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STATE OF ALASKA  
Department of Natural Resources  
DIVISION OF MINES AND MINERALS

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MINES AND PETROLEUM BULLETIN

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PRELIMINARY ESTIMATE, MINERAL PRODUCTION IN ALASKA, 1966

Mineral	1965		1966 (preliminary)	
	Quantity	Value (thousands)	Quantity	Value (thousands)
Antimony ore and concentrate short tons, antimony content	1	\$1	7.7	\$3
Coal (bituminous)-----thousand short tons	983	6,095	W	W
Copper (recoverable content of ores, etc.)-short tons	32	23	W	W
Gold (recoverable content of ores, etc.)-troy ounces	42,249	1,479	31,237	1,093
Lead (recoverable content of ores, etc.)---short tons	9	3	W	W
Mercury-----76-pound flasks	W	W	238	101
Natural gas-million cubic feet	7,255	1,799	9,400	2,350
Peat-----short tons	1,967	16	W	W
Petroleum (crude)-----thousand 42-gallon barrels	11,128	34,073	13,800	42,228
Sand and gravel-----thousand short tons	30,266	34,467	17,558	20,713
Silver (recoverable content of ores, etc.)---thousand troy ounces	8	10	16	20
Value of items that cannot be disclosed: Barite <sup>1</sup> , coal <sup>1</sup> , copper <sup>1</sup> , gem stones, lead <sup>1</sup> , mercury <sup>2</sup> , peat <sup>1</sup> , platinum- group metals, stone, tin, and uranium ore -----	XX	5,489	XX	12,715
<b>Total-----</b>	<b>XX</b>	<b>83,455</b>	<b>XX</b>	<b>79,223</b>

W Withheld to avoid disclosing individual company confidential data.  
XX Not applicable.  
1 1966 (preliminary)  
2 1965

Prepared entirely by the U.S. Bureau of Mines, Area VIII Mineral Resource Office.

Total Mineral production in Alaska is estimated at \$79.2 million compared to \$83.5 million in 1965. The drop in production is attributed to the decline in road construction which resulted in sand and gravel production amounting to \$20.7 million compared to \$34.5 million in 1965.

### OIL AND GAS NEWS

Eight applications for permits to drill were approved by the Division's Petroleum Branch during the month as follows:

Granite Point State #31-13 - Mobil Oil Corporation, Operator - Surface location: 2383' FNL and 1380' FWL, Sec. 13, T10N, R12W, S.M. Bottom hole location: 355' FNL and 3543' FWL, Sec. 13, T10N, R12W, S.M. This location is an east offset to the Granite Point Field discovery well, and it will be the first well to be drilled from Mobil's Granite Point platform.

Granite Point State #31-14 - Mobil Oil Corporation, Operator - Surface location: 2361' FNL and 1258' FWL, Sec. 13, T10N, R12W, S.M. Bottom hole location: 596' FNL and 1258' FEL, Sec. 14, T10N, R12W, S.M. This location is a west offset to the Granite Point Field discovery well, and the well will be drilled from the Granite Point platform.

Granite Point State 18742 #3 - Pan American Petroleum Corporation, Operator - Surface location: 729' FNL and 636' FEL, Sec. 12, T10N, R12W, S.M. Bottom hole location: 660' FNL and 1320' FEL, Sec. 12, T10N, R12W, S.M. This is the first location announced from Pan American's Granite Point Platform "A" and is about a mile northeast of the Granite Point discovery well.

Trading Bay State #A-3 - Union Oil Company of California, Operator - Surface location: 1616' FSL and 556' FEL, Sec. 4, T9N, R13W, S.M. Bottom hole location: 2000' FSL and 1800' FEL, Sec. 3, T9N, R13W, S.M. This location is about one mile southeast of the Trading Bay Field discovery well, and the well will be drilled from Union's Monopod.

Chuitna River State 03193 #1 - Pan American Petroleum Corporation, Operator - 660' FNL and 660' FEL, Sec. 15, T12N, R12W, S.M. This uplands location is about ten miles north of the Granite Point Field and about 50 miles west of Anchorage.

Beaver Creek #1 - Marathon Oil Company, Operator - 900' FSL and 1300' FWL, Sec. 34, T7N, R10W, S.M. This location is about six miles southwest of the Swanson River Field and twelve miles northeast of Kenai.

Kookpuk State #1 - Union Oil Company of California, Operator - 2300' FSL and 300' FWL, Sec. 19, T11N, R7E, U.M. This North slope location is 70 miles northeast of Umiat and is subject to Conservation Order #33.

Granite Point State 17587 - Pan American Petroleum Corporation, Operator - Surface location: 1989' FSL and 2053' FWL, Sec. 31, T11N, R11W, S.M. Bottom hole location: 660' FSL and 2053' FWL, Sec. 31, T11N, R11W, S.M. This location is an east offset to the currently drilling #3 well and will be the second well from Pan American's Granite Point Platform "B".

A corrected surface location for the Coal Bay State #1 well drilled by Texaco, Incorporated, is as follows:

458' FSL and 1563' FEL, Sec. 8, T6S, R12W, S.M.

Conservation Order #33

RE: THE APPLICATION OF THE UNION OIL )  
COMPANY OF CALIFORNIA, operator for )  
itself, BP (Alaska), and Sinclair Oil )  
& Refining Company, for an exception )  
to Section 2061.1 of the Alaska Oil )  
and Gas Conservation Regulations, )  
Title 11, AAC )

IT APPEARING THAT:

1. The Union Oil Company of California submitted a request dated November 21, 1966, for an exception to the 500 foot governmental quarter section boundary offset provision of Section 2061.1 of the Alaska Oil and Gas Conservation Regulations, Title 11, AAC, for the exploratory well Kookpuk No. 1 proposed to be located 2300 feet north of the south line and 300 feet east of the west line of Block 4, T11N, R7E, U.P.M.
2. Notice of hearing on the petition was published in the Anchorage Daily News on November 28, 1966, pursuant to Section 2012 of the Alaska Oil and Gas Conservation Regulations, but no protest or request for hearing was received.

AND IT FURTHER APPEARING that after due consideration an exception to Section 2061.1 of the Alaska Oil and Gas Conservation Regulations permitting the Union Oil Company of California to locate the Kookpuk No. 1 within 500 feet of the governmental quarter section line should be granted because this location is best suited to the geology and topography.

NOW, THEREFORE, IT IS ORDERED that the Union Oil Company of California be permitted to locate the exploratory well Kookpuk No. 1 at the applied location.

DONE at Anchorage and Juneau, Alaska, and dated December 9, 1966, (and signed by three Committee members).

Drilling Activity

<u>Operator</u>	<u>Well Name and Number</u>	<u>Status</u>
Atlantic Richfield Company	Susie Unit #1	Drilling
Cities Service Oil Company	Painter Creek #1	Location
Hunt Oil Company	Kalgin Island State #1	Abandoned
Marathon Oil Company	Beaver Creek #1	Location
Mobil Oil Corporation	Tower #1	Suspended
Mobil Oil Corporation	Union-Mobil State 31-13	Location
Mobil Oil Corporation	Union-Mobil State 31-14	Location

Drilling Activity (Continued)

Pan American Petroleum Corp.	Chuitna River State #1	Drilling
Pan American Petroleum Corp.	Cook Inlet State 17591 #1	Suspended
Pan American Petroleum Corp.	Cook Inlet State 17593 #1	Location
Pan American Petroleum Corp.	East MGS 18751 #1	Suspended
Pan American Petroleum Corp.	Granite Point State 17587 #3	Drilling
Pan American Petroleum Corp.	Granite Point State 17587 #4	Location
Pan American Petroleum Corp.	Granite Point State 18742 #3	Location
Pan American Petroleum Corp.	MGS 17595 #4	Comp. oil well
Pan American Petroleum Corp.	MGS 17595 #5	Comp. oil well
Pan American Petroleum Corp.	MGS 17595 #9	Drilling
Pan American Petroleum Corp.	North MGS State 18745 #1-A	Suspended
Pan American Petroleum Corp.	Redoubt Shoal State 22064 #1	Suspended
Placid Oil Company	State 17580 #1	Suspended
Shell Oil Company	West Foreland Unit #4	Suspended (correction)
Shell Oil Company	MGS A-11-12	Comp. oil well
Shell Oil Company	MGS A-33-1	Drilling
Standard Oil Co. of California	Ivan River #23-12	Drilling
Texaco, Incorporated	Coal Bay State #1	Abandoned
Texaco, Incorporated	Point Possession Unit #1	Location
Texaco, Incorporated	Trading Bay State #2	Location
Texaco, Incorporated	Trading Bay State #3	Location
Union Oil Co. of California	Kookpuk #1	Location
Union Oil Co. of California	Trading Bay State #A-2	Comp. oil well
Union Oil Co. of California	Trading Bay State #A-3	Drilling

Production - November 1966

<u>Field</u>	<u>Zone</u>	<u>Prod. Wells</u>	<u>Oil, Bbls.</u>	<u>Gas, MCF</u>
Swanson River Field	Hemlock	46	1,116,210	676,802
			60,799,154	17,239,894*
	Kenai Injection, Hemlock	0		11,543,831*
		6		3,073,221
				42,128,884*
Middle Ground Shoal	Hemlock and Kenai	16	391,441	179,223
		(Incl. 5 duals as 10 wells)	2,251,719	1,028,443*
Kenai	Kenai	16		3,623,279
		(Incl. 6 duals as 12 wells)		45,582,346*
Sterling	Kenai	1		9,018
				388,395*

# Swanson River gas at pressure base 15.025 psi. All other is 14.65 psi.

\* Cumulative to December 1, 1966.

STATE MINING CLAIM SALE IN THE KETCHIKAN DISTRICT

Ten units of foreclosed U.S. Mineral Surveys (patented mining claims) classified as "Utility", and ten units of foreclosed U.S. Surveys classified as "Utility" will be auctioned February 15, 1967, 2:00 p.m., at the Council Chambers, Ketchikan, Alaska, by the State Division of Lands.

The U.S. Mineral Surveys are as follows:

Unit	Description	Acreage	Classification	Minimum Bid
1	U.S.M.S. 423, Sea Breeze, Thorne Arm	20.638	Utility	\$100
2	" 1590 (5 claims) Moth Bay, Thorne Arm	103.305	"	615
3	" 1579, Peterson, George Inlet	20.464	"	100
4	" 1006 (3 claims) Copper Mtn, Hetta Inlet	50.399	"	250
5	" 1023 (2 claims) Copper Harbor, Hetta In.	27.176	"	135
6	" 540 A&B Golden Fleece, James Lake Dolomi	23.52	"	115
7	" 995 (2 claims) Amazon, Paul Lake, Dolomi	31.036	"	155
8	" 996 Fortune, James Lake, Dolomi	18.439	"	100
9	" 339 (3 claims) Dall Bay, Gravina Is.	53.55	"	265
10	" 743 (4 claims) Sultana, Portage Bay, Hetta Inlet	82.628	"	415

Further information may be obtained from the Division of Lands, 344 6th Avenue, Anchorage, Alaska, or Room 510, Goldstein Building, Juneau, Alaska.

UNIVERSITY OF ALASKA MINING EXTENSION CLASS SCHEDULE

Instructor: Henry W. Waterfield

Instructor: Leo Mark Anthony

Location	Date	Course	Location	Date	Course
Juneau	Dec. 12-Jan. 13	Prospecting	Anchorage	Jan. 3-Feb. 3	Prospecting
Skagway	Jan. 16-Feb. 10	"	Kenai	Feb. 5-Feb. 17	Geochemical
Seward	Feb. 13-March 10	"	Juneau	Feb. 20-March 3	Geochemical
Palmer	March 13-April 7	"	Gambell	March 6-April 7	Prospecting
Chugiak	April 10-May 5	"	Anchorage	April 10-April 21	Geophysical
McGrath	May 8-June 2	"	Anchorage	April 24-May 5	Geochemical
			College	May 8-May 19	Geochemical

LIST OF COMPANIES INTERESTED IN THE PURCHASE OF ALASKAN TIN CONCENTRATES

Through the efforts of the U.S. Bureau of Mines, we have on hand a list of 18 companies interested in the purchase of tin concentrates. We will be glad to furnish copies of this list on request from our Juneau office.

E. AND M.J. METAL MARKET PRICES

	<u>December 26 1966</u>	<u>Month Ago</u>	<u>Year Ago</u>
Copper, per lb.	36.2¢	36.6¢	35.8¢
Lead, per lb.	14¢	14¢	16¢
Zinc, per lb.	15¢	15¢	15¢
Tin, per lb.	153.71¢	154.4¢	173.6¢
Nickel, per lb.	81-85.25¢	77.7-85.3¢	77.75¢
Platinum, per oz.	\$100	\$100	\$97-100
Mercury, per flask	\$475-485	\$505-515	\$535-540
Antimony ore, per unit	\$4.65-5.65	\$4.65-6.65	\$5.50-6.50
Beryllium powder, 98% per lb.	\$54-66	\$54-66	\$54-66
Chrome ore, per long ton	\$31-35	\$31-35	\$31-35
Molybdenum Conc., per lb.	\$1.55	\$1.55	\$1.55
Titanium ore per ton	\$21-24	\$21-24	\$21-24
Tungsten ore, per unit	\$43.00	\$43.00	\$29.75-30.25
Silver, New York, per oz.	129.3¢	129.3¢	129.3¢
Silver, U.S. Treasury, per oz.	129.29¢	129.29¢	129.29¢