State of Alaska
Department of Natural Resources
DIVISION OF MINES AND MINERALS

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MINES BULLETIN

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MINING ACTIVITIES

There is little we can publish at the moment because of the need to keep the various prospecting and exploration plans from receiving unwanted publicity, but 1960 is shaping up as another good year for mining exploration ventures in Alaska.

OIL NEWS

On May 17, 1960, the DM&M held a hearing at 1 p.m. in the auditorium of the Anchorage Y.M.C.A. concerning proposed amendments, additions and deletions of the general rules and regulations governing the conservation of oil and gas in Alaska.

Five major oil companies suggested changes and two approved of the proposals as written. The former were the Humble Oil and Refining Co., Mobil Oil Co., Shell Oil Co., Standard Oil Co. of California, and Union Oil Co. of California. Approval was offered by the Phillips Petroleum Co. and Sinclair Oil and Gas Co.

Copies of the hearing transcript together with the letters of the aforementioned seven companies submitted to the DM&M for consideration can be obtained from the Oil and Gas Section of the DM&M, 329 - 2nd Avenue, Anchorage.

The oil and gas industry will be advised when the revision of the oil and gas conservation rules and regulations has been completed.

Drilling News:

Operator	Well Name & No.	Status End of May
SOCAL	SRU 14-27	TD 11,229' - top of third fish @ 11,088', undercutting fish @ 10,923'
SOCAL	SRU 32-10	TD 12,029' - top of cemented fish @ 11,761', testing upper zones
SOCAL	SCU 32-4	TD 11,119' - running 5-1/2" csg., stuck @ 8,114', preparing to retrieve csg.
Richfield	Kaliakh River Unit No. 1	TD 14,699' - set 7" csg. @ 13,421', testing selected zones
Richfield	Kaliakh River Unit No. 2	site prepared
Benedum	Nulato Unit No. 1	TD 12,000'+, drilling

DM&M has just issued permits to SOCAL to drill SRU 12-15 and SCU 14-4.

RELEASE OF OIL WELL RECORDS

Under the provisions of the Alaska Oil and Gas Conservation Act (Chapter 40, SLA 1955) as amended by Chapter 75, SLA 1960, certain well records as shown below have passed through the required two years' confidential period and will be released by the Division of Mines and Minerals to the public. The release will be on June 15. The method of release will be by sale by private firms, since the DM&M has not the facilities for printing or selling the records. The State will receive no proceeds from the sales, nor will it pay the firms to do the printing. The two firms from which the records may be purchased on or after June 15 are the Alaska Scouting Service, Box 2278, Anchorage, and the Glacier Blueprinting Co., 304 B Street, Anchorage. Please contact these firms for price quotations. The records that will be available are the following:

Company	Well No.	Location
	(Seward B. & M.)	
Alaska Consolidated Oil Co.	Iniskin Unit Beal 1	Sec 17, T5S, R23W
Anchorage Gas & Oil Dev. Co., Inc.	Rosetta 1	Sec 20, T18N, R3W
Anchorage Gas & Oil Dev. Co., Inc.	Rosetta 2	Sec 20, T18N, R3W
Anchorage Gas & Oil Dev. Co., Inc.	Rosetta 3	Sec 21, T18N, R3W
Associated Oil Co.	Alaska 1	Sec 20, T29S, R43W
Associated Oil Co.	Finnegan 1	Sec 30, T29S, R43W
Standard Oil Co. of Calif.	Swanson River Unit 1	Sec 10, T8N, R9W
	(Copper River B. & M.)	
Colorado Oil & Gas Corp.	Yakutat 1	Sec 5, T28S, R34E
Colorado Oil & Gas Corp.	Yakutat 2	Sec 2, T28S, R34E
General Petroleum Corp.	Sullivan 1	Sec 7, T22S, R21E
Phillips Petroleum Corp.	Sullivan 1	Sec 10, T22S, R21E
Phillips Petroleum Corp.	Sullivan 2	Sec 9, T22S, R21E

NEW BULLETIN

The State Division of Lands has joined us in this method of getting the word to the taxpayers and has started publishing a bulleting called Alaska Land Lines. The first issue has items headed as follows: "Competitive Oil and Gas Leasing Announced," "Oil and Gas Regulations Hearings Scheduled," "Opening of Coal Lands Disclosed," "Change in Coal Leasing Regulations Slated," "Tentative Plans For Gunnery Range Area Announced," "Division of Lands Assists in Acquiring School Sites," "Forestry News," "Recreation and Parks Summer Program," "Invitation to Submit Proposals on Subdivisional Survey Announced," "Land Regulations Progress," "Land Nominations Invited," "Land Lease Auction Planned," "Negotiated Transactions," " Reclamation Project Being Negotiated," and "Processing of Selections."

Persons wishing to be put on the mailing list for this new publication should write or contact the Division of Lands at 333 D Street, Anchorage.

OIL EXPLORATION NEWS

As near as we can determine, the following companies will have geological field parties working as shown this summer:

Company	No. of Parties	Areas of Operations
British American Petroleum Co.	One	Tuxedni Bay, Copper River Basin and Bethel Basin
British Exploration Company (Alaska) Inc.	One	Nulato Area, Arctic Slope and possibly the Kandik Area
Humble Oil & Refining Co.	Two	Fort Yukon Basin and Arctic Slope
Pan American Petroleum Corp.	Two	Copper River Basin, Mt. McKinley Area, Fort Yukon-Kandik Area and Brooks Range
Phillips Petroleum Company	One	Alaska Peninsula
Shell Oil Company	Four	Kandik Area and Arctic Slope
Sinclair Oil and Gas Co.	One	Kandik Area and Arctic Slope
Standard Oil Co. of Calif.	One	Copper River Basin
SUCOHOSU (Sunray, Continental, Honolulu & Superior)	One	Kandik Area
Superior Oil Company	One	Alaska Peninsula
Texaco, Inc.	Three	Kenai Peninsula, Ruby Area and Arctic Slope
Union Oil Co. of California	Two	Areas Unannounced
Western Gulf Oil Company	Two	Kenai Peninsula and Alaska Peninsula

OUR FOREIGN MINERAL POLICY

An interesting observation was made by W. G. Maloney of Butte, Mont. in an address before the Western Governors' Conference at Seattle recently. He pointed out that the only primary cobalt producing mine in the country has been closed down and its million-dollar plant sold for junk as a result of our government's reliance on foreign sources for strategic materials. We quote his further remarks on the subject from the news item:

> "This . . . resulted from the government's refusal to renew its purchase contract with the company in view of the substantial supply of cobalt which had been contracted from a large mining enterprise in Cuba," Maloney said.
>
> "Now this source of supply has been completely cut off by the antics of a revolutionary leader whose anti-American feelings are well known.
>
> "There could hardly be a better demonstration of the foolhardiness of relying solely on foreign sources for national requirements of strategic materials."

HOPE FOR TIN MINING

In spite of an adverse report from the Bureau of the Budget and the Dept. of the Interior against Senator Bartlett's bill, S. 1957, to establish prices for tin, it has been passed on favorably by the Senate Interior and Insular Affairs Committee. Senator

Bartlett reports that he will continue to do everything he can in behalf of the bill.

S. 1957 would provide for prices of $1.40 per pound for tin in concentrates from lode mining and $1.25 for tin in placer concentrates for up to 10,000 long tons of such tin and for not more than a 10-year period.

ROADS

A BPR official stated at a transportation conference in Fairbanks that the State of Alaska will be faced with road costs totalling $13,200,000 per year by July 1, 1962. Present gasoline tax income is $3,500,000 per year. As we see it, the best road expenditures that can be made are those for simple access roads to open up areas in which truck transportation will be the key to resource development. By "simple access roads" we mean roads sufficiently well built to stand up for several seasons, but not carefully-engineered high-speed highways for pleasure driving. In many cases, a single-lane road with occasional turnouts would be sufficient. With this type of road construction, we will get the most country opened up for the money expended.

NEW REPORTS

A brief summary of data resulting from last summer's work at the Beluga coal development project has been made available to the public for open-file use by the USBM. The report may be seen at the Bureau's offices at Anchorage and Juneau and at the Juneau office of this Division. The Bureau's drilling project on the Beluga coal is continuing.

The USGS has released an open-file report which is available for inspection at its library at 345 Middlefield Road, Menlo Park, Calif., entitled as follows: "The Glacier Bay National Monument in Southeastern Alaska--its glaciers and geology." Also released by the USGS are aeromagnetic profiles for parts of the Kobuk, Minchumina, Cape Espenberg, Cape Lisburne, and Brooks Range areas. These profiles may be seen in Alaskan USGS offices, the Anchorage DM&M office, and may be reproduced at the requestor's expense at the USGS Menlo Park address.

NEW INDUSTRY

A news item reports a $250,000 clay brick and tile factory is being set up at Anchorage. The company is the Atlas Brick and Tile Co., and operation is expected to commence on June 1. The plant is expected to have a capacity of 80,000 to 100,000 brick per day, and the aim is to change the present-day fact that there are practically no clay brick homes in Alaska.

ETCETERA

Possibly by the time this Bulletin is received, hearings on proposed regulations for the implementation of the Pioneer Access Roads Act will have been held in Fairbanks and Anchorage on June 2 and 3. Many applications for roads under the Act, which has an appropriation of $1,000,000, have been received. Interest at the hearings is expected to be high. Quite a few of the applications do not appear to fit the intent of the Act.

A three-year research project is starting at the University of Alaska School of Mines under Professor Don Cook which may result in better methods of separation of certain minerals. The study will investigate the basic magnetic properties of the primary minerals of aluminum, magnesium, titanium, zirconium, and beryllium.

The directors of the Alaska Miners Association scheduled a meeting on May 23 at Fairbanks.

The next State oil and gas lease sale will be held on July 13 at the Division of Lands offices at 333 D Street, Anchorage.

Action on creating the 9-million acre Arctic Wildlife Range is still being postponed in the Senate, chiefly through the efforts of Alaska's Senator Bartlett until he can obtain more information on its need and how it will be administered. Bartlett's bill to require congressional approval of Federal withdrawals in excess of 5000 acres should be passed without too much trouble, since it is co-sponsored by 34 other Senators.

U. S. Steel, through its subsidiary Columbia Iron Mining Co., has taken an option to purchase coal lands at Crows Nest Pass in B.C. for $17,000,000. This would appear to be another move toward the establishment of a West Coast steel industry and may hasten the development of the SE Alaska iron deposits held or optioned by Columbia.

E. AND M. J. METAL MARKET PRICES

	May 19 1960	Month Ago	Year Ago
Copper, per lb.	33.0¢	33.0¢	31.6¢
Lead, per lb.	12¢	12¢	12¢
Zinc, per lb.	13¢	13¢	11¢
Tin, per lb.	99.9¢	99.3¢	102.3¢
Nickel, per lb.	74¢	74¢	74¢
Platinum, per oz.	$81-85	$81-85	$76-80
Quicksilver, per flask	$212-215	$212-215	$245-247
Silver, foreign, New York	91.4¢	91.4¢	91.4¢
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢
Antimony ore, per unit	$3.30-3.35	$3.30-3.35	$3.10-3.20
Chrome ore, per long ton	$35-36	$35-36	$40-42
Molybdenum conc., per lb.	$1.25	$1.25	$1.25
Titanium ore, per ton	$23-26	$23-26	$23-26
Tungsten ore, per unit	$24-25	$22-24	$20-22