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Territory of Alaska
Department of Mines

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MINING ACTIVITIES

FIRST DIVISION - According to Dick Rowe, District Geologist for Union Carbide Nuclear Co., of Grand Junction, Colorado, the 1-1/2 mile cat road extending from the beach at Kendrick Bay to the I & L uranium prospect (Hollenbeak) has been completed. A D-4 cat is currently engaged in hauling supplies from the beach to a site on the property where an 8-man camp building will soon be constructed. Some additional stripping and trenching will soon be completed, following which a contract drilling crew from Boyles Bros. will commence with the diamond drilling project.

Rowe advises that he has established an office in the Heckman Building in Ketchikan (Mailing address, Box 716, Ketchikan, Alaska). He will be available, on behalf of the Company, for the investigation of other Alaskan uranium prospects whose owners care to submit assay reports and other supporting information.

THIRD DIVISION - An Anchorage group has staked claims on the Canyon Creek molybdenum deposit in the Nizina district near the Chitina River. This long-open prospect is described in two or three USGS Bulletins, and was mentioned in the TDM Bulletin exactly two years ago as a showing that someone should investigate. From all reports, it appears to be quite promising.

A new development in the oil picture within the last month or so is that new leases have been granted within the Kenai Moose Reserve on the Kenai Peninsula to several major firms. Under an agreement on the area, a well must be started within six months, it is reported.

A large share of the effort by companies in the search for minable copper deposits seems to have shifted from the First to the Third Division ~~this~~ year.

FOURTH DIVISION - Further filing of requests for oil leases have brought the total lease applications up to nearly one million acres for the Kateel River area. The Texota Oil Co. has accounted for most of the filings. Geological work is underway.

IF YOU HAVEN'T DONE IT YET, please don't forget to fill out the "pink slip" that came with last month's TDM Bulletin and send it to us so that you will be kept on the mailing list, if you wish to continue receiving the Bulletin.

PUBLIC LAW 167

Under Public Law 167, the U. S. Bureau of Land Management, on behalf of the U. S. Forest Service, is now publishing a Notice to Mining Claimants and requesting verified statements of interest from anyone holding unpatented claims located prior to July 23, 1955 in the area of upper Kasaan Bay on Prince of Wales Island. The area apparently includes the drainages into Karta Bay, Salman Lake, Maybeso Creek, Harris River, Indian River, and Twelvemile Arm. The Forest Service wishes to determine surface rights within this area first. Others will follow. We have written in considerable detail on this new law in several back issues of the TDM Bulletin. Holders of claims located prior to July 23, 1955 within the area who wish to retain surface rights to them must file their statements with the Land Office of the Bureau of Land Management at Anchorage within 150 days of the first date of publication, which was August 22, 1956. These statements must include (1) the date of location, (2) book and page of recordation of location, (3) location of claim by existing or probable land survey or U.S. mineral monument, (4) nature of interest of claimant in claim (owner or purchaser) and (5) name and address of claimant and of any others having interest in claim.

Failure to file the statement within the 150-day period will automatically result in waiver and relinquishment of surface rights in the claim or claims. As explained in earlier Bulletins, a claim holder can file a Request for Notice with the recorder for his precinct and then will be personally served or mailed a copy of the Notice to Mining Claimants. This will eliminate the necessity of watching the newspapers and possibly missing the Notice when one is published concerning your area. Also, according to Public Law 167, if you file a Request for Notice, and it is not sent to you, your claims will not be affected by action under that Notice.

KETCHIKAN DRILLING COMPANY

A somewhat unique venture under the name of Totem Exploration Co., Inc. was started at Ketchikan last spring by a group of local men. Their goal is to bridge the gap between the prospector with a raw undeveloped prospect and the mining company which needs to see at least some development to become interested in a prospect. Their means of reaching this goal is by the acquisition of a small diamond core drill and a gasoline jackhammer and a small crew to use them to prove or disprove a deposit to a certain limited depth. This is done on an arrangement with the claim owner for a split in the eventual profits, if any, after the sale or lease to an operating mining company. So far this summer, this group has drilled at least four prospects, mostly copper or copper-zinc. They are seeking the interest of large mining companies who may wish to investigate two of the prospects which they feel have merit. The Totem Exploration Co., Inc. address is 317 Dock Street, Ketchikan.

NEWS FROM AMERICAN MINING CONGRESS BULLETINS

"NICKEL EXPANSION PROGRAM - ODM has announced that in addition to continuing rapid tax amortization and market price purchase contracts to encourage nickel production expansion, the Government will pay premium prices to step up U.S. supplies of nickel from the current 300-million pounds annually to 440-million pounds by 1961.

In making this announcement, ODM Director Arthur Flemming said the Government is prepared to discuss with domestic and foreign producers further

financial assistance to cover unusual development costs in bringing new production into being as quickly as possible. He said that such assistance will be reflected in the price paid for the metal put to the Government and the metal purchased will, as a rule, be placed in the strategic stockpile. He stated that metal that the Government agrees to purchase under the new premium arrangement also will be subject to call by the Government if it is determined that such action is required for national security. The premium prices to be paid would be worked out by each company individually with GSA, which is charged with conduct of the program."

Legislation of interest which fell by the wayside during the 84th Congress is reviewed here. Much of it is expected to be reintroduced next year.

"PUBLIC LAND WITHDRAWALS AND RESTORATIONS - A measure sponsored by Rep. Engle (Dem., Calif.) to require Congressional approval of withdrawals or reservations by the Department of Defense of more than 5000 acres of public lands passed the House by unanimous vote the next to the last day of the session. No action was taken on the measure by the Senate. Engle then called upon the Secretary of Interior to withhold approval of any military withdrawals of over 5000 acres until Congress has time to further consider the matter next year. Other sponsors of similar bills included Reps. Aspinall (Dem., Colo.), Budge (Rep., Ida.), Coon (Rep., Ore.), Fernandez (Dem. N.M.), Metcalf (Dem., Mont.), Pfost (Dem., Ida.), Rogers (Dem., Tex.), Saylor (Rep. Pa.), Udall (Dem., Ariz.), Young (Rep., Nev.), Del. Bartlett (Dem., Alaska); and Senators Watkins and Bennett (Reps., Utah).

The Senate and House Interior Committees took no action on bills to require public hearings prior to all withdrawals of public lands and to limit temporary withdrawals to five years. The measures, introduced by Senators Watkins and Bennett (Reps., Utah) and Rep. Young (Rep., Nev.), would have also required periodical reviews of the need for continued withdrawals of public lands, and public hearings, upon request of any State, to determine whether or not lands within such State should be released from withdrawal.

GRANT LEASING-ACT MINERALS TO STATES - Measures were introduced by Senator Barrett (Rep., Wyo.) and Reps. Thompson (Rep., Wyo.) and Dixon (Rep., Utah) to grant Leasing Act minerals to the States. In the case of any outstanding lease or permit the State would succeed to the position of the United States as lessor or permitter. Income accruing therefrom to each State would be used for the support of public schools or the construction and maintenance of public roads. No action was taken on the bills.

STATE SELECTION OF MINERAL LANDS - Senators Watkins and Bennett (Reps., Utah) sponsored a bill to provide that lands appropriated to the States by the Act of July 16, 1894 could be selected from public lands not mineral in character, except that if the lands reserved or pledged to a State are mineral lands included in any mineral application or claim, the State may select other mineral lands in lieu thereof. No action was taken on the measure.

ADMINISTRATION OF NATIONAL FORESTS - Bills were introduced to establish a National Wilderness Preservation System and to give the Secretary of Agriculture authority to regulate occupancy of national forest lands. Senator Humphrey (Dem., Minn.) sponsored a bill to give the Secretary full authority to limit or discontinue the occupancy and use of national forest lands, while Reps. Saylor (Rep., Pa.) and Metcalf (Dem., Mont.), and Senators Humphrey, Neuberger (Dem., Ore.), Lehman (Dem., N.Y.), Douglas (Dem., Ill.), Laird (Dem., W.Va.), Smith (Rep., Me.), Duff (Rep., Pa.) Kuckel (Rep., Calif.), and Mundt (Rep., S.D.) introduced bills to establish wilder-

ness areas, within which no commercial enterprise such as mining, lumbering or grazing would be permitted. None of the measures received any Committee action.

DOMESTIC MANGANESE, TIN, MERCURY, AND ANTIMONY PURCHASE PROGRAMS - Various bills were introduced to establish or extend purchase programs for the domestic production of manganese, tin, mercury, and antimony.

The measures would have directed the General Services Administration to establish programs to (1) purchase 30 million long-ton units of "low grade" manganese ores and concentrates; (2) purchase 10,000 long tons of metallic tin in concentrates; (3) increase the price of mercury under the current program from \$225 to \$250 per flask; and (4) establish a program to purchase 10,000 short tons of antimony.

The bill to extend the manganese program, sponsored by Senators Hayden (Dem., Ariz.), Murray (Dem., Mont.), Anderson (Dem., N.M.), Scott (Dem., N.C.), Magnuson (Dem., Wash.), Goldwater (Dem., Ariz.), Malone (Rep., Nev.), and Ervin (Dem., N.C.), was passed by the Senate but was not acted upon by the House.

The bill to establish a tin program, sponsored by Senator Scott (Dem., N.C.), and Delegate Bartlett (Dem., Alaska) was favorably reported by the Senate Interior Committee but was not acted upon by the Senate.

No action was taken on the mercury or antimony legislation sponsored by Rep. Young (Rep., Nev.) and Senators Murray, Goldwater, Malone, and Langer (Rep., N.D.)

GOLD LEGISLATION - Several bills were introduced to establish a free market for gold or to establish a domestic gold coin standard. None of the bills received any Committee consideration.

Sponsors of the "free gold market" legislation included Senator Case (Rep., S.D.), Reps. Engle (Dem., Calif.), Pfost (Dem., Ida.), and Young (Rep., Nev.), and Delegate Bartlett (Dem., Alaska), Reps. Reed (Rep., NY.) and Hale (Rep., Me.) and Hiestand (Rep., Calif.) sponsored the "gold standard" bills."

E. AND M. J. METAL MARKET PRICES

	Aug. 30 <u>1956</u>	Month <u>Ago</u>	Year <u>Ago</u>
Copper, per lb.	39.7¢	39.4¢	40.6¢
Lead, per lb.	16¢	16¢	15¢
Zinc, per lb	13-1/2¢	13-1/2¢	12-1/2¢
Tin, per lb.	99-1/4¢	94.8¢	96-1/4¢
Quicksilver, per flask	\$255-257	\$255-257	\$254-256
Silver, foreign, New York	90-3/4¢	90.3¢	90-3/4¢
Silver, domestic, per oz.	90-1/2¢	90-1/2¢	90-1/2¢
Platinum, per oz.	\$103-108	\$103-110	\$88-90
Nickel, per lb.	64-1/2¢	64-1/2¢	64-1/2¢
Molybdenum, per lb. in conc.	\$1.18	\$1.10	\$1.05
Tungsten ore, per unit	\$55.00	\$63.00	\$63.00
Titanium ore (Ilmenite)			
per ton	\$26.25	\$26.25	\$20
*Chrome ore (48%, 3 to 1 ratio)			
per ton	\$115	\$115	\$115

*GSA guaranteed stock pile price. Not quoted by E. & MJ