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

P. O. Box 1391
Juneau, Alaska

MINES AND PETROLEUM BULLETIN

March, 1966

Vol. XIV

No. 3

MINING ACTIVITY

Northwest - The Kennecott Copper Company's shaft at Bornite has reached a depth of nearly 700 feet. It is reported that no unforeseen difficulties have been encountered and that the rock through which the shaft is being dug is very stable. Plans call for completing the shaft to the 1000 foot level at which point sumps and pumping facilities will be installed and lateral development begun.

OIL AND GAS

During the month only one new application for permit to drill was approved by the Petroleum Branch of the Division.

Susie Unit #1 - Atlantic Refining Company, Operator - 980' FNL & 760' FEL, Section 22, T2N-R13E, U.P.M. The drilling equipment for this well was all airlifted from Fairbanks to the location. The well is preparing to spud before March first.

Another application was approved January 28 which did not make last month's report.

MGS 17595 #6 - Pan American Petroleum Corporation, Operator - 1990' FNL & 570' FWL, Section 31, T9N-R12W, S.M. This is a platform well designed as a straight hole to replace their MGS 17595 #4 which was drilled from a barge and which they have been unable to hook up for production.

Drilling Activity:

<u>Operator</u>	<u>Well Name & Number</u>	<u>Status 2/24/66</u>
Atlantic Refining Company	Rainbow-Federal #2	Abandoned
Atlantic Refining Company	Lorraine State #1	Drilling
Shell Oil Company	MGS A-32-14 (A-4-6)	Completed - oil well
Shell Oil Company	MGS A-34-14	Drilling
Wallace Mining Company	Wallace-Knutson #1-A	Changing to rotary
Pan American Petroleum Corp.	USA Edna May Walker #1	Drilling

Oil and Gas (Continued)

Operator	Well Name & Number	Status 2/24/66
Texaco, Inc.	Nicolai Creek State #1	Drilling
Texaco, Inc.	Trading Bay State #1	Location
Texaco, Inc.	Coal Bay State #1	Location
Pan American Petroleum Corp.	MGS 17595 #5	Drilling
Pan American Petroleum Corp.	MGS 17595 #6	Drilling
Sinclair Oil and Gas Co.	Colville State #1	Drilling
Standard Oil Co. of Calif.	Naptowne #24-8	Drilling
Atlantic Refining Company	Susie Unit #1	Location

PRODUCTION - JANUARY, 1966
 *Cumulative to Feb. 1, 1966

Field	Zone	Prod. Wells	Oil, Bbls.	Gas, MCF
Swanson River	Hemlock	50	943,027	357,239
			*51,202,221	*13,239,567
	Kenai	2		131,911
				*10,954,090
	Hemlock (Injection)	3		829,566**
				*17,599,956
Middle Ground Shoal	Hemlock	3	50,048	23,054
	& Kenai		*77,505	*33,459
Kenai	Kenai	7		1,517,184
	(incl. 3 dual)			*16,793,602
Sterling		1		16,768
				*265,930

** Includes 608,664 from Kenai
 Correction for Middle Ground Shoal in December oil production 26,298 bbls.

WILDERNESS ACT MINERAL SURVEYS

The U.S. Geological Survey and the U.S. Bureau of Mines are in the process of making mineral surveys of more than 5½ million acres of

National Forest Primitive areas in the western states. A deadline of seven years has been set for completion of the surveys. Six out of thirty-four Primitive areas are in the final stages of reporting.

It is understood that the U.S. Geological Survey will have a field party in Glacier Bay National Monument in Southeastern Alaska this coming field season to investigate the mineral potential of that area.

PROPOSED LEGISLATION

Alaska - Senate Bill 217, would appropriate \$500,000 for a winter haul trail from Fairbanks to the Arctic Slope via Anatumuk Pass.

Senate Bill 262, simplifies and clarifies prospecting permits and locations on state shorelands, tidelands, and submerged lands.

Washington - Senate Bill 338, to liberalize tax reductions on mining exploration expenditures, passed the House of Representatives in the form of H.R. 4665. It would remove the existing restriction in the amount of exploration expenses deductible by mining companies.

CONTRACT FOR MINE MOUTH PLANT AWARDED

The Golden Valley Electric Association has awarded a \$4,217,000 construction contract to B-E-C-K Construction Company and Raber-Kief Construction Company for the construction of the Healy mine-mouth power plant. The 22,000 kilowatt plant will be built near the Usibelli Coal Mine and furnish power to the Fairbanks area.

NEW PUBLICATIONS

U.S. Geological Survey, Open File Report, Results of Stream Sediment Sampling in the Iliamna Quadrangle, Alaska, by Bruce L. Reed and Robert L. Detterman. A compilation of semiquantitative spectrographic analyses of stream-sediment samples taken during the course of mapping the quadrangle during 1964 and 1965. Available for reading at the various U.S. Geological Survey and Division of Mines and Minerals offices.

U.S. Geological Survey, Open File Report, Oil Yield and Chemical Composition of Shale from Northern Alaska, by Harry A. Tourtelot and Irvin L. Tailleux. Seventeen pages, 1 figure and 5 tables. The publications reveal that the shales contain exceptionally high quantities of oil and significant amounts of such metals as copper, zinc, molybdenum, silver and gold. The report is available for reading at the various

U.S. Geological and Division of Mines and Minerals offices within the State. Copies may be procured for \$3.00 from the Alaskan Geology Branch, U.S. Geological Survey, 345 Middlefield Road, Menlo Park, California and at 15426 Federal Building, Denver, Colorado. DO NOT SEND THE MONEY - Simply order the copy and you will be billed by the individual making the copy.

Division of Mines and Minerals, Geochemical Report No. 6, Geochemical Investigations of Selected Areas in Southeastern Alaska, 1964 and 1965 by C.F. Herbert and W.H. Race, Sixty-six pages and numerous maps. Five areas are recommended for detailed prospecting and several others that deserve additional investigation.

Division of Mines and Minerals, Geochemical Report #9, A Geochemical Investigation Along the Taylor Highway, East-Central Alaska, by R.H. Saunders; 17 pages and 13 maps. Reveals nearly 20 areas that deserve additional prospecting.

Division of Mines and Minerals Geological Report #19, Geology of Part of the Amphitheatre Mountains, Mt. Hayes Quadrangle, Alaska, by A.W. Rose. Twelve pages and maps. One titaniferous magnetite body discovered and reported and several anomalous stream sediment samples reported.

These reports will become available during March over the counter at the various offices of the Division of Mines and Minerals as well as by mail from the Juneau office, Box 1391, Juneau, Alaska, 99801. Price \$1.00.

LAND WITHDRAWAL LOCATIONS

The following summary of withdrawals has been prepared with the cooperation of the Bureau of Land Management so that interested people may have a better understanding of which withdrawals are open for mining locations and mineral leasing. The map scale and size precludes accuracy so anyone interested in the exact boundary of any particular withdrawal should contact their nearest Bureau of Land Management office.

Land Withdrawal Locations and Their Availability for Mining and Prospecting

<u>Name</u>	<u>Acreage</u>	<u>Open To Mining Locations</u>	<u>Open To Mineral Leasing</u>
1. Arctic National Wildlife Range	8,900,000	No	Yes 1/2
2. Army Nike Range	607,800	No	No
3. Bering Sea National Wildlife Refuge	39,058	No	No
4. Cape Denhigh Reindeer Station	48,000	No	No
5. Clarence Rhode National Wildlife Range	1,871,360	Yes	Yes 1/2
6. Fort Greely Maneuver Area	572,000	No	No
7. Fort Wainwright Bombing and Gunnery Range	654,680	No	No
8. Granite Creek Testing and Maneuver Area	51,590	No	No
9. Hazen Bay National Wildlife Refuge	6,800	No	No

10.	Kobuk Native Reserve	144,000 ^{1/2}	No	No
11.	Military Reservation (Airfield) Kobe, Alaska Railroad	34,013	No	No
12.	Military Reservation, Gerstle River	19,000	No	No
13.	Military Reservation, Eielson Air Force Base	8,320	No	No
14.	Military Reservation, Fairbanks	22,600	No	No
15.	Mt. McKinley National Park	2,719,490	Yes	No
16.	Naval Petroleum Reserve No. 4	23,000,000	Yes ^{2/}	No
17.	Norton Bay Native Reserve	200,000	No	No
18.	Muniyak National Wildlife Refuge	1,109,384	No	No
19.	Power Site Class. 443, Denali Project	83,500	Yes	Yes
20.	Power Site Class. 450 (Nenana River Area)	21,085	Yes	Yes
21.	Power Site Class. 445 (Rampart)	8,958,720	Yes	Yes
22.	St. Lawrence Island Reindeer Station	1,205,000	No	No
23.	Tetlin Indian Reserve	557,000	No	No
24.	Venetie Indian Reserve	1,408,000	No	No
25.	Yukon Command Training Site	256,000	No	No
26.	Kenai National Moose Range	2,000,000	No	Yes ^{3/}
27.	Izembek National Wildlife Range	415,000	No	Not classified ^{4/}
28.	Aleutian Islands Wildlife Range	2,899,000	Not Specified	^{4/}
29.	Kodiak National Wildlife Refuge	1,957,000	No	^{4/}
30.	Moquawkie Indian Reservation	25,000	No	Yes
31.	Glacier Bay National Monument	2,297,598	Yes ^{5/}	No
32.	Katmai National Monument	2,697,540	No	No
33.	National Forest	20,916,000	Yes	Yes ^{6/}
34.	Power Site Classification 452		Yes ^{7/}	Yes ^{8/}
35.	Power Site Classification 395		Yes	Yes

^{1/} See 43 CFR 3120.3-3

^{2/} With BLM and Navy concurrence.

However, also see Solicitor's Opinion, 63 I.D. 346 (1956).

^{3/} Northern half open subject to F&WS stipulations, Southern half closed.

^{4/} Mineral leasing is not barred within these areas, but they have not yet been classified in accordance with 43 CFR 3120.3-3.

^{5/} Subject to 43 CFR 3636, National Park Service stipulations.

^{6/} Subject to Department of Agriculture stipulations.

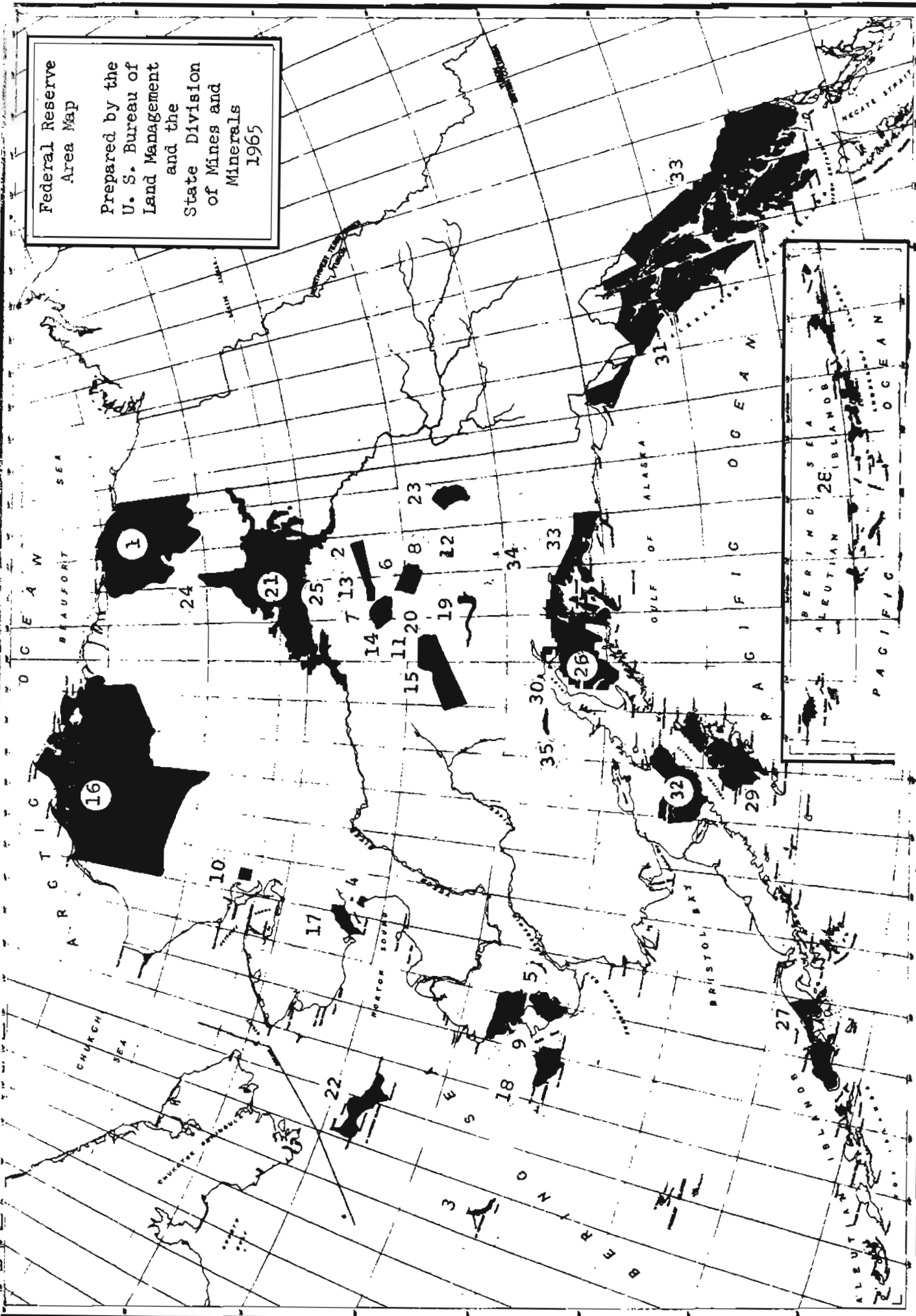
^{7/} Subject to act of August 11, 1955 (69 Stat. 681).

^{8/} Subject to Department of Interior stipulations.

E. AND M.J. METAL MARKET PRICES

	<u>February 28 1966</u>	<u>Month Ago</u>	<u>Year Ago</u>
Copper, per lb.	36¢	36¢	34.0¢
Lead, per lb.	16¢	16¢	16¢
Zinc, per lb.	15¢	15¢	15¢
Tin, per lb.	175.56¢	177.9¢	155.25
Nickel, per lb.	77.75¢	77.75¢	79¢
Platinum, per oz.	\$97-100	\$97-100	\$97-100
Mercury, per flask	\$445-455	\$508-515	\$490-505
Antimony ore, per unit	\$5.50-6.50	\$5.50-6.50	\$7.80-8.50
Beryllium powder, 98% per lb.	\$54-66	\$54-66	\$54-66
Chrome ore, per long ton	\$31-35	\$31-35	\$30-35
Molybdenum conc., per lb.	\$1.55	\$1.55	\$1.55
Titanium ore, per ton	\$21-24	\$21-24	\$23-26
Tungsten ore, per unit	\$40.25-40.75	\$32.75-33.25	\$17-19
Silver, New York, per oz.	129.3¢	129.3¢	129.3¢
Silver, U.S. Treasury, per oz.	129.29¢	129.29¢	129.29¢

Federal Reserve
Area Map
Prepared by the
U. S. Bureau of
Land Management
and the
State Division
of Mines and
Minerals
1965



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