

September - 1953

NEW MINING ACTIVITIES

QMI is continuing its exploratory work on the Klukwan iron deposit near Haines at a rapid rate. They have been concentrating most of their sampling work on the alluvial deposit at the foot of the mountain, but have also been sampling the lode. Large samples are being sent to the Juneau Bureau of Mines laboratory, as well as to the QMI home office, for metallurgical testing. Results of this testing are not yet available.

The U. S. Bureau of Mines has completed about 6,000 feet of diamond drilling on the Snettisham magnetite deposit, and are now moving their equipment away from the project, but may resume drilling there again in the future. The cores have not yet been completely logged, and no correlations or interpretations have been made. Future drilling or work at Snettisham will depend on results of these interpretations and correlations.

The Alaska Tin Corporation (Ralph Lomen) has moved its camp and placer drill into the Ear Mountain area on Seward Peninsula by way of Shishmaref rather than by the usual route from Teller, thereby saving considerable overland travel. Exploration for placer tin will be conducted on Tuttle and Kreuger Creeks with the assistance of a DMEA loan.

The mountain-top camp site should be nearly completed by now by the Kenai Chrome Company on Red Mountain near Seldovia, Kenai Peninsula. Drilling commenced on August 1, and the first shipment of ore is scheduled for October 1, or earlier. Coastwise Line has the shipping contract for the chromite, and it is planned to transport the ore from shore bunker to dock by belt conveyor. An aerial tram will be built next year.

DEPARTMENT PERSONNEL

A number of investigations has been carried out during the past month by Department personnel among which are the following:

The McNeill copper prospect south of Lake Iliamna was examined and found to be promising.

The Red Mountain chromite deposits were the subject of a magnetometer survey in an effort to extend the known structures. Some engineering assistance was given the Kenai Chrome Company.

A reported large-scale occurrence of chalcopyrite in commercial quantities on a tributary to the Endicott River in Southeast Alaska was investigated with negative results.

Copper outcroppings on Moose Creek (Willow Creek District) were examined and sampled. Results are not yet available.

A possible extension of the Jim Creek copper occurrence into the Wolverine Creek Valley was investigated and found to be non-existent. These creeks are east of Palmer.

The Midas copper property near Valdez was examined and found to be worthy of further exploration and study.

A prospect at Nuka Bay was investigated.

The Valdez Creek District was visited by an engineer for the purpose of gathering general mining information.

The reported high-grade nickel-copper-cobalt strike at Funter Bay in Southeast Alaska was examined. The probable extent of the high-grade body cannot be determined until more exploration has been accomplished.

A joint examination with a representative of the USGS was made of a copper show on the MacLaren River near the route of the new Cantwell Road from Paxson to McKinley Park. The prospect appears promising and the owners are reportedly considering applying for a DMEA loan.

Another joint venture with the USGS was attempted, but failed because of glacier conditions. The plan was to investigate the layered intrusive above Lituya Bay for ilmenite content.

Roy Rowe, Assayer, is now located at the Anchorage office. The new assay office on Second between C and D is completed, and the moving from the old to the new is in progress. Moving and setting up equipment should be completed by mid-September.

Pete Sandvik, who was the Anchorage assayer for the Department before being called into the Army, may soon be a civilian again and back with the Department.

MINERAL RESOURCES BIBLIOGRAPHY

Preliminary work on the Department's bibliography, or inventory, of all mineral deposits in Alaska is progressing. The services of a Remington-Rand business methods analyst, Mr. John W. Eddy, were secured to help the Department adapt an efficient card index system to the bibliography. Art Glover came from Ketchikan to confer with Mr. Eddy and the Juneau staff. Glover, who has the longest service of anyone in the Department, will be in Juneau doing the initial work on this project. Bids have been invited for the furnishing of the necessary supplies and equipment to carry the work forward. The assay office at Ketchikan may have to be closed for a short time while Glover is in Juneau working on this project.

ASSESSMENT WORK REQUIREMENTS

As a result of copies of mining records being forwarded to the Department under Chapter 95 of the Twenty-first Session Laws, it has been noticed that a large majority of the recorded assessment work affidavits are incorrect and that there is a general misunderstanding of what constitutes legal assessment work. In case

of a court contest, an improper affidavit or wrong type of work or expense represented as assessment work might not stand as evidence of legal right to the claim. Although the courts usually lean strongly toward a person's honest intent, it is better to play safe.

Someone periodically starts a move in Congress to change the assessment work year, but at present the annual deadline for completion of the assessment work is July 1st at noon. Work is not required for the assessment year in which the claim is staked. An affidavit stating that the assessment work has been done is not legally required, but should be recorded, in the proper recording office, each year to prove that the claim is being legally held and to prevent the possibilities of legal difficulties in future sales, leases, or proof of ownership. A properly prepared assessment work affidavit should contain the name and location of the claim and the name of the owner (or owners) of the claim, a statement of the amount of work and kind of work performed, the actual value of the work, the dates during which the work was done, the assessment year for which the work was done, and the circumstances under which the work was done if by other than the owner. The affidavit must be sworn to before a notary public or postmaster before recording to make it legal.

Work which legally constitutes annual assessment labor must be such that it benefits the claim and is done for the purpose of discovering or mining minerals. The mere cutting of brush each year or cutting of firewood have been held not to count as assessment work. The construction of a house on the claim for the housing of miners is legal assessment work, but if built outside the claim, it is not. Work on a mill or treatment plant is not assessment work, and neither are the expenses or labor involved in transporting tools, machinery, or personnel to or from the claim, nor does the price of tools or machinery count. Building roads, trails, flumes, ditches, drains, either inside or outside the claim, for the purpose of mining or exploring the claim will count. Also, any actual act of mining is assessment work. A reasonable allowance for the use of machinery or animals is assessment work, and so is the value of powder and fuse used. Wages paid a watchman, if one is necessary to protect the property, will count. The unwatering of a shaft for an inspection, or the taking of samples for assay, do not count as legal assessment work.

Work for a group of claims that are contiguous and under common ownership may all be done on one claim or in one place, but it must benefit the whole group, not just one claim. In computing the value of assessment work, the current wage rates and equipment allowances of the vicinity are to be used.

CANADIAN STAKING RIGHTS

With the recent upswing of Canadian interest in Alaska's mineral possibilities, there has been an increasing number of inquiries from Canadian prospectors and mining men asking about the rights of Canadians to stake mineral claims in Alaska. The matter is not clear to everyone's satisfaction, but the Department is endeavoring to obtain decisions on it that will allow the Canadians the rights that they should have. The following paragraphs are a discussion of the matter thus far.

The law-making bodies of Alaska, British Columbia and Yukon Territory have intended that there be a reciprocal agreement allowing citizens from both sides of

the boundary to stake in the other country. As evidence of this, we have in the B. C. law, R.S.B.C. 1948, Chapter 213, Part I.4 (1), reading as follows:

"Every person, over, but not under, eighteen years of age and every joint-stock company shall be entitled to all the rights and privileges of a free miner, and shall be considered a free miner, upon taking out a free miner's certificate. A minor who becomes a free miner shall, as regards his mining property and liabilities contracted in connection therewith, be treated as of full age." (Note in the above: "every person".)

Then we have in Alaskan law, ACLA 1949, Section 47-3-9: "Native-born citizens of the Dominion of Canada shall be accorded in Alaska the same mining rights and privileges accorded to citizens of the United States in British Columbia and the former Northwest Territory by the laws of the Dominion of Canada or the local laws, rules, and regulations; but no greater rights shall be thus accorded than citizens of the United States or persons who have declared their intention to become such may enjoy in Alaska; and the Secretary of the Interior shall from time to time promulgate and enforce rules and regulations to carry this provision into effect."

Thus, by B. C. law, an American can take out a free miner's license, stake and hold ground the same as a Canadian. By Alaskan law, Canadians are to be accorded the same mineral rights and privileges in Alaska as citizens of the U.S. in Canada.

The above seems quite clear. However, the Bureau of Land Management has stated that "the only rights any person may enjoy in B. C. and the Northwest Territory.....are those of leasing from the Government, paying a fixed royalty for the privilege, and as the mining laws of the U.S. do not provide for any similar system, the act mentioned is of no force or effect and that a native-born Canadian stands in the same position as a citizen of any other foreign country and enjoys no greater privileges." Therefore, the BLM rules the reciprocal agreement out. Canadian authorities point out that the BLM ruling is wrong, because it is based on false information. They state that mineral claims are not leased in B. C. or Y.T. as is claimed by the BLM, but are staked under the "Mineral Act" and can be crown-granted (patented) after a specific amount of assessment work is done, the same as in Alaska.

The Department of Mines appealed to the BLM Regional Counsel in Anchorage for an opinion on the matter based on the above information from the Canadian authorities. The Regional Counsel answered that the matter should be looked into, but could not give it immediate attention, and suggested that the Department turn to the Territorial Attorney General at Juneau for an opinion. This was then done, and a conditional opinion was staked verbally by the Attorney General's office that "Any native-born B. C. prospector is entitled to stake, hold, work, and obtain patent to mining claims in Alaska as long as the present Canadian statute remains in effect." The condition is that no Canadian court decisions or opinions have defined "every person" in a manner so as to exclude Americans. The Department has now requested the Canadians to furnish copies of any court opinions or annotations that may change the apparent meaning of the B. C. law with respect to U.S. citizens in order that a firm and unqualified opinion can be obtained from the Territorial Attorney General.

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