

TERRITORY OF ALASKA
DEPARTMENT OF MINES
JUNEAU, ALASKA

Report of Mining Investigations in the Otter Precinct
August 21 - 24, inclusive, 1946
By
J. C. Roehm,
Associate Mining Engineer

All the active pre-war placer operations in the Otter precinct have resumed mining with the exception of the Riley Investment Company dredge and the Granite Creek Mining Company. The above dredge was unable to operate due to acquisition by the Army of the machinery contained in the machine shop. The Granite Creek Mining Company is no longer in existence.

Gradually, the known profitable placer ground in the vicinity of Flat is becoming depleted. Reworking of some of the early worked ground has been profitable, and the future depends upon a reduction of costs in order that lower grade marginal ground can be worked. Marginal pay extends down Otter Creek below Flat and on benches on lower Willow Creek. Lack of development of other forms of mining and industry, and the maintenance of high transportation costs, are beginning to show definite signs of deterioration on the town of Flat. Nearly all timber and trees large enough for wood have been cut for miles around, and fuel for winter use is one of the problems. The future will be limited to the existence of reworkable placer ground, the possible development of the Golden Horn mine, and probable development of the lignite measures found along the Iditarod River.

The North American Dredging Company, under the direction of Alex Matheson, is operating its dredge 24 hours daily, working two ten-hour shifts and one four-hour shift. The dredge started digging this year on June 16, and it has an actual capacity of 2000 yards daily. The dredge is located in the town of Flat and is redredging some of the ground for the third time. Considerable ground is being prepared on the west side or lower Otter Creek by bulldozing and hydraulicking off several feet of top soil and gravels, and thence thawing the remaining to bedrock with the use of 500 points. A total of fifteen men are employed.

The Riley Investment Company hopes to have its dredge in operation early next season. Three men are employed repairing the dredge and rebuilding the machine shop.

The Awe Mining Company is mining on the Becker Estate on lower Chicken Creek. The pay on lower Chicken Creek has fanned out over the Bonanza Creek valley until the pay has dropped to 20 cents per bedrock foot at the present mining site and lower below. This season on the lower cut an old east-west channel of Bonanza Creek was found in which the bedrock dropped to a depth of 60 feet. Very light pay was distributed in these gravels with no pay on bedrock. This season is expected to be the

last for the company on this creek. This coming winter the company expects to drill on Donovan Creek, a tributary of Crooked Creek in the Kuskokwim precinct and 20 miles south of Flat.

Hatten, Bouquier, and Turner are operating a hydraulic-bulldozer and dragline on the Olsen Brothers ground on Willow Creek. This is only a small block of ground left by the Northland Development Company. They are working one shift and have a total of seven men employed. They expect to mine this small block this season and then move to Little Creek, tributary of Crooked Creek near the Decoursey quicksilver mine in the Kuskokwim precinct.

Robert Lyman was reported to be working alone on the Decoursey property retorting some ore which was mined last winter.

Patrick Savage is still mining on the right limit of Flat Creek near the head. This season he purchased a new Lima 2-yard dragline mounted on 19-foot crawlers of 36-inch width and powered by a D-17000 Caterpillar diesel. Water was very short this season for this operation and only two, 2-hour shifts daily could mining be carried on due to lack of water. The gold is very fine and is contained in monzonite sands.

The Moore Creek Mining Company, located 30 miles east of Flat, is operating a dragline and bulldozers under the management of Elmer Keturi with a total of eight men employed. Mining by this company continues to reveal several coarse gold nuggets with quartz attached. The company was reported to have about reached the end of its pay.

Uotila and Ogriz are operating a dragline and hydraulic-bulldozer combination on Slate Creek, three miles east of Flat. This season a shortage of water has limited the usual production. Mining is now confined to bench ground, which allows the boxes to be set in bedrock and makes the use of this combination of mining very successful. A total of nine men are employed.

Peter Miscovich is mining with bulldozer-hydraulic up Glenn Gulch on the left limit of Otter Creek and just below the Golden Horn mine. Besides the hydraulic-bulldozer operation, he has been doing some hand-mining and using his trencheau in some of the old cuts mining the fractured monzonite bedrock. In some of the old cuts he has mined this fractured bedrock to a depth of 9 feet. Only the highly fractured areas contain pay deep in the bedrock. The use of water power with only a 34-foot head to operate a 20-KW., AC. electrical unit and a large De Laval pump, which pumps 6000 gallons per minute, supplies cheap water and light for this operation. This operation has plenty of water even during a dry season, since Otter Creek contains a good volume and the ditch is large.

Fred Lusher and Frank Salen are operating small hydraulics on Malamute Pup and Granite Creek, both tributaries of Otter Creek above the Miscovich operation.

There are a total of nine placer operations in the precinct, with an employment total of 74 men, and one dredge under repair.

ACTIVE MINING OPERATIONS IN THE OTTER PRECINCT
1 9 4 6

<u>Name of Company</u>	<u>Location</u>	<u>No.</u>	<u>No. Men</u>
<u>Dredges</u>			
North American Gold Dredging Co.	Flat, Otter Creek	1	15
Riley Investment Co.	Flat, Otter Creek	1 (repair work only)	3
<u>Draglines</u>			
Awe Mining Co.	Chicken Creek	2	13
Bouquier, Hatten & Turner	Willow Creek	1	7
Patrick Savage	Flat Creek	1	8
Moore Creek Mining Co.	Moore Creek	1	8
Uotila & Ogriz	Slate Creek	1	9
<u>Hydraulic-Bulldozer</u>			
P. Miscovich	Otter Creek	1	8
<u>Hydraulic</u>			
Fred Lusher	Malamute Pup	1	2
Frank Salen	Granite Creek	1	<u>1</u>
			<u>74</u>

Total operations - 9
Inactive dredges - 1.

Costs at Flat via Nenana, Yukon and Innoko Rivers

Freight - \$2.85 per 100 lbs., Railroad- Seattle charge

Machinery - $\frac{1.75}{\$4.60}$ " " " Boat
per 100 lb. for machinery.

Plain steel - 4.33 per 100 lb., Railroad-Seattle charge

$\frac{1.75}{\$6.08}$ " " " Boat
for plain steel.

Wood - \$22 per cord.

Diesel oil - \$21 per drum (Pre-war price - \$18)

Flat store, case-lot prices:

Vegetables, small cans	- \$14.00 per case
Eggs	- 29.00 " "
Fruit, canned	- 12.00 - \$16.00 per case
Ham	- .75 per lb.
50 lb. sugar	- 7.50
Pineapple, 24 cans	- 12.00.