

MINING ACTIVITIES

FIRST DIVISION - Additional new interest in the highly mineralized region north of Hyder is indicated by the report that British Columbia interests have taken an option on 27 claims in the Upper Texas Creek area. These claims, which are known to contain gold, silver, copper, lead, manganese and molybdenum, are said to include the old Ixex, Snowshoe, Sunset, Morning, and Blasher Extension groups. Mr. R. S. Douglas is reported to be engineer for the new company, known as The Douglas Mining and Development Co., Ltd. of Vancouver, B. C.

Access to these deposits is by road from Hyder northward up the Salmon River to the Texas Creek bridge, thence westward up the West Fork for another seven miles. The first eleven-mile section is presently maintained by the B.P.R. and it is hoped that their proposed plan to abandon the upper seven-mile section can be changed to provide the necessary access to this well mineralized area.

A pumice deposit at Princess Bay on Behm Canal, 26 air-line miles from Ketchikan, was staked during April by Jim Pitcher and Bill Hibbard of that city. They have also claimed a 5-acre industrial site on the bay.

Pitcher originally discovered the deposit many years ago, but with the increasing tempo in building construction locally, interest in the material as a light-weight concrete aggregate has been revived. With local supplies of sand and gravel being extremely limited and currently selling at \$5.25 to \$5.50 per yard, there is reason to believe that the pumice may find a ready entry into the local field, particularly in the form of blocks.

From a purely geological viewpoint, the Princess Bay deposit is also of considerable interest for it is not generally known that explosive volcanic activity has occurred within relatively recent time in this region. It is believed that this activity took place at the close of the last glacial period in Southeastern Alaska, and, in fact, there is some indication that the eruption may have actually occurred beneath the receding glacier ice.

Frank Blasher, veteran Southeastern Alaska prospector, arrived in Ketchikan recently with a party of men and equipment for exploration and prospecting of mica claims on and adjacent to Sitklan Island at the mouth of Portland Canal. According to Blasher, about 40 claims have been staked covering the principal mica and pegmatite showings, and these holdings have been optioned to a Vancouver, B. C. firm, B. C. Mica, Ltd., which is financing and undertaking the current exploration program.

The Sitklan Island claims were originally staked some years ago under the name of Hyder Mica Co., but have since lapsed and been restaked by Blasher and his associates. The mica showings on the mainland, adjacent to Sitklan Island, are believed to have been first recognized by Territorial Dept. of Mines Engineer Jack Roehm, during his examination of the Sitklan Island deposits in 1946.

While primarily concerned with the economic possibilities of the mica, which reportedly occurs in "books" up to about 12 inches in size, the present group also intends to determine whether the pegmatite dikes contain significant values in beryllium, lithium, or other elements and minerals frequently found in acid pegmatites.

SECOND DIVISION - Lode tin mining and milling operations by U. S. Tin Corp. are continuing at their Lost River property. Operations for the month of April were on a reduced tonnage scale due to the customary low-water conditions at this time of year. Increased underground development will undoubtedly develop sufficient additional water to eliminate a cut-back during this short period. Flotation cells are now installed and the stockpile of untreated concentrates is now being processed to remove penalty amounts of iron, copper, lead and zinc sulphides from the tin concentrate recovered by gravity methods.

Considerable interest is being shown in the extensive lead-silver mineralized belt extending through the Darby Mountains northward into the Bendeleben Mountains and on into the Kugruk River valley.

George Hellerick and Dr. Kennedy are reportedly planning an exploration program for the Brooks Mountain zinnerite deposit held by them.

THIRD DIVISION - The high-grade copper deposit on the Maclaren River discovered by Pettyjohn and Albertson has reportedly been sold to the Alaska Freight Lines interests. Terms of the sale are not fully known, but are reported to result in no down payment, 50% royalty on the first \$100,000 produced, and diminishing royalties thereafter.

Two separate groups of Anchorage businessmen have recently formed, which will be actively engaged in the search for mineral deposits in Alaska this summer. They have selected, and will direct the activities of, qualified field men.

A large United States sulphur company is reportedly negotiating the purchase of the large Horseshoe Bay copper-bearing pyrite deposit on Latouche Island in Prince William Sound.

The Alaska Exploration & Development Corp. has announced its plans to conduct airborne surveys for radioactive materials this year.

FOURTH DIVISION - Operation of the Livengood dredge by Callahan Zinc-Lead Co. will reportedly not be resumed this year.

A Fairbanks group has incorporated to conduct the airborne search for radioactive minerals this year. Promising areas will be further prospected by a ground party using the standard Geiger counter.

The incorporators of the Arctic Coal Co., Inc. were successful bidders for a lease on 2,440 acres of coal land located on Lignite Creek in the Nenana Coal Field. The company expects to sublease the land from the incorporators and to start coal mining operations early in the summer.

The mining and recovery of quicksilver is continuing at the Red Devil mine of the DeCoursey Mountain Mining Co., two new ore shoots having been discovered

during the past month. An expanded program is being planned to develop adjacent ground considered to contain valuable cinnabar deposits.

Suntrana Mining Co. was the recent low bidder on coal requirements for the city of Fairbanks. The price bid was \$2.18 per ton less than was paid last year for coal delivered to the power plant. This downward trend in coal prices should do much to expand the local market for coal.

CORRECTION

The TDM wishes to clarify a statement made in our last issue on the subject of assessment work on placer claims. The statement appearing on page 5 of the April bulletin was incomplete. Association claims, staked prior to August 1, 1912, require only \$100 worth of assessment work per claim regardless of size. Claims staked after this date do require the \$100 expenditure per 20 acres or excess fraction.

NEWS FROM THE AMERICAN MINING CONGRESS BULLETINS

H. R. 3306 - CONVEYANCE OF MINERAL RIGHTS - Miller (Rep., Neb.) Awaiting President's signature following Senate passage April 5. Would convey to patentees of lands under the non-mineral laws of the United States the right to mineral deposits, other than deposits of fissionable materials, reserved to the United States under the Act of July 17, 1914 ("An Act to provide for agricultural entry of lands withdrawn, classified or reported as containing phosphate, nitrate, potash, oil, gas or asphaltic minerals") and under the Act of March 3, 1909 ("An Act for the protection of surface rights of entrymen subsequently classified as coal lands").

MINING CLAIMS ON LEASING ACT LANDS: Identical bills aimed at broadening the development of minerals in public lands of the United States by permitting recovery of both mining law minerals and Leasing Act minerals from the same land have been introduced in the House by Reps. Aspinall (Dem., Colo.), Lawson (Rep., Utah), and Stringfellow (Rep., Utah). The measures (H.R. 8820, 8827, and 8838) have been referred to the Interior and Insular Affairs Committee. These bills would:

1. Require that all mining claims located after enactment be subject to a reservation to the United States of all Leasing Act minerals and of the right to recover them.
2. Permit location of mining claims on lands which are under a lease or application for lease or known to be valuable for minerals subject to the mineral leasing laws.
3. Prescribe the obligations of the respective parties where the same lands are being utilized for both mining operations and Leasing Act operations.
4. Establish a procedure under which a person having an interest under the mineral leasing laws may obtain a determination as to the existence of conflicting mining claims and of the validity of any assertions, under such claims, of title to Leasing Act minerals. Publishing of notice would be required in a manner similar to that followed in respect to mineral patent applications; hearing and appeal procedures would be similar to those applicable to contests or protests in other public land matters.
5. Permit the owner of a mining claim heretofore located to relinquish, at any time prior to issuance of patent, all rights under the claim as to Leasing Act minerals (thus permitting disputes to be settled between the parties without the necessity of hearings).

6. Make it clear that the Atomic Energy Act of 1946 does not preclude location and patenting of mining claims for fissionable source materials, subject to the limitations in that Act as to the disposal and use of such material.

7. Establish preference positions in order to protect mining claimants who have heretofore located claims in good faith on lands affected by the mineral leasing laws (particularly uranium claims in the Colorado Plateau area). Preference would be granted to (1) any person who had located a claim on or before December 31, 1952, and who attempted to validate the claim under Public Law 250, 83rd Congress; (2), subject to (1), any person who located a claim after December 31, 1952, and prior to February 10, 1954 (the effective date of AEC Circular 7, which established a system of uranium leases); and (3), subject to (1) and (2), any person who, prior to the enactment of the bill, has posted notice of or filed application for or has secured a lease under AEC Circular 7.

Senator Millikin (Rep., Colo.) has indicated that he will introduce a similar bill in the Senate and that the measure will be jointly sponsored by several other Western States' Senators.

MINING LAW REVISION--D'EWART BILL: Interior Secretary McKay has recommended enactment of H.R. 4983, introduced by Rep. D'Ewart (Rep., Mont.), which would define the surface rights vested in the owners of unpatented mining claims hereafter located on public lands.

The measure, which was unanimously approved by the House Interior Committee and referred to the House Committee on Rules last year, would permit use of the surface of the claim by the United States, its permittees or licensees, for forage control, reforestation, fire prevention, or other forest protection, or for access to adjacent lands for removal of timber, and would permit the United States, its permittees or licensees to remove dead, down, diseased, or over-mature timber -- so long as any such use does not materially interfere with the prospecting, mining, or processing operations or related activities of the mining claimant. It would protect the rights of the mining claimant to cut timber for his operations, including the clearing of land for mine structures. It would not disturb the established rights of existing claimholders.

"Enactment of the bill", McKay said, "would go far toward eliminating locations made for non-mining purposes by removing the inducements for control of the surface. It would not seriously interfere with locations made in good faith for mining purposes since the use of claims for these purposes is expressly recognized and protected."

BLM REORGANIZATION: The Bureau of Land Management is undergoing a comprehensive reorganization intended to bring about procedural, administrative, and operational improvements with respect to cadastral engineering, public land records, examination and classification of lands, adjudication, granting of patents and other matters. The reorganization is scheduled to be completed late this year.

The Interior Department initiated the reorganization earlier this year after it approved the report and recommendations of a six-man Government and industry survey team. Paul H. Hunt, well-known mining man of Salt Lake City, served as a member of this team.

A subsection of the report devoted to Mining Claims is as follows:

"The Mining Act of 1872, with clarifying court decisions, defines a valid mineral discovery and provides for the issuance of mineral claim patents. Developments in the field of geology, ore genesis and deposition were anticipated and inferred in the broad and general terms of the legislation. The intent of the Act was clearly to encourage the discovery and utilization of the Nation's mineral resources.

During the eighty years of its application, the mining and metallurgical industry of the United States has grown to be of vital economic importance to the country.

"In the administration of a law of this character there is left a wide field of discretionary power to be exercised by the Bureau of Land Management in defining more closely the validity of mineral discovery. There are many who feel that these definitions in recent years have been restrictive to the point where they defeat rather than encourage the intent of the law.

"The requirement of the law 'that the substance exists in such quantity as to justify a prudent man in expending labor and capital in the effort to obtain it' has been, in administration of the Act, interpreted 'that the land is more valuable for the purposes of removing and marketing the substance than for any other purpose' and 'that the removal and marketing will yield a profit.' There certainly seems to be considerable difference in the requirement and the application of the law.

"It is recommended:

"a. That regulations, procedures and criteria used by the Bureau in establishing mineral discovery be kept within the limits of statutory authority.

"b. That the Director of BLM select an Advisory Committee to prepare such regulations, procedures and criteria and that, after adoption, the same be issued promptly for the guidance of field personnel."

Other steps to be taken by the Director include further decentralization of BLM activities, with transfer of land examination and classification functions to the BLM State Land Offices; establishment of the position of Docket Control Officer for expediting adjudications; working out a streamlined Hearings and Appeals Procedure; and issuance of a concise Bureau manual containing clear statements of policy and procedures in organized form for the guidance of field employees.

CURRENT METAL PRICES

The following metal prices taken from the E.&M.J. Metal Markets of April 29, 1954, should be of interest to the prospector and miner.

Copper	Domestic average - 29.7¢ refinery (per lb.)
Lead	14¢ N. Y. (per lb.)
Zinc	10-1/4¢ East St. Louis (per lb.)
Tin	95-3/4¢, prompt, N. Y. (per lb.)
Quicksilver	\$232 - \$235, N. Y. (per flask of 76 lbs.)
Silver	85-1/4¢ (per oz.)
Platinum	\$84 - \$87 (per oz.)
Nickel	60¢ (per lb.)

TIPS FOR PROSPECTORS

A powered packer or mechanical wheelbarrow designed to pack equipment into inaccessible areas has made its appearance on the market. Known as the Merry Packer, the unit was developed by the Merry Manufacturing Co. at Edmonds, Washington, in cooperation with the U. S. Army, Forest Service and others. The unit, which has a load capacity of 400 - 500 lbs., is operated by two men, the operator in the rear and a lead man to guide it. It can be transported in folded condition under its own power, and will climb over logs, ordinary brush and debris, requiring no highway or trail as long as traction can be maintained, the manufacturer states. Power is supplied by an air-cooled 2-1/2 h.p. continental engine with special chain drive reduction transmission friction clutch with both two and four-mile per hour forward speeds. Very little maintenance is said to be necessary and there are few parts to wear out. Overall dimensions are: length 100 ins.; width 29 ins.; height 34 ins.

A very useful pamphlet entitled "Elementary Mining Geophysics" has been published by Canadian Exploration Geophysicists and is available from The Prospectors and Developers Association, 67 Yonge Street, Toronto, Canada. The pamphlet sells for 50 cents and the material is written in such a way that the average prospector can understand it and could determine the possible use of some method in the exploration of his deposit. The TDM has purchased a limited supply for sale to interested parties.

The TDM has several pending requests for aerial photos of known mineralized areas for use by local prospectors and mining companies. These have been available to the TDM in the past through the local Forest Service office for Southeastern Alaska. However, the photos were originally taken for the U. S. Navy and that branch of the service has recently placed restrictions on the use of these photos which prohibit our procurement for prospectors or mining companies. We are attempting to have the matter clarified.

TDM OFFICES & PERSONNEL

Art Glover has now returned to Ketchikan and that assay office is again open for business.

Pete Sandvik has taken over the Nome assay office and is busily engaged in setting up the equipment and completing the heating, plumbing, and electrical installation in the new building. Pete will also be available for field examinations in the Second Division on request.

The Anchorage and College assay offices are in operation with Roy Rowe and Bill Attwood as assayers respectively.

Wiley Robinson covers all coal operations as Coal Mine Inspector and three Associate Mining Engineers, i.e., Jim Williams at Juneau, Martin Jasper at Anchorage, and Bob Saunders at College, are available for field examinations at the request of prospectors and miners.

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