

CONFIDENTIAL
ENERGY AND MINERALS DIVISION
REPORT FOR THE WEEK ENDING June 4, 1999

TGS → ME
 Afton
 885344
 Week

ISSUES UPDATE

Access:

- MOF has signed off SUP approval process for exploration access. Next step is to prepare a letter for ADMs to distribute process to MOF, MELP and MEM districts and regions. (Mines)
- Toad River Hot Springs - Proposed Protected Area of 400 Ha will result in sterilization of 129,000 hectares of moderate mineral potential land by restricting access to the area behind the park. (Mines)

Coalbed Methane:

- Interest remains high, two Denver Colorado companies were here this week, one to submit a request for rights on Vancouver Island, another to discuss a proposal for the Hat Creek area. (PLA)
- Status of rights in the Quinsam area nearing completion. (PLA)

Exploration News

- Silvertip- Imperial Metals Corp. (as operator and under a joint venture agreement with Peruvian Gold Ltd.) plans to conduct more geophysical surveys this summer prior to conducting a 2000m deep drilling program. [Minimum \$450K planned for 1999].(GSB)
- Boliden/Westmin considering carrying out exploration on Vancouver Island from the Myra Falls minesite because the company is closing the Vancouver exploration office. GSB is supplying company with data. (GSB)
- Regional Geochemical Survey Release NTS 93A - Ouesnel: June 25. GSB has received 12 pre-orders for the release. Of these 4 are majors and 6 are new clients that have not previously subscribed to RGS releases. At this stage this is a very positive response to this release. (GSB)
- New Staking Activity - At least 1575 mineral claim units have now been staked and recorded in southern BC on intrusion-related gold targets. Work done by our Ministry geologists is the impetus behind this staking activity. (Mines)
- Activity levels are increasing throughout the province, as the snow pack melts. April statistics show a 250% increase over the previous month. Early May statistics indicate similar level as that set in April. (MTL)
- Afton Operating Corporation - Did not re-new their Mining Lease, as a cost-saving measure. Other parties have now staked claims over their open pit and areas under reclamation. This raises questions regarding reclamation liability and liability under Contaminated Sites Regulation. (Mines)

Forest Practices Code

- Reviewing the new FPC Watershed Assessment Procedure Guidebook to identify implications for MEM and clients prior to distributing the guidebook to regional offices. (Mines)
- Reviewing MOF draft legislation for pilot projects for forest practices. (Mines)

Land Use Planning:

- MELP has nearly completed inventory interpretation for the Besa Prophet pre-tenure plan and will identify their interests for the planning process through defined objects by mid-June. Next step is to draft the plan framework and get stakeholders' input. (PLA)
- Trans Canada Trail - The Land Use Coordination Office has written a letter to the Trans Canada Trails Foundation to say that government will not support a route through the upper Elk Valley corridor. (Mines)

AFTON