

Territory of Alaska  
Department of Mines

P. O. Box 1391  
Juneau, Alaska

TDM BULLETIN

Vol. VI

April 1958

No. 4

### MINING ACTIVITIES

FIRST DIVISION - We have received definite assurance that an exploration program will be started on the Yakobi Island nickel deposits this year. Yakobi Island is at the northwest corner of Chichagof Island.

At the Funter Bay nickel property on Admiralty Island, drifting has temporarily halted after an advance of over 1000 feet on the 200 foot level. A diamond drill hole is now being driven from the face of the adit in an effort to intersect the nickel lode at that level.

SECOND DIVISION - The Lee Brothers plan to operate at least one dredge on Solomon River this year. The second dredge may dig also, depending on conditions.

It was reported last fall that the Ringstad family of Fairbanks purchased the Havenstrite placer operations near Candle. Operating plans of the Ringstads are not known.

FOURTH DIVISION - News reports credit Sunshine Mining Company with announcing that a comprehensive diamond drill program is planned on their mercury prospect. The property is about 60 miles N.E. of Goodnews Bay.

In moving Dredge No. 6 from Gold Hill to Sheep Creek, the U.S.S.R. & M. Co. made history. It was the first time that a dredge has been moved on land without dismantling the hull. The dredge was floated onto special sleds, reinforced for this job. Eighteen large tractors were used for the move--three D-9's, ten D-8's, and five HD-19 and HD-20's. The three D-9's were used as pushers and the remaining 15 pulled. At the start, a delay was caused by too much push from behind resulting in a jammed steering mechanism.

The U.S.S.R. & M. Co. will operate seven dredges in the Fairbanks area this year, but will reduce stripping and thawing activities. No new dredging ground will be prepared because of increasing costs.

### NOTES ON WITHDRAWALS

Congressman Engle's bill to require Congressional action on large military withdrawals has been signed into law. It provides that (1) withdrawals of over 5,000 acres for the Defense Department may be made only by Act of Congress, and (2) minerals in public lands withdrawn for military purposes may be disposed of only under the applicable mining and mineral leasing laws, except where the Secretary of Defense determines that such disposal would be inconsistent with the military use of the lands. This is a good law. We regret that it does not cover other types of withdrawals.

H. R. 361 to establish a National Wilderness Preservation System is still under consideration by Congress. This bill would establish vast wilderness areas which would be closed to mining. It would also include such additional areas

(quoting the bill) "as may be designated within any federally owned or controlled land and/or water by the official or officials authorized to determine the use of the lands and waters involved." Presently existing Alaskan areas named in the bill that would automatically be closed to mining add up to thirteen million acres. Other areas created later could be added to the system quite easily as indicated above. Possible legislation like this is something we should keep in mind when we consider creating large wildlife and other types of reserves. H.R. 361 is discussed in detail in our Bulletin of May 1957.

Many letters and wires by individuals protesting or advocating the proposed nine million acre Arctic Wildlife Range have been received by the U.S.B.L.M. They are to be forwarded to the Secretary of the Interior. Although we are told that the protests outnumber those in favor by several times, we have received no concrete information on a public hearing. Reflecting on this, the TDM has suggested to the Secretary that the area be subject to legislation similar to that governing patents in Glacier Bay National Monument. There, mineral patents convey title to the mineral deposits only, not to the surface, and it has proven workable.

On the Kenai Moose Range, where the oil discovery was made last summer, oil exploration is at a standstill. The regulations that the authorities of the Department of the Interior claimed the industry was happy with have never been issued. These are the rules which were to guide exploration on nearly half of the Range, which Interior decided would be open. It is getting late. This delay will cause the loss of the 1958 season in oil developments in that area. Interested oil companies have indicated that they would have as many as 10 drill rigs working in Alaska, if they could get the green light. There will be a large loss in revenues to Alaska as a result of this delay.

#### CONGRESSIONAL NEWS

Among the many bills of interest to prospectors and miners being considered by Congress this year are the usual ones to allow us to sell our gold on the free market. There is also one to put us on the gold standard and make gold coins. None of these bills will get any further than in the past.

S. 3315 would suspend assessment work requirements for a year. S. 3266 and H.R. 10878 would suspend assessment work requirements on uranium claims until market conditions for uranium improve. The usual bill to change the end of the assessment work year has been introduced, but this time the proposed date is August 15 instead of the usual October 1. H.R. 9345 would allow claim holders to pay \$100 to the U.S. in lieu of doing assessment work. If we learn of any of these bills being passed, we will make it known to our readers as soon as possible.

S. 2039 is the geophysical assessment work bill. This bill would allow geological, geochemical, or geophysical surveys by credited technicians to be done as assessment work. It passed the Senate last year, but is presently in the House Interior Committee without any action to date.

S. 3247 and H.R. 10633 would limit patents in national forests to the mineral deposits only. It would provide that patents to claims in national forests would convey title only to the minerals and to the right to use the claim and its surface resources only as necessary to mine the minerals. Title to the surface of the land and the products thereof would be reserved to the U.S. Existing laws pertaining to patents in particular national forests would not be affected.

## MINERALS CONFERENCE AT U. OF A.

The Alaska Section of the American Institute of Mining, Metallurgical, and Petroleum Engineers and the University of Alaska are sponsoring the third annual Mining, Minerals and Petroleum Conference April 18-20. The conference will be held at College. The Southwest Alaska Section of the AIME is cooperating on the meeting. Noted speakers will talk on the various phases of mining and its problems in Alaska, research, petroleum, engineering, land problems, and geophysics. Baaquets and field trips will be included. Further information can be obtained from the School of Mines, College, Alaska.

## COURT JUDGMENTS ON DAMAGE BY STRIPPING

In the Fourth Division District Court, the Suntrana Mining Co. was judged entitled to damages caused by overburden and mining wastes being dumped into the Healy River by the defendants, Usibelli Coal Mines, Inc. and Cripple Creek Coal Co. Usibelli and Cripple Creek, upstream from Suntrana, have been stripping their coal by hydraulic methods. The sediments from this were found by the court to have raised the level of the river so that Suntrana has been suffering flood damage. The actual amount of damages was to have been decided in the second court action.

In the second action, according to a news release, the court found that Suntrana was unable to show the exact amount of damages, and so ruled that no damages were to be paid. However, the judge did rule that an injunction would be issued against the defendants to bar the dumping of waste into the river. The importance of these decisions is that placer miners are now wondering if a precedent has been set whereby they will be forced to maintain settling ponds and other safeguards to insure that no sediments from their stripping and sluicing will go downstream to the detriment of others.

## A CASE AGAINST RECIPROCAL TRADE AND LOW TARIFFS

We quote here a significant portion of the recent testimony of S.H. Williston, a respected leader in the mining industry, before the House Ways and Means Committee:

"Twenty years ago we (the U.S.) were self-sufficient in many, if not most all, of these materials (nonferrous strategic and critical metals). Today we are uniformly importing more than half of our requirements, and the economic picture is such that a domestic miner is foolish if he searches for new deposits so long as the present Government policy holds. With domestic mine labor rates of \$20 or more a day, while Spanish competition pays \$2, our Italian competition pays \$6, and our Mexican competition pays \$4.50, it is impossible for American ingenuity to continue in the underground mining business. Anyone who states that American mine labor is from four to ten times as efficient as Spanish and Italian labor just doesn't know what he is talking about.

"It would seem to me that the whole idea of the Reciprocal Trade Act has to do with the sacrificing of certain domestic industries for the sake of other domestic industries which may be able to export their products. From a financial point of view foreign trade is of considerable importance to bankers and to some few brokers at the foreign miner who only makes \$2 a day, or even \$6 a day, is not a potential purchaser of American automobiles, or American refrigerators, or American television sets, or of any other of our manufactured articles. Actually, in bringing in these foreign metals produced with labor at these rates, we are only exploiting the foreign

labor and they, insofar as they are benefited under the program, neither pay taxes in the United States, purchase articles from the United States, nor vote in the United States."

#### PILGRIM AT TARIFF HEARINGS

Of particular interest to Alaskan prospectors and miners is the fact that Earl Pilgrim represented the Alaskan industry at the tariff hearings in Washington. Mr. Pilgrim is the well known owner of the Stampede antimony mine in the Kantishna. He presented Alaska's case against low tariffs and reciprocal trade for all metals as well as antimony. When the market was good, Stampede was at times the No. 1 U.S. antimony producer. For many years now, Mr. Pilgrim has struggled to find a reasonable market to enable him to produce more than just once in a while.

#### NEW RECORDING PRECINCT MAP

The University of Alaska School of Mines has revised and reprinted its map showing the recording precincts in Alaska. Claim location certificates and assessment work affidavits must be filed for record in the recording office of the recording precinct within which the claims lie. The map shows the locations of the boundaries and the recording offices of all the precincts. It also outlines the larger areas which are withdrawn from prospecting. It may be purchased for \$1.00 from the School of Mines, College, Alaska.

#### E. AND M. J. METAL MARKET PRICES

	<u>Mar. 27,</u> <u>1958</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	24.6¢	24.6¢	31.5¢
Lead, per lb.	13¢	13¢	16¢
Zinc, per lb.	10¢	10¢	13-1/2¢
Tin, per lb.	93-1/2¢	94-1/2¢	99-3/4¢
Quicksilver, per flask	\$232-236	\$225-230	\$255-257
Silver, foreign, New York	89.6¢	89.6¢	91-3/8¢
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢
Nickel, per lb.	74¢	74¢	74¢
Molybdenum, per lb. in con.	\$1.18	\$1.18	\$1.18
Platinum, per oz.	\$69-75	\$71-75	\$92-95
Titanium ore (Ilmenite)			
per ton	\$26.25-30.00	\$26.25-30.00	\$26.25-30.00
Tungsten ore, per unit	\$19.50-20.00	\$19.50-20.00	\$55.00
*Chrome ore (48%, 3 to 1 ratio)			
per ton	\$115.00	\$115.00	\$115.00

\*GSA guaranteed stockpile price. Not quoted by E. & M. J.