State of Alaska
Department of Natural Resources
DIVISION OF MINES AND MINERALS

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METAL EXPLORATION EXPENDITURES 1965

Exploration expenditures for metals are estimated to have doubled those of 1964 within the State. A total of 1903 claims were staked during the year compared to 1665 in 1964. There are now 8501 active unpatented claims on record. A breakdown of exploration estimates indicates that the southwestern and northwestern regions received the heaviest expenditures.

Southeastern	\$ 230,000
Southcentral	95,000
Southwestern	1,482,000
Central	180,000
Northwestern	1,180,000
	<u>\$3,187,000</u>

Indications are that exploration expenditures will increase during 1966, as more major mining companies have indicated that they will put exploration crews in the field this coming season.

GAS LIQUEFACTION PLANT TAX EXEMPTION GRANTED

A partial tax exemption under the State Industrial Incentive Act has been granted for a proposed methane liquefaction plant to be constructed within the Kenai Peninsula Borough. The plant is to be constructed by the Union Oil Company and the Marathon Oil Company within the next two years at a cost of 25 million dollars. The property tax to the Borough will be limited to 5 mills for 10 years. The plant will be exempt from State corporate income taxes and business license fees for 10 years.

NEW PUBLICATIONS

U.S. Geological Survey, Professional Paper 525-D, a series of short paper summaries relating to the Survey's research program during fiscal year 1965. Four articles concern Alaska. For sale from the Superintendent of Documents, Washington, D.C., 20402, price \$2.00.

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NOTICE: If you wish to continue receiving this Bulletin, please return to us the "Pink Slip" enclosed in the envelope with this issue. If we do not receive it within 30 days, we will assume you are no longer interested and will remove your name from our mailing list.

New Publications (Cont'd)

U.S. Bureau of Mines, Bulletin 630, Mineral Facts and Problems, 1,118 pages of comprehensive reference work covering 89 metals, nonmetals, and mineral fuels in individual commodity chapters. For sale by the Superintendent of Documents, Washington, D.C., 20402, price \$6.75.

OIL NEWS

During this month the following applications for permit to drill were approved by the Petroleum Branch of the Division:

Rainbow-Federal #2 - Atlantic Refining Company, Operator - 740' FNL & 1971' FWL, Section 1, T8N-R5W, C.R.M. This is the second in a series of shallow tests near Lake Louise.

MGS State A-34-14 - Shell Oil Company, Operator - (This well replaces MGS State A-5-2 as the next development well to be drilled from Shell's offshore platform). Surface Location - 1627' N, 435' W of SE corner, Section 11, T8N-R13W, S.M. Platform A, Leg #1, Conductor #5. Subsurface Location - 660' N, 1980' W of SE corner, Section 14, T8N-R13W, S.M.

Airlifting of drilling rig for Arctic Slope begins - Alaska Airlines has commenced airlifting drilling equipment from a staging area near Fairbanks to a drill site on the Suzie Unit lying on the North Arctic Slope about 300 miles north of Fairbanks. A Constellation will be used to move the lighter supporting equipment and a C-130 "Hercules" will carry the cut-down sections of the drilling rig. Humble Oil & Refining Company and Atlantic Refining Company are operators of the Suzie Unit which is formed from noncompetitive Federal leases. A State drilling permit has not yet been applied for on the well site.

Also on the North Arctic Slope, Sinclair Oil & Gas Company is drilling on a State-owned lease block east of the mouth of the Colville River.

Drilling Activity:

<u>Operator</u>	<u>Well Name & Number</u>	<u>Status 1/24/66</u>
Atlantic Refining Company	Rainbow-Federal #2	Drilling
Atlantic Refining Company	Lorraine State #1	Drilling
Shell Oil Company	MGS A-4-6	Completing
Shell Oil Company	MGS A-34-14	Location
Wallace Mining Company	Wallace-Knutson #1-A	Changing to Rotary
Pan American Petroleum Corp.	USA Edna May Walker #1	Drilling
Texaco Inc.	Nicolai Creek State #1	Drilling*

Oil News (Cont'd)

<u>Operator</u>	<u>Well Name & Number</u>	<u>Status 1/24/66</u>
Texaco, Inc.	Trading Bay State #1	Location
Texaco, Inc.	Coal Bay State #1	Location
Pan American Petroleum Corp.	MGS 17595 #5	Drilling
Pan American Petroleum Corp.	MGS 501	Drilling (water well)
Sinclair Oil & Gas Company	Colville State #1	Drilling
Standard Oil Co. of Calif.	Naptowne #24-8	Drilling

	<u>Producing Wells</u>	<u>Oil Barrels</u>	<u>Gas (MCF)</u>
<u>Production, Swanson River Field, Hemlock Zone:</u>			

December 1965	50	950,687	358,053
Cumulative to January 1, 1966		50,259,194	12,882,328

Production, Middle Ground Shoal Field:

December 1965	3	26,055	10,405
Cumulative to January 1, 1966		27,214	10,405

Production, Kenai Gas Field:

December 1965	5 (incl. 1 dual)	1,327,677
Cumulative to January 1, 1966		15,276,418

Production, Sterling Gas Field:

December 1965	1	16,709
Cumulative to January 1, 1966		249,612

Production, Swanson River Field, Kenai Zone:

December 1965	2	135,857
Cumulative to January 1, 1966		10,822,179

Gas Injection, Swanson River Field, Hemlock Zone:

December 1965	3 (including 586,844 from Kenai)	799,280
Cumulative to January 1, 1966		16,770,390

NEW REGULATION ADOPTED BY FISH AND GAME

A new regulation was adopted following widespread publicity and a public hearing in Juneau. It provides that the State Department of Fish and Game will list, when requested to do so by an operator whose activities will affect streams, which of the streams in the area are important for the spawning and migration of anadromous fish. Copies of the complete set of regulations for the protection of anadromous fish streams, including the newly adopted regulation, may be obtained by writing to the Department of Fish and Game, Support Building, Juneau, Alaska, 99801.

E. AND M.J. METAL MARKET PRICES

	January 24 1966	Month Ago	Year Ago
Copper, per lb.	36¢	35.8¢	34.0¢
Lead, per lb.	16¢	16¢	16¢
Zinc, per lb.	15¢	15¢	15¢
Tin, per lb.	177.9¢	173.6¢	152 7/8¢
Nickel, per lb.	77.75¢	77.75¢	79¢
Platinum, per oz.	\$97-100	\$97-100	\$97-100
Mercury, per flask	\$508-515	\$535-540	\$480-495
Antimony ore, per unit	\$5.50-6.50	\$5.50-6.50	\$7.90-8.60
Beryllium powder, 98% per lb.	\$54-66	\$54-66	\$54-66
Chrome ore, per long ton	\$31-35	\$31-35	\$30-35
Molybdenum conc., per lb.	\$1.55	\$1.55	\$1.55
Titanium ore, per ton	\$21-24	\$21-24	\$23-26
Tungsten ore, per unit	\$32.75-33.25	\$29.75-30.25	\$17-19
Silver, New York, per oz.	129.3¢	129.3¢	129.3¢
Silver, U.S. Treasury, per oz.	129.29¢	129.29¢	129.29¢

1965 PROSPECTOR ASSISTANCE PROGRAM

Name	Locality Prospected	Man Days	Claims Staked	Samples Assayed	Actual Prospecting Expenditures					Reimbursed by State
					Travel	Food	Equipment & Misc.	Total Expense	Expense /Man Day	
Eddie Chipp	White Mtn.	60	10	10	\$ 352.80	\$ 205.53	\$ 343.98	\$ 902.31	\$15.04	\$ 676.73
Ed Farrell	Chatanika	132			280.00	113.70	1,895.00	2,288.70	17.34	1,716.53
Ed Hudson	Livengood	90	5	16	250.00	372.43	2,086.00	2,708.43	30.09	2,031.25
Julius Moor	Nabesna	68		2	305.00	243.38	577.00	1,125.38	16.55	844.04
Richard Palmer	Chatanika	53				316.88	2,096.13	2,413.01	45.53	1,809.76
Ora Schoonover	Talkeetna	31			719.00	312.45	128.07	1,159.52	37.39	869.64
Julius Sirilo	Barometer Mt.	80		1	105.00	322.09	158.66	585.74	7.32	439.31
J.A. Walper	Southeastern	99	27		2,000.00	600.00	291.77	2,891.77	29.21	2,000.00
Carl Wikstrom	Kantishna	32		13	416.00	56.64	102.03	584.67	18.27	438.50
Cliff Larsen	Kantishna	144	19	13	551.51	340.27	397.77	1,289.59	8.95	967.19
Ace Parker	Seventy Mile	60	2	1	1,023.73	155.73	393.69	1,573.15	26.22	1,114.99
Totals		849	61	56	\$6,003.08	\$3,039.10	\$8,480.09	\$17,522.27	\$20.64*	\$12,907.94

An additional \$750.00 is encumbered because one individual has not submitted his report.

*Average total expenditures per man for each day in the field.

INVENTORY OF THE NATIONAL ARCHIVES

Box 12

Description		Quantity		Unit		Value		Remarks	
Item		Box		Type		Price		Total	
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