



# *Department of Natural Resources Fact Sheet*



## **2008 CAPITAL BUDGET Drill Core Library Governor's Recommendation: \$1,000,000**

### **It is needed because**

The state's drill core repository in Hibbing is nearing capacity. The core stored in the facility provides a unique opportunity to examine the bedrock beneath the glacial drift that covers most of the state. Samples and analyses of the cores provide valuable scientific information for multiple uses. Mineral exploration companies use information from the core in the search for precious and industrial metals; hydrologists use the information for groundwater research; and educators and academics utilize the core for various research projects, providing greater knowledge of Minnesota's geology. Moreover, M.S. 103I.605 directs mineral exploration firms that drill in the state to submit to the state a one-fourth portion of core samples obtained for mineral exploration. These samples become property of the state and are stored in the DNR's drill core library.

The original drill core library was constructed in 1972. The most recent additions were constructed in 1990, and were subsequently expanded in 1995. Funding for this addition provides for the design and construction of an addition to the drill core library and for industrial shelving to store the core.

The existing facility contains nearly 2.3 million feet of core, the equivalent of about 390 miles, extracted from 79 Minnesota counties during the period from 1905 to the present. Translated into today's costs, the value of this core is about \$200,000,000.

### **Major project elements**

This funding will provide for the design and construction of an addition to the Division of Lands and Minerals drill core library in Hibbing.

### **Priority-setting**

In order to meet statutory requirements, DNR will need to increase capacity at the drill core library for core samples submitted to the state by mineral

exploration and mining companies. Due to the global mineral demand, mineral exploration has increased dramatically in Minnesota in the last four years, resulting in a four-fold increase in core submitted to the library since 2004 based on total footage drilled in the state.

### **Project locations**

The drill core library is located at 1525 3<sup>rd</sup> Avenue East, in Hibbing, Minnesota.

### **Key measures and outcomes**

Design and construction of a new addition to the existing drill core library provides expanded storage for core samples obtained through mineral exploration.

The ultimate measure of the facility value will be based on the sustainability of a strong minerals economy, jobs, and revenues from the sale of state-owned minerals. In FY 2007, mining and exploration on School and University Trust lands generated revenue of about \$26.5 million, which was approximately 93 percent of total mineral revenue for the year.

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