

S B

178

HOUSE COMMITTEE REPORT

(9)

Date Referred: February 14, 1990

FURTHER REFERRALS:

(STATE Affairs Waived - 214)

Date of Committee Action: 5/6/90

The RESOURCES Committee considered:

CSSB 178 (FINANCE)

CS SB NO. 178 (Finance)

MINERAL POLICY OF THE STATE

"An Act relating to the review and reporting requirements of agencies of the state relating to the state mineral policy; and providing for an effective date."

RECOMMENDATIONS:

- [] be replaced with _____ [] the same title
- [] have attached amendment(s) [] a new title
- [✓] do pass
- [] do not pass
- [] no recommendation
- [] individual recommendations
- [] additional referral to the _____ Committee

ADOPTS: _____ letter of intent

ATTACHES NEW FISCAL NOTE(s):
(Dept)

APPROVES PREVIOUS: (Date/Dept)

- [] fiscal impact _____
- [] zero fiscal note _____
- [] zero with analysis _____

- [] fiscal note(s) _____
- [✓] zero fiscal note(s) 1/17/90 DEC
- [] zero fn/analysis _____

SIGNING DO PASS:

SIGNING:
(Check approp. column)

Richard D. Foster FOSTER
Bert M. Sharp SHARP
Bell Hudson HUDSON

	Do Not Pass	No Rec	Amend
<u>Chip Davidson</u> DAVIDSON	✓		
<u>Mike Navarre</u> NAVARRE	X		
<u>Mike Davis</u> M. DAVIS			

Chip Davidson
Chairman's Signature

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Mineral Policy of the State

Agency Affected: All Agencies
BRU: _____

Sponsor: Sen. Coghill
Requestor: House Resources Committee

Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS : (Attach a separate page if necessary)

Prepared by: House Resources Committee Phone: 4944
Division: Representative Curt Menard Date: 5/6/90

Approved by Commissioner: _____ Date: _____
Agency: _____

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Alaska State Legislature

Senate Resources Committee

Senator Bettye Fahrenkamp, Chairman
Senator Jay Kerttula, Vice Chairman
Senator Dick Ellason
Senator Steve Frank
Senator Rick Hallford
Senator Arliss Sturgulevski
Senator Fred Zharoff



P.O. Box V
Juneau, Alaska 99811
(907) 465-4907

To: House and Senate Resources Committee members
From: Senator Bettye Fahrenkamp *BF*
Date: January 31, 1990
Re: Alaska Minerals Commission report

I am forwarding a copy of the Alaska Mineral Assessment Program, and cover letter which the Chairman of the Alaska Minerals Commission, Earl Beistline, has asked me to distribute. The Alaska Minerals Commission Report, January 1990, recommended to the legislature an acceleration of the detailed geologic and geophysical mapping of the state. As you may know, only a small percentage of Alaska has been geologically mapped at a scale suitable for mineral exploration. This report illustrates a five year program to implement that recommendation.

I would appreciate your review of their proposal.

ALASKA MINERALS COMMISSION
P.O. Box 80148
Fairbanks, Ak. 99708

Senator Bettye Fahrenkamp
P.O. Box V
Juneau, Ak. 99811

January 26, 1990

Dear Bettye:

On behalf of the Alaska Minerals Commission I thank you and the Senate Resources Committee for the time given on January 17, 1990 for a meeting with Commission members. The resulting discussions were appreciated and stimulating. Comments by the Resources Committee members hit the nail on the head, especially for Commission recommendations #8, 9 and 10 pertaining to the importance and need for a continuing geologic mapping program. Such a program will produce mineral potential areas and thereby stimulate mining companies to become involved in exploration that hopefully will lead to development and then production.

Upon returning to Fairbanks, the Minerals Commission members, Karl Hanneman, Earl Beistline and mining specialist Department of Commerce, Dick Swainbank, met with State Geologist and Director, Dept. Geology and Geophysics (DGGS) Robert B. Forbes and DGGS Geologist Tom Smith, to discuss a state geologic mapping program. Accordingly, the Alaska Minerals Commission requested Dr. Forbes to prepare a work plan that would implement a recommendation (# 8) of the Commission.

The result was that such a plan was prepared and is herewith respectfully sent to you and the Senate Resources Committee along with the letter of transmittal from Dr. Forbes. The enclosure is entitled "Alaska Mineral Assessment Program: A Schedule of Studies". The plan is geared initially to a five year program but geologic mapping should continue until Alaska lands are adequately mapped to allow mineral resources including industrial minerals to be identified for potential development.

The plan developed is concise and is directed toward the following points:

1. Why these studies are needed
2. Proposed program
3. Areas needing both detailed geological mapping and geophysical survey
4. Areas needing detailed geophysical surveying to compliment existing detailed geologic maps

From the Commissions' viewpoint it appears that such a program could be initiated during the coming season if additional supplemental funding can be obtained through appropriate means best known to you and the Resource Committee--perhaps a resource bill or through additions in budget adjustments.

Page 2
Bettye Fahrenkamp
January 26, 1990

Also enclosed is a draft format of a resolution containing key points showing the availability and status of current geologic mapping and airborne geophysical surveys importance of geological mapping as an asset toward mineral development and the expected benefit to the states economy by a single large discovery such as Cominco's Red Dog discovery. The draft (Therefore be it ...) shows the monetary benefit that would result from such a discovery if a ten year mapping program was in place. The resolution format is given for you to use in an appropriate way for presenting the merits of the program.

Bettye, if you or members of the Commission have questions and/or comments or desire additional information about the proposed mapping program, please do not hesitate to let the Commission know as well as any other assistance that the Commission may offer.

Also, Bettye, the Commission would appreciate any suggestions and action that you and the Senate Resources Committee could take on other recommendations of the Commission for the benefit of the mining industry, communities, Alaska, the Nation and their people.

As we say, the best defense for maintaining a strong economy and good social standards is a fast offense. So we have to go for it!

Best personal regards.

Sincerely,


Earl H. Beistline, Chairman
ALASKA MINERALS COMMISSION

EHB:ob

Enc: Joint Resolution
Cover letter - Forbes
Alaska Mineral Assessment Program

ALASKA MINERALS COMMISSION
Earl H. Beistline, Chairman
P. O. Box 80148
Fairbanks, AK 99708

February 2, 1990

The Honorable Curt Menard
House of Representatives
P. O. Box V
Juneau, AK 99811

Dear Mr. Menard:

As a followup to the Alaska Minerals Commission 1990 annual report which you previously received, herewith is additional information prepared by the Division of Geological and Geophysical Surveys, Department of Natural Resources, Alaska in support of recommendation #8, page two of the report.

Recommendation #8 pertains to providing detailed geological mapping and geophysical survey information to the mineral industry and government.

The brief brochure "Alaska Mineral Assessment Program--A Schedule of Studies" pertains to the following topics:

Why these studies are needed

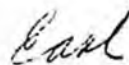
Proposed program

Areas needing both detailed geological mapping and geophysical surveys

Areas needing detailed geophysical surveying to compliment existing detailed geologic maps

Please do not hesitate to let the Commission know about any questions or comments you may have on this important issue.

Sincerely,



Earl H. Beistline, Chairman
Alaska Minerals Commission

FHB:nm
Enclosure

STATE OF ALASKA

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF GEOLOGICAL & GEOPHYSICAL SURVEYS

STEVE COWPER, GOVERNOR

- 3700 AIRPORT WAY (DNR Building)
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ANCHORAGE, ALASKA 99510-7005
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- 400 WILLOUGHBY AVENUE, 3RD FLOOR
JUNEAU, ALASKA 99801
PHONE: (907) 466-2520

Dr. Earl H. Beistline
Chairman, Alaska Minerals Commission
P.O. Box 80148
Fairbanks, Alaska 99708

January 25, 1990

Dear Dr. Beistline

Pursuant to your request of January 19, 1990, that the DGGS develop a work plan to implement a recommendation of the Alaska Minerals Commission to the State Legislature and the Governor, we are pleased to transmit the following document entitled "*Alaska Mineral Assessment Program: A Schedule of Studies*"

As we understand your request, the Commission contemplates a five-year commitment by the State in order to make Alaska's geological and geophysical survey database competitive in a global context and to provide data for informed land-planning; the studies outlined in our document are designed to provide that database.

Because of time constraints we have identified only the immediate needs, and could certainly expand and refine the proposed program plan as required in future weeks.

Sincerely,

Robert B. Forbes / RB
Robert B. Forbes
State Geologist and Director DGGS

ALASKA MINERAL ASSESSMENT PROGRAM



A Schedule of Studies
Prepared At The Request of

THE ALASKA MINERALS COMMISSION

January 1990

**ALASKA MINERAL ASSESSMENT PROGRAM:
DETAILED GEOLOGICAL MAPPING AND GEOPHYSICAL SURVEYING**

WHY THESE STUDIES ARE NEEDED

The Red Dog mine went into production in 1989, about twenty years after the initial discovery, and it is expected to inject \$100 million a year for the next 50 years into the Alaskan economy. This Red Dog ore deposit, and most others under development today, are exposed at the surface. The next generation of mines is likely to come from deposits that are more obscure at the surface or covered by tens or hundreds of feet of unmineralized rock. Most of these discoveries will be made through detailed geological mapping and geophysical surveys. To attract national and international high-risk exploration capital to search for such obscure and "blind" mineral deposits, the state must invest in a long-term project to increase its geological and geophysical survey database. This investment will also advertise Alaska's commitment to development of its mineral resources.

Since statehood mineral exploration firms have invested more than \$600 million in exploration and about \$550 million in mineral development throughout all regions of Alaska. Levels of expenditures have fluctuated due to complex economic conditions. An individual mineral company exploration budget is commonly in the \$1 million range, and represents outside money invested in Alaska. Cost of developing a mine ranges from about \$10 million to several hundreds of millions of dollars of outside capital. Compared to many other areas with favorable geology, Alaska is at a disadvantage in terms of the availability of land, infrastructure and transportation. The high cost of living, harsh arctic climate, and strict regulatory conditions must be counterbalanced by some favorable factors to make Alaska's mineral resources competitive.

Although industry generally requires large scale (1:63,360 and larger) geologic maps before it commits exploration dollars, less than 10 percent of Alaska has been geologically mapped at a scale suitable for design of mineral exploration programs (compared to about 80 percent of the Soviet Far East). No detailed airborne geophysical surveys exist. Reconnaissance aeromagnetic surveys conducted in Alaska in the early 1970's did locate some mineral discoveries, but the scale of those surveys is not useful for discovery of relatively small targets offered by huge deposits such as the Red Dog. A multi-year project focussing on geological and geophysical surveys of mineralized districts and zones will "fingerprint" of known deposits and discovery of similar but less obvious or deeply buried deposits. An ongoing investment of \$5 million (per year) would be comparable to the amount spent each year advertising tourism and fish products and should properly be viewed in the same way: as an investment. A single new discovery such as Red Dog could inject an additional \$5 billion into Alaska's economy.

As well as benefiting Alaska's economy, an increased geological and geophysical survey database will make important information available for engineering and land use decisions by government and the public.

PROPOSED PROGRAM

To provide geological and geophysical survey information to the mineral industry and government, we propose a multi-phased program of detailed, integrated geological mapping and geophysical surveys in mining districts and along mineral trends within Alaska. This program will require \$5 million per year for 5 years.

For each mining district and mineral trend investigated, this program will result in the publication of a folio containing:

- Detailed geological map(s) at 1:63,360 scale or greater.
- Detailed geophysical survey maps at close flight-line spacing including at least the following airborne geophysical techniques:
 - Aeromagnetics
 - Airborne electromagnetic (VLF)
 - Resistivity
 - Airborne radiometrics
- Summary of mineral resources.

Folios covering each mining district and mineral trend investigated will be published after conclusion of field work.

Other information, such as prospect examinations and local geochemical orientation surveys, will be provided where warranted.

Geological field work will be initiated during the first year of each phase; each program is estimated to last 2-3 years.

The following outlines an approach for developing exploration folios in 1) areas that do not have either geological mapping or geophysical surveys; and 2) areas that have good detailed geological mapping with no detailed geophysical surveys.

AREAS NEEDING BOTH DETAILED GEOLOGICAL MAPPING AND GEOPHYSICAL SURVEYS


The mining districts and mineral trends shown of figure 1 (next page) have not been geologically mapped or are covered by very incomplete geologic maps at a scale of 1:63,360 (1 inch = 1 mile) or larger. No suitable geophysical surveys exist for detailed mineral exploration in these areas. Geological programs in these and other mining districts and mineral trends will provide detailed geological mapping and geophysical surveys.

Field studies in Phase I areas will take place during the first, second, and (in some cases) third program year. Field studies in Phase II areas will occur during the third, fourth; and (in some cases) fifth program year. Geophysical surveys will normally be completed during the first year of each phase. During the final year, resource assessments and folios will be completed and published.

Phase I

Mining District Or Mineral Trend	Region	Commodities
Rampart - Manley	Interior	Gold, Silver, Copper
Ketchikan mining district	Southeastern	Gold, Silver, Tungsten, Molybdenum, Copper, Zinc, Lead
Nyac mining district	Southwestern	Gold, Silver, Tin
Yentna mining district	Southcentral	Gold, Silver
DeLong Mtns. / Howard Pass	Northwestern	Zinc, Lead, Silver

Mineral Assessment Programs

 Moderate to high mineral potential

Project locations for new geological and geophysical database

● Phase I
(first and second year)

▲ Phase II
(third and fourth year)

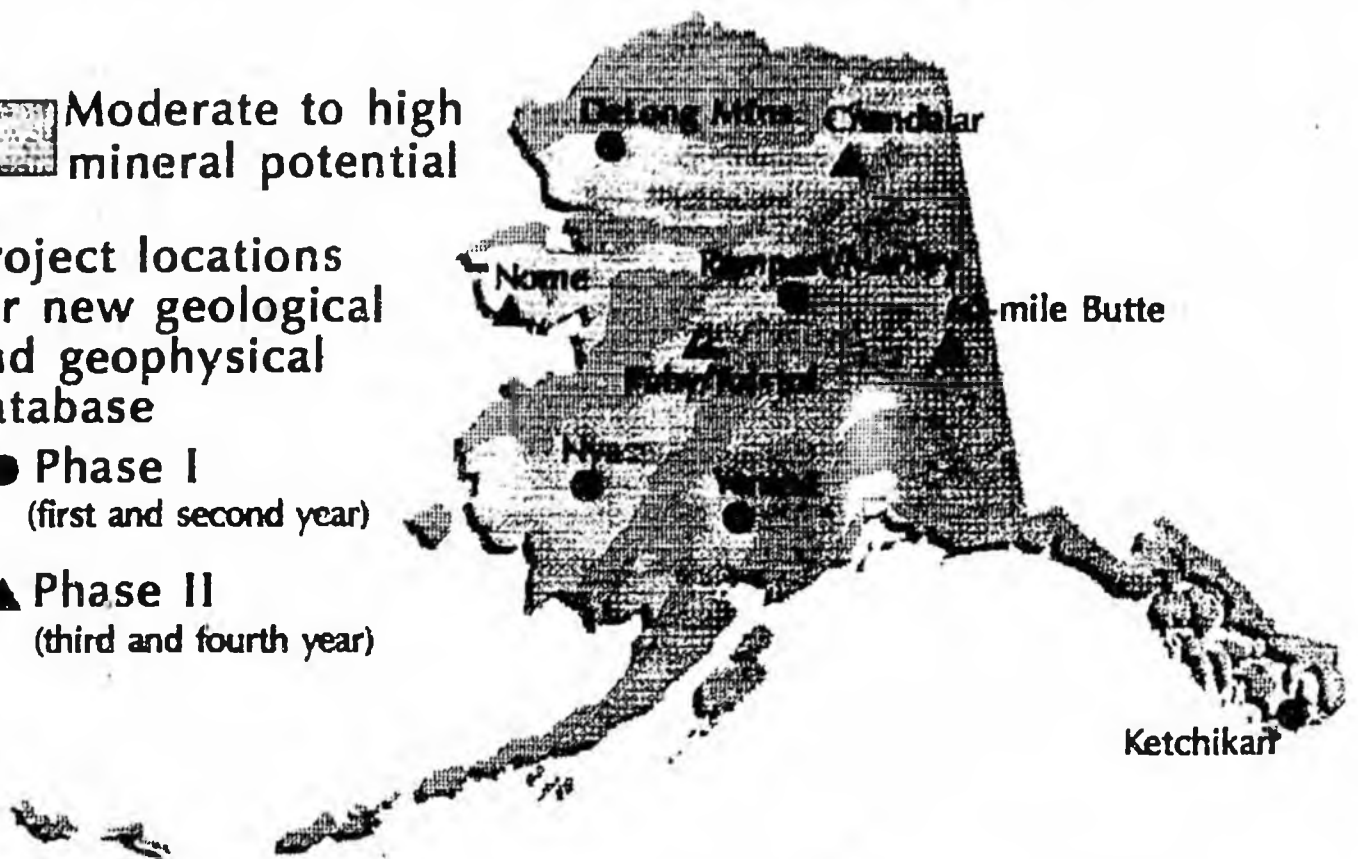


Figure 1. New geological mapping and geophysical surveys

Phase II**Mining District Or Mineral Trend****Region****Commodities**

Nome / Seward Peninsula

Western

Gold, Silver, Tungsten,
Tin, Zinc, Lead

Ruby - Tolstoi

Westcentral

Gold, Silver

Chandalar

Northern

Gold, Silver, Copper

60 mile Butte

Interior

Gold, Silver

AREAS NEEDING DETAILED GEOPHYSICAL SURVEYING TO COMPLEMENT EXISTING DETAILED GEOLOGIC MAPS

The mining districts and mineral trends shown on figure 2 (last page) are covered by complete or nearly complete geologic maps at a scale of 1:63,360 (1 inch = 1 mile) or larger. No suitable geophysical surveys exist for detailed mineral exploration activities in these areas. Programs in these mining districts and mineral trends will include only geophysical surveys and limited geologic work to complement existing geologic maps.

Phase I**Mining District Or Mineral Trend****Region****Commodities**

Fairbanks mining district

Interior

Gold, Silver, Tungsten

Haines - Klukwan

Southeastern

Zinc, Lead, Gold,
Silver, Barite

Farewell

Westcentral

Gold, Silver, Tin

Richardson mining district

Interior

Gold, Silver

Sleetmute

Southwestern

Gold, Silver, Tin,
Mercury

Iditarod

Southwestern

Gold, Silver, Tin,
Mercury**Phase II****Mining District Or Mineral Trend****Region****Mineral Commodities**

Chichagof mining district

Southeastern

Gold, Silver

Livengood mining district

Interior

Gold, Silver, Zinc,
Lead, Platinum

Upper Chena River

Interior

Zinc, Lead, Gold,
Silver, Tungsten

Bonnifield mining district

Central

Gold, Silver, Zinc,
Lead

Wiseman mining district

Northern


Gold, Silver

Chugach

Southcentral

Chromium, Nickel, Gold,
Silver

Mineral Assessment Programs

 Moderate to high mineral potential

Project locations for new geophysical surveys to complement existing geological maps

● Phase I
(first and second year)

▲ Phase II
(third and fourth year)



Figure 2. New geophysical surveys

Joint Resolution re. Supplemental Appropriation for geological mapping and airborne geophysical surveys

WHEREAS: Less than 10 percent of Alaska has been geologically mapped in sufficient detail for use in mineral exploration; and

WHEREAS: There is virtually no detailed airborne geophysical information in Alaska, even though many of the next generation of mineral deposits will probably be discovered by such methods; and

WHEREAS: The availability of detailed geological and geophysical information is vital for informed land planning by government agencies and for the development of mineral exploration programs by private industry; and

WHEREAS: Mineral exploration funds are invested worldwide on the basis of economic factors including the availability of land, the existence of transportation and infrastructure, the cost of living, public regulatory and fiscal policies and climatic considerations; and

WHEREAS: An adequate database of geological and geophysical maps can counterbalance the many natural economic disadvantages of Alaska, and advertise the state's interest and commitment to mineral resource development; and

WHEREAS: A single new discovery the size of Red Dog would repay a multi-year investment of \$50 million a hundred-fold;

THEREFORE BE IT RESOLVED THAT THE STATE OF ALASKA COMMITS TO AN INVESTMENT FOR DETAILED GEOLOGICAL AND GEOPHYSICAL MAPPING DURING THE NEXT DECADE OF \$5 MILLION ANNUALLY TO BE ADMINISTERED BY THE STATE DIVISION OF GEOLOGICAL AND GEOPHYSICAL SURVEYS IN THE MOST EFFICIENT MANNER POSSIBLE. THIS INVESTMENT WILL SERVE TO INVENTORY THE STATE'S SURFACE AND SUBSURFACE MINERAL RESOURCES, AND ADVERTISE THE STATE'S COMMITMENT TO MINERAL DEVELOPMENT AS A VALUED COMPONENT OF THE ECONOMY CO-EQUAL WITH OTHER SECTORS.

ALASKA DIVISION OF GEOLOGICAL &
GEOPHYSICAL SURVEYS

PUBLIC-DATA FILE 90-10

ALASKA'S MINERAL INDUSTRY



1989
SUMMARY



Public-data File 90-10

SUMMARY OF ALASKA'S MINERAL INDUSTRY, IN 1989

by

T.K. Bundtzen and R.C. Swainbank

Alaska Division of
Geological and Geophysical Surveys

in cooperation with

Division of Business Development
and
Division of Mining

March 1990

THIS REPORT HAS NOT BEEN REVIEWED FOR
TECHNICAL CONTENT (EXCEPT AS NOTED IN
TEXT) OR FOR CONFORMITY TO THE
EDITORIAL STANDARDS OF DGGS.

3700 Airport Way
Fairbanks, Alaska 99709

SUMMARY OF ALASKA'S MINERAL INDUSTRY, IN 1989

By T.K. Bundtzen¹ and R.C. Swainbank²

INTRODUCTION

Alaska's mineral industry experienced positive growth during 1989, especially in the hard-rock mining and exploration sectors but suffered declines in mineral-development expenditures and in sand-and-gravel and stone production. Exploration expenditures totaled \$45.9 million in 1989 compared to \$45.5 million in 1988. Overall value of mineral production, which increased 27 percent from \$232 million in 1988 to \$294.9 million in 1989 (table 1), is attributed mainly to production of metal concentrates from the Greens Creek mine near Juneau. Mineral-development expenditures decreased substantially in 1989 to \$131.6 million from an all-time high of \$274.5 million in 1988. The decrease reflects the shift from development to production modes within the large Green Creek and Red Dog projects. Total value of Alaska's mineral industry in 1989, as measured by the sum of exploration and development expenditures and mineral production, amounted to \$472.5 million in 1989, compared with \$552.6 million in 1988, a decrease of about 14 percent due to the drop in development activities (table 2). During 1989 an estimated 4,170 people were employed in mineral-related sectors of the economy.

PRODUCTION

Gold was the most valuable mineral commodity in 1989, accounting for 39 percent of Alaska's total mineral production revenues. Zinc and silver each make up about 11.5 percent of the total; lead, 3.1 percent; and tin, another 0.2 percent. Platinum, tungsten, and mercury have all been produced in Alaska in past years, but, recently, production figures for these metals have been withheld. Overall metallic mineral production accounted for 65 percent of total mineral values, reversing a 25-yr period dominated by the nonmetallic materials coal, sand and gravel, stone, peat, and jade, which account for the remaining 35 percent of the values.

The amount of gold produced in 1989--an estimated 297,900 oz (9,234 kg) worth \$113.8 million--was the highest since 1942 and represents an increase of 12 percent by volume from 1988 levels (tables 1 and 3). Despite the increase in production, total gold values were about the same as in 1988 due to lower bullion prices (table 1). Gold production was reported from 222 operations, a net gain of 11 from 1988 (table 3). About 83 percent of the gold (247,948 oz; 7,672 kg) was recovered from 217 placer mines; the remaining 17 percent (50,402 oz; 1,562 kg) was recovered from 5 lode mines.

Greens Creek Mining Company, the largest lode-silver mine in the United States during 1989 and the second largest lode-gold mine in Alaska, produced 11,622 short tons (10,541 metric tons) of lead, 23,066 short tons (20,921 metric tons) of zinc, 6,411,469 oz (198,756 kg) of silver, and 38,813 oz (1,141 kg) of gold from 264,600 tons of ore (table 1). The remaining lode gold was produced by several mines in interior and southcentral Alaska, including Ryan lode of Citigold Alaska Inc., Democrat mine of Tri-Valley Mining Co., and the Grant mine-and-mill complex of Tri-con Mining Inc., all located in the Fairbanks area, and Alaska Hardrock Mining Co. at Hatcher Pass.

Valdez Creek Mining Company, situated near Cantwell, was again Alaska's largest placer-gold mine, producing 71,942 oz (2,230 kg) of gold. In spite of profitable operations, the mine was closed in late October. Due to the closure, overall Alaska gold production is expected to decrease, unless the mine resumes production in 1990.

Alaska Gold Company continued gold-placer operations at Nome with two large onshore dredges. WestGold's dredge 'Bima,' mining offshore of Nome, recovered about 29,000 oz (899 kg) of gold despite mechanical difficulties earlier in the season.

A total of about 194,000 lb (88,021 kg) of placer tin was produced from the Seward Peninsula by Lost River Mining Company, Alaska's largest tin producer, and from the Manley Hot Springs area by Shorham Resources (table 1). The Lost River Mining Company, however, exhausted its reserves and therefore dismantled its operation late in the season.

¹Alaska Division of Geological and Geophysical Surveys, 3700 Airport Way, Fairbanks, Alaska 99709.

²Alaska Division of Business Development, 1001 Noble Street, Ste. 360, Fairbanks, Alaska 99701.

Table 1. Reported mineral production in Alaska 1987-89^a

Metals	Quantity			Estimated values ^b		
	1987	1988	1989	1987	1988	1989
Gold (ounces)	229,700	265,500	297,900	\$104,516,230	\$112,837,000	\$113,795,890
(kilograms)	7,121	8,231	9,234			
Silver (ounces)	54,300	47,790	6,456,469	390,960	281,950	33,896,462
(kilograms)	1,683	1,481	200,150			
Platinum (ounces)	W	25	W	W	13,750	W
(grams)	W	775	W			
Lead (short tons)	NR	NR	11,622	NR	NR	9,297,800
(metric tons)	NR	NR	10,541			
Zinc (short tons)	NR	NR	23,066	NR	NR	34,137,500
(metric tons)	NR	NR	20,921			
Mercury (pound)	NR	W	W	NR	W	W
(kilograms)	NR	W	W			
Tin (pound)	238,000	300,000	194,000	460,000	950,000	672,000
(kilograms)	130,671	136,116	88,021			
Tungsten (short ton unit)	160	240	NR	<u>11,400</u>	<u>14,000</u>	<u>NR</u>
(kilograms)	1,451	2,177	NR			
Subtotal				\$105,378,590	\$114,096,700	\$191,799,652
Industrial minerals, coal and peat						
Jade and soapstone (short tons)	3.6	W	57.0	\$ 78,000	\$ W	\$ 1,140,000
(metric tons)	3.3	W	51.7			
Sand and gravel (million short tons)	16.7	17.2	14.5	42,659,808	48,750,508	39,875,000
(million metric tons)	15.1	15.6	13.2			
Building stone (million short tons)	1.8	3.6	2.9	<u>11,620,000</u>	<u>24,650,000</u>	<u>20,340,000</u>
(million metric tons)	1.6	3.3	2.6			
Subtotal				\$ 54,357,808	\$ 73,400,508	\$ 61,355,000
Coal (short tons)	1,508,927	1,551,162	1,452,353	\$ 42,354,500	\$ 44,500,000	\$ 41,464,800
(metric tons)	1,368,596	1,406,903	1,317,284			
Peat (cubic yards)	46,000	55,000	51,000	<u>299,000</u>	<u>375,000</u>	<u>352,000</u>
(cubic meters)	32,840	39,270	36,400			
Subtotal				\$ 42,653,500	\$ 44,675,000	\$ 41,816,800
TOTAL				\$202,389,898	\$232,172,208	\$294,971,452

^aProduction data from DGGs questionnaires, phone interviews with mine operators, Alaska Department of Transportation and Public Facilities, the U.S. Army Corps of Engineers, and other confidential sources.

^bValues calculated from 1989 annual price averages of gold, silver, platinum, zinc, and lead reported in the 'Mining Journal'; other values supplied directly by mine operators. Coal-value estimates include some in-state freight costs.

NR = not reported; W = withheld.

Cominco Alaska Inc. began producing zinc concentrates late in the year from the Red Dog mine, which is owned by the NANA Regional Corporation of northwest Alaska. Red Dog is expected to produce 400,000 metric tons of zinc concentrates for shipment in September and October 1990, making it the western world's largest zinc producer.

The sand-and-gravel and stone industries suffered significant setbacks during the year due to virtually no oil-and-gas infrastructure development on Alaska's North Slope and a continuing lull in urban-area construction projects. An estimated 14.5 million short tons (13.2 million metric tons) of sand and gravel worth \$39.9 million were produced in 1989, a decrease of 18 percent by volume and value from 1988 levels.

Table 2. Total value of mineral industry in Alaska, 1987-89

	<u>1987</u>	<u>1988</u>	<u>1989</u>
Exploration	\$ 15,740,000	\$ 45,468,800	\$ 45,903,596
Development	100,250,848	274,945,400	131,579,550
Production	<u>202,389,898</u>	<u>232,172,000</u>	<u>294,971,452</u>
TOTAL	\$318,380,746	\$552,586,200	\$472,454,598

An estimated 2.9 million short tons (2.6 million metric tons) of stone worth \$20.3 million were quarried in 1989, a decrease by volume and value of 17 percent from 1988 levels (table 1). Given the reduced level of development on the North Slope and a weakened construction industry, these low levels are expected to continue to decline in 1990.

Usibelli Coal Mines Inc. sold 705,258 short tons (638,258 metric tons) of coal to the Korean Electric Power Company (KEPCO) in Honam, Korea, and fueled six interior power plants with 747,095 short tons (676,868 metric tons) of coal for total coal production of 1,452,353 short tons (1,317,284 metric tons), a 6-percent decrease from the previous year (table 1). The KEPCO contract allows for coal shipments to range from 680,000 to 920,000 short tons; 1989 shipments reflect the lower end of the range.

DEVELOPMENT

Mineral-development expenditures totaled \$131.6 million in 1989, a 52-percent drop from \$274.5 million spent in 1988. The lower 1989 development expenditures reflect completion of the development phase of both the Greens Creek and Red Dog mine projects, which accounted for more than 95 percent of the 1988 development total. At Red Dog, Cominco Alaska contracted several companies to assemble the mine-and-mill site, construct a conveyor at the port site, and strip the ore body in preparation for mining. WestGold contracted Peratrovich Nottingham and Drage Inc. to design and construct an open-cell, steel-sheet-pile dock off the Nome causeway to stage offshore-dredging activities. Thirty placer-mining companies and three sand-and-gravel firms reported \$10.5 million in development expenditures, all of which were used in preparation for mine production in 1990. Idemitsu Alaska spent \$2 million in anticipation of exporting bituminous coal from the Wishbone Hill mining district near Palmer to Japanese markets.

EXPLORATION

Alaska mineral-exploration expenditures reached the high levels established in 1988, totaling \$45.9 million (table 4). In contrast, mineral exploration generally declined in northwestern Canada and in many western states this past year. Returns from 61 mining firms and small partnerships working in Alaska indicate that precious-metal exploration accounted for 91.6 percent of total mineral-exploration expenditures, base-metal exploration accounted for 6 percent, and coal- and industrial-minerals exploration accounted for 2 percent and 0.4 percent, respectively. Individuals employed year-round in mineral exploration jobs in Alaska totaled 245.

Three advanced exploration projects--the Fort Knox project (Fairbanks Gold Inc.) near Fairbanks and the Kensington and Alaska Juneau projects (Echo Bay Mines) near Juneau--accounted for 59 percent of statewide exploration expenditures. The two big southeastern projects focused on reevaluation of past gold-producing mines, whereas the Fort Knox project explored a new discovery.

All other regions of the state experienced healthy levels of exploration activities. Notable projects that had exploration-drilling programs include NANA Corporation, Paradise Valley Mining, and Cominco Alaska in the northern region; Caithness Alaska, Livengood Placers, Placer Dome Inc., and WestGold in the western region; Placer Dome, Nerco Minerals, Fairbanks Exploration, Usibelli Coal Mines, Inc., and American Copper and Nickel in the eastern interior region; Cominco, Valdez Creek Mining Company, Amax, Placer Dome, and Hobbs Industries in the southcentral region; WestGold, Calista Corporation, and R.A. Hanson and Company in the southwestern region; and Placer Dome, Lac Minerals, Pulsar and Newmont Mining in the southeastern region.

Table 3. Reported refined gold production, number of operators, and industry employment in Alaska by region and mining district, 1988-89^a

Region and mining district	1988			1989		
	Number of operators	Production (oz)	Number of employees	Number of operators	Production (oz)	Number of employees
Northern Chandalar Shungnak Koyukuk-Nolan	8	6,500	32	13	6,800	38
Western Nome Koyukuk-Hughes Kougarok Port Clarence Fairhaven Ruby-Poorman Solomon Koyuk Council	48	98,500	425	43	87,500	437
Eastern Interior Circle Livengood-Tolovana Fairbanks Fortymile Manley-Eureka Richardson Bonnifield Rampart	89	76,550	415	115	79,300	494
Southcentral Cache Creek Chistochina Valdez Creek Kenai Peninsula Nelchina	30	68,300	315	21	73,100	280
Southwestern Innoko-Tolstoi Iditarod Moore Creek Nyac Crooked Creek Lake Clark-Mulchatna	33	14,800	108	26	13,950	102
Southeastern and Alaska Peninsula	3	850	10	4	37,245	126 ^b
TOTAL	211	265,500	1,305	222	297,895	1,477

^a1989 production estimated from 217 mechanized placer mines and 5 lode mines statewide. Small 'recreational-assessment' projects that recover bullion by panning, pick-and-shovel prospecting, long-tom sluicing, and suction dredging are not included.

^bEmployment from Greens Creek mine totaled 243, but because half the production value from the mine comprises gold and silver, only half the employment figure is credited to the table.

Table 4. Reported exploration expenditures in Alaska by commodity and region, 1989

	<u>Northern</u>	<u>Western</u>	<u>Eastern interior</u>	<u>South-western</u>	<u>South-central</u>	<u>Alaska Peninsula</u>	<u>South-eastern</u>
Base metals	\$550,000	\$ 40,000	\$1,374,000	\$ 103,000	\$ 100,000	\$ --	\$ 886,000
Precious metals							
Placer	23,000	2,092,500	217,000	765,000 ^a	131,600	--	--
Lode	350,000	1,435,000	7,130,500	2,775,000	1,489,700	1,690,000	23,756,000
Coal and peat	--	--	144,000	--	720,296	--	--
Industrial minerals	--	--	--	40,000	--	20,000	65,000
Other	--	--	5,000	--	--	--	--
TOTAL	\$923,000	\$3,567,500	\$8,870,500	\$3,683,000	\$2,441,596	\$1,710,000	\$24,707,000
Employment							
(person-days)	1,300	8,437	15,438	5,455	6,077	2,810	41,255
(person-months)	43	281	514	182	169	94	1,309
Number of companies reporting	6	11	23	11	19	5	8

^aDominantly for platinum metals.

-- = No expenditures reported.

GOVERNMENT ACTIONS

Several significant legal or government actions affecting the future of Alaska's mineral industry took place in 1989. In May, the Alaska legislature amended certain state laws governing the location of state mining claims and implemented rental and royalty fees for all mining on state lands. This legislation was in response to the Alaska Supreme Court's decision that section 6(i) of the Alaska Statehood Act did require the state to collect rents and royalties from mining activity on state lands. The statute became effective August 31, 1989, and requires rent on mining claims, leasehold locations, and upland and offshore mining leases on all state land. Annual rent is due on September 1 and must be paid no later than November 30 of each year. Rents begin at \$20 for each mining claim and \$0.50 per acre for each mining lease and will escalate through time. The Alaska Division of Mining is currently drafting the regulation that will require the additional 3-percent net royalty payment from operating mines. Miners are currently required to pay an Alaska mining tax on net income from mining activities on all Alaska lands, regardless of ownership.

In response to the successful operation of the Bima dredge in State of Alaska waters, the U.S. Minerals Management Service issued a draft environmental impact statement (EIS) for a proposal to offer to lease about 155,000 acres of federal offshore lands on the continental shelf. The EIS identified the potential for mercury bioaccumulation in the food chain within the Nome area. Mercury had previously been used to amalgamate gold bullion during placer-mining operations in the area, and sporadic test results had showed some high levels of the element. Because of fears generated from the potential problem, the U.S. Minerals Management Service delayed the lease sale and contracted Battelle Northwest to conduct extensive metal analyses of water discharge from the Bima dredge and from human-hair samples collected from Nome residents. Results showed that neither the levels of mercury in the discharge nor that in the hair samples exceeded established EPA standards. In fact, the first-year results show that levels of methylmercury in Nome residents are among the lowest of any indigenous coastal people in North America. The federal lease proposal is now expected to be completed in mid-1991, about 18 mo behind the original 1989 schedule.

In related action, the Alaska Division of Mining issued two pre-lease evaluations, a 'Best Interest Finding' and a 'Coastal Consistency Determination,' regarding issuance of offshore prospecting permits within the state's 3-mile limit near Nome. Later in the year additional state offshore leases were issued.

The number of small placer-gold mines increased by 10 in 1989, mainly as a result of the resolution of a 1987 federal court injunction that had previously prevented or greatly limited mining activities on federal lands in the Fortymile and Chatanika Rivers, Beaver Creek, and Birch Creek drainages within the Circle mining district of interior Alaska. Recently

implemented water recycling and reclamation laws, however, necessitated extensive mine-plan revisions, which resulted in lower average bullion output by small placer-mining companies statewide.

EDUCATION AND RESEARCH

Several foreign exchanges program involving Alaska and Soviet geologists took place during 1989. During a 5-1/2 week period in August and September 1989, an Alaska team of economic geologists visited mineral districts in the Magadan, Kamchatka, Kharbarovsk, and Primorye' regions of the Far East of the USSR. These field investigations were conducted as part of a 2-yr reciprocal agreement signed by the Far East Branch of the Soviet Academy of Sciences and the U.S. Geological Survey to study the ore deposits of Alaska and the Soviet Far East. DGGs is officially participating in the project, which will result in publication of metallogenic maps of Alaska and the Magadan region at 1:2,500,000 scale, as well as other technical papers.

The Alaska Science and Technology Foundation funded an exchange between the University of Alaska Mineral Industry Research Laboratory and the All-Union Research and Scientific Institute of Gold and Rare Metals in Magadan to compare and contrast placer-mining methods in the Magadan region with those in Alaska. In September 1989, three Alaska mining engineers visited placer developments in the Magadan region; in 1990 a similar contingent of Russian personnel will visit Alaska placer mines.

Usibelli Coal Mines Inc. obtained a Federal Clean Coal Technology grant that may facilitate construction of a state-of-the-art mine-mouth power plant and drying facility at Healy, Alaska. The \$93.2 million grant was one of 13 awarded nationwide by the Federal Department of Energy under the Clean Coal Technology Program.

Senator John B. (Jack) Coghill

Alaska State Legislature

Box V
Juneau, Alaska 99811
(907) 465 4797

Box 55028
North Pole, Alaska 99705
(907) 488 0862



MEMORANDUM

DATE: February 20, 1990

TO: Representative Curt Menard
House Resource Committee Co-Chair

Representative Cliff Davidson
House Resource Committee Co-Chair

FROM: Senator Jack Coghill

SUBJECT: Committee Hearing Request for CS SB 178 (Finance): Review and Reporting Requirements of State Agencies Relating to the State Mineral Policy.

Please set a hearing date for this bill as soon as possible. It was requested by the Minerals Commission last session.

Basically the bill extends the reporting requirements that were included in the special act section of the 1988 Mineral Policy Act. The extension is until 1994, the termination date of the Minerals Commission.

We believe the interest in these reports is that they give the legislature and the Minerals Commission, a means to track statutory and regulatory changes affecting the mineral industry.

The bill has received a zero fiscal note from all affected agencies.

A portion of the information we are including with this memorandum, are copies of the initial reports required by the Minerals Policy Act.

Thank you.

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An Act relating to state mineral policy
Sponsor: Senator Coghill
Requestor: Senator Coghill

Agency Affected: DEC
BRU: Environmental Quality
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS: None

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Amy D. Kyle Phone: 465-2600
Division: Commissioner's Office Date: 4/27/89

Approved by Commissioner: A. D. Kyle Date: 4/27/89
Agency: Department of Environmental Conservation

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90
Projections of no fiscal impact would continue through 1990

(b)

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SB 178 (FIN)
PUBLISH DATE: 1/17/90

FISCAL NOTE

REQUEST: _____

REVISION DATE: 4-25-89
TITLE: An Act relating to the state mineral policy

AGENCY: Natural Resources
BRU: Mining Management

SPONSOR: Coghill
REQUESTOR: Senate Resources Committee

COMPONENTS: Mining Management

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
OPERATING						
PERS. SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND/BUILD.						
GRANTS/CLAIMS						
MISCELLANEOUS						
TOTAL		0	0	0	0	0
CAPITAL						
REVENUE						

FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUNDS						
FEDERAL FUNDS						
OTHER						
TOTAL		0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS:

PREPARED BY: Larry Ostrovsky, Commissioner's Office

LO 4/25/89

DATE: 4-25-89
PHONE NO.: 465-2400

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90 *ll*

Projections of no fiscal impact would

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: Reporting requirements for
state mineral policy
Sponsor: Coghill, Frank
Requester: Senate Resources

Agency Affected: Commerce & Economic Dev.
BRU: Business Development and
Alaska Railroad Corporation
Components: _____

EXPENDITURES / REVENUES : (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
---------	---	---	---	---	---	---

FUNDING: (Thousands of dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary.)

Passage of this legislation is not expected to result in increased costs for either the department itself or the Alaska Railroad Corporation, administratively located within DCED.

Prepared by: Guy Bell, Director
Division: Administrative Services

Phone: 465-2505
Date: 4-21-89

Approved by Commissioner: Larry Mercurieff
Agency: Department of Commerce & Economic Development

Phone: 465-2500
Date: 4-21-89

Distribution (by preparer):
Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)
39430/042189b

Changes in CSSB 178 (Fin)
have no fiscal impact.
This fiscal note is
appropriate. 1/17/90 kl
Projections of no
fiscal impact would
continue through 1996.

FISCAL NOTE

REQUEST:

Revision Date: _____ Agency Affected: Fish and Game
 Title: An Act relating to the mineral BRU: Habitat
policy of the state.
 Sponsor: Coghill and Frank
 Requestor: Coghill Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
---------	---	---	---	---	---	---

REVENUE						
---------	--	--	--	--	--	--

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Bruce H. Baber Phone: 465-4105
 Division: Habitat Date: 4/24/89

Approved by Commissioner: Donli Collinsworth Date: 4.24.89
 Agency: Fish and Game

Distribution (by preparer):
 Legislative Finance
 Legislative Sponsor
 Requestor
 Office of Management and Budget
 Impacted Agency(ies)

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90
 Projections of no fiscal impact would continue through 1996.

FISCAL NOTE

(e)

REQUEST:

Revision Date: _____
Title: "An Act relating to the review and reporting requirement of agencies...."
Sponsor: Coghill and Frank
Requestor: Senate Resources Committee

Agency Affected: Office of the Governor
BRU: Office of Management and Budget
Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING		-0-	-0-	-0-	-0-	-0-
CAPITAL						
REVENUE						

FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL		-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : (Attach a separate page if necessary)

Prepared by: Michael A. Nizich, Director *Man* Phone: 465-3616
Division: Division of Administrative Services Date: 4/24/89
Approved by Commissioner: Garrev M. Peska Date: 4/24/89
Agency: Chief of Staff

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90
Projections of no fiscal impact would continue through 1996.

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CS SB 178 (FIN) (F)
PUBLISH DATE: 1/17/90

FISCAL NOTE

REQUEST:

Revision Date: _____
Title: An act relating to the review and reporting requirements/mineral policy
Sponsor: Coghill and Frank
Requestor: Resources Committee

Agency Affected: Revenue
BRU: Income & Excise Audit
Components: Operating

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: (Attach a separate page if necessary)

Prepared By: Steven E. Kettel *Steven E. Kettel* Phone: (907) 455-2320
Division: Income and Excise Audit Date: April 21, 1989
Approved by Commissioner: Hugh Malone *Hugh Malone* Date: April 21, 1989
Agency: Department of Revenue

Distribution (by preparer):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90

Projections of no fiscal impact would continue through 1996. page 1 of 2

STATE OF ALASKA
1989 LEGISLATIVE SESSION

BILL VERSION: CSSB178(FIN)
PUBLISH DATE: 1/17/90

FISCAL NOTE

REQUEST: Senate Resources

REVISION DATE: 4/21/89
TITLE: State Mineral Policy

AGENCY: University of Alaska
BRU: _____

SPONSOR: Coghill/Frank
REQUESTOR: Senate Resources

COMPONENTS: _____

EXPENDITURES/REVENUES: (THOUSANDS OF DOLLARS)

	FY 89	FY 90	FY 91	FY 92	FY 93	FY 94
OPERATING						
PERS. SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND/BUILD.						
GRANTS/CLAIMS						
MISCELLANEOUS						
TOTAL		0				
CAPITAL		0				
REVENUE		0				

FUNDING: (THOUSANDS OF DOLLARS)

GENERAL FUNDS		0				
FEDERAL FUNDS						
OTHER						
TOTAL						

POSITIONS:

FULL-TIME		0				
PART-TIME						
TEMPORARY						

ANALYSIS:

The review and recommendations can be accomplished within existing budget levels.

PREPARED BY: Brian Rogers Vice President for Finance



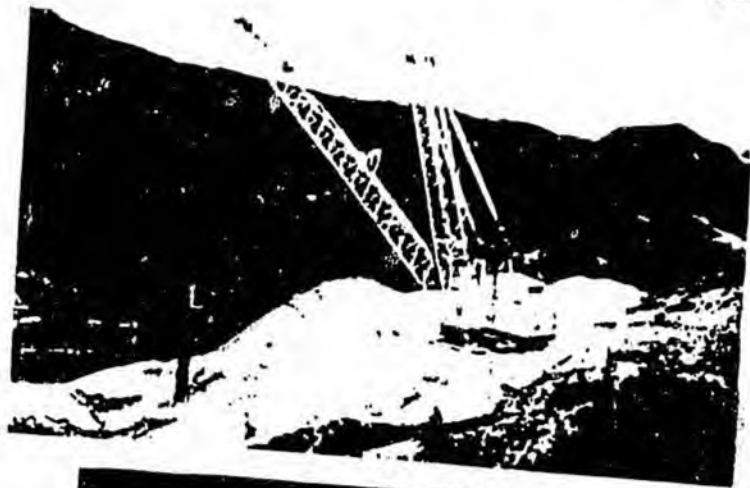
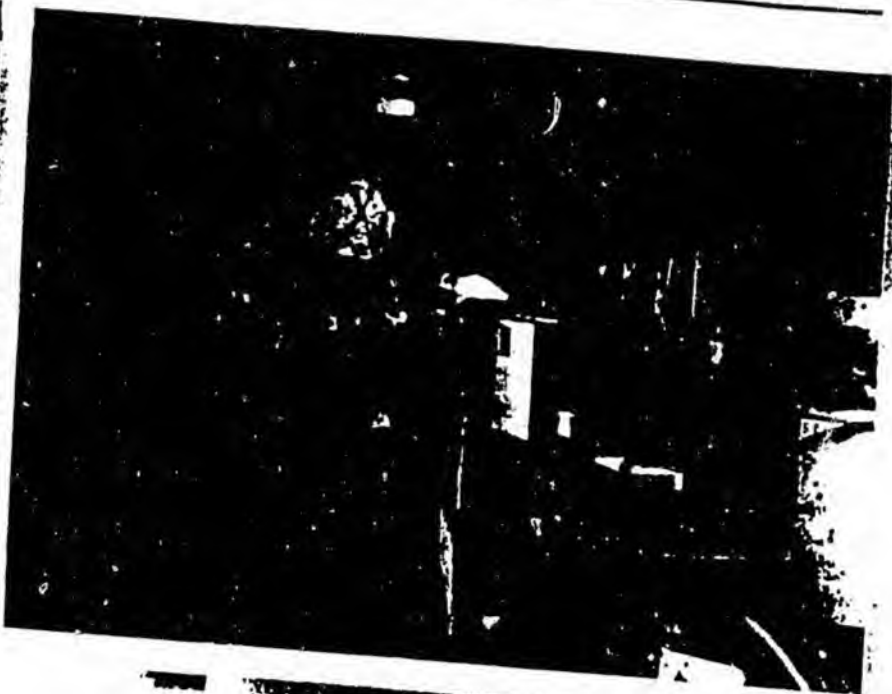
DATE: 4/21/89
PHONE NO.: 474-7448

Changes in CSSB 178 (Fin) have no fiscal impact. This fiscal note is appropriate. 1/17/90 KL

Projections of no fiscal impact would continue through 1995

Alaska Minerals Commission

Report of the



January 1989

RECOMMENDATIONS OF THE ALASKA MINERALS COMMISSION

I. LEGISLATIVE PRIORITIES

Implementation of the 6(i) Court Decision

- The highest priority of the Alaska Minerals Commission is the fair and equitable implementation of the Alaska Supreme Court's interpretation of section 6(i) of the Alaska Statehood Act. (For a summary of the 6(i) issues and lawsuit, see Appendix C.)

The Commission supports the positions of both the Alaska Miners Association¹ and Governor Steve Cowper² on the following three critical aspects of any legislation to be enacted.

1. The traditional discovery, location and recordation system recognizes the unique nature of mineral resource development as well as the needs of individuals and companies carrying out mineral exploration and development. The right of self-initiation is guaranteed by the Alaska Constitution and no fundamental changes should be made in the way preferential minerals rights are initiated on state land.
2. Because of the long lead time commonly required between the discovery of a deposit and its initial production, there should be no arbitrary time limits placed upon the tenure of a mining claimant on state lands. This is especially important in Alaska where the need to construct basic infrastructure and to await financial and market "windows" will often result in longer development lead times than in more developed states and countries.
3. The setting of rental and/or royalty fees for mining claims on subject state lands should neither penalize claimants nor create disincentives for individuals or companies doing mineral exploration. In Alaska, exploration, development, capital and operating costs are commonly higher than in more developed states and countries. Alaska's cumulative mineral tax schedule, including existing corporate income taxes, mining license taxes and new rental and/or royalty fees should not unduly burden the small miner nor increase total development costs to the point where diminished economic feasibility precludes mine development or mineral exploration on subject state lands.

A fourth aspect of the implementation of the 6(i) court decision is the definition of lands to which the new legislative provisions will apply. The Commission agrees with Governor Cowper that it is in the interests of both the state and the mining industry that this aspect be resolved in a manner that minimizes the risk of lengthy and expensive litigation. As the Alaska Supreme Court ruled that the 6(i) provisions are applicable only to those state lands "known to be mineral in character at the time of state selection," the Commission also recommends that a clear definition of such lands be developed, and that workable and expeditious procedures be developed to allow timely classification of lands and claims subject to 6(i).

Finally, the Commission strongly recommends that proposed legislation implementing the 6(i) court decision be limited to only those issues specifically required by the court.

¹ Communication from Richard A. Hughes, President, Alaska Miners Association to Governor Steve Cowper, September 9, 1988.

² Communication from Governor Steve Cowper to Richard A. Hughes, President, Alaska Miners Association, October 19, 1988.

Allowance for Flexible Work Weeks

- The passage of legislation allowing work schedules to be set on the basis of project specific considerations will allow for more efficient use of labor and provide more desirable time-off patterns for employees. This will be particularly significant for mines in remote locations with employees who reside in communities distant from the work site.

Extension of Underground Work Hours

- Legislation is required to amend current statutes limiting shifts at the work face of underground mines from the current maximum of eight hours to a maximum of ten hours. The antiquated statute presently in effect does not recognize the implementation of modern safety programs and penalizes mine efficiency and employee time-off schedules on remote mining projects.

Multiple Use of State Lands

- The Commission would like to reemphasize four recommendations made in the Commission's 1987 report regarding the management of state lands.

1. Alaska Statute 38.05.300 should be amended as follows:

Classification of lands. (a) The commissioner shall, where considered necessary and proper, classify land for surface use. This section does not prevent reclassification of land where the public interest warrants reclassification, nor does it preclude multiple use of land whenever different uses are compatible. State land, water, or land and water area may not, except by act of the state legislature, be closed to multiple use or to mineral entry if the area involved contains more than 640 acres.

2. The Legislature should redefine, to conform with constitutional intent, the various definitions of "multiple use" in the Alaska Statutes to require the management of state lands for the use of all resources rather than allocating or selectively denying resource use.
3. The Legislature should only make closures of land to mineral entry where documented and demonstrated incompatible use is proven and only when preceded by a mineral assessment.
4. The Legislature and Governor should periodically review lands closed to mineral entry to assess the need for continued closure and, if there is no longer a compelling need for closure, return the land to multiple-use designation.

Amending the Reporting Requirements of the Minerals Policy Act.

- Sec 44.99.110(2) should be amended to require each department, board, commission, or agency, including the University of Alaska, to fulfill its reporting requirements as set out in this section on an annual basis through 1994 rather than once only in 1989.

Industrial Minerals Inventory

- The Legislature should reintroduce and enact legislation similar to SB 71 (or companion legislation HB 69), Senate Concurrent Resolution 4 and House Concurrent Resolution 5 as introduced during the Second Session of the 15th Legislature. These bills and resolutions address the need for systematic identification, inventory and reserve of sand and gravel resources to meet the present and future needs of transportation systems, populated areas and large-scale developments within the state and Pacific Rim.

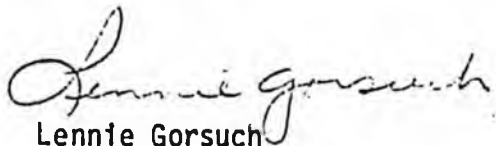
January 9, 1989

The Honorable Tim Kelly
President
Alaska State Senate
P.O. Box V
Juneau, AK 99811

Dear Senator Kelly:

As required by the Minerals Policy Act (AS 44.99.110), I am forwarding to you unedited comments, reviews and reports provided by state agencies in compliance with the reporting provisions of section 2 of the Act.

Sincerely,



Lennie Gorsuch
Commissioner

Enclosure

cc: Alaska Minerals Commission

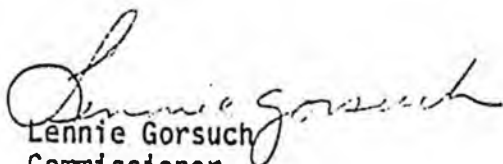
January 9, 1989

The Honorable Steve Cowper
Governor
State of Alaska
P.O. Box A
Juneau, AK 99811-0101

Dear Governor Cowper:

As required by the Minerals Policy Act (AS 44.99.110), I am forwarding to you unedited comments, reviews and reports provided by state agencies in compliance with the reporting provisions of section 2 of the Act.

Sincerely,


Lennie Gorsuch
Commissioner

Enclosure

cc: Alaska Minerals Commission

January 9, 1989

The Honorable Sam Cotton
Speaker
Alaska House of Representatives
P.O. Box V
Juneau, AK 99811

Dear Representative Cotten:

As required by the Minerals Policy Act (AS 44.99.110), I am forwarding to you unedited comments, reviews and reports provided by state agencies in compliance with the reporting provisions of section 2 of the Act.

Sincerely,



Lennie Gorsuch
Commissioner

Enclosure

cc: Alaska Minerals Commission

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Commerce and Economic Dev.

Mailing Address: P.O. Box D
Juneau, AK 99811

Agency Contact: Tom Lawson, Acting Director, Business Dev.

Telephone: 465-2017

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

XXX Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

AS 44.33.020 _____
AS 44.33.431 _____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes XXX No

4. Do your agencies' statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

XXX Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

Report to the Legislature and Governor on the Statutory
Authority, Administrative Regulations and Procedures of the
Department of Commerce and Economic Development
Applicable to the Alaska Mineral Policy Act (AS 44.99.110)

The following narrative describes the statutory duties of the Department of Commerce and Economic Development that are directly, or indirectly, applicable to mineral exploration and development.

AS 44.33.020

Under statutory functions of the Department of Commerce and Economic Development concerning the regulation of commerce, several duties indirectly apply to mineral exploration and development and would include such duties as registering and regulating corporations, including mining corporations, and certifying and registering professionals, including geologists and mining engineers.

Under statutory duties concerning economic development, the following subsections of AS 44.33.020 provide the authority and direction for the performance of several of the mineral development functions and activities that are presently being performed by the Division of Business Development.

The Department of Commerce and Economic Development shall

(12) conduct studies, enter into contracts and agreements, and make surveys relating to the economic development of the state and, when appropriate, assemble, analyze, and disseminate the findings;

(13) provide factual information and technical assistance for potential industrial and commercial investors; and activate a program for promoting balanced economic growth in the state;

(15) establish and activate programs to achieve balanced economic development in the state and advise the governor on economic development policy matters;

(15) formulate a continuing program for basic economic development and for the necessary promotion, planning and research that will advance the economic

development of the state;

(17) cooperate with private, governmental and other public institutions and agencies to advise the Governor on economic development policy matters;

The Division has instituted the following policies and programs to carry out these duties.

A) Respond in timely fashion to all reasonable requests from the public and private sectors for economic information on Alaska's mining and international mineral markets.

B) In cooperation with the Department of Natural Resources, annually compile, write, publish and distribute the Alaska's Mineral Industry report summarizing salient economic statistics and describing the activities of Alaska's mineral industry and publish a summary of the report to be available to the legislature, administration and the public in the first 30 days of each legislative session.

C) Enhance Alaska's viability with major domestic and international mining companies and mineral resource investors to attract their participation in Alaska mineral exploration and development projects by:

1) providing support for state officials participating in industry forums or trade delegations;

2) participate in trade shows at selected mining conventions;

3) author articles for business and professional mining journals;

4) make special distributions of the annual "Alaska's Mineral Industry" reports to domestic and foreign mining companies and to selected newspapers and trade publications;

5) provide information and assistance to potential industrial and commercial investors by responding to all reasonable private sector requests for technical or business information or for assistance in identifying and contacting potential business partners.

D) Participate with other state agencies in the development of state policy positions, of administrative actions, and of legislative recommendations for issues that will have significant economic impacts.

E) Provide expertise to other government agencies and to the legislature on mining issues of economic importance to the state by responding to all reasonable requests.

AS 44.33.431

The Alaska Minerals Commission was established in the Department of Commerce and Economic Development by sec. 1, ch. 98, SLA 1986 as a temporary law but was codified in 1988 as Sec. 44.33.431 after the repeal of the act was postponed from 1989 to 1994. The commission is directed to make recommendations to the governor and the legislature annually in a report to be presented during the first ten days of the legislative session. The Department of Commerce and Economic Development provides budgeting, clerical and administrative services for the Alaska Minerals Commission.

Summary

The Department of Commerce and Economic Development believes that the statutes which set out the duties of the department and the regulations and procedures that guide the department's performance of these duties are neither deficient nor inconsistent with Section 1. of AS44.99.110.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Environmental Conservation
Mailing Address: P.O. Box 0
Juneau, Alaska 99811-1800
Agency Contact: Larry Dietrick
Telephone: 465-2640

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development: *continued on back.

AS 46.03 (Env. Cons.) AS 46.09 (Hz Subst Rel. Cont) 18 AAC 30 (Env. San.)
AS 46.04 (Oil Poll. Cont) AS 46.35 (Env. Proc. Coord) 18 AAC 31 (Food Service)
AS 46.08 (Oil & Hz Subst) 18 AAC 15 (Adm. Proc.) 18 AAC 50 (Air Qual. Cont)

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No Placer Mining Enforcement Policy

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

MEMORANDUM

State of Alaska

T.DON

DEPARTMENT OF FISH AND GAME

TO: Judith M. Brady
Commissioner
Department of Natural
Resources

DATE: October 25, 1988

FILE NO.:

TELEPHONE NO.: 465-4100

SUBJECT: Minerals Policy Act
Compliance Form

FROM: Don W. Collinsworth *DWC*
Commissioner
Department of Fish and Game

Enclosed is a completed Minerals Policy Act Compliance Form for the Alaska Department of Fish and Game (ADF&G). The ADF&G authorities that apply to mineral exploration and development are found in Chapters 5 and 20 of Title 16, Fish and Game. As you probably know, Chapter 5 consists of sections that authorize the department to deny, condition, or approve fish habitat permits for projects that will be conducted in or adjacent to fish-bearing waters and that may have an adverse effect on fisheries resources or public use of them. Chapter 20 gives the authority to create and manage legislatively designated state game refuges, sanctuaries, and critical habitat areas for multiple uses including activities associated with mineral exploration or development if the uses or activities are compatible with the purpose for which the special area was created.

We believe that our statutes and procedures comply in full with Section 1 of the Minerals Policy Act, especially subsections (1), (2), and (4). Thank you for requesting our comments. If you have any questions, please do not hesitate to call me at 465-4100 or Habitat Division Director Frank Rue at 465-4105.

Enclosure

cc w/form: Frank Rue

DEPARTMENT OF
NATURAL RESOURCES

OCT 25 1988

COMMISSIONER'S OFFICE
JUNEAU

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Natural Resources
Mailing Address: 400 Willoughby Avenue
Juneau, Alaska 99801
Agency Contact: Gerald Gallagher
Telephone: 762-2165

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

See attached sheet

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Alaska Department of Natural Resources
Mineral Policy Act Compliance

Applicable Statutes:

AS 27.21 (Surface Coal Mining Program)
AS 38.04.060 - .070 (Planning and Classification)
AS 38.05 (Alaska Lands Act)
AS 40.05 (Records)
AS 41.08.010 - .040 (Geological Survey)
AS 41.35 (Historic Preservation Act)
AS 46.15 (Water Use)
AS 46.17 (Dam Safety)
Chapter 48, SLA 1987 (Mental Health Lands)
ANILCA 906 (k) (Concurrence on Federal Authorization)

Applicable Regulations:

11 AAC 55 (Land Use Planning)
11 AAC 58 (Rights of Way)
11 AAC 82 (Mineral Leasing)
11 AAC 84 (Other Minerals)
11 AAC 85 (Coal)
11 AAC 86 (Mining Rights)
11 AAC 90 (Surface Coal Mining Program)
11 AAC 93 (Water Management)

Applicable Procedures:

"Chapter Two" from land use plans (copy attached).

SUBSURFACE RESOURCES

Goals

Mineral and Energy Supplies. Make metallic and nonmetallic minerals, coal, oil and gas, and geothermal resources available to contribute to the energy and mineral supplies and independence of the United States and Alaska.

Economic Development. Contribute to Alaska's economy by making subsurface resources available for development, which will provide stable job opportunities and stimulate growth of secondary and other primary industries.

State Revenues. Establish a stable source of state revenues.

Environmental Quality and Cultural Values. When developing subsurface resources, protect the integrity of the environment and affected cultural resources to the extent feasible and prudent.

State Support for Mining. Aid in the development of infrastructure (such as ports, roads, or railroads) and continue to provide geologic mapping and technical support to the mining industry.

Mineral and Coal Development Guidelines

A. Mineral and Coal Exploration. State land in the Copper River Basin may be leased or opened for coal prospecting permits if the department determines it is in the best interest of the state as required by AS 38.05.035. Before a permit is issued, DNR will determine if the surface values are significant enough to warrant restricting surface entry. Decisions on surface entry for coal adjacent to streams will be made in consultation with the affected agencies.

B. Open to Mineral Entry. All state lands that are open to mineral entry are multiple use areas where mineral development will be accommodated and encouraged. Recognized exploration methods for locatable minerals will be allowed on all state lands unless specifically closed to mining and will be subject to the conditions of a land use permit. DNR may determine that some traditional forms of access will not be allowed in specific areas to avoid resource damage.

Where an area is open to mineral entry, a miner has the right to stake a claim regardless of the surface use designation or classification. Any adverse effects of mining on surface resources or uses will be managed through compliance with state laws and regulations and the management intent and guidelines of this plan.

C. Reclamation of Mined Land. Land use permits and plans of operation for mineral development will specify measures needed to return the land to a useful state. Determination of the specific measures to be taken and whether or not a performance bond will be required will be done in consultation with the affected agencies. Specific measures may include storage and reuse of topsoil; disposal of overburden; regrading of tailings and revegetation; reestablishment of natural (not necessarily original) contours; reestablishment of a natural drainage system; long-term erosion control measures; and removal of equipment, improvements, and other man-made items.

D. Access for Mineral and Coal Development. Existing roads and trails should be used to provide access to mine sites wherever feasible. Regulations for miscellaneous land use permits require that access will be managed so that damage is minimal. (See p. 2-38.)

E. Unauthorized Use of State Lands. DNR will place a high priority on taking appropriate action against construction of illegal structures, blocking public access, or other unauthorized use of public lands for private purposes. This will include taking appropriate action against mining claimants who use their claims for facilities that are unnecessary for prospecting, extraction or basic processing activities. In carrying out this policy, emphasis will be placed on unauthorized uses that obstruct significant settlement, public recreation, other public uses, or public access.

F. Control of Visual Impacts. Guidelines will be developed as necessary through the land use permit or leasing process to minimize the adverse visual impacts of mining especially in settled areas, recreation areas, and in areas viewed from roads. In such areas, guidelines should consider, at a minimum, the following items: control of solid wastes; removal of vegetation; siting of mining structures, tailings and overburden; roads; and rehabilitation of mining sites.

G. Approval of Plans of Operation. Using procedures established under existing leasing laws and regulations, DNR reviews plans of operation required for locatable mineral leases and will consult with and carefully consider recommendations of the Department of Fish and Game (ADF&G) and the Department of Environmental Conservation (DEC). DNR will approve plans of operation if they adequately address the guidelines of the area plan and applicable laws and regulations. Violation of the plan of operations is cause for revocation of the approved plan of operation or termination of the lease.

Guidelines for Land Sales in Areas with Mineral or Coal Potential

A. Land Sales in Areas with High Mineral Potential. Generally, settlement areas designated by this plan have avoided areas of high mineral potential and areas with mining locations in good standing.

B. Land Sales in Areas with High or Moderate Coal Potential. Generally, land sales will not occur in areas of existing coal leases or areas of high coal potential as defined in 11 AAC 85.010. Land sales should be avoided in areas of moderate coal potential as defined in 11 AAC 85.010 except where land sales are determined to be the highest and best use of the land.

Guidelines for the Application of Locatable Mineral Closures

Locatable mineral closures are the most extreme management tool that can be used by DNR to resolve subsurface and other resource conflicts. AS 38.05.185(a) requires that before an area of state land can be closed to mining or mineral location, the commissioner must make a written finding that mining would be incompatible with significant surface uses. Using the criteria established in AS 38.05.185(a), DNR generally finds mining to be incompatible with the surface uses listed below and closes the area to mining or mineral location at the specified times in the decision making process. However, each situation will be evaluated separately and a determination made that the requirements of AS 38.05.185(a) have been met.

A. Areas Scheduled for Disposal. Land scheduled for commercial, industrial, agricultural, or subdivision sale will be closed to mining and mineral location at the end of the first year of the Land Availability Determination System (LADS) process (that is, approximately 2 years before the anticipated land sale).

B. Homesteading Areas. Lands available for homesteading (including agriculture homesteading) will be closed to mining and mineral location at the end of the first year of the LADS process (that is, approximately 2 years before the anticipated land sale). These areas will remain closed until the allowed number of homestead entries has occurred. At that time, those portions of the project area with few or no homesteads will be reopened for mineral entry and location unless it is determined that the settlement pattern that has resulted creates significant, irreconcilable land use conflicts.

C. Land Proposed for Exchange. Lands proposed for exchange or trade will be closed to mineral entry and location at the time a preliminary agreement to exchange the land is reached.

D. Land to be Transferred to Another Public Agency. Lands reserved for transfer to another public agency for development of a public facility or reserved as a future townsite will be closed to mineral entry and location at the time the area is classified "reserved use" or an Interagency Land Management Agreement is signed.

Guidelines for the Application of the Locatable Mineral Leasing Program

Requiring that locatable mineral developments occur under a lease is a more flexible management tool than mineral closure. Therefore, mineral leasing is preferred over mineral closure as a management option to resolve conflicts between other significant resources and mining and mineral location. AS 38.05.185(a) requires that the commissioner determine that potential use conflicts on state land require that mining be allowed only under written leases issued under AS 38.05.205 or the commissioner has determined that the land was mineral in character at the time of state selection. Under 11 AAC 86.135(b), if a surface disposal area is not closed entirely to mineral entry, it will be made available only by leasehold location.

After consultation with ADF&G and DEC, and concurrent with the designation of an area being open to locatable mineral entry under lease, DNR will identify potential conflicts between other resources and mining and other resources that need protection. DNR will also state the general nature of stipulations to be used in leases to protect those other resources.

Resource Values that May be in Conflict with Coal or Mineral Development

The decision to apply mineral closures or locatable mineral leasing will be made by the commissioner within the parameters set by the Alaska Statutes. AS 38.05.185(a) requires that the commissioner determine that mining is incompatible with a significant surface use before an area can be closed to mining. The same section of the statutes requires that the commissioner determine that a potential use conflict exists before requiring that development of locatable minerals be conducted only under a lease.

In some circumstances, the commissioner may find that some resource values require locatable mineral leasing, closure, or a prohibition of coal leasing and prospecting to protect their continued productivity and availability. In other circumstances, care during mineral development is all that may be necessary to protect these resources. It is impossible to predict the degree of conflict that could occur between mining and any other resource value in all circumstances. Therefore, the following categories of resource values will be evaluated to determine if locatable

mineral leasing, prohibition of coal leasing or prospecting, or another management option is needed to protect the continued productivity and availability of the resource in conflict.

A. Retained Lands with Significant Commercial, Industrial, or Public Use Values

- Lands with significant coal, oil and gas, timber or other commercial potential.
- Lands recognized as future transportation corridors where access for pipelines, road, railroads, or other surface transportation infrastructure could be blocked or impeded by mining claims. (After the alignment is established, areas will be reopened if they are surplus land.)
- Lands and waters that provide unique or unusual opportunities for human use and enjoyment, such as fishing, hunting, trapping, photography, and fish and wildlife viewing.
- Lands and waters that provide significant recreation opportunities, such as clear water rivers that are now or are expected to be important for recreation, key public access sites, and recreation facilities.
- Lands and waters that are the watershed of a community water supply.
- Sand and gravel pits, stone quarries, or other significant known material sites where development might be impeded if mineral claims were staked.

B. Retained Lands With Significant Fish or Wildlife Resources

- Lands and waters that support protected species of plants, fish or wildlife (bald and golden eagles), threatened species (Arctic peregrine falcon), or endangered species (American peregrine falcon).
- Lands and waters that support production or maintenance of fish or wildlife species that have significant economic, recreational, scientific, educational, or cultural values or which have been given special protection through state or federal legislation or international treaty.
- State game refuges, critical habitat areas, and sanctuaries. (In decision memorandum 44 signed by the commissioner in January 1984, DNR set the statewide policy that in legislatively established Critical Habitat Areas and Wildlife Refuges mining will occur under lease. Also, individual legislatively designated areas may be recommended for mineral closure, but such a closure would be decided case by case using the criteria found in AS 38.05.185(a).)
- Other lands and waters not included above that are known to support unique or unusually large assemblages of fish or wildlife.

Oil and Gas Guidelines

Generally, oil and gas exploration, development, and production will be encouraged on state lands. Impacts on other important uses and resources will be managed through appropriate mitigation measures such as those contained in this plan and those developed during the permitting and leasing processes.

Oil and gas guidelines are not addressed here. Oil and gas guidelines specific to a particular management unit are found in Chapter 3. DNR's statewide policies for oil

and gas are found in the Five-Year Oil and Gas Leasing program. Specific stipulations for oil and gas exploration, development, and production activities will be developed and applied case by case for each oil and gas lease sale using the lease sale process.

Other Guidelines Affecting Subsurface resources

Several other guidelines may affect subsurface resources. See the following sections of this chapter:

- Fish and wildlife habitat
- Settlement
- Transportation
- Public Access
- Stream corridors and instream flow
- Trail management
- Wetlands management

Land Allocation Summary

Minerals. Mining is a primary use in the Slate Creek mining area which is the only state land with extensive mining activity. Most other mining claims and most lands with mineral potential in the Copper River Basin occur on Native lands or private claims located in the Wrangell Mountains. Approximately 3.15 million acres (97 percent) of the state land in the basin remains open to mineral entry. Approximately 108,000 acres (3 percent) of the state land in the basin would be closed to mineral entry to protect certain recreation and fish resources. Additional acreage (approximately 36,000 acres, or 1 percent) would be closed for land disposals before individual land offerings. State land remains open to mineral entry except for the Kettlehole Lakes - Mendeltna recreation area, Thompson Pass transportation and utility corridor, and the streams and lakes listed below. The north shore of Tazlina Lake, which contains extensive archaeological sites, will also be closed to new mineral entry. The following areas would be closed to new mineral entry to protect important salmon spawning and rearing areas, resident fish habitat, recreation and scenic resources:

- Mendeltna Creek and Old Man Lake
- Tolsona Creek
- Kaina Lake and Creek
- St. Anne Creek
- Klutina Lake and River above Manker Creek
- Mahlo River
- Manker Creek
- Tonsina Lake and River above Rainbow Creek
- Greyling Creek
- Bernard Creek
- Long Lake and Long Lake outlet
- Nizina River - Dan Creek to Spruce Point
- Slana River above Lost Creek
- Ahtel Creek
- East Fork Chistochina River below Mankomen Lake
- Unnamed tributary to Gakona River near Alder Lake and Swampy Lake
- Spring Creek
- Gulkana River

Paxson Lake
Summit Lake
Gunn Creek and Gunn Lakes
Fish Creek and Fish Lakes
Crosswind Lake

State-owned uplands within 200 feet of mean high water on both sides of these streams would also be closed to new mineral entry.

Oil and Gas. All state land is available for oil and gas exploration and leasing except state-owned shorelands under the Gulkana River. The Gulkana River is a National Wild River and adjacent federal lands are withdrawn from leasing. Seasonal restrictions may be applied to oil and gas activities in the trumpeter swan habitat areas.

Other Leaseable Minerals (Coal, sedimentary uranium, potassium, sodium, oil shale, geothermal). Any leases will be dealt with case by case consistent with the intent of the appropriate management unit.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Transportation & Public Facilities
Mailing Address: P.O. Box 2
Juneau, AK 99811
Agency Contact: Bruce R. Freitag
Telephone: 465-2957

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

17AAC 25 (Size & Weight) 17AAC 15 (Utilities)
17AAC 35 (Ind. Use Highways)
AS 19 (Hwys & Ferries) 17AAC 10 (Driveways)

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Office of the Ombudsman

Mailing Address: Box 100
Juneau AK 99811-3000

Agency Contact: Juneau Archives Feinberg
Duncan Fowler / Rosie Garner / Sandra McCoy

Telephone: 465-4970 / 277-8848 / 452-4001

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes

Not Specifically

If no, then additional information

is not required. Return form to DNR in the pre-addressed envelope provided.

Note: This office does have the authority to review any administrative act of state government. As such we can investigate both the legality & fairness of actions.
2. Please list those statutes and regulations which are applicable to mineral exploration and development: *See AS 24.55.*

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

_____ Yes _____ No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

_____ Yes _____ No

If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska Public Utilities Commission
Mailing Address: 420 L Street, Suite 100
Anchorage, Alaska 99501
Agency Contact: _____
Telephone: (907) 276-6222

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.
PUC regulates intrastate pipelines: this indirectly affects mineral exploration and development.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

AS 42.06 (indirectly) _____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: ALASKA STATE MUSEUM--DIVISION OF STATE MUSEUMS

Mailing Address: 395 Whittier Street

Juneau, AK 99801

Agency Contact: Jerry D. Howard Museum Specialist II *JDH*

Telephone: 465-2901

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes

 X No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes

 No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes

 No

If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska Public Broadcasting Commission
Mailing Address: P.O. Box CB
Juneau, AK 99811
Agency Contact: Charles M. Northrip, Exec. Dir.
Telephone: (907) 465-2846

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes

 X No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes

 No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes

 No

If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: OLDER ALASKANS COMMISSION
Mailing Address: OFFICE of THE LONG TERM CARE OMBUDSMAN
3601 C STREET, SUITE 380
ANCHORAGE, AK 99503-5209
Agency Contact: WILLIAM M. O'CONNOR
Telephone: (907) 279-2232

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.
2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No
4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

10/11/84

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska Public Officers Commission

Mailing Address: 2221 E. Northern Lights

Box 128

Anchorage AK 99508

Agency Contact: Karla Forsythe Executive Director

Telephone: 276-4176

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes X No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes X No

... although we do think the

4. Do your agency's statutes, regulations, or procedures conform to Section 1 of the Minerals Policy Act?

 Yes No

If regulations are not administered as "gold" in the eyes of the public! statutes, what do

KCF

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Administration
Mailing Address: P.O. Box C
Tuneau AK 99811
Agency Contact: John M. Andrews, Commissioner
Telephone: 465-2200

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes

No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes

No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes

No

If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: A I D E A

Mailing Address: 1577 "C" Street, Suite 304
Anchorage, Alaska 99501

Agency Contact: Bertram L. Wagnon, Executive Director

Telephone: (907) 274-1651

Please complete the following information requests:

1. Does you agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes X No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska State Building Authority
Mailing Address: P.O. Box 100080 99510
624 W. International Airport Rd
Anchorage, Alaska 99518
Agency Contact: JeAnn Goyne, Deputy Executive Dir.
Telephone: 786-6220

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

10023

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska Power Authority
 Mailing Address: P.O. Box 4M
Juneau, AK 99801
 Agency Contact: P. Telesche
 Telephone: 907 465-3575

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 _____ Yes X No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 _____ Yes _____ No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 _____ Yes _____ No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

~~Department/Board/Commission~~ Name: Alaska Seafood Marketing Institute
Mailing Address: P.O. Box DX
Juneau, AK 99811-0800
Agency Contact: Peter W. Carlson
Telephone: (907) 586-2902

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes xx No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Alaska Oil & Gas Conservation Commission

Mailing Address: 5001 Porcupine Drive
Anchorage, AK 99501-3192

Agency Contact: C. V. Chatterton

Telephone: (907) 279-1433

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes

 X No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes

 No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes

 No

If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: DCRA
Mailing Address: Box B
Juneau, AK 99801
Agency Contact: Paul Cunningham
Telephone: 465-4750

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Dept of Conservation
Mailing Address: 2003-507
J. ... AK 99811
Agency Contact: Kathy Civity
Telephone: 561-2426

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes ✓ No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Dept of Education
Mailing Address: Box F
Tomball - 77058
Agency Contact: Steve Hale
Telephone: 465-2800

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: COMMISSION ON POSTSECONDARY EDUCATION
Mailing Address: P.O. Box FP
JUNEAU, ALASKA 99811
Agency Contact: RON THIPPS
Telephone: 465-2854

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes

No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes

No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes

No

If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: State Archives + Records Service
Mailing Address: Dept. of Education
141 Willoughby
Tuneau, AK 99801
Agency Contact: Virginia Newton, State Archivist
Telephone: 465-2275

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes

No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes

No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes

No

If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Dept. of Education, Division of Libraries

Mailing Address: P.O. Box G

Juneau, AK 99811

Agency Contact: Karen R. Crane, Director

Telephone: (907) 465-2910

Please complete the following information requests.

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes

 / No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes

 / No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 / Yes

 No

If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

MEMORANDUM

State of Alaska

TO: Judith M. Brady
Commissioner
Department of Natural
Resources

DATE: 10/14/83

FILE NO: 100-100000-10000

TELEPHONE NO: 1-907-261-1000

SUBJECT: Alaska Minerals Policy Act

THRU:



FROM: Kaye M. Munson
Commissioner
Department of Health and
Social Services

Attached is the form pertaining to the Alaska Minerals Policy Act that you requested I complete. In reviewing our statutes, regulations, and internal policies and procedures, I found none applicable to minerals exploration and development.

Thank you for the opportunity to review and comment.

Attachment

CIVIL

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Health and Social Services
Mailing Address: PO Box II
Juneau, AK 99811
Agency Contact: Dave Williams
Telephone: 465-3015

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes xxx No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Health & Social Services
Mailing Address: Bureau of Vital Statistics
PO Box 111
Juneau Ak 99811-0675
Agency Contact: Jean P. Probst, State Registrar
Telephone: 465-3392

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes

No

If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes

No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes

No

If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: AK DEPT. OF LABOR
Mailing Address: EMPLOYMENT SECURITY DIVISION
P.O. Box 3-7000
JUNEAU AK 99802
Agency Contact: EDWARD MUSSLERUTZ
Telephone: 465-2712

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Dept. of Labor
Mailing Address: P.O. Box 21149
Tuneau, AK. 99802
Agency Contact: Commissioner Sampson
Telephone: 465-2700

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?
 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?
 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Law

Mailing Address: 1031 W. 4th, Suite 200
Anchorage, Alaska 99501

Agency Contact: Assistant Attorney General Mark P. Worcester

Telephone: (907) 277-8661

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

 Yes X No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

DEPARTMENT OF
NATURAL RESOURCES

DEC 22 1988

COMMISSIONER'S OFFICE
JUNEAU

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: _____
Mailing Address: Dept. of Military & Veterans Affairs
3601 C St.; Suite 620
Anchorage, AK 99503-5989
Agency Contact: Charles T. Borg
Telephone: 249-1565

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes X No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Public Safety
Mailing Address: P.O. Box N
Juneau, AK 99801
Agency Contact: Gayle Foretski, Depty Commissioner
Telephone: 465-4322

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?
 Yes X No If no, when additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

 Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

 Yes No If no, please list those statutes, regulations or procedures that do not comply:

_____	_____	_____
_____	_____	_____
_____	_____	_____

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.

Minerals Policy Act Compliance Form
as required by AS 44.99.110

Department/Board/Commission Name: Department of Transportation & Public Facilities
Mailing Address: Alaska Marine Highway System
P.O. Box R
Juneau, Alaska 99811
Agency Contact: June M. Arkoulis-Sinclair
Telephone: (907) 465-3950

Please complete the following information requests:

1. Does your agency have statutory authority, regulations or procedures applicable to mineral exploration and development?

Yes No If no, then additional information is not required. Return form to DNR in the pre-addressed envelope provided.

2. Please list those statutes and regulations which are applicable to mineral exploration and development:

3. Does your agency have written procedures (not including statutes and regulations) applicable to mineral exploration and development?

Yes No

4. Do your agencies statutes, regulations and procedures comply with Section 1 of the Minerals Policy Act?

Yes No If no, please list those statutes, regulations or procedures that do not comply:

Please return this completed form to the Department of Natural Resources in the pre-addressed envelope provided. Thank you.