STATE OF ALASKA
Department of Natural Resources
Division of Mines & Geology

MINES BULLETIN

Vol. XVIII AUGUST 1970 No. 8

P.O. Box 5-300 College, Alaska 99701

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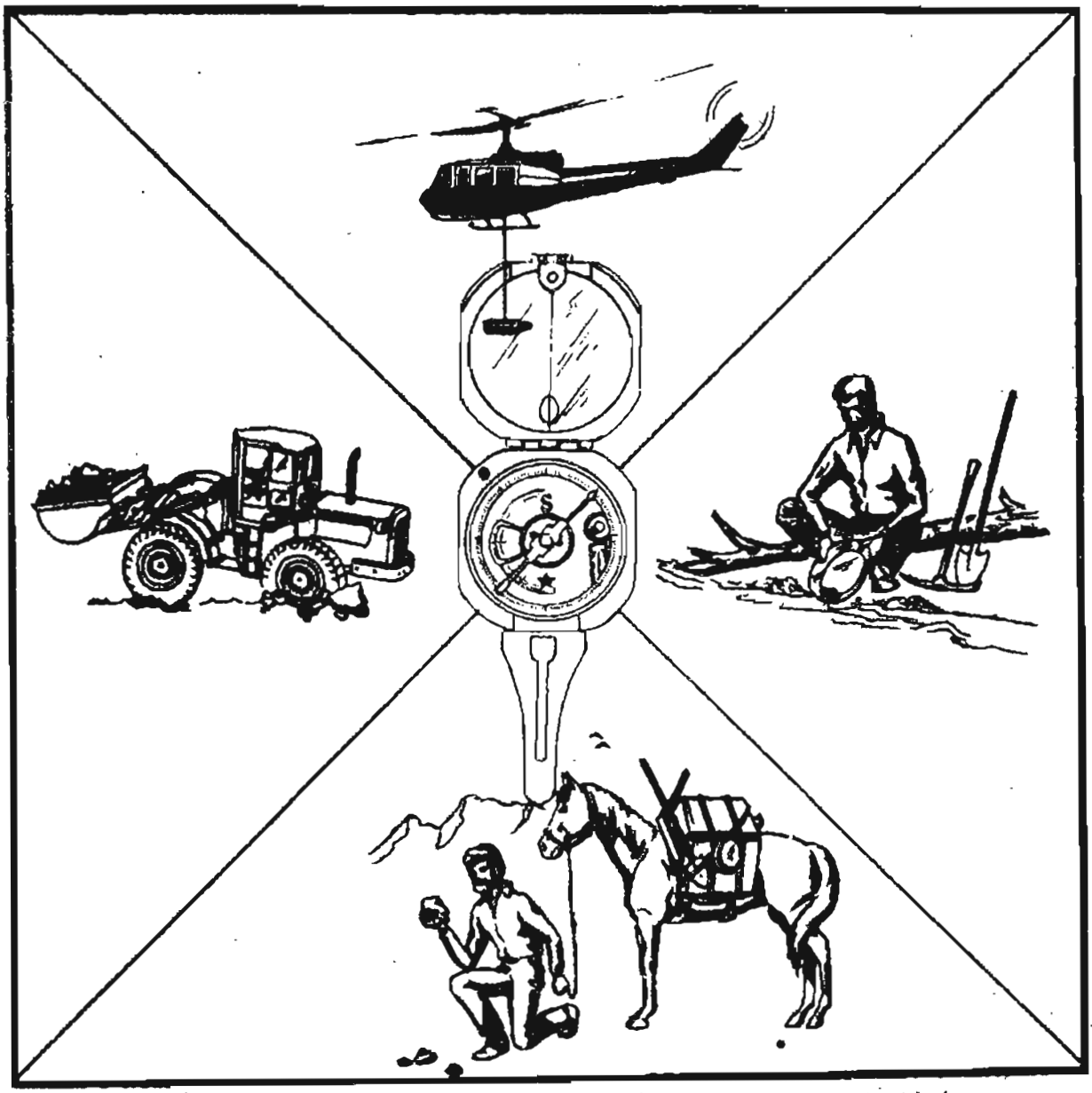

Published to Accelerate the Development of the Mining Industry in Alaska
Keith H. Miller - Governor
Thomas E. Kelly - Commissioner
James A. Williams - Director

LAND FREEZE PROPOSAL

Alaska miners and prospectors are gravely concerned over a recent addition to the Alaska Native Land Claim Bill S.1830. This addition, Sec. 23(a)(1), was added just before Senate passage of the bill, and provides for a five year land freeze on all of Alaska's unreserved public lands. Such a freeze will effectively stop exploration in most of Alaska. The bill is now in the House Interior and Insular Affairs Committee and much pressure is being brought to bear for final passage before Congress adjourns this year so that settlement of the Native Claims may finally proceed.

Sec. 23(a)(1) of the bill reads as follows:

> Sec. 23. (a)(1) Except as otherwise provided in this Act, all unreserved public lands in Alaska which have not been previously classified by the Secretary are hereby withdrawn from all forms of appropriation under the public land laws, including the mining and mineral leasing laws, for not to exceed five years. The Secretary of the Interior is hereby authorized, at his discretion, and after consulting with the State, to classify any lands withdrawn by this section and to open to entry, selection, or location for disposal in accordance with applicable public land laws, such lands as he determines are chiefly valuable for the purposes provided for by such laws.

It is generally agreed that passage of a Native claims bill is necessary if Alaska is to progress. The purpose of the present land freeze is to keep the lands intact until passage of such a bill. Sec. 23(a)(1) would continue the freeze with even more restrictions.

Two points seem clear: (1) Section 23(a)(1) has nothing to do with settling the Native land claims - it should not be in the bill - and, (2) needed land classification can be accomplished without prohibiting exploration. This has been demonstrated.

All persons interested should express their views to their Congressmen and other influential parties. Representative Howard W. Pollock is Alaska's lone member of the House. He is a member of the House Interior and Insular Affairs Committee and is dealing directly with the bill. Colorado's Representative Wayne N. Aspinall is the Chairman of the committee.

U. S. STEEL AT KLUKWAN

U. S. Steel Corp. has leased a 589 acre tract from the Klukwan Indian Council. This lease is on the alluvial pan of iron ore along the Chilkat River near Haines. The 10 year mineral rights lease (ten years or as long as minerals are produced in paying quantities) was obtained by a $50,000 bid by U. S. Steel. Rental fees will be paid on a graduated bases over the ten year period. If production begins, a royalty payment of 35 cents per long ton of dry iron concentrates or products containing 60 percent iron will be paid in lieu of the rental fee.

USIBELLI COMPLETES PURCHASE OF VITRO

Usibelli Coal of Fairbanks has completed its purchase of Vitro Minerals Corp.'s coal properties and mining equipment. The purchase involved more than $1 million and leaves Vitro Minerals with no operating mines in Alaska. However, Earth Resources Co., owner of Vitro, is participating in a minerals exploration program in Alaska.

ALASKA MERCURY OPERATIONS

Various reports indicate an active summer for the various mercury operations in Alaska. The Kuskokwim deposits are the site of much of the action with five men reported to be working on an open pit operation at the Schaefer deposits on Cinnabar Creek. The ore is being run through a gravity-float mill with the capacity of two tons/hour. Mercury concentrates of 60 percent are being flown to Anchorage for retorting.

The Red Devil Mine in the Kuskokwim is also in full swing with Nurama Mining Co. of Japan working 40-50 men on the property. This work is all underground. Concentrates of 40 to 70 percent mercury are being shipped to Japan.

MINING IS ESSENTIAL

The following article was first printed in the Missouri Mineral Industry News, published by the Missouri Geological Survey and later reprinted in the Ore Bin, published by the Oregon State Department of Geology and Mineral Industries. Included are the comments of the Oregon State Geologist R. E. Corcoran. Though originally about Missouri coal mining and secondly about the Oregon sand and gravel industry, it can well be food for thought for all sides of the Alaska development picture particularly in view of the possible restrictive land freeze.

WHAT TO DO WITH A HOLE IN THE GROUND[1]

To much of the public, a mine is nothing more than a "hole in the ground," and an unsightly one at that. Few people realize that practically everything we use in our everyday lives originally comes from just such "holes." Automobiles, airplanes, and TV sets are made almost entirely of metal and glass; buildings are made from gravel, rock, limestone, and clay; and even the clothes we wear are woven from synthetic fibers made from petroleum products, which originally came out of a hole.

The sand and gravel industry in Oregon, being concentrated in the Willamette Valley near the population centers, is becoming hard pressed to provide the raw materials needed to build our highways, bridges, and airports. There is a potential shortage of this valuable product for the coming years, because many of the better deposits are being overrun by housing or other incompatible developments. What happens to a gravel pit after it is mined out? Can the land be reclaimed or put to other uses?

We are printing the following editorial which recently appeared in the Missouri Mineral Industry News, published by the Missouri Geological Survey. Even though the Missourians are primarily concerned with coal mining in their state, we believe that their comments and ideas could apply to the problems of our sand and gravel industry.

R.E.C.

MINE WHERE THE MINERALS ARE[2]

We need no crystal ball to see what will be written about us when this editorial appears. We'll be accused of siding with the miners in an unholy alliance to strip-mine coal within the city limits of Columbia "....in calculating disregard for the well-being of the community." If there's one thing we don't need, it's adverse publicity at a time when operating funds for State agencies are woefully short, but we cannot stand idly by when principles are at stake; we must become involved.

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[1] Reprinted from: The Ore Bin, Vol. 32, No. 4, April 1970.

[2] Reprinted from: Missouri Mineral Industry News, Vol. 10, No. 3, March 1970.

Mineral deposits are where you find them; sometimes they're in convenient places, sometimes not, but wherever they are they can only be recovered by mining. Once highways, homes and industries are built over mineral deposits, they are lost and must be sought elsewhere. The Geological Survey has long advocated sequential use of lands underlain by mineral deposits. First, mine the minerals with a plan toward reclamation and reuse of the land. Second, reclaim the land so that it may well yield more than was gained from the mining. And third, reap the benefits in increased tax revenues from land that might have been rendered worthless without forethought.

Is this practical? The city of Mexico, Mo. has schools built on land that once was a "worthless" clay pit; the clay that was once there financed the reclamation and part of the school construction and the upbringing of many of the kids who go there, while serving the nation in such capacities as boiler linings and launch pads for space vehicles. Last month the Nation's First Lady toured a reclaimed coal strip mine that will eventually bring its developers more money than the coal brought the mining company. Underground mines in Kansas City and Springfield provided cheap concrete aggregate and road stone for many years; now the mined space houses instrument factories, computer centers, warehouses and terminals that will provide profit for the owners and taxes for the cities far in excess of the value of minerals that were once there, and are now used.

The Columbia coal mining problem is an excellent example of how mining's poor public image and the public's uninformed outlook combine to saddle the citizens with higher utilities costs and lower tax revenues from unattractive developments. Some time ago, Peabody Coal Co. leased acreage outside Columbia for strip mining of coal. Subsequently the city annexed the area and immediately a hue and cry arose to stop the proposed stripping.

It happens that Peabody supplies Columbia City Utilities and the University with coal, and the beauty of this particular coal field lies in its proximity to the coal-fired electric generating plant. The savings in trucking costs can be passed on to the people of Columbia in the form of lower electric bills.

But this is not the only reason for advocating coal stripping in Columbia. The technology is already available for reclaiming mined lands; it is now possible to plan mining in a way that will give an end product of attractive landscape with recreational lakes, etc. that can be a part of the normal mining expenses. The great shovels that expose the coal need not be the monsters they've been portrayed as; people made them, people can control what the machines make.

We can think of no better way to have one's cake and eat it too. Why not work out a plan with the mining company for imaginative reclamation of the mined lands? While the mining is under way, the utilities have a supply of cheap coal. When it's used up, attractive lands with lakes and hills remain to be developed. Why be bound by whatever topography there is when you can design it yourself?

Surely this is anything but "...calculating disregard for the well being of the community"!

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NEW PUBLICATIONS

USGS

The following open file reports have been released by the U. S. Geological Survey and are available for consultation in the Alaska U.S.G.S. and State Division of Mines and Geology offices. Material from which copies of these open file reports can be made at private expense is available only at the Alaska Geology Branch, U.S.G.S., 345 Middlefield Road, Menlo Park, California 94025.

Analyses of rock and stream-sediment samples from the Sumdum A-3 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 98 p., incl. 89 p. tabular material; 1 map, scale 1:63,360.

Analyses of rock and stream-sediment samples from the Sumdum A-4 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 97 p., incl. 88 p. tabular material; 1 map, scale 1:63,360.

Analyses of rock and stream-sediment samples from the Sumdum B-3 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 95 p., incl. 86 p. tabular material; 1 map, scale 1:63,360.

Analyses of rock and stream-sediment samples from the Sumdum B-4 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 104 p., incl. 94 p. tabular material; 1 map, scale 1:63,360.

Analyses of rock and stream-sediment samples from the Sumdum B-5 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 85 p., incl. 79 p. tabular material; 1 map, scale 1:63,360.

Analyses of rock and stream-sediment samples from the Sumdum C-4 quadrangle, Alaska, by Allen L. Clark, David A. Brew, Donald A. Grybeck, and Raymond Wehr. 87 p., incl. 81 p. tabular material; 1 map, scale 1:63,360.

CHUGACH GEM & MINERAL SOCIETY

The Chugach Gem & Mineral Society booklet "Guide Book for Rockhounds" reported in last month's Bulletin sells for $2.50 and may be purchased from the society at P.O. Box 4-2027, Anchorage, Alaska 99503.

MINING CLAIMS

NUMBER OF CLAIMS	CREEK OR AREA	QUADRANGLE	DATE NOTICE POSTED
32	Ningyoyak Creek	Ambler River	May, 1970
2	Sheep Mountain	Anchorage	April, 1970
4	Tributary to Jim Lake	Anchorage	July, 1970
15	Berg Bay and Aaron Creek	Bradfield Canal	June, 1970
2	Bradfield Canal	Bradfield Canal	May, 1970
3	Deadwood Creek	Circle	June, 1970
6	Harrison Fork	Circle	June, 1970
4	Niblack	Craig	June, 1970
8	Omar Valley	Craig	May, 1970
4	Kendrick Bay	Dixon Entrance	June, 1970
2	Little Daykoo Creek	Dixon Entrance	June, 1970
1	Dry Gulch	Eagle	May, 1970
8	Fortymile River - South Fork	Eagle	May, 1970
5	Our and My Creeks	Eagle	June, 1970
32	Eagle and Treasure Creeks	Fairbanks	May, 1970
1	Slide Creek	Fairbanks	June, 1970
2	Happy Creek	Fairbanks	Jan., 1970
1	Spicer and Nugget Creeks	Fairbanks	June, 1970
5	Silver Creek	Fairbanks	June, 1970
1	Ester Dome	Fairbanks	June, 1970
1	Peters Creek	Healy	May, 1970
2	Valdez Creek	Healy	May, 1970
8	Partin Creek	Healy	March, 1970
2	Glacier Lake	Ketchikan	June, 1970
1	Flume Creek	Livengood	June, 1970
2	Pedro Dome area	Livengood	June, 1970
1	Pedro Creek	Livengood	June, 1970
1	Alder Gulch	Livengood	June, 1970
2	Falls Creek	Mt. Hayes	June, 1970
1	Delta River	Mt. Hayes	May, 1970
1	Black Rapids Lake	Mt. Hayes	June, 1970
2	Stampede Creek	Mt. McKinley	June, 1970
4	Slope Creek	Nabesna	March, 1970
366	Monte Cristo Creek, and Nabesna Glacier	Nabesna	May, 1970
4	Dry Creek	Seward	June, 1970
2	Pinta Bay	Sitka	June, 1970
2	Kuskokwim River	Sleetmute	May, 1970
4	Iron Creek	Solomon	May, 1970
3	Dollar Creek	Talkeetna	March, 1970
37	Iron Creek and Middle Fork	Talkeetna Mountains	March, 1970
15	Pumicestone and Kuliliak Bay	Unalaska	June, 1970
1	Boulder Creek	Valdez	May, 1970
6	John and Allen Rivers	Wiseman	June, 1970

METAL MARKET

	July 29	Month Ago	Year Ago
Antimony ore, stu equivalent European ore	$28.57-31.25	$35.71-37.50	$8.75-8.93
Barite (drilling mud grade per ton)	$12-16	$12-16	$12-16
Beryllium powder 98% per ton	$54-66	$54-66	$54-66
Chrome ore per long ton	$31-35	$31-35	$31-35
Copper per lb.	59.6¢	59.7¢	45.9¢
Gold per oz.	$35.55	$35.71	$42.35
Lead per lb.	15.5¢	16.5¢	15.5¢
Mercury per 76# flask	$410-420	$415-425	$510-515
Molybdenum conc. per lb.	$1.72	$1.72	$1.72
Nickel per lb.	$1.28	$1.28	$1.03
Platinum per oz.	$130-135	$130-135	$120-125
Silver, New York, per oz.	172.1¢	163.7¢	164.9¢
Tin per lb.	165.25¢	168.45¢	161.5¢
Titanium ore per ton	$30-35	$30-35	$20-21
Tungsten per unit	$50-55	$50-55	$43.00
Zinc per lb.	16.0¢	16.0¢	14.5¢