U.S. Dep ar tment of the Inter Ior BUrea U of Lan D management

Alaska State Offic

mInIng C La Im Informa t Ion



Alaska

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Introduction



The Mineral Law and Solid Minerals Section adjudicate applications for energy and solid mineral exploration and development for completeness and compliance with the appropriate laws and regulations. Case files are established and data is entered into the Alaska Land Information System (ALIS) when the application has successfully passed through the adjudication process. The casetype and/or surface disturbance activities determine whether

it is the State or Field Office personnel who perform monitoring, inspection, and compliance reviews. The administrative records for all federal mining claims are administered by the BLM.

BLM Overview

- Learn about the Mineral Law and Solid Minerals Section
- Learn about and Identify Mining Claims
- Answer the question: Where do I find information about Mining Claims?
- Learn about Surface Management
- Learn about Bonding

Major Responsibilities

- Claim Adjudication
- Recordation
- Land Status Determinations
- Legal Interpretations
- IBLA Appeals & Decisions
- Bonding
- Mineral Leasing
- Transfer of Interest
- Records Maintenance
- Decision Writing
- Protests & Contests
- Congressional Inquiries and Responses

What We Do for our Customers

Conduct Legal Research involving:

- Case Status
- Claim Location
- Land Status and Withdrawals
- Patents
- Mineral Surveys
- Chain of Title
- Owner/Operator Interests
- Computerized Databases: ALIS, ACRES, CBS, and SDMS

Write, Edit, or Review for Compliance:

- Mineral Reports
- Site Inspection Reports

- Automated Data Entries
- Claimant/Lessee Letters and Decisions
- Public Notices
- Federal Register Notices
- Detail Statement of Sale for NPR-A O&G Sales
- Consistency Determinations for Coastal Zone MGT

Additional:

- Conduct Casefile Audits
- Produce Case Status Reports
- Aid with Case Status Tracking
- Assist with Strategic Development and Planning
- Evaluate potential mining claim impacts on various programs: recreation, resources and planning, State and Native selections, and conveyances

Active Federal Mining Claims in Alaska



The following is a general overview of the mining claim processes. We will very briefly touch on different aspects of who can file a claim, the life cycle of a federal mining claim, the paperwork commonly found in a federal mining claim casefile, surface management and reclamation requirements, patenting, and some statistical information regarding current mining activity in Alaska.

In 1983, the Alaska BLM initiated a totally computerized leasing program. At that time, all leasable minerals data were removed from the MTPs and the use plats and oil and gas plats were discontinued. With the passage of the Federal Land Management and Policy Act of 1976 (FLPMA), mining claimants were required to file their location notices and annual filings with BLM.

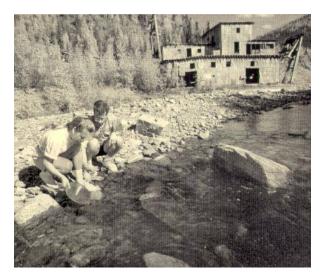
Although mining claims are not "leasable", they were not put on the MTPs but the data was entered into the computerized system. Claims that are located on National Forest Service lands also must be filed with the BLM. The BLM keeps the administrative record for all claims located on any public land. All leasable and locatable minerals information is presently available through the Alaska Land Information System (ALIS).

There are four types of mining claims/sites allowed under the General Mining Law of 1872. They are: Lode, Placer, Tunnel Site, or Mill Site.

Federal mining claims are not on the Master Title Plats (MTPs).



Who can file a claim



Anyone who is a citizen of the United States, or has declared an intention to become a citizen, may locate a federal mining claim on open public lands. A corporation organized under state laws may also locate a federal mining claim. The government considers corporations to have the same standing as a citizen.

<u>The Claim</u>

A federal mining claim is a particular parcel of federally administered land valuable for a specific mineral deposit or deposits. It is a parcel for which an individual has asserted a right of possession.

The right is restricted to the exploration, extraction, and development of a mineral deposit.

Federal mining claims and sites are considered real property. The interests in them and associated rights may be bought, sold, transferred, leased, rented, willed or inherited. If a claim or site meets all the federal and state requirements, the



claimant has a possessory right to develop and extract minerals found on a mining claim. A possessory right is much like an easement, where the United States holds paramount title. This remains true until a mineral patent is issued at which time title to the lands and minerals are passed onto the patentee. However, there has been a patent moratorium in effect since 1994, and until such time as it is lifted there will be no new federal patents issued.

The rights granted by a mining claim are valid against a challenge by the United States and other claimants **only after the discovery of a valuable mineral deposit.**

Valuable Deposit



So, what makes a claim valuable? Federal statutes do not describe what constitutes a "valuable mineral deposit" under the General Mining Law of 1872, as amended. However, several government judicial and administrative decisions have adopted an "economic" definition of locatable minerals that has resulted in a test called the "prudent man rule," this rule makes use of the concept of an economic ore body. In 1894 in a Land Decision of the Department of the Interior, <u>Castle v. Womble, 19 LD 455 (1894)</u>, stated:where minerals have been found and the evidence is of such character that a person of ordinary prudence would be justified in the further expenditure of his

labor and means, with a reasonable prospect of success in developing a valuable mine, the requirements of the statutes have been met.

Since that time the Interior Board of Land Appeals (IBLA) has significantly refined the prudent-man test by further defining "presently marketable at a profit" to mean that a claimant "must show that at present, considering historical price and cost factors and assuming that they will continue, there is a reasonable likelihood of success that a paying mine can be developed". (Pacific Coast Molybdenum, 78 IBLA 16, 29, 90 I.D. 352, 360 (1983). This new definition was made in response to large fluctuations in mineral commodity prices that occurred during the preceding five years. Now a claimant is not stuck with the latest market price of a commodity, but instead may average prices over an appropriate period of time.

Staking the Claim

Federal law simply specifies that claim boundaries must be distinctly and clearly marked to be readily identifiable on the ground. The mining laws allow states to establish their own laws regarding the manner in which mining claims and sites are located. The claimant must comply with both federal and state requirements. Most states do have statutes and regulations that add to the General Mining Law of 1872, as amended, concerning the actual staking and recording of mining claims. These staking requirements include the placement, size, and acceptable materials for a corner post or discovery monument.



Alaska Statutes staking requirements include: (1) posting at the northeast corner of the claim a plain sign or notice containing (a) the name or number of the claim; (b) the name of the locator or locators; (c) the date of the location; (d) the number of feet in length and width claimed; and (2) erecting at each corner or angle of the claim substantial monuments or posts not less than three feet in height nor less than three inches in diameter hewn and marked with the name of the claim, the position or number of the monument and the direction of the boundary lines, and by cutting out, blazing or marking the boundary lines so that they can be readily placed. These requirements are found at Alaska Statutes 27:10.030 for lode claims and 27:10:040 for placer claims.

Recording the Claim

ocation of Placer Mining

Claims and sites must be recorded with both the state recorder's office and the proper BLM state office. The Certificate of Location or notice must be filed with BLM within 90 calendar days after the date of location.

The BLM does not require the claim information to be on any specific form, nor does BLM produce/distribute a form for such purpose. The form submitted to BLM must include the *date of location, the name and address of the owner(s), the name of the claim/site, the type of claim/site, the acreage claimed, and a description of the parcel on the ground (township, range, section, quarter section, and/or a metes and bounds description), along with a map.* Miners may use the state generated form since it

meets federal requirements and because the state recorder's office has strict requirements regarding a 1" top margin. An example of a location notice is included with this section.

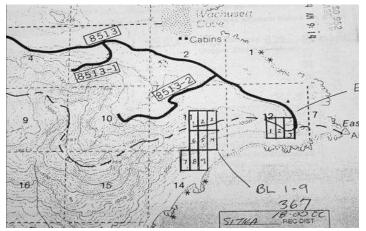
All fees must be paid at the time of filing mining claims with the BLM.

Location Map

A location map is required by BLM to aid in determining the location and land status of the claim. The state form has a place on the bottom for the claimant to draw an adequate depiction of the claim.

Currently, in Alaska we request the claimant to send us the GPS coordinates of the claim corners, however, there is no legal requirement for the claimant to provide this additional information.

It should be noted that BLM requests a copy of the officially recorded Notice or Certificate of Location



for each claim that was or will be filed with the State of Alaska. This means the claimant can file a notice or certificate that has not yet been recorded with the State, but should at a later date provide us with a copy of the recorded document.

The Paper Record Process

The internal mining claim recordation process works something like this. The claimant files location notices, amendments, or other related mining documentation in the Public Information Center. This can be done either in person or by mail. Once these documents are received, they are date stamped to record the date they were officially filed with BLM. The money is receipted and the receipt(s) and documents are sent to the Mineral Law Specialist (MLS) who adjudicates the filing and claim status. The



Alaska State Office located in Anchorage

MLS creates the mining claim casefile. Once it is determined the certificate/notice of location meets all requirements, ALIS is updated. The ALIS is the official electronic record of the mining claim(s). The data is available to the public through ACRES. The casefile is then retained by the MLS who inputs the claim locations into the digitized mining claim database.

Adjudicative Review



All minerals documents are reviewed and adjudicated for compliance with applicable laws and regulations. The adjudication process includes, but is not limited to checking:

- **The date of location, documentation filed within 90 days of location;
- **The name of the claim or site;
- **The name and address and proper signatures of each locator;
- **The type of claim or site (lode, placer, mill site or tunnel site); and
- **The legal description of the land in which the claim is located (quarter section, section, township, range and meridian).

****** Regulations require that the claim be identified to the quarter section. *******

**Drawing of claim location/map of claim;

**Correct payment, when applicable;

**The land is under federal jurisdiction and is open for mineral entry;

**Consistent with rules for title evidence; and the claim is proper acreage for number of miners.

****(If the mining claim is an association placer, the maximum acreage allowed is 160 acres with at least 8 locators, 20 acres per miner.)

****A corporation is considered an individual entity; therefore, as an individual entity it is allowed 20 acres per claim.

These are **"curable defects" which means, we notify the miner that he/she must correct this defect, give them 30 days, and tell them that if they do not perfect their location, the claims will be declared null and void.

Fees and Filings



NEW FILINGS: All federal mining claims and sites located on or after August 11, 1993 must pay at the time of recording, a \$34 location fee, a \$140 maintenance fee (to cover the assessment year of location), and a \$15 processing fee. If the claim is located before September 1, but filed after September 1, the miner will need to pay \$280 in maintenance fees (\$140 to cover the assessment year of location and \$140 for the current assessment year). The assessment year runs from September 1 to September 1 *of any given year*. If ten or fewer claims, the claimant may file a waiver for the second maintenance fee but it *must* be filed concurrently with the location notice.

MAINTENANCE FEE: All maintenance fees are paid in advance for the upcoming assessment year. The maintenance fee must be paid or mailed to the proper *BLM STATE OFFICE* where the claim/sites are recorded, on or before September 1 of each year. A list of the claim names <u>and</u> BLM serial numbers must be included with the payment. In Alaska, we have two proper filing locations, one in Anchorage at the Alaska State Office Public Information Center (PIC) and the other at the Fairbanks Northern District Office. Both PICs may receive and record documents, filings, and fees for all mining claims or sites located in the State of Alaska.

MAINTENANCE FEE WAIVER: Miners with 10 or fewer federal claims/sites *nationwide* may file a Maintenance Fee Waiver Certificate on or before September 1 of each year. The Waiver, like the Maintenance Fee, is filed in advance for the assessment year, which begins on September 1. If a miner elects to file the Waiver, which is *the only form officially recognized by the BLM*, Form 3830-2, Maintenance Fee Waiver Certification, *(example under tab #4, Examples of Mining Claim Forms)* – a current copy of the form can be obtained from the PIC^{**}s or online - he/she must certify that they hold or control no more than 10 mining claims or sites nationwide on the date the filing is due. In cases where there are multiple owners each owner must sign the waiver. *Maintenance Fee Waiver Certificates must be postmarked on or before September 1. They are considered valid if they reach the BLM within 15 calendar days and have been postmarked on or before September 1.*

ANNUAL ASSESSMENT WORK: Along with qualifying for the wavier, on or before December 30, the miner must file an Affidavit of Annual Labor with the BLM and include the current payment of \$10 per claim/site with the filing. This Affidavit of Annual Labor must also be filed with the State of Alaska's District Recorder's Office for the area in which the claims or sites are located. *Affidavits or Notices of Intent to Hold postmarked on or before December 30 are considered valid if they reach the BLM with 15 calendar days.*

These filing deadlines are mandated by law and are very unforgiving. Should a miner miss a filing deadline, a decision is issued declaring the claim forfeited by operation of law. This decision is appealable to IBLA but in most cases, unless the miner can prove a filing was timely made, the IBLA will normally uphold the decision. If an appeal is filed, the BLM loses jurisdiction of the case and jurisdiction remains with IBLA until the decision for the appeal is rendered.

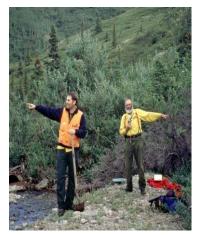
All required fees must be paid at time of filing or the documents will not be accepted.

Transfers of Ownership



When an owner of an unpatented federal mining claim sells, assigns, or otherwise conveys all or any part of his interest in the claim, the grantee or transferee shall file the **recorded** transfer document *(Transfer of Interest or Quit Claim Deed)* in the proper BLM State Office. BLM will not accept a transfer unless it has been notarized and recorded in the State Recorder"s Office. An example of a mining quitclaim deed is included in the booklet *under, Examples of Mining Claim Forms*. Other types of these transfer documents can be in the form of a transfer of interest, a legal change of name filing, or even a will. The transfer document needs to identify the transferee's name and signature, the name and address of the new owner, the claim or site name(s) and the BLM serial number(s). The BLM has a \$10 nonrefundable processing fee per transferee for each claim or site listed on the document. It is the responsibility of the new owner(s) to provide the BLM with the updated ownership information.

Amendments and/or Relocation



An amendment to a location for an active federal mining claim or site can be made at any time and must be filed with the appropriate State Recorder's Office before filing in the proper BLM State Office within 90 days of recording. It can be made on the same type of form as was used for the original location with **"Amended"** added to the title of the location notice. **An amended location relates back to the original date that the mining claim or site was located.** The BLM has a \$10 nonrefundable processing fee to file an amendment. Amendments are used to:

Correct or clarify omissions or defects in the original location certification;
 Correct legal descriptions, due to an error made on the original certificate (the location on the ground cannot be changed); and
 Change the claim name.

A relocation, on the other hand, is treated as a new original location which essentially covers the same land as a prior mining claim/site. As such, a relocation will be issued a new serial number. A processing fee of \$189 per claim is required. A relocation does not relate back to the date of any prior location and is adverse to any prior location.

A relocation may not be established by the use of an "amended location notice," but requires a new, original notice or certificate as prescribed by state law. This "relocation" usually occurs when a miner fails to timely file the required annual filings and the claim was on federal land that is open for mineral entry so the miner wants to "restake" the same claim.

The major difference between an amendment and a relocation is an amendment cannot take in new acreage, but a relocation can.



THE NUMBERS INDICATE THE ACTIVE MINING CLAIMS OF EACH TYPE

If the miner fails to timely file a Waiver and Affidavit of Annual Labor or pay maintenance fees, then BLM issues a decision declaring the claims forfeited by operation of law.

The case statuses in ALIS/ACRES are:

Recorded – indicates an active claim.

Interim – indicates claims for which an appeal from a BLM Forfeiture or Abandon and Void decision has been filed with the Interior Board of Land Appeals (IBLA). When an appeal is filed, the BLM loses jurisdiction. If a stay is requested with the appeal and IBLA grants the stay, the miner must continue to make his/her annual payments and filings. If the stay is not granted, the BLM cannot accept annual filings or fees because the claim is deemed forfeited. If IBLA affirms the BLM's decision, the claims are closed. If the miner files litigation, the BLM does not change the status of the claims involved unless the court orders the BLM to do so. *OR*, interim indicates that a forfeiture decision has been sent and the claim is in the "appeal period".

Closed – indicates closed claims. Claims are closed after the 30 day appeal period has passed *and no appeal has been filed by the miner* or IBLA has rendered its decision or order affirming the BLM^{*}'s decision.

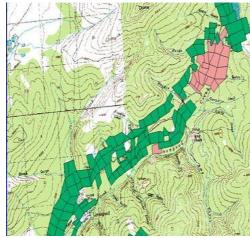
ONCE A CLAIM IS CLOSED, IT NO LONGER EXISTS!

ACRES

| Alaska Case Betrieva | Entownico System (ACDES) |
|--|---|
| AldSKd CdSe Retrieva | Enterprise System (ACRES) |
| Note: Reports are generated from a re week old. | plicated database. Information can be one |
| Repo | orts Menu |
| (Data curren | t as of 02-APR-2010) |
| Case Abstract | Perform Definition |
| Township Summary by Case | Text Input Map Input Definition |

ACRES may be found at the following weblink:

http://sdms.ak.blm.gov/acres/acres_menu



HELPFUL AIDS:

Over the last several years many helpful databases have been developed to aid in determining where mining claims are located. This slide shows federal mining claims depicted on a USGS quad map. The different colors represent the different ,,stack levels." This particular database, SDMS, is available at

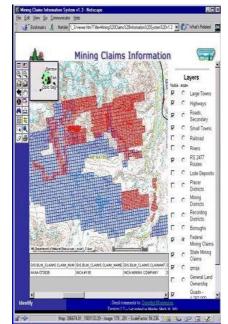
<u>http://sdms.ak.blm.gov/sdms</u>. While using this database, not only do you get a visual understanding of the location and layout of the claim(s). The database is updated quarterly to keep claim information current.

When using SDMS, be sure to have the federal mining claims layer

turned on. When you drill down enough to show mining claims

and identify the claims showing, you need to click on the "identify visible" icon in the toolbar just above the map and then click on the claim you want to identify.

This is the state's site which shows both federal and state mining claims. The data for federal mining claims is given to the state quarterly.



Each of the following websites has a whole host of important information:

State of Alaska Website: http://<u>www.landrecords.info</u>.

Federal Website: <u>http://sdms.ak.blm.gov/acres/acres_menu</u>

Surface Management



Most mining operations on lands managed by the BLM in AK are small scale placer gold mines similar to this one near Livengood

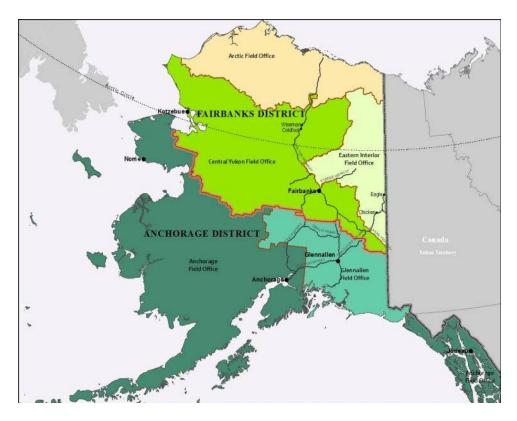
The miner has the right to use so much of the surface of the claim or site as is reasonably necessary for mining and milling purposes, including: (1) access across federally managed surface to and from the claim or site, (2) use of as much of the timber and other surface resources as is necessary for the mining operation, and (3) construction of fences and gates to protect the immediate area of operations and equipment. Also allowed are temporary and permanent structures for storing equipment, housing for full-time employees, and testing and processing facilities.

BLM regulates surface management on mining activity conducted on lands administered by the BLM under 43 CFR 3800 series. Other federal agencies such as U.S. Forest Service have different regulations regarding surface management; if a claim is located within another agency's administrative jurisdiction, the miner must check with that agency for proper procedures.

The lowest level of mining activity was/is referred to as "casual use," identifies a miner or weekend prospector who creates only negligible surface disturbance.

The second level of activity is considered notice level surface disturbance where 5 acres or less per year is disturbed.

This level requires a notice advising the BLM of the anticipated work 15 days prior to commencement. This notice needs to be filed with the appropriate Field Office. No approval is needed although **bonding is required**. State agencies need to be notified to assure that their requirements are met.



Administrative Boundaries of BLM Field Offices

For operations involving more than 5 acres, a detailed plan of operation must be filed with, and approved by, the appropriate BLM Field Office before any mining operations are commenced. The National Environmental Policy Act (NEPA) review and adequacy is required for notice and plan level operations. **Bonding is required** to ensure funds are available for reclamation. If, or when, a mining claim or claims are deemed forfeited by operation of law, the surface management file remains open to insure reclamation is completed and has been approved by the BLM Authorized Officer.

BONDING:

For the BLM the State of Alaska bond pool may be used through the State of Alaska's Alaska Placer Mining Application (APMA) for notices and plans. Personal and/or surety bonds may also be used.

Reclamation



There is a widespread public feeling that the mining industry has defaced vast areas. This belief may, in part originate from the old practices of strip mining and because roads and other transportation facilities are well-developed in established mining areas and these areas of mining are becoming more visible. In terms of benefit to the nation, mining is essential and in all fairness modern, well-planned and operated mines are not the despoilers many believe them to be.

Satisfactory reclamation should emphasize three major objectives:

1. The productivity of the reclaimed land should at least equal that of the pre-mined surface. This does not necessarily mean that the site must be restored to an approximation of its original condition, or that surface uses after mining will be the same as those existing prior to mining. For example, an area used for marginal grazing prior to mining may be reclaimed to a useful and attractive recreational complex, or perhaps a housing area.

2. Satisfactory reclamation should leave the mined area in a condition that will not contribute to environmental degradation either in the form of air or water-borne materials, or from chemical pollution.

3. The reclaimed area should be esthetically acceptable and should be safe for the uses intended.

ENFORCEMENT ACTIONS UNDER 43 CFR 3809:

3809.601 What types of enforcement action may BLM take if I do not meet the requirements of this subpart? BLM may issue various types of enforcement orders, including the following:

(a) Noncompliance order. If your operations do not comply with any provision of your notice, plan of operations, or requirement of this subpart, BLM may issue you a noncompliance order; and

(b) Suspension orders. (1) BLM may order a suspension of all or any part of your operations



Problems encountered over the years on these sites include petroleum products left or improperly stored from past operations

CRIMINAL PENALTIES UNDER 43 CFR 3809:

3809.700 What criminal penalties apply to violations of this subpart?

The criminal penalties established by statute for individuals and organizations are as follows:

(a) Individuals. If you knowingly and willfully violate the requirements of this subpart, you may be subject to arrest and trial under section 303(a) of Federal Land Policy Management Act (FLPMA) (43 U.S.C. 1733(a)). If you are convicted, you will be subject to a fine of not more than \$100,000 or the alternative fine provided for in the applicable provisions of 18 U.S.C. 3571, or imprisonment not to exceed 12 months, or both, for each offense; and

(b) Organizations. If an organization or corporation knowingly and willfully violates the requirements of this subpart, it is subject to trial and, if convicted, will be subject to a fine of not more than \$200,000, or the alternative fine provided for in the applicable provisions of 18 U.S.C. 3571.



BLM regulations are found within the 43 Code of Federal Regulations (CFR)

RESPONSIBLE PARTIES:

3809.116 As a mining claimant or operator, what are my responsibilities under this subpart for my project area?

(a) Mining claimants and operators (if other than the mining claimant) are liable for obligations under this subpart that accrue while they hold their interests.



Improperly stored equipment can also cause compliance problems



Questions? We will answer them for free...

| Contact Information: Public Information Center Anchorage Public Information Center Fairbanks | 907-271-5960 907-474-2200 |
|--|------------------------------|
| BLM Alaska Surface Management Contacts: | |
| Anchorage Field Office Mining Contact; James Whitlock | 907-267-1284 |
| Nome Field Station; Tom Sparks | 907-443-2177 |
| Glennallen Field Office Mining Contact; James Whitlock | 907-267-1284 |
| Eastern Interior Field Office (Steese and the 40 mile) Mining Contact; Tyler Cole | 907-474-2317 |
| Central Yukon Field Office Mining Contacts; Tim Hammond | 907-474-2210 |
| BLM State Office Contacts; Steve Lundeen (Fairbanks) Rob Brumbaugh (Anchorage) | 907-474-2347 907-271-4429 |
| Mining Law Specialists; Julie Capps (Anchorage) Melody Smyth (Anchorage) | 907-271-3197 907-271-5536 |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT Alaska State Office 222 West Seventh Avenue, #13 Anchorage, Alaska 99513-7599 http://www.ak.blm.gov



NEW MINING CLAIM FEES

DOCUMENT REQUIRED Notice/Certificate of Location

DATE DUE Within 90 Calendar days of Claim Location

DATE DUE

On or Before September 1

On or Before December 30

On or Before December 30

ADJUSTED FEES PER FEDERAL REGISTER NOTICE 1. \$ 15 per claim - Processing Fee (No change to fee) 2. \$ 34 per claim – Location Fee (Effective 9/1/2009) 3. \$140 per claim – Maintenance Fee (Assessment Yr. 2010) \$189 per claim – Total Fees Due

PROCESSING FEE

No Fees

\$10 per claim

\$10 per claim

*** For claims located PRIOR to September 1, but filed with the BLM AFTER September 1, adjusted maintenance fees are required for the assessment year 2010.

*** Please forward recorded copies of Location Notices and the Annual Affidavits of Labor to the BLM for inclusion in mining claim casefiles.

WAIVER FROM PAYMENT OF MAINTENANCE FEE

(You must own 10 or fewer claims per person and/or sites per person - NATIONWIDE)

DOCUMENTS REQUIRED

Form 3830-2 Small Miner Waiver

Affidavit of Assessment **

Notice of Intent to Hold ***

Affidavit of Assessment, along with the appropriate processing fee, may be submitted with the Maintenance Fee Waiver Certification. *** Notice of Intent to Hold – acceptable only for the first calendar year in which claims are located, and may be submitted with waiver form.

ANNUAL MAINTENANCE FEE FOR ACTIVE CLAIMS

(You **must** pay a maintenance fee if you own more than 10 claims and/or sites per person - **NATIONWIDE**)

INFORMATION REQUIRED List of BLM Serial Numbers

List of the Claim Names

DATE DUE Must be paid in the proper BLM Office on or before September 1 of each calendar year

MAINTENANCE FEE \$140 per claim

PROCESSING FEE

\$10 per claim, per person

TRANSFER OF INTEREST/AMENDED NOTICE OF LOCATION

DOCUMENT REQUIRED Copy of Recorded Quit Claim Deed (QCD)

Copy of **Recorded** Amended Notice of Location Within 90 days of recording Amended notice in proper recorder"s office

\$10 per claim, per amendment

AFFIDAVITS OF ASSESSMENTS AND QCD'S MUST BE NOTARIZED PRIOR TO RECORDING WITH THE STATE OF ALASKA

*** For each mining claim or site transferred, each transferee must pay the full processing fee.

DATE DUE

*** QCDs and Amendments MUST FIRST be Recorded With the State of Alaska's Recorder's Office Before Filing With the BLM.

Current to: 4/6/2010

| DNR 10-162V MTRSC STATE MINING LOCATION NOT (FOR MTRSC CLAIMS | TICE / CERTIFICATE |
|---|---|
| CLAIM NAME/NUMBER: | DISCOVERY DATE: |
| LOCATOR INFORMATION: (The locator is the owner. Print the Name / Address below where correspondence should be sent): 1. Owner's Name: | POSTING DATE: SIZE OF CLAIM (check on FULL Quarter Section (160 acres):: |
| Mailing Address: City, State Zip: Contact Phone: | Quarter-Quarter Section (40 acres) |
| ADDITIONAL LOCATOR'S / OWNER'S (PRINT) 2. Owner's Name: | LEGAL DESCRIPTION: Give the complete legal description below. |
| Mailing Address: City, State Zip: Contact Phone: | Meridian: Township: Range: |
| 3. Owner's Name: Mailing Address: | Section: Quarter Secton: Qtr-Qtr Section (if 40 acres) of |
| City, State Zip: Contact Phone: | |
| ALL OWNERS OR THEIR AGENTS MUST SIGN: I hereby certify that, on the date above, a location notice was posted on the monument at the NE comer of this claim, to the best of my knowledge, in accordance with applicable State statutes and regulations. | CLAIM SKETCH: (See instructions on reverse side.) Optional In place of a the claim sketch below, a separate map showing the location of this site is: |
| 1. Owner / Agent: | Attached to this <u>Claim Sketch</u> certificate. |
| 2. Owner / Agent: 3. Owner / Agent: Print Agent's Name: | Attached to the certificate for the following claim: |
| Attach an extra sheet for Additional Owners and Signatures | L_1N.=1M |
| \$100.00 Qtr Section of a Township First Rental. \$25.00 Qtr-Qtr Sec. of a Township First Rental. Due Within 45 Days Of Posting. | Div of Mining, Land & Water Use: |

State form may be used/downloaded from http://dnr.alaska.gov/mlw/forms/ Make sure to indicate the type of claim, federal regulations require a legal description to the quarter section

- SEE MINING CLAIM FEE REOUIREMENTS FOR ALL ASSOCIATED FEES
- The BLM will accept a document that has been, or will be recorded with the State of Alaska. If recorded after filing with BLM, provide the BLM provide the BLM with a copy of the recorded document.
- Must be filed with BLM WITHIN 90 calendar days of claim location.

MINING CLAIM LOCATION NOTICE/CERTIFICATE

CHECK ONE: LODE PLACER ___MILLSITE ___TUNNEL SITE

CLAIM NAME: MUST BE INCLUDED

LOCATOR INFORMATION:

date (The locator is the owner. Print the Name and Address Below where correspondence should be sent:)

| 1. Owner's Name: | LEGAL NAME ONLY |
|------------------|-----------------|
| Mailing Address: | |

City, State, Zip:

Contact Phone: Important Information

ADDITIONAL LOCATOR'S/OWNER'S

| 2. Owner's Name: | |
|------------------|--|
| | |

Mailing Address:

City, State, Zip: Contact Phone:

3.

| 3. Owner's Name: | |
|------------------|--|
| Mailing Address: | |

City, State, Zip:

Contact Phone:

ALL OWNERS OR THEIR AGENTS MUST SIGN:

I hereby certify that, on the date above, a location notice was posted on the monument at the NE corner of this claim, to the best of my knowledge, in accordance with applicable federal statutes and regulations.

- 1. Owner/Agent _____
- 2. Owner/Agent _____
- 3. Owner/Agent

Print Agent's Name:

| DISCOVERY DATE: | |
|-----------------|--|
|-----------------|--|

POSTING DATE: Must be filed with BLM within 90 days of this

Acreage must be identified **CLAIM SIZE:**

LEGAL DESCRIPTION:

Give the complete legal description below:

Meridian:

Township: _____

Range:

Section:

Quarter Section: Required by Regulations

CREEK NAME: (optional)

CLAIM SKETCH:

(See instructions on reverse side.)

Optional – In place of a claim sketch below,

a separate map showing the location of this site.

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

MAINTENANCE FEE WAIVER CERTIFICATION

SEE INSTRUCTIONS ON PAGE 2

1. This small miner waiver is filed for the assessment year beginning on September 1, ______ and ending on September 1, ______

2. The undersigned and all related parties owned ten or fewer mining claims, mill, or tunnel sites located and maintained on Federal lands in the United States of America on September 1,

3. The undersigned have performed the assessment work required by law for each mining claim listed prior to filing this waiver and understand that by filing this form, an affidavit of assessment work must be recorded by the December 30th following the filing of this waiver.

4. The undersigned understand that if the assessment work obligation has not yet come due under 30 U.S.C. 28 (for those claims in their first

assessment year only), a notice of intent to hold reciting this condition must be recorded by the December 30th following the filing of this waiver. 5. The undersigned understand that mill and tunnel sites may also be listed upon this waiver and be waived from payment of the maintenance fee, and

that a notice of intent to hold for these sites is required to be recorded by the December 30th immediately following the filing of this waiver.

The undersigned understand and acknowledge that pursuant to 43 U.S.C. 1212 and 18 U.S.C. 1001, the filing or recording of a false, fictitious, or fraudulent document with the Bureau of Land Management may result in a fine of up to \$250,000, a prison term not to exceed five years, or both.
 The mining claims, mill or tunnel sites for which this waiver from payment of the maintenance fees is requested are:

| | CLAIM OR SITI | ENAME | | BLM REC | CORDATION SERIAL N | UMBER |
|-----|--|-------|-------|---------------------------------------|--|-------|
| 1. | | | | · · · | | |
| 2. | | | | | | |
| 3. | | | | · · · · · · · · · · · · · · · · · · · | | |
| 4. | | | · · · | - | | - |
| 5. | ······································ | · | | <u>,</u> | | |
| 6. | | | | | | |
| 7. | | | | | ······································ | |
| 8. | | | | | | |
| 9. | | | | | | |
| 10. | | | | | | |

The owner(s) (claimants) of the above mining claims and sites are:

| (Owner's | Name - Please Print) | | (Owner's Signature) |
|------------|----------------------|--|---------------------|
| (Stre | eet or P.O. Box) | ······································ | |
| (City) | (State) | (Zip Code) | *. |
| (Owner's N | Jame - Please Print) | | (Owner's Signature) |
| (Stre | et or P.O. Box) | | |
| (City) | (State) | (Zip Code) | |
| (Owner's N | lame - Please Print) | | (Owner's Signature) |
| (Stre | et or P.O. Box) | | |
| (City) | (State) | (Zip Code) | |

Form 3830-2 (September 2010)

| (Owner's Name - Please Print) | (Own | er's Signature) | |
|-------------------------------|--------|-----------------|------------|
| (Street or P.O. Box) | (City) | (State) | (Zip Code) |
| (Owner's Name - Please Print) | (Owr | er's Signature) | |
| (Street or P.O. Box) | (City) | (State) | (Zip Code |
| (Owner's Name - Please Print) | (Owr | er's Signature) | |
| (Street or P.O. Box) | (City) | (State) | (Zip Code |
| (Owner's Name - Please Print) | (Owr | er's Signature) | |
| (Street or P.O. Box) | (City) | (State) | (Zip Code) |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

INSTRUCTIONS

- 1. This certification is made under the provisions of §1744 of Title 43 and § 28-28k of Title 30 of the United States Code; and the regulations thereunder (43 CFR Part 3830).
- 2. The claimant(s) must fill in the dates in paragraph 1 for the beginning and ending of the assessment year for which this waiver is sought.
- 3. The claimant(s) must fill in the date in paragraph 2 for the beginning of the assessment year for which this waiver is sought.
- 4. All claim and site names and Bureau of Land Management (BLM) serial numbers must be listed for the mining claims, mill sites, and tunnel sites for which the waiver is sought.
- 5. All owners of the mining claims, mill sites, and tunnel sites and their addresses must be given.
- 6. This waiver form must be signed by all the claimants or their designated agent, in original form. If an agent is designated, a notarized designation of agent, signed by all of the claimants with proper address given, must be submitted with this waiver.
- 7. This form must be filed no later than September 1st for the upcoming assessment year in the BLM State Office where the mining claims or sites are recorded, or the waiver cannot be granted by the BLM. (Example: To obtain a waiver for the assessment year 2012, which begins on September 1, 2011, you must qualify for and file for a waiver no later than September 1, 2011, in the proper BLM State Office.)
- 8. For all mining claims which require assessment work, you must record an affidavit of labor on or before the December 30th immediately following the filing of this waiver. For all other mining claims or sites waived, you must record a notice of intent to hold on or before the December 30th immediately following the filing of this waiver.
- 9. Mill and tunnel sites may also be listed upon this waiver and be waived from payment of the maintenance fee. A notice of intent to hold for these sites is required to be filed by the December 30th following the filing of this waiver.

FOR OFFICIAL USE ONLY

NOTICES

The Privacy Act and 43 CFR 2.48(d) require that you be furnished the following information in connection with the information requested by this form.

AUTHORITY: 30 U.S.C. 28f and 43 CFR part 3835 permit collection of the information requested by this form.

PRINCIPAL PURPOSE: The BLM will use the information you provide to verify that the owner(s) (claimants(s)) of a mining claim has/have complied with 30 U.S.C. 28f and 43 CFR part 3835 and is/are entitled to perform assessment work in lieu of paying the maintenance fee for the mining claims listed on this form.

ROUTINE USES: The BLM will only disclose this information in accordance with the provisions at 43 CFR 2.56(b) and (c). EFFECT OF NOT PROVIDING INFORMATION: Disclosure of the requested information is required by 30 U.S.C. 28f and 43 CFR part 3835 for those claimants qualified to request the small miner waiver allowed. Failure to submit all the requested information or to complete this form will delay the BLM's processing of the form and may preclude the BLM's acceptance of the maintenance fee waiver request, which may result in forfeiture of the mining claim or site by the claimant.

The Paperwork Reduction Act requires us to inform you that:

The BLM collects this information to determine whether or not you are qualified for waiver of maintenance fees.

Submission of the requested information is necessary to obtain or retain a benefit.

You do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 20 minutes per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. You may submit comments regarding the burden estimate or any other aspect of this form to: U.S. Department of the Interior, Bureau of Land Management (1004-0114), Bureau Information Collection Clearance Officer (WO-630), Mail Stop 401 LS, 1849 C St., N.W., Washington, D.C. 20240.

| Nouse Click or Tab to the line and type in Print the completed form before you close Sign and Mail the completed form to the | the file. Acrobat Reader | | | | |
|---|---|---|---|--|------------------------------|
| | | District W | | inis are located. | |
| | | | | | |
| DOM 20-83 (revised 10/04) AFFIDAVIT O DNR 10-84 | F ANNUAL LABC | or for | R MININ | G | E |
| This affidavit of annual labor is for th | e assessment year, v | which end | ded at noc | on on September | 1, 20 |
| Correspondence should be sent to: | | Recor | ding Distri | ict: | |
| Owner's Name: | | Meridia | | - | |
| Mailing Address: | | Twn: | Rng: | Sec(s) | |
| City, State Zip: | | Twn: | Rng: | Sec(s) | |
| unita 🖌 🕈 internationality in the 👘 | | Twn: | Rng: | Sec(s) | |
| Names of Mineral Locat | ions: | | 4 | ADL Numbers: | |
| 8 | | | | 23 | |
| | | | | | |
| | | | | | |
| | | | | | |
| (A) | ttach additional sheet | s if nece | ssarv) | | |
| (A | ttach additional sheet | s if nece | ssary) | | |
| | | | | of person days we | orked: |
| Work was performed on the followin | g dates: | | Number o | | - |
| Work was performed on the followin | g dates: | | Number o | | - |
| Work was performed on the followin | g dates: | | Number o | | |
| Work was performed on the followin | g dates: | | Number o | | |
| Work was performed on the followin Description of work performed: | g dates: | | Number | | |
| Work was performed on the followin Description of work performed: Declared value of work performed du | g dates: | not includ | Number of | maintenance: | \$ |
| Work was performed on the followin Description of work performed: Declared value of work performed du | g dates: | not includ | Number of | maintenance: | |
| Work was performed on the followin Description of work performed: Declared value of work performed du Value of excess work (credit) to be a Amount of any cash payment made | g dates: uring this labor year, r upplied from previous to the state instead of | not includ labor yea | Number of ding claim ar(s) (if ap | maintenance: plicable): (if applicable) | \$ |
| Work was performed on the followin Description of work performed: Declared value of work performed du Value of excess work (credit) to be a Amount of any cash payment made (NOTE: Cash payments made to the | g dates: uring this labor year, r upplied from previous to the state instead of state in-lieu-of perfor | not includ labor yea f perform | Number of ding claim ar(s) (if ap | maintenance: plicable): (if applicable) | \$ |
| Work was performed on the followin Description of work performed: Declared value of work performed du Value of excess work (credit) to be a Amount of any cash payment made (NOTE: Cash payments made to the | g dates: uring this labor year, r upplied from previous to the state instead of state in-lieu-of perfor | not includ labor yea f perform | Number of ding claim ar(s) (if ap | maintenance: plicable): (if applicable) | \$ |
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| Work was performed on the followin Description of work performed: Declared value of work performed du Value of excess work (credit) to be a Amount of any cash payment made (NOTE: Cash payments made to the to September 1. This affidavit must Name(s) and address(es) of person(| g dates: uring this labor year, r upplied from previous to the state instead of state in-lieu-of perfor t still be timely recor | not includ labor yea f perform | Number of ding claim ar(s) (if ap ning labor: <i>bor must b</i> | maintenance: plicable): (if applicable) <i>e received prior</i> | \$\$ |
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| Work was performed on the followin Description of work performed: | g dates: uring this labor year, r pplied from previous to the state instead of state in-lieu-of perfor t still be timely recor (s) who did the work: | not includ labor yea f perform <i>rming lab</i> rded.) Mailing City, | Number of ding claim ar(s) (if ap ning labor: bor must b Name g Address State Zip | maintenance: plicable): (if applicable) e received prior | \$ |
| Work was performed on the followin Description of work performed: | g dates: uring this labor year, r pplied from previous to the state instead of state in-lieu-of perfor t still be timely recor (s) who did the work: | not includ labor yea f perform <i>rming lab</i> rded.) Mailing City, | Number of ding claim ar(s) (if ap ning labor: bor must b Name g Address State Zip | maintenance: plicable): (if applicable) e received prior | \$ |
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| Work was performed on the followin Description of work performed: Declared value of work performed du Value of excess work (credit) to be a Amount of any cash payment made (NOTE: Cash payments made to the to September 1. This affidavit must Name(s) and address(es) of person(Name: Mailing Address: City, State Zip: I,(Print Name) | g dates: uring this labor year, r upplied from previous to the state instead of <i>state in-lieu-of perfor</i> <i>t still be timely recor</i> <i>(s) who did the work:</i> , swear under <u>Notary Block</u> Subscribed an | not includ labor yea f perform <i>rming lab</i> rded.) Mailing City, penalty o | Number of ding claim ar(s) (if ap ning labor: bor must b Name g Address State Zip of perjury before me | maintenance: plicable): (if applicable) e received prior | \$ \$ \$ g is true. |
| Work was performed on the followin Description of work performed: | g dates: uring this labor year, r upplied from previous to the state instead of <i>state in-lieu-of perfor</i> <i>t still be timely recor</i> <i>(s) who did the work:</i> , swear under <u>Notary Block</u> Subscribed an | not includ labor yea f perform <i>rming lab</i> rded.) Mailing City, penalty o | Number of ding claim ar(s) (if ap ning labor: bor must b Name g Address State Zip of perjury before me | maintenance: plicable): (if applicable) e received prior | \$ \$ \$ g is true. |

This form may be downloaded from the State of Alaska website: http://dnr.alaska.gov/mlw/forms/

- SEE MINING CLAIM FEE REQUIREMENTS FOR ALL ASSOCIATED FEES
- Filing Deadline, Close of Business December 30th
- The BLM will accept a document that has been, or will be recorded with the State of Alaska. If recorded after filing with the BLM, please provide the BLM with a copy of the recorded document.
- Affidavits postmarked on or before December 30 are considered valid if they reach the BLM with 15 calendar days.

AFFIDAVIT OF ANNUAL LABOR FOR MINING

This affidavit of annual labor is for the assessment year, which ended at noon on September 1, 2010.

| Correspondence should be sent to: | | | | | | | |
|--|-------------------------------------|---------------------|---|-----------------|--|--|--|
| Owner's Name: | <u>Meridia</u> | n: Rng: | Sec(s) | Otr Sec: | | | |
| Mailing Address: | <u>Twn:</u> Twn: | Rng: | $\underline{Sec(s)}$ | Qtr Sec: | | | |
| Cite, State, Zip. | $\frac{1 \text{ wn.}}{\text{Twn:}}$ | Rng: | $\frac{\operatorname{Sec}(s)}{\operatorname{Sec}(s)}$ | Otr Sec: | | | |
| <u>Claim Names:</u> | | BLM Serial Numbers: | | | | | |
| Claim Name | BL | BLM Serial Numbers | | | | | |
| | | | | | | | |
| (Attach Additional Shee | ets if Necessary) | | | | | | |
| Work was performed on the following dates: | | Numb | er of Person I | Days Worked: | | | |
| Description of work performed: | | | | | | | |
| Declared value of work performed during the labo | • | uding claim | maintenance: | <u>\$ \$100</u> | | | |
| Name(s) and address(es) of person(s) who did the | work: | | | | | | |
| Name: | | Name: | | | | | |
| Mailing Address: | _ | Mailing Add | lress: | | | | |
| City, State, Zip: | - | City, State, Z | Zip: | | | | |
| I,, swear, swear | under penalty | of perjury th | at the foregoin | ng is true. | | | |
| MUST BE NOTARIZE | | Notary Bloc | <u>ek</u> | | | | |
| | | Subscribed a | and sworn bef | ore me | | | |
| <u>X</u> | this | day o | of | , 20 | | | |
| X(Signature of Affiant) | Signatu | re of Notary: | | | | | |
| | My Con | nmission Exp | pires: | | | | |

Electronic Form Instructions: *Mouse Click or Tab to the line and type in your infomation. *Print the completed form before you close the file. Acrobat Reader will not save your input data. *Sign and Mail the completed form to the Recorder's Office in the District where the claims are located.

MINING QUITCLAIM DEED

| THIS INDENTURE, made and g | given this date of | , 20, by and between: |
|-----------------------------------|-----------------------|---|
| The Grantor (name and address) | and | The Grantee (name, address and phone) |
| | | |
| | | |
| WITNESSETH: | | Phone: |
| | | nd other valuable considerations, hereby convey and |
| quitclaim unto the Grantee the fo | | |
| Name of Claim(s) | ADL No. | Claim(s) is/are situated in Meridian,Township,Range,Section: |
| | | |
| | | |
| | | |
| | | |
| Located within the | | Recording District. |
| | | |
| IN WITNESS WHEREOF, the C | frantors have hereunt | o set their hands. |
| | | |
| Signature | | Signature |
| UNITED STATES OF AMERIC | , | UNITED STATES OF AMERICA) |
| STATE OF ALASKA |) SS | STATE OF ALASKA) SS |
| Judicial District |) | Judicial District) |
| The foregoing Quitclaim Deed w | as acknowledged | The foregoing Quitclaim Deed was acknowledged |
| before me by | on | |
| this day of | | this on on |
| | ,20 | uns uay or , 20 |
| Signature of Notary: | | Signature of Notary: |
| My commission expires on: | | My commission expires on: |
| • • • • | | × |
| Return Originals to: | Name: | |
| | Mailing Address: | |
| | Mailing Address: | |
| | | |

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Revised 10/04
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This form may be found at the State of Alaska website: http://dnr.alaska.gov/mlw/forms/

• SEE <u>MINING CLAIM FEE REQUIREMENTS</u> FOR ALL ASSOCIATED FEES

• Must be Notarized Prior to Recording With the State of Alaska (SOA) and must be <u>Recorded With SOA</u> Prior to Being Accepted With the BLM

MINING QUITCLAIM DEED

| THIS INDENTURE, made and given this date of, 20, by and between: | | | | | | |
|--|--------------------------|---|--|--|--|--|
| The Grantor(s) (name and address) | and | he Grantee(s) (name, address and phone) | | | | |
| WITNESSETH: That the Grantor, in consideration of <u>\$</u> Grantee the following: | , and other valuable | Phone: | | | | |
| Name of Claim(s) | <u>BLM No.</u> | Claim(s) is/are situated in Meridian, Township, Range, Section: | | | | |
| IN WITNESS WHEREOF, the Grantor(s) have h | hereunto set his/their ł | nand(s). | | | | |
| Signature | | Signature | | | | |
| UNITED STATES OF AMERICA)STATE OF ALASKA)Judicial District) | | UNITED STATES OF AMERICA) STATE OF ALASKA) SS Judicial District) | | | | |
| The foregoing Quitclaim Deed was acknowledged before me by on this day of, 20 | | The foregoing Quitelaim Deed was acknowledged before me by on this day of, 20 | | | | |
| Signature of Notary: | \$ | Signature of Notary: | | | | |

My Commission Expires on:

Return Originals to:

| Name: | |
|-------------------|--|
| Mailing Address: | |
| City, State, Zip: | |

My Commission Expires on:

TYPES OF FEDERALMINING CLAIMS AND SITES: There are two types of mining claims (lodes and placers) and two types of sites (mill site and tunnel site).

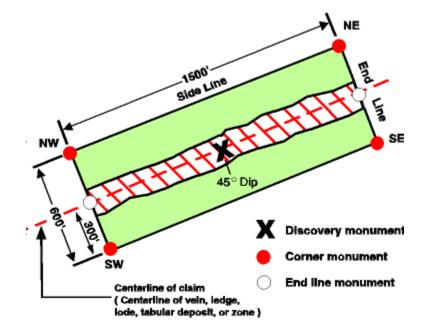
Lode Claims: Deposits subject to lode claims include classic veins or lodes having well defined boundaries. They also include other rock in place bearing valuable minerals and may be broad zones of mineralized rock. Examples include quartz or other veins bearing gold or other metallic minerals and large volume but low grade disseminated metallic deposits. Lode claims are usually described as parallelograms with the longer side lines parallel to the vein or lode (see Figure 1). Descriptions are by metes and bounds surveys (giving length and direction of each boundary line). Federal statute limits their size to a maximum of 1,500 feet in length along the vein or lode. Their width is a maximum of 600 feet, 300 feet on either side of the centerline of the vein or lode. The end lines of the lode claim must be parallel to qualify for underground extralateral rights. Extra lateral rights involve the rights to minerals that extend at depth beyond the vertical boundaries of the claim.

Placer Claims: Mineral deposits subject to placer claims include all those deposits not subject to lode claims. Originally, these included only deposits of unconsolidated materials, such as sand and gravel, containing free gold or other minerals. By Congressional acts and judicial interpretations, many nonmetallic bedded or layered deposits, such as gypsum and high calcium limestone, are also considered placer deposits.

Placer claims, where practicable, are located by legal subdivision (for example: Township 10 South, Range 11 East, Section 9, SE1/4). The maximum size of a placer claim is 20 acres per locator (see Figure 2). An association of two locators may locate 40 acres, and three may locate 60 acres, etc. The maximum area of an association placer claim is 160 acres for eight or more persons.

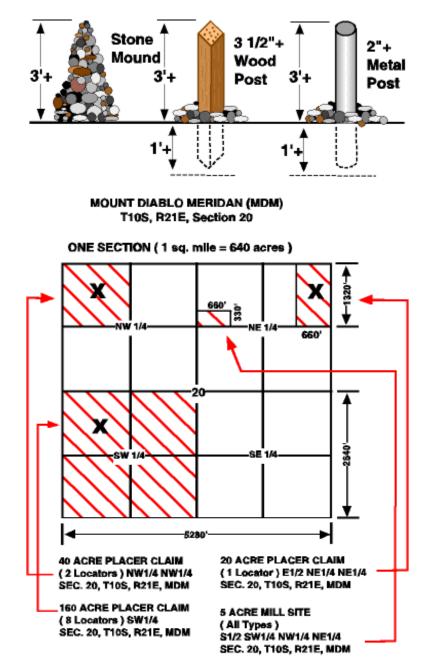
The maximum size of a placer claim for corporations is 20 acres per claim. Corporations may not locate association placer claims unless they are in association with other private individuals or other corporations as co-locators.

Example of Methods of Monumenting Mining Claims Drawing of an ideal lode mining claim (Metes and Bound survey method)



Most State laws require conspicuous and substantial monuments for all types of claims and sites.

NOTE: Other states have other requirements for monuments. However, it is BLM policy to not use perforated or uncapped pipe as a monument. Methods of Describing Placer Mining Claims and Mill Sites examples:



Drawing of a section of land showing types of placer mining claims (PMC) and a mill site (MS).

Mill Sites: A mill site must be located on non-mineral land. Its purpose is to either (1) support a lode or placer mining claim operation or (2) support itself independent of any particular claim. A mill site must include the erection of a mill or reduction works and/or may include other uses reasonably incident to the support of a mining operation. Descriptions of mill sites are by metes and bounds surveys or legal subdivision. The maximum size of a mill site is 5 acres (see Figure 2).

Tunnel Sites: A tunnel site is where a tunnel is run to develop a vein or lode. It may also be used for the discovery of unknown veins or lodes. To stake a tunnel site, two stakes are placed up to 3,000 feet apart on the line of the proposed tunnel. Recordation is the same as a lode claim. Some States require additional centerline stakes (for example, in Nevada centerline stakes must be placed at 300-foot intervals).

An individual may locate lode claims to cover any or all blind (not known to exist) veins or lodes intersected by the tunnel. The maximum distance these lode claims may exist is 1,500 feet on either side of the centerline of the tunnel. This, in essence, gives the mining claimant the right to prospect an area 3,000 feet wide and 3,000 feet long. Any mining claim located for a blind lode discovered while driving a tunnel relates back in time to the date of the location of the tunnel site.

Federal Lands Open to Mining

There are federally administered lands in 19 States where you may locate a mining claim or site. These States are Alaska, Arizona, Arkansas, California, Colorado, Florida, Idaho, Louisiana, Mississippi, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. In these States, the BLM manages the surface of public lands and the Forest Service manages the surface of National Forest System lands. The BLM is responsible for the subsurface on both public lands and National Forest System lands.

You may prospect and locate claims and sites on lands open to mineral entry. Claims may not be staked in areas closed to mineral entry by a special act of Congress, regulation, or public land order. These areas are withdrawn from the operation of the mining laws.

Brief Overview of Federal Mining Law History

The history leading to passage of the Mining Law of May 10, 1872 extends back to the 16th century and reflects both our English and Spanish heritage.

On the east coast, during the settlement of the colonies the traditions developed from what were originally known as "Crown grants", where settlers were given a grant for land development. The grant tended to reserve precious metal to the government much like the "Crown grants" reserved precious metals for the ruler or monarch. This grant system formed the basis for the early traditions regarding mineral rights.

However, on the west coast and western states the mining customs and traditions more closely followed the Spanish Royal Codes of 1783. These codes allowed for the acquisitions of mineral rights by miners and provided provisions for the settlement of disputes between mining claimants.

There were occasions when Congress passed leasing or sales acts relating to gold, silver, lead and iron that were administered by the War Department but for the most part during this time there were no federal laws regulating mining. It was not until the California gold rush that major conflicts began to occur between these two mining traditions. When eastern investors began financing large mine developments such as the Comstock Lode, silver mine in Nevada; and the California Mother Lode, a gold mine the west; the question of security of title and legal possession arose and became a major political issue in Congress.

Even with this political focus, for the next twenty years or so Congressional policy for the public land centered more on encouraging westward migration of settlers and development of western lands instead of the regulation of mining. A series of Congressional statues were passed which included agricultural entry laws; homestead acts; and other acts that were designed to emphasize mineral exploration and development.

It was not until 1866 that the first mining law was passed. The Lode Law of 1866 (RS 2318; 30 USC 21 <u>et seq.</u>) provided for the entry and location of lode claims, assessment work, and patenting of lode claims. Four years later, the Placer Act was passed (RS 2329; 30 USC 35 <u>et seq.</u>) which allowed for the entry location and patenting of placer claims on non-agriculture land by legal description.

In 1872, these two acts where consolidated, with amendments, into the General Mining Law of May 10, 1872 (RS 2319-2339; 30 USC 21-54)

Over the years the General Mining Law has had several major amendments, the most predominant are:

The Mineral Land Leasing Act of February 25, 1920. This act removed oil, gas, coal, sodium, potash, oil shale, and several other minerals from the mining law and made them subject to leasing only.

The Act of July 23, 1955 (PL-167), (30 USC 611-615) which removed common variety minerals, such as sand, gravel, cinders, and other aggregates from the mining laws and made them salable under the Minerals Material Act of 1947.

<u>AND</u>

FLPMA – the Federal Land Policy and Management Act of October 21, 1976, which among other things established a Federal mining claim recordation system with several penalties for noncompliance, a surface management/ reclamation requirement, and special patent consideration for specifically identified areas.

BUT ----- The General Mining Laws of 1872, along with these and other amendments have never been replaced and still remains the core basis for our actions and the way we do business today.

CHRONOLOGICAL DEVELOPMENT OF THE SIGNIFICANT FEDERAL MINING STATUTES

Act of March 3, 1807; 2 Stat. 448

Lead mines and sections contiguous to each are reserved for future disposal; mines discovered after the date of the act may be leased for a limited term.

Act of February 15, 1811; 2 Stat. 617

Salt springs and lead mines are reserved from sale in Louisiana.

Act of May 6, 1812; 2 Stat. 728

Salt springs and lead mines are reserved from sale in the territories of Michigan, Illinois, and Louisiana.

Act of March 25, 1816; 3 Stat. 260

Lead mines and salt springs on lands ceded to the United States are reserved from use except under presidential authority.

Act of April 20, 1832; 4 Stat. 505

Salt springs and hot springs are reserved to the United States in the territory of Arkansas. The Governor may lease such deposits.

Act of July 11, 1846; 9 Stat. 37

Reserved lead mines may be sold in Illinois, Arkansas, Wisconsin, and Iowa.

Act of March 1, 1847; 9 Stat. 146

The Secretary of the Interior is to conduct geological surveys in Michigan to identify lands containing valuable ores. Such mineral lands are to be sold under supervision of the Secretary of the Treasury.

Act of March 3, 1847; Stat. 179

Mineral lands in Wisconsin may be surveyed and sold.

Act of September 26, 1850; 9 Stat. 472

Mineral lands in the District of Michigan and the Chippewa District in Wisconsin are open to public sale.

Act of February 27, 1865; 13 Stat. 440

Mining titles may be recovered through possessory actions.

Act of March 3, 1865; 13 Stat. 529

Coal lands may be disposed from public lands. For actual coal mining operations, up to 160 acres of land may be acquired at a minimum rate of \$20 per acre.

Act of July 26, 1866; 14 Stat. 251

All mineral lands of the public domain are declared open to exploration and occupation. The act provides for the location of lode mining claims and, upon expenditure of at least \$1,000 in improvements, a patent may be purchased at the rate of \$5.00 per acre. The law allowed only one location per lode and limited each location to 200 feet along the lode or vein.

Act of July 9, 1870; 16 Stat. 217

This act amends the Act of July 26, 1866 to include placer locations. It allows placer claims to conform to legal subdivision on surveyed lands. Placer claims may not exceed 160 acres for any one person or association of persons. Payment for patent of placer claims is made at the rate of \$2.50 per acre.

Act of May 10, 1872; 17 Stat. 91

This act is the well known General Mining Law of 1872. It replaced much of the 1866 and 1870 laws. The 1872 law declared "all valuable mineral deposits in lands belonging to the United States...to be free and open to exploration and purchase." It authorized placer and lode mining claims to be located by a procedure that is largely unchanged to this day. The act also requires that not less than \$100 worth of work be performed on each claim per year. Patents may be issued for land containing "valuable deposits" up on expenditure of \$500 worth of work.

Act of February 18, 1873; 17 Stat. 465

The states of Michigan, Wisconsin, and Minnesota were excepted from the mining laws.

Act of March 3, 1873; 17 Stat. 607

Entry may be made on vacant coal lands belonging to the United States.

Act of May 5, 1876; 19 Stat. 394

Mineral lands in Missouri and Kansas are excluded from the mining laws.

Act of March 3, 1879: 20 Stat. 394

The office of Director of the Geological Survey is established. Among other things, duties include geology and mineral resource studies and classification of the public lands.

Act of March 3, 1881; 21 Stat. 505

If title to mineral lands is contested, patent is not issued until title is perfected.

Act of March 3, 1891; 26 Stat. 1104

The President was authorized to appoint a mine inspector for each territory of the United States for the purpose of mine safety.

Act of August 4, 1892; 27 Stat. 348

Land chiefly valuable for building stone may be located with placer mining claims.

Act of May 14, 1898; 30 Stat. 413

This act provides procedure for affidavits of location including filing, publishing and posting of notices in Alaska.

Act of May 14, 1898; 30 Stat. 415

Canadians are given the same mining rights in Alaska as United States citizens are given in Canada.

Act of June 6, 1900; 31 Stat. 327

Mining laws of the United States are extended to Alaska. The act specifies a 90-day time period and place for filing notices of location for mining claims in Alaska.

Act of January 31, 1901; 31 Stat. 745

Salt deposits may be located and purchased under the placer mining laws.

Act of February 12, 1903; 32 Stat. 825

Assessment work performed on any one of a group of contiguous placer claims for oil lands will be credited to the claim group, but not to exceed five claims.

Act of April 28, 1904; 3 Stat. 525

Procedure is given for locating coal lands in Alaska.

Act of May 28, 1908; 35 Stat. 424

United States is given preference right to purchase coal in Alaska, if needed by the Army or Navy.

Act of March 3, 1909; 35 Stat. 844

If entry is made under nonmineral land laws on lands later classified as valuable for coal, the entryman may use such coal for domestic purposes but the coal is reserved to the United States.

Act of May 16, 1910; 36 Stat. 369

Bureau of Mines is established with duties covering health and safety, conservation, research and prevention of waste.

Act of June 25, 1910; 35 Stat. 847 (Pickett Act)

The President is authorized to temporarily withdraw lands: but metalliferous minerals in withdrawn lands are to be open to exploration and purchase under the mining laws.

Act of March 2, 1911; 36 Stat. 1015

If lands located under the mining laws are found to contain oil or gas after patent issues, the patent is not revoked.

Act of July 17, 1914; 38 Stat. 509

Lands withdrawn and classified as valuable for phosphate, nitrate, potash, oil or asphalt may be patented subject to a mineral reservation to the United States.

Act of August 25, 1914; 38 Stat. 708

This act is concerned with temporary agreements between the Secretary of the Interior and applicants for patent on withdrawn lands in which there has been a discovery of oil and gas.

Act of February 25, 1920; 41 Stat. 437

The Mineral Leasing Act of 1920 provided that deposits of coal, phosphate, oil, oil shale, gas, and sodium could be acquired through a leasing system. This law specifies, among other things, royalty rates, rental rates, lease size, and term required for each kind of leasable mineral. The law also provides for issuance of prospecting permits prior to lease issuance and competitive bidding for certain deposits.

Act of April 17, 1926; 44 Stat. 301

This act authorizes prospecting permits and preference –right leases for sulphur on public lands in New Mexico and Louisiana.

Act of June 8, 1926; 44 Stat. 710

The Secretary of the Interior may lease deposits of gold, silver or quicksilver deposits with preference to the grantee of lands that did not convey minerals.

Act of June 25, 1926; 44 Stat. 768

The Secretary of the Interior and the Secretary of Commerce are authorized to aid owners of private potash rights in exploration for such deposits. Upon production from such deposits, royalty shall be paid to the United States.

Act of February 7, 1927; 44 Stat. 1057

The Secretary of the Interior is authorized to grant prospecting permits and preferenceright leases for chlorides, sulphates, carbonates, borates, silicates or nitrates of potash. This law amends the Act of February 25, 1920.

Act of May 21, 1930; 46 Stat. 373

Oil and gas deposits may be leased under Rights-of-Way.

Act of April 23, 1932; 47 Stat. 136

Public lands withdrawn under the reclamation laws may be open to location and patent under the general mining laws with certain rights reserved to the United States.

Act of May 2, 1932; 47 Stat. 14

States that made lieu lands selections because the original grant lands were classified as valuable for minerals and hence, not available, may relinquish the lieu selections and acquire the mineral lands if still available.

Act of May 4, 1934; 48 Stat. 663

The general mining laws of the United States are extended to Alaska.

Act of June 16, 1934; 48 Stat. 977

The Mineral Leasing Act of 1920 is amended that if water in sufficient quality and quantity is discovered while drilling an oil and gas well that land is to be reserved as a water hole.

Act of August 25, 1937; 50 Stat. 808

This act authorizes issuance of oil and gas prospecting permits and leases to applicants by listed serial numbers.

Act of June 7, 1939; 53 Stat. 811

The President is authorized to stockpile strategic and critical minerals and the Secretary of the Interior is authorized to investigate and develop new sources of such minerals.

Act of May 7, 1941; 55 Stat. 177

This coal mine safety act authorizes inspectors of coal mines and the distribution of health and safety information.

Act of May 9, 1942; 56 Stat. 273

The Secretary of the Interior is authorized to lease deposits of silica and other nonmetallic minerals in lands previously withdrawn by Executive Order No. 5105 of May 3, 1939.

Act of September 27, 1944; 58 Stat. 745

The Secretary of the Interior is authorized to dispose of land, stone, and gravel on public lands.

Act of August 8, 1946; 60 Stat. 950

Reduction of royalties and assignments on oil and gas leases are dealt with in this law.

Act of July 31, 1947; 61 Stat. 681

The Materials Act of 1947 authorizes disposal of materials including, but not limited to, sand, stone, gravel, and common clay on public lands through a sales system. If the appraised value of the material exceeds \$1, 000.00, it must be disposed by competitive bidding. The law also provides for free use of material by government agencies, municipalities or non-profit organizations, if the material is not to be used for commercial purposes.

Act of August 7, 1947; 61 Stat. 913

The Acquired Lands Act authorizes mineral leasing on acquired lands.

Act of June 21, 1949; 63 Stat. 214

Deferment of assessment work on mining claims may be approved if the claimant is unable to obtain access.

Act of June 30, 1950; 64 Stat. 311

Development of mineral resources is extended to certain public lands which were not open to such development at the date of this act.

Act of July 16, 1952; 66 Stat. 692

This act amends the Coal Mine Safety Act of May 7, 1941 by increasing the scope and authority of the 1941 act. The 1952 act also creates a Federal Coal Mine Safety Board of Review.

Act of May 22, 1953; 67 Stat. 29

The Submerged lands Act of 1953, among other things, grants title of lands beneath navigable waters to the respective states. The act also confirms the seaward boundary of the coastal states to extend three miles from the coastline of the state.

Act of August 7, 1953; 67 Stat. 462

The Outer continental Shelf Lands Act of 1953 extends the jurisdiction of the United States to include that part of the continental shelf outside of the three mile zone. The act also authorizes the Secretary of the Interior to grant mineral leases on the Outer Continental Shelf through a competitive bidding system.

Act of August 12, 1953; 67 Stat. 539

This act validates certain mining claims that were located on lands which at the time of location, were under a prospecting permit or mineral lease. In the event a mineral patent should issue, a mineral reservation is made to the United States.

Act of August 13, 1954; 68 Stat. 708

This act permits multiple development of both leasable and locatable minerals on the same tract of lands under the mineral leasing and mining laws. If a mineral patent should issue, a reservation is made to the United States for the leasable minerals.

Act of August 30, 1954; 68 Stat. 934

The Atomic Energy Commission is authorized to issue permits for exploration and mining of fissionable materials on public lands.

Act of July 23, 1955; 69 Stat. 367

Common varieties of sand, gravel, cinders, pumice, pumicite and clay are removed from the category of locatable minerals and are placed under the Materials Act of 1947. This 1955 act also provides for multiple use of the lands and surface resources on mining claims.

Act of August 11, 1955; 69 Stat. 679

This act permits mining claims to be staked for uranium on lands classified or known to be valuable for coal.

Act of August 11, 1955; 69 Stat. 681

Approximately seven million acres of land that had previously been withdrawn or reserved for power development were restored to mining location.

Act of July 20, 1956; 70 Stat. 592

Reserved mineral deposits are subject to disposal under this law by mineral patent if located prior to the Mineral Leasing Act of 1920.

Act of July 3, 1958; 72 Stat. 323

This act provides that oil and gas leases may be issued pursuant to the Mineral Leasing Act of 1920 for both lands beneath non-tidal, navigable, Alaskan waters.

Act of August 21, 1958; 72 Stat. 700

The Secretary of the Interior is authorized to develop a program to encourage exploration for mineral reserves by private industry.

Act of August 23, 1958; 72 Stat. 829

The period for doing assessment work is changed so that each year for assessment work begins on September 1 instead of July 1.

Act of September 2, 1958; 72 Stat. 1701

Geological, geochemical and geophysical surveys may be used to fulfill the annual labor requirements. These surveys may be used for two consecutive years, but may not exceed five years and must be conducted by qualified experts.

Act of March 18, 1960; 74 Stat. 7

This act provides for location and patent of up to 5 acres of nonmineral lands in connection with a placer mining claims.

Act of September 1, 1960; 74 Stat. 785

This amendment to the Mineral Leasing Act of 1920 specifies new requirements for the leasing act minerals, including maximum leasehold per state, application procedures, assignment procedures.

Act of September 2, 1960; 74 Stat. 781

Extension of primary term of noncompetitive oil and gas leases is authorized in this law.

Act of August 17, 1961; 75 Stat. 384

This act authorizes the Secretary of the Interior to sell lands in Alaska with known coal, oil or gas deposits.

Act of September 26, 1962; 76 Stat. 652

Petrified wood is defined and removed from the category of locatable minerals. Limited quantities of petrified wood may be obtained from the public lands on a free-use basis.

Act of October 23, 1962; 76 Stat. 1127

The Mining Claim Occupancy Act of 1962 authorized the Secretary of the Interior to convey up to fee simple title to residential occupants of unpatented mining claims on which valuable improvements have been made.

Act of August 31, 1964; 78 Stat. 710

The Secretary of the Interior may authorize collective prospecting, development or operation of coal areas to conserve coal resources.

Act of September 16, 1966; 80 Stat. 772

Federal Metal and Nonmetallic Mine Safety Act was passed to increase requirements for mine safety.

Act of December 24, 1970; 84 Stat. 1566

The Geothermal Steam Act authorized the leasing of geothermal resources and associated byproducts in public lands through competitive and noncompetitive leasing systems.

Act of September 3, 1974; 88 Stat. 1079

The Geothermal Energy Research, Development, Demonstration Act of 1974 was passed to promote the development and utilization of geothermal resources.

Act of August 4, 1976; 90 Stat. 1083

The Federal Coal Leasing Amendments Act of 1975 substantially changed the procedure for leasing coal on Federal lands.

Act of September 28, 1976; 90 Stat. 1342

This act withdraws certain national parks and monuments, places a moratorium on exploration and development activity and establishes new recordation requirements for mining claims.

Act of October 21, 1976; 90 Stat. 2743

The Federal Land Policy and Management Act of 1976 specifically affects locatable minerals by changing withdrawal procedures, requiring recordation of mining claims with the BLM and authorizing regulations for surface protection of the public lands.

Act of August 3, 1977; 91 Stat. 445

The Surface Mining Control and Reclamation Act of 1977 established a new Office of Surface Mining, Reclamation and Enforcement (OSM) in the Department of the Interior. This law requires reclamation of all surface mined coal lands.

Act of November 9, 1977; 91 Stat. 1290

The Federal Mine Safety and Health Amendments Act of 1977 repealed the Federal Metal and Nonmetallic Act of 1966 and amended the Federal Coal Mine Health and Safety Act of 1969. Responsibilities for enforcement of mine health and safety laws were transferred from the Department of the Interior (MESA) to the Department of Labor where it is called the Mine Safety and Health Administration (MSHA).

Act of September 18, 1978; 92 Stat. 629

The Outer Continental Shelf Lands Act Amendments of 1978 establishes new policies and procedures for managing the oil and natural gas resources of the Outer Continental Shelf.

Act of June 28, 1980; 94 Stat. 553

The Deep Seabed Hard Mineral Resources Act was passed by Congress to establish an interim legal regime under which technology can be developed and the exploration and recovery of hard mineral resources of the deep seabed can take place.

From

MINING LAW from Location to Patent

By

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