

Territory of Alaska
Department of Mines

P. O. Box 1391
Juneau, Alaska

MINING BULLETIN

Vol. V

October 1957

No. 11

MINING ACTIVITIES

FIRST DIVISION - It appears that there will finally be some exploration activity on the Yakobi Island nickel deposits after years of litigation. The last court case was called for early September, but the two parties came to an agreement outside of court which is subject to the Court's approval. It is now expected that drilling will proceed next spring. Yakobi Island is at the northwest end of Chichagof Island. The nickel deposits are extensive.

THIRD DIVISION - The P.R. & H. Mining Company has moved the scene of their operations from the Circle District, where they have mined for several years, to the Gagnon ground in the Peters Creek area of the Talkeetna country.

The Kenai Chrome operation was suddenly shut down for the winter about the 10th of September by a heavy rain washing out their road. Since the heavy snows on Red Mountain usually halt the operations early in the fall, it was decided not to repair the road for the short time left this year.

FOURTH DIVISION - Mannie Olson and Andrew Anderson have moved to Fish Creek in the Fairbanks district from Wolf Creek. The ground has been leased from the U.S.S.R. & M. Co., which has held it for dredging for many years, but because of increasing costs the company has never been able to get into production there. The creek will now be mined with a dragline-bulldozer operation.

The U.S.S.R. & M. Co.'s Ester dredge is now being dismantled for the move next spring from Gold Hill to Sheep Creek.

OIL NEWS

Since the Richfield oil strike on the Kenai Peninsula in July, over 3,055 applications have been filed in Anchorage with the BLM for leases on a total of nearly 9,000,000 acres. There are now over 12,000,000 acres in Alaska actually under lease, according to reports. One large lease application for over 700,000 acres in the Kateel River country was filed in the Fairbanks office recently. The newest area of oil interest is in the lower Kuskokwim River area. A California couple has applied for 71,000 acres there.

The Humble and Shell companies have spudded in a well at the Bear Creek Unit No. 1, five miles inland from Shelikof Strait across from Kodiak Island. They intend to continue drilling throughout the winter.

Richfield Oil Corp. has announced that its well was finished at a depth of 12,384 feet and that it flows at the rate of 900 barrels per day of 33 gravity oil and 122,000 cubic feet of gas. Production is pinched down to 360 barrels and is from a perforated interval from 11,150 to 11,215 feet. Richfield is anxious to start drilling a second well nearby, but the seismic work is being held up by the Fish and Wildlife Service while it works out regulations for further operations on the Kenai Moose Reserve.

RECORDING INFORMATION

We have received increasing inquiries lately as to where to record assessment work affidavits because of the new Alaska law making the recordings compulsory. One person advises us that there is now no U. S. Commissioner at McGrath, which is news to us. Assessment work affidavits and claim location certificates are required to be recorded with the Recorder of the recording precinct in which the claims lie. If there is no recorder in the proper precinct, the Fourth Division Clerk of the Court has agreed to help out. He will accept all documents for filing including the filing fee, date them appropriately, and hold them until a new U. S. Commissioner has been appointed to the vacancy. The Clerk of Court is John "Dixie" Hall, U. S. District Court, Fairbanks, Alaska.

The U. of A. School of Mines is planning to publish a revised map showing recording precinct boundaries and offices in the near future. Information on this can be obtained by writing to the School of Mines, College, Alaska. In the meantime, anyone who is in doubt as to where to record should feel free to write to us at Juneau for information. If the location of the claim is fully described, we will be glad to inform the claim holder where it would be best for him to record.

NEW MAPS AND REPORTS

The USGS has published its first Alaskan geological quadrangle map at a scale of one inch equals one mile. The quad is Juneau B-3 covering the extreme north end of Admiralty Island and a small portion of the mainland in the vicinity of Tee Harbor. The geology is shown in detail and sections are included. It can be seen at USGS and TDM offices and can be purchased (but not by mail) at the USGS offices in Alaska.

A report on the Houston area of the Matanuska coal field has been published by the USBM. Written by R. R. May and R. S. Warfield, mining engineers of the Bureau of Mines, the report is based on a drilling project. Fifteen million tons of coal in two minable beds are reported, and drill core information is given.

MINING EXTENSION COURSE SCHEDULE

The University of Alaska School of Mines has released its tentative 1957-58 schedule for the mining extension course, which is taught around the Territory every winter. The course includes mining and prospecting methods, geology, and identification of minerals. The course will be taught by two instructors, as usual, and will probably be given approximately as follows:

Mr. Leo Mark Anthony: Anchorage (geochemical course included) October 1 to November 15, Fort Richardson November 15 to December 15, Kake January 1 to February 1, Ketchikan (geochemicals incl.) February 1 to March 15, Juneau (geochemicals incl.) March 15 to May 1, College (geochemicals only) May 1 to May 15.

Mr. Hugh Matheson: Unalakleet September 15 to October 15, Palmer October 15 to November 15, Eielson November 15 to December 15, Nenana January 1 to February 1, Big Delta February 1 to March 1, McGrath March 1 to April 1, Bettles April 1 to May 1.

AMC NEWS

The American Mining Congress held its annual meeting recently at Salt Lake City. It appears that for the first time, the base metal producers and the strategic mineral producers will work together in a joint effort to protect the domestic miner against foreign imports, produced with cheap foreign labor and financed with U. S. foreign aid money, being dumped on the domestic market in competition with our own products. This has been brought about by the lowering of copper, lead and zinc prices to the point where mines are closing. The strategic mineral group has been working for several years to get protection by establishment of controls. With the two forces joined, we hope to see results.

LANDS AWARDED TO TERRITORY

Under the workings of the Alaska Land Registration Law, the First and Second Division District Courts have awarded many parcels of land in those divisions to Alaska. These lands are those on which no declaration of ownership have been filed and hence, under the law, become the property of the Territory of Alaska. The law also states that the rightful owners shall have one year after the court action in which to redeem their property by paying costs, penalties, and interest to the Territorial Department of Lands. This deadline for redemption for First Division lands is August 19, 1958. The Second Division deadline is September 24, 1958. Court actions in the other Divisions will probably follow shortly.

A good many, if not most, of these lands are patented mining claims. Operators or others wishing to obtain any of these claims could probably obtain a restrictive lease from the Territory which would be contingent on the possible redemption by the last legal owner until the time that the Territory obtains final clear title.

MISCELLANEOUS

The U. of A. School of Mines seniors visited the Kenai Chrome operation and the Matanuska Coal Field on the annual senior field trip this year. They also visited the Eklutna power plant, the Richfield oil well on the Kenai, the Willow Creek gold mining district, and spent two days at the Eighth Alaska Science Conference at Anchorage.

The President signed the bill to give Alaska title to tidelands and submerged lands offshore from surveyed communities in the Territory. Now the present occupants of such lands will be able to obtain proper ownership of their ground and community and industrial development should progress in a more orderly fashion in coastal areas.

The USGS office in Juneau is closed except for the Water Resources personnel. Duties of the office will be assumed by the Alaskan Geology Branch of the USGS at Menlo Park. Maps and reports will still be available through Water Resources, which has its headquarters in Juneau.

No action was taken by Congress before it adjourned on the various bills to create the National Wilderness Preservation System. They will undoubtedly be under consideration again next year, however. The bill to create a Recreation Resources Commission to study the problem was passed by the Senate and rests now in

in the House Interior Committee.

Senator Bible's geophysical assessment work bill to allow geological, geochemical, or geophysical work to be performed as assessment work passed the Senate and is also now in the House Interior Committee. This bill stands a good chance of continuing on to final passage next year.

Some of the dredging operators might be interested in checking the details of the Cannon Circular Concentrator, illustrated and reported on briefly on page 67 of the September Mining World.

Another interesting possibility is a 28-pound gasoline sugar drill for boring softer formations. See page 80 of the September Mining World.

The Forest Service has designated another area in Southeastern Alaska for determination of surface rights of mining claims under Public Law 167. The area is just south of Wrangell and in general includes the following: Etolin Island north of McHenry Inlet and east of Mossman Inlet, Wrangell Island south and west of a line between Wrangell and Fools Inlet, Woronkofski Island, west half of Deer Island, and included smaller islands. Upon request we will furnish the exact description. Advertising will start in the Wrangell Sentinel October 25, 1957.

Titanium apparently will not be as important as has been predicted. According to Time Magazine (Sept. 16, page 102), titanium is falling short of expectations and is no longer referred to as the "wonder metal." Defense orders are being cut back, and producers are hunting for new markets.

E. AND M. J. METAL MARKET PRICES

| | <u>Sept. 26,</u> <u>1957</u> | <u>Month</u> <u>Ago</u> | <u>Year</u> <u>Ago</u> |
|----------------------------------|---------------------------------|----------------------------|---------------------------|
| Copper, per lb. | 26.5¢ | 28.0¢ | 39.6¢ |
| Lead, per lb. | 14¢ | 14¢ | 16¢ |
| Zinc, per lb. | 10¢ | 10¢ | 13-1/2¢ |
| Tin, per lb. | 93.5¢ | 94.1¢ | 103-1/2¢ |
| Quicksilver, per flask | \$244-247 | \$251-253 | \$255-257 |
| Silver, foreign, New York | 90.6¢ | 90.9¢ | 90-3/4¢ |
| Silver, domestic, per oz. | 90-1/2¢ | 90-1/2¢ | 90-1/2¢ |
| Nickel, per lb. | 74¢ | 74¢ | 64-1/2¢ |
| Molybdenum, per lb., in con. | \$1.18 | \$1.18 | \$1.18 |
| Platinum, per oz. | \$81-87 | \$81-87 | \$103-108 |
| Titanium ore (Ilmenite) | | | |
| per ton | \$26.25-30.00 | \$26.25-30.00 | \$26.25 |
| *Tungsten ore, per unit | \$55.00 | \$55.00 | \$55.00 |
| **Chrome ore (48%, 3 to 1 ratio) | | | |
| per ton | \$115.00 | \$115.00 | \$115.00 |

*GSA tungsten purchasing presently suspended. Foreign import price \$13.50-\$14.00, depending on grade.

**GSA guaranteed stockpile price. Not quoted by E. & M. J.