MME Form 9
Rev. Nov. 65

UNITED STATES
DEPARTMENT OF THE INTERIOR
Geological Survey

OFFICIAL DOCKET FILE

Contract No. _____ Docket No. 6715

Application
- [ ] Denied
- [x] Withdrawn

Contract
- [ ] Terminated - Not Certified
- [ ] Terminated - Certified
- [ ] Cancelled
- [ ] Royalty Agreement

The records contained in this file are marked (x) and arranged in this order:

Folder No. 1:

Left Side

- [ ] Royalty Audits
- [ ] Certification of Discovery
- [ ] Closing Letter
- [ ] Cost Audits
- [ ] Termination Notice or Agreement
- [ ] Recision Notice
- [ ] Assignment of Contract
- [ ] Contract Amendments
- [ ] Contract with all exhibits and annexes
- [ ] Owner's Consent to Lien and Subordination Agreement
- [x] Application and Attachments

Right Side

- [ ] Project Summary (final)
- [ ] Work Completed Analysis (final)
- All other material filed in chronological order including the following reports if checked:
- [ ] Field Team Semiannual Report for Certified Project
- [ ] Final Field Team Report (Tab)
- [ ] Operator's Final Report (Tab)
- [ ] Interim Field Team Reports
- [ ] Operator's monthly reports and all attachments
- [ ] On-site Exam. Report (Tab)
- [ ] Settlement Sheets
- [ ] Drill Logs

Additional Folders:

Left Side

Folders No. _____: Reports
- [ ] Analysis of Semiannual Inspection Reports
- [ ] Project Summary (Interim) by MME Engineers

Right Side

- [ ] Field Team Semiannual Report for Certified Project
- [ ] Field Team Interim Reports
- [ ] Operator's Monthly Reports with Transmittal, Narrative and Maps

Folders No. _____: Maps (Use pocket folder or envelope)

Folders No. _____: Settlement Sheets

Folders No. _____: Drill Logs

Folders No. _____: Royalty Material

72195-65

OFFICIAL
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APR 17 1968
INITIALS | CODE

April 16, 1968

Mr. Horace D. Stalcup
Route 2
Murphy, North Carolina 28906

Dear Mr. Stalcup:

Your application for assistance in exploration for gold, silver and platinum group metals, has been forwarded to our Washington office for processing, in accordance with established procedure. They will acknowledge its receipt, and after it has been reviewed will advise you as to any further action.

Very truly yours,

Robert A. Lawrence
Geologist
Branch of Resources Research

RAL/mg
cc - Director's Reading File
Economic Geology " "
Branch of Resources Research
Mr. Frank E. Johnson (OME)
Mr. Stephen G. Conrad, State Geologist (N.C.)
Mr. Arthur Kinkel
Files

MME Form 40
Jan. 65

Budget Bureau No. 42-R1308
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

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APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

HORACE D. STALCUP
ROUTE NO. 2
MURPHY, NORTH CAROLINA 28906

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER 6715

DATE RECEIVED 4/17/68

REGION IV

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

- INDIVIDUAL [X]
- CORPORATION [ ]
- PARTNERSHIP [ ]
- OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED N.C.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
NOT-APPLICABLE		

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: GOLD, SILVER, PLATINUM GROUP

ESTIMATED COST OF PROJECT: $ 20,280.00

PROPERTY NAME: H.D. STALCUP PROPERTY

LOCATION — COUNTY: CHEROKEE — STATE: N.C.

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington 25, D.C. or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

4/12/68
DATED

Horace D. Stalcup
BY *(Signature)*

OWNER-APPLICANT
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C

1. Financial Eligibility:

I (H.D. Staleup) am not affiliated with any Corporation or organization and file this application for financial assistance wholly as an individual undertaking.

I can not undertake the proposed exploration under current conditions at my sole expense. Mr. John T. Gill, President of The Citizens Bank and Trust Co. of Murphy, North Carolina, will verify this fact.

References as to my personal integrity should be directed to Mr. Frank Forsyth, N.C. State Senator, Mr. Roy Taylor, U.S. Congressman, or any citizen of character residing in Cherokee County, N.C.

I propose to furnish my share of the cost by supervising all aspects as well as devoting my time and services exclusively and directly to the performance of the exploration work.

2. Applicant's Rights in Land:

OWNER.

THERE ARE NO liens, mortgages OR OTHER encumberances ON THE Subject Property. Adjoining Property nearest ORE deposit is owned by my Brother (G.Y. STALCUP). Mineral rights are obtainable if desired.

3. Physical DESCRIPTION:

No mining operations have been conducted upon the Property. Prospecting has been limited to that Conducted by myself. No Substantial exploration operations have been Conducted.

The mineralized zone is a flat-lying bedded deposit of blue quartzite exposed in part by a disecting stream. Except along the stream the deposit is Covered by overburden. The topography is Predominated by mountain laurel and second-growth timber (see SKETCH No's. 1 AND 1-A).

Mr. J.L. Bundy, a geologist from the state of North Carolina Division of Mineral Resources, visited the prospect more than a year ago. Attached is a copy of his investigation and description of the quartzite (see attachment No. 1-B).

Represenatives of the Tennessee Copper Company have visited the property and estimated the size of the ore bearing bed as substantial, and strongly suggested that the prospect be explored by core drilling.

Attached are copies of assay certificates which indicate that Gold, Silver, and traces of platinum are present. All samples were taken from the top of the mineralized bed along that portion exposed by the stream. Samples taken approximately ten years ago indicated traces of gold some one-quarter mile upstream.

4. Accessibility of Property:

attached is a sketch showing the location of the prospect and my residence - (sketch No. 2).

accessibility is good. No road work will be required for exploration.

Murphy, North Carolina is the shipping and supply point and is approximately six miles away.

5. Exploration Work:

Since the mineralized zone appears to be a flat-lying bedded deposit, a pattern of vertical holes drilled from the surface is the optimum means of exploration. a minor amount of land clearing and dozer work will be required initially in preparation for rotary drilling equipment.

ample water is available for bit cooling during drilling. Where the mineralized bed is covered by overburden, non coring bits will be used until the ore zone is reached then diamond coring bits will be used to obtain cores for examination and analysis. Should the deposit be of sufficient depth to merit the drilling of very deep holes, non coring bits will be used primarily with cores taken at intervals of several feet to minimize the cost of drilling.

Should initial drilling indicate that the deposit is a steeply dipping tabular-vein or stratified deposit, angled holes will be drilled to intercept the deposit in depth.

The proposed exploration consists entirely of drilling a simple pattern of vertical holes to extract 1 1/8" diameter cores for analysis and to determine the size (cubic yards or tons) of the mineralized deposit. Work will begin within one week of date that an ONE contract is executed.

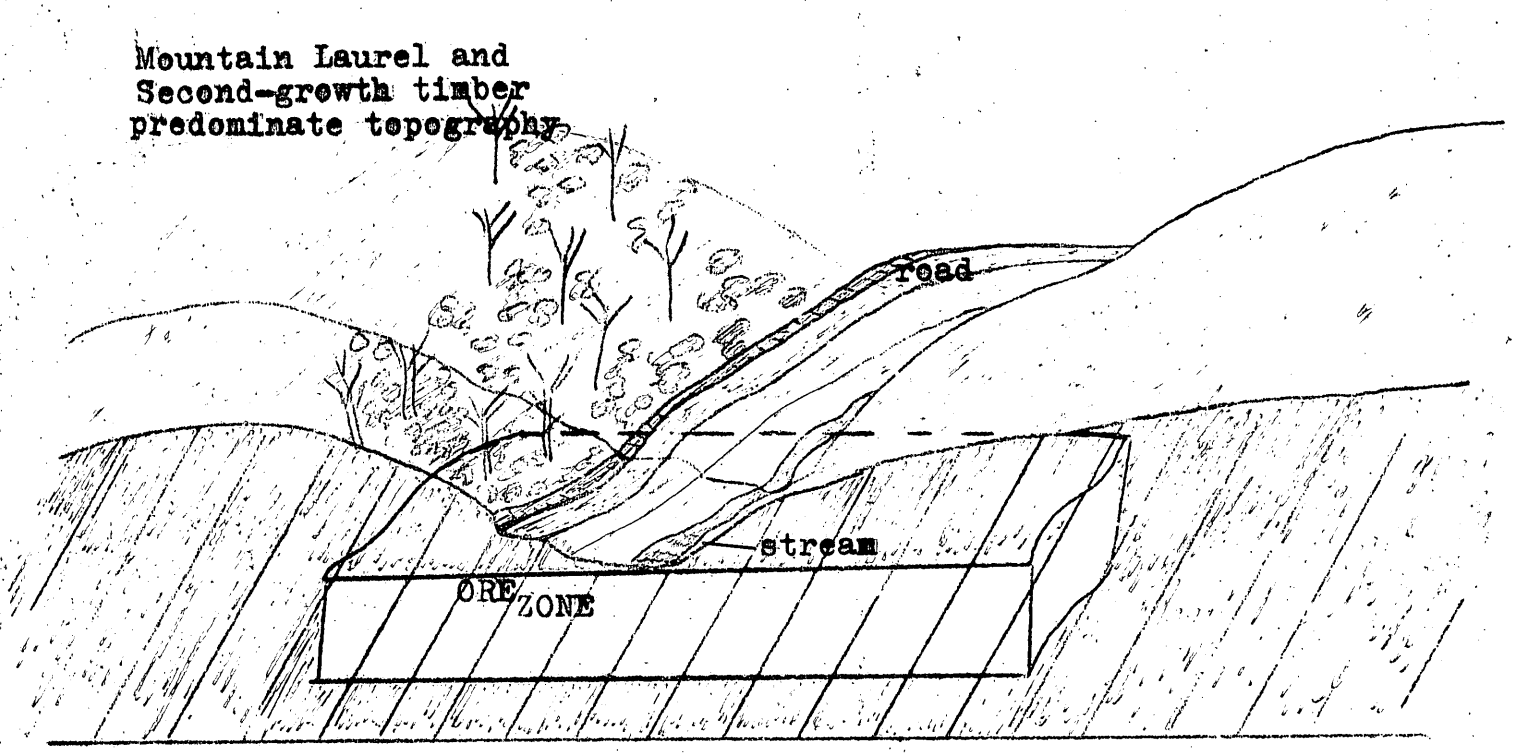
6. EXPERIENCE:

EXPERIENCED IN LAND clearing, ROAD CONSTRUCTION, blasting, AND 10 years of rotary drilling; as such my services will be devoted exclusively and directly to the performance of the exploration work. I will obtain competent employees and supervise all elements of the exploration.

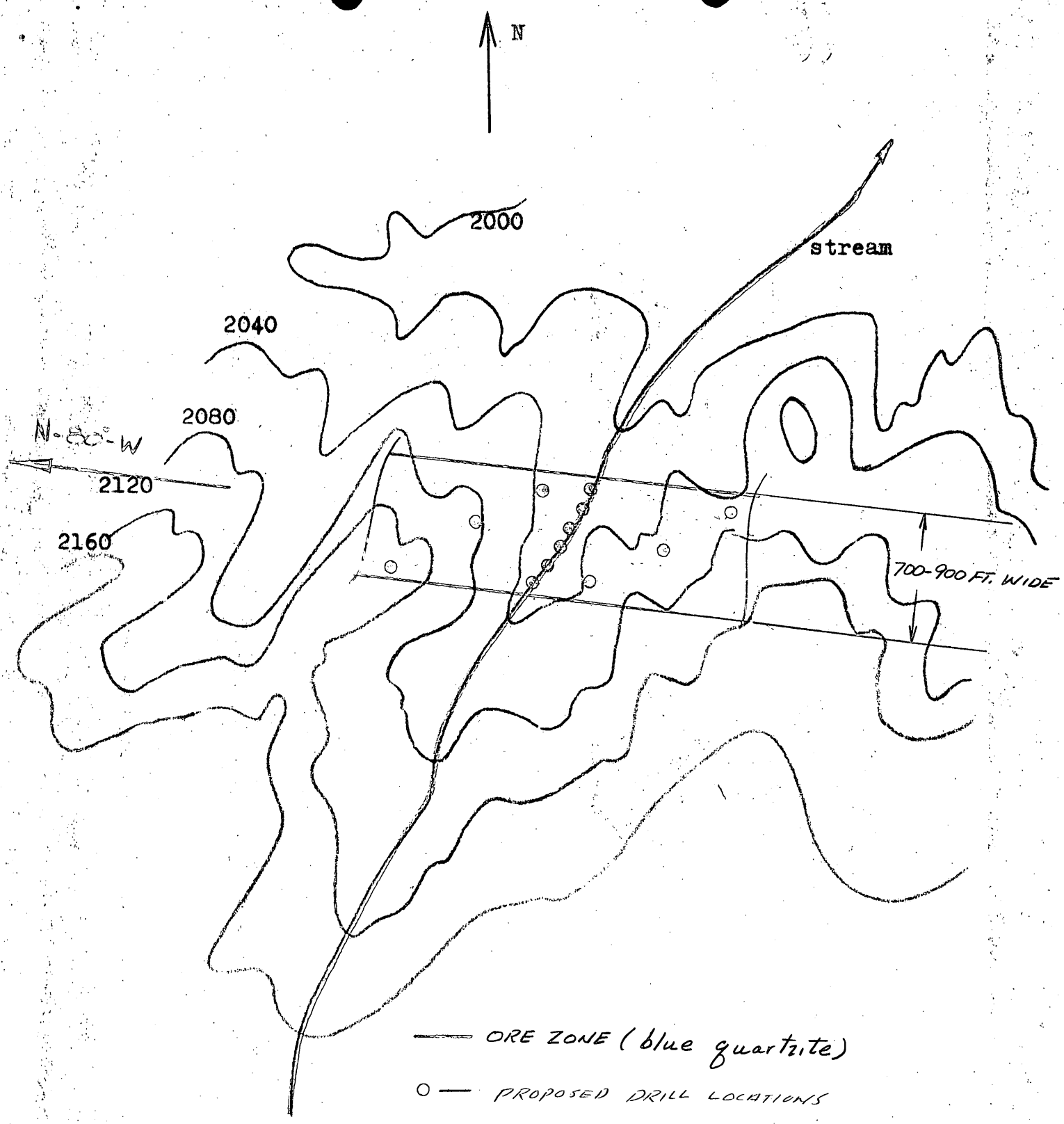
7. ESTIMATE OF COSTS

ITEM NO.	DESCRIPTION	COST ($)
A.	SHELTER (FIELD OFFICE AND EMPLOYEES)	800.00
B.	LAND CLEARING (DRILLING EQUIPMENT ACCESS)	980.00
C.	EXCAVATION - DOZER @ 15.00 PER HR.	1200.00
D.	DRILLING NON-CORE @ 4.00/FT. CORE @ 15.00/FT.	10,640.00
E.	ASSAYS	1500.00
F.	SUPERVISION AND CONSULTING FEES	5160.00
	TOTAL	$ 20,280.00

30 WEEKS REQUIRED FOR PROJECT COMPLETION.



#1 PHYSICAL DESCRIPTION _ H.D.STALCUP PROSPECT



#1-A PHYSICAL DESCRIPTION - H. D. STALCUP PROSPECT

STATE OF NORTH CAROLINA

DEPARTMENT OF CONSERVATION AND DEVELOPMENT

DAN E. STEWART, DIRECTOR

RALEIGH

#1-B

February 21, 1967

Report of Investigation

Horace D. Stalcup prospect, Cherokee County, North Carolina

The above described prospect is located approximately 5½ miles south-southeast of Murphy, North Carolina along a tributary of Pinbook Branch, between Stalcup Top and Buzzard Cove.

At the time of this examination (November 17, 1966), a portion of the outcrop had been uncovered by hand excavation and blasting, exposing about 30 square feet of surface area and a depth of about one foot.

The mineralized rock is blue gray in color, moderately fractured and slightly iron stained. It strikes N. 86° W. and dips 88° NE. Petrographic examination reveals the rock to be a fine-grained quartzite composed predominently of recrystallized quartz and rounded plagioclase and microcline feldspar grains. Minor amounts of sericite and kyanite are, also, present. Hand specimens of the quartzite show a gradational color change from blue to white. The white zones are much thinner than the blue zones.

Sulfide minerals associated with the quartzite include pyrite and chalcopyrite. Magnetite occurs in trace amounts. The sulfide minerals appear to be concentrated in zones along the small fractures in the quartzite. The principal sulfide mineral is pyrite and it occurs in crystals and disseminated aggregates. It is possible that

COPY

bornite is, also, present but the observed grain was too small for positive identification.

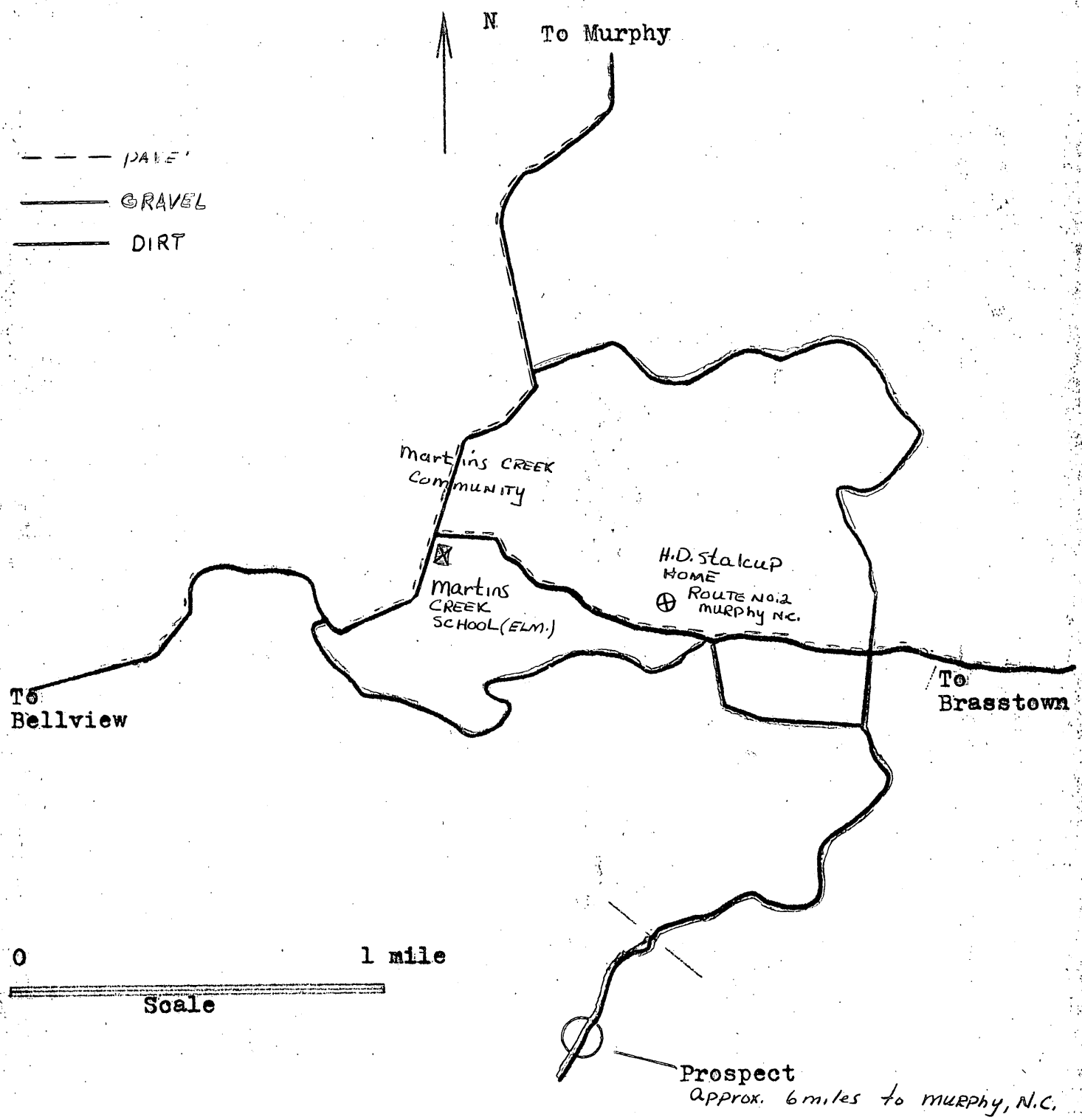
Assays furnished by Mr. Stalcup give a gold value of $7.03 per ton and silver value of 94 cents and $4.87 per ton.

The quartzite is associated with rocks mapped by Keith (Murphy quadrangle, unpublished) as part of the Murphy marble sequence and may be Tusquitee quartzite.

Jerry L. Bundy

Jerry L. Bundy, Geologist-in-charge
Asheville Branch Office
DIVISION OF MINERAL RESOURCES

JLB/ps



#2 ACCESSIBILITY OF PROPERTY - H. D. STALCUP PROSPECT

767-2681
369-0613

Robert E. Craig

MINING CONSULTANT

11844 ART STREET
SUN VALLEY, CALIF.

Slaterman

Analysis No. 6894
September 9, 1966

Sample submitted by;
D. W. Richeardson
Box 55A Rt. #1
Murphy, N. C.
28906

Sample No. NONE
Fire Assay For Gold, Silver
& Platinum.

Au - Gold .201 oz. per ton @$35.00 = $7.03 per ton
Ag - Silver .73 oz. per ton @$1.29 = 94¢ per ton
Pt - Platinum = Traces
Traces of Palladium were also detected.

Analysis and report; by
Robert E. Craig
Robert E. Craig

Analysis No. 7489
September 26, 1967

COPY

Sample submitted by;
Horace L. Stalcup
R.F.D. #2
Murphy, N. C.
28906.

Sample No. NONE

Au - Gold .302 oz. per ton @$35.00 = $10.57 per ton

Ag - Silver 2.48 oz. per ton @$1.70 = $4.22 per ton

Analysis and report; by
Robert E. Craig
Robert E. Craig

ROBERT E. CRAIG & CO.

MINING GEOLOGISTS
11844 ART STREET
SUN VALLEY, CALIFORNIA
899-0613 767-2681

Analysis No. 7028

December 6, 1966

Sample submitted by;
H. D. Stalcup
R.F.D. #2
Murphy, N. C.
28906.

Sample No. NONE

Au -.Gold .069 oz. per ton @$35.00 = $2.41 per ton

Ag - Silver 3.78 oz. per ton @$1.29 = $4.87 per ton

Analysis and report; by
Robert E. Craig

Hint 0.2 oz
Gold 1/5 oz PER TON @ 35.00 = 7.03
Silver .94 PER TON @ 1.29 = .94
$7.97 PER TON

MME Form 7
(2/63)

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Date	Surname	Code
9/9/68	Peterson	120
9/9/68	Jackson	120
		110
		220

AIRMAIL

SEP 9 1968

Mr. Horace B. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

Thank you for your letter of September 5.

We shall be pleased to continue the processing of your application for financial assistance upon receipt of the information previously requested and new data pertinent to the new proposal.

We suggest that you study the enclosed application form. The General Instructions on the front of the form tell you what to do, and each item of information is described in detail on the back of the form. You should answer all questions to the best of your ability. Particular attention should be paid to the items we have underlined in red on the form.

Sincerely yours,

FRANK E. JOHNSON (glc)

Frank E. Johnson
Chief, Office of
Minerals Exploration

Enclosure

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region IV- w/copy of incoming ltr.
Mr. Peterson

ECPeterson/bsl 9/9/68

IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

GEOLOGICAL SURVEY
Room 11, Post Office Building
Knoxville, Tennessee 37902

September 6, 1968

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SEP 9 1968
INITIALS CODE
FJ 110
Col
RP 120 P

Memorandum

To: Frank E. Johnson, Chief, OME

From: Robert A. Laurence

Subject: OME-6715, Horace D. Stalcup (Gold, Silver)

Mr. Stalcup's letter of August 26 includes me in a list of persons who "have first hand information in regard to this prospect, who think as we do, and all have suggested that we apply for an OME loan."

On January 17, 1967, and again on March 8, 1968, in response to his requests, I sent Mr. Stalcup the OME application forms and literature with the statement "if you wish to apply for assistance in exploration for gold and silver, please submit two copies of form MME-40." I suppose this could be interpreted as suggesting that he apply. The rest of his statement, with reference to me, is completely untrue.

Bob

Robert A. Laurence
Geologist
Branch of Resources Research

Sept. 5 1968

Frank C Johnson
Chief

Subject: OME 6715

Dear Mr. Johnson
This is in responce to your letter of Aug 30 1968 informing us application 6715 is now considered withdrawn and placed in inactive files.

We will reopen this case immediately by submitting new application
This week two Geologist completed an investigation of the mineralization occurring on my property and informed us existing indications of outcrop positive and summarized situation reviewed copy of application 6715 and all subsequent correspondence relative to application 6715 and suggested the following action be taken by applicant

As core drilling the mineralized zone is the principle criterion in evaluating prospect (Diamond drill required)

Submitte new application elimating original proposal except for core drilling only reduce core drill footage one half of original as specified in application 6715 reduce assaying cost one half of original

New loan requested will be approx. 1/4 of original loan applied for.

We respectfully request an itemized list of all additional information required in order that new application may be properly prepared

Thank you

Horace D. Stalcup

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SEP 9 1968
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110
bcf
1202

Copy to Region

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/30/68	Peterson	120
	(on leave)	120
		110
		220
		[illegible]

AIRMAIL

AUG 30 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

This will acknowledge your letter of August 26 concerning the subject application for financial assistance.

To date we have not received the additional information necessary to continue the processing of your application requested in our letter of April 26 and in subsequent correspondence. As we cannot indefinitely defer action on the application, we are, therefore, considering it as having been withdrawn and placing the docket in our inactive files.

If you wish to reopen this case at any time in the future, you may do so by filing a new application, referring to this OME docket number, and furnishing the information pertinent to your new proposal. This information must include new bank letters dated within 90 days of filing the new application, but need not repeat data already submitted.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region IV - w/copy of incoming ltr.
Mr. Peterson

ECPeterson/bsl 8/30/68

Copy to region

Aug 26 1968

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U. S. E.
AUG 28 1968
RECEIVED
INITIALS | CODE

OME - 6715

Dear mr Johnson

Thank you for your letter of Aug 20 1968
However I would like to point out one major factor in regard to my reluctance to withdraw application 6715
First we think this prospect has a reasonable probability for discovery of Gold and Silver and for your information I am submitting a list of technical people who have first hand information in regard to this prospect, who think as we do and all have suggested that we apply for an OME loan for the purpose of exploration of the same you may call any one of them for further information if you so desire

Stephen G Conrad, North Carolina State Geologist Raleigh N.C.
John R Hart Supervisor Industrial Extension Service
North Carolina State University Raleigh N.C.
Robert A Laurance, Geologist Branch of Resources research
office of Mineral Exploration Knoxville Tenn
Jerry L Bundy Geologist in Charge Asheville
Branch office Division of mineral resources Asheville N.C.
Don E Stewart Director State of north Carolina Department of Conservation and Development Raleigh N.C.
Ben Warner Jr, field Geologist Hitchcock Corp. Murphy N.C.
Otis Gibson field Geologist Tenn copper co
Copper Hill Tenn.

Joe Frazier Geologist University of South Carolina
Columbia South Carolina
and Charles W Merrill Chief Division of Minerals
Depart of the Interior Bureau of Mines Washington D.C

Mr Johnson this is a very simple undertaking and
as general instruction on front of application clearly states
is not complex and should have been shown on one
sketch and the principal criteria submitted in application
6715 which is as stated in instructions (Quote)
(a) The Geologic probability of discovery
(b) The estimated cost of the exploration in relation
to the size and grade of the potential
(c The plan and method of conducting the exploration
(d) The accessibility of the project area
(E) The back ground and operating experience of Applicant
(f) The Applicants title or right to property

Mr Johnson if you find this prospect
worthy of any investigation with all the
information we have submitted as well as
ore samples from Quartz vein taken at 10 ft
stope across whole of vein or assay samples
were taken and reported to you in application
to deny this application is at your option
so please govern your self accordingly

Jarod D. Slaton

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
8/20/68	Peterson	120
		120
		110
		220
		120M

AIRMAIL

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

This will acknowledge your letter of August 14 concerning the subject application for financial assistance.

We do not question the reliability of the assay data submitted with the application. To help us in evaluating your proposal, however, we need information relative to the location of samples taken, how sampled, and sample widths, in addition to the assay certificates. It was for this reason we requested additional sample data in our letter of June 18. If you already have this information for the assays submitted, and the samples taken are representative of the mineralization occurring on your property, the data should be furnished for our consideration.

For your information, regulations governing administration of the OME program require that each application fully describes the proposed work and includes all of the detailed data called for by the application form. Without this information, it is impossible to evaluate all of the factors involved and to decide whether the Government should enter into an exploration contract with the Applicant. Therefore, unless the information needed to complete your application which we previously requested can be supplied, we suggest that your application be withdrawn, otherwise, we have no alternative but to deny it.

We shall continue to hold your application for a reasonable period of time pending receipt of the required information; however, nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region IV - w/copy of incoming ltr.
Mr. Peterson

ECPeterson/bsl 8/20/68

Aug 14. 1968

COPY

From C Johnson
Chief

O.M.E. 6715

Dear mr. Johnson
This is in response to your letter of Aug. 6, 1968 after much correspondence and consultation with authoritative sources. In your letter of June 18, 1968 you indicated assay certificates submitted with application 6715 were not reliable. The assaying co. has informed us that they will stand behind the analysis report.

mr. Johnson I have in my possession contract Release awarded to the L.D. mines also the great basin Exploration co of Reno Nevada by the office of O.M.E It is impossible for me to furnish you information in line with the above rich mining companys

as we clearly pointed out in application 6715 this is a prospect showing Gold and Silver Values and no more

mr Johnson authoritative sources has advised that we submitt to you the following information. I Horace D Stalup have on my property in Cherokee co north Carolina a very large Quartz vein showing Gold and Silver Values verifyed by the north Carolina Department of Conservation and Development. Therefore let the record show that the office of O.M.E was informed. Exploration assistance requested and denied by the office of O.M.E.

OFFICIAL
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O. M. E.
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AUG 19 1968
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Thank you
Horace D Stalup

MME Form 7
(2/63)

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8/6/68	Kirkham	120
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AUG 6 1968

AIRMAIL

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

To date, we have not received the additional information requested in our letter of April 26. Will you please advise us when we may expect to receive the necessary data so that we may continue processing your application. If you have decided not to pursue it further, please so inform us.

We wish to cooperate fully in allowing you ample time to obtain the requested data, however, we cannot indefinitely postpone action on an application.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Region IV - R.A. Laurence, Knoxville, Tennessee
Mr. Peterson

ECPeterson/bsl 8/6/68

MME Form 7
(2/63)

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6/17/68	Peterson	120
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JUN 18 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OMM-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

This is in response to your letter of June 10 concerning the subject application for exploration assistance.

The current exploration assistance program was designed to help the small operator, and under the program many of the contracts have been awarded to individuals. In each instance, the Applicant was required to provide the same type of information which you were requested to furnish.

Evidently you have misunderstood our comments concerning the need to have sufficient funds available to furnish your share of the estimated cost of the proposed exploration. Our experience shows that allowances for labor and services provided by the Operator is generally not sufficient to pay for his share of the costs. In addition, it usually takes several weeks after a voucher is submitted and approved before the Operator is reimbursed for the Government's share of the costs. In some cases, it also takes longer to complete the project than the Applicant originally expected. Therefore, we called your attention to the necessity of having sufficient funds available to pay your share of the costs in the event of an exploration contract.

As we previously indicated, information relating to the merits of the proposed exploration is lacking. This is the basic type of data an Applicant should have concerning his property before exploration is contemplated.

If you wish to continue with the application, we suggest that representative samples be taken of the mineralized outcroppings occurring on the property and assayed. The location of samples taken, how sampled, sample widths, and copies of the assay certificates should be forwarded for our evaluation. The limited assay data furnished do not provide this information.

Upon receipt of the additional sample and assay data, in addition to the bank correspondence, financial assurance, drilling bids, and sketch or map showing the property boundaries previously requested, we shall be pleased to continue the processing of your application. Nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
~~OME~~ Docket
OME Reading File
Mr. Peterson
Region IV - R. A. Laurence, Knoxville, Tennessee

ECPeterson/bsl 6/17/68

June 10 1968

RE: 6715

Copy to R.D.

OFFICIAL COPY
O. M. E.
RECEIVED
JUN 14 1968

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Mr Johnson

In reply to your letter of June 7, 1968 to Winston Helper Engineer who prepared application 6715.

I would like to point out this fact. The request to furnish us with a copy of an approved application, of which you informed us could not be complied with, was requested only as an evidence of an individual application having been approved by O.M.E. However this information can easily be obtained through other sources as I informed you in my first letter. The information you request is impossible to furnish.

We without [illegible] [illegible] [illegible] [illegible]

No.1 impossible request: furnish evidence that I have available funds to operate project for the first two or three months at my sole expense as application clearly points out. Time required is only 13 weeks therefore I must deposit $20,000 at the same time furnish evidence that I am financially able to operate at my sole expense impossible sir, as you well no.

only [illegible] [illegible] [illegible]

We only answer

However I admire your intelligence. We are fully aware of this fact O.M.E loans are primarily intended as a subsidiary for large mining companys and it is part of your job to direct accordingly

However individual tax paying Citizens also help pick up the tab for some

I have great admiration for the Department of the Interior and all its functions. My youngest son John F. Stalcup was appointed to a position with the National Park Service by Secretary U Dall. We admire the Secretary very much and visit with him each time he comes to Western north Carolina "Blue Ridge park way"

I was given assurance by mr U dall and mr Ray a Taylor my Congressman at their last meeting on the "Blue Ridge park way" in Western north Carolina that sure effort would be made to assist any Citizen who requested the same in regard to the natural resources in the mountains of Western north Carolina

I no of no natural resource of more importance than minerals

I am writing this in order that you might understand my concern in the matter. I submitted application 6215 with all sincerity requesting a very modest loan only to have it completly rejected

Simple requirements [illegible] [illegible] expanded [illegible]

No mr Johnson the application will not be withdrawn until I am better informed

Thank you

Howard D. Stalcup

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
6/7 '68	Peterson	120
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JUN 7 1968

Mr. Winston C. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

This will acknowledge your letter of June 1 concerning the subject application for financial assistance.

In evaluating the potential of the property, we have reviewed the geologic report and assay data submitted with the application, in addition to other information available to us. As we previously notified you, this material indicates that there is little possibility of discovering significant ore reserves on the property.

Under the exploration assistance program, the search is for ore deposits that would be commercial at current market prices. Evidence of favorable geological environment for the occurrence of such deposits must be available in order to justify Government participation in a project. Loans are not provided by the Government for prospecting to obtain geologic information. The Applicant should provide this type of information indicating the specific geologic targets to be explored.

The request to furnish you with a copy of an approved application cannot be complied with as such material is considered confidential.

We have no knowledge of other Government agencies where financial assistance is available for exploration purposes. Perhaps a private mining company would be interested in evaluating the property.

We shall continue to hold your application pending receipt of the information previously requested; however, nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
R. A. Laurence, Knoxville, Tenn, w/cy inc. letr.6/1
Mr. Peterson
OME Reading File

ECPeterson/bsl 6-6-68
Rewritten: ECPeterson/gla 6-7-68

June 1, 1968
Route No. 2
Murphy, North Carolina
28902

Mr. Frank E. Johnson
Chief, Office of
Minerals Exploration
U.S. Department of the Interior
U.S. Geological Survey
Washington, D.C. 20242

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Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H.D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Johnson:

Mr. H. D. Stalcup has requested my assistance in providing additional information related to subject Docket as requested in your letter of 4-26-68 and consisting of:

a. A map or sketch showing the proposed exploration in relation to property lines,

b. bids from independent contractors for drilling and dozer work,

c. correspondence to two banks requesting an exploration loan and letters of reply, and

d. additional geological evidence that a significant discovery is promising.

Information related to items a, b, and c is being compiled and will be forwarded to your office when complete.

Your request for additional geological evidence appears to be by far more significant.

Mr. Stalcup fully realizes that your office must exercise a high degree of selectivity in approval of such applications, and that expenditures and appropriation of funds must be controlled within budgeted levels.

In providing additional information, it would be most helpful if you would send me a copy of an approved application for financial assistance where the applicant was an individual.

In, addition, Mr. Stalcup has been seeking advice on the available means for exploring the subject ore deposit for approximately two years. What other alternatives are available should your office decide not to approve OME Docket no. 6715?

As a professional engineer, I do not understand how an ore deposit containing gold and silver can be determined insignificant prior to exploration. Would you please elaborate on the methods employed by your office in determining that a deposit has promise sufficient to merit approval of exploration funds.

Sincerely yours,

Winston C. Stalcup

Winston C. Stalcup

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
5/23/68	Peterson	120
5/23/68	Kirkhemo	120
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MAY 23 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

This will acknowledge your letter of May 13 concerning the subject application for exploration assistance.

The ore samples mentioned in your letter should be sent to a commercial laboratory for analysis rather than forwarding them to this office for examination. We do not have the facilities or personnel to perform such work here. Perhaps the State Geologist at Raleigh would suggest the names of reliable firms to do this work for you.

As explained on the back of the application form (MME Form 40) under Items 3(d) and 3(f), only information pertaining to the location of samples taken, how sampled, sample widths, and copies of the assay certificates should be submitted for our consideration.

We acknowledge receipt of one small package containing several rock samples. The presence of pyrite is noted, however, as explained above, we are unable to comply with your request for an analysis of the sample.

Sincerely yours,

GEOLOGICAL SURVEY
FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Economic Geology File
OME Docket
OME Reading File
Mr. Peterson
Region IV - R. A. Laurence, Knoxville, Tennessee w/copy of incoming ltr.

ECPeterson/bsl 5/23/68

May 1[illegible] 1968

Frank E Johnson
Chief, office of
Minerals Exploration

OFFICIAL
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RE: OME-6715
HORACE D STALCUP

Dear mr. Johnson
Thank you for your letter of May 8 1968
I have recently talked with the Engineer who prepared application 6715 he informed me he will begin working on the Geological information requested in your letter of April 26, within two weeks
all other information requested can be furnished without difficulty.
Mr Stephen H. Conrad North Carolina State Geologist Raleigh N.C. informed me by letter that he will assist in every way possible in order to have the prospect Explored
It has also been suggested by two Geologist in order for the office of OME to be informed in regard to prospect I should submit ore samples from Quartz Vein for your examination
Therefore I am submitting samples taken from surface at intervals of ten feet apart across Quartz Vein, no exploration in depth as of this date.
A field examination will find the prospect as samples indicate

I respectfully request the following information after your Examination of samples.
Please inform me as to this important fact
Inform me if samples indicate any mineral
Value at depth.
If mineral samples indicate no Value
then it would be unwise for me to proceed
further with proposal
As the application would be rejected upon
field Examination even though all other information
is approved.

Thank you

Harold D Stolarp

MME Form 7
(2/63)

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5/7/68	Peterson	120
5/7/68	Kirkham	120
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MAY 8 - 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28906

Re: OME-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

One of the principal criteria we consider in evaluating an application is the geological probability of making a significant ore discovery. As we indicated in our letter of April 26, based on the data submitted and of other information available to us, our review indicates that in this case the likelihood of such a discovery is not sufficiently promising to justify Government participation in the proposed work.

Rather than to deny the application without further consideration, we thought perhaps you may have additional information available which would lend support to the proposal. It was for this reason that we wrote you on April 26, requesting more information.

Please note that field examinations are made only after the information requested on the back of the application form has been received and reviewed, and the data presented indicate that the proposal merits further consideration.

We shall continue to hold your application until we have either received the requested data, or been advised that you wish to withdraw it. Nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's Reading File
Division File - Econ. Geol. File - OME File - OME Reading - Mr. Peterson
Region IV - R. A. Laurence - Knoxville, Tennessee w/copy of incoming ltr.

ECPeterson/bsl 5/7/68

April 29, 1968

Frank C. Johnson
Chief Office of
Minerals Exploration

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RE OME 6715

Dear Mr. Johnson

Your letter of april 26, 1968 is well taken. Thank you for the information. However I see no purpose in furnishing additional data. As the first part of your letter clearly points out the application has been rejected due to Geologic conditions. It is impossible for me to furnish evidence to indicate other specific areas on the property where rich Silver and Gold or other minerals exist. As the application indicates this is only a prospect showing Gold and Silver values, not a Bonanza

The above 6715 application was suggested to me by Stephen G. Conrad North Carolina State Geologist and Mr. Charles W. Merrill Chief Division of Minerals Dept of Interior Washington D.C. also suggested the same in a letter of Feb. 28, 1968

Both Mr. Merrill and Mr. Conrad failed to point out the fact that other specific areas on the property must show high Silver and Gold or other minerals in Commercial Quantities Otherwise the application would not have been submitted in the first place saving me much time and expense

Naturally if we knew the prospect and all surrounding property were Rich in Gold and Silver, we would contact the Department, not ONE

I am mailing a copy of this letter to both Mr. Merrill, and Mr. Conrad, as the application indicates We are not prospectors, We make our living otherwise.

As to the Geological probability of making an ore discovery on the property. Other than the Quartz Vein showing Gold and Silver Values as specified in Application. A Topographical map will show this propert is only a five minute drive from one of the richest Copper Works in America the Tenn. Copper co Copper Hill Tenn Within two miles of the Gold Branch Workings, Worked for over Two Hundred years with good results. within two miles of the Warne Gold mines in Clay co. N.C. Worked for over one Hundred years. The Hitchcock Corporation talc mines in full operation only four miles North. just to mention a few of the mineral in my location

We would appreciate very much. Only to have a field Representative from O.M.E. to at least investigate the prospect

Thank you

Horace D. Stalcup
RFD No 2
MURPHY NC 28906

MME Form 7
(2/63)

OFFICIAL FILE COPY

Date	Surname	Code
4/26/68	Peterson	120
4/26/68	Nishemo	120
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APR 26 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28902

Re: OMR-6715 (Gold and Silver)
Horace D. Stalcup
H. D. Stalcup Property
Cherokee County, North Carolina

Dear Mr. Stalcup:

Our review of your application for financial assistance to explore the subject property and of other information available to us indicates that the geological probability of making a significant ore discovery on the property is not sufficiently promising to justify Government participation in the proposed work. Unless you can furnish additional evidence to indicate specific areas on the property where geologic conditions would favor high silver or other eligible mineral values in commercial quantities, we would have no choice but to deny your application.

In addition to furnishing the above information the following data are also required to complete your application.

Submit copies of your correspondence to two banks requesting an exploration loan and their letters of reply. Your letters should state the amount of the loan, purpose, date, and terms requested.

We must have assurance that you can furnish your share of the costs in the event of an exploration contract. Our experience shows that allowances for labor and services provided by the Applicant is generally not sufficient to pay for his share of the costs.

For your information, the Government pays its share of the costs at the end of each month after a voucher for the costs incurred has been submitted and approved. It usually takes two or three weeks to process such a voucher. An Applicant, therefore, should have sufficient funds available to pay for all the costs of the project for the first two or three months.

A map or sketch showing the proposed exploration in relation to the property lines and corners should be furnished. The sketch supplied does not provide this information.

Although it appears that you intend to perform the proposed drilling with rented equipment and hired personnel, it will be necessary for you to submit bids from at least two independent contractors to support your estimated costs for this work. Contractors actively engaged in the type of drilling you have proposed should be contacted.

Because the rental of a bulldozer including operator amounts to an independent contract, please submit bids from at least two contractors for this work also.

We shall continue to hold your application until the requested information is received. Nothing in this letter should be construed as a commitment by the Government to grant an exploration contract.

Sincerely yours,

FRANK E. JOHNSON

Frank E. Johnson
Chief, Office of
Minerals Exploration

cc: Director's ReadingFile
Division File
Economic Geology File
OME File
OME Reading File
Mr. Peterson
Region IV - R. A. Laurence
Knoxville, Tennessee

ECPeterson/bsl 4/26/68

State of North Carolina
DAN MOORE, GOVERNOR

Department of Conservation and Development

DAN E. STEWART, DIRECTOR
BILL F. HENSLEY, ASSISTANT DIRECTOR

P. O. BOX 2719
RALEIGH, N. C. 27602

J. W. YORK, CHAIRMAN OF THE BOARD
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April 18, 1968

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OME-6715

Mr. Robert A. Laurence, Geologist
Branch of Resources Research
U.S. Geological Survey
Room 11, Post Office Building
Knoxville, Tennessee 37902

Dear Bob:

I have a raft of correspondence from Mr. Stalcup, but it does not add anything to Jerry Bundy's report. Jerry spent one day with Mr. Stalcup, collected a few samples and prepared the brief report. I have not seen the property and have no personal knowledge of its potential.

From my correspondence with Mr. Stalcup, I have the impression that he is honest and sincere in his efforts, but has had no previous experience in prospecting or evaluating a prospect.

I know this doesn't help much, but if we can be of any further assistance, please let me know.

Very truly yours,

SGC

Stephen G. Conrad, State Geologist
DIVISION OF MINERAL RESOURCES

SGC/ps

RECEIVED
APR 22 1968
U. S. Geological Survey

OFFICIAL COPY
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RECEIVED
APR 24 1968

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JHG	110
EJD	120

OME-6715

April 23, 1968

Mr. Maurice Magee, Chief Geologist
Tennessee Copper Company
Mine Office
Ducktown, Tennessee 37326

Dear Maurice:

Thanks for your letter of April 19, and enclosures regarding the M. D. Stalcup property. The information will be most helpful in evaluating the proposal. I was skeptical about the item quoted in my earlier letter to you, and obviously the skepticism was justified.

Stalcup submitted two assays by R. E. Craig, of California, in addition to the one cited in Gibson's report. These showed:

Au 0.302 oz/ton, Ag 2.48 oz/ton (9/26/67)
Au 0.069 oz/ton, Ag 3.78 oz/ton (12/ 6/66)

It reminds me somewhat of the "Poland Gold Mine" in Roane County, Tennessee, though of course the geologic environments are totally dissimilar.

Again, many thanks. The report and letters will be treated as "company confidential".

Sincerely yours,

Robert A. Laurence
Geologist
Branch of Resources Research

RAL/mg
cc - Director's Reading File
Economic Geology " "
Branch of Resources Research
Frank E. Johnson (OME)
Arthur Kinkel
Files

OPTIONAL FORM NO. 10
5010-103

UNITED STATES GOVERNMENT

Memorandum

TO : Edward C. Peterson, OME
USGS, Washington, D. C. 20242

DATE: April 23, 1968

FROM : Robert A. Laurence, USGS
Rm 11 Post Office Bldg., Knoxville, Tenn. 37902

SUBJECT: OME-6715, Horace D. Stalcup

Enclosed is a copy of the examination report by Tennessee Copper Company which we discussed on the telephone today.

Bob.

Robert A. Laurence
Geologist
Branch of Resources Research

Enclosure

TENNESSEE CORPORATION

TENNESSEE COPPER COMPANY

DIVISION
TENNESSEE CORPORATION
NEW YORK OFFICE -- 61 BROADWAY

COPPERHILL, TENN. 37317

AME-6715

Mine Office
Ducktown, Tennessee
April 19, 1968

Mr. Robert A. Laurence
U. S. Geological Survey
Room 11, Post Office Bldg.
Knoxville, Tennessee 37902

Dear Bob:

Enclosed is a copy of our examination report of the Stalcup property. We found nothing of merit there and the quote in your letter as part of the application was not out statement to Stalcup.

Otis Gibson visited the property to accommodate Mr. Stalcup, but found only barren quartzite.

The enclosed letters and report are for your information only.

Sincerely,

Maurice Magee
Chief Geologist

MM:jc

Encl.

RECEIVED
APR 23 1968
U. S. Geological Survey

OME- 6715

Mine Office
Ducktown, Tennessee
October 27, 1966

Mr. Horace D. Stalcup
Route 2
Murphy, North Carolina

Dear Mr. Stalcup:

The sample from your prospect assayed 0.03% copper, Nil-zinc, Nil-gold, Nil-silver. We have no further interest in your property.

Yours very truly,

Otis Gibson

Otis Gibson
Geologist

OG:jc

1259

TENNESSEE COPPER COMPANY
Mining Department

OME-6715

Prospect Examination Report

Name - Stalcup Prospect

Mineral of Interest - Copper and gold

Location - The prospect is located at head of Pin Hook Branch, 8 miles by road south of Murphy, in Murphy township, in Cherokee County, North Carolina and 1½ miles southeast of Martin community. It is located on TVA map Murphy, N. C.- 141 SE.

Owner - Mr. Horace D. Stalcup, Route #2, Murphy, N. C. owns 100 acres in prospect area. Telephone 237-2610.

Remarks - Mr. Horace D. Stalcup came to our office and reported he has a copper and gold prospect. Mr. Stalcup acted as guide to the property.

Exploration - A small test pit has been dug in branch exposing quartzite.

Geology - The quartzite exposed is probably the Tusquitee quartzite, part of the Murphy syncline formation. The quartzite is a minimum of 700 feet wide at the prospect area. The quartzite is striking N 65-85 W and dips 70-85 northeast. There is some fine grained pyrite disseminated in the quartzite, also some smeared pyrite was observed on fracture faces in the quartzite. The quartzite is fine grained and has a bluish color when wet. Mr. Stalcup furnished a copy of an assay from Robert E. Craig, Sun Valley, California which assayed 0.201 oz. Au per ton, 0.73 oz. Ag per ton, trace-Pt, trace-Pd. Our sample assayed 0.03% Cu, Nil-Zn, Nil-Au, Nil-Ag.

The Ellijay folio, by Keith, describes the Tusquitee quartzite as almost wholly white quartzite of very uniform texture and appearance. It is composed chiefly of fine quartzite with more or less feldspathic material. A total of 11 soil samples across vein failed to find a geochemical anomaly.

Conclusion - Where the quartzite was observed the mineralization comprises less than 2% of the rock. No geochemical anomaly was found at the prospect. The prospect is of no further interest.

Otis Gibson

Examined 10-17-66

Otis Gibson
Geologist

6715

A. R. Kinkel - Heavy Metals
USGS, Washington, D. C. 20242

April 16, 1968

OFFICIAL
COPY
O. M. E.
RECEIVED
APR 18 1968
MINERALS COMM.

R. A. Laurence
Resources Research Branch, USGS, Knoxville, Tenn. 37902

Stalcup prospect

The values in the Stalcup prospect aren't too encouraging as a prospect for mining, but may be of interest in connection with distribution of heavy metals in clastic rocks.

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Robert A. Laurence
Geologist

RAL/mg
cc - Director's Reading File
Economic Geology " "
Branch of Resources Research
Files
Frank E. Johnson

MME Form 40
Jan. 65

Budget Bureau No. 42-R1508
Approval expires Dec. 31, 1968

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

COPY RECEIVED APR 17 1968 INITIALS/CODE

APPLICATION FOR FINANCIAL ASSISTANCE IN MINERALS EXPLORATION

Pursuant to Public Law 85–701 (72 Stat. 700; 30 U.S.C. 641)

NAME OF APPLICANT *(Full legal name and mailing address as they should appear on contract if one is executed.)*

HORACE D. STALCUP
ROUTE NO. 2
MURPHY, NORTH CAROLINA 28906

APPLICANT DO NOT USE THIS BLOCK

DOCKET NUMBER

DATE RECEIVED

REGION

DIVISION CODE

BUSINESS ORGANIZATION *(Check one)*

INDIVIDUAL [X]
CORPORATION [ ]
PARTNERSHIP [ ]
OTHER *(Specify)* [ ]

STATE IN WHICH FIRM IS ORGANIZED N.C.

LIST CORPORATE OFFICERS OR PARTNERS HERE, IF APPLICABLE

NAME	ADDRESS	TITLE
NOT APPLICABLE		

MINERAL(S) FOR WHICH YOU WISH TO EXPLORE: GOLD, SILVER, PLATINUM GROUP

ESTIMATED COST OF PROJECT: $ 20,280.00

PROPERTY NAME: HID. STALCUP PROPERTY

LOCATION — COUNTY: CHEROKEE — STATE: N.C.

GENERAL INSTRUCTIONS

Before filling out this application, please read the *OME Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves* (30 CFR Chap. III). To assure prompt action, your application must provide all applicable material and information specified on the back of this application form. Avoid unnecessary correspondence and delays by submitting complete and accurate information. *Please submit two copies of this application and all accompanying papers* except as otherwise noted. Place your name and address on each sheet. Each item of information, maps, and reports required as a part of this application is described on the back of this form. Identify each attached statement by the item number to which it applies. If an item does not apply to your application, show the item number on your statement and after it write "not applicable." Maps or sketches should be used to supplement narrative descriptions of the property location and boundaries in item 2, existing mine workings and geology in item 3, and the proposed exploration work in item 5. When this information is not too complex, all of it may be shown on one map or sketch. All documents and other attachments submitted as a part of this application, except those in item 3(g) which you mark to be returned, become the property of the Government and will not be returned to the applicant. Send true copies, *not originals*, of leases, contracts, and other documents which are an essential part of your business records. *File this application with the Office of Minerals Exploration, Department of the Interior,* ~~Washington, D.C., or with the nearest OME Field Office.~~ Washington, D. C., 20242, or with the nearest OME Field Office.

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, and that he would not ordinarily undertake the proposed exploration under current conditions and circumstances at his sole expense.

4/12/68
DATED

Horace D Stalcup
BY *(Signature)*

OWNER-APPLICANT
TITLE

A wilfully false statement or certification to any Department or Agency of the United States Government is a criminal offense. U. S. Code, Title 18, Sec. 1001.

INFORMATION REQUIRED WITH THIS APPLICATION

1. Financial Eligibility:

(a) Submit evidence of efforts made within 90 days preceding the filing of this application to obtain credit from your bank of account and at least one other banking institution or other private source of credit. Such evidence shall include true copies of correspondence which show: (1) date of loan request, (2) amount and terms requested, (3) proposed use of loan funds, and (4) the replies from credit sources. If the loan was offered under terms which you consider unreasonable, state why you consider them so.

(b) List names and addresses of affiliated, parent, or controlling companies or organizations and state extent and nature of their interest.

(c) State how you propose to furnish your share of the cost of the exploration work.

2. Applicant's Rights in Land:

(a) State your interest in the land and mineral rights, whether owner, lessee, purchaser under contract, or other. If you are not the owner, submit one true copy of the lease, contract, or other document (with address of owner) under which you control the property. Describe all liens, mortgages, or other encumbrances on the land and state book and page number and official place where recorded.

(b) State the legal description (section, township, and range; metes and bounds; patent number of claims) of the land upon which you wish to explore and all adjacent land which you own or control. Describe any part of the land or workings which should not be subject to Government royalty and liens. If the land consists of unpatented claims, state book and page number for each recorded location notice, including amended locations, and official place where recorded. State all the names by which you know the property.

(c) For all land or mineral rights encumbered or not owned, submit five copies of Lien and Subordination Agreements on MME Form 52. If the agreements cannot be obtained, state reasons and provide copies of letters of refusal.

3. Physical Description:

(a) Describe in detail and illustrate with maps or sketches all mining or exploration operations which you know have been or are being conducted upon the land. Include existing mine workings and all production facilities.

(b) State your interest, if any, in operations described in (a).

(c) State, if you know, the past and current production, supporting your statement with copies of settlement sheets, mine records, or published data if available.

(d) Describe known ore reserves, giving quantities and grades and sampling methods used. Support your statement with copies of assay certificates and assay maps if available.

(e) Describe by narrative and maps or sketches the geologic features of the property, including ore minerals, geologic formations if known, and type of deposit (vein, bedded, etc.).

(f) State your reasons for expecting to find ore, and if you have sampled the area you propose to explore, show where the samples were taken, describe sampling methods used, and provide copies of assay certificates.

(g) Send with your application at least *two* copies of all geologic or engineering reports, assay maps, or technologic information which you have, indicating whether you require their return.

4. Accessibility of Property:

(a) To aid the OME representative who may examine the property, state name and address of person who will meet him; give directions for reaching the property; and describe accessibility of property and of any mine workings.

(b) Name the shipping and supply points and state the distances to the property.

5. Exploration Work:

(a) Describe fully the proposed exploration work giving individual footages and sizes of openings *for each item of work.* Use narrative, maps, plans, and sections as necessary. Show location of the proposed work as related to geologic features such as veins, ore-bearing beds, contacts of rock formations, etc. Show also the relation of the proposed work to any existing mine workings and to *land boundaries* or to the closest identifiable corner.

(b) If an access road must be built, show the proposed location on the property map and state the length, type and construction methods proposed.

(c) If an OME contract is executed, state how soon thereafter work would be started and finished. State your anticipated average daily or monthly rate of progress for each type of work.

6. Experience:

State your operating experience and background to conduct this exploration work and also that of the person who will supervise the work.

7. Estimate of Costs:

Furnish detailed estimates of the necessary costs *for each item of the work proposed in 5(a)* under the headings listed below with a total for each heading and the estimated total cost of the work. Costs for any work to be performed by an independent contractor should be listed separately under category (a) below. Costs for any work that is not to be performed by an independent contractor should be listed under categories (b) through (g).

(a) Independent contracts. State the total cost of any proposed independent contract for all or any part of the work, and the number of units and the unit cost for each type of work, such as per foot of drilling, per foot of drifting, per hour of bulldozer operations, or per cubic yard of material moved. Cost estimates should be supported by bids from three contractors if possible. (*Note*—If none of the work is to be contracted, write "none" after this item.)

(b) Personal services. The cost of supervision, engineering and geological services, outside consultants, and labor should be itemized by numbers and classes of employees; rates of wages, salaries or fees; and periods of employment. State whether these services are available.

(c) Operating materials and supplies. List items of material and supplies giving quantity and cost of each. Include under this heading power, water, and fuel, and units of equipment and tools costing less than $50 each.

(d) Operating equipment. List items of equipment and tools costing $50 or more per unit. Give specifications and indicate how each item is to be acquired—i.e., rented, purchased or provided by the applicant. If rented or purchased, state the estimated rental or purchase price. If furnished by the applicant, state condition and present fair market value.

(e) Initial rehabilitation and repairs. Describe the type and the cost of *initial* rehabilitation or repair of existing buildings, fixtures, installations (exclusive of mine workings), and movable operating equipment now owned by the applicant which will be used in the exploration work.

(f) New buildings, fixtures, installations. Describe each building, fixed improvement, and installation to be purchased, constructed, or installed for the exploration work, stating specifications and cost including labor, materials, and supervision.

(g) Miscellaneous. Describe the type and estimate the cost of repairs and maintenance of the operating equipment listed in 7(d). Do not repeat initial repairs listed in 7(e). Show also the costs of analytical work, accounting, workmen's compensation and employees' liability insurance, payroll taxes, and other required costs that do not fall within the previous categories. [*Note*—The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to: (1) acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof; (2) general overhead, corporate management, interest and taxes (other than payroll and sales taxes); (3) insurance (other than employees' liability insurance); and (4) damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).]

INT.-DUP. SEC., WASH., D.C

1. Finiancial Eligibility:

I (H.D. Stalcup) am not affiliated with any Corporation or organization and file this application for financial assistance wholly as an individual undertaking.

I can not undertake the proposed exploration under current conditions at my sole expense. Mr. John T. Gill, President of The Citizens Bank and Trust Co. of Murphy, North Carolina, will verify this fact.

References as to my personal integrity should be directed to Mr. Frank Forsyth, N.C. State Senator, Mr. Roy Taylor, U.S. Congressman, or any citizen of character residing in Cherokee County, N.C.

I propose to furnish my share of the cost by supervising all aspects as well as devoting my time and services exclusively and directly to the performance of the exploration work.

2. Applicant's Rights in Land:

OWNER.

THERE ARE NO liens, mortgages OR OTHER encumberances on THE Subject property. Adjoining property nearest ORE deposit is owned by my Brother (G.Y. STALCUP). Mineral rights are obtainable if desired.

3. Physical DESCRIPTION:

No mining operations have been conducted upon the property. Prospecting has been limited to that conducted by myself. No substantial exploration operations have been conducted.

The mineralized zone is a flat-lying bedded deposit of blue quartzite exposed in part by a disecting stream. Except along the stream the deposit is covered by overburden. The topography is predominated by mountain laurel and second-growth timber (see SKETCH No's. 1 AND 1-A).

Mr. J.L. Bundy, a geologist from the state of North Carolina Division of Mineral Resources, visited the prospect more than a year ago. Attached is a copy of his investigation and description of the quartzite (see attachment No. 1-B).

Represenatives of the Tennessee Copper Company have visited the property and estimated the size of the ore bearing bed as substantial, and strongly suggested that the prospect be explored by core drilling.

Attached are copies of assay certificates which indicate that Gold, Silver, and traces of Platinum are present. All samples were taken from the top of the mineralized bed along that portion exposed by the stream. Samples taken approximately ten years ago indicated traces of gold some one-quarter mile upstream.

4. Accessibility of Property:

attached is a sketch showing the location of the prospect and my residence - (sketch No. 2).

accessibility is good. No road work will be required for exploration.

Murphy, North Carolina is the shipping and supply point and is approximately six miles away.

5. Exploration Work:

Since the mineralized zone appears to be a flat-lying bedded deposit, a pattern of vertical holes drilled from the surface is the optimum means of exploration. a minor amount of land clearing and dozer work will be required initially in preparation for rotary drilling equipment.

ample water is available for bit cooling during drilling. Where the mineralized bed is covered by overburden, non coring bits will be used until the ore zone is reached then diamond coring bits will be used to obtain cores for examination and analysis. Should the deposit be of sufficient depth to merit the drilling of very deep holes, non coring bits will be used primarily with cores taken at intervals of several feet to minimize the cost of drilling.

Should initial drilling indicate that the deposit is a steeply dipping tabular-vein or stratified deposit, angled holes will be drilled to intercept the deposit in depth.

The proposed exploration consists entirely of drilling a simple pattern of vertical holes to extract 1 1/8" diameter cores for analysis and to determine the size (cubic yards or tons) of the mineralized deposit. Work will begin within one week of date that an ONE contract is executed.

6. EXPERIENCE:

EXPERIENCED IN LAND clearing, ROAD CONSTRUCTION, blasting, AND 10 years of rotary drilling; as such my services will be devoted exclusively and directly to the performance of the exploration work. I will obtain competent employees and supervise all elements of the exploration.

7. ESTIMATE OF COSTS:

ITEM NO.	DESCRIPTION	COST ($)
A.	SHELTER (FIELD OFFICE AND EMPLOYEES)	800.00
B.	LAND CLEARING (DRILLING EQUIPMENT ACCESS)	980.00
C.	EXCAVATION - DOZER @ 15.00 PER HR.	1200.00 80 hrs 10 days
D.	DRILLING NON-CORE @ 4.00/ft. CORE @ 15.00/ft.	10,640.00 4/5 days - 800'
E.	ASSAYS	1500.00
F.	SUPERVISION AND CONSULTING FEES	5160.00
	TOTAL	$ 20,280.00

30 weeks Required for Project Completion

STATE OF NORTH CAROLINA

DEPARTMENT OF CONSERVATION AND DEVELOPMENT

DAN E. STEWART, DIRECTOR

RALEIGH

#1-B

February 21, 1967

Report of Investigation

Horace D. Stalcup prospect, Cherokee County, North Carolina

The above described prospect is located approximately 5½ miles south-southeast of Murphy, North Carolina along a tributary of Pinbook Branch, between Stalcup Top and Buzzard Cove.

At the time of this examination (November 17, 1966), a portion of the outcrop had been uncovered by hand excavation and blasting, exposing about 30 square feet of surface area and a depth of about one foot.

The mineralized rock is blue gray in color, moderately fractured and slightly iron stained. It strikes N. 86° W. and dips 88° NE. Petrographic examination reveals the rock to be a fine-grained quartzite composed predominently of recrystallized quarts and rounded plagioclase and microcline feldspar grains. Minor amounts of sericite and kyanite are, also, present. Hand specimens of the quartzite show a gradational color change from blue to white. The white zones are much thinner than the blue zones.

Sulfide minerals associated with the quartzite include pyrite and chalcopyrite. Magnetite occurs in trace amounts. The sulfide minerals appear to be concentrated in zones along the small fractures in the quartzite. The principal sulfide mineral is pyrite and it occurs in crystals and disseminated aggregates. It is possible that

COPY

bornite is, also, present but the observed grain was too small for positive identification.

Assays furnished by Mr. Stalcup give a gold value of $7.03 per ton and silver value of 94 cents and $4.87 per ton.

The quartzite is associated with rocks mapped by Keith (Murphy quadrangle, unpublished) as part of the Murphy marble sequence and may be Tusquitee quartzite.

Jerry L. Bundy

Jerry L. Bundy, Geologist-in-charge
Asheville Branch Office
DIVISION OF MINERAL RESOURCES

JLB/ps

767-2681
369-0613

Robert E. Craig

MINING CONSULTANT

11844 ART STREET
SUN VALLEY, CALIF.

Stolen copy

Analysis No. 6894
September 9, 1966

Sample submitted by;
D. W. Richeardson
Box 55A Rt. #1
Murphy, N. C.
28906

Sample No. NONE
Fire Assay For Gold, Silver
& Platinum.

Au - Gold .201 oz. per ton @$35.00 = $7.03 per ton
Ag - Silver .73 oz. per ton @$1.29 = 94¢ per ton
Pt - Platinum = Traces
Traces of Palladium were also detected.

Analysis and report by
Robert E. Craig
Robert E. Craig

Analysis No. 7489
September 26, 1967

COPY

Sample submitted by;
Horace L. Stalcup
R.F.D. #2
Murphy, N. C.
28906.

Sample No. NONE

Au - Gold .302 oz. per ton @$35.00 = $10.57 per ton

Ag - Silver 2.48 oz. per ton @$1.70 = $4.22 per ton

Analysis and report; by
Robert E. Craig
Robert E. Craig

ROBERT E. CRAIG & CO.

MINING GEOLOGISTS
11844 ART STREET
SUN VALLEY, CALIFORNIA
899-0613 767-2681

Analysis No. 7028

December 6, 1966

Sample submitted by;
H. D. Stalcup
R.F.D. #2
Murphy, N. C.
28906.

Sample No. NONE

Au -.Gold .069 oz. per ton @$35.00 = $2.41 per ton

Ag - Silver 3.78 oz. per ton @$1.29 = $4.87 per ton

Analysis and report; by
Robert E. Craig
Robert E. Craig

Hand assay
Gold 1/5 oz PER TON @ 35.00 = 7.03
Silver .94 PER TON @ 1.29 = 1.21
$7.97 PER TON

DIRECTOR'S COPY
C. M. E.
RECEIVED
APR 17 1968
MINERALS CODE
~~120~~
120 RM
110

April 16, 1968

Mr. Stephen G. Conrad, State Geologist
Division of Mineral Resources
Department of Conservation and Development
P. O. Box 2719
Raleigh, North Carolina 27602

6715

Dear Steve:

Attached to Mr. Stalcup's application was a 2-page report by Jerry Sundy, dated February 21, 1967, and assay reports by R. E. Craig, Sun Valley, California, showing $7.03 gold, 94¢ silver (9/9/66); $10.57 gold, $4.22 silver (9/26/67) and $2.41 gold, $4.87 silver (12/6/66).

If you have any additional information on the Stalcup prospect, it would be helpful in evaluating the proposal. I can't find anything in published reports about gold in that part of Cherokee County. All published reports refer to the Valley River area, although Bryson does mention a prospect on Brasstown Creek in Clay County.

Sincerely,

Robert A. Laurence
Geologist
Branch of Resources Research

RAL/mg
cc - Director's Reading File
Economic Geology" "
Branch of Resources Research
F. E. Johnson
A. R. Kinkel
Files

April 17, 1968

Mr. Horace D. Stalcup
Route No. 2
Murphy, North Carolina 28902

Subject: OME-6715

Dear Mr. Stalcup:

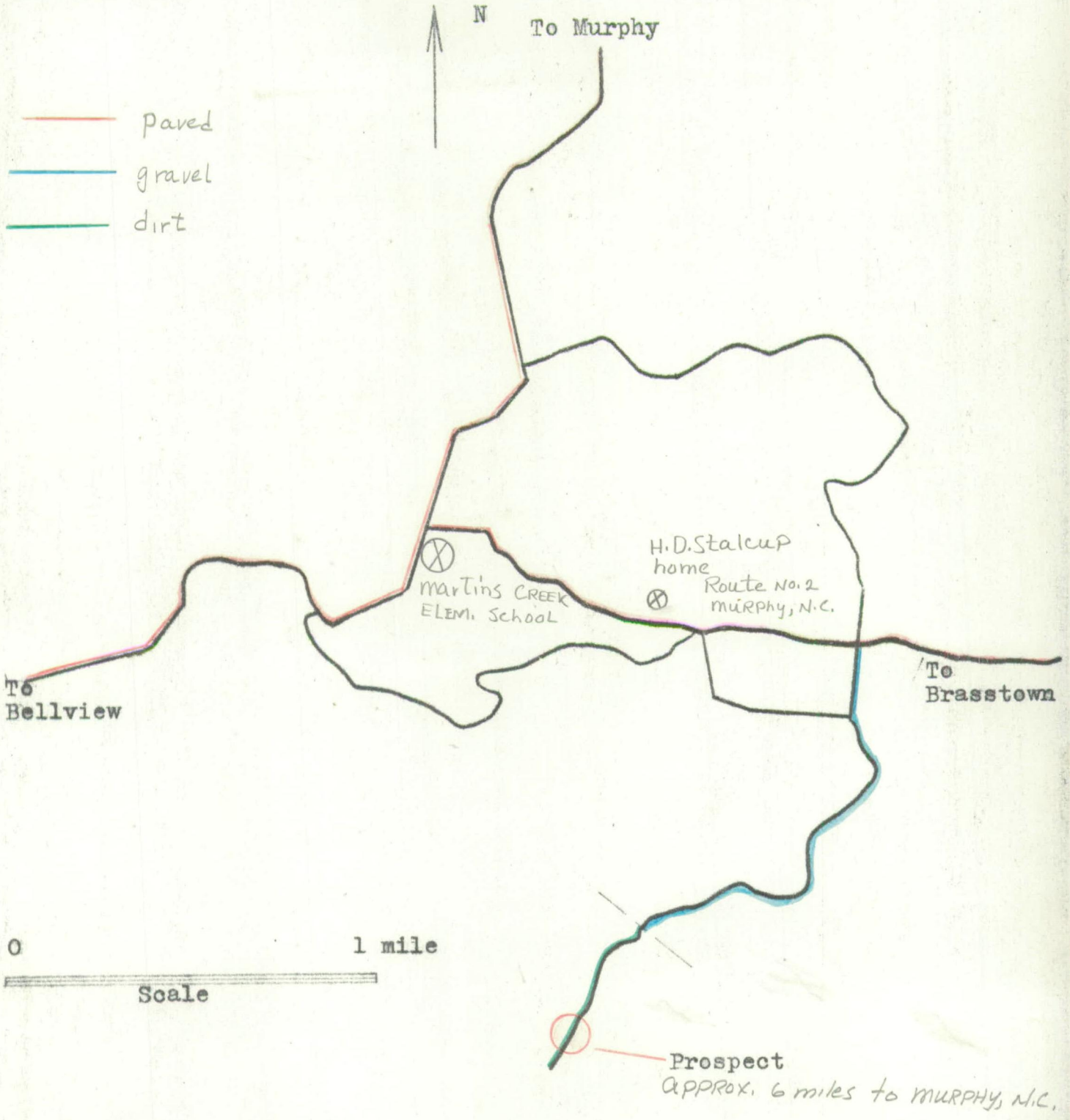
Your application for exploration assistance, dated April 12, 1968, submitted to our office at Knoxville, Tennessee, has been assigned Docket No. OME-6715.

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

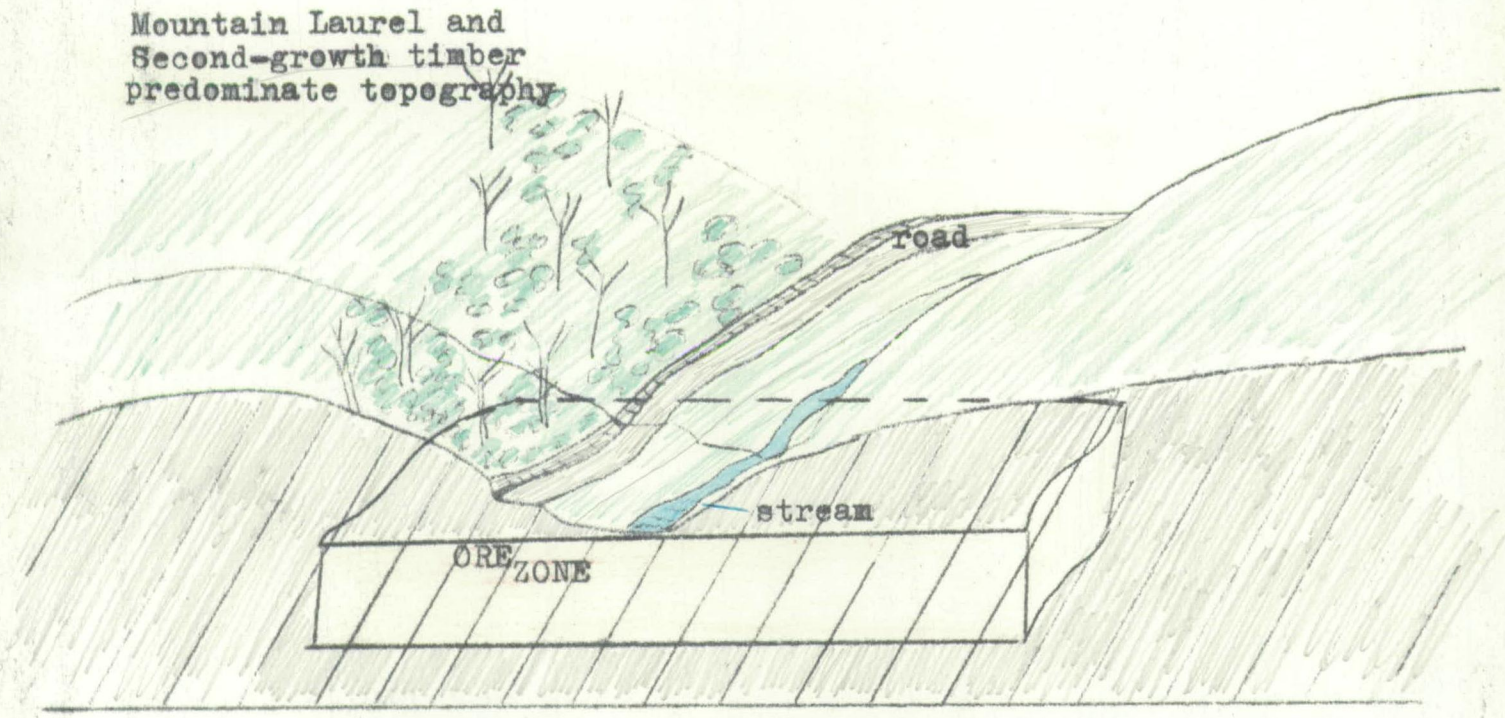
Sincerely yours,

Frank E. Johnson
Chief, Office of
Minerals Exploration

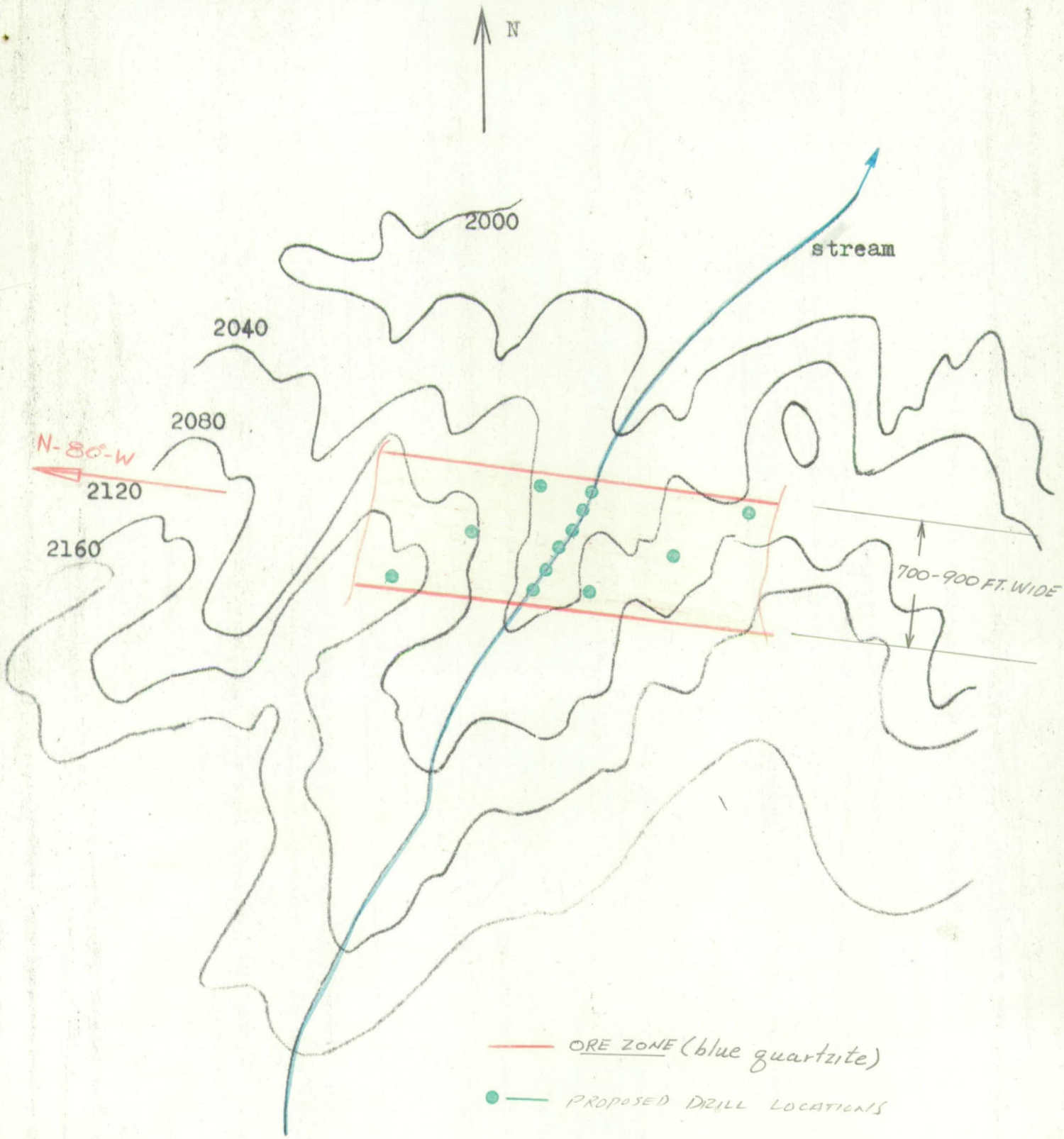
Copy to Region IV



#2 ACCESSIBILITY OF PROPERTY - H. D. STALCUP PROSPECT



#1 PHYSICAL DESCRIPTION _ H.D.STALCUP PROSPECT



#1-A PHYSICAL DESCRIPTION - H. D. STALCUP PROSPECT