How Alaska Addresses Abandoned Hard Rock Mining Contaminated Sites

Jenn Currie
Alaska Department of Law
October 2018
Photo 1: Historical 1910 Photo: "Latouche, Alaska. Situated on the southern end of Prince William Sound, between Valdez and Seward. Here is found one of the largest operating copper mines in the world."
Photo 5: The upper portions of the site are highly disturbed, with little vegetation. These areas are much larger than they appear in this photo.
Photo 9: Acid mine drainage is visible in one of the streams at the site.
How are abandoned hard rock mining cases brought to DEC’s attention

- People who currently own the property or a portion of the property notify DEC – due diligence reports
- We are notified by current landowners (Native Corporations) and DEC might follow up with EPA grant money
- We have knowledge based on historic documents or accounts – historic books on Prince William Sound highlight mining activities -- and we follow up with grant money
First step – added to the Contaminated Sites Database

- We have a comprehensive database with all contaminated sites in the State
- Once we have confirmation of contamination, we will add the site to this database so we can track it
Historical research for potentially responsible parties

- The process for identification of PRPs at abandoned hard rock mines is complex and time consuming.
- They may look abandoned, but that doesn’t mean that they don’t have a current (absent) owner.
- Your ultimate goal is to determine who had title when mining activities were occurring (and what that entity is called today) and who has current title to the site.
- Where do you start??
If you are investigating based on historical accounts

- Google is your friend
- Sometimes you are starting at the beginning of the operation of the site, sometimes at the end
- Be aware that you might have multiple mining claims on one “site” with different ownership
- State land records
- As you trace, you will eventually come to a corporation
The grantor, Gransby Consolidated Mining, Rolling and Power Company, Limited, whose address is 1666 West Hastings Street, Vancouver, British Columbia, for and in consideration of Ten Dollars ($10.00) and other good and valuable consideration in hand paid, receipt of which is hereby acknowledged, conveys and warrants to Gransby Consolidated Mining, Limited, a Delaware corporation whose address is 201 East Sixth Avenue, Anchorage, Alaska, the following described real estate:

Mineral Survey No. 163 containing the "L" lode mining claim, the Salladale lode mining claim, the Mitchell lode mining claim, the Riddick lode mining claim, the Muriel No. 1 lode mining claim, the Muriel No. 2 lode mining claim, the Muriel No. 3 lode mining claim, the Muriel No. 4 lode mining claim, the Muriel No. 5 lode mining claim and the Muriel No. 6 lode mining claim consisting of 161.823 acres of land, more or less; and

Mineral Survey No. 975 containing the "H" lode mining claim, the "H" lode mining claim, the "H" lode mining claim, the "H" lode mining claim, the "H" lode mining claim and the "H" lode mining claim consisting of 87.787 acres of land, more or less,

subject to reservations in the U.S. Patents.

located in the Kenai Peninsula Recording District, First Judicial District, State of Alaska.

Dated this 15th day of [fill in date], 1979.

[Signature]
GRANBY CONSOLIDATED MINING, ROLLING AND POWER COMPANY, LIMITED

By: [Signature]

Vice President of

[Signature]

By: [Signature]

[Signature]

By: [Signature]

[Signature]

By: [Signature]

APPROVED: [Signature]

[Signature]

By: [Signature]

[Signature]

By: [Signature]

AMEND.

[Signature]

By: [Signature]

[Signature]

By: [Signature]

[Signature]
If you are investigating based on historical accounts (con’t)

- Track corporations carefully, they change names, merge, have asset sales and dissolve – but usually real property goes somewhere
- Research the corporations on state corporations databases
- May have to investigate internationally
- Check Westlaw to see if these corporations have already been traced
- Check with other states and possibly EPA
- Eventually you will have a step by step progression from establishment of the mine to who owns the mine today
ZAPATA CORPORATION (date of incorporation in Delaware, File No. 480919)

10/25/1954 – PARENT

6/7/1968 – SUBSIDIARY
ZAPATA OVERSEAS CAPITAL CORPORATION (date of incorporation in Delaware, File No. 679805)

10/18/1971 – Subsidiary
ZAPATA CANADA LIMITED (date of name change in British Columbia)

1/1/1979 – AMALGAMATION
BC Certificate No. 184,714 - companies to be one company with the name of ZAPATA GRANBY CORPORATION (SEE ABOVE)

5/15/1980 – SUBSIDIARY
ZAPATA CANADA, INC. (date of name change in British Columbia)

1/1/1979 – SUBSIDIARY
ZAPATA GRANBY CORPORATION (date of incorporation in British Columbia)

8/23/1971 – SUBSIDIARY
ZAPATA RESOURCES LIMITED (date of incorporation in British Columbia, Cert. No. 102,325)

8/26/1971 – ASSIGNMENT
Zapata Norness Incorporated assigns the Agreement and all rights and liabilities to Zapata Resources Limited

7/30/1971 – AGREEMENT
Zapata Norness Incorporated (โฉ) and Pacific Holding Corporation (โฉ) to acquire The Granby Mining Company Limited shares/stock from Pacific Holding Corporation

November 10, 1978 – AMALGAMATION AGREEMENT between Zapata Canada Limited, Granby Mining Corporation, and Granisle Copper Limited
If you think you have found a viable responsible party

- Send them a PRP letter outlining your best information as to why they are a responsible party.
- They will likely send you back a letter with documents saying “not us” – you have to go through their documents and analyze them to determine what to do next.
- They also might send you a letter saying “not us, it’s them” – they will give you documents pointing to another entity in the chain. Analyze these and if valid, send PRP letter to the other entity.
- Either way, you may have to persist, but you likely have an RP who can conduct some work at the site.
After you have a responsible party

- You would want them to begin the process of investigation of the status of the site
  - Under CERCLA
  - Under State Law
If you can’t find a viable responsible party

- We investigate in a preliminary manner to determine the risks at the site and whether we need to expend state money to address those risks.
Caveat

- The hypothetical we’ve been discussing is not located on federal land. If it is on federal land, the federal land manager is the PRP (current owner and probably owner at the time of the release)