

**HB**

**340**

<TARGET><BILL>HB 340</BILL><SUBJECT>HB  
340</SUBJECT><COMM>HRES27</COMM></TARGET>

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version HB 340- RES  
 Fiscal Note Number \_\_\_\_\_  
 () Publish Date \_\_\_\_\_

Identifier (file name) HB340-DNR-MLW-02-26-12 Dept. Affected Department of Natural Resources  
 Title PETERSVILLE RECREATIONAL MINING AREA Appropriation Land & Water Resources  
 Allocation Mining Land & Water  
 Sponsor REP. NEUMAN  
 Requester (H) RES OMB Component Number 3002

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates					
			FY13	FY14	FY15	FY16	FY17	FY18
<b>OPERATING EXPENDITURES</b>								
Personal Services								
Travel								
Services								
Commodities								
Capital Outlay								
Grants, Benefits								
Miscellaneous								
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>FUND SOURCE</b>		(Thousands of Dollars)						
1002	Federal Receipts							
1003	GF Match							
1004	GF							
1005	GF/Prgm (DGF)							
1037	GF/MH (UGF)							
1178	temp code (UGF)							
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>POSITIONS</b>								
Full-time		0	0	0	0	0	0	0
Part-time		0	0	0	0	0	0	0
Temporary		0	0	0	0	0	0	0

<b>CHANGE IN REVENUES</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
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Estimated SUPPLEMENTAL (FY12) operating costs 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY13) costs 0.0 (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial Version, not applicable

Prepared by Brent Goodrum, Director  
 Division Mining, Land & Water  
 Approved by Daniel S. Sullivan, Commissioner  
Department of Natural Resources

Phone 269-8600  
 Date/Time 2/26/12 9:00 AM  
 Date 2/26/2012

FISCAL NOTE

STATE OF ALASKA  
2012 LEGISLATIVE SESSION

BILL NO. HB 340- RES

**Analysis**

HB 340 removes several mining claims from the Petersville Recreational Mining Area established under AS 41.23.630(f). DNR expects there to be no fiscal impact on DNR or the State from this proposed legislation.

# ALASKA STATE LEGISLATURE

**Member:**

House Finance Committee  
Legislative Budget & Audit Committee



**Chair:**

House Budget Sub Committees on:  
- Department of Administration  
- Department of Labor and Workforce  
Development

**Session:**

Alaska State Capitol  
Juneau, AK 99801-1182  
Phone: (907) 465-2679  
Fax: (907) 465-4822  
Toll Free (800) 505-2678

**Interim:**

600 E. Railroad Ave  
Wasilla, AK 99654  
Phone: (907) 376-2679  
Fax: (907) 373-4745

## ***Representative Mark Neuman***

Rep.Mark.Neuman@legis.state.ak.us

### Representative Feige & Representative Seaton

The following individuals will be available to testify or call in for the hearing. Once you have identified the date, we will be better able to confirm whether they will be calling or attending in person.

- 1) Michele Stevens
- 2) Director of Land, Mining, and Water
- 3) Alaska Miners Association.
- 4) (Possibly the past Commissioner of DNR?)

Please provide us the number you would like him to call.

Sincerely,

A handwritten signature in cursive script that reads "Mark Neuman".

Representative Mark Neuman

# ALASKA STATE LEGISLATURE

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Legislative Budget & Audit Committee

**Chair:**

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## ***Representative Mark Neuman***

Rep.Mark.Neuman@legis.state.ak.us

### Sponsor Statement

#### HB 340, Petersville Recreational Mining Area

The Petersville Recreational Mining Area was enacted under House Bill 46 in 1997 and consists of two areas near Petersville in the Upper Susitna Valley. The northern of the two areas is presently open for recreational mining. The southern area which this legislation addressed is still closed.

The area is still closed due to past mineral leases and agreements between the State of Alaska, Ms. Michele Steven, and the Federal Bureau of Land Management (BLM) being unable to be executed.

Termination of the legislative designation of the southern part of Petersville Recreational Mining Area, identified in AS 41.23.630(f). Will untangle certain ? land issues and move the area closer to opening for mineral entry.

Version 27-LS1342\A

SEC 21 TOWNSHIP 28N RANGE 8W OF THE SEWARD MERIDIAN, ALASKA

LEGEND

BASE INFORMATION

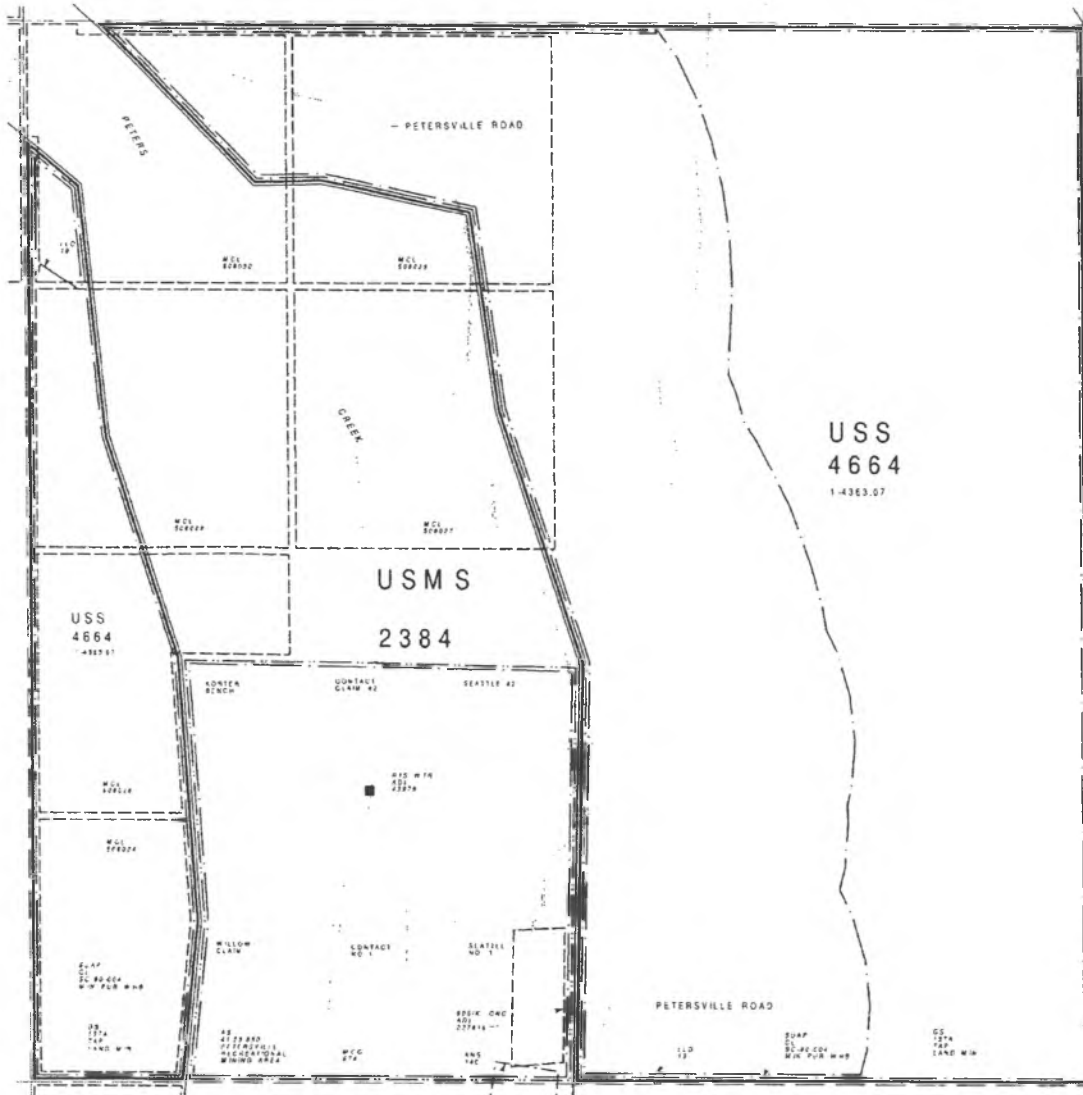
- INTERCITY
- SURVEY LINE
- SURVEY LOT LINE
- TOWNSHIP SECTION GRID
- 1/4 SECTION LINE
- HIGHWAY
- ROAD
- TRAIL
- RAILROAD
- ELECTRICAL POWER LINE
- TELEPHONE LINE
- FENCE LINE
- AIRPORT LANDING STRIP
- HORIZONTAL CONTROL
- CONTROL MONUMENT

STATUS INFORMATION

- TITLE
- BOUNDARY
- CLASSIFICATION
- DISPOSAL
- MUNICIPAL
- RESTRICTION
- FEDERAL ACTION
- MENTAL HEALTH TRUST
- LIMITS OF ACTION
- NAVIGATIONAL AID
- ABEN PERMIT
- TRAPPING CABIN PERMIT
- TRIPSASS LOCATION
- SURFACE WATER RIGHTS APPLICATION PERMIT CERTIFICATE
- SUB-SURFACE WATER RIGHTS APPLICATION PERMIT CERTIFICATE
- IN STREAM FLOW RESERVATION APPLICATION CERTIFICATE
- DAM WEIR BARRIER APPLICATION PERMIT CERTIFICATE

VICINITY MAP

6 5 4 3 2 1  
 5 0 0 T 2  
 16 17 18 19 20  
 21 22 23 24  
 25 26 27 28 29  
 30 31 32 33 34 35 36



STATUS PLAT

THE STATE OWNS ALL LAND UNDER WATERS THAT ARE NAVIGABLE IN FACT ARE SUBJECT TO THE EBB AND FLOW OF THE TIDES OR ARE RIPARIAN OR LITTORAL TO ISLANDS OWNED BY THE STATE

BASED ON:

COORDINATES  
 ALASKA STATE PLANS ZONE #  
 SE CORNER OF TOWNSHIP  
 Y 48921.00  
 X 30455.33  
 EAS 42 22 54.88 W  
 LONG TO 29 21 45.1 W

TRIGONOMETRY  
 2005 TRIANGULATION AND 02) BENTON BY BLK FROM  
 AERIAL HIGH ALTITUDE PHOTOGRAPHY 1979-1985

LAND AET  
 ALA PHOTOGRAPHY DIAGRAM 12-10, APPROVED 11/20/1990  
 THIS CREATING ANCSA 5, 16, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

OTHER ACTIONS AFFECTING DISPOSAL OR USE OF STATE LANDS, SEE THE LAX CASSEFILE OR FEDERAL SURVEY INSTRUMENTS FOR ADDITIONAL INFORMATION

ENTIRELY WITH MATANOSKA-SESTINA RIVER BASIN  
 NATIONAL WILDERNESS RECORDING SYSTEM  
 SUBJECT TO SUSTAINABLE PLAN  
 CLASSIFICATION 10-10-1980 PER ANS ACCEPTED 10/10/1980  
 GS 17A TENTATIVE APPROVAL EXCLUDING MENDING CLAIM  
 PER ORDINANCES 8A-1980 TWE 1A1-2001, 8A-1981R,  
 8A-1982, 8A-1989 TWE 1A1-1992, 8A-1990A,  
 8A-1990B AND 8A-1990 WHICH ARE LOCATED WITHIN  
 PLATE 2384

USS  
 4664  
 1-4827.07

USMS  
 2384

GRAPHIC ILLUSTRATION ONLY.  
 SOURCE DOCUMENTS REMAIN THE OFFICIAL RECORD.  
 CONSULT LAND ADMINISTRATION SYSTEM DATA  
 CASSEFILE FOR ADDITIONAL INFORMATION

SCALE



ATTENTION STATUS PLAT USERS: ON THIS PLAT ALL STATUS LINES CLOSE FOR ACTIONS THAT EXTEND INTO ADJACENT TOWNSHIPS, THIS INCLUDES STATUS LINES SUCH AS DISPOSAL, MUNICIPAL, TITLE, CLASSIFICATION, ETC. PLEASE REFER TO ADJACENT TOWNSHIPS OR LAX TO DETERMINE IF ACTIONS EXTEND BEYOND THE BOUNDARIES SHOWN ON THIS PLAT. REMEMBER TITLE, CLASSIFICATION, AND RESTRICTION LINES ALWAYS CLOSE ON ALL PLATS



A PROJECT OF THE  
 STATE OF ALASKA  
 DEPARTMENT OF NATURAL RESOURCES  
 LAND RECORDS INFORMATION SECTION

PLAT CURRENT TO 10/24/2019 8:49:59 AM TO THE LAX  
 STATUS PLAT TRACKING SYSTEM (SPINNING) FOR  
 OTHER PENDING ACTIONS ON THIS TOWNSHIP ARE

CHECKED BY: DAVE LUCK  
 ARC 1/2/20

SEC 21  
 SP  
 TWP 28N  
 RNG 8W  
 SM

# STATE OF ALASKA

## DEPARTMENT OF NATURAL RESOURCES

### DIVISION OF MINING, LAND AND WATER

SEAN PARNELL, GOVERNOR

DIRECTOR'S OFFICE  
550 W. 7<sup>th</sup> AVE., SUITE 1070  
ANCHORAGE, ALASKA 99501-3579

PHONE (907) 269-8600  
FAX (907) 269-8904

April 9, 2010

The Honorable Charlie Huggins  
Alaska State Senate  
State Capitol  
Juneau, Alaska 99801

Re: Your Letter of January 29, 2010 on the Petersville Recreational Mining Area

Dear Senator Huggins:

Your letter of January 29, 2010 asked what steps would be needed to reverse the recreational mining designation for the southern portion of the Petersville Recreational Mining Area. The Petersville Recreational Mining Area was enacted under House Bill 46 in 1997 and consists of two areas near Petersville. One area now open for recreational mining is referred to as the northern area and covers 300 acres. The other area is not yet state owned, therefore it is closed to recreational and other mining. This is referred to as the southern area covering 200 acres. The southern area is closed because the federal Bureau of Land Management (BLM) has not yet conveyed the land to the State. The holdup on conveyance has been because of a lease that the BLM is issuing to Michele Stevens for 5 acres within this southern area. We believe that the lease is scheduled to be issued in the near future. Since 1997, the northern recreational mining area has not had much use due in part to difficult access.

**To terminate the legislative designation of the southern area, the enabling statute (AS 41.23.630) will need to be modified. In AS 41.23.630 – Petersville Recreational Mining Area, the following verbiage under Section (f)(1) would have to be removed from the statute in order eliminate the southern portion of the Petersville Recreational Mining Area:**

[SECTIONS 21 AND 28; ALDER NO. 1; ALDER NO. 2; COTTONWOOD NO. 3; COTTONWOOD NO. 4; SEATTLE NO. 2; CONTACT NO. 1; CONTACT NO. 2; WILLOW CLAIM; KORTER BENCH.]

If the above statutory language were removed, the Commissioner of DNR would then need to issue a Mineral Opening Order to make these lands open to mineral entry (under AS 38.05.185). The land transfer from the BLM would also need to occur before the lands can be open to mineral entry, although "At Risk" claims could be staked by anyone prior to the land transfer. These at risk claims would

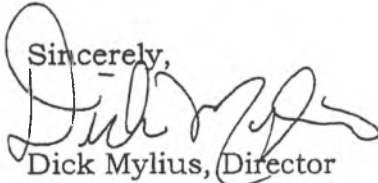
*"Develop, Conserve, and Enhance Natural Resources for Present and Future Alaskans."*

convert to regular state claims following conveyance of the lands to the State by the BLM.

We believe that these recreational mining areas represent a unique opportunity for weekend enthusiasts and visitors to our State to enjoy the outdoors and the fun of non-mechanized mining. If the area is open to mining claims, we expect that a few recreational suction dredge miners may object to then being locked out by the new claimants that would stake mining claims. **Other than Ms. Stevens, DNR has not heard from any other members of the public that the Recreational Mining Area should be terminated. In addition, there is no assurance that Michelle Stevens would be the first to stake claims for the law is in favor of whoever stakes the claim first after the land becomes open. It is likely that a number of claimants would end of with conflicting claims. It is likely that the Department of Fish and Game may have concerns about any large-scale mining on the active portion of the Creek.**

Please feel free to contact me if you would like additional information.

Sincerely,



Dick Mylius, Director  
DNR Division of Mining, Land and Water

cc: Michele Stevens  
Tom Irwin, Commissioner, DNR  
Rick Fredericksen, DNR, DMLW, Mining Section Chief

Sean Parnell, Governor  
Third Floor, Capitol  
P.O. Box 110001  
Juneau, Alaska 99811-0001

January 26, 2012

Dear Governor Parnell:

We respectively urge your support for legislation to adjust the Petersville Recreation Mining Area established on May 8, 1997.

As the former Director, Mining and Water Management and former Deputy Commissioner, Department of Natural Resources, we were directly involved in the initial decisions leading to the establishment of the Petersville Recreation Mining Area and we strongly support the legislation to amend that Petersville Recreation Mining Area designation.

Background:

Prior to the Mineral Closing Order, MCO# 674, on June 2, 1994 there were numerous meetings with Ms. Michele Stevens the then owner of approximately 500 acres of State mining claims located on federal land selected by the State. Ms. Stevens proposed to operate a mining concession including a museum and public campground as well as using her mining equipment to facilitate public access to the placer gold known to be in the area. Her concept for a concession-type operation was in part based on the successful commercial operations at the Crow Creek Mine on private land at Girdwood and the El Dorado Gold Mine located on Mental Health Trust land near Fairbanks.

The Director of Mining and Water Management and other members of the Division inspected the 500 acres and adjacent active mining operations in the Petersville area included Ms. Stevens' historic buildings and structures and equipment used when the area was being mined under federal mining law. The Department subsequently determined the 500 acres would make a valuable addition to the areas set aside in Alaska for the general public to pan for gold without being in conflict with a mining claim owner, and therefore initiated the 1994 Mineral Closing Order (MCO).

The original public recreation mining areas in Alaska involved abandoned mining claims, hence Ms. Stevens was requested to gift her 500 acres of mining claims that otherwise would automatically fall into place when the State received title to the land from the federal government. Ms. Stevens did this concurrently with the MCO being imposed.

The State has received title to land in the Petersville area that includes approximately 280 acres of the mining claims Ms. Stevens gifted to the State and that area is now open to public use as a public recreation mining area. Until recently, transfer of the federal land including the remaining 220 acres surrounding Ms. Stevens' historic building and structures has been delayed until the

State and Bureau of Land Management could reach agreement on how to handle the buildings and structures. These buildings and structures were eventually deeded to Ms. Stevens. This issue has been resolved and the land is now ready for transfer to State ownership.

The agreement in 1994 between the Department of Natural Resources and Ms. Stevens was for the Department to authorize Ms. Stevens to operate a commercial recreation mining business on the 220 acres of land surrounding her buildings and structures. Subsequently, the Department determined that it could not legally issue a non-competitive commercial lease to fulfill the agreement with Ms. Stevens. In 2006 DNR determined there actually was a legal way to proceed, whereby a commercial mining business could be operated on a portion of a state mining claim or claims by establishing a miscellaneous land use lease, provided there was concurrence with the state mining claim holder.

However, and very unfortunately, the 2006 approach cannot be followed for lands designated by statute as a recreational mining area since there are no underlying private interests to the minerals. The proposed legislative amendment to the Petersville Recreation Mining Area established in 1997 contains two provisions to correct the problems the Department and Ms. Stevens have been trying to resolve. The pending legislation would: 1) Reinstate Ms. Stevens' full mineral rights to those portions of her mining claims ADLs 508020-508026 that she gifted to the State in this southern area; and 2) It would remove the statutory designation and allow the DNR to fulfill its original agreement with Ms. Stevens. The proposed amendment does not affect the approximately 280 acres of land that will remain in the Petersville Recreation Mining Area.

In summary, we respectfully request your support in correcting a situation that evolved and allow the state to honor its commitments to Ms. Stevens

Sincerely,

Signed

Jules V. Tileston  
4740 Cambridge Way  
Anchorage, AK 99503  
phone: 907-561-0540

Signed

Marty K. Rutherford  
2371 Loussac Drive  
Anchorage, AK 99517  
phone: 907-317-4728

SEC 28 TOWNSHIP 28N RANGE 8W OF THE SEWARD MERIDIAN, ALASKA

LEGEND

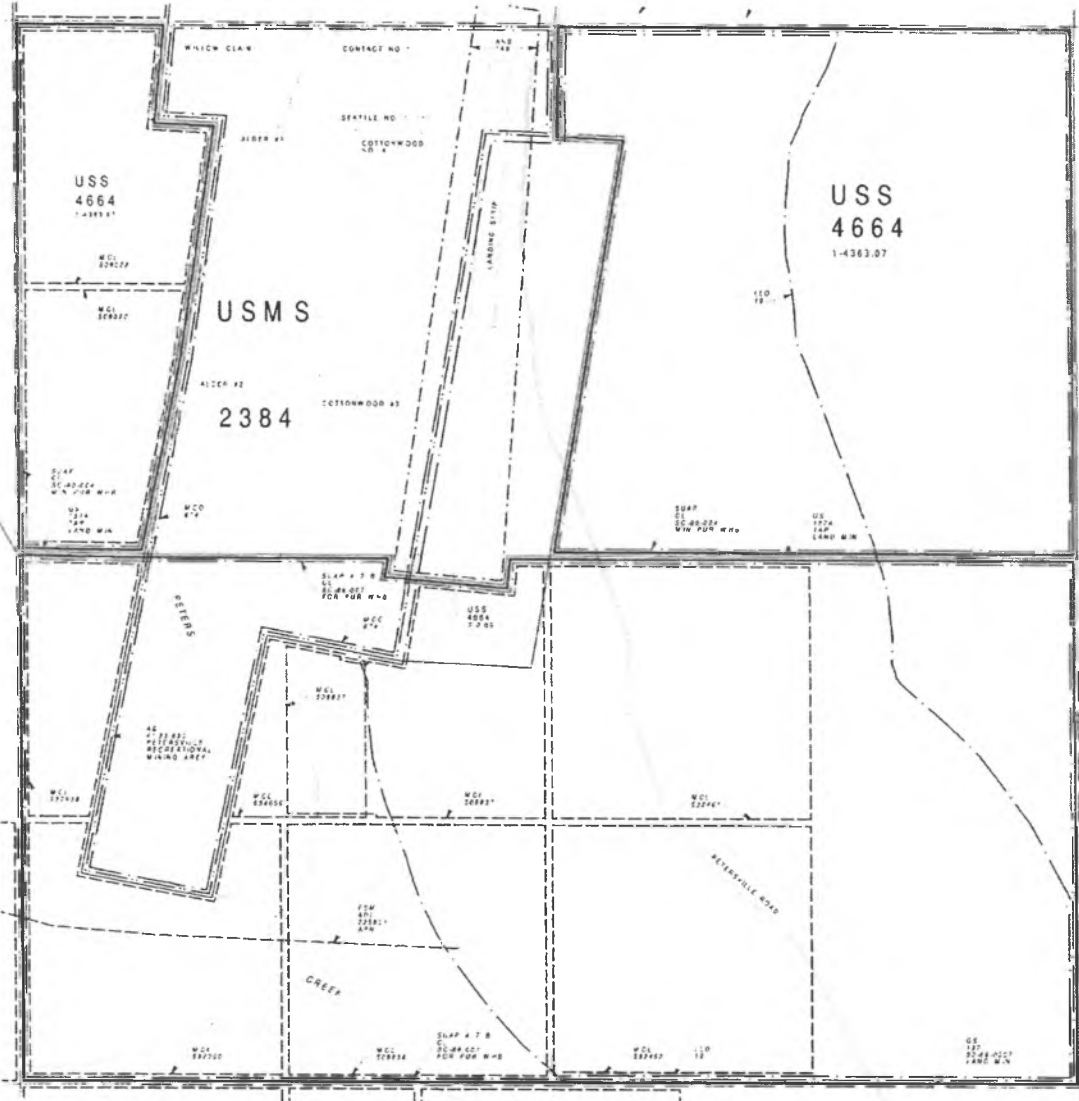
BASE INFORMATION

- HYDROGRAPHY
- SURVEY LINE
- SURVEY LOT LINE
- TOWNSHIP/SECTION GRID
- 1/4 SECTION LINE
- HIGHWAY
- ROAD
- TRAIL
- RAILROAD
- ELECTRICAL POWER LINE
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- AIRPORT/ANNEAL STRIP
- GEODETIC CONTROL
- CONTROL MONUMENT

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- TITLE
- BOUNDARY
- CLASSIFICATION
- PERSONAL
- MUNICIPAL
- RESTRICTION
- FEDERAL ACTION
- MINERAL RIGHTS TRUST
- LIMITS OF ACTIONS
- NAVIGATIONAL AID
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- SURFACE WATER RIGHTS
- APPLICATION PERMIT
- CERTIFICATE
- SUB-SURFACE WATER RIGHTS
- APPLICATION PERMIT
- CERTIFICATE
- IN-STREAM FLOW RESERVATION
- APPLICATION PERMIT
- CERTIFICATE
- DAM, WEIR, BARRIER
- APPLICATION PERMIT
- CERTIFICATE

VICINITY MAP



STATUS PLAT

THE STATE OWNS ALL LAND UNDER WATERS THAT ARE NAVIGABLE IN FACT AND SUBJECT TO THE FRA AND FLOW OF THE TIDES OR ARE WATERS IN LITIGATION (OWNED BY THE STATE)

BASED ON:

COORDINATES  
ALASKA STATE PLANE, ZONE 4  
SOUTH OF TOWNSHIP  
Y 6607307  
X 6607307  
E 6607307  
LONG 150 20 22 45 W  
LONG 150 20 22 45 W

PHOTOGRAPHY  
THIS SURVEY WAS MADE BY THE BUREAU OF LAND MANAGEMENT  
AERIAL HIGH ALTITUDE PHOTOGRAPHY 1976 780

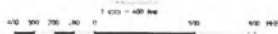
LAND USE  
LAND PROTECTION INQUIRY 31-10 APPROVED BY THE  
FEDERAL GOVERNMENT 6-25-84 IN ORDER TO PROTECT THE  
LAND AND AESTHETIC QUALITY  
FEDERAL APPROVED 3-10-84

OTHER ACTIONS AFFECTING INTEREST IN THIS LAND  
SEE THE LAND OFFICE OR FEDERAL SERVICE DIVISIONS FOR  
ADDITIONAL INFORMATION

ENTIRELY WITHIN MULTIMEDIA SYSTEMS BOUNDARY  
ENTIRELY WITHIN MULTIMEDIA BOUNDARY DISTRICT  
SUBJECT TO MULTIMEDIA PLAN  
AS OF 1-1-1990 PER 1505 REGULATIONS  
OR 1517 REGULATIONS APPROVAL EXCLUDING MINOR CLAIM  
REGULATIONS AS 1505 PER 1505, 1517, 1518, 1519,  
1520, 1521, 1522, 1523, 1524, 1525, 1526,  
1527, 1528, 1529, 1530, 1531, 1532, 1533,  
1534, 1535 AND 1536 WHICH ARE 1/4 SECTION WITHIN  
PAGE 2384

GRAPHIC ILLUSTRATION ONLY.  
SOURCE DOCUMENTS REMAIN THE ORIGINAL RECORD.  
CONSULT LAND ADMINISTRATION SYSTEM (L.A.S.)  
CASEFILE FOR ADDITIONAL INFORMATION

SCALE



ATTENTION STATUS PLAT USERS: ON THIS PLAT, ALL STATUS  
LINES CLOSE FOR ACTIONS THAT EXTEND INTO ADJACENT TOWNSHIPS.  
THIS INCLUDES SURFACE RIGHTS SUCH AS PERSONAL, MUNICIPAL, TITLE,  
CLASSIFICATION, ETC. PLEASE REFER TO ADJACENT TOWNSHIPS OR L.A.S.  
TO DETERMINE IF ACTIONS EXTEND BEYOND THE BOUNDARIES SHOWN ON  
THIS PLAT. BOUNDARY, TITLE, CLASSIFICATION, AND RESTRICTIONS LINES  
ALWAYS CLOSE ON ALL PLATS



A PROJECT OF THE  
STATE OF ALASKA  
DEPARTMENT OF NATURAL RESOURCES  
LAND RECORDS INFORMATION SECTION

PLAT SUBJECT TO RECORDS REFER TO THE L.A.S.  
STATUS PLAT TRACKING SYSTEM IS USINGS FOR  
OTHER FUNDING ACTIONS ON THE TOWNSHIP(S)

CHECKED BY: DAVE LUCK  
ARC 4/2/84

SEC 28  
SP  
TWP 28N  
RNG 8W  
SM

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101

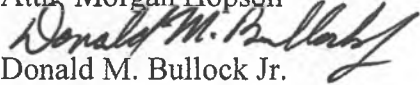
State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

March 23, 2012

**SUBJECT:** Amending the land description for the Petersville Recreational Mining Area (HB 340; Work Order No. 27-LS1342\A)

**TO:** Representative Mark Neuman  
Attn: Morgan Hopson

**FROM:**   
Donald M. Bullock Jr.  
Legislative Counsel

HB 340 amends the description of land and water that are included in the Petersville Recreational Mining Area (Petersville). You asked whether this bill violates the prohibition against local and special legislation in art. II, sec. 19, Constitution of the State of Alaska.<sup>1</sup> Passage of the bill is not prohibited by art. II, sec. 19.

The establishment of the area is authorized by art. VIII, sec. 7, Constitution of the State of Alaska. Section 7 authorizes the legislature to acquire special purpose sites and to preserve and administer the sites for the "use, enjoyment, and welfare of the people."<sup>2</sup> A description of the area is consistent with acquiring and administering a specific area for the people, and HB 340 amends the description of Petersville.

While a description of any limited area in the state is necessarily local, the constitutional authority to acquire and administer Petersville necessarily requires a description of the area within Petersville. HB 340 amends the description of that area. Given the context, the local or special prohibition is likely inapplicable.

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<sup>1</sup> Article II, sec. 19. Local or Special Acts. The legislature shall pass no local or special act if a general act can be made applicable. Whether a general act can be made applicable shall be subject to judicial determination. Local acts necessitating appropriations by a political subdivision may not become effective unless approved by a majority of the qualified voters voting thereon in the subdivision affected.

<sup>2</sup> Article VIII, sec. 7. Special Purpose Sites.

The legislature may provide for the acquisition of sites, objects, and areas of natural beauty or of historic, cultural, recreational, or scientific value. It may reserve them from the public domain and provide for their administration and preservation for the use, enjoyment, and welfare of the people.

Representative Mark Neuman

March 23, 2012

Page 2

You may wish to review the reasons for excluding the mining claims listed in the bill. Although the designation of the specific area may be necessary for the establishment and administration of the area, the basis for excluding previously included land and water should be consistent with the management of Petersville for the people of the state.

If I may be of further assistance, please advise.

DMB:plm

12-187.plm

# STATE OF ALASKA

## DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

SEAN PARNELL, GOVERNOR

1031 WEST 4<sup>TH</sup> AVENUE, SUITE 200  
ANCHORAGE, ALASKA 99501-1994  
PHONE: (907)269-5100  
FAX: (907)276-3697

March 8, 2012

The Honorable Eric Feige  
House of Representatives  
Alaska State Capitol, Room 126  
Juneau, Alaska 99801

The Honorable Paul Seaton  
House of Representatives  
Alaska State Capitol, Room 102  
Juneau, Alaska 99801

Re: HB 340

Dear Representatives Feige and Seaton:

The House Resources Committee requested the Department of Natural Resources (DNR) and the Department of Law (DOL) to provide answers to legal questions about House Bil No. 340. This bill relates to the reservation of certain mining claims from all uses incompatible with the purposes for establishing the Petersville Recreational Mining Area. Much of the land in question, although still owned by the federal government, has been selected by the state to fulfill the state entitlement from the federal government.

First, the Committee asked whether DNR and DOL can assure the Legislature that mining locations recently made by "Golden Girls LLC" (Michele Stevens) are valid locations on state selected lands, such that if HB 340 passed and Mineral Closing Order No. 674 were lifted, Golden Girls LLC would be in possession of these locations once the state-selected land is transferred to the State of Alaska. The DNR and DOI cannot guarantee to the Legislature that these locations would be considered valid in such an instance.

The Alaska Supreme Court has held that a locator of state-selected lands "acquired mining rights at the time of location." *Moore v. Dept. of Natural Res.*, 992 P.2d 576, 581 (Alaska 1999). Here, at the time of the location by Golden Girls LLC, Alaska Statute 41.23.630 was in effect. Alaska Statute 41.23.630(d) states that, "[t]he Petersville Recreational Mining Area *is* closed to mineral entry under AS 38.05.185-38.05.275" (emphasis added). This language could be interpreted to mean that at the time Golden Girls LLC located claims, the area was closed to such "at-risk" staking (described in AS


38.05.275). Therefore, the DNR and DOL cannot assure the legislature that the recent "Golden Girls LLC" locations would be considered valid if HB 340 passed and Mineral Closing Order No. 674 were lifted, as AS 41.23.630 was in full effect at the time of location.

Second, the Committee asked whether the Sponsor could draft legislation that directly reinstates certain mining locations to Michele Stevens. Such legislation could be legally problematic. There could be an issue regarding Article II, Section 19 of the Alaska Constitution, which states that, "[t]he legislature shall pass no local or special act if a general act can be made applicable." The Alaska Supreme Court evaluates "special acts" constitutional challenges with a test which examines the "legislative goals and the means used to advance them to determine whether the legislation bears a fair and substantial relationship to legitimate purposes." *Baxley v. State*, 958 P.2d 422, 430 (Alaska 1998) (internal citations and quotations omitted). Although property is unique in nature, legislation relating to mining claims may at least have to include similarly-situated mining claims.

Please feel free to contact me at 269-5211 or Ed Fogels at 269-8423 with any additional questions or concerns.

Sincerely,

MICHAEL C. GERAGHTY  
ATTORNEY GENERAL

By:   
Ashley Brown  
Assistant Attorney General  
Oil, Gas & Mining Section

ACB/jde

cc: Representative Mark Neuman  
Cori Badgley  
Ed Fogels  
Heather Brakes  
Sonia Christensen