

MINING ACTIVITIES

THIRD DIVISION - Advance exploration plans and inquiries by various mining companies indicate that this will be the best of recent years for exploration activities in this Division. Some of this work will "slop over" into the Fourth Division. Work in the First Division will be about the same as last year.

FOURTH DIVISION - The Little Squaw Mining Company is being formed to drive several hundred feet of tunnel on the Little Squaw Vein in the Chandalar. Work on other veins there is also being contemplated by Eskil Anderson, company manager. Drilling and mucking equipment will be flown to Chandalar Lake together with equipment and supplies for Ed Toussaint's operation on other veins in the district and Hugh Matheson's placer operation on Big Creek.

STATE LEGISLATURE NEWS

The State Organization Act, for reorganizing the State government agencies, has not yet become law, though it is now before the Governor. The bill's provisions for a Department of Natural Resources have not changed since our report on those provisions last month. Within the Department of Natural Resources, the four following Divisions will probably be established to start with: (1) Division of Mines and Minerals to cover the present functions of the TDM plus those of the Oil and Gas Commission, (2) Division of Lands to cover also, at present, the functions connected with forests, parks, and recreational areas, (3) Division of Agriculture, and (4) Division of Resource Development to cover the present functions of the Resource Development Board and the promotion of tourism. According to the Act, more Divisions can be created later as the need arises.

With the exception of S.B. 103, no new taxes have received serious thought, as far as we know, and the Governor has submitted a budget to the Legislature which is within the presently expected income. The Senate Finance Committee's report on the budget is not yet formulated.

The bill for mining access roads authored by Representatives Bob McCombe and Mrs. Helen Fischer passed and was signed into law. The commendable purpose of this new law is to build low-grade roads into areas of mineral promise (not necessarily for the benefit of existing operators) as designated by the Commissioner of Mines. The Act will not be effective, of course, without an appropriation. H.B. 92 would appropriate \$100,000 for the first year of this program, but it has not yet cleared the House Finance Committee.

Other bills that are likely to be of interest to the industry are as follows:

H.B. 13 - Administrative Procedure Act - Primary purpose is to provide for public hearings and uniform procedures prior to the promulgation of rules and regulations in all cases where agency heads or policy-making groups have general rule-making powers which affect the public. Would also provide for hearings and decisions on disputes concerning public lands, mineral leasing, employment security, workmens compensation, and other subjects of State control. The bill has passed both houses and will undoubtedly be signed into law.

to others. In line with this requirement, Section 5 of Article III of our present State Land Act reads as follows: "Homestead Entry: The Director, with the approval of the Commissioner, may authorize homestead entry on unappropriated agricultural lands, if they are not school lands, mental health lands, or lands conveyed to Alaska by the Federal government for the specific purpose of producing revenue." It may be seen from this that future homesteading on State lands will not and can not carry mineral rights regardless of what the State officials may wish to do about it.

We know that some of the Kenai homestead entries may not be perfected to the point of patent, and particularly if the patent is to convey only surface rights for agricultural uses, which, of course, is the reason that homestead entry is made in the first place. Approximately 15 percent of the land in Alaska now held under homestead entry, both patented and unpatented, is actually under cultivation to the point where it is being utilized for the purpose intended.

All this, of course, is of no help or consolation to the Kenai homesteaders who might have received their patents before the land was classified as prospectively valuable were it not for the "snowing under" of the Anchorage Land Office by the oil leasing rush. We think that the date of filing the final proof should be the deciding factor on the granting of the mineral rights, not the date on which the BLM is able to issue patent.

NOTES ON WITHDRAWALS

More hearings are being held on the proposed National Wilderness Preservation System - one at Seattle and one at Phoenix. At least one good presentation of Alaska's need to be left out of such a system will be made at the Phoenix hearing on April 2. We received very little notice on these hearings, so were not able to give advance notice in the Bulletin. Since a law was passed creating a Commission to study fully the problem of future recreation and withdrawn areas and requiring them to make a full report to Congress in a year or so, it seems that this Wilderness Preservation proposal, which would close off many millions of Alaskan acres to prospecting and mining, could rest until that report is made.

A couple of news items report widely divergent views from two wilderness and wildlife authorities. A leader of the Wildlife Research Unit at the University of Alaska said that we should do more to provide public access to recreational areas, a point well taken. On the other hand, an Anchorage man told a wilderness conference in San Francisco that "the big threat to the Alaskan wilderness is the airplane." He apparently doesn't even want planes flying into our back areas. He went on to say that there is less land set aside for preservation in Alaska than in California. Our statistics say otherwise.

According to the minutes of the March 5 meeting of the Fairbanks Branch of the Alaska Miners' Association, the fairly recent military withdrawal northeast of Eielson Air Force Base is needed only for short periods for winter testing of NIKE missiles. An interview by a member of the Association with Major Anderson, Operations Officer for the Yukon Command, brought out the fact that the military wants the withdrawal closed for only three winter months, to shoot perhaps 120 missiles, and that it was to be open for the rest of the year to prospecting and mining. The officer emphasized that there would be no duds in the area to hurt anyone, because NIKES are destroyed either in flight or on impact. We commend the Air Force for their cooperation in this matter.

P. L. 167 AREAS FOR DETERMINATION OF SURFACE RIGHTS

Three more areas have been designated by the U.S. Forest Service for the determination of surface rights on mining claims under Public Law 167 of July 23, 1955. These are in addition to many earlier areas within the Tongass and Chugach National Forests, all reported in earlier issues of the TDM Bulletin. Holders of claims staked prior to the date of the Act have 150 days from the starting date of publication to file verified statements if they wish to retain exclusive surface rights to their claims. Descriptions of the new areas follow:

Kasaan Peninsula Area: In general, all lands bounded on the north by an east-west line through the head of Windfall Harbor, on the east and south by Clarence Strait, and on the west by Kasaan Bay. Publication for this area and the two following areas starts on April 8, 1959 in the Ketchikan Daily News.

Kosciusko Island Area: In general, all national forest lands on the southeast side of Kosciusko Island.

Point Colpoys Area: In general, all lands bounded on the north by Sumner Strait, on the east by Kashevarof Passage, on the south by an east-west line through the north end of Exchange Island, and on the west by a north-south line through the head of Red Bay.

MISCELLANEOUS

We see in the local paper that there will be a U.S. Marshal's sale of 18 patented mining claims on the front steps of the Juneau Federal Building at 10:00 AM, April 20. The claims are included in U.S. Mineral Survey 419 (a) and (b) and total 313.35 acres. Patented in 1904, they were known as the Copper Mountain Group, and were owned by the Alaska Copper Company. They are located on Prince of Wales Island near Copper Harbor in Hetta Inlet.

In anticipation of the future opportunities in the Alaskan oil industry for its graduates, the University of Alaska School of Mines has taken steps to begin a course of study in petroleum engineering. Information may be obtained from Dean Earl H. Beistline of the School of Mines.

The world's largest truck, is working in Kennecott's Bingham open-pit copper mine. It is a 750-HP, 165-ton rear-dump rig which stands 14 feet high, 15-1/2 feet wide and 55 feet long. It is driven by two supercharged 375-HP engines and can haul 110 cu yd of material. Any of our readers interested in purchasing a truck like this should contact the builders - Western Contracting Corporation of Sioux City, Iowa.

Geological mining claims have again been proposed in Congress. S. 572 by Senator Murray of Montana would permit the location of temporary "geological" claims of 40 acres which would hold the ground for a limited period while the staker proceeded with geological, geochemical, or geophysical work. If and when a legal discovery is made by actual physical work, regular claims could be staked.

The U.S. Treasury Department is chipping away at the tax depletion allowance for the mining and mineral industries. The Department keeps telling Congress how many millions of dollars are being lost through this tax "loophole." We wonder what would be the ultimate loss in tax dollars through the slowing down of exploratory work for new mineral deposits that would result if the depletion allowance should be chopped off.

The U.S. Civil Service Commission announces a Geologist examination for filling positions in various Federal agencies in Washington D. C. and throughout the U.S. Entrance salaries range from \$6,285 to \$12,770 a year. Applications will be accepted by the Board of U.S. Civil Service Examiners, Geological Survey, Department of the Interior, Washington 25, D. C. until further notice.

E. AND M. J. METAL MARKET PRICES

	<u>Mar. 26</u> <u>1959</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	32.0¢	30.1¢	24.5¢
Lead, per lb.	11.5¢	11¢	13¢
Zinc, per lb.	11¢	11¢	10¢
Tin, per lb.	102.5¢	104.8¢	93.5¢
Nickel, per lb.	74¢	74¢	74¢
Platinum, per oz.	\$75-80	\$67-75	\$69-75
Quicksilver, per flask	\$227-232	\$218-223	\$225-230
Silver, foreign, New York	91.4¢	90.5¢	89.6¢
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢
Antimony ore, per unit	\$3.10-3.20	\$3.10-3.20	\$3.00-3.10
Chrome ore, per long ton	\$40-42	\$40-42	\$115
Molybdenum conc., per lb.	\$1.25	\$1.25	\$1.18
Titanium ore, per ton	\$23-26	\$23-26	\$26-30
Tungsten ore, per unit	\$19-22	\$19-22	\$19-20