

Territory of Alaska
Department of Mines

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TDM BULLETIN

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MINING ACTIVITIES

FIRST DIVISION - The uranium prospect of Southeastern Mining and Exploration Co. near William Henry Bay on the Lynn Canal is now being drilled. The company obtained a DMEA assistance contract and the Boyles Brothers Drilling Company is doing the drilling. Equipment and supplies were lifted to the property at 1800 feet elevation by helicopter.

Kendrick Bay Mining Company (Climax Molybdenum Co. subsidiary) has its truck road nearly completed to its uranium property on Bokan Mountain. The road will be 1-3/4 miles long and will cross a ridge at about 1150 feet elevation enroute, giving the road an average grade of 15% from Kendrick Bay to the ridge top. Mining by open pit and trucking the ore to the beach is expected to start in mid-July. Shipment will be to the new uranium mill near Spokane, Washington.

Testing of the Klukwan iron deposit by U. S. Steel is in progress again this summer.

Exploratory drifting on the 200-foot level is going ahead at the Admiralty-Alaska nickel property at Funter Bay. A contractor from Tacoma, Mr. Spencer, is advancing the heading as rapidly as possible. Experienced manpower is a problem.

SECOND DIVISION - Three dredges of the USSR&M Company will work in the Nome area this year for the first time since 1953 when one of the dredges capsized.

FOURTH DIVISION - The USSR&M Company is operating five dredges in the Fairbanks area this season. They are on Cripple, Engineer, Dome, and Pedro Creeks and at Gold Hill. Gold Hill is nearly worked out and it is planned to move the dredge from there to Sheep Creek this winter. In the "Hog" River area, it will be the first full dredging season for the dredge that was purchased and moved there from Livengood two years ago.

OIL NEWS

A news item reports that the Canadian court case against Alaska Yukon Refiners and Distributors has been settled, and it is assumed that their plans for a refinery at Haines will again move ahead. Construction of a tank farm and marketing facilities at Whitehorse has been completed.

Global Enterprises, Inc. is moving into the Kateel River area with drilling and other equipment for seismic exploration. The base camp will be on the Yukon River 25 miles southwest of the confluence with the Koyukuk. Tentative

plans for well drilling include shipping the drill rigs into Norton Sound before the freeze-up this fall, then hauling overland by cat trains. It is reported that the Paul G. Benedum family of Pittsburgh is financing the project.

Legislation has been introduced in Congress to provide Federal authority for leasing oil lands beneath inland (nontidal) navigable waters. At present there is no such authority, and oil or gas could be drawn from water-covered areas by bordering leaseholders with the resultant loss of future revenue to Alaska. Under the proposed bill, 37-1/2% of the revenues from such leases would go to Alaska for schools and roads, 52-1/2% for disposition by the Legislature, and 10% to the Federal Treasury. The House Territories Subcommittee has approved the bill, and it also has the support of the Department of the Interior. A second bill dealing with lands beneath tidal and coastal waters is expected.

ASSESSMENT WORK REMINDER

The first day of July at noon is still the deadline for the completion of assessment work for the assessment work year of 1956-57. Also we might again call attention to the new Territorial Law requiring the filing of assessment work affidavits within six months after the end of the assessment year if a claim holder wishes to continue legally holding his claim. This new law was explained in detail in our special legislative TDM Bulletin dated April 15. If there are questions on this, we will be glad to answer them to the best of our ability.

NEW USGS MAP

A new map showing structural details of the western part of the Prince William Sound area has been released to open file by the U. S. Geological Survey. It shows linear features interpreted as probable faults, joints, and shear zones. These features were interpreted entirely from aerial photographs. Locations of mines and prospects have also been plotted on the map. The title is "Map of a part of Prince William Sound area, Alaska, showing linear geologic features as seen on aerial photographs." It may be seen in the USGS offices at Juneau, Anchorage, or College, and in the TDM office at Juneau. The USGS at 4 Homewood Place, Menlo Park, California will make copies of the map at the expense of the person requesting them.

HELICOPTER SERVICE

Available helicopter service in southeastern Alaska has increased. In addition to the Alaska Coastal Airlines, there is now the Juneau Copter Service, also based in Juneau, and Dean Johnson, Inc., based in Ketchikan. All three companies have Hiller helicopters and will operate almost anywhere in or near Southeastern Alaska. It is gratifying to see these services expanding.

REMARKS ON THE BARTER PROGRAM

In looking through the record of Congressional hearings on the Department of Interior's proposed long-range minerals program, we were interested in seeing Senator Malone's remarks on the barter program. We repeat them here for others who will also be interested.

"It is difficult to fathom the mental processes of those who advocate trading the surplus agricultural products of this country for foreign minerals with the claim it will stimulate the domestic production of minerals.

"The agricultural surpluses have been taken off the domestic market at great cost to the American taxpayer, several billions of dollars a year in fact. When these agricultural products are sent abroad they obviously must be disposed of at a loss. It is impossible to see how it can be otherwise. It is also true that as high a price is placed on the foreign minerals as the traffic will bear. To this extent there is an artificial price placed on these minerals. But each barter deal is a separate transaction. There is no continuity or principle involved.

"The only certainty is that the domestic minerals industry will be destroyed.

"Many of the foreign mineral projects have been financed by loans or foreign aid programs for which the American taxpayer has also paid. It is impossible to see how taking the foreign minerals which have been stimulated to excess production is going to help the domestic miner to stay in business at all. In the first place there is no foreign country from which minerals are received where the wages exceed much more than 10 percent of our own and in many cases it is a good deal less.

"Are the one-worlders in the State Department and other departments in the Government suggesting that we lower the standard of living in this country in order to be on a competitive level with foreign countries? Have they ever taken the trouble to find out who the people are in this country who pay the taxes in order to support these grandiose foreign schemes?

"I have never seen nor has this committee ever been given a clear-cut example of a single barter deal. No representative from the Department of Agriculture or the ICA has ever been able to explain in understandable language how barter works other than to say that the deals are handled by brokers in this country and abroad.

"It is a well-known fact that brokers get their commission. Everybody along the line makes a profit, except the American taxpayer."

MINE SAFETY

The National Safety Council is sponsoring a National Campaign to Prevent Injuries from Roof Falls, beginning July 1, 1957 and terminating June 30, 1958. The campaign's goal is a 50% reduction in injuries and deaths from roof falls during the year. The TDM will supply brochures to all coal mines in the Territory and will be glad to cooperate with all parties or operators interested in participating in this program.

E. AND M. J. METAL MARKET PRICES

	<u>June 20</u> <u>1957</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	30.7¢	31.2¢	45.0¢
Lead, per lb.	14¢	15¢	16¢
Zinc, per lb.	10-1/2¢	11-1/2¢	13-1/2¢
Tin, per lb.	98.2¢	98.5¢	94.8¢
Quicksilver, per flask	\$255-257	\$255-257	\$257-259
Silver, foreign, New York	90.2¢	90-7/8¢	90.3¢
Silver, domestic, per oz.	90-1/2¢	90-1/2¢	90-1/2¢
Nickel, per lb.	74¢	74¢	64-1/2¢
Molybdenum, per lb., in con.	\$1.18	\$1.18	\$1.10
Platinum, per oz.	\$89-95	\$90-95	\$103-110
*Tungsten ore, per unit	\$55.00	\$55.00	\$63.00
Titanium ore (Ilmenite) per ton	\$26.25-30.00	\$26.25-30.00	\$20.00
**Chrome ore (48%, 3 to 1 ratio) per ton	\$115.00	\$115.00	\$115.00
*GSA tungsten purchasing presently suspended. Foreign import price \$19.25			
**GSA guaranteed stockpile price. Not quoted by <u>E. & M. J.</u>			