DMEA Form 9

UNITED STATES
DEPARTMENT OF THE INTERIOR
Defense Minerals Exploration Administration

OFFICIAL DOCKET FILE E-1023 DMEA NO. 4341

Application (Denied
(Withdrawn
(After disposition, delete items not applicable)

Contract (Terminated - not Certified
(Cancelled
(Terminated - Certified
(Royalty Agreement

This is the official contract file containing all official records of the project. The records contained in the files are checked and are arranged in this order:

Left Side

Interim Royalty Audits
Reports of Royalty Review
Certification of Discovery
Certificate of Audit (Final)
Interim Audit(s)
✓ Report of Review
✓ Termination Notice or Agreement
Recision Notice
Assignment of Contract
Contract Amendments (latest on top)
✓ Contract with all exhibits and annexes
✓ Owner's Consent to Lien
✓ Subordination Agreement
✓ Leases and assignments of leases
✓ Application and attachments
(3) Envelope for maps

Right Side

Project summary
✓ Work completed analysis
All other material is filed in chronological order with correspondence including the following reports as checked:

✓ Final Field Team Report (Tab)
✓ Operator's Final Report
(2R) ✓ Interim Reports
(2R) ✓ Operator's monthly reports and all attachments (latest on top)
✓ On-site Exam Report(s) (Tab)
(4) Settlement Sheets

When the volume of records is expected to warrant additional folders, or when convenience of reference warrants separate folders for certain records, they should be set up in this order:

Left Side

Folder No. 2: (In chron. order)
Interim Summary Reports by W. O. Engineers

Right Side

Operator's Semi-Annual Report for Certified Project, Field Team Interim Reports, Operator's Monthly Report with transmittal, narrative, maps, and Field Team review.

Folder No. 3: Maps (Use pocket folder or envelope. Fold maps with title block out and show reference to related document or correspondence.)

Folder No. 4: Settlement Sheets

Folder No. 5: Drill Logs

R.S.

9775

DEFENSE MINERALS EXPLORATION ADMINISTRATION
CONTRACT ADMINISTRATION AND AUDIT DIVISION

REPORT OF REVIEW

I have reviewed the Monthly Reports of:

Eugene E. Crawford
Box 192, Route 1
Franklin, North Carolina

pertaining to Exploration Project Contract No. Idm-E1023, DMEA No. 4341, including a Termination Agreement dated February 20, 1957, for the months of November 1956 to January 1957, inclusive, covering a project for the exploration of mica on property, known as the Setzer Property located in Macon County, North Carolina.

My review included an examination of the Monthly Reports (Forms MF-104) and supporting documents attached thereto, comparison of the costs claimed with the contract and pertinent schedules, verification of work performed by reference to Field Team reports and correspondence, and a determination of the reasonableness and propriety of the costs.

This review was made in lieu of a final audit of the Operator's accounts and records for the following reason:

all of the costs incurred were under a contract provision for payment by the Government on the basis of fixed unit costs of work actually performed.

The review disclosed the following facts in regard to the amount paid or to be paid the contractor:

Total cost as billed by Contractor		$764.00
Exceptions:		
Prior to this review	$ -0-	
Herewith	-0-	-0-
Total Accepted Cost		$764.00

The contract calls for a 75 percent participation of exploration expenses by the United States Government. Therefore, payment to the contractor by the Government in the amount of Five hundred seventy-three and no/100 Dollars

$573.00

is considered valid and proper, provided that the Regional Executive Officer, the Administrator, or other competent official has accepted or will accept the project as having otherwise met the terms of the contract.

E. D. Talbert, Auditor

August 26, 1957

Docket copy

Burton
Sawyer
Anderson
Youk
Chambliss
Selfridge

TERMINATION AGREEMENT

It is agreed this 20th day of February, 1957, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Eugene E. Crawford, hereinafter called the "Operator," parties to that certain Exploration Project Contract Idm-E1023 (Docket No. DMEA-4341), dated October 22, 1956, hereinafter called the "Contract," that:

1. Effective January 26, 1957, 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 percentage royalty and liens for its payment, and all rights as to records and audits set forth in the Contract, and recovery of any overpayment, 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 Frank E. Johnson
OFFICIAL ACTING Administrator, Defense Minerals
DMEA Exploration Administration

EUGENE E. CRAWFORD

Eugene E. Crawford

RECEIVED APR 22 1957

DATE	INITIALS	CODE
4/22	C	220
		225

Docket C

MF-200A
(Rev. April 1956)

RECEIVED
NOV 5 1956
D.M.E.A.

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

DMEA No.	*Commodity*	*Contract No. Idm–E*	*County*	*State*
4341	Mica	1023	Macon	North Carolina

It is agreed OCT 22 1956, between the United States of America, acting through the Department of the Interior, Defense Minerals Exploration Administration, hereinafter called the "Government," and Eugene E. Crawford

whose mailing address is Route No. 1
Franklin, North Carolina
hereinafter called the "Operator," as follows:

ARTICLE 1. *Authority and project.*—(a) 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 Annex I (land description), Exhibit A (work and costs), and the maps and documents listed therein. The project work is a search for indicated or undeveloped deposits of the commodity designated above. The Operator shall begin the work on or before DEC 15 1956, and, subject to the provisions of Article 7 and Exhibit A, shall complete the work within 7 months from the date of the contract.

(b) The description of the work and the fixed cost for each unit of work to be performed (per foot of drilling, per foot of drifting, per hour of operations, etc.) are hereby agreed upon as specified in Exhibit A. The estimated total cost of the project work is $5,484.00. The Government will contribute 75 percent of the fixed unit cost of the work performed, not exceeding $4,113.00, in accordance with the provisions of Articles 4 and 5.

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

ARTICLE 2. *Operator's property rights.*—(a) The Operator represents and undertakes that Annex I correctly describes the land which is the subject of this contract and the nature of the Operator's rights of property and possession therein (whether as owner, lessee, or otherwise), and that such right, title, or interest is subject only to the following claims, liens, or encumbrances: Royalty interest as set forth in the lease.

(b) 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: Consent to Lien of Owner

(c) 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. 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. Two copies of such instrument shall be furnished to the Government. If the Government's rights to royalty as provided in Article 6 have been terminated, the provisions of this paragraph (c) shall become inapplicable.

ARTICLE 3. *Performance of the work.*—(a) Operator's responsibility.—The work shall be performed diligently, efficiently, expertly, in a workmanlike manner, and in accordance with good mining standards and State regulations governing health, safety, and liability insurance covering employment. The Operator shall provide suitable and adequate equipment, facilities, materials, supplies, and labor to complete the work, as specified in Article 1 (a).

(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 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 4. *Contribution by the Government.*—The Government will make its contribution on the basis of the monthly vouchers referred to in Article 5 (b); but all payments by the Government are provisional only, subject to audit, and until the account between the Operator and the Government is finally audited and settled and the Operator's final report has been rendered, the Government may withhold such sums as it sees fit but not in excess of 10 percent of the estimated total cost of the work. 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 will not contribute to the cost of any work performed prior to the date of this contract. The Government may make payments for the account of the Operator directly to independent contractors and suppliers rather than to the Operator.

ARTICLE 5. *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 all pertinent books, documents, papers, and records of the Operator.

(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 6. *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 the Operator has rendered a sufficient final report (see Article 5), 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 (for example, if the Operator either transfers or fails to retain his interest in the land), 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, for 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, 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, but excluding fabricating or manufacturing) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form.

(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 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 7. *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 Government may also avail itself of any other remedy the law may provide for breach of contract, including the right to rescind the contract and to demand repayment of all moneys contributed by the Government under the contract.

(c) The giving of any notice by the Government under the provisions of this Article 7 shall not affect the Government's rights as provided for in the contract with respect to a percentage royalty, and liens to secure the payment thereof, and such rights shall be fully preserved.

ARTICLE 8. *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 the mailing address stated in this contract. If mailed, notices are deemed to have been delivered five days after the date of mailing.

ARTICLE 9. *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 10. *Changes and added provisions.*—

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Executed in sextuplicate the day and year first above written.

THE UNITED STATES OF AMERICA

EUGENE E. CRAWFORD
(Operator)

By Eugene E. Crawford

By C. O. Mittendorf
Administrator, Defense Minerals
Exploration Administration

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: 1956—O-383069

Judrity 8/20/56
Sawyer
"Appd. for file"
Anderson
Hook
Talbutt
Selfridge

EXPLORATION PROJECT CONTRACT
EUGENE E. CRAWFORD
DOCKET NO. DMEA-4341

ANNEX I

The land referred to in Article 2 of the Contract is known as the Setser property, and is held by the Operator under a lease* dated May 25, 1956, from Gilmer Setser and Nina Ray Setser. The land is shown on the map attached hereto and made a part hereof, and is located 7.13 miles S 68° W of Franklin, Macon County, North Carolina. The land is on the north side of Muskrat Creek, contains 50 acres, more or less, and is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923, which deed is registered in Book J-4 at page 189 in the office of the Register of Deeds for said county, as follows:

Lot No. 1: BEGINNING on a white oak, Fred Oliver's corner, and runs a Southerly direction to a stake in the line of L. F. Setser, thence with his line to ford Muskrat Creek, to Shook's line; then with M. Shook's line back to the BEGINNING, containing 4 acres, more or less.

Lot No. 2: BEGINNING at a white oak, the Northwest corner of L. C. Oliver's tract No. 1 in the N. B. of Section No. 45 and runs with line of same N 86 W 10 poles to a dogwood; then S 4 W 71 poles to Muskrat Creek; then down the Creek, with its meanders, 10 poles to L. C. Oliver's corner; then with his line N 4 E 71 poles to the BEGINNING.

Lot No. 3: BEGINNING at a dogwood, the Northwest corner of Lot No. 2 in the North boundary line of Section No. 45, and runs N 86 W 10 poles to a stake and pointers; then S 4 W 75 poles to the Muskrat Creek; then down the Creek, with its meanders, 11½ poles to Delia Oliver's corner; then with her line N 4 E 71 poles to the BEGINNING, containing 4 3/4 acres.

Lot No. 4: BEGINNING at a stake and pointers, the North boundary line of Section No. 45, Northwest corner of Lot No. 3 and runs with the line of No. 45 N 86 W 20 poles to a white oak; then S 4 W 82 poles to the Muskrat Creek; then down the Creek, with its meanders, to Fred Oliver's corner; then N 4 E 76 poles to the BEGINNING, containing 9 3/4 acres.

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* and leased October 6, 1956, between same parties.

Lot. No. 5: BEGINNING at a white oak, Northwest corner of Lot No. 4, and runs with line of same S 4 W 82 poles to the Muskrat Creek; then up the Creek with its meanders 32½ poles to James McCunnell's line; then with said line N 15½ W 44 poles to the North boundary line of Section No. 46; then with said line S 86 E 24 poles to the West boundary line of Section 45; then with said line N 4 E 45½ poles to the Northwest corner of same; then S 86 E 24 poles to the BEGINNING, containing 20 acres.

EXPLORATION PROJECT CONTRACT
EUGENE E. CRAMFORD
DOCKET NO. DMEA-4341

RECEIVED NOV 5 1956 DMEA

EXHIBIT "A"

Description of the Work

Exploration for concentrations of strategic mica shall be performed in the area indicated on the map entitled "Setzer Property, Macon County, N. C., DMEA-4341," attached hereto and made a part hereof.

The work shall be divided into two stages as described below. The Operator shall complete Stage I, and shall perform as much of Stage II as the Government approves in writing.

Stage I

Excavate a trench approximately 100 feet long by 15 feet wide by 10 feet deep along the strike of the pegmatite to determine its extent and provide a suitable shaft site.

Stage II

1. Construct:

   (a) A toolhouse, minimum dimensions 7 feet by 8 feet by 10 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 lumber; and shall be braced at the corners. No metal shall be exposed; and the lids or doors shall be securely locked with the equivalent of a 5-tumbler jarproof lock.

2. From the bottom of the trench at a point to be approved by the Government, sink a 2-compartment inclined or vertical shaft for a distance not to exceed 60 feet.

3. Explore the pegmatite by driving from the bottom or near the bottom of the shaft, not more than 80 feet of drifts and/or crosscuts.

The shaft and drifts and/or crosscuts shall be timbered as necessary and shall have minimum cross-sectional dimensions of 5 feet by 7 feet in the clear of timber. All work shall be performed on the pegmatite or in as close proximity thereto as possible.

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

Fixed Unit Costs

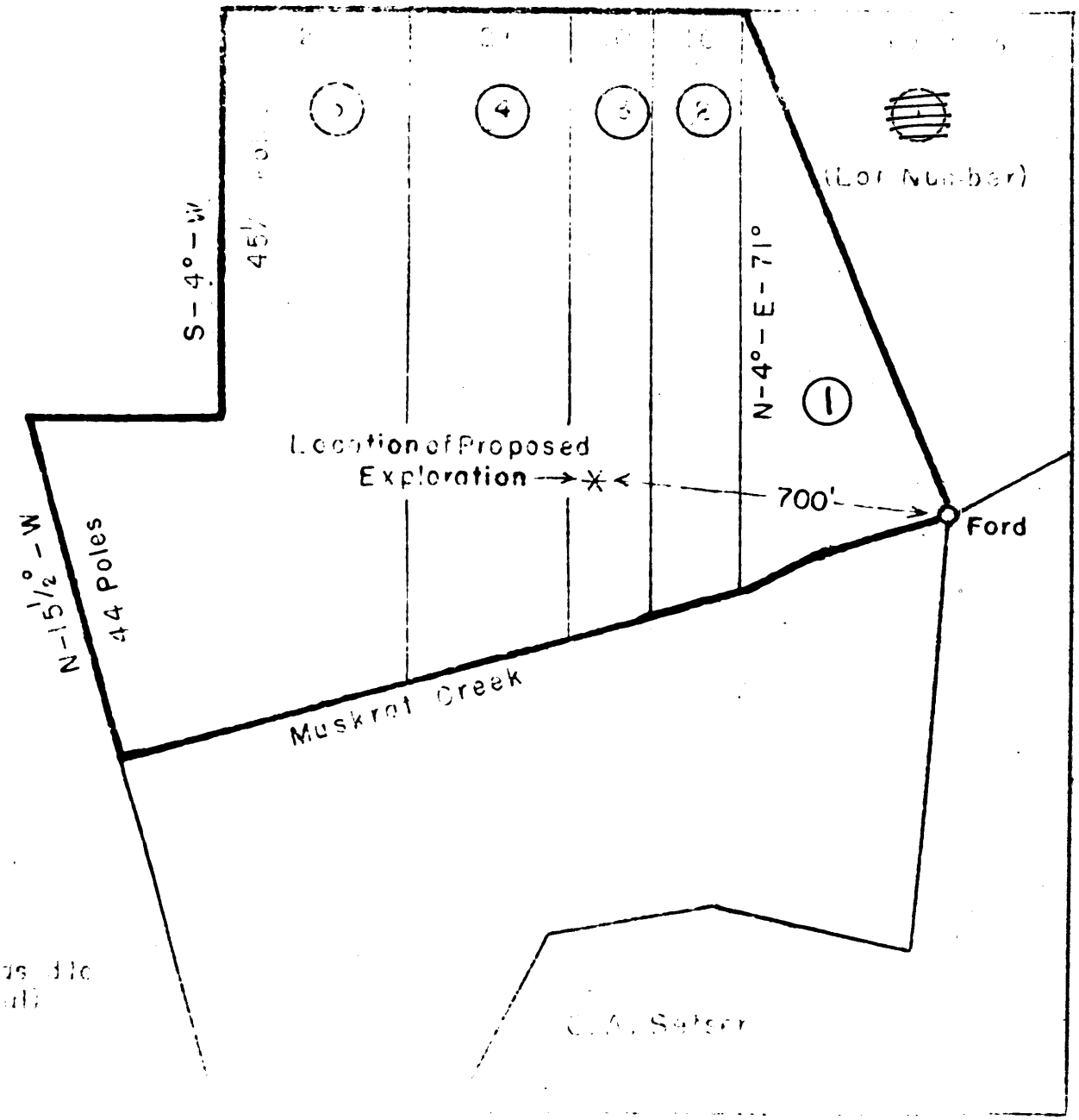
Stage I

Excavate approximately 560 cubic yards @ $0.30/cu. yd.		$ 168.00

Stage II

1. Construct - Toolhouse 1/	$76.00			
Powder magazine 1/	25.00			
Exploder magazine 1/	15.00	$116.00		
2. Sink 60 feet of shaft @ $40.00/ft.		$2,400.00		
3. Drive 80 feet of drifts and/or crosscuts @ $35.00/ft.		2,800.00	5,316.00	
Estimated Total Cost of Project				$5,484.00
Government Participation @ 75%				$4,113.00

1/ The completed work constitutes the unit.


(Lot Number)
S-4°-W
N-4°-E-71°
Location of Proposed
Exploration
700'
Ford
N-15½°-W
44 Poles
Muskrat Creek
C. A. Setzer

RECEIVED
JUL 23 1956

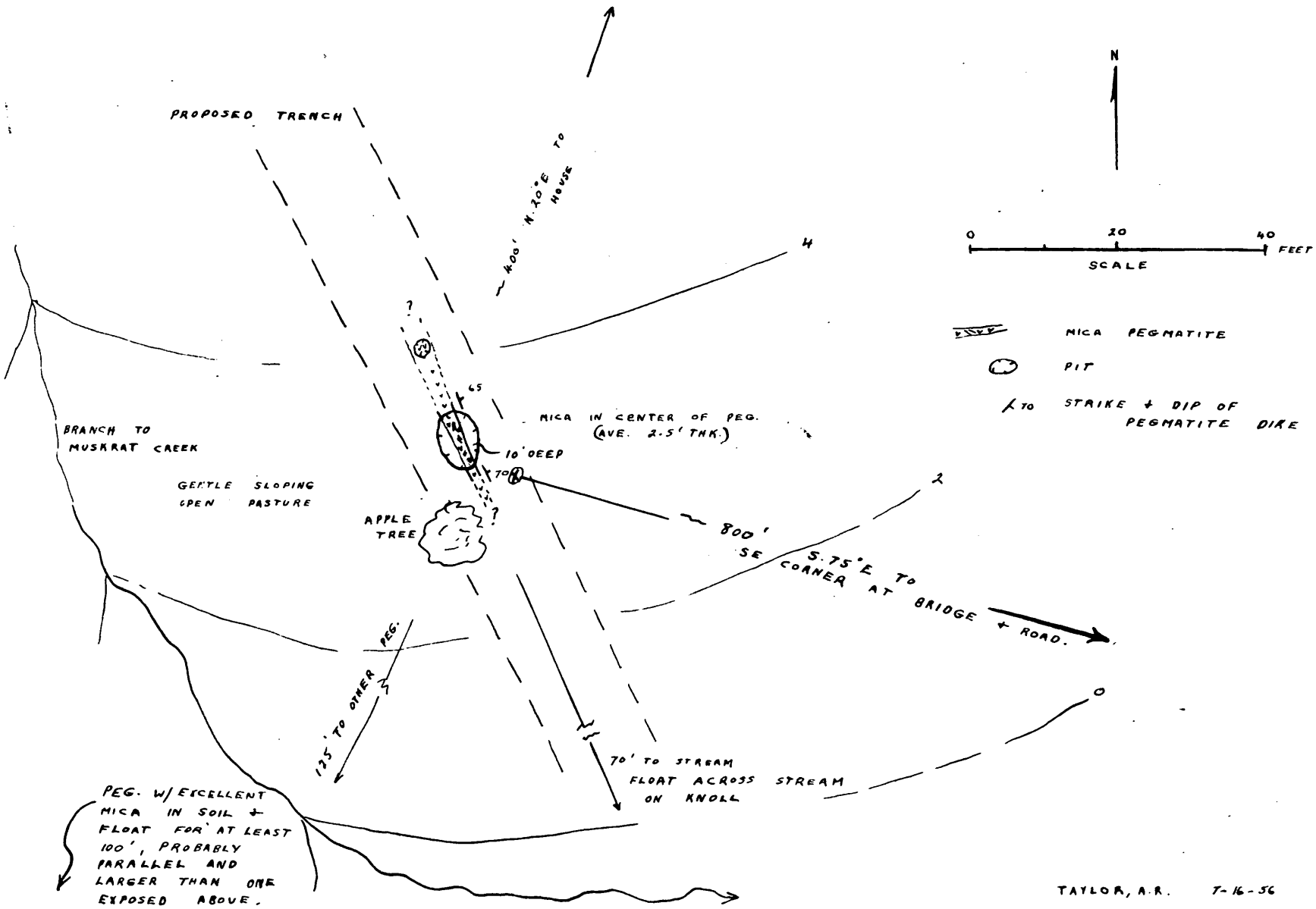
LOCATION: 7.13 AIR MILES, S.68° W OF THE CENTER OF FRANKLIN, N.C.
TVA, QUAD., FRANKLIN, N.C., 167-NW
1/24,000.

SETSER PROPERTY

MACON COUNTY, N.C.

DMEA-4341

JULY 10, 1956



TAYLOR, A.R. 7-16-56

MF-205
(Combines and supercedes MF-[illegible] and MF-203)
June 1956

[illegible]r Government's Use Only
EXPL[illegible]TION PROJECT CONTRACT
Operator
Docket No. DMEA-
Contract No. Idm-E 1023
Contract Date OCT 2 2 1956

RECEIVED NOV 5 1956 D.M.E.A.

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Macon State of North Carolina, described as follows: 2/Being of that portion of a tract of land lying on the North side of Muskrat Creek, which is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923 and registered in Book J-4, at page 189 in the office of the Register of Deeds for Macon County, N. C., the said portion of this lease containing approximately 50 acres, more or less. (The land described above is the same land as described in Annex I of the contract and the lease dated May 25, 1956, between Eugene E. Crawford and Gilmer Setser and wife, Nina Setser and leased October 6, 1956, between same parties.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

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

2/ 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.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 29 day of Oct, 1955

Gilmer Setzer	[Seal]	Rt. #1, Franklin, N. C.	[Address]
Nina Setzer [redacted]	[Seal]	Rt. #1, Franklin, N. C.	[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]
	[Seal]		[Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]

NORTH CAROLINA
MACON COUNTY

THIS LEASE, Made and entered into, this the 6th day of October, 1956, by and between GILMER SETSER and wife, NINA SETSER, parties of the first part, to EUGENE E. CRAWFORD, party of the second part, all parties of Macon County, North Carolina.

W I T N E S S E T H

That subject to the terms and conditions hereinafter set forth, the parties of the first part have leased, and by these presents do lease, unto the party of the second part, his heirs and assigns, the exclusive right and privilege to mine and remove all minerals in and upon the following described land in Cartoogechaye Township, Macon County, North Carolina:

> Being of that portion of a tract of land lying on the North side of Muskrat Creek, which is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923 and registered in Book J-4, at page 189 in the office of the Register of Deeds for Macon County, North Carolina, the said portion covered by this lease containing approximately 50 acres, more or less.

THE TERMS AND CONDITIONS ARE AS FOLLOWS:

-1-

The term of this lease shall be for five (5) years from the date hereof, unless sonner terminated, expiring on October 6, 1961.

-2-

The party of the second part agrees to pay as rental for said property twelve and one-half per cent (12½%) of the gross sales of all sheet mica raised, removed and sold from said property and the sum of One Dollar and Fifty Cents ($1.50) per ton on all scrap mica raised, removed and sold therefrom. The party of the second part agrees to pay such rental on or before the 10th day of the next calendar month

following the month during which any sales are made, and further agree to keep and maintain complete and accurate records of all sales of mica raised, removed and sold from said property, which records shall be open to the inspection of the parties of the first part, or their legal representative, at any convenient time.

-3-

So long as this lease remains in force the party of the second part, his heirs and assigns, shall have full mining privileges on said land, so far as same are reasonably necessary in mining on said property, and the right to place thereupon such buildings or machinery as is necessary thereto, and the use of woods and water thereon located as may be necessary to mining purposes, it being, however, stipulated and agreed that no merchantable timber shall be cut on said premises.

-4-

The party of the second part, his heirs and assigns, are also granted such rights-of-way across the lands above described as may be necessary for purpose of ingress and egress to and from said mining operations.

-5-

In the event that the party of the second part, his heirs and assigns, shall fail to pay any royalty when due, as above set forth, or in other manner breach the terms of this lease and such breach shall continue after thirty (30) days notice thereof, then, and in such event, the parties of the first part shall have the right to terminate this lease, and upon such termination the same shall be of no further force and effect.

-6-

The party of the second part shall have the right, at the termination of this lease to remove any machinery or

buildings erected thereon in connection with mining operations, provided, that all royalties and rent shall have been paid in full.

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

Gilmer Setser (SEAL)

Nina Ray Setser (SEAL)

NORTH CAROLINA
MACON COUNTY

I, J. E. Shope, do hereby certify that GILMER SETSER and NINA SETSER, his wife, personally appeared before me this day and acknowledged the due execution of the foregoing Lease.

WITNESS my hand and seal, this the 6th day of October, 1956.

J. E. Shope

RECEIVED
JUN 15 1956

NORTH CAROLINA
MACON COUNTY

THIS LEASE, Made and entered into, this the 25th day of May, 1956, by and between GILMER SETSER and wife, NINA SETSER, parties of the first part, to EUGENE E. CRAWFORD, party of the second part, all parties of Macon County, North Carolina.

W I T N E S S E T H

That subject to the terms and conditions hereinafter set forth, the parties of the first part have leased, and by these presents do lease, unto the party of the second part, his heirs and assigns, the exclusive right and privilege to mine and remove all minerals in and upon the following described land in Cartoogechaye Township, Macon County, North Carolina:

> Being that portion of atract of land lying on the West side of Muskrat Creek, which is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923 and registered in Book J-4, at page 189 in the office of the Register of Deeds for Macon County, North Carolina, the said portion covered by this lease containing 50 acres, more or less.

THE TERMS AND CONDITIONS ARE AS FOLLOWS:

-1-

The term of this lease shall be five (5) years from the date hereof, unless sooner terminated, expiring on May 25, 1961.

-2-

The party of the second part agrees to pay as rental for said property twelve and one-half per cent (12½%) of the gross sales of all sheet mica raised, removed and sold from said property and the sum of One Dollar andFifty Cents ($1.50) per ton on all scrap mica raised, removed and sold therefrom. The party of the second part agrees to pay such rental on or before the 10th day of the next calendar month following the

month during which any sales are made, and further agrees to keep and maintain complete and accurate records of all sales of mica raised, removed and sold from said property, which records shall be open to the inspection of the parties of the first part, or their legal representative, at any convenient time.

-3-

So long as this lease remains in force the party of the second part, his heirs and assigns, shall have full mining privileges on said land, so far as same are reasonably necessary in mining on said property, and the right to place thereupon such buildings or machinery as is necessary thereto, and the use of woods and water thereon located as may be necessary to mining purposes, it being, however, stipulated and agreed that no merchantable timber shall be cut on said premises.

-4-

The party of the second part, his heirs and assigns, are also granted such rights-of-way across the lands above described as may be necessary for purpose of ingress and egress to and from said mining operations.

-5-

In the event that the party of the second part, his heirs and assigns, shall fail to pay any royalty when due, as above set forth, or in any other manner breach the terms of this lease and such breach shall continue after thirty (30) days notice thereof, then, and in such event, the parties of the first part shall have the right to terminate this lease, and upon such termination the same shall be of no further force and effect.

-6-

The party of the second part shall have the right, at the termination of this lease to remove any machinery or buildings

erected thereon in connection with mining operations, provided, that all royalties and rent shall have been paid in full.

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

/s/ Gilmer Setser (Seal)

/s/ Nina Ray Setser (Seal)

Properly acknowledged before J. E. Shope, Notary Public.

MF-103
(Revised April 1952)

UNITED STATES DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

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

RECEIVED
JUN 15 1956

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. 4341
Metal or Mineral Mica
Date Received 6/15/56
Estimated Cost $8,030
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: Eugene E. Crawford, Rt. # 1, Franklin, N. C.

RECEIVED
JUN 13 1956
U. S. Geological Survey
Geologic Division
Knoxville, Tenn.

(*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 A tract of approximately 50 acres, being that portion of the property of Gilmer Setser, acquired from F. S. Oliver, which lies on the West side of Muskrat Creek, as described in a deed, dated October 4, 1923 and registered in Book J-4, pg. 189, Records of Macon Co., N.C.

(*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.

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

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

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

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

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

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

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

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

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

(*c*) The work will start within 30 days and be completed within 4 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 June 11, 1956

Eugene E Crayford
(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

RECEIVED
JUN 15 1956

Application of Eugene E. Crawford
Rt. # 1, Franklin, North Carolina

Item 4:

(a) A well defined pegmatic vein extends across the property showing visable outcrop. The vein has been exposed by hand work by shaft about 8-10' below surface and from said operation commercial sheet mica of excellent grade removed and sold. This work was sone within past few weeks and sales amounted to $70.00 at Government Depot. Water was encountered and operations were discontinued until more satisfactory arrangement could be made for further exploration.

(b) No previous mining operations on property.

(c) See attached sketch.

(d) All weather road traverses property, located seven miles West of Franklin, North Carolina.

(e) Power available within 400 feet of proposed site.

(f) All necessary mine timber on property.

Item 5: Proposed Work

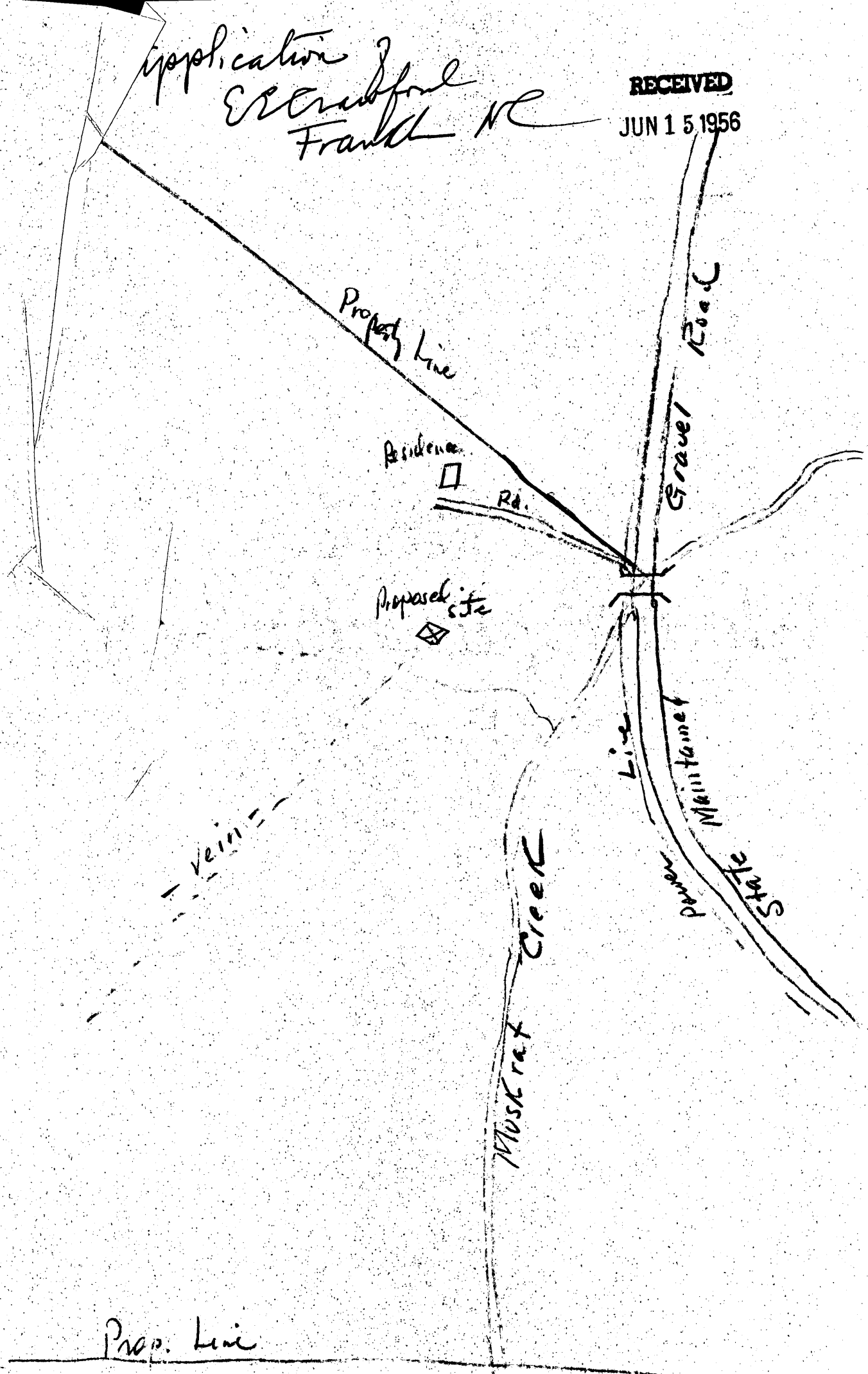
It is proposed to sink a shaft to a depth necessary and then to drift with vein so far as necessary to fully expose project. This will require compressor, hammer, drilling equipment, hoist, pump and 400 feet of power line.

Item 6: Estimate of Costs

Supervision and Labor:	
1. Foreman 90 days @ $12.00	$1,080.00
1. Driller 90 days @ $12.00	1,080.00
1. Helper 90 days @ 8.00	720.00
5. Laborers 90 days @ 8.00	3,600.00
Total Labor	$6,480.00
Equipment Rental:	
Compressor 90 days	$ 500.00
Hoist 90 days	300.00
Pump 90 days	100.00
Drilling Equipment 90 days	150.00
Electric Power Line-400 feet	300.00
Tool Shed	150.00
Hand Tools	50.00
Total Equipment	$ 1,550.00
Total	$ 8,030.00

Application of
E E Crawford
Franklin NC

RECEIVED
JUN 15 1956



U. S. Government Messenger Envelope

Standard Form No. 65 (Rev. 1/46)

1. Use blocks consecutively, one
2. Void previous block.
3. Write clearly.

NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND ROOM		NAME OR TITLE OF PERSON, DEPARTMENT, ADDRESS, AND	
Mr. Tieldgard	RUN STOP		RU ST
Mr. Hook Room 4453 Interior Bldg.	RUN STOP		RU ST
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Send surplus envelopes to supply room for reissue.

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Use RUN and STOP only when messenger service between Government buildings in Washington is required. Your mail room has RUN and STOP information.

DMEA Form 7
(12-56)

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Date	Surname	Code
11/14	Anderson	600
11/14	Houk	600
11-14	Chambers	800
"	Johnson	~~120~~
"	Mittendorf	110
		~~100~~
		220

600

NOV 14 1957

Mr. Eugene E. Crawford
Route 1
Franklin, North Carolina

Re: Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina
Contract No. Idm-E1023

Dear Mr. Crawford:

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,

C. O. Mittendorf (for)

Administrator

WCAnderson:rsi 11/7/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. Gilmer Setser

8623

DMEA Form 7
(12-56)

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Date	Surname	Code
11/14	Anderson	600
11/14	Hoch	600
		~~110~~
11/14	C	220
		600

600

November 6, 1957

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Application: Form MF-103(April 1952) received June 15, 1956.

Work Proposed by Applicant: Shaft sinking and drifting - no footages were indicated. Amount requested $8,030.00

Operator: Eugene E. Crawford
Route 1, Franklin, North Carolina

Operator's Property Rights: Five year mining lease on the Gilmer Setser Property, consisting of approximately 50 acres, dated October 6, 1956. Consent to Lien and Subordination Agreement of Owners, dated October 29, 1956.

2. Contract: Form MF-200A(April 1956) dated October 22, 1956.

Work Authorized:		
	Stage I	
Excavation - 560 Cu. yds. @ $0.30/cu.yd.		$168.00
	StageII	
Construction - toolhouse, powder & exploder magazine		116.00
60 feet of shaft @ $40.00/ft.		2,400.00
80 feet of drifts and/or crosscur @ $35.00/ft.		2,800.00
Estimated total cost of project		$5,484.00
Government participation @ 75%		$4,113.00

Amendments - none.

Work Completed:	
Excavation	$168.00
Construction - toolhouse	76.00
13 feet of shaft @ $40.00/ft.	520.00
Total accepted cost	$764.00
Government participation @ 75%	$573.00

Work began November 24, 1956 and ended on January 25, 1957. It was terminated by mutual agreement on February 20, 1957. Field Team Final Report received October 3, 1957. Operator's Final Report received February 6, 1957. No equipment purchased under contract.

8623

3. Audit: Report of Review issued August 26, 1957.

Total accepted cost	$764.00
Government participation	$573.00

4. Certification of Discovery - none issued.
No reserves of strategic mica outlined by work.

Value of production during operation	$78.14
Royalty paid	$3.91

5. Comments:

How Conducted: All of the work in which the Government participated was acceptable.

Operation: Good.

Engineering: Reporting by Operator was satisfactory.

Geologic Premise: The pegmatite, which was exposed for 20 feet along strike at surface, having an inner quartz core containing 25% mica, pinched out at 13 feet in the shaft.

Geologic Criteria upon which work was based:

1. Pegmatite: 2 to 3 feet thick, zoned, containing a quartz core, flanked by medium-grained soda feldspar.
2. Mica: Ruby, flat, relatively clear, 3 by 4 inch crystals are abundant.
3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Poorly zoned, exposed for about 50 feet along strike, 2.5 to 3 feet thick to a depth of 8 feet. Below this only scattered lenses, completely pinching out at a depth of 13 feet. Consists of medium-grained mixture of quartz, feldspar and some small muscovite.
2. Mica: Small to medium sized books, some stained.

Future Possibilities: None.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Geological Survey and Bureau of Mines concur in the Field Team's recommendation not to certify, as no reserves of mica were revealed nor can any be inferred.

Walter C. Anderson
Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 11/6/57
Copy to: Admr. R. File
Mr. Houk

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
11/14	Anderson	600
11/14	Houk	600
		~~800~~
11/14	Johnson	~~120~~
11/14	Wheatley	110
		~~300~~
		220

600

NOV 14 1957

Mr. and Mrs. Gilmer Setser
Route 1
Franklin, North Carolina

Re: Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina
Contract No. Idm-E1023

Dear Mr. and Mrs. Setser:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on October 29, 1956.

Sincerely yours,

C. O. Mittendorf (for)

Administrator

Enclosure

WCAnderson:rsi 11/7/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

OFFICIAL FILE COPY
IN REPLY REFER TO:
DMEA
RECEIVED NOV 13 1957

DATE	INITIALS	CODE
11/13	C	220
11/14	Houk	600

Memorandum November 12, 1957

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Team final report, DMEA 4341, contract Idm-E1023 (mica), Eugene E. Crawford, Macon County, North Carolina.

The examining team report that the Operator completed an exploration project consisting of a 100 foot-long dozer trench and a 13 foot shaft. The work cost a total of $764.

The pegmatite uncovered by the work is small, poorly zoned, and contains no reserves of strategic mica. I agree with the recommendations of the Field Team that the project not be certified as a discovery or development.

W. P. Williams

W. P. Williams

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

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DMEA
RECEIVED OCT 11 1957

DATE	INITIALS	CODE
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		600

October 10, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4341 (mica)

Applicant: Eugene E. Crawford

Name and Location of Property: Setser Property, Macon County, N. C.

Contract Number: Idm-E 1023

Date of Field Team Final Report: 10/1/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/7/57

Field Team Recommendation: Recommend no certification of discovery

Comments:

1. Stage I of a two-stage contract was completed on Jan. 25, 1957. The work consisted of bulldozing a trench 100 x 15 x 12 feet and a shaft 13 feet deep.
2. The pegmatite petered out 8 feet down the shaft.
3. Only a small quantity of strategic mica was recovered.
4. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
5. Expenditures -

Total approved	$5,484.00
Total cost	764.00
Gov't. share of the cost	573.00
Value of production during operation	78.14
Royalty	3.91

Recommendation:

I concur with the recommendation of the field team that no certification of discovery be made.

Milford L. Skow

Milford L. Skow

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

October 1, 1957

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DMEA
RECEIVED OCT 3 1957

DATE	INITIALS	CODE
10/3	B	220
"	Pg	180
		130
10/8	C	
9	Cpm	220
10/10	Houlo	100
		600

Memorandum

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

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

Subject: Final Report - Docket No. DMEA-4341, Idm-E1023 (Mica)
Eugene E. Crawford, Route 1, Franklin, North Carolina
Setser Property, Macon County, North Carolina

Enclosed are the original and two copies of the final report on the above subject contract.

We agree with the recommendation of the examiners that no certification of discovery be made.

Robert A. Laurence

Robert A. Laurence
Executive Officer

W. A. Beck

W. A. Beck for V. J. Lynch
Member, Bureau of Mines

Enclosures 3

Reviewed by
DMEA OPERATING COMMITTEE
10-7-57
(date)

Field Team
Final Rept

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OFFICIAL FILE COPY
D M E A
RECEIVED OCT 8 1957

DATE	INITIALS	CODE
10/7	[illegible]	130
		220

FINAL REPORT

DMEA-4341, Idm-E1023 (mica) SETSER PROPERTY
Macon County, North Carolina

S. C. Bergman, Geologist
U. S. Geological Survey

and

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

Reviewed by
DMEA OPERATING CONTRACTOR
10-7-57
(date)

October 1, 1957

EXPLORATION PROJECT CONTRACT

FINAL REPORT

DMEA-4341, Idm-E1023 (mica) SETSER PROPERTY
Macon County, North Carolina

Operator: Eugene E. Crawford, Route 1, Franklin, North Carolina

SUMMARY

A bulldozer trench 100 x 15 x 12 feet was dug, and a shaft was sunk 13 feet. At that depth the pegmatite bottomed and the project was terminated, without making a discovery.

INTRODUCTION

Location

The Setser Property is 7.13 airline miles S. 68° W. of Franklin, Macon County, North Carolina (Franklin, N. C. quadrangle, TVA ed., 1946, 1/24,000).

Previous Work

The only exploration done at this prospect prior to the contract consisted of two small test pits, the largest of which was 8 feet by 6 feet by 10 feet deep.

Contract Work

A two-stage, unit-cost contract was authorized on October 22, 1956. Actual work began November 24, 1956 and ended on January 25, 1957. The contract was terminated by mutual agreement, effective February 20, 1957. No further work on this deposit can be recommended.

GEOLOGY

A poorly-zoned pegmatite was exposed for about 50 feet along strike, in the bulldozer trench. The pegmatite is 2.5 to 3.0 feet thick, and is composed of a medium-grained mixture of quartz, feldspar, and muscovite in small to medium-sized books. Some of the mica is stained.

The pegmatite extended to 8 feet depth in the shaft; below that only scattered lenses of pegmatite in country rock were found.

PRODUCTION AND RESERVES

A total of 2.51 pounds of full trimmed mica worth $20.57 per pound was obtained from the two test pits excavated prior to the contract. About 250 pounds of mine-run mica which yielded about 10 pounds of full trim was recovered from the work done under the contract. No reserves of strategic mica were revealed by the work done under the contract nor can any be inferred.

EXPENDITURES

(a)	Total approved	$5,484.00
(b)	Total cost of project	764.00
(c)	Government's share of cost	573.00
(d)	Government's share unexpended	3,540.00
(e)	Value of production during operation	78.14
(f)	Royalty paid to date	3.91

RECOMMENDATIONS

Nothing was discovered. Certification is not recommended.

Oct. 1, 1957

S. C. Bergman, Geologist
U. S. Geological Survey

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

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/26	Talbert	800
8/27	P	220
8/27	H	600

AUG 27 1957

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 14, Post Office Building
Knoxville 2, Tennessee

Re: Docket No. DMEA-4341 (Mica)
Eugene E. Crawford
Setser Property
Macon County, North Carolina
Contract No. Idm-E1023

Dear Mr. Laurence:

Enclosed are the original and two copies of a Report of Review covering the referenced Exploration Project Contract.

If you concur with the facts stated therein, the original and one copy of the Report of Review should be forwarded to the regional finance officer and one copy should be retained in your files. If, for any reason, the Report of Review does not have your concurrence please return all copies thereof to this Division.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

Enclosure

EDTalbert/wb
August 26, 1957

Copy to: Docket
Admr. Reading File
Mr. Chambers
Helen R. Miller

8623

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
8/21	Talbert	800
8/22	C	220
8/22	Smith	600

Mr. Robert A. Laurence
Executive Officer
DMEA Field Team, Region V
Room 13, P. O. Building
Knoxville 2, Tennessee

AUG 21 1957

Re: Docket No. DMEA-4341 (Mica)
Eugene E. Crawford
Stetser Prospect
Macon County, North Carolina
Contract No. Idm-E4341

Dear Mr. Laurence:

The referenced contract was terminated, effective January 26, 1957, by an agreement dated February 20, 1957, and the final voucher (the MF-104 for January 1957) was certified for payment on February 6, 1957. This Division, however, has no record of the receipt from you of a communication specifically confirming the units of work performed and requesting the issuance of a Report of Review.

If you consider that a Report of Review is in order, the submission of the required communication would be appreciated. On the other hand, if it is your opinion that a Report of Review is not in order, please so advise giving your reason.

Sincerely yours,

(Signed) J. L. Chambers

Jay L. Chambers, Director
Contract Administration
and Audit Division

EDTalbert/wb
August 21, 1957

Copy to: Docket
Admr. Reading File
Helen R. Miller
Mr. Chambers
Mr. Talbert

8623

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

August 2, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED
AUG 5 1957

DATE		CODE
8/5	P.K.	220
8/5	Sum	600

Memorandum

To: Finance Officer- Region V - (DMEA)

From: Executive Officer, DMEA - Region V - Knoxville

Subject: Royalty Payment - Idm-E1023, DMEA-4341-mica
E. E. Crawford, Setser Prospect, Macon County, N.C.

Attached is a settlement sheet in the amount of $78.14, and a check for $3.91 representing 5% royalty due the Government from the sale.

Robert A. Laurence

ZM.
Mittendorf
Lynch

Files

GENERAL SERVICES ADMINISTRATION

FINAL SETTLEMENT

MICA PURCHASING DEPOT, SPRUCE PINE, N. C.

DATE PURCHASED: [illegible]

ACCEPTANCE NO.: [illegible] (a)

CERTIFICATE AUTHORIZATION NO.: [illegible] A

LOT NO.: SP [illegible] (a)

VOUCHER NO.:

	TOTAL WGT (LBS)	LBS. - G. S.	LBS. - STAINED	LBS.-HVY.STAINED	TOTAL VALUE
PROCESSED FOR PAYMENT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
PROCESSED - NO PAYMENT					
THIN					
BLACK - DOTS SPOTS STAIN					
UNDERSIZED					
PROCESS - GAIN LOSS	-0-				
TOTAL LBS. PURCHASED	[illegible]				

FOR USE OF CERTIFYING OFFICER

LESS: INITIAL PAYMENT - VOUCHER NO. SCH. NO. [illegible]

BALANCE DUB GOVERNMENT [ ] SELLER [X] [illegible]

SELLER'S NAME AND ADDRESS

[illegible]
Route 1
[illegible], N. C.

NAME OF MINE AND LOCATION

[illegible] County, N. C.
Setzer mine

APPROVED [illegible] [illegible]
DEPOT SUPERINTENDENT DATE

Form R4-F36, May 1956

.09	.50				.25		
.09	.50	.57	10.00	5.40	.25		
.03	.25				.13		
.13	1.63				1.66		
.16	1.78	1.84	13.70	[illegible]	1.77	[illegible]	13.57
.25	2.28	2.57			2.[illegible]		

Total Value of Hand Cobbed Mica [illegible]

Signature

E. Gayle Young

Price Processing Completed 4-29-57

Net Cash C. & D. or Draft

50.00

Received by D. C. [illegible]

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

OFFICIAL FILE COPY
DMEA
RECEIVED APR 22 1957

DATE	INITIALS	CODE
		220

April 18, 1957

Memorandum

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

From: Executive Officer, DMEA, Region V, Knoxville, Tennessee

Subject: Termination Agreement on DMEA-4341, Idm-E1023 (Mica)
Eugene Crawford, Setser Prospect, Macon County, N. C.

Transmitted are three signed copies of the subject termination agreement signed by Mr. Crawford.

The usual distribution of the other copies has been made.

Robert A. Laurence

Robert A. Laurence

DMEA Form 7
(12-56)

OFFICIAL FILE COPY

Date	Surname	Code
2/18	Anderson	600
2/18	Houk	600
2-19	Chambers	220
2/20	Selfridge	110
"	Jordan	100
2/21	C 220	

600

FEB 20 1957

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

Re: Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina
Contract No. Idm-E1023

Dear Mr. Laurence:

Reference is made to the Field Team memorandum of February 4, 1957, recommending termination of the subject contract by mutual agreement.

Enclosed are the original and five copies of a proposed termination agreement signed by the Administrator for the Government. Two extra copies are enclosed for the use of the Field Team. If the proposed termination agreement meets with your approval, present it to the Operator for execution.

If any part of this agreement does not have your approval or that of the Operator, and cannot be amended within your delegated authority, then the original and all copies are to be returned to this office, together with the proposed changes for consideration.

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

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee (JB)

Approved:

Frank D. Lamb (JB)
Member, Bureau of Mines

Thor H. Kiilsgaard (JB)
Member, Geological Survey

Enclosures 8

WCAnderson:gad 2/18/57
Copy to: Admr. R. File
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

8623

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

February 4, 1957

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 6 1957

DATE	INITIALS	CODE
2/6	C	220
2/6		800
		225

Memorandum

To: Operating Committee DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville

Subject: DMEA-4341, Idm-E1023-Mica. Operator's Final Report. E. E. Crawford, Franklin, N.C.

Transmitted are four copies of the subject report.

The Field Examiners visited this project on January 25, the results of the work performed to that date did not show sufficient promise to continue.

The Field Team suggests that a termination agreement be prepared effective January 26, 1957.

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

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

Operator's Rpt.

DMEA no. 4341

Operators Monthly Progress Report
for Dec. 14, 1956 – Jan. 25, 1957

Work Accomplished

Cut a drain ditch to drain bottom of open cut. Ordered lumber for shaft and toolhouse. Built toolhouse. Sank shaft for a total of 13 ft. Hired two men.

Daily Notes

Dec. 27 – Started digging ditch to drain cut.
Dec. 28 – Finished ditch. Bought 1000 ft. of lumber for shaft and toolhouse.
Dec. 29 – Started toolhouse.
Dec. 31 – Pump broke down, ordered new parts.
Jan. 4 – Put pump back together
Jan. 5 – Hired Ed Setser to help finish toolhouse.
Jan. 7 – Started digging shaft.
Jan. 8 – Continued work on shaft.
Jan. 9 – Set up windlass.
Jan. 11 – Field team came by at 10:00 AM. Shaft was 5 ft. deep. Advised to sink 10 more ft.
Jan. 12 – Sank shaft 2 more ft.
Jan. 14 – Pigmatite cut out suddenly at 8 ft.
Jan. 15 – Continued digging shaft.
Jan. 16 – Hired Robert Corpening to help with shaft.
Jan. 17 – Sank shaft 2 ft. without trace of pigmatite.
Jan. 18 – Continued digging shaft.
Jan. 24 – Sank shaft on to 13 ft.
Jan. 25 – Field team arrived at noon. After thorough examination, advised to discontinue operation.

OFFICIAL FILE COPY
DMEA
RECEIVED FEB 6 1957

DATE	INITIALS	CODE

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

PAID ON VOUCHER & SCHEDULE OF PAYMENTS K-44

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of JAN, 1957 Docket No. DMEA 4341 Contract No. IDME 1023

Operator's Name E. E. CRAWFORD Minerals

Address Rte. 1, Box 192, FRANKLIN, N.C.

Contract Amount, $ 5,484.00 Government Participation: 75% Amount, $ 4,113.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing		168.00				
Crosscutting						
Drifting						
SHAFT (13 feet)	$520.00					
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
Tool House	76.00					
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$596.00	168.00		596.00	168.00	764.00

RECEIVED FEB 5 1957 DMEA

I certify that the above bill is correct and just and that payment therefor has not been received.

Date Jan. 28, 1957 *Payee E. E. Crawford

Per _____ Title operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 447.00

Signature Helen R. Medlin (Authorized Certifying Officer)

Date FEB 6 1957 Vou. No. 121

(See other side)

149.00

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. F-1023 in accordance with the terms of the contract.

Signature S. C. Bergman Title GEOLOGIST, U. S. G. S. Date JAN. 31 1957

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature N. J. Lynch Title ACTING EXECUTIVE OFFICER DMEA - REGION V Date JAN 31 1957

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

RECEIVED FEB 8 1957 D.M.E.A.

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION
OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of JAN 1957 Docket No. DMEA 4341 Contract No. DMEF 1023
Operator's Name E.E. CRAWFORD Minerals MICA
Address Rte. 1 Box 192, FRANKLIN, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT	
							Units	Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts	Ft.	$520.00	13 Ft	$520.00	13 Ft.	$40.00	60	$40.00
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Tool House	1	76.00	1	76.00	1	76.00	1	76.00
TOTAL DISTRIBUTED COSTS		596.00		596.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS								

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

Date JAN. 28, 1957 Operator E.E. Crawford

Per _____ Title operator

NOTE.—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.

REMARKS:

(Instructions on reverse)

(For Government use only) S. C. Bergman
GEOLOGIST, U. S. G. S. JAN. 31 1957

INSTRUCTIONS

Preparation of Form MF–104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF–104A has been designed to tie in with Form MF–104 for both monthly and cumulative costs. The "Total Costs" on Form MF–104A for each month should equal the monthly "Total Costs" as reported on Form MF–104. This is also true of the "Total Costs To Date".

In preparing Form MF–104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

DMEA No. 4341

RECEIVED FEB 8 1957 D.M.E.A.

Operators Monthly Progress Report
for Dec. 14, 1956 – Jan. 25, 1957

Work Accomplished.

Cut a drain ditch to drain bottom of open cut. Ordered lumber for shaft and toolhouse. Built toolhouse. Sank shaft for a total of 13 ft. Hired two men.

Daily Notes

Dec. 27 – Started digging ditch to drain cut.
Dec. 28 – Finished ditch. Bought 1000 ft. of lumber for shaft and toolhouse.
Dec. 29 – Started toolhouse.
Dec. 31 – Pump broke down, ordered new parts.
Jan. 4 – Put pump back together.
Jan. 5 – Hired Ed Setser to help finish toolhouse.
Jan. 7 – Started digging shaft.
Jan. 8 – Continued work on shaft.
Jan. 9 – Set up windlass.
Jan. 11 – Field team came by at 10:00 AM. Shaft was 5 ft deep. Advised to sink 10 more ft.
Jan. 13 – Sank shaft 2 more ft.
Jan. 14 – Pigmatite cut out suddenly at 8 ft.
Jan. 15 – Continued digging shaft.
Jan. 16 – Hired Robert Corpening to help with shaft.
Jan. 17 – Sank shaft 2 ft. without trace of pigmatite.
Jan. 18 – Continued digging shaft.
Jan. 24 – Sank shaft on to 13 ft.
Jan. 25 – Field team arrived at noon, after thorough examination, advised to discontinue operation.

4341

ACTION ON INTERIM
OR FINAL FIELD TEAM REPORT

Date 2/12

Referred to:

1. ~~Mr. Mittendorf~~
2. ~~Mr. Johnson~~
3. ~~Mr. Chambers~~
4. ~~Docket Control Mails and Files~~
5. ~~Non Metallic Minerals Division~~
6. Docket Control Mails and Files

Note comments in report regarding:

1. Recommend Tax Reconsidered
2.
3.
4.

and take appropriate action.

- - - - - - - -

Action taken by Division: Draft of Termination transmitted to Legal on Feb. 8, 1957

Robert E. Adams

RECEIVED
JAN 11 1957
D.M.E.A.

INTERIM REPORT

DMEA-4341, Idm-E1023 (mica) SETZER PROSPECT

Operator: E. E. Crawford, Route #1, Franklin, N. C.

Location: 7.13 airline miles, S68°W of Franklin, Macon Co., N. C.

Shaft sinking has been stopped on this contract because of absence of pegmatite in the shaft bottom. The Field Examiners recommend that the contract be terminated by mutual agreement of both parties.

A total shaft depth of 13 feet was made; 8 feet was sunk in pegmatite, and the remaining 5 feet in country rock containing scattered lenses and pods of pegmatite material. The Operator stated that the pegmatite terminated abruptly, and no evidence of strike continuity could be gained below 8 feet. The Field Examiners believe that it is in the Government's best interests to terminate the contract at this time.

In addition to the shaft work completed consisted of preliminary trenching and construction of a tool house.

This Operator was very cooperative throughout the short life of this contract, and all work was completed satisfactorily.

L. E. Shirley

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

S. C. Bergman, Geologist
U. S. Geological Survey

January 25, 1957

INTERIM REPORT

DMEA-4341, Idm-E1023 (mica) SETZER PROSPECT

RECEIVED JAN 22 1957 D.M.E.A.

Operator: E. E. Crawford, Route 1, Franklin, North Carolina
Location: 7.13 airline miles, S68°W of Franklin, Macon County, North Carolina

Shaft sinking is underway on this contract and about 5 feet of progress plus shaft collaring has been completed. About 3 feet of pegmatite was exposed on the southeast end of the shaft in the bottom but loose muck and water prevented a good inspection. Instructions were given for continued sinking following the inclination of the body.

A tool-house has been built, and magazines were being constructed at the time of this visit. Standard equipment has not been procured to date and a surface gasoline powered pump is being used to handle the water. The operator was advised to procure necessary equipment immediately if reasonable progress is to be made.

L. E. Shirley

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

S. C. Bergman
U. S. Geological Survey

January 11, 1957

Operating Committee

RECEIVED
DEC 27 1956
D.M.E.A.

December 20, 1956

Mr. Eugene E. Crawford
Route # 1
Franklin, North Carolina

Re: DMEA-4341, Idm-E1023-Mica
Betser Prospect
Macon County, N. C.

Dear Mr. Crawford:

This is your written authorization to begin Stage II on the subject contract.

Very truly yours,

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Region V

VJL/zm
cc
Lynch
Finance Office
Opr. Com.
Shirley
Files

cw

RECEIVED DEC 1956

INTERIM REPORT

DMEA-4341, Idm-E1023 (mica) SETZER PROSPECT

Operator: E. E. Crawford, Route No. 1, Franklin, North Carolina

Location: 7.13 airline miles, S68°W of Franklin, Macon County, North Carolina

The starting date on this contract is December 3, 1956. Stage I of the contract consisting of trench excavation along the strike of the pegmatite has been completed. The Field Examiners recommend that authorization of Stage II be sent to the Operator in writing.

The completed trench is 100 feet long by 15 feet wide by 10 to 12 feet deep and exposes pegmatite for a distance of about 50 feet along strike. The body is 2.5 to 3.0 feet thick and is composed of a medium grained mixture of feldspar, quartz, and small to medium-sized books of mica, some of which is stained. About 200 pounds of block was recovered during trenching in sizes up to 6" x 8" x 2" (thick).

Instructions for shaft sinking were given. The Operator was advised to slope the sides of the trench and provide natural drainage on the southeast end.

Mr. R. A. Laurence, Executive Officer of DMEA, Region V, accompanied the Examiners on the December 7, 1956 visit.

L. E. Shirley

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

A. R. Taylor & S. C. Bergman
Geologists, U.S. Geological Survey

December 7 and 13, 1956

Form MF-104 (Rev.)
(April 1952)

Budget Bureau No. 42-R1036.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS EXPLORATION ADMINISTRATION

PAID ON VOUCHER & SCHEDULE OF PAYMENTS X

OPERATOR'S MONTHLY REPORT AND VOUCHER

Month of November, 1956 Docket No. DMEA 434 1 Contract No. IDME 1023
Operator's Name E. E. Crawford Minerals
Address Rt. 1, Box 142, Franklin, N.C.
Contract Amount, $5,484.00 Government Participation: 75 % Amount, $4,113.00

ITEMS OF COSTS	FOR OPERATOR'S USE: Monthly Total	Totals Previously Reported	Totals To Date	FOR GOVERNMENT USE ONLY: Approved Monthly Total	Approved Totals Previously Reported	Approved Totals To Date
(1) Independent Short Form Contracts:						
Drilling						
Bulldozing 560 cu. yds	$168.00		$168.00			
Crosscutting						
Drifting						
(2) Labor and Supervision:						
Labor						
Supervision						
Technical Services						
(3) Operating Mat'ls. and Supplies:						
Timber						
Explosives						
Pipe						
Track						
(4) Operating Equipment:						
Rental						
Purchase						
Depreciation						
(5) Initial Rehabilitation and Repairs						
(6) New Bldgs., Improvements, etc.						
(7) Miscellaneous:						
Repairs to Equipment						
Sampling and Analysis						
Payroll Taxes						
Liability Insurance						
(8) Contingencies (specify):						
TOTALS	$168.00		$168.00	168.00		168.00

RECEIVED DEC 26 1956 D.M.E.A.

I certify that the above bill is correct and just and that payment therefor has not been received.
Date November *Payee E. E. Crawford
Per Title operator

*When a voucher is signed or receipted in the name of a company or corporation, the name of the person writing the company or corporate name, as well as the capacity in which he signs, must appear. For example: "John Doe Company, per John Smith, Secretary," or "Treasurer," as the case may be.

NOTE.—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.

(Instructions on reverse)

Pursuant to authority vested in me, I certify that this account is correct and proper for payment in the amount of:

$ 126.00

Signature Helen R. Miller
(Authorized Certifying Officer)

Date DEC 21 1956 Vou. No. 97
(See other side)

4200

(For Government use only)

CERTIFICATION BY GOVERNMENT REPRESENTATIVE:

I certify that to the best of my knowledge and belief the contractor submitting this voucher is operating a Defense Minerals Exploration Administration project under Contract No. E-1023 in accordance with the terms of the contract.

Signature Alfred R. Taylor Title Geologist, USGS Date 12-20-56

APPROVAL BY DMEA EXECUTIVE OFFICER OR ALTERNATE:

Signature V. J. Zymal Title ACTING EXECUTIVE OFFICER DMEA REGION V Date DEC 20 1956

MONTHLY REPORT OF OPERATOR

The Operator (Contractor) of an exploration project is required to make a monthly report to the Government through the Regional Executive Officer. This report consists of three parts as follows:

(a) *Form MF-104—Operator's Monthly Report and Voucher.*—This form details expenditures and constitutes a voucher for reimbursing the Operator for the Government's share of costs;

(b) *Form MF-104A—Operator's Unit Cost and Progress Report.*—This is a statistical report of expenditures which shows costs for the various types of operation; and

(c) *Narrative.*—A concise narrative description of progress made, results accomplished, and any unusual difficulties encountered must be furnished as an attachment to this Report and Voucher. Wherever possible, the narrative is to be illustrated with maps or sketches showing formations penetrated and location and assays of samples taken as well as advances in workings. In the case of diamond drilling or churn drilling, the location and inclination of holes is to be shown on a map; logs and assays also are to be submitted.

The Monthly Report of Operator should be prepared in an original and four copies all of which must be sent to the Executive Officer of the Region not later than the 15th of the month following.

Preparation of Form MF-104—Operator's Monthly Report and Voucher.—All the applicable spaces in Form MF-104 should be filled in by the Operator, and the Operator or his agent should sign the certification in the lower left corner of the form.

The items of costs are arranged in the order they appear in Article 6 (a) of Form MF-200 (Revised February 1952), however, this form is readily adaptable for use in reporting activities under other contract forms.

Under Item (1) delete words "Short Form" if the contract is a sub-contract under Form MF-200; and delete word "Independent" if the contract reported is on Form MF-200 (A). Also, report work paid for on a unit basis under contract Form MF-200 as though it were performed under an independent contract.

Under Item (2) include labor, supervision and technical services incurred for the exploratory operations. Do not include labor, supervision and technical services used for work performed under items (5) and (6).

Under Item (3) include the costs of material and supplies used in the project other than that used under items (5) and (6).

Under Item (4) appear the three types of operating equipment expenditures, that is, rental, purchase and depreciation. The expenditures made for renting equipment belonging to a third party will be reported under "Rental". The amount paid or duly obligated for payment for the purchase of equipment will be reported under "Purchase". The amount of expenditures due the Operator to reimburse him for depreciation of equipment owned will be reported under "Depreciation".

Item (5) comprises costs of labor, supervision, technical services, materials, etc., which are used in the initial rehabilitation and repair of existing buildings, installations, fixtures, and equipment. These costs, therefore, should not be reported under items (2) and (3).

Item (6) includes the labor, supervision, technical services, materials, etc., used in the installation or construction of new buildings, fixed improvements, etc., necessary for the project. These costs, therefore, should not be reported under items (2) and (3).

Item (7) covers miscellaneous types of expenditure such as payroll taxes, liability insurance, workmen's compensation insurance, repairs to equipment and sampling and analysis. Only that part of payroll taxes, liability insurance and workmen's compensation which are paid by the operator should be reported under item (7). The share paid by the employee as a payroll deduction is to be included under item (2) as labor costs.

Item (8) includes any unforeseen costs not included in the other seven categories.

The original of Form MF-104 when submitted for reimbursable expenses incurred under contract Form MF-200 must be supported by original documentation or by certified copies of purchase orders, payrolls or transcripts of payrolls, unless such documentation has been waived by the Regional Executive Officer. This certification may be stated thus, "Certified True Copy (or Transcript)", followed by appropriate signature. If the Executive Officer of the Region determines that a contract under Form MF-200 should have an "on-site" audit, that is, a Government auditor should make an audit of the Operator's books and records of account, the Operator need not support his monthly voucher with original or certified documents except in cases of equipment purchases whose individual costs exceed $50.00. In these cases the original or a certified copy of the purchase order or invoice should be attached to the Monthly Voucher. N. B.—Only the *original* of Form MF-104 is required to be documented. The four copies of Form MF-104 are not to be thus supported.

Form MF-104 submitted for reimbursement under fixed price contracts on Form MF-200 (A), however, are not required to be supported by documentation of any kind. The Operator will submit his claim under item (1) of Form MF-104 by deleting as stated above the word "Independent" and by showing the number of feet or other units immediately after the appropriate descriptive word, such as, drilling, bulldozing, crosscutting, drifting, etc., and giving the "Monthly Total" amount due. "Totals Previously Reported", and "Totals to Date" columns should also be filled in.

Form MF-104A
(April 1952)

Budget Bureau No. 42-R1151.2

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

OPERATOR'S UNIT COST AND PROGRESS REPORT

Month of Nov. 1956 Docket No. DMEA 4341 Contract No. IDME1023
Operator's Name E. E. Crawford Minerals Mica
Address Rt. 1, Box 192, Franklin, N.C.

OPERATION	UNIT	COSTS THIS MONTH	UNITS THIS MONTH	COSTS TO DATE	UNITS TO DATE	UNIT COSTS TO DATE	AUTHORIZED BY CONTRACT Units	AUTHORIZED BY CONTRACT Unit Costs
Drifting								
Crosscutting								
Raising								
Shafts								
Winzes								
Drilling: Core								
Churn								
Auger								
Stripping								
Trenching								
Test Pits								
Roads and Trails								
Bulldozing	Cu yd	168.00	560	168.00	560	.30	560	.30
TOTAL DISTRIBUTED COSTS		168.00		168.00				TOTAL COSTS AUTHORIZED BY CONTRACT
Operating Equipment Purchased								
Initial Rehabilitation and Repairs								
New Buildings, Improvements, etc.								
TOTAL COSTS		168.00		168.00				

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

Date November Operator E. E. Crawford

Per Title Operator

NOTE.—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.

REMARKS:

(Instructions on reverse)

(For Government use only)

RECEIVED NOV 26 1956 DMEA

Alfred R. Taylor
Geologist, USGS

INSTRUCTIONS

Preparation of Form MF-104A—Operator's Unit Cost and Progress Report.—Applicable places on Form 104A should be filled in by the Operator. The purpose of this form is twofold as follows: (1) to furnish the supervising engineers and other administrators with statistical information necessary to better determine the progress of the project; and (2) to furnish more permanent information on mining costs for future use. The more important phases of operation on which permanent information is desired have been outlined in the form. There are blank lines, however, for those unusual phases which may need to be reported for a particular project. It will be necessary for the Operator to distribute his costs among the applicable phases reported with the exception of three items the costs of which are not to be distributed by the Operator. These three items are: "Operating Equipment Purchased", "Initial Rehabilitation and Repairs", and "New Buildings, Improvements, etc." The reason for not distributing these items on a monthly basis is doubtless clear to the Operator, since such distribution might well overstate the cost for any one month or period short of the entire contract period.

Form MF-104A has been designed to tie in with Form MF-104 for both monthly and cumulative costs. The "Total Costs" on Form MF-104A for each month should equal the monthly "Total Costs" as reported on Form MF-104. This is also true of the "Total Costs To Date".

In preparing Form MF-104A, it will be necessary frequently to distribute certain costs over a number of items. For instance, supervisory and engineering costs may have to be distributed over several phases, such as, drifting, crosscutting, raising, etc., provided that these items were reported active for the month. Such distributions should be made on the basis of time spent on the various phases, on man days of labor charged to such phases, or on some other equitable basis. "Operating Equipment", "Initial Rehabilitation and Repairs", and "New Buildings Improvements, etc.", will be distributed to the several phases of the project by the Washington Office of DMEA at the close of the project if determined necessary. The last two columns headed "Authorized by Contract" will be filled in by the Operator if such information is found in the contract. This information is usually a part of Exhibit "A" of the contract. A space for remarks has been provided for the use of the Operator to call attention to any unusual circumstances causing excessive or disproportionate unit costs.

GPO 872894

[illegible] No. [illegible]

[illegible]
[illegible]
for the
Month of November 195

Work Accomplished

[illegible] to excavate a trench [illegible] ft. by [illegible] ft. [illegible]

Daily Notes

Nov. [illegible]. [illegible] on [illegible] site. [illegible]
[illegible] ft. [illegible]

Nov. [illegible]. [illegible] ([illegible] ft. [illegible] and [illegible] ft. [illegible]).
[illegible] ft. [illegible] lbs.
of [illegible] lbs. of [illegible]
[illegible] lbs.

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

WASHINGTON 25, D.C.

November 2, 1956

Memorandum

To: Operating Committee, DMEA - Washington

From: Executive Officer, DMEA - Region V - Knoxville, Tenn.

Subject: Signed Contract - Idm-E1023, DMEA-4341 - Mica
Eugene E. Crawford, Franklin, N.C.

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

Robert A. Laurence

Robert A. Laurence

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

DOCKET COPY
Surname:
Anderson
Houk
Chamley
Selfridge
Mattendorf

OCT 22 1956

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

Re: Docket No. DMEA-4341-nice
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Dear Mr. Laurence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I (2 pages), Exhibit "A" (2 pages), and two maps of the Setser Property. Two extra copies of Annex I, Exhibit "A" and the maps are enclosed for the use of the Field Team.

Also attached are seven copies of a partially processed Consent to Lien and Subordination Agreement. Execution of this contract is subject to the obtaining of the signatures on the Consent to Lien and Subordination Agreement of the lessors, Gilmer Setser and wife, Nina R. Setser, and date of signatures. Please note that the land described in Annex I of the Contract, the Consent to Lien and the lease is the same and identical area.

If the proposed contract meets with your approval, present it to the applicant for execution. Please explain to the applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit "A" and the maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated July 24 and 26, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

Frank D. Lamb

Member, Bureau of Mines

N. E. Nelson

Member, Geological Survey

Enclosures: 19

WCAnderson:ms 10/16/56
Copy to: Docket
Operating Committee
Mr. Kilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

DOCKET COPY
Surname:
Anderson
Houk
Talbert

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

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

Re: Docket No. DMEA-4341-mica
Eugene K. Crawford
Setzer Property
Mason County, North Carolina

Dear Mr. Lawrence:

Enclosed are the original and five copies of a proposed contract which have been signed by the Administrator for the Government with effective date as shown. Attachments to the contract are Annex I (2 pages), Consent to Lien, Exhibit "A" (2 pages), and two maps of the Setzer Property. Two extra copies of Annex I, Exhibit "A" and the maps are enclosed for the use of the Field Team.

If the proposed contract meets with your approval, present it to the applicant for execution. Please explain to the applicant that the contract is a firm commitment to complete the work outlined at the agreed cost. Copies of the executed contract are to be distributed in the usual manner.

If any part of this proposed contract does not have either your approval or that of the applicant and cannot be amended within your delegated authority, then the original and all copies of the contract and the two extra copies of Annex I, Exhibit "A" and the maps are to be returned to this office, together with the proposed changes for consideration.

Copies of memoranda dated July 24 and 26, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

Approved:

Member, Bureau of Mines

Chairman, Operating Committee

Member, Geological Survey

WCAnderson:ms 8/21/56

Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 12

PS: We note that according to the land description of lots #1 and #2, that the property is located north of Mistract Creek instead of west as stated in the lease.

EXPLORATION PROJECT CONTRACT
EUGENE E. CRAWFORD
DOCKET NO. DMEA-4341

ANNEX I

The land referred to in Article 2 of the Contract is known as the Setser property, and is held by the Operator under a lease* dated May 25, 1956,* from Gilmer Setser and Nina Ray Setser. The land is shown on the map attached hereto and made a part hereof, and is located 7.13 miles S 68° W of Franklin, Macon County, North Carolina. The land is on the ~~west~~ north side of Muskrat Creek, contains 50 acres, more or less, and is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923, which deed is registered in Book J-4, at page 189 in the office of the Register of Deeds for said county, as follows:

Lot No. 1: BEGINNING on a white oak, Fred Oliver's corner, and runs a Southerly direction to a stake in the line of L. F. Setser, thence with his line to ford Muskrat Creek, to Shook's line; then with M. Shook's line back to the BEGINNING, containing 4 acres, more or less.

Lot No. 2: BEGINNING at a white oak, the Northwest corner of L. C. Oliver's tract No. 1 in the N. B. of Section No. 45 and runs with line of same N 86 W 10 poles to ~~Muskrat Creek;~~ a dogwood; then S 4 W 71 poles to Muskrat Creek; then down the Creek, with its meanders, 10 poles to L. C. Oliver's corner; then with his line N 4 E 71 poles to the BEGINNING.

Lot No. 3: BEGINNING at a dogwood, the Northwest corner of Lot No. 2 in the North boundary line of Section No. 45, and runs N 86 W 10 poles to a stake and pointers; then S 4 W 75 poles to the Muskrat Creek; then down the Creek, with its meanders, 11½ poles to Delia Oliver's corner; then with her line N 4 E 71 poles to the BEGINNING, containing 4 3/4 acres.

Lot. No. 4: BEGINNING at a stake and pointers, the North boundary line of Section No. 45, Northwest corner of Lot No. 3 and runs with the line of No. 45 N 86 W 20 poles to a white oak; then ~~S 40~~ S 4 W W 82 poles to the Muskrat Creek; then down the Creek, with its meanders, to Fred Oliver's corner; then N 4 E 76 poles to the BEGINNING, containing 9 3/4 acres.

* and lease of Oct 6, 1956 between same parties.

x – [illegible] Lease

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

RECEIVED
OCT 1 2 1956

October 10, 1956

Memorandum

To: Operating Committee, DMEA - Washington

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

Subject: DMEA-4341 (mica) Eugene E. Crawford, Franklin, N.C.
Gilmer Setser Property, Macon County, N.C.

Reference is made to your letter of August 29, and our letter to the applicant, dated August 31, 1956.

Enclosed is a revised lease, and four signed copies of the Consent to Lien, received today from the Applicant, with no further explanation. It will be noted that the land description is the same on both the lease and the Consent to Lien. The lease is signed by Gilmer Setser and Nina Ray Setser while the Consent to Lien is signed by Gilmer Setser and Mrs. Gilmer Setser. It is assumed that Mrs. Gilmer Setser and Nina Ray Setser are one and the same person.

Mr. Taylor states that the location of the proposed exploration, as shown on the Applicant's property map, is correct. Although we cannot confirm it without reference to the Deed Book in the Macon County Court House, it is our understanding that the "Gilmer Setser Land leased to E. E. Crawford (mineral)" of the map is the same as the tract of land described in the lease.

The map which accompanied your letter of August 29 is enclosed.

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

V. J. Lynch
V. J. Lynch, Member
U. S. Bureau of Mines

MF-205
(Combines and supercedes MF-201 and MF-203)
June 1956.

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA- 4341 (Mica)
Contract No. Idm-E
Contract Date

RECEIVED
OCT 12 1956

CONSENT TO LIEN
and
SUBORDINATION AGREEMENT 1/

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows: 2/ Being of that portion of a tract of land lying on the North side of Muskrat Creek, which is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923 and registered in Book J-4, at page 189 in the office of the Register of Deeds for Macon County, N. C., the said portion of this lease containing approximately 50 acres, more or less.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom, to secure the payment to the Government of a percentage royalty on production as may be provided for by the Contract;

3. Subordinates the undersigned's right, title, claim, or interest in or against the land and in any production therefrom to the rights of the Government under the contract with respect to royalty on production and liens to secure same;

4. Represents and undertakes that there is no claim, lien, or encumbrance upon the undersigned's right, title, claim, or interest in or against the land other than the following: (If "none" insert the word "none." Do not leave lines blank.)

None

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

2/ 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.

5. Undertakes and agrees (a) neither to commit any act nor assert any claim in conflict with the provisions of this Agreement; and (b) to give advance notice of the Government's rights under this Agreement to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, claim, or interest in or against the land, or any production therefrom furnishing the Government with two copies of such notice; and

6. Consents to all amendments (including an agreement of termination) and assignments of the contract without notice thereof, and undertakes and agrees that this Agreement shall extend and apply thereto.

7. Added provision: None (State "None" or "See Annex No.____")

Dated this 8th day of October, 195__. 6

Gilmer Setzer [Seal] Rt. # 1, Franklin, N. C. [Address]

Mrs. Gilmer Setzer [Seal] Rt. # 1, Franklin, N. C. [Address]

_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

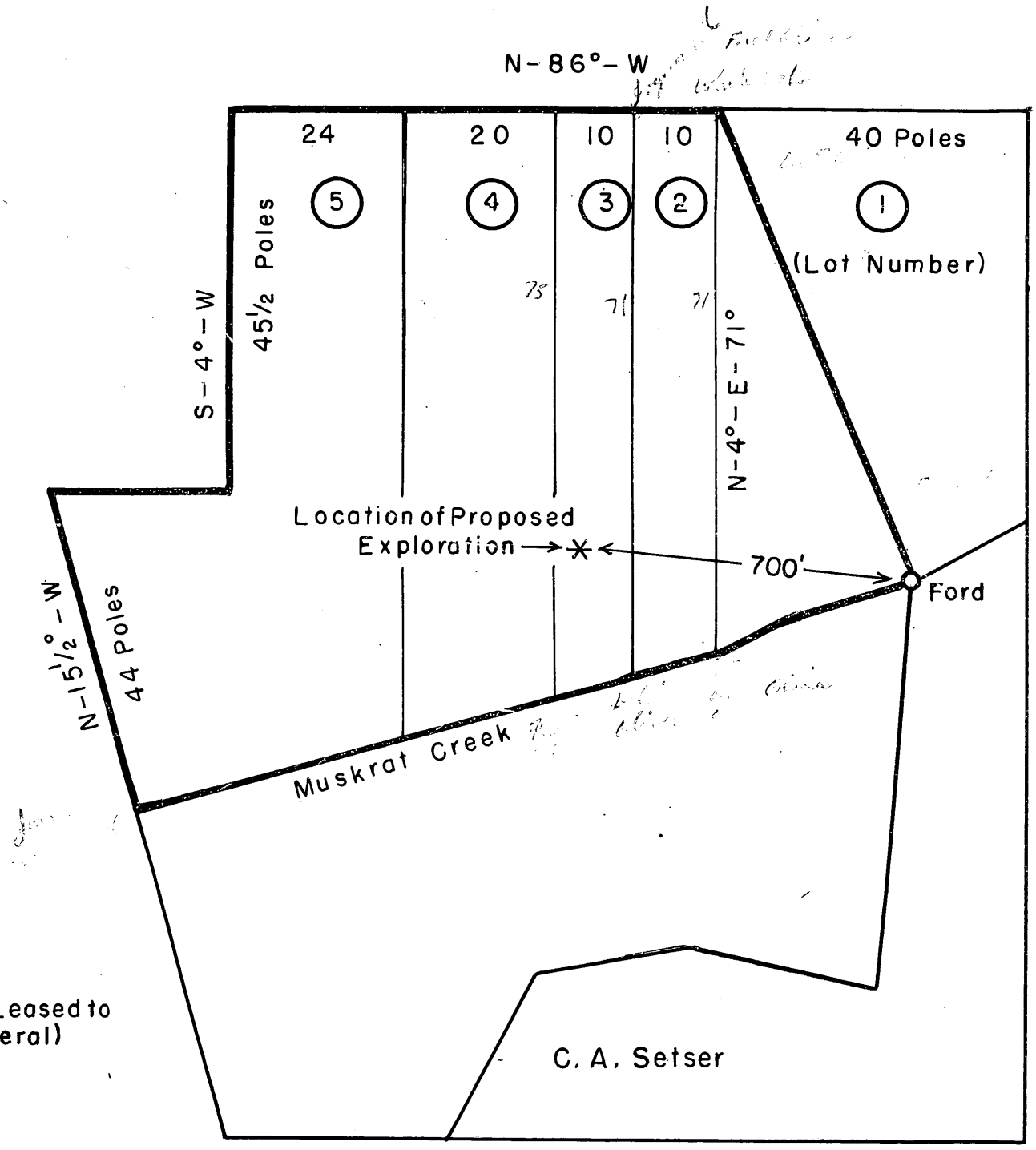
_____ [Seal] _____ [Address]

_____ [Seal] _____ [Address]

I, _____ certify that I am the _____ _____ (Secretary, etc.) of the corporation named herein; that _____ _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____

[Corporate Seal]



LEGEND

Gilmer Setser Land Leased to E. E. Crawford (Mineral)

Docket Copy
Surname:
Anderson
Houk
Selfridge
Mortendorf

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

600

OCT - 9 1956

Mr. Eugene E. Crawford
Route 1
Franklin, North Carolina

Re: Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Dear Mr. Crawford:

Reference is made to the letter dated August 31, 1956, you received from Mr. Robert A. Lawrence, Executive Officer, DMEA Field Team, Region V, requesting information necessary to complete processing your application.

To date we have not received the requested data. Your prompt attention to this matter will enable us to proceed with the processing of your application.

Sincerely yours,

SIGNED

Lawrence G. Houk, Chief
Nonmetallic Minerals Division

WCAnderson:gad 10/8/56
Copy to: Admr. R. File
Docket
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk

R.G.S.

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

RECEIVED
SEP - 4 1956

August 31, 1956

Mr. Eugene E. Crawford
Route 1
Franklin, North Carolina

Re: DMEA-431 (Mica)
Setzer Property
Macon County, North Carolina

Dear Mr. Crawford:

Enclosed are a copy of the map and the legal description of the property which you submitted in connection with the subject application. Please note that the description of lots 1 and 2 does not agree with the map; also, that in the description of lot no. 4, it states "S 40 W, 82 poles" when evidently S 4 W is meant.

In the copy of the lease, submitted with the application, the property is described as lying west of Muskrat Creek, although actually it is north of Muskrat Creek, as shown on the lease map and on published topographic maps.

Please have the land description revised so as to agree with the map (or vice versa, if the map is incorrect), as we cannot complete processing a contract without this information. Our field examiners Mr. Shirley and Mr. Taylor, will be at the Franklin Motor Court on Thursday evening, September 6. I suggest that you contact them and make sure that your revised information is correct.

Very truly yours,

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

RAL/mg
Enclosures 2
cc
Oper. Comm. (2)
Lynch
Shirley
File

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

DOCKET COPY
Surname:
Anderson
Houk
Selfridge
Hoffman

AUG 29 1956

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

Re: Docket No. DMEA-4341-mica
Eugene E. Crawford
Setzer Property
Macon County, North Carolina

Dear Mr. Laurence:

Reference is made to the subject application for which a contract is in the process of preparation.

Enclosed is a copy of a map and two copies of the legal description of the subject property submitted by the applicant. There is a discrepancy between the map and the land description. To complete the processing of the contract, we should have an agreement between the map and the text of the land description. It will be appreciated if you will reconcile this difference.

Sincerely yours,

George C. Seifridge

Chairman, Operating Committee (WB)

Approved:

Frank D. Lamb
Member, Bureau of Mines (WB)

W. P. Williams
Member, Geological Survey (WB)

WCAnderson:ms 8/29/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

Enclosures: 3

P. S. Is property north or west of Muskrat Creek? See lease.

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

A

RECEIVED
AUG 10 1956

JUL 26 1956

Mr. Eugene E. Crawford
Route #1
Franklin, North Carolina

Re: Docket No. DMEA-4341-mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Dear Mr. Crawford:

Reference is made to your application for Government assistance to explore the subject property.

Please be informed that the processing of your application is being held in abeyance pending receipt of the information requested in our letter of June 25, 1956. We must have the description of the land referred to in the lease and Consent to Lien as described in the deed registered in Book J-4, page 189, in the office of the Register of Deeds for Macon County, North Carolina. A map of the property, if available, would be helpful.

As soon as the requested land description is received, your application will receive further consideration.

Sincerely yours,

O. Mittlesdorf

Administrator

RETURNED BY APPLICANT WITH LAND DESCRIPTION AND MAP
8/10/56

RECEIVED
AUG 10 1956

Description of Property

Re: Docket No. DMEA-4341
Eugene E. Crawford
Setser Property
Macon County, N. C.

Lot No. 1 BEGINNING on a white oak, Fred Oliver's corner, and runs a Souther direction to a stake in the line of L. F. Setser, thence with his line to ford Muskrat Creek, to Shook's line; then with M. Shook's line back to the BEGINNING, containing 4 acres, more or less.

Lot No. 2: BEGINNING at a white oak, the Northwest corner of L. C. Oliver' tract No. 1 in the N. B. of Section No. 45 and runs with line of same N 86 W 10 poles to ~~Muskrat Creek~~; then down the Creek, with its meanders, 10 poles to L. C. Oliver's corner; then with his line N 4 E 71 poles to the BEGINNING.

Lot No. 3: BEGINNING at a dogwood, the Northwest corner of Lot No. 2 in the North boundary line of Section No. 45, and runs N 86 W 10 poles to a stake and pointers; then S 4W 75 poles to the Muskrat Creek; then down the Creek, with its meanders, 11½ poles to Delia Oliver's corner; then with her line N 4 E 71 poles to the BEGINNING, containing 4 3/4 acres.

Lot No. 4: BEGINNING at a stake and pointers, the North boundary line of Section No. 45, Northwest corner of Lot No. 3 and runs with the line of No. 45 N 86 W 20 poles to a white oak; then ~~S 40 W~~ S 4 W 82 poles to the Muskrat Creek; then down the Creek, with its meanders, to Fred Oliver's corner; then N 4 E 76 poles to the BEGINNING, containing 9 3/4 acres.

Lot No. 5: BEGINNING at a white oak, Northwest corner of Lot No. 4, and runs with line of same S 4 W 82 poles to the Muskrat Creek; then up the Creek with its meanders 32½ poles to James McConnell's line; then with said line N 15½ W 44 poles to the North boundary line of Section No. 46; then with said line S 86 E 24 poles to the West boundary line of Section 45; then with said line N 4 E 45½ poles to the Northwest corner of same; then S 86 E 26 poles to the BEGINNING, containing 20 acres.

a dogwood; then S 4° W 71 poles to Muskrat Creek;

Mr. Eugene E. Crawford
Route 1
Franklin, North Carolina

Re: Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Mason County, North Carolina
Contract No. Idm-E1023

Dear Mr. Crawford:

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,

C. O. Mittendorf

Administrator

WCAnderson:rsi 11/7/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. and Mrs. Gilmer Setser

Mr. and Mrs. Gilmer Setzer
Route 1
Franklin, North Carolina

Re: Docket No. DMSA-4341-Miss
Eugene E. Crawford
Setzer Property
Macon County, North Carolina
Contract No. Idm-21023

Dear Mr. and Mrs. Setzer:

Enclosed is a copy of a self-explanatory letter of today to the Operator under the above-cited contract.

This correspondence relates to the Consent to Lien and Subordination Agreement signed by you on October 29, 1956.

Sincerely yours,

C. C. Mattendorf

Administrator

Enclosure

WCanderson:rai 11/7/57
Copy to: Admr. R. File
Mr. Chambers
Field Team, Region V
Mr. Killeguard, 5222
Mr. Dietrich, 3061
Mr. Hauk

November 6, 1957

Project Summary Report

By: Walter C. Anderson, Division of Nonmetallic Minerals

1. Docket No. DMEA-4341-Mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Application: Form MF-103(April 1952) received June 15, 1956.

Work Proposed by Applicant: Shaft sinking and drifting - no footages were indicated. Amount requested $8,030.00

Operator: Eugene E. Crawford
Route 1, Franklin, North Carolina

Operator's Property Rights: Five year mining lease on the Gilmer Setser Property, consisting of approximately 50 acres, dated October 6, 1956. Consent to Lien and Subordination Agreement of Owners, dated October 29, 1956.

2. Contract: Form MF-200A(April 1956) dated October 22, 1956.

Work Authorized:	
Stage I	
Excavation - 560 Cu. yds. @ $0.30/cu.yd.	$168.00
Stage II	
Construction - toolhouse, powder & exploder magazine	116.00
60 feet of shaft @ $40.00/ft.	2,400.00
80 feet of drifts and/or crosscur @ $35.00/ft.	2,800.00
Estimated total cost of project	$5,484.00
Government participation @ 75%	$4,113.00

Amendments - none.

Work Completed:	
Excavation	$168.00
Construction - toolhouse	76.00
13 feet of shaft @ $40.00/ft.	520.00
Total accepted cost	$764.00
Government participation @ 75%	$573.00

Work began November 24, 1956 and ended on January 25, 1957. It was terminated by mutual agreement on February 20, 1957. Field Team Final Report received October 3, 1957. Operator's Final Report received February 6, 1957. No equipment purchased under contract.

3. Audit: Report of Review issued August 26, 1957.

Total accepted cost	$764.00
Government participation	$573.00

4. Certification of Discovery - none issued.
No reserves of strategic mica outlined by work.

Value of production during operation	$78.14
Royalty paid	$3.91

5. Comments:

How Conducted: All of the work in which the Government participated was acceptable.

Operation: Good.

Engineering: Reporting by Operator was satisfactory.

Geologic Premise: The pegmatite, which was exposed for 20 feet along strike at surface, having an inner quartz core containing 25% mica, pinched out at 13 feet in the shaft.

Geologic Criteria upon which work was based:

1. Pegmatite: 2 to 3 feet thick, zoned, containing a quartz core, flanked by medium-grained soda feldspar.
2. Mica: Ruby, flat, retalively clear, 3 by 4 inch crystals are abundant.
3. Past Production:

Geologic Criteria developed during project:

1. Pegmatite: Poorly zoned, exposed for about 50 feet along strike, 2.5 to 3 feet thick to a depth of 8 feet. Below this only scattered lenses, completely pinching out at a depth of 13 feet. Consists of medium-grained mixture of quartz, feldspar and some small muscovite.
2. Mica: Small to medium sized books, some stained.

Future Possibilities: None.

Recommendations: The Division of Nonmetallic Minerals and the Commodity Members of the Geological Survey and Bureau of Mines concur in the Field Team's recommendation not to certify, as no reserves of mica were revealed nor can any be inferred.

Walter C. Anderson
Division of Nonmetallic Minerals

WCAnderson:rsi 11/6/57
Copy to: Admr. R. File
Mr. Houk

EXP
C
RECEIVED
DATE

Memorandum November 12, 1957

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

From: W. P. Williams, U. S. Geological Survey

Subject: Review of Field Team final report, DMEA 4341, contract Idm-E1023 (mica), Eugene E. Crawford, Macon County, North Carolina.

The examining team report that the Operator completed an exploration project consisting of a 100 foot-long dozer trench and a 13 foot shaft. The work cost a total of $764.

The pegmatite uncovered by the work is small, poorly zoned, and contains no reserves of strategic mica. I agree with the recommendations of the Field Team that the project not be certified as a discovery or development.

W. P. Williams

Copy to: DMEA (3)
W. F. Dietrich, 3061
Docket file
Chron. file
Director's reading, 4214
Branch reading, 4214

WPWilliams:pbb
G-MD: 11/12/57

EXTRA COPY
DMEA
RECEIVED OCT 11 1957

DATE	INITIALS	CODE

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

October 10, 1957

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

From: Acting Chief, Branch of Ceramic and Fertilizer Materials

Subject: DMEA-4341 (mica)

Applicant: Eugene E. Crawford

Name and Location of Property: Setzer Property, Macon County, N. C.

Contract Number: Idm-E 1023

Date of Field Team Final Report: 10/1/57

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 10/7/57

Field Team Recommendation: Recommend no certification of discovery

Comments:

1. Stage I of a two-stage contract was completed on Jan. 25, 1957. The work consisted of bulldozing a trench 100 x 15 x 12 feet and a shaft 13 feet deep.
2. The pegmatite petered out 8 feet down the shaft.
3. Only a small quantity of strategic mica was recovered.
4. Sufficient work has been done to indicate the pegmatite is not suitable for producing large quantities of strategic mica.
5. Expenditures -

Total approved	$5,484.00
Total cost	764.00
Gov't. share of the cost	573.00
Value of production during operation	78.14
Royalty	3.91

Recommendation:

I concur with the recommendation of the field team that no certification of discovery be made.

Milford L. Skow

10/7

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

EXTRA COPY
D M E A
RECEIVED OCT 3 1957
DATE | INITIALS | CODE

October 1, 1957

Memorandum

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

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

Subject: Final Report - Docket No. DMEA-4341, Idm-E1023 (Mica)
Eugene E. Crawford, Route 1, Franklin, North Carolina
Setser Property, Macon County, North Carolina

Enclosed are the original and two copies of the final report on the above subject contract.

We agree with the recommendation of the examiners that no certification of discovery be made.

Robert A. Laurence
Executive Officer

E. A. Beck for V. J. Lynch
Member, Bureau of Mines

mg
Enclosures 3
cc - Operating Committee (2)
Mr. V. J. Lynch
Mr. L. E. Shirley
File

Reviewed by
DMEA OPERATING COMMITTEE

(Date)

EXTRA COPY

UNITED STATES

DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FINAL REPORT

EXTRA COPY
RECEIVED
DATE
CODE

DMEA-4341, Idm-E1023 (mica) SETSER PROPERTY
Macon County, North Carolina

S. C. Bergman, Geologist
U. S. Geological Survey

and

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

October 1, 1957

EXPLORATION PROJECT CONTRACT

FINAL REPORT

DMEA-4341, Ide-81023 (mica) SETSER PROPERTY
Macon County, North Carolina

Operator: Eugene E. Crawford, Route 1, Franklin, North Carolina

SUMMARY

A bulldozer trench 100 x 15 x 12 feet was dug, and a shaft was sunk 13 feet. At that depth the pegmatite bottomed and the project was terminated, without making a discovery.

INTRODUCTION

Location

The Setser Property is 7.13 airline miles S. 68° W. of Franklin, Macon County, North Carolina (Franklin, N. C. quadrangle, TVA ed., 1946, 1/24,000).

Previous Work

The only exploration done at this prospect prior to the contract consisted of two small test pits, the largest of which was 8 feet by 6 feet by 10 feet deep.

Contract Work

A two-stage, unit-cost contract was authorized on October 22, 1956. Actual work began November 24, 1956 and ended on January 25, 1957. The contract was terminated by mutual agreement, effective February 20, 1957. No further work on this deposit can be recommended.

GEOLOGY

A poorly-zoned pegmatite was exposed for about 50 feet along strike, in the bulldozer trench. The pegmatite is 2.5 to 3.0 feet thick, and is composed of a medium-grained mixture of quartz, feldspar, and muscovite in small to medium-sized books. Some of the mica is stained.

The pegmatite extended to 8 feet depth in the shaft; below that only scattered lenses of pegmatite in country rock were found.

PRODUCTION AND RESERVES

A total of 2.51 pounds of full trimmed mica worth $20.57 per pound was obtained from the two test pits excavated prior to the contract. About 250 pounds of mine-run mica which yielded about 10 pounds of full trim was recovered from the work done under the contract. No reserves of strategic mica were revealed by the work done under the contract nor can any be inferred.

EXPENDITURES

(a)	Total approved	$5,484.00
(b)	Total cost of project	764.00
(c)	Government's share of cost	573.00
(d)	Government's share unexpended	3,540.00
(e)	Value of production during operation	78.14
(f)	Royalty paid to date	3.91

RECOMMENDATIONS

Nothing was discovered. Certification is not recommended.

Oct. 1, 1957

S. C. Bergman, Geologist
U. S. Geological Survey

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

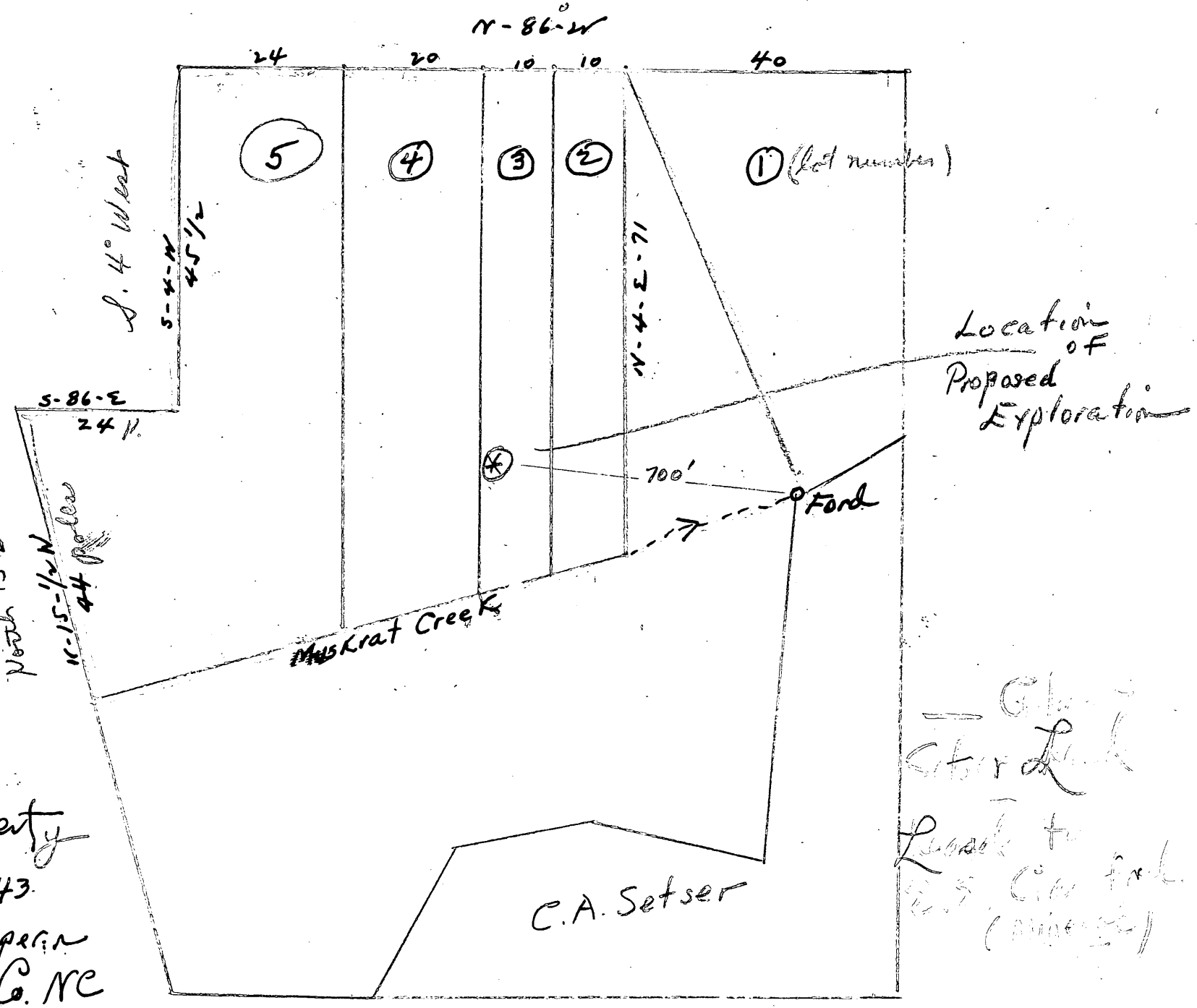
UNITED STATES
DEPARTMENT OF THE INTERIOR
DEFENSE MINERALS
EXPLORATION ADMINISTRATION
WASHINGTON 25, D. C.

OFFICIAL BUSINESS

DMEA - 4341

Engraint Copies

75



Copy of Plat of
Oliver Heirs Property
Reg. of D #6 - pg. 143
Office Clerk Superior
Court - Macon Co. NC

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

RECEIVED
JUL 27 1956

July 26, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4341 (mica)

Applicant: E. E. Crawford

Name and Location of Property: Setser Property, Macon County, N. C.

Date of Field Team Report: 7/18/56

Date Rec'd. by Br. of Ceramic & Fertilizer Materials: 7/24/56

Field Team Recommendation: Recommend a unit-cost, 2-stage exploration contract.

Comments:

1. A 2.5 foot thick pegmatite containing abundant flat, ruby muscovite was observed.

2. Mica recovered during preliminary work was sold to Spruce Pine depot at an average price of $20.56 per pound.

3. This deposit appears to have possibilities for the development of strategic mica.

Recommendation:

I concur with the field team's recommendation for a 2-stage, unit cost exploration program.

W. F. Dietrich

DOCKET COPY
Surname:
Anderson
Johnson

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

JUL 26 1956

Mr. Eugene E. Crawford
Route #1
Franklin, North Carolina

Re: Docket No. DMEA-4341-mica
Eugene E. Crawford
Setzer Property
Macon County, North Carolina

Dear Mr. Crawford:

Reference is made to your application for Government assistance to explore the subject property.

Please be informed that the processing of your application is being held in abeyance pending receipt of the information requested in our letter of June 25, 1956. We must have the description of the land referred to in the lease and Consent to Lien as described in the deed registered in Book J-4, page 189, in the office of the Register of Deeds for Macon County, North Carolina. A map of the property, if available, would be helpful.

As soon as the requested land description is received, your application will receive further consideration.

Sincerely yours,

G. O. Mittendorf

Administrator

WCAnderson:ms 7/25/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Admr. R. File

R.C.S.

IN REPLY REFER TO:

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

RECEIVED
JUL 25 1956

July 24, 1956

Re: DMEA 4341
Eugene E. Crawford
Setser property
Macon Co., N. C.
Appl. Est. $8,030.00
Rec'd Est. 6,049.50
Mica

Memorandum

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

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

Subject: Review of Field Team report.

The applicant requested assistance in exploring by shaft and drifting, a 2-3 foot pegmatite that is well defined across the property.

According to the examiners the pegmatite is exposed for 20 feet. A possible southeasterly extension is exposed in a knoll, and 125 feet to the west, a cut, about 40 feet long on a ridge, exposes what appears to be a parallel mica-bearing pegmatite.

The pegmatite is zoned and contains abundant strategic, ruby flat, and relatively clear 3 x 4 inch mica crystals. About $70.00 worth of mica was recovered and sold from a recently dug pit 10 feet deep, 8 feet long and 6 feet wide.

The examiners and the Field Team recommend a work program consisting of, trenching by bulldozer, a 60-foot shaft and 80 feet of drifting.

I concur with that recommendation.

N. E. Nelson

N. E. Nelson

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

July 19, 1956

RECEIVED
JUL 23 1956

Memorandum

A

To: Operating Committee, DMEA - Washington

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

Subject: Field Examination Report on DMEA-4341 (mica) Eugene E. Crawford, applicant. Setser Property, Macon County, N. C.

Transmitted are 4 copies of the subject report. The Field Team concurs with the recommendation set forth in the report for a two-stage, unit-cost contract for exploration.

V. J. Lynch

V. J. Lynch, Acting
Executive Officer, DMEA
Field Team, Region V

A. R. Taylor /for

S. C. Bergman, Geologist
U. S. Geological Survey

ON-SITE EXAM.

DMEA CONT. 7/25/56

RECEIVED
JUL 23 1956

UNITED STATES
DEPARTMENT OF THE INTERIOR

DEFENSE MINERALS EXPLORATION ADMINISTRATION

FIELD EXAMINATION REPORT-REGION V

On

DMEA-4341 (mica) SETSER PROPERTY
Macon County, North Carolina

By

A. R. Taylor, Geologist
Geological Survey

and

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

July 18, 1956

7/25/56

RECEIVED
JUL 23 1956

FIELD EXAMINATION REPORT
On

DMCA-4341, (mica) SETSER PROPERTY, Macon County, N. C.

Applicant: Eugene E. Crawford, R#1, Franklin, North Carolina

Summary

A 2.5 ft thick mica pegmatite containing abundant flat, ruby muscovite, is exposed in a shallow pit. A two-stage, unit-cost program of exploration is recommended for this new prospect.

Introduction

One hour was spent in the company of Mr. Eugene E. Crawford and Mr. E. E. Setser in the examination July 10, 1956.

The Prospect is 7.13 airline miles, S 68° W of Franklin, Macon County, North Carolina on a very gently sloping pasture near Muskrat Creek. (Franklin, N.C. Quad.TVA.,167-NW, 1946, 1/24,000).

Mr. Crawford appears competent to conduct the proposed work. He started the pit, which is 10 ft deep, 8 ft long, and 6 ft wide, about a year ago, and has recovered an unknown quantity of muscovite. Mr. Sanders trimmed his mica and sold it to the Spruce Pine Mica Buying Depot: 1.17 lbs. of full trim, good stained and better, 5½ and 6 @ $15/lb. for $17.55; and 1.08 lbs of stained, 5½ and 6 @ $5/lb for $5.40. Later the applicant sold 26 lbs. of trim @ $40/lb for $28.68. His total sales has been 2.51 lbs. of full trim muscovite for $51.63 or an average of $20.57 per pound.

No equipment or facilities are available on the property. Electricity is nearby. A power line passes 50 ft north of the pit, and a pole is within 300 feet.

Geology

Strategic ruby, flat, and relatively clear 3 x 4 inch crystals of muscovite are abundant. Some sheet are slightly stained with 1 to 2 mm. wide pseudo-hexagonal biotite crystals near the edges; however, even this small percentage (estimated 10%) will yield some good clear sheet muscovite.

The muscovite occurs in the inner zone of a fine to medium-grained pegmatite that strikes N 20° W and dips 65° to 70° NE. The pegmatite is 3 ft thick on the northwest end of the pit, and 2 ft on the southeast end. It is exposed for 20 ft along strike in the larger pit and a small pit (2 ft deep).

A six inch muscovite-barren, fine grained, soda feldspar zone along each contact, grades into an inner, medium-grained (crystals of feldspar 4 x 5 in. wide) soda feldspar and quartz zone which contains about 25% muscovite.

At the shallow depth of 10 ft the dike is enclosed by brown micaceous soil.

Float of quartz and feldspar on a knoll across the stream to the southeast from the Prospect exists for 100 ft or more along the projected strike of the pegmatite. About 125 ft to the west, and also on a small ridge a cut about 40 ft long exhibits quartz, ruby muscovite, and feldspar, which can be traced for approximately 100 feet to the southeast across the ridge. This may be parallel to the pegmatite described above.

Proposed Exploration

A two-stage, unit cost program is recommended.

Stage I should be a trench 100' x 10' x 15' wide along the strike of the pegmatite to delimit the possible extent of the dike and to provide for a suitable shaft site.

Stage II is proposed to be a 60-ft shaft and 80 ft of drift. Ground water will be a problem, so an automatic electric pump should be provided, in the rental of equipment.

Estimated Costs:

Stage I

Trench 100' x 15' x 10' @ 0.30¢ cu.yd		$166.50

Stage II

Toolhouse	$75.00	
Powder Magazine	25.00	
Exploder Magazine	15.00	115.00

Sink 60 ft shaft (264 hrs. or 33-shifts).

Labor:

1 - Miner @ $1.50/hr.	396.00
1 - Hoistman @ $1.25/hr.	330.00
1 - Laborer @ $1.00/hr.	264.00

Equipment (rental) (2 Mo.)

Compressor & Drill @ $230/Mo.	460.00
Hoist @ $50/Mo.	100.00
Pump @ $45/Mo.	90.00

Supplies:

Gasoline and oil	150.00
Explosives	230.00
Drill Steel	90.00
Timber, 3600 b.f. @ $65/M	90.00

Supplies cont'd

Small tools, pipe, etc.	100.00	
Miscellaneous	100.00	
Liability Insurance	91.00	
Social Security	20.00	
Sales Tax	27.00	
Total for shaft sinking.....		$2,682.00

Average cost per foot $45.00

Drive 80 feet of drift (40 shifts)

Labor:

1 - Miner @ $1.50/hr.	480.00
1 - Hoistman @ $1.25/hr.	400.00
2.--Laborers @ $1.00/hr.	640.00

Equipment: (rental)

Compressor, drill, jackleg @ $250/Mo.	500.00
Hoist @ $50/Mo.	100.00
Pump @ $45/Mo.	90.00

Supplies:

Gasoline and oil	150.00
Explosives	250.00
Drill steel	100.00
Timber	100.00
Miscellaneous	50.00
Liability Insurance	140.00
Social Security	30.00
State Unemployment Ins.	33.00
Sales Tax	19.00
Total cost of drift	$3,085.00

Total estimated cost of Stages I and II..... $6,049.50

July 18, 1956.

A. R. Taylor

A. R. Taylor, Geologist, U. S. G.S.
and

L. E. Shirley, Mining Engineer, U.S.B. M.

RECEIVED
JUL 23 1956

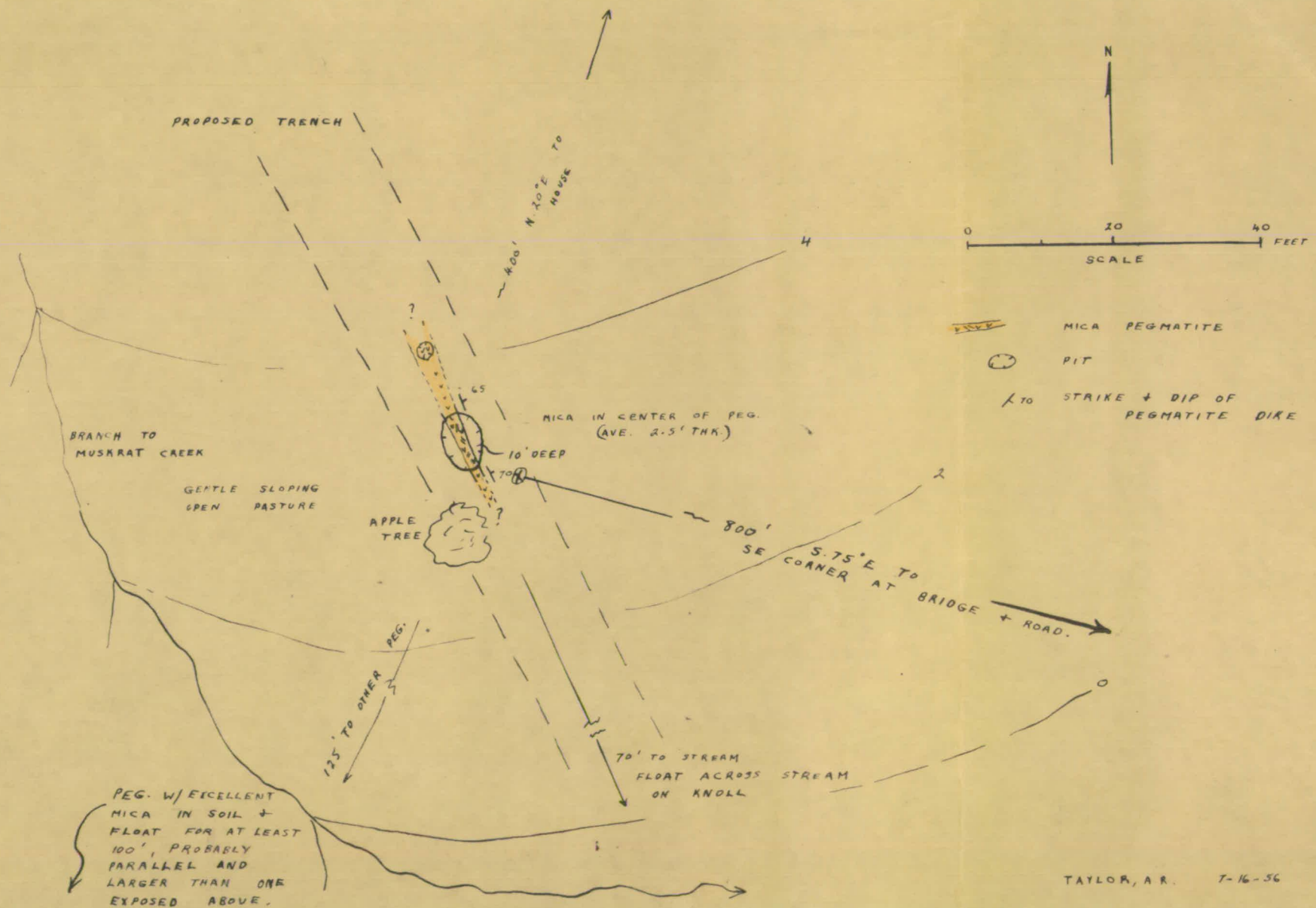
SETSER PROPERTY

MACON COUNTY, N.C.

DMEA - 4341

JULY 10, 1956

LOCATION: 7.13 AIR MILES, S.68° W OF THE CENTER OF FRANKLIN, N.C.
TVA, QUAD., FRANKLIN, N.C., 167 - NW
1/24,000.



TAYLOR, A.R. 7-16-56

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

DOCKET COPY
Surname:
Anderson
Houk
Kiilsgaard
Yogle
Selfridge
Johnson

JUN 25 1956

Mr. Eugene E. Crawford
Route #1
Franklin, North Carolina

Re: Docket No. DMEA-4341-mica
Eugene E. Crawford
Setser Property
Macon County, North Carolina

Dear Mr. Crawford:

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. Lawrence, Executive Officer, DMEA Field Team, Region V, 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 you may give the members of the Field Team during the examination will be appreciated.

Your lease and Consent to Lien refer to records in the office of the County Register of Deeds but do not contain a complete description of the land area. Please forward a copy of the description as recorded in Book J-4, page 189 in the office of the Register of Deeds for Macon County, North Carolina and a map, if available.

Sincerely yours,

G. O. Mittendorf

Administrator

WCAnderson:ms 6/22/56
Copy to: Docket
Operating Committee
Field Team, Region V
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

R.C.S.

DOCKET COPY
Surname:
Anderson
Houk
Selfridge
Johnson

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

JUN 25 1956

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

Re: Docket No. DMEA-4341-mica
Eugene E. Crawford
Setzer Property
Macon 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 dated June 19 and 20, 1956, by Mr. N. E. Nelson, USGS, and Mr. W. F. Dietrich, USBM, respectively, relating to the project are enclosed.

Sincerely yours,

George C. Selfridge

Chairman, Operating Committee

Approved:

P. F. Yopes
Member, Bureau of Mines

Thor H. Kiilsgaard
Member, Geological Survey

Enclosures: 4

WCAnderson:ms 6/22/56
Copy to: Docket
Operating Committee
Mr. Kiilsgaard, 5222
Mr. Dietrich, 3061
Mr. Houk
Mr. Anderson
Admr. R. File

R.C.L.

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

RECEIVED
JUN 21 1956

June 20, 1956

Memorandum

To: Nonmetallic Minerals Division
Defense Minerals Exploration Administration

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

Subject: DMEA-4341 (mica)

Applicant: Eugene E. Crawford, Rt. 1, Franklin, N. C.

Name and Location of Property: _____, Macon County, N. C.

Date Application Rec'd. by Br. of Ceramic & Fertilizer Materials: 6/15/56

Comments:

1. The applicant states that no previous mining was done on this property, but that within the past few weeks a well-defined pegmatite has been uncovered, and $70 worth of excellent sheet mica recovered and sold to the Government depot, from a depth of eight to ten feet.

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
ROOM WASH POST OFFICE BLDG.
KNOXVILLE 2, TENN.

RECEIVED
JUN 21 1956

June 19, 1956

Memorandum

To: Operating Committee - DMEA - Washington

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

Subject: Application - Eugene E. Crawford - DMEA-4341 (mica) N. C.

On June 13 we mailed to your office three copies of the subject application. Please attached to the application the enclosed copies of the Consent to Lien attached hereto.

V. J. Lynch

V. J. Lynch

MF-203
Revised March 24, 1955

For Government's Use Only
EXPLORATION PROJECT CONTRACT
Operator
Docket No. DMEA-4341
Contract No. Idm-E
Contract Date

CONSENT TO LIEN

RECEIVED
JUN 21 1956

To the United States of America:

Referring to that certain land in the County of Macon, State of North Carolina, described as follows:1/ Being of that portion of land lying on the ~~West~~ North side of Muskrat Creek, which is described in a deed from F. S. Oliver and wife, Rufus Oliver, to Gilmer Setser, dated October 4, 1923 and registered in Book J-4, at page 189 in the office of the Register of Deeds for Macon County, North Carolina, the said portion covered by this lease containing approximately 50 acres, more or less.

which is the subject of a proposed exploration project contract, hereinafter called the "contract," with the United States of America, hereinafter called the "Government;" in consideration of the contract and as an inducement to the Government to enter into it, the undersigned hereby--

1. Undertakes and agrees that property in which the Government may acquire an interest or equity under the contract may be dismantled, severed from the land, and removed, as may be provided in the contract; and the Government's interest and equity in such property shall be prior and superior to any adverse right or claim of the undersigned;

2. Grants to the Government a lien upon all of the undersigned's right, title, and interest in the land and upon any production of minerals therefrom to secure the payment to the Government of a percentage royalty on production as may be provided for by the contract;2/ and represents and undertakes that there are no claims, liens, or encumbrances upon the undersigned's right, title, or interest in the land prior to that hereby granted to the Government other than the following:3/

None

3. Undertakes and agrees neither to commit any act nor assert any claim in conflict with the provisions of this Consent to Lien; and to give advance notice of the Government's rights under this Consent to Lien to any subsequent transferee, mortgagee, encumbrancer, or lessee of any of the undersigned's right, title, or interest in the land; and

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

3/ Write "none" if that is the case. Do not leave lines blank.

4. Consents to all amendments and assignments of the contract without notice thereof, and agrees that this Consent to Lien shall extend and apply thereto.

5. Added provision: _____

Dated this 16th day of June, 1956.

Gilmer Setter [Seal]

Nessie R. Setter (Wife) [Seal]

_____ [Seal]

I, _____ certify that I am the _____ (Secretary, etc.) of the corporation named herein; that _____ who signed this agreement was then _____ (President or Vice-President, etc.) of said corporation; that said agreement was duly signed for and in behalf of said corporation by authority of its governing body, and was within the scope of its corporate powers.

_____ [Corporate Seal]

IN REPLY REFER TO:

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

RECEIVED
JUN 19 1956

June 19, 1956

Re: DMEA 4341
Eugene E. Crawford
Setser Tract
Macon Co., N. C.
$8,030 - Mica

Memorandum

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

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

Subject: Review of application.

The applicant requests assistance in exploring a pegmatite which has been exposed across the property and from which, in an 8- to 10-foot shaft, $70.00 worth of mica was recently recovered. Work was stopped on account of water.

The proposed work consists of a shaft to be sunk an unstated distance and an unstated footage of drifting.

Referral of the application to the Field Team for appropriate action is recommended.

N. E. Nelson

N. E. Nelson

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

RECEIVED
JUN 15 1956

June 13, 1956

Memorandum

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

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

Subject: Application from Eugene E. Crawford

Enclosed are three copies of an application from Eugene E. Crawford of Franklin, North Carolina, with a copy of the lease. The fourth copy of the application is being kept for our use.

We have sent copies of the Consent to Lien form, MF-203, to Mr. Crawford, with the request that he return them when signed by the land owner

Robert A. Laurence
Robert A. Laurence
Executive Officer

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

June 15, 1956

Memorandum

To: Executive Officer, DMEA Field Team, Region V

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 V.

DMEA
-4341 Eugene E. Crawford

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

June 15, 1956

Mr. Eugene E. Crawford
Rt. #1,
Franklin, N. C.

Subject: DMEA 4341
Re: Exploration Assistance

Dear Mr. Crawford

The receipt of your application dated June 13, 1956 for exploration assistance under the Defense Production Act of 1950, as amended, is hereby acknowledged.

Your application has been assigned Docket Number DMEA 4341 and referred to the Nonmetallic 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

Memorandum

To: File

From: Walter C. Anderson, Nonmetallic Minerals Division.

Subject: Evaluation of application and field examination report.

Docket No. DMRR-4341-Mica

Eugene E. Crawford

Setzer Property

Macon County, North Carolina.

A contract is recommended

Mica: Strategic grade, ruby, flat, relatively clear, 3×4 inch crystals are abundant.

Pegmatite: 2 to 3 feet thick, exposed for 20 feet along strike. Inner quartz zone contains about 25% mica, flanked by mica-barren soda feldspar zone along each contact.

Old workings: Pit - 10 feet deep, 8 feet long, and 6 feet wide. 2.51 pounds full trim mica sold @ $20.57/pound.

Method of exploring: Applicant proposes sinking a shaft and driving drifts. No footage stated but requests $8,030. A 2 stage contract is written for 60 feet of shaft and 80 feet of drift, for a total estimated cost of $5,572, including excavating 560 cu. yds. of trench and new buildings.

Economics and costs: Since this is a 2 stage project, only $168 will be spent for trenching to ascertain whether the deposit exists for further exploration. Shaft sinking and drifting will cost $40 and $36 per foot respectively, which is in line with costs of other similar projects in the area. This is $5 and $2.50 lower for shaft and drift, respectively,

than estimated by the Field Team. This is due to cutting rental equipment to $250 per month. It is intended that all of the work will be in pegmatite.

Comments: This deposit appears to have possibilities for discovery of strategic minerals. Mica recovered during prospecting work sold to Spruce Pine depot at average of $20.56/pound.

Recommendation: The Nonmetallic Minerals Division and the community members of the Bureau of Mines and Geological Survey concur in the Field Team recommendation for an exploration project contract.