

MINING ACTIVITIES

FIRST DIVISION - A long-known but forgotten pyrite deposit near Juneau has recently been staked by Fred Magill, well-known local prospector and fisherman. The deposit has a known width of over 20 feet and has been traced for 250 feet in length. Samples taken by a Department engineer several years ago indicated a one percent copper content, while recent samples have shown a sulphur content in excess of 30 percent. This is the type of deposit that is of interest to present-day sulphur companies.

We are sorry to have to announce that our Ketchikan assay office is temporarily out of commission. By referendum the citizens of Ketchikan voted to sell the city-owned lot and building formerly occupied by the Department and operated as a public assay office by Art Glover. No arrangements have yet been made for suitable substitute quarters. The Department is seriously considering the removal of this office to Juneau where Art's many years of acquaintance with Alaskan mining could be more effectively utilized; i.e., divided between ore analysis during the active prospecting season and statistical work on our Alaskan mineral inventory during the winter months. Samples originating in the First Division should be sent to Territorial Department of Mines Assay Office, P. O. Box 2139, Anchorage, Alaska, for analysis.

Admiralty-Alaska is negotiating for an airborne magnetometer survey of its Funter Bay nickel-copper deposit as a means of directing future underground development work. This will be the second such survey conducted by private interests-- the first being the Yakobi Island survey of last year by Lundberg Explorations, Ltd. for E. Miles Flynn and associates.

SECOND DIVISION - Completion of the mill at the Big Hurrah gold lode mine 35 miles east of Nome was delayed by a fire which destroyed part of the building and some of the machinery, according to T. P. Lane, manager of the operation.

A second mine operator has applied to this office for tax exemption, as provided for by Chapter 26, SLA 1953. The Kobuk Mines of Fairbanks, Alaska, operating on Dahl Creek, a tributary of the Kobuk River, commenced new operations with mechanical equipment last year. They will be entitled to a 3-1/2-year exemption from tax on income derived from their mining operations, said period of exemption beginning the day production commenced.

THIRD DIVISION - A second group has been formed to conduct radioactive investigations in this division. Radioactive Explorations of Alaska has organized at Bartlett (near Seward) and is registered with the Territorial Auditor's office.

Several hundred tons of equipment and material, including two tractors, compressor, fuel, prefabricated structures, powder, and food, have been landed at or near the Maclaren River copper prospect by Alaska Copper Company, a subsidiary of Alaska Freight Lines.

Alaska Oil and Gas Development Company resumed drilling operations on their lease in the Nelchina District on May 8.

Iniskin Unit Operators, Inc. of Los Angeles is now registered with the Territorial Auditor to do business in Alaska. This is the company that will be drilling in the search for oil next month near Iniskin Bay for the Havenstrite interests.

FOURTH DIVISION - A second group has also been formed in this division to conduct radioactive surveys. Rare Minerals Exploration Company, Inc. of Fairbanks has filed incorporation papers with the Territorial Auditor to do business in Alaska.

Recent interest has been shown in two areas showing nickel mineralization--one north and the other east of Fairbanks.

NEWS FROM THE AMERICAN MINING CONGRESS BULLETINS

MINING LAW REVISION: A bill that would remove several common minerals of widespread occurrence from acquisition under the mining laws and limit use of mining claims to bona fide mining operations has been introduced in the Senate by Senators Dworshak (Rep., Ida.) and Anderson (Dem., N.M.). The measure (S. 3347) was referred to the Committee on Interior and Insular Affairs.

Pertaining only to mining claims located after its enactment, the bill would provide in part (1) that "deposits of common varieties of sand, stone, gravel, pumice, pumicite, or cinders on lands belonging to the United States, including lands in national forests, shall be subject to disposal under and in accordance with the provisions of the Materials Act of 1947 . . .", and (2) that a mining claim based on a deposit of these minerals would not have "effective validity" unless the deposit "shall be valuable because of some other mineral occurring therein or in association therewith or because the deposit has some property giving it distinct and special value." (This should be of interest to Alaskans particularly since the recent litigation over gravel claims).

GSA PURCHASE PROGRAMS: The General Services Administration has announced the following deliveries of domestic minerals under the defense purchase programs from May 11, 1951 through March 31, 1954:

	<u>Deliveries</u>	<u>Authorized Goals</u>
Tungsten (short-ton units)	781,733	3,000,000
Manganese (long-ton units)	5,429,707	6,000,000
Chrome ore (long tons)	53,088	200,000
Beryl (short tons)	170	1,500
Columbium-tantalum (pounds)	3,901,051	15,000,000

These programs are separate from the exploration program of Interior Department's Defense Minerals Exploration Administration.

S. CON. RES. 79 - TEXAS TIN SMELTER: Johnson (Dem., Tex.). Committee on Armed Services. Would express the "sense of the Congress" as favoring the continued operation of the Government tin smelter at Texas City, Texas, until June 30, 1955.

Would further express the intent of Congress as favoring the transfer of responsibility, authority, and duties respecting the operation of the tin smelter to an appropriate department or agency.

Further provides that an appropriate Committee of Congress be designated to conduct a study and investigation of the desirability of a permanent domestic tin-smelting industry, and the adequacy of our strategic stockpile of tin and emergency sources of supply, to report to Congress no later than March 31, 1955. No later than April 30, 1955 Congress would be required to adopt appropriate legislation on the "tin-smelter question" after consideration of the Committee report. Identical bill, H. Con. Res. 226, introduced in the House by Thompson (Dem., Tex.).

S. 2875 - GEOLOGICAL, GEOCHEMICAL, AND GEOPHYSICAL MINING CLAIMS: Murray (Dem., Mont.) (Leg. Bull. #11, p. 1). In Public Lands Subcommittee of Senate Interior Committee. No action.

Would provide for the location of temporary mining claims by a prospector using geological, geochemical, or geophysical methods to ascertain the presence of minerals. If use of such methods resulted in the discovery of minerals in place, the claim would have the status of a regular mining claim upon the filing of an affidavit attesting to such discovery.

CURRENT METAL PRICES

The following metal prices taken from the E.&M.J. Metal Markets of May 27, 1954, should be of interest to the prospector and miner:

Copper	Domestic average - 29.7¢ refinery (per lb.)
Lead	14¢ N. Y. (per lb.)
Zinc	10-1/2¢ East St. Louis (per lb.)
Tin	93-1/2¢, prompt, N. Y. (per lb.)
Quicksilver	\$260 - \$265, N. Y. (per flask of 76 lbs.)
Silver	85-1/4¢ (per oz.)
Platinum	\$84 - \$87 (per oz.)
Nickel	60¢ (per lb.)

RADIOACTIVES

There are now five Alaskan corporations which have signified their intent to conduct airborne investigations for radioactive minerals this year. In addition to these, several private individuals and small groups are equipped for the same type of prospecting.

The four field offices of the TDM, as well as the Juneau headquarters office, are equipped to give an approximate "equivalent" analysis on radioactive material submitted by the public. The U. S. Geological Survey is similarly equipped at their College and Juneau field offices. The Geological Survey has also announced the re-opening of their Radioactivity Testing Laboratory at College, Alaska, on June 1 for the summer field season. Representative samples, about one pound in weight, should be selected for submittal and should be addressed to U. S. Geological Survey, Radioactivity Testing Laboratory, P. O. Box 4004, College, Alaska.

NEW CORPORATIONS

The following foreign corporations have registered with the Territorial Auditor to do business in Alaska:

Interstate Petroleum Communications, Inc.
30 Rockefeller Plaza
New York City

(To install communications and conduct geophysical surveys in the search for oil, gas, and other minerals).

Northern Pyrites Corporation
100 West 10th Street
Wilmington, Delaware

(For general mining and processing purposes).

MINERAL PATENTS

The TDM is receiving numerous requests for information pertaining to the patenting of mining claims. Three licensed mineral surveyors are operative in the Territory as follows:

Frank Metcalf
P. O. Box 1598
Juneau, Alaska

Edgar S. Philleo
P. O. Box 464
Fairbanks, Alaska

H. H. Waller
416 Queen Anne Avenue
Seattle 9, Washington

The cost of patenting a mining claim will vary with the location and the conditions of terrain and vegetation. A good average figure for Alaska, on un-surveyed lands, is approximately \$1,000 per claim.