

THAT 9,000,000-ACRE WITHDRAWAL

Probably everyone who is interested in the future of Alaska's wildlife and mineral resources is by now familiar with the proposed withdrawal of the northeast corner of Alaska for the stated purpose of wildlife conservation and study and its recreational and wilderness values. The TDM is opposed to this withdrawal. We hope everyone is familiar with the fact that approximately 9,000,000 acres of Alaska's public domain are involved, rather than the 6,400,000 as stated by the U.S.B.L.M. release describing the U.S.F.W.S. application for the withdrawal. We know that a great many people, particularly Fairbanksans, do not realize that the provisions under which the Arctic Wildlife Range is proposed will prevent mineral development in that large area. Fairbanksans are mentioned because the Fairbanks Chamber of Commerce has endorsed the proposed withdrawal (noting that the "area would be open to prospecting and mineral leasing") which it undoubtedly would not have done had it been in full possession of all the facts and what they will mean. For after all, Fairbanks owes its origin and the first 35 years of its existence to mining. If the country had been closed to mining, there would not have been any Fairbanks. And further, when mining was closed by the war, Fairbanks would have shrunk to a ghost town were it not for the fortunate circumstance that a military base had been recently established nearby. For that matter, practically the whole interior of Alaska, Anchorage, the Alaska Railroad, and the Seward Peninsula owed their existence to mining up to the time of World War II.

So the first thing to settle in this discussion is what the provisions and objectives of the proposal are with regard to prospecting and mining, and why the area will not be open to mining, contrary to the impression the Fairbanks Chamber of Commerce and many individuals have received. The application for the withdrawal states, "Mining locations will be precluded until on and after September 1, 1958." This might lead one to believe that after that date one will be able to locate a mining claim there, but such will not be the case, for Secretary Seaton states in a release the day following the application "this area will be closed to all forms of land entry which leads to appropriation of the title to the surface." This blocks any hope of mineral entry under the mining laws. Then the Secretary states "...we intend to submit to Congress legislation to authorize metalliferous mining under a permit system....If Congress does not enact legislation to permit mining under the permit system, we will have to reconsider the opening of this area to mining activities." These statements reduce the proposal to a withdrawal within which we will be allowed to mine only if Congress passes an Act saying so. That makes this proposed Arctic Wildlife Range no better for the miner than any military reserve or other withdrawal, for Congress can permit mining in any of them if it wishes. And even if Congress should pass the legislation which the Secretary intends to submit, it will only be for the permit system, which is not acceptable to miners and prospectors and hence will not open the withdrawal to mineral entry in a real and practical sense. Further, we can assure our readers that we have good and sufficient reason for believing that almost certainly Congress will not pass such legislation. Then the final touch is the part about "reconsidering" if Congress does not act. How long would they wait for Congress to act before reconsidering? Then how long would the "reconsideration" take? And, lastly, what would be the outcome of this "reconsideration?"

Although we have just stated that it is extremely unlikely that the permit system for hardrock prospecting and mining will be put into effect, let us briefly discuss it. It is a system under which a prospector must first apply for a permit to prospect in a certain defined area, for a certain defined period of time. Then if he finds a mineral deposit within his assigned area, he must apply for a lease to mine that deposit, offering to pay the government so much royalty and/or rental, and waiting through all the delays, uncertainties, and red tape while his application is viewed by numerous people to see if his proposed mining will interfere with wildlife or spoil the scenery. If someone else decides to try to outbid him for the prospect, he may not be able to keep his find. If he has not the money and/or the know-how to put the prospect into production (and this is the position of at least 90% of the prospectors) then how is he going to sell or lease to a mining company a prospect to which he has no more rights than a permit to prospect and which may be acquired by someone else in future bids for leasing? That sort of thing works for the Leasing Act minerals outside of wild life ranges and other withdrawals such as coal, oil, gas, phosphate, etc., which cover large acreages and are obvious in their extent after exploration (though their exploration usually cannot be undertaken by the small man) but it simply will not lead to discovery and development of the base metals and other hard-rock minerals. That is why the makers of the proposed Constitution for the State of Alaska wisely refrained from adopting the permit system for future Alaska State lands against the heated advice of public service "experts" and conservationists. That is also why, in addition to the fact that it is a radical and unwanted change from our traditional mining laws, that we say Congress will not legislate such a system.

Now that we have shown that the withdrawal will not be open to hardrock mining and prospecting, let us see if it will truly be open to mineral leasing as has been stated. In the Kenai Moose Range, Richfield/Standard together have been drilling for oil. The first well was announced by the companies as a producer. A second was drilled nearby and plans were made for a third well in the same vicinity. During the second drilling, new regulations were made for oil exploration and leasing on wildlife lands and the newspapers quoted the government authorities as saying that the companies were happy with them. If this was true, why have Standard and Richfield refused to announce the results of their second well and why have they moved their drill rig off the Moose Range instead of drilling the third well as they had planned? And too, over half of the Moose Range was completely removed from leasing under any regulations. In the application for the Arctic Range, only leasing for oil and gas was mentioned. What about the other Leasing Act minerals such as coal, phosphate, and sulfur? It certainly remains to be seen if wildlife areas will be open to mineral leasing in a practical manner.

Some one said in a letter to a newspaper that the area of the proposed withdrawal "has been declared by the U.S.G.S. to be unpromising in any mineral resources." To the contrary, the U.S.G.S. map "Possible Petroleum Provinces in Alaska" shows possible oil structures crossing the area which total 2,280,000 acres, or a little over 25% of the area. As to hardrock minerals, we are sufficiently well acquainted with the U.S.G.S. people to know that they would never make a declaration like that until there had been far more geological ground work done in an area than has been done within the proposed withdrawal.

Let us now take a good hard look at the subject of conservation. Land is one of our most important resources and deserves conservation as much as wildlife or minerals. No real conservationist will disagree with that. Nor can he disagree with the fact that the best conservation of land consists of using it in a manner that will best serve the largest number of uses and benefit the most people. This is known as

the multiple-use concept, and it is being well worked out between miners, oil producers, foresters, and others in many localities. However, some conservationists who originally professed their belief in the philosophy of multiple-use management have become single-use advocates when they plead for wilderness and wildlife areas to be set aside for their sole benefit. Would it be conservation to withdraw this nine-million-acre area and allow its use only to the relatively few hunters, "scientists," and tourists who are fortunate enough to have the means to travel that far by air?

As mining people, we are keenly interested in the conservation of minerals and metals. Mineral conservation is not a matter of leaving them in the ground, and particularly not when they are undiscovered. Because of the unique features of mineral deposits, particularly metalliferous deposits, good conservation of them is different from conservation practice as applied to other resources. If, in mining a mineral deposit, we do not extract every recoverable pound of ore, we are not practicing good conservation, because what we leave behind will probably be lost forever. Most of our metals are put into use in the large industrial centers of the world where worn-out metal objects are rolled, cut, or forged successfully into many different shapes, and the metal is finally remelted to begin a new cycle of uses. The great stock of metal in use today has accumulated since man first began to mine, and it continually increases as newly-mined metal is added to it, except, of course, for the loss from this stock through unavoidable wastage such as corrosion and abrasion. By mining metals now, we not only get the use of it for ourselves, but we also pass the bulk of it on to future generations in a form ready for refabrication. An important part of the copper that was mined at Butte, Montana before World War I was of great value to us during World War II.

Relatively speaking, mineral deposits are small and severely localized features. For many years, 85% of the world's production of molybdenum came from one deposit in Colorado that underlies less than one square mile of the land surface. The same percentage of the world's nickel for many years came from one small district at Sudbury, Ontario. Butte was a gold placer camp in 1862 and remained so through ten years of placer mining until a discovery of silver attracted more miners into the district and led ultimately to the mining of the underlying copper deposits. Today, the copper production beneath Butte Hill is far greater than the copper production of any nation in Europe. In 1955, the copper production from beneath this two-by-four-mile hill was equivalent to 86% of the total copper production of all the nations of western Europe combined. This tremendous production of copper has done more than line the pockets of a few fortunate discoverers, and it has done more than raise the U.S. standard of living a few notches. Copper produced at Butte has played a vital part in world affairs for more than 60 years. If, in 1860, this small part of Montana had been included in a buffalo reserve and the miners had been kept out, the size and importance of this copper deposit would not have been realized, and the strength of the U.S. in two major wars would have been decreased by an important amount. Consider, too, what might be our present international status if the areas of our major uranium discoveries had been locked up.

If a tract of land is closed to mining and prospecting, nearly all the chances for discovery of mineral deposits within that area are taken away, and thus there will never be much incentive to reopen that tract. If the tract is left open to prospecting, and that land truly does not contain any valuable mineral resources, then there will never be any mines there that might interfere with the use of the land for their purposes.

One thing that mines interfere with very little is wilderness. We had the good fortune to work in a large copper mine in a most beautiful section of the Cascades

in the State of Washington. Except for the road leading to it, a mile or two in any direction you would never know there was a mine around anywhere. That mine is closed now, and we will wager a good bet that in another year or two the wilderness will be complete again except for what buildings may not be removed. The wilderness is as good as ever around the old Kennecott diggings, and the old mill buildings, etc., are one of the important tourist attractions of Alaska. Wilderness has returned to the Kantishna and Nabesna districts, if indeed it was ever hurt in the first place, and we have reliable first-hand reports that more game was available in those two areas when mining was booming than now after no one has been there for many years except hunters. And we do know that the moose and people populations in the Cook Inlet country seem to be growing together.

But mining does usually build roads into new areas, and that is one of the main things the wilderness people are against. Roads let in people. However, the people have a right to be there. This is the people's country we are discussing, and they all have a right to go where a few can go. Wilderness areas should be made accessible to the millions, not to just a few who want no other human being within a hundred miles of them and are lucky enough to be able to arrange it. Practically everyone wants to see wilderness areas, and they should not have to pay taxes for the support of the administration of an area that only a few can get to. The recreational wants of the masses are not for hard-to-get-into areas such as the one proposed, but for camp and picnic sites and beauty spots accessible by road. This demand is on the increase, and it is the type of outdoor recreation that benefits the most people. The fact that the well-trampled facilities like the Stateside national parks are overrun is not going to be helped by the creation of a nine-million-acre wilderness area 'way up there where the people cannot get to it.

One statement has been made that there are probably no prospectors itching to get into the area concerned. That is right. There aren't. But neither were there any prospectors to speak of, and no companies at all, interested in Southeast Alaska a mere 6 or 7 years ago. For the past three years now we have had individuals and companies combing Southeast Alaska, and as the finds increase and the country gets worked over to the best of present-day techniques, the search is bound to move northward, economics and incentives permitting. One drilling project is now in progress north of the Kobuk River. One result of the activity in Southeast Alaska is three large iron deposits, any one of which is good for more than 50 years of mining when the time comes. While we are referring to others' statements, that iron is hardly a "one-shot proposition." Neither was the placer mining that kept Fairbanks going for 35 years.

How about wildlife conservation? We fail to see how this area can be withdrawn under that category when hunting and trapping are to be allowed the same as on any public domain. Consider now the fact that if this thing goes through, there will be in Alaska a total of over 17,000,000 acres of game refuges and wildlife ranges which are closed to prospecting and mining. In addition to that, there are over four million acres in Mt. McKinley National Park and Glacier Bay National Monument where the wildlife is protected, but where mining is allowed (though the park people certainly do their best to slow it down.) Is this tremendous acreage really necessary for wildlife conservation? And the demand won't stop if the present proposal is granted. Hearings have already been held on an application for a withdrawal of nearly 2,000,000 acres in the lower Kuskokwim country for the protection of ducks. There will be others, too.

The total amount of Alaskan land withdrawn by all Federal agencies a couple of years ago was 93,700,000 acres. As has often been said, "How about a withdrawal for people?"

Alaskan sportsmen have told us that the only reason they are afraid of

ding in this wildlife area is that fee simple title to the surface passes with the patenting of mining claims. These tracts of land can then be used for purposes other than mining which are not compatible with wildlife. We would suggest that normal mineral entry be allowed in the proposed withdrawal area and that the surface use of the land be restricted to that necessary for the recovery of minerals; if patent is applied for, that patent be issued only to the subsurface minerals. On this basis the surface could be put to no use which would be incompatible with wildlife management and, once the minerals were recovered, the surface would automatically revert to its original status as part of the withdrawal. We believe the mining industry would support the legislation which would be necessary to accomplish this objective.

Until March 14, written objections to this withdrawal may be presented or sent to Mr. L. T. Main, Operations Supervisor, U.S. Bureau of Land Management, Box 480, Anchorage, Alaska. If circumstances warrant, a public hearing will be held. We urge all interested parties to make their opinions or views known. The time is short.

### STATEHOOD AND PROSPECTING

One of our readers asks how Statehood would affect prospecting. It's a good question and we'll answer it to the best of our knowledge.

The Constitution of the State of Alaska, which will take effect immediately upon the admission of Alaska into the Union as a State, says in Section 11 of Article VIII: "Discovery and appropriation shall be the basis for establishing a right in those minerals reserved to the State which, upon the date of ratification of this constitution by the people of Alaska, were subject to location under the federal mining laws. Prior discovery, locations, and filing, as prescribed by law, shall establish a prior right to these minerals and also a prior right to permits, leases, and transferable licenses for their extraction. Continuation of these rights shall depend upon the performance of annual labor, or the payment of fees, rents, or royalties, or upon other requirements as may be prescribed by law...."

We see from this that Statehood will cause no change in the basic mining laws relative to prospecting and claim locations that have been in effect since 1872. This time-tested law of establishing mineral rights by discovery and appropriation is absolutely the best system for mineral development of the "hard rock" minerals, and any attempt at putting prospecting for them under a permit and lease system should be forever guarded against by all sincere mining people. Under Statehood, there may eventually be stricter requirements on assessment work, and there might even be discovery work requirements as there are in some States now, but there will be no deviation from the above basic principles on State-owned land and on Federal public domain not held or withdrawn by some Federal agency. On State-owned land, the future State of Alaska can, and very probably will, allow bona fide geophysical work to be a basis for discovery and assessment work, which is a feature badly needed in mining law.

Section 12 of Article VIII takes care of the Leasing Act minerals. These minerals are sufficiently well discussed in the foregoing article that nothing further needs to be said on them here. It is intended that the Leasing Act minerals on State lands be handled in the same manner as by the Federal government. The sentence in Section 12 stating that exclusive prospecting rights may be authorized by law will cause no "give-aways". Each such right will have to be obtained by an act of the Legislature, which of course will be closely scrutinized by the people before it is passed. And it will not be passed unless it can be clearly shown that it will be the only way that the minerals in a particular area can be developed.

Regarding taxes, whether we become a State or not, there will sooner or later be a property tax under which all unpatented claims will be taxed a nominal amount. The State of Washington has held that unpatented claims are private property (not real estate) and as such are taxable. We see little chance of prospectors in the future State of Alaska having to be licensed.

We would say, then, that Alaskan prospectors have little to worry about on the matter of whether we obtain Statehood or not.

#### NEW REPORTS

The U. S. Bureau of Mines has published Report of Investigation 5373, "Tin-Bearing Placer Deposits near Tofty, Hot Springs District, Central Alaska" by Bruce I Thomas. This is a report on three years' drilling, sampling, and study of placer deposits and mine dumps in the Tofty area where gold placers have been mined for many years, but little of the tin saved. The report states that the dumps have inferred reserves of tin totalling 733,000 pounds, and that evidence strongly suggests a nearby bedrock source. Copies may be obtained from the Publications-Distribution Section, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Penna.

A new map depicting the regional geology of a portion of the Yukon-Koyukuk area, a possible petroleum province, has been published by the USGS. Entitled "Reconnaissance Geologic Map of the Kateel River Quadrangle, Alaska" by John T. Cass, the map has been issued as I-243 of the Miscellaneous Geologic Investigation Series. Copies can be purchased at 75 cents each from the USGS or seen at their Alaskan offices.

The Alaska Oil and Gas Conservation Commission has called a public hearing on the proposed Rules and Regulations under the Conservation Act, Chapter 40, SLA 1955. The hearings will be held in Anchorage, Alaska, on March 25, 1958 at 10 A.M. in the TDM office 329 - 2nd Avenue. Copies of the re-drafted rules, which incorporate suggestions by the industry, will be mailed to all interested parties on March 6, 1958 and will also be available at the hearings.

#### E. AND M. J. METAL MARKET PRICES

	<u>Feb. 27, 1958</u>	<u>Month Ago</u>	<u>Year Ago</u>
Copper, per lb.	24.6¢	24.5¢	32.3¢
Lead, per lb.	13¢	13¢	16¢
Zinc, per lb.	10¢	10¢	13-1/2¢
Tin, per lb.	94-1/2¢	92-1/4¢	99-1/4¢
Quicksilver, per flask	\$225-230	\$220-225	\$255-257
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢
Nickel, per lb.	74¢	74¢	74¢
Molybdenum, per lb. in con.	\$1.18	\$1.18	\$1.18
Platinum, per oz.	\$71-75	\$75-80	\$96-101
Tungsten ore, per unit	\$19.50-20.00	\$19.50-20.00	\$55.00