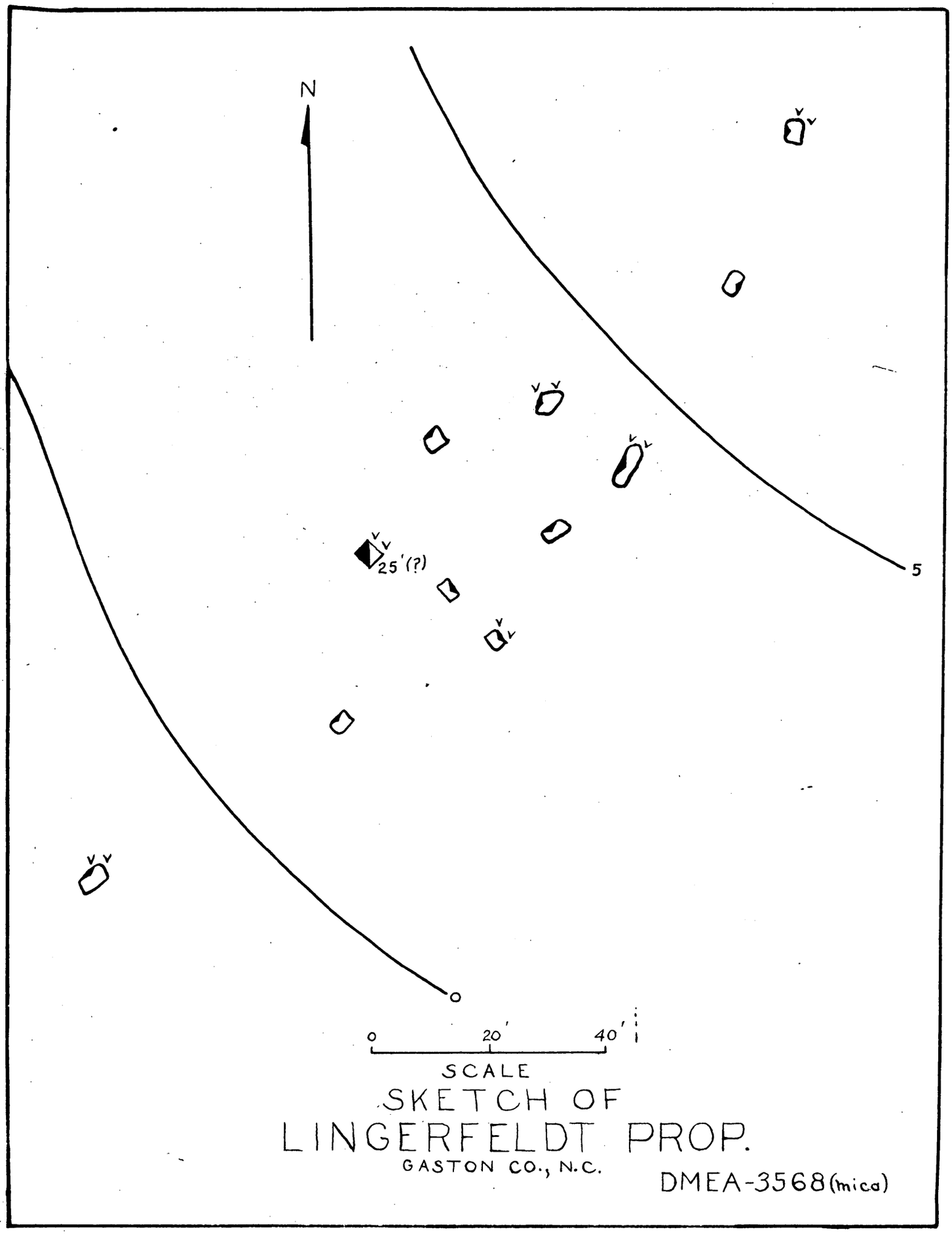
Gaston COUNTY

I, Martha H. Limerick Notary Public, hereby certify that Ernest Crowder personally appeared before me this date and acknowledged the due execution by him of the foregoing Mining Lease.

Witness my hand and notarial seal this the 19th day of October 1954.

Martha H. Limerick
NOTARY PUBLIC

My comm. expires: January 19, 1955



SKETCH OF
LINGERFELDT PROP.
GASTON CO., N.C.

DMEA-3568(mica)