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

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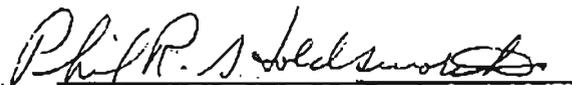
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DEPARTMENT POLICY STATEMENT

Following the recent official visit to Japan, the Department of Natural Resources has received numerous requests for the names and addresses of specific companies in Japan who might be contacted by prospective suppliers of natural resource raw materials in Alaska. In discussing with prospective Japanese purchasers those commodities we believe are available in Alaska, the Department offered the same service it has been providing United States industry in the past; namely, acting as a "clearing house" for interchange of factual information between the supplier and the buyer.

The Department is, among other things, charged with "protecting the interest of the investor in the mining industry." It is this responsibility which has dictated our past policy of providing examination and evaluation services to Alaskan mining property owners, while at the same time protecting the prospective developer or consumer by providing factual information on the potential resources.

The Department's activities in this area will be closely coordinated with those of the Division of Planning in the Governor's office and the Department of Commerce. The Division of Mines and Minerals will continue to assist the owners of Alaskan mineral deposits in their exploration and evaluation of such deposits and, where justified, to place the owner in direct contact with a purchaser or developer.

  
Phil R. Holdsworth, Commissioner  
Department of Natural Resources

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MINING ACTIVITIES

E&MJ reports that the Shattuck Denn Mining Corp. recently acquired control of the uranium properties of Bay West, Inc., located near Ketchikan. High-grade ore shipments are being prepared while, at the same time, exploration and development work is being done.

Mining companies known to be investigating Alaska mining possibilities during the past summer include the following: Newmont, Fremont, American Metals Climax, Phelps Dodge, Hanna, Shattuck Denn, Utah Construction, Kennecott, Texas Gulf Sulfur, Moneta Porcupine, Sunshine, Cordero, Asbestos Corp., and various Japanese concerns.

OIL NEWS

During September, the Petroleum Branch of the DM&M approved five drilling permits covering one exploratory and four development wells. In addition a re-entry permit was issued to the Belco Petroleum Corp. of New York City for the Iniskin Unit - A, Zappa No. 1 well located in the NE/4 of Sec 18, T5S, R23W, SM. Belco Petroleum Corp. is the designated agent of the Alaska Consolidated Oil Co., Iniskin Unit Operator. Location and operators for the five wells are as follows:



Core Hole No. 4, Colorado Oil & Gas, 2200' N & 200' W of the SE cor of Sec 27, T32S, R41E, CRM. El 4' grd.  
 Soldotna Creek Unit 34-8, SOCAL, 1200' N & 1350' W of the SE cor of Sec 8, T7N, R9W, SM. El 160' grd.  
 Soldotna Creek Unit 34-9, SOCAL, Sfc loc: 806' N & 2035' W of the SE cor of Sec 9, T7N, R9W, SM. El 128' grd. BHL: 1224' N & 2489' W of the SE cor of Sec 9.  
 Swanson River Unit 43-15 RD, SOCAL, Sfc loc: 1980' N & 620' W of the SE cor of Sec 15, T8N, R9W, SM. El 310' grd. BHL: 1980' N & 1220' W of the SE cor of Sec 15. Whipstocked out of SRU 43-15 @ 8900'.  
 Swanson River Unit 41-28, SOCAL, 697' S & 330' W of the NE cor of Sec 28, T8N, R9W, SM. El 184' grd.

Drilling permits issued during 1961 total 47. Twenty drilling permits were issued during the first nine months of 1960.

Drilling Activity as of September 28, 1961

<u>Operator</u>	<u>Well Name &amp; No.</u>	<u>Status</u>
Union	Fish Creek Unit 12-8	Spud 9-3, drlg @ 6371'
Pan American	Napatuk Creek No. 1	Prep. to plug & abandon
Richfield	White River No. 1	Set 9 5/8 @ 4268', WOC
Richfield	Bering River No. 1	Spud 9-9, drlg @ 2365'
Pure	Canoe Bay No. 1	Drlg @ 2945'
Hackathorn	Rosetta No. 4A	Squeezing perforations
SOCAL	Chaix Hills No. 1	Drlg @ 5054'
SOCAL	SCU 34-9	Spud 9-25, drlg @ 2035'
SOCAL	SCU 212-27	Drlg @ 7665'
SOCAL	SCU 34-5	Drlg @ 11026'
SOCAL	SCU 21-4	Fishing @ 10896'
SOCAL	SRU 43-15 RD	Spud 9-9, W/S out of SRU 43-15 @ 8900', drlg @ 10474'

During September, 1961 there were 14 active rotary rigs operating in Alaska - the largest number in the oil history of the State.

The following wells were completed during September:

<u>Operator</u>	<u>Well Name &amp; No.</u>	<u>Status</u>
Colorado O&G	Core Hole No. 3	Plugged and abandoned
SOCAL	Swan Lake Unit 34-27	Plugged and abandoned
SOCAL	SCU 41-5	Producing oil well
SOCAL	SRU 43-15	Plugged and abandoned

Production, Swanson River Field

	<u>Producing Wells</u>	<u>Oil (barrels)</u>	<u>Water (barrels)</u>	<u>Gas (MCF)</u>
August				
September, 1961	41	664,326	16,775	145,971
Cumulative to				
October 1, 1961		4,143,751	130,068	847,303
Sept.				

Production, Kenai Gas Field

	<u>Producing Wells</u>	<u>Oil (barrels)</u>	<u>Water (barrels)</u>	<u>Gas (MCF)</u>
August				
September, 1961	1	0	0	8,997
Cumulative to				
October 1, 1961		0	0	41,399
Sept.				



State Retains Emergency Noncompetitive Leasing Regulations - The emergency noncompetitive leasing regulations employed by the State for the noncompetitive oil and gas lease sale of July 25, 1961 have been adopted as permanent, and the changes will be reflected in Section 506.51 of the Alaska Oil and Gas Leasing Regulations, Title 11 AAC, Division 1, Chapter 5, Subchapter 1.

In essence, the regulations will now require certified funds for filing fees and all rentals. The first year's rental for any tract offered in a simultaneous filing non-competitive oil and gas lease sale will not be submitted with the filing fee. The winner by lot of each tract will be billed for the first year's rental, which is due 30 days after receipt of such notification.

Any tract of State land available for noncompetitive leasing not included in a simultaneous filing can be filed on pursuant to Section 506.22 of the Alaska Oil and Gas Leasing Regulations, and both the filing fee and the first year's rental will be submitted in certified funds at the time of offer.

Sterling Unit Agreement Approved - On July 7 the USGS approved the Sterling Unit Agreement covering 63,618 acres with the Union Oil Co. of California as operator. The unit area is located some two miles south of the Soldotna Creek Unit area and is adjacent to the Kenai Unit area.

Kahiltna River Development Contract Approved - Effective September 1, the Department of the Interior approved the Pure Oil Company's Kahiltna River Development Contract area which is included within Townships 18-24 North and Ranges 6-10 West, Seward Meridian, and covers 398,880 acres more or less. The contract stipulates the drilling of a first well by January 1, 1964.

Plan to Generate Electricity with Natural Gas - The first plant generating electricity with natural gas in Alaska will be located near the recently completed Sterling Unit 23-15 well, and plans call for supplying power to the Kenai city and community. The new electric power generation plant will be operated by Consolidated Utilities, Ltd., with Mr. Odin Strandberg of Anchorage as manager.

Release of Records - Pursuant to Section 2008.1 of the Alaska Oil and Gas Conservation Regulations, well records of Great Basins Unit No. 1, General Petroleum Corp., operator, will be released publicly on October 14, 1961.

New Wildcats Planned - Late news reports are that Pan American Petroleum Corp. is planning a wildcat location in the West Foreland area, and that Superior Oil Co. has completed over two miles of road to a wildcat location in its block in the Tyonek area successfully bid for in the last competitive sale. These new locations will be the first on the upper NW side of Cook Inlet.

#### DM&M PERSONNEL NEWS

Mr. Richard L. Denny has been appointed to the position of Assayer at our Ketchikan Assay Office, and is now on duty there. Though recently employed at a lead-zinc mine in Illinois for Eagle-Picher Co., Dick is a life-long Alaskan, having attended Anchorage High School and graduated from the University of Alaska School of Mines. His Alaskan mining experience has been in the placer camps.

Our Mining Engineer position at Juneau is still vacant, but will be filled shortly. A number of qualified applicants are now on the official eligible register.

The Director, James A. Williams, was elected chairman of the Western Governors Mining Advisory Council at a recent meeting of that body.



## OFFICE MOVE ANNOUNCED

The Juneau offices of the Department of Natural Resources have been moved from the Alaska Office Building to the Capital Building. The new room and telephone numbers are as follows:

	<u>Room</u>	<u>Telephone</u>
Office of the Commissioner	507	JUniper 6-2096
Division of Mines and Minerals	404	JUniper 6-2080
District Forester, Division of Lands	403	JUniper 6-3122

Mailing addresses remain unchanged as follows:

Office of the Commissioner	P. O. Box 1391, Juneau
Division of Mines and Minerals	P. O. Box 1391, Juneau
District Forester, Division of Lands	P. O. Box 1071, Juneau

### NEW REPORTS

The USGS has released two open-file reports pertaining to Alaska during the past month: (1) "Preliminary geology along the lower Yukon River, Alaska" by J. M. Hoare and (2) TEI-784, "Geologic aspects of the November 1960 high-explosives test at the Project Chariot site, Northwestern Alaska" by Reuben Kachadoorian. These reports can be consulted in the USGS offices in Anchorage, College, and Juneau, and also in the Division of Mines and Minerals offices in Juneau and Anchorage. The first report listed above can be obtained from the Geological Survey Library, 345 Middlefield Road, Menlo Park, California, by having reproductions made at private expense.

The USGS has also published in regular bulletin form Geology of Part of the Craig C-2 Quadrangle and adjoining areas, Prince of Wales Island, Southeastern Alaska. This is Bulletin 1058-H and the author is C. L. "Pete" Sainsbury. It is described as "the general and economic geology of an area 35 miles northwest of Ketchikan." It is for sale by the Superintendent of Documents, Washington, D. C., for \$1.00.

### ASSAYING PROBLEM

Every fall, starting about September 1, our assay offices are deluged with samples brought in by prospectors and miners who request immediate results so that they can get back out into the bush and continue such staking or exploration work as may be warranted by the assay returns before the "snow flies." We are fully in sympathy with this problem, and do the best we can under the circumstances. Much overtime is put in by our assayers in an effort to accommodate this fall rush with no particular complaint and no extra pay. However, we thought we would take this opportunity to publicly explain the problem and perhaps soothe the feelings of some who feel they should have received faster service. We will continue to assist the industry in this matter to the best of our facilities.

### WITHDRAWALS

Five House bills withdrawing a total of approximately 1,492,000 acres of public domain for military use have passed the Senate and now await the President's signature. The individual withdrawals are as follows: (1) 51,490 acres in the Granite Creek area, (2) 607,800 acres northeast of Eielson AFB, (3) 4,706 acres in the Campbell Creek area, (4) 256,000 acres in the Ladd-Eielson area, and (5) 572,000 acres in the Big Delta area.

### WILDERNESS BILL

S. 174, the National Wilderness Preservation System Bill, recently passed the Senate by a vote of 78 to 8 and is now in the Public Lands Subcommittee of the House Interior



and Insular Affairs Committee. Subcommittee Chairman Gracie Pfof (Dem., Idaho) has announced subcommittee hearings on the bill at McCall, Idaho, on October 30 and 31, at Montrose, Colo., on Nov. 1, and at Sacramento, Calif., on Nov. 6. Chairman Pfof has invited those in other States who would be materially affected by wilderness legislation to appear and submit their views. Other proposed wilderness legislation will also be considered.

The so-called "Alaska amendment" by Senator Gruening, which was adopted when the bill passed the Senate, should be explained here. It authorizes the establishment of a Presidential Land Use Commission in any State having more than 90 percent of its total land area owned by the Federal Government. This commission is to be composed of five members, including three from the State affected, and not more than three from one political party. The Commission will make recommendations to the Secretary of the Interior with regard to inclusion of areas in the wilderness system. These recommendations are to accompany each recommendation made to Congress for designation of a wilderness area in the State. (As the bill now stands, recommendations for new areas to be included will be submitted to Congress, but if Congress does not act negatively on the proposals before adjournment, the areas will be included.)

One concern that Senator Gruening brought out is that Alaska's national parks and monuments may be prevented from getting the transportation facilities that they so badly need. The wilderness bill provides that the Secretary may set aside any continuous park area of 5,000 acres or more without roads. There are no roads whatever in Katmai National Monument, and only one road along half of the northern boundary of Mt. McKinley, which road was originally a mining trail into the Kantishna mining district. The Senator sees that if these areas were added to the system, it would prevent any possible additional roads, and that further, no motorized marine transport would be allowed in Glacier Bay National Monument.

Regarding withdrawals in general, Senator Bartlett made a classic statement in a recent address to the Senate. He said, "The utilization of land in the best interests of present and future generations requires thorough research, and not uninformed idealism."

#### FORECLOSURE NOTICES

The Division of Lands' monthly publication, Alaska Land Lines, is publishing each month a list of the names and property descriptions of lands foreclosed to the State under the Land Registration Law. The greater number of these foreclosed properties are patented mining claims for which no ownership has been declared. The Division of Lands states it will soon sell these lands, but the legal owner may still redeem the property at any time prior to the sale by contacting that Division and establishing property ownership.

Further information can be obtained from the Division of Lands, 344 Sixth Ave., Anchorage. The second list of foreclosed lands included the following patented claim groups, all in the Chitina Recording District:

<u>Delinquent Serial No.</u>	<u>Property Description</u>	<u>Name of Last Known Owner</u>
3-118	USMS 547 - 41.22 acres	Chittyna Exploration Co.
3-119	USMS 613 - 41.322 acres	T. W. Blakney
3-120	USMS 654 - 20.661 acres	T. W. Blakney
3-121	USMS 655 - 38.345 acres	A. W. Tibbett
3-122	USMS 656 - 19.489 acres	A. W. Tibbett
3-123	USMS 873 - 289.00 acres	Theo VanWagonen
3-124	USMS 874 - 181.00 acres	Houghton, Alaska Exploration



<u>Delinquent Serial No.</u>	<u>Property Description</u>	<u>Name of Last Known Owner</u>
3-125	USMS 875 - 160.00 acres	F. G. Coggin
3-126	USMS 893 - 619.813 acres	Alaska Consolidated Copper Co.
3-66-7	USMS 1081 A&B, 1082 A&B	Mother Lode Coalition Mines Co.
3-67-7	USMS 1087, 1088, 1089, 1090, 1091, 1092, 1095	John E. Andrus
3-68-7	USMS 1401, 1402, 1403, 1404, 1405, 1406	John E. Andrus
3-69-7	USMS 1423, 1424 - 241.72 acres	Josevig-Kennecott Copper Co.
3-70-7	USMS 1454 - 35.60 acres	John E. Andrus
3-71-7	USMS 1455 - 86.74 acres	Oho C. Baumgartner, Mollie Gage, Margaret Gage Dean
3-72-7	USMS 1457 - 14.74 acres	Cyril F. M. Cole
3-73-7	USMS 1473 - 280.56 acres	Hamlin F. Andrus
3-74-7	USMS 1572 - 41.32 acres	Mother Lode Coalition Mines Co.
3-75-7	USMS 1595 - 19.96 acres	Sigurd Wold

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A different foreclosure action is being taken by the State Department of Revenue in connection with the old Property Tax Law which was enacted in 1949 and repealed in 1953. This law was protested by many as unconstitutional and unfair in its application, and has been the subject of many court contests testing its validity. The latest court decision held that the tax is collectable, but that no interest or penalties may be charged. The Department of Revenue is now making a last attempt to bring in the assessed taxes still on the books so that the whole matter can be closed out.

On September 25, Revenue caused to be published in each of the four Judicial Districts the first of several lists of property in that district to be foreclosed upon for taxes owed under this old tax law. According to the notices, the owner can have his property stricken from the foreclosure list by (1) paying the tax to the Commissioner of Revenue within 80 days of the above publication date, or (2) serving upon the Attorney General of Alaska or the Clerk of Court within the 80-day period a verified answer containing details of his interest and his defense or objection to the foreclosure. If nothing is heard from the owner within the 80-day period, the State will take judgment and possession. After foreclosure there will be no redemptions. This tax law, unlike the Land Registration Act, provided for no redemption after judgment.

Further information should be obtained from the State Department of Revenue, Alaska Office Building, Juneau, Alaska. Complete lists can be seen in the offices of the Clerks of Court in each Judicial District, offices of the U.S. Bureau of Land Management, and the Anchorage office of the State Division of Lands at 344 Sixth Ave., Anchorage. The first lists published contain the following patented and unpatented claims or groups. For locations and better descriptions of the properties, the complete lists should be consulted.

<u>Name of Last Known Owner</u>	<u>Property Description</u>
	<u>First Judicial District</u>
Admiralty Alaska Gold Mining Co.	USMS 1492 & 92 unpatented claims
Alaska Empire Gold Mining Co.	112 unpatented claims
Alaska Garnet Mining & Mfg. Co.	USMS 951
Alaska Goldfields Corp.	USMS 261, 4, 5, & 6 & 26 unpatented claims
Alaska Gold Mountain Mines	USMS 2011 & 12 unpatented claims
Alaska Juneau Gold Mining Co.	USS 1450 A&B & 1589 A&B
Alaska Mildred Gold Mining Co.	USS 579 A&B



Name of Last Known Owner

Property Description

First Judicial District

Alaska Snettisham Gold Mining Co.	USMS 382 A&B & 15 unpatented claims
America Coral Marble Co.	USMS 728
Anderson, Eskil	USMS 1596, 1599 & 10 unpatented claims
Dalton, John	USMS 574
Fritsche, August	USMS 1541
Hadley Consolidated Copper Co.	USMS 727, 603, 726
Hill, L. G., & Stratton, J. A.	USMS 1032
It Mining Co.	USMS 925
Ivanhoe Mining Co.	USMS 593, 593 B
Johnston, John	USMS 652
Pacific Coast Gypsum Mfg. Co.	USMS 647
Penn-Alaska Mining Co.	USMS 963
Power, Edward H.	USMS 555, 554
Rodman Bay Co.	USMS 554
Union Trust Co.	USMS 578
Wells, Lorenzo B.	USMS 267, 268, 270, 269, 425
West Coast Iron & Steel Co.	USMS 562 B, 1523 B, 1522 B
Windham Bay Gold Mining Co.	USMS 577

Second Judicial District

Anderson, Edward	10 unpatented claims
Cameron, W. H.	2 patented & 4 unpatented claims
Consolidated Alaskan Co.	157 patented claims
Dent, F. K.	20 unpatented claims
Frawley, M. M., estate	USMS 1114, 1819, 1295, 1852, 1207, 1216, 1215, 1257, 1267
Godfrey, S. L. & W. P.	41 claims
Jones, Charles D.	16 unpatented claims
Kelley, Emmet P.	USMS 1295, 501
Lane Investment Co.	15 patented claims & 2 unpatented claims
Lee Brothers Dredging Co.	51 unpatented claims
Lomen, Carl	USMS 1244, 1232
Nashenwing, L. & Arp, H.	4 patented & 7 unpatented claims
Outcalt, Ruth M.	USMS 1144
Porter, Wallace, estate	18 unpatented claims
Quigley, E. W.	39 unpatented claims
Rank, Kenneth	25 patented claims
Sheeter, Thomas W.	65 patented claims
Swanberg, Nels & Sons	26 unpatented claims
Worm, Otto	135 unpatented claims

Third Judicial District

Alaska Copper Corp.	USMS 1584
Cameron, Annie M.	USMS 1447, 5 oil placer claims
Chititu Mines	41 patented & 14 unpatented claims
Dan Creek Placer Mines	37 patented & 49 unpatented claims
Dunkle, W. E.	120 acres coal land, 2 unpatented claims
Elleman Packing Co.	USMS 556 A
Golden Zone Mine	22 unpatented claims
Greene, Louis C.	USMS 290 to 304, inclusive
Middle Fork Mining Co.	73 unpatented claims



Third Judicial District

Nabesna Mining Corp.	USMS 1591
Quartz Creek Gold Mining Co.	USMS 1415
Valdez Gold Consolidated	USMS 1533
Yellow Band Gold Mines	30 unpatented claims

Fourth Judicial District

Awe Mining Co.	10 unpatented claims
Bridges, Mary E.	17 unpatented claims
Cacy, H. S.	9 unpatented claims
Donnelley, Harry, estate	15 unpatented claims
Ellingen, Casper	67 unpatented claims
Erickson, A. R., estate	USMS 2210
Hess & Ferguson	7 unpatented claims
Hess, Harriet T.	2 patented claims
Hess, Luther C.	patented and unpatented claims
Jackson, Nels	52 unpatented claims
Kvanne, Jens & Mrs.	4 unpatented claims
Miscovich, Pete & Sons	Unpatented claims
Miscovich, Peter, estate	14 unpatented claims
Miscovich, George	5 unpatented claims
Neck, Victor	13 unpatented claims
Olson, Mrs. Roy E.	38 unpatented claims
Pierce & Hulbert	23 unpatented claims
Purkeypile, I. W.	54 unpatented claims
Rosander & Reed	patented and unpatented claims
Ruby Hill Mines	11 unpatented claims
Sakow, Walter V., estate	24 unpatented claims
Savage & Matheson	37 unpatented claims
Savage, Patrick	60 unpatented claims
Stepovich, Mike, estate	USMS 2024, 2051, 1698, 2008 & 21 unpatented claims
Wilbur Creek Mines	23 unpatented claims

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E. AND M. J. METAL MARKET PRICES

	<u>Sept. 28,</u> <u>1961</u>	<u>Month</u> <u>Ago</u>	<u>Year</u> <u>Ago</u>
Copper, per lb.	31¢	31¢	33.0¢
Lead, per lb.	11¢	11¢	12¢
Zinc, per lb.	11.5¢	11.5¢	13¢
Tin, per lb.	122.3¢	121.6¢	102.3¢
Nickel, per lb.	81.3¢	81.3¢	74¢
Platinum, per oz.	\$80-85	\$80-85	\$81-85
Quicksilver, per flask	\$188-191	\$188-191	\$209-212
Antimony ore, per unit	\$4.30-4.50	\$4.30-4.50	\$3.30-3.35
Beryllium ore, per unit	\$46-48	\$46-48	\$46-48
Chrome ore, per long ton	\$36-38	\$36-38	\$36-38
Molybdenum conc., per lb.	\$1.40	\$1.40	\$1.25
Titanium ore, per ton	\$23-26	\$23-26	\$23-26
Tungsten ore, per unit	\$22-24	\$22-24	\$24-25
Silver, foreign, per oz.	91.4¢	91.4¢	91.4¢
Silver, domestic, per oz.	90.5¢	90.5¢	90.5¢

