

MINES BULLETIN

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MINING ACTIVITIES

The U.S. Smelting, Refining and Mining Co. will operate four dredges in the Fairbanks District, one at Chicken in the Fortymile, one at Hog River in the lower Koyukuk country, and two or three near Nome this year. About 250 men will be hired out of Fairbanks and possibly 125 at Nome.

OIL NEWS

The best well yet was brought in during the month. It is the Standard-Richfield Soldotna Creek Unit No. 41-4 on the Kenai Peninsula. Tests have been completed and it is estimated that the maximum efficient rate of production from this well will be between 700 and 800 barrels per day. The producing interval is apparently from 10,230' to 10,585'.

Kenai community residents propose to incorporate and to include within the city limits the three Union-Ohio gas wells located 4 to 6 miles south of the town and also the offshore area for which Union bid and paid over \$1,000,000 at the last lease sale. The matter is before the State Superior Court.

The State Division of Lands will hold a hearing on April 22 at 10:00 AM regarding adoption of an amendment to Section 515.72, Title 11, AAC, pertaining to oil and gas leasing. The amendment would extend the time for lease rental payments due Alaska.

Drilling News - Standard-Richfield completed SCU 41-4 (see above) and is now rigging to drill SCU 32-4, also fishing in SRU 14-27 and drilling below 5200 in SRU 32-10. Richfield drilling below 12,700 in Kaliakh No. 1 near Yakataga. No recent news from Jenedum and Associates at the Nulato Unit No. 1.

STATE LEGISLATIVE NEWS

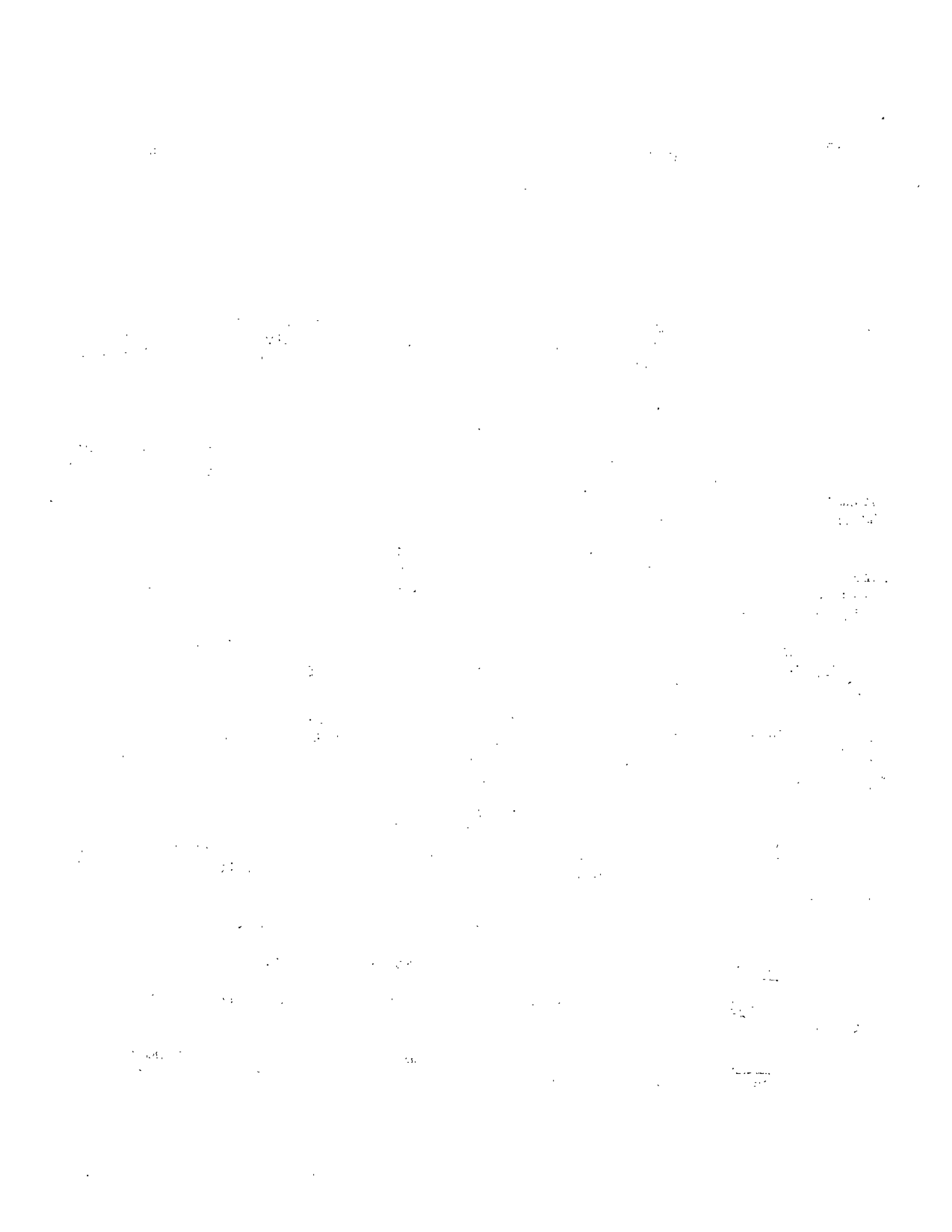
The Legislature has just adjourned, and we present here the status of the bills and new laws of interest to the minerals industry as well as we know it at the time of writing.

None of the various bills for establishing boroughs passed.

HB 264 for a revolving mine loan fund died in committee.

HB 333 to cancel the uranium bonus offer passed and was signed by the Governor into law.

HB 339 to allow for geophysical, geochemical, and geological assessment work passed and was signed by the Governor. Details on this Act will be given elsewhere in this Bulletin.



HB 341 to take the Division of Economic and Tourist from the Department of Natural Resources and place it under the Department of Commerce passed and will probably be signed.

HB 366 to authorize the construction or repair of pioneer access roads into and within areas rich in natural resources (not just minerals) passed and has been supported by an appropriation of \$1,600,000. The money will not be available before July 1. More details on this Act next month.

SB 150 to change the annual assessment work date from July 1 to September 1 passed and has been signed into law.

SB 153 to change the filing and holding requirements of confidential oil well information passed and has been signed. Details are elsewhere in this Bulletin.

SB 190 to change the examination and certification of construction industry explosives handlers from the Division of Mines and Minerals to the Department of Labor has been signed by the Governor.

SB 222 to authorize the Department of Natural Resources to make regulations in the fields of safety in all mining operations and mineral conservation in coal mining operations passed and undoubtedly will be signed into law.

SB 249 to restrict the crossing of stream beds with equipment at other than regular crossings without first notifying the Commissioner of Fish and Game was passed and will probably be signed. This bill is an addition to the Fish and Game Code (Chapt. 94 SLA 1959) where, as explained last year, miners and others using streams must report what they intend to do, and the Commissioner of Fish and Game may then make certain requirements if he feels it is necessary to protect the fish. The pertinent part of this Act will now read as follows, with the newly-added wording underlined:

"Sec. 31. PROTECTION OF FISH AND GAME. In the event that any person or governmental agency desires to construct any form of hydraulic project or to use any equipment that will use, divert, obstruct, pollute or change the natural flow or bed of any river, lake or stream or to use, except for the purpose of crossing a river or stream at an established crossing, any wheeled, tracked or excavating equipment or log dragging equipment in the bed of any river, lake or stream containing anadromous fish or that will utilize any of the waters of the State or materials from any river, lake or stream beds, such person or governmental agency shall notify the Commissioner of such intention prior to the commencement of construction, and the Commissioner shall acknowledge receipt of such notice by return mail. If the Commissioner so determines, he shall, in said letter of acknowledgement, require such person or governmental agency or submit to him full plans and specifications of the proposed construction or work, complete plans and specifications for the proper protection of fish and game in connection therewith, and the approximate date when such construction or work is to commence, and shall require such person or governmental agency to obtain the written approval of the Commissioner as to the sufficiency of such plans or specifications before construction is commenced. . . ."

HEARING ON OIL REGULATIONS

As a result of the amendment by SB 153 to the Oil and Gas Conservation Act, Chapter 40, SLA 1955, relating to the filing and holding of well information, a hearing

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be supported by a valid receipt or invoice. This ensures transparency and allows for easy verification of the data.

In the second section, the author details the various methods used to collect and analyze the data. This includes both manual and automated processes. The goal is to ensure that the data is as accurate and reliable as possible.

The third section provides a detailed breakdown of the results. It shows that there is a significant correlation between the variables being studied. This finding is supported by statistical analysis and is consistent with previous research in the field.

Finally, the document concludes with a series of recommendations for future research. It suggests that further studies should be conducted to explore the underlying mechanisms of the observed effects. This will help to build a more comprehensive understanding of the topic.

is now necessary to amend the pertinent regulation to agree with the Act. This opportunity will also be used to make other regulation changes which have been found to be advisable with the increase of petroleum activity since the existing regulations were adopted on Aug. 7, 1958. The hearing will be held in May. Thirty days' advance notice will be published. The proposed changes are not quite ready, but they will be mailed shortly to our oil and gas industry mailing list from this office. Others may receive them by writing to this office or contacting our Anchorage office.

The amendment to Subsection 4(a)(2) of Section 4 of Chapter 40 now allows the Division of Mines and Minerals to require:

"(2) The making and filing of reports, well logs, drilling logs, electric logs, lithologic logs, directional surveys, and all other subsurface information on any well drilled for oil or gas, or for the discovery of oil or gas, or for geologic information; provided, however, that the required reports and information shall be filed within thirty (30) days after the completion, abandonment, or suspension of the well; provided further, that required reports and information marked 'confidential' shall be kept confidential for twenty four (24) months after the 30-day filing period, unless the owner gives written permission to release such reports, logs, or other information at an earlier date."

ANNOUNCEMENT TO THE COAL INDUSTRY

The State Division of Lands at 333 D Street, Anchorage published the following letter to the coal industry on March 16:

"To Members of the Coal Industry:

"This letter is being sent to you in response to your request that your name be placed on the mailing list to receive important announcements with regard to coal activity in Alaska.

"Enclosed you will find a copy of the Alaska State Coal Regulations which will become effective April 15, 1960.

"No lands will be made available for filing until classification of the area has been determined, proper notice given, and the regulations become effective."

Section 522.11 of the new regulations states: "Any citizen of the United States over 21 years of age may request that any lands be classified as coal lands. . . . If a request for classification as coal lands is denied, the requestor will be given an exclusive right for a thirty day period to apply for a prospecting permit under Section 525. of these regulations." Leases may be obtained on classified coal lands by competitive bidding only, but a prospecting permit can be converted to a noncompetitive lease upon production or upon a showing of workable coal deposits. All the above pertains only to State-owned lands, of course.

NEW ASSESSMENT WORK PROVISIONS

Chapter 26, SLA 1960, is the new assessment work date law. It sets forth that the assessment work year now begins at noon on the first day of September each year.

The passing of HB 339 allows for geological, geochemical, and geophysical work to count as annual assessment work by adding two new sections to our State mining law as follows:

1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that this is crucial for ensuring transparency and accountability in the organization's operations.

2. The second part of the document outlines the various methods and tools used to collect and analyze data. It highlights the need for consistent data collection procedures and the use of advanced analytical techniques to derive meaningful insights from the data.

3. The third part of the document focuses on the role of technology in data management and analysis. It discusses how modern software solutions can streamline data collection, storage, and processing, thereby improving efficiency and accuracy.

4. The fourth part of the document addresses the challenges associated with data management, such as data quality, security, and privacy. It provides strategies to mitigate these risks and ensure that the data remains reliable and secure throughout its lifecycle.

5. The fifth part of the document concludes by summarizing the key findings and recommendations. It stresses the importance of a data-driven approach in decision-making and the need for continuous monitoring and improvement of the data management process.

"Sec. 47-3-61. SURVEYS INCLUDED AS ANNUAL LABOR. The term 'labor' where used in Sections 47-3-51, 47-3-52, and 47-3-91, ACLA 1949 shall include, without being limited to, geological, geochemical and geophysical surveys conducted by qualified experts and verified by a detailed report filed in the recording precinct office in which the claim is located which sets forth fully (a) the location of the work performed in relation to the point of discovery and boundaries of the claim, (b) the nature, extent, and cost thereof, (c) the basic findings therefrom, and (d) the name, address, and professional background of the person or persons conducting the work. Such surveys, however, may not be applied as labor for more than two consecutive years or for more than a total of five years on any one mining claim, and each such survey shall be non-repetitive of any previous survey on the same claim.

"Sec. 47-3-62. DEFINITIONS. As used in Sec. 47-3-61:

"(a) The term 'geological surveys' means surveys on the ground for mineral deposits by the proper application of the principles and techniques of the science of geology as they relate to the search for and discovery of mineral deposits;

"(b) The term 'geochemical surveys' means surveys on the ground for mineral deposits by the proper application of the principles and techniques of the science of chemistry as they relate to the search for and discovery of mineral deposits;

"(c) The term 'geophysical surveys' means surveys on the ground for mineral deposits through the employment of generally recognized equipment and methods for measuring physical differences between rock types or discontinuities in geological formations;

"(d) The term 'qualified expert' means an individual qualified by education or experience to conduct geological, geochemical or geophysical surveys, as the case may be."

CONGRESSIONAL NEWS

S. 2033 passed both Houses and was awaiting the President's signature at last report on March 10. This bill would amend the mining laws to permit 5-acre millsites on nonmineral ground to be patented simultaneously with placer claims, where millsites are needed in connection with mining the claims.

S. 1123 for a National Wilderness Preservation system is still being carried along with occasional hearings. This bill would establish an extensive National Wilderness Preservation System composed of Federally owned or controlled land and water areas within which virtually all commercial enterprise would be banned. Huge areas in Alaska would be included. An attack against the bill was led by Senator O'Mahoney (Dem., Wyo.) who said the measure should be entitled "A bill to relieve Congress and its Members of their responsibilities under the Constitution" instead of a bill to create a wilderness system. He and other western Senators favored amendments which would require the approval of Congress before wilderness areas could be created.

ETCETERA

Aluminum will now be used in high-tension transmission towers. The towers are of a guyed design and will be all-aluminum. The 96-foot high 345 kilovolt tower will contain about 2,700 pounds of aluminum against 7,500 lbs. of steel for a similar structure.

E&MJ says that nickel-cadmium batteries may bring back the electric car. Sonotone Corp. and American Motors have announced a joint research program to study the possibilities.

The AEC has approved the export to Russia of a small quantity of radioactive byproduct material for scientific, nonmilitary use. The material is 5 microcuries of carbon 14 and is to be used in medical study by the Academy of Medical Sciences at Moscow.

A hearing will be held in Oregon over the request for a patent on 17 mining claims in the Umpqua National Forest. The claims have produced \$400,000 over the past 50 years, but are presently idle. Timber on the claims is valued at \$24,400. The purpose of the hearing is to place on record any protests against granting the patent.

The State Division of Lands, 333 D Street, Anchorage, will hold hearings on proposed regulations for disposal of timber and materials (gravel, etc.) on State-owned lands during May. Further information may be obtained from the Division of Lands.

E. AND M. J. METAL MARKET PRICES

	<u>MAR. 24</u> <u>1960</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	33.0¢	33.1¢	32.0¢
Lead, per lb.	12¢	12¢	11.5¢
Zinc, per lb.	13¢	13¢	11¢
Tin, per lb.	99.8¢	100.1¢	102.5¢
Nickel, per lb.	74¢	74¢	74¢
Platinum, per oz.	\$81-85	\$82-85	\$75-80
Quicksilver, per flask	\$214-216	\$213-216	\$227-230
Silver, foreign, New York	91.4¢	91.4¢	91.4¢
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢
Antimony ore, per unit	\$3.30-3.35	\$3.30-3.35	\$3.10-3.20
Chrome ore, per long ton	\$35-36	\$34-35	\$40-42
Molybdenum conc., per lb.	\$1.25	\$1.25	\$1.25
Titanium ore, per ton	\$23-26	\$23-26	\$23-26
Tungsten ore, per unit	\$22-24	\$22-24	\$19-22