

Americans set to drill at Oak Island

It's official - Blankenship and the Michigan boys will be focusing initial explorations on Borehole 10X. This article was published today [Wednesday 28 November 2007] in The Chronicle Herald, Nova Scotia.

Americans set to drill at Oak Island - Shaft found in 1969 to be targeted

WESTERN SHORE — Four Americans plan to pour \$200,000 into a hole in the ground.

But the Traverse City, Mich., oilmen behind the proposal hope this will be no wildcat well and that the risk will pay off, because this particular hole is on Oak Island.

The drilling they are financing next month will mark the first time in more than a decade that work will be carried out near the infamous "money pit." This time, however, local partner Dan Blankenship says he and his four associates will focus their efforts on an underground shaft called Borehole 10X.

"It's a long way from the money pit," Mr. Blankenship said, and he believes that's where they'll find something. He discovered the shaft in 1969.

"I made some very, very important discoveries that were not followed diligently," he said.

That difference in priorities led in part to the breakdown of his business relationship with his business partner of 39 years, David Tobias.

"I found more physical evidence at 200 feet (60 metres) than ever came out of the money pit area," he said, referring to wire, chain and low carbon steel he says were found in bedrock 72 metres below the Earth's surface.

Mr. Blankenship won't say if he has a specific schedule of work to be done.

"If I did, I wouldn't tell you," he chuckled.

The company is starting out by spending \$200,000 on drilling "and other things" that Mr. Blankenship won't disclose. The results of that initial work will determine what happens next.

"We'll play it by ear," he said. Rick Ratcliffe, registrar of the Natural Resources Department's mineral division, confirmed that cabinet approved transferring the treasure trove licence from Mr. Blankenship's former company with Mr. Tobias to the new company, Oak Island Exploration Acquisition Co., which owns 78 per cent of the island. The licence is good only until July 2, at which time the company must reapply. At that time, it must say what work it has done over the life of the licence and what it intends to do in future. "We look for the kinds of work they plan to carry out, the timing, the expenses," Mr. Ratcliffe said.

That information is kept confidential. The Tourism, Culture and Heritage Department has waived its requirement for a heritage research permit that would have detailed what the treasure hunters are looking for and how they plan to get it.

Mr. Blankenship's partners could not be reached for comment Tuesday but they include brothers Rick and Marty Lagina, Craig Tester and Alan Kostrzewa. Marty Lagina told the Wall Street Journal recently that no one knows Oak Island better than Mr. Blankenship and they will follow his lead.

Two other people have cabinet approval to search for treasure on Oak Island — local art gallery owner Robert Young and Bedford surveyor Fred Nolan.

But, as is often the case with Oak Island, a cloud is hanging over this latest expedition. The NDP has asked the province to repeal the Treasure Trove Act, which allows treasure hunters to keep 90 per cent of their spoils. Mr. Blankenship fears the move would amount to a money grab by the province.

"If any treasure is found on Oak Island, there's a potential for 49 per cent in taxes to be paid on it," he said. "If we have to pay a 49 per cent tax on something we find on Oak Island, how much more do they want?" Mr. Blankenship said it seems clear to him that the province would be after a windfall if it approved repealing and overhauling the 50-year-old act.

"This is the obvious conclusion anyone would come to," he said. "Why open it up unless you have a reason for it, and obviously the reason is to tax us poor suckers."

Halifax Chebucto MLA Howard Epstein introduced the private member's bill for the NDP last January. He said he

did so because a review by Voluntary Planning, a citizens' policy forum, expressed concern that the Treasure Trove Act does not adequately protect underwater heritage.

Mr. Epstein said in an interview that the act is flawed and should be repealed. He said common law should apply until the province can develop an act that adequately protects the Crown's interests while addressing divers' and treasure hunters' concerns that they deserve to reap the benefits of their costly ventures.

The bill died when the spring session of the legislature ended, but Mr. Epstein said he will reintroduce it in this fall session.

Source - The Chronicle Herald <http://thechronicleherald.ca/NovaScotia/994650.html>