

Territory of Alaska
Department of Mines

P. O. Box 1391
Juneau, Alaska

TDM BULLETIN

Vol. V

February 1957

No. 2

OIL NEWS

Applications for oil leases for another 400,000 acres of land along the Gulf Coast from Yakutat to Yakataga were filed during the past month. This came somewhat as a surprise to many people who did not realize there was that much open ground left in that area so well taken up already by Phillips Petroleum and Colorado Oil and Gas. This should bring the total Alaskan acreage leased or applied for to around six million acres.

The Kenai Peninsula will see a new (and its first) drilling project this spring as Richfield gets into operation on the Swanson River Unit with a drill rig now enroute. A road has been built to the site, about 20 miles northerly from Soldotna. It is reported they plan to drill to 8000 feet on their first test.

TIN NEWS

Of interest to people concerned with the future of tin mining on the Seward Peninsula is the news that the Wah Chang Corporation of New York City has purchased the tin smelter at Texas City, Texas from the U. S. Government. Wah Chang, a tin and tungsten buyer and producer, announces that it plans extensive modifications to the plant. Part of the smelter will be adapted to tungsten refining and the manufacturing of tin alloys, but a substantial portion of the facilities will be maintained for the smelting of tin, depending on economic considerations. A date when production will start has not been announced, and it is said that operations will be on a reduced scale from the past.

In Washington, now that the new Congress has convened, Delegate Bartlett has renewed his proposal for a domestic tin purchasing program to encourage discovery and production of tin in this country. His reintroduced bill would provide for purchase of 10,000 long tons of metallic tin concentrate within ten years. Prices would be \$1.35 per pound for lode tin and \$1.20 for placer tin.

In the meantime, the U. S. Air Force has applied for a withdrawal of land in the Cape Mountain area which includes Cape Creek. Large reserves of tin-bearing gravel have been proven by placer drilling on Cape Creek and are only waiting for suitable financing, or the right operator, to be mined. The withdrawal, if granted as applied for, will prohibit mining within its boundaries.

NOTICE OF HEARING

The U. S. Forest Service will hold a public hearing at Juneau on April 10 to hear arguments for or against the proposed Tracy Arm-Fords Terror Wilderness Area. All who are interested should attend this meeting and present their views, either written or oral.

L-208 NEWS

The U. S. Supreme Court has announced that it will review the decision of the U. S. Court of Claims on the L-208 gold cases in which the lower court ruled that six companies were entitled to recover damages as a result of being shut down by Order L-208. The Department of Justice appealed the lower court's ruling to the Supreme Court. The Supreme Court's decision will probably be delivered during the 1957 fall term. For further background on L-208, see the TDM Bulletin for December 1956.

PROSPECTORS CORRESPONDENCE COURSES

We were interested to note in the new edition of Prospecting in Canada that the British Columbia Department of Education provides good correspondence courses on "Elementary Geology" and "Metal Mining." The geological course is introductory and must be taken before the course in mining, which is more advanced and intended only for those who intend to engage in metal mining or prospecting. The courses are suitable for high-school students or adults and the fee for each course is \$10. It is not stated whether the courses are available to those who are not residents in Canada. Inquiries may be addressed to: The Director of High School Correspondence Instruction, Weiler Building, Victoria, B. C.

Other prospecting and mining correspondence courses are given by the Canadian Legion Educational Services, but these are limited to veterans of the Canadian armed forces. Correspondence courses would be the answer for many Alaskan prospectors who are unable to attend the University of Alaska's Mining Extension Course that is taught in the various centers of population. A bill has been introduced in the Territorial Legislature by Senator Foster of Nome which will call for the University to add such a service to its curriculum if it passes.

NORTHWEST MINING ASSOCIATION RECOMMENDATIONS

From the "Declaration of Policy" adopted by the Northwest Mining Association at its last annual meeting, we quote the following statements and recommendations:

"The people in the mining industry cooperated fully with other users of public lands and Federal agencies to bring about the recent changes in the mining laws that are principally beneficial to the other users and the Federal agencies responsible for administration of the lands. Certain features of the old basic law, when applied under present conditions, discourage the prospector and miner. We believe that it is now time to consider amendments that will stimulate mining on public lands and recommend changes along the following lines:

1. Broaden the "discovery" provision of the General Mining Laws and provide a reasonable period of protection to those who, in good faith, seek a discovery.
2. Make assessment work cumulative to the extent of one year for each \$100 in excess of \$100 per claim for the current year, but not cumulative in excess of five years after the year in which work was performed.
3. Change the dates for completing annual assessment work from July 1 to October 1. In the back areas of the mountain country of the northern states, it is difficult to get assessment work done between the snow melt and July 1. A change of the fiscal year to end October 1 would provide a longer continuous period for the performance of assessment work.

4. Provide for forfeiture of a claim if annual assessment work is not performed and recorded with the county recorder within a specified number of days after the end of the fiscal year, and forbid relocation of a claim by the forfeited owner for a specified number of days after termination of the recording period.
5. To eliminate the costly nature of surveying lode claims for patent and to take advantage of the progress of public land surveying in the public land states, permit location of a forty-acre legal subdivision on subdivided land as a single claim without extra lateral rights and without need for special survey for patent.
6. Our suggestion made in a conference with personnel of the Forest Service and Bureau of Land Management that withdrawal be made of the surface only and that entry be permitted on the sub-surface mineral rights under the mining law in roadside strips, recreational areas and administrative sites, was held by the Solicitor's office to be impossible under the existing law. We believe, therefore, that the law should be amended to accomplish this so that minerals thereunder can still be available to public use where they can be mined without disturbing the surface or where agreed use of the necessary surface can be obtained, thus serving the purpose of the surface user as well as the miner.

"We are opposed to any extension of the Leasing Act system to minerals and metals locatable under the General Mining Laws.

"We are opposed to any general cession to the various States of any rights in public domain lands that would interfere with mining locations under the General Mining Laws.

"Large areas of the public domain have been withdrawn by various Federal agencies from entry under the mining laws. We believe that in many instances these withdrawals have been excessive and we recommend that the responsible branches of the Government require more worthy justification for withdrawals in the future to avoid locking up unnecessarily the minerals in such lands from public use and benefit."

E. AND M. J. METAL MARKET PRICES

	<u>Jan. 24</u> <u>1957</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	35.5¢	35.7¢	43.7¢
Lead, per lb.	16¢	16¢	16¢
Zinc, per lb.	13-1/2¢	13-1/2¢	13-1/2¢
Tin, per lb.	102-1/2¢	102-3/4¢	103¢
Quicksilver, per flask	\$255-257	\$255-257	\$271-275
Silver, foreign, New York	91-3/8¢	91-3/8¢	90¢
Nickel, per lb.	74¢	74¢	64-1/2¢
Molybdenum, per lb. in con.	\$1.18	\$1.18	\$1.10
Platinum, per oz.	\$98-101	\$103-107	\$97-112
Tungsten ore, per unit	\$55.00	\$55.00	\$63.00
Titanium ore (Ilmenite)			
per ton	\$26.25-30.00	\$26.25-30.00	\$26-29
*Chrome ore (48%, 3 to 1 ratio)			
per ton	\$115.00	\$115.00	\$115.00
*GSA guaranteed stockpile price. Not quoted by <u>E. & M. J.</u>			

Mineral Production of Alaska, 1954-1956

	1954		1955		1956 (1)		
	Quantity	Value	Quantity	Value	Quantity	Value	
Antimony ore	short tons	- - -	- - -	- - -	(2)	(2)	
Chromite	do	2,953	\$208,257	7,082	\$625,340	7,200	\$704,000
Clay	do	(2)	(2)	1,112	3,836	- - -	- - -
Coal, bituminous	do	666,618	6,442,414	639,696	5,759,000	697,730	6,330,000
Copper	do	4	2,360	1	746	- - -	- - -
Gold	troy ounces	248,511	8,697,885	249,294	8,725,290	204,300	7,150,500
Lead	short tons	- - -	- - -	1	298	- - -	- - -
Mercury	flasks 76#	1,046	276,552	(2)	(2)	3,414	837,140
Sand and gravel	short tons	6,639,638	6,301,939	9,793,214	8,242,344	9,100,000	8,300,000
Silver	troy ounces	33,697	30,497	33,693	30,494	26,700	24,165
Stone	short tons	283,734	465,423	265,740	289,589	50,000	22,000
Tin	long tons	199	409,953	86	182,484	- - -	- - -
Undistributed (3) (4)		- - -	1,572,150	- - -	1,552,427	- - -	1,551,500
Total			\$24,407,000		\$25,412,000		\$24,919,000

(1) All figures for 1956, and coal figures for 1955, are preliminary and subject to revision.

(2) Value included with "Undistributed."

(3) Includes gem stones, platinum, antimony, coal and other minerals whose values must be concealed to avoid disclosing individual company incomes.

(4) No zinc production.

Note: Above statistics, with the exception of the 1956 coal figures, prepared by William Kerns, Alvin Kaufman, and Anthony Evans, Mineral Industry Division, U. S. Bureau of Mines, Alaska District, Region I, P. O. Box 2688, Juneau, Alaska.