

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

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GEOLOGICAL SURVEY

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MINING ACTIVITIES

Southcentral - Dredges operated by John Stevens and John Miscovich at Flat ran at least part time during the summer. John and Rich Fullerton are now mining on Willow Creek near Flat. Serge and Alvin Agoff were also mining in the area.

Bob Lyman mined and shipped several tons of cinnabar concentrates from the White Mountain deposit, about 70 miles east of Red Devil.

Northwest - Exploration activity was high on the Seward Peninsula this summer. Members of the U. S. Geological Survey and Bureau of Mines were mapping and drilling ore deposits and several mining companies had exploration parties in the field. Rumors are that several interesting prospects have been found so that activity will be high again next season.

Central - As the result of a discovery by a State Mining Geologist, a promising new copper property was partly explored this past summer by a prospecting crew of Moneta Porcupine Mines, Ltd., of Vancouver and Toronto. The location is in the Denali-Maclaren area. Morris Kaufman, Mining Geologist for the Alaska Division of Mines and Minerals, first discovered the mineralization in the course of his geological mapping in the area during the summer of 1963. His subsequent report on his find was made public by simultaneous releases by the Division of Mines and Minerals in Alaskan cities during the following winter. Hand trenching has disclosed a number of high grade zones or bands of significant width, but depth and length are unknown as yet. Also unknown is the connection or relation between the various exposed zones, which are found over strike length of 1,500 feet in an area of about 300 feet wide. A drill was moved to the property late in the season and a small amount of drilling was done. The results of the drilling were largely disappointing, but Moneta plans to continue the drilling next year and to bring a bulldozer to the property for more and deeper trenching.

NATOMAS COMPANY QUITS DREDGING IN CALIFORNIA

The Natomas Company, for many years one of the leading gold dredging companies in California, has sold their equipment at auction. The Company gave up because of steadily increasing costs while the price of gold remained fixed at \$35 per ounce. The Natomas Company now holds controlling interest in the American President Lines (Steamships) and interests in other operations.

OIL NEWS

Drilling Activity:

<u>Operator</u>	<u>Well Name and Number</u>	<u>Status 10/23/64</u>
Pan American Petroleum Corp.	Middle Ground Shoal #4	Testing
Pan American Petroleum Corp.	Middle Ground Shoal #3	Testing
Pan American Petroleum Corp.	Middle Ground Shoal #6	Drilling
Humble Oil and Refining Co.	Tyonek Reserve #1	Drilling

<u>Producing Wells</u>	<u>Oil Barrels</u>	<u>Gas (MCF)</u>
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Production, Swanson River Field, Hemlock Zone:

September 1964	55	914,025	266,486
Cumulative to October 1, 1964		36,365,859	8,328,928

Production, Kenai Gas Field:

September 1964	3	224,983
Cumulative to October 1, 1964		7,777,974

Production, Sterling Gas Field:

September 1964	1	3,797
Cumulative to October 1, 1964		106,203

Production, Swanson River Gas Field, Kenai Zone:

September 1964	4	260,534
Cumulative to October 1, 1964		8,104,310

Gas Injection, Swanson River Field, Hemlock Zone:

September 1964	3	410,716
Cumulative to October 1, 1964		10,993,630

No drilling permits were issued during the month of September.

Second Multiwell Permanent Platform to be Erected Near Middle Ground Shoal:

J. R. McDermott and Company has been awarded the contract to design and construct a \$9,000,000 all weather permanent drilling and production platform for Pan American Petroleum Corporation in the immediate vicinity of the Pan American Middle Ground Shoal #4 well. The platform will be close enough to the #4 well to service it with a cantilevered deck. Eight 30-inch steel tub foundation piles will hold each of the four platform legs to the inlet floor.

Development wells will be drilled through the foundation piles much like up-land wells are drilled through a conductor pipe. Pan American has also announced plans for a \$12,000,000 underwater pipeline through which the oil will be pumped to a site in the East Forelands area.

It is anticipated that the platform will be completed and ready for development drilling by the fall of 1965.

Shell Oil Company is currently drilling in foundation piles on its permanent platform, which is also in the Middle Ground Shoal area.

#### NEW PUBLICATIONS

Division of Mines & Minerals Geochemical Report #1, Geochemical Investigations of Selected Areas in Southeastern Alaska, 1964, by C. F. Herbert and W. H. Race. This report describes the results of geochemical sampling of stream sediments and indicates bedrock where observed in each area. The areas include:

Skagway: Samples were taken from the area near the old molybdenum prospect at Clifton and the lower portion of the Taiya Valley.

Lynn Canal: Samples were taken on the mainland west of Sullivan Island, William Henry Bay and Berners Bay.

Taku River: A few samples were taken near the Canadian border.

Gambier Bay: Samples were taken over a large area including an old copper prospect.

Stikine River: A few samples were taken near the Canadian border.

Ratz Harbor: Samples were taken adjacent to the logging roads back of Ratz Harbor.

Hollis: Samples were taken adjacent to logging roads in the Maybeso and Harris Valleys.

Kina Cove: Streams adjacent to logging roads were sampled.

Twelvemile Arm: Most of the watershed of Twelvemile Creek was sampled.

Several areas contain anomalous amounts of copper, lead, zinc or molybdenum and warrant further prospecting. The report will be available in two weeks over the counter at DM&M offices in Ketchikan, Juneau, Anchorage, and Fairbanks at a price of \$0.75. Mail orders will be handled through the Juneau Office, Box 1391, Juneau 99801.

U.S. Geological Survey, Map MR-41, Industrial Minerals and Construction Materials Occurrences in Alaska, by E. H. Cobb. For sale by the USGS, Denver Federal Center, Denver, Colorado at a price of \$0.75.

#### PROSPECTOR ASSISTANCE IN TORONTO, CANADA

Mrs. Viola MacMillan, President of the Canadian Prospectors and Developers Association, hopes to provide annual grubstakes of \$10,000, \$25,000, and \$100,000 for independent prospectors. Syndicates of investors would put up each grubstake and take 80% of profits from any discovery, leaving 20% to the prospectors.

Mrs. MacMillan believes the plan would attract more young people into mining and prospecting careers and revive a nearly extinct way of life. But the men would fare somewhat better than their fabled predecessors of a century ago. Besides getting fresh supplies by parachute drop, the modern mineral hunter's grubstake would include an allowance for one month of paid vacation each year.

#### UNIVERSITY OF ALASKA MINING SHORT COURSE SCHEDULE

The University of Alaska Mining Short Course with Henry Waterfield instructing will be scheduled as follows: Galena, Sept. 21 to Oct. 16; Ft. Greeley, Oct. 19 to Nov. 13; Adak, Nov. 16 to Dec. 11; Petersburg, Jan. 4 to Jan. 29; Unalakleet, Mar. 1 to Mar. 26; Big Lake, Mar. 29 to Apr. 23; and Glennallen, Apr. 26 to May 21.

Leo Mark Anthony will conduct the Course at the following: Anchorage, Oct. 19 to Nov. 20 and Jan. 4 to Feb. 5; Ft. Richardson, Nov. 23 to Dec. 18; and Seward, Feb. 8 to Mar. 5. He will also instruct the geochemical course as follows: Anchorage, Sept. 21 to Oct. 2 and Apr. 26 to May 7; Palmer, Oct. 5 to Oct. 16; McGrath, Mar. 8 to Mar. 19; Nome, Mar. 22 to Apr. 2; Juneau, Apr. 12 to Apr. 23; and College, May 10 to May 21.

#### THE TALLMAN CASE

The Federal Government, speaking through the Department of Justice, last week asked the Supreme Court of the U.S. to reverse a decision by the District Court of Appeals and uphold the validity of oil and gas leases covering 25,000 acres of the public domain within the Kenai National Moose Range. The Court heard oral arguments from attorneys from the Dept. of Justice and attorneys representing the Tallman group. A decision is expected before the end of the year. Producing leases operated by Standard Oil Co. of Calif. are indirectly affected.

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

	October 26, 1964	Month Ago	Year Ago
Copper, per lb.	34¢	33.45¢	31.0¢
Lead, per lb.	15¢	14¢	12¢
Zinc, per lb.	14.4¢	13.5¢	12.5¢
Tin, per lb.	206¢	195¢	122.75¢
Nickel, per lb.	79¢	79¢	79¢
Platinum, per oz.	\$87-90	\$87-90	\$79-82
Mercury, per flask	\$370-385	\$335-340	\$193-196
Antimony ore, per unit	\$8.00-8.75	\$8.25-9.40	\$4.25-4.35
Chrome ore, per long ton	Not Quoted	Not Quoted	\$36-38
Beryllium ore, per unit	Not Quoted	Not Quoted	Not Quoted
Molybdenum conc., per lb.	\$1.55	\$1.55	\$1.40
Titanium ore, per ton	\$23-26	\$23-26	\$23-26
Tungsten ore, per unit	\$17-19	\$17-19	\$16-18
Silver, New York, per oz.	129.3¢	129.13¢	129.3¢
Silver, U.S. Treasury, per oz.	129.29¢	129.29¢	90.5¢