

11 January 2003

**Reference:** Draft – issued November 1, 2002, LORP EIR / EIS Omitted Information  
[Inclusion within public comment time period of January 14th, 2003]

**Recommendation(s) –**

**AREAS SUBJECT TO FURTHER INVESTIGATION AND INCLUSION  
WITHIN THE LORP EIR / EIS:**

**1. Owens Dry Lake – *The lake is under the jurisdiction of the State of California and NOT Inyo County government NOR the DWP.***

**A. Giant Water Cistern –** Beneath the lake – commencing approximately 10 to 20 feet, is a layer of hardened clay and on top of it is alluvial sand, and

**B. Artisan Wells –** Rough calculations indicate 20 to 30 and possibly more, artisan wells – under extreme pressure – that are either capped and/or have a valve attached. This water – in general – is NOT fit for drinking water at the onset. However, via transport through the Aqueduct to LA County [up to 200 miles] and then the water becomes sufficiently filtered / cleaned for *use, sale or exchange.*

**C. Well(s) & Pumpback Station – *The LORP EIR / EIS should include the Owens Lake wells, the location and number of capped and/or valved wells.***

**State Authority & Litigation:** This subject is currently viewed as “an omission from the report,” requiring agreement from the State of California, and as part of the mitigation of the existing lawsuit [already identified], and

**State Authorization & Mitigation:** Wherein these wells are reactivated – with or without the knowledge or consent of the State or County government. (respective to the existing MOU & failure(s) by the DWP to comply in a timely manner), then

This reactivation could be viewed as a “compensating balance” of:

1. Water entered into the LORP; and
2. Retrieved from the reactivation of the capped, high pressure artisan wells, and the subsequent piping laid before or after the fact, to the Aqueduct, and then  
Reactivated at will for authorized or unauthorized (not monitored by any agency of citizenry or government body) water transport into the Aqueduct, and.
3. *Thereafter the water used as in a “shell game” – to again be sold to other counties in California, and/or again used as a “off-setting balance” with the existing Colorado River controversy with the Federal government.*

**2. McIver Canal:** Map inclusions, identified as “Map 1 & Map 6, with specific reference being made to the Civil Complaint to Inyo County Government, dated 5 June 2000, aka Independence / Conway Ranch Land Exchange, and future environmental impacts upon the Owens Valley floor in the event of future groundwater pumping pursuant to: a) the inclusion of new wells (40-100), b) future RE developments.

Reference, inclusion of EIR / EIS Impacts upon the Lower Owens Valley.

242-2

242-3



# American Reward Mill, Inc.

Working in Association with

**Mt. Whitney - Aurora Gold Exploration Company**

&

**Lone Pine Equipment Company**

[Millsite Cleanups, Acquisitions & Storage]

• Lone Pine Office: PO Box 1138, 664 & 915, Lone Pine, CA 93545 •

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14 January 2003

**Mr. John Gray**  
URS Corporation  
130 Robin HILL Road, Suite100  
Coleta, CA 93117  
Phone: 805-964-6010  
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**Ms. Gail Louis**  
U.S. Environmental Protection Agency  
75 Hawthorne Street, WTR-3  
San Francisco, CA 94105  
Phone: 415-972-3467  
Fax: 415-947-3537

**Re: Missing Pages to our Response - LORP**

Dear Mr. Gray & Ms. Louis,

Please accept our appologies for these missing pages (9 through 24), our copier ran out of ink and we couldn't get a replacement here in Lone Pine until Monday - therefore we sent them out to you yesterday.

We are faxing this to you for your infomation - so that you might look for them and please be so kind as to add them to our package of comments and data.

We remain respectfully yours,

Gene D. Mathern, President / CEO

Janet R. Blackburn, Secretary / Treasurer

American Reward Mill, Inc. [ARM]

&

**Mt. Whitney - Aurora Gold Exploration Company**

&

**Lone Pine Equipment Company**

cc: Corporate & Company Files

Faxed: 14 January 2003 w/hardcopy to follow with missing pages

w

Clarence - I wasn't sure if you received a copy of this as well. - Part 2

OPTIONAL FORM NO. 10 (7-99)		FAX TRANSMITTAL		# of pages ▶ 16
To	Clarence martin	From	Gail Louis, EPA	
Dept./Agency	DWP	Phone	415.972.3467	
Fax #	760-873-0266	Fax #	415.947-3537	



***[Definition: In the law of torts, the proximate cause of an injury is the primary cause from which an injury follows as a direct or immediate consequence and without which the injury would not have happened.]***

- E. Inspection of County Records:** An inspection of county records clearly shows eight (8) lode claims [Betty Jumbo, primarily consisting of Tungston ore] is directly associated with the Mill as being current, valid and claimed by Firestone Mining Industries [FMI], et al, and

Be advised that after purchase of the Firestone Mill on 31st December 1999, LPE did file a "Notice of Intent to Hold Claims" with the County within the 60-day allotted time period after purchase, and

- F. Negative Economic Impact:** Therefore this being so, it was and is his responsibility to provide notice to Inyo County Planning of the "negative economic impact" [i.e., land & water effects upon the reactivation of the Mill, and Mill upgrade / ore delivery contracts in progress, etc.], and

***Therefore, these actions would have a negative impact upon and within the attached Environmental Assessment and decision record dated October 12, 1999, and***

- G. Inyo County Director of Planning:** Wherein, Mr. Earl H. Gann is not the "proximate cause" then someone is, and

***Therefore, if the person is not identified then the responsibility falls upon the Director of Planning, Mr. Chuck Thistlethwaite, and***

- H. Abrogation of Responsibility:** Herein, and within the entire mess that is before us, is what is viewed as the abrogation of responsibility of Inyo County government to acquaint itself with both the law and the facts, and

- I. Public Disclosure to Vitally Interested Parties:** This "failure is further compounded" by the lack of initiating efforts by County government to inform vested interest and interested parties, and

Coincidental with this legal responsibility is that of the BLM which has the "senior and overriding responsibility" of "full and complete disclosure" relevant to "public lands" [owned by the electorate, i.e., we the people], and this is further substantiated by the fact that "the BLM initiated (started) the "Land Exchange / Sale" in the first place, and

**Sale of Public Lands:** Furthermore, the BLM omitted the word "sale" which conveys a cash exchange between parties, i.e., BLM / Dwight McNaughton, and Herein, the value was set at the ridiculous figure of \$255 / acre [versus \$1,000 to \$2,000 / acre] for a total price of \$341,700, and

By the direct and deliberate omission of the word "sale," fraudulently implies that the transaction was instead an exchange of land for land, and that "no



money changed hands," and therefore County government / electorate did not have a "right or need to know," and

2. **Conflicting Goals & Purposes:** *The same is true of the Bureau of Land Management, which I must point out has an entirely different set of goals and purposes that are "economically and diametrically opposed to those of Inyo County government, and*

- A. **USFS - Wilderness Boundary Area:** Furthermore, in a more intense and dramatic way, the same can be said for the USFS, and

**Destruction of County Tax Base:** Herein, *established in 1994, without the consent of Congress, and implemented as a "preemptive strike" against County government on the economic front, the USFS did take out of Inyo County's control / revenue / taxes, thousands of acres of "California land" which are desperately needed by "We the People," to sustain County government's tourist-based economy and to develop the mineral resources therein, and*

- B. Said same, is a "fait de accompli" with but the "stroke of a pen," and

3. **Purpose and Intent to Complaint:** *Please be advised that we do not want to target any singular individual within County government, since to do so is contrary to the direct purpose and intent of this "official notice and objections to Inyo County government, and in the process of the following:*

**Research & Discovery:** *"Due Process of Law" was not properly followed," and therefore we were forced out of necessity, to conduct our own investigation so as to obtain all of the facts we can, and*

4. **Joining with Inyo County Government:** *Subsequently "join with Inyo County government, as the leading responsible party, in obtaining an Injunction," so that all the facts can be brought forth into the light of day and corrective actions taken, in its various and sundry forms, and thereby mutual cooperation is effectuated and the public good better served, and*

5. **Land Locking of Mill:** *Please note and be advised that Mr. Dwight McNaughton as a "condition of land exchange / sale" specifically demanded that the Betty Jumbo Millsites #3 & #4 be included in this land exchange, and the BLM acquiesced [re: Mr. Larry Primosch, BLM Real Estate Specialist], and*

**McNaughton Purpose and Intent:** It should also be noted and the vital question asked, "Why demand these two millsites (one of which has our well on it and we cannot process our ore without water)?"

**Out of Business:** *Therefore, in the due course of time and events, we would be out of business and the Mill forced to shut down, and*



6. Herein, I cite the fact that the "reservation of patenting" (ownership) by *McNaughton* and administratively agreed to by the *BLM*, is as follows:
- A. **1872 Mining Law:** An illegal act and violation against an existing claimholder under the 1872 Mining Laws as well as other laws currently "on the books but not identified at this time," and
  - B. **Future Processing of Ore:** Economically threatens LPE's own "mill reactivation efforts and patenting process for water control and ownership in the present and future processing of ore during the coming years," and
  - C. **Clouds Title:** Disastrously "clouds title" of the property and subsequently LPE's capitalization efforts in recapitalizing the Mill expansion and operating capital at \$20,000,000, and
  - D. **Employment & Economic Development:** Severely threatens economic development of Inyo County natural mineral resources and employment opportunities wherein projections indicated – the employment of 100 full-time workers within three years after the Mill is reactivated and put back on line, and
  - E. **Residential Housing:** Adversely affects the potential for "new residential housing in Independence," and
  - F. **Recirculation of Wages:** Adversely affects "the recirculation of wages within Independence, as well as the rest of the County, which are calculated on the national average at a 4+ recirculation of every dollar earned, and
  - G. **Patenting Process:** Unless otherwise challenged by Inyo County government, under an "administrative review," *due to "new facts being brought forward to County government's attention,* would allow *McNaughton* to "legally acquire the property in two years," because the 5-year patenting process of ownership was back-dated and commenced three years ago, at the time the original "land exchange / sale was entered into with the Bishop BLM," and
  - H. **Ground Water:** Furthermore, the 100 acres above (north) of the 2-mile improved gravel road between Mazourka Canyon Road and the Firestone Mill, effectively and realistically allows for the placement of additional wells and subsequent loss of gravity ground feed to the Betty Jumbo well due to the following:
    - 1. **Gravity Feed:** The 100 acres is at a higher elevation / location to the source of water, identified as Barrel Springs located 8 miles away up Mazourka Canyon Road, andTherefore, water feed to the Betty Jumbo #3 would be effectively curtailed or shut off, forcing the Mill to close or to obtain another source of water, and



2. **Private Property:** Upon the "final land transfer to McNaughton," the US BLM is legally out of the picture and LPE has no recourse under Federal law, and

*Herein, the BLM is relying upon Inyo County government to "not challenge the land exchange / sale," and thereby "implied consent" is automatically and legally conveyed / transferred to McNaughton, and*

3. **Inyo County Forfeiture of Legal Position:** Subsequently Inyo County government forfeits its legal position which currently affords "administrative review," "challenge," Federal jurisdiction and therefore "equal protection and recourse" under the law, and

Upon transference into "private property" then FMI / LPE / AM&M, et al, and County government must seek redress in "civil court" which could cost thousands of dollars and require years to finalize, and

4. **LPE's Losses:** McNaughton, et al, would subsequently acquire the well, pipeline(s) and a 50,000 gallon water tank, with a total value of approximately \$750,000 (at today's fair market value, year 2000), and LPE, et al, would suffer grievous financial harm leading to the Mill closure and bankruptcy, and

5. **Appropriate Rights:** Through future "legal maneuvering" under the Doctrine of Appropriative Rights, McNaughton could "sink our ship and destroy us," and

6. **Sunshine Abandoned Well:** Previously referenced in Part I, the following has just come to our attention:

**"Bootleg Well"** – Sunshine Mining Corp. did not obtain a County permit to drill and install this well, located approximately 600 feet west of LPE / FMI's existing production well, and

**BLM Lawsuit** – Upon "discovery of this fact," as well as it being a "full service well," instead of a metering well, and in competition for water to LPE / FMI's production well, the Bishop Office of the BLM "sued Sunshine Mining Corp.," and thereafter the water from the Firestone Well was used, and upon "closing their operations," the 600 feet, plus of piping east to the Firestone Well was removed, and

Therefore, "Why would this particular 1,340 acres plus be wanted by Mr. McNaughton, et al?, and

7. **USFS Wilderness Boundary Area:** Herein, your attention is directed to the "parcel map layout and three configuration formats" which directly falls outside the "current USFS Wilderness Boundary Area borders," and

**A. Vital Data:** *Be properly advised that the "McNaughton property (3 parcels) touch at seven (7) locations upon the McIver Canal, and*



- B. BLM / USFS Coordination:** Furthermore, the BLM / USFS must work together to consummate the Conway Ranch Land Exchange / Sale because their "standard operating basis is to first acquire the land by the BLM because it has a much larger budget and then to contract with the USFS for "surface management," and
- C.** This being so, as a standard government policy, this then allows for the "3 parcel configuration" around the Wilderness Boundary Area," and
- 8. A "Facilitator:"** Who is Mr. Dwight McNaughton in the first place?, and
- A.** *Who does he really represent? DWP or other interested parties determined to steal our water and sell it to the DWP?, and*
- B.** *DWP Contract Man? Therefore representing another party than claimed, and a precondition would be to "eliminate all competition for the water," and subsequently the "unreasonable demand by McNaughton to overlap the Betty Jumbo millsites #3 and #4, as well as acquire the "higher elevation" [100 acres plus], so as to legally own the land for its ground water that services our well, and to "redrill the three (3) existing metering wells," and install "full service wells" for transport and use elsewhere, and*
- 9. Sunshine Mine / Milling at the Firestone Mill:** More specifically, the "land locking configuration around the Mill and Millsites" as well as its proximity next to the "Sunshine Open Pit Heap-Leaching Pad" containing approximately 2,000,000 tons of already crushed and stacked ore, and
- 10. If not for this ore, then for what, except the water, and**

**Special Note:** Be advised that Sunshine Mining Corp. installed approximately 1.75 miles of 6" water pipe to their 33,000 gallon water tank next to Mazourka Canyon Road, and the pipe is still in the ground, and

**IV. Environmental Assessment - False Report:** Herein, your attention is directed to the fact that the entire report consists of nothing but an "Environmental Assessment, per se, and

- 1. Environmental Impact:** *Wherein the "Firestone Mill were reactivated," then "ore from the Sunshine Open Pit Mine could be transported to the Mill" (two miles away), and "this action would have an environmental impact, and*
- A. Missouri Mines, Inc:** Furthermore, said same would occur with "trucks running up and down the road between the Reward / Brown Monster Mining operations" (currently in contract negotiations), and
- B. Land Habitat:** This action also would have an environmental impact upon the land habitat due to noise and clouds of dust generated in the trucks passing on their way to the Mill and return trip to the Reward / Brown Monster Mines, and



**C. New Road at Base of Inyo Mountains:** A "late request" was made to Mr. Larry Primosch [BLM Real Estate Specialist] by Ms. Blackburn about installing another road along the base of the Inyo's, and he stated that, "it would be possible to install this road at a later date," and

**2. Prior Knowledge:** In August / September of 1999, LPE was in intense negotiations to purchase the Mill / assets, recapitalizing the new entity and save FMI investors (86) the sum of \$3,000,000. *Communication resulted in FMI securing the services of Baker & McKenzie in San Francisco, a mining attorney firm who obtained a 90-day extension from the BLM's Solicitor's office in Sacramento, which resulted in the consummation of sale to LPE on December 31st, 1999 at 6:50pm the Firestone Mill, and*

**A. Firestone Mining Industries, Inc., - Sale is Progress:** Herein, the BLM via Mr. Steve Addington / Larry Primosch, et al, had full knowledge of the actions in progress before the "official USDI / BLM October 12th, 1999 EA and Record of Decision," and

**BLM Solicitor's Office, Sacramento, CA -** In the process of attempting to straighten matters out, LPE made four (4) verbal requests for the "attorney's name, address, etc., and to date, we have not received the information, and

**B. Furthermore, nine (9) days after LPE's submittal to the BLM of their Plan of Operations for Mill reactivation on the 29th of February 2000, the BLM closed escrow!, and**

**3. No Economic Impact Study Inclusion:** *The elimination of this vital data from the report further accentuates its unreliability as a valid report because there is so much missing information, and*

**A. BLM / Future Assertion(s):** *Completely negates any past, present or future legal assertion by the BLM, that "the inclusion of this data or segment of the report exceeds its purpose and scope," and*

**VI. Economic Attack and Water Theft:** Again, returning to the subject matter of "Mr. Dwight McNaughton's purpose and intent," we further see in the environmental report, yet but another example of the BLM's obstruction of "due process of law," and

*Actions equatable to "collusion between the BLM and McNaughton" to bring about "undue economic hardship upon all concerned," and all couched in "legal adherence to the law verbiage, the net end result of which is to "put the Mill out of business," and therefore*

Let us continue and see if we can "shed a little more light" on this subject matter.

**1. Firestone Mill Water Source:** When considering the proximity of the Firestone Mill and its water which is obtained from an underground feed as derived from Barrel Springs which is approximately 8 to 9 miles north up Mazourka Canyon Road, then matters might fall into perspective a little bit more, and



- A. **BLM Under Contract with USFS:** Herein, *please be advised and take special note of the fact that the BLM controls Barrel Springs [minerals and water] and "contracts with the US Forestry Service (USFS) for surface management,* and
- B. **No Sale of Water From Federal Lands:** *This has "great import in law and economics" when considering the fact in law which precludes any USFS/BLM claimholder from "selling water for profit and gain,"* however
- C. **Barrel Springs to Firestone Mill Water Route:** The water can be used in any mill, lode, or placer mining operation since the water will return to the ground and subsequently follow the laws of gravity, thus going downhill via the underground channel that runs adjacent to and underground with Mazourka Canyon Road, and
- D. **County Government Relying Upon One Another:** In this regard, I am certain that Mr. Greg James [Inyo County Water Director and the only Water Director in the State of California] *would or should have "direct knowledge of this fact" since its knowledge falls within his prerogatives and underground geology, and further corroborated by the fact that "Inyo County maintains Mazourka Canyon Road,"* and
2. **Sale of Water From Private Land:** Matters further fall into perspective when considering the fact that *"water can be sold when derived from private land,"* and
- A. Within the stated "BLM Report," it should be noted on Page 20, last paragraph, second Line, *"to provide additional private land within the County of Inyo for agriculture and/or residential expansion,"* and
- B. Under "E - Alternatives:" 1. Alternative 1, 2nd paragraph and line 6, and I quote,  
*"a water well (Sunshine Mining Corp abandoned well) located in Section 17 would also be disposed of in the exchange. The patents and deeds, in fee, would be issued 'subject to' all valid existing rights of record,"* and
- C. **BLM Sues Sunshine Mining Company - Existing Sunshine Well:** It should be duly noted that this well *"falls more directly in the underground water channel from the Barrel Springs water,"* and
- 1) Therefore, given the reactivation of this well by McNaughton, et al, the water can be siphoned off and redirected and/or sold as the *"new owner(s) see fit,"* and
- 2) Wherein, said same occurs at a future date, then the underground pressure required for servicing the Betty Jumbo Millsite Claims #3 & #4 would be lessened and/or cut off completely, and



- 3) Herein, LPE, et al would be confronted with financial disaster and/or engaged in lengthy and costly lawsuits after the fact and/or put out of business because the Mill would not have sufficient water to function as a Mill, and
- 4) Be advised that the BLM sued Sunshine Mining Co., for "pumping water from their metering well (600 feet west of LPE / FMI's Production Well), and forced them to make other arrangements for their water, and
3. *This "strategic water theft maneuver" is further compounded and made more clear to both Inyo County professional water management authority(s), BLM / USFS geologists by the "sounding of the death knell," and*
- A. Wherein, page 3, "D. Alternative considered but not analyzed in detail," and **Is implemented, under any pretext whatsoever, the Mill is dead, and** Herein, we quote as follows:

***"D. Alternative considered but not analyzed in Detail.***

***An alternative that was considered but not analyzed in detail involved the removal of 9 acres of public land from the 1,400 acres of public land identified for this exchange. The exchange mineral report recommended removal of the acreage due to encumbrances by the Betty Jumbo #3 and #4 millsite claims. The proponent requested that the two millsite claims not be excluded from the exchange but that the claims be "reserved" on the patent document. A reservation for the claims would assure that the millsite claimant of record would have full use of the claims until relinquished. The millsite reservation is a mitigation for alternatives #1 and #2."***, and

- B. ***Herein, we see "the backup plan by the proponent" [McNaughton, et al], and this is pointed out by additional water, land and rights, and***
4. **Prior Knowledge:** Although covered previously, Mr. Steve Addington / Larry Primosch knew well in advance of the 12th October 1999 published report, and had prior knowledge, and
- A. ***Therefore, under the Statute of Frauds," were legally obligated under law to inform and disclose LPE of this fact, and***
- B. **Furthermore and for the record in any future litigation, be it known and understood that LPE will not stand idly by and allow its rights and those of FMI to be trampled upon, and**
- C. **Future Lawsuit(s) -** In the process of "reviewing the Statute of Frauds," we stopped at an even dozen (12) because it was just to demoralizing, despairing, and emotionally upsetting to continue to list them all, and



During the previous months our family has been under "severe emotional duress" which has adversely affected our health, emotional well being, and positioned us to be in anger and fear "of loosing all we have worked for during the previous 8 to 10 years, and the suffering and doing without that goes with it, and

**Criminal Lawsuit(s) vs. Civil Lawsuit(s):** Be advised that we mean business, and will not be placated by having this matter "swept under the carpet," or "placed in limbo" for address at some future date, and

Herein, we see "criminal actions in the making," and if an Inyo County Administrative Review is not immediately forthwith and coming, and the "Land Exchange / Sale" finalizes, *then the entire matter(s) will be filed by our criminal attorney to the US Attorney General's Office and the California Attorney General's Office,* and

5. **Hidden Report:** *Be further advised that LPE, et al, did not even know of the existence of the report* until its submittal of the Plan of Operations to the BLM (hand delivered to Mr. Douglas S. Dodge) on the 29th of February 2000, even though a prior meeting was held in Mr. Addington's office and attended by Addington, Primosch, Stormo, Blackburn & myself, Mathern in January of 2000.
6. **Vital Fact(s) Missing From the Report:** Special attention is drawn to the fact that "the name Firestone Mill" is distinctively absent from this document, and this being so, quite possibly all parties to the transaction at hand deliberately left it out, and
  - A. **False Report** – Given this premise, then quite possibly there is some basis in law which then allows the BLM the right to "not inform Firestone Mining Industries, Inc. of the then proposed land exchange / sale" at any time, and
  - B. **Special Note:** The only information FMI / Dr. Robert E. Richardson obtained from the BLM pursuant to the "Land Exchange / Sale," was a phone call from Mr. Larry Primosch [BLM Real Estate Specialist] asking him the following:
 

*"Would you exchange your well for property in Nevada?"*

*Answer: 'No, and why should we?'*

*Response: 'Well, I thought it was a good idea.'*"
  - C. Herein, the BLM can therefore shift responsibility for informing Firestone Mining Industries to Inyo County, and
 

Quite possibly further substantiating this position by the following:

    - 1) Inyo County government was properly and duly notified by a copy of said report conveyed to the Planning Department and/or any other county official(s), and



2) Point out the fact (as noted on Page 1), and I quote,

"Private Land involved: as published in the Review Herald and Inyo Register beginning September 17, 1998. The private land is located in Mono County, California" [see Exhibit I], and

In this event, a review of the Inyo Register publication would be in order so as to see if "due process of law was properly adhered to by the BLM," and

In this specific regard, not having any knowledge of the land exchange / sale until our meeting with Mr. Douglas S. Dodge on February 29th, 2000, and not having read the "public notification," I do believe it is in the County's best interests and LPE, et al, to do so, and

- D. Thereby know if "Inyo County land was specified and identified," and "whether or not such is mandated under law," and
- E. Therefore, if this aspect of "due process of law was strictly adhered to as versus technically being perpetrated, and
- F. In this regard, let it be known that the BLM / USFS uses the management tool of "misdirecting your attention away from the truth of any matter that conflicts with their goals and purposes," and
- G. This includes "the entire report" as exemplified by accentuating the environmental while totally eliminating any data, facts, etc., of a "practical" and/or "economic nature," as previously stated, and
- H. *Be further advised that LPE, et al has dealt with the BLM / USFS under the auspices of "full disclosure," and as a result has suffered financially,* and

VII. Mineral (3), Page 5: Hersin, additional and special attention is now given to page 5, (3) Minerals, and I quote:

"A mineral resource potential report was completed for the disposal parcels in March 1999," and

- A. **Deceptive Practices:** During this time frame, Dr. Robert E. Richardson [Vice President and Executive Director of FMI], did tell my person (Gene D. Mathern) in a telephone conversation pursuant to *the company being sued by the BLM as being non-operational, and under the guise of a "non-conforming Use(s)" relevant to inoperable equipment upon their millsite adjacent to the Firestone Mill at approximately 1,000 feet,* and
- B. That, he (Dr. Richardson) received a telephone call from Mr. Larry Primosch requesting the following:

"Will you give up your well under a land exchange for property in Nevada?" and



Dr. Richardson said, "No," and asked "Why he should do so," and Mr. Primosch said, "Well, I thought it was a good idea," or words to that effect, and thereafter the telephone conversation with Mr. Primosch ended, and

*Here is but another example of "deceptive practices," as there was no land in Nevada, but rather land in California, and demanded as part of the sale by Mr. McNaughton, as previously stated, and*

- C. **Notification of Land Exchange / Sale:** Be advised that contrary to Mr. Primosch's statements to Ms. Janet R. Blackburn, while at a meeting in his office, in March of 2000, that "Dr. Robert E. Richardson was notified as to the sale," and
- 1) **False Statement:** This statement by Mr. Larry Primosch is a falsehood and direct lie to Ms. Blackburn, and this is verified by the fact that during the entire time of the BLM lawsuit, and clear up to the contract signing on 31 December 1999 for the sale of FMI's assets to LPE, *absolutely no mention of the "land exchange / sale was communicated verbally or in written form, and*
  - 2) **BLM Fraudulent Withholding of Legal Notification:** Here again, LPE did not know, nor did it have the slightest indication that said same was in progress, although LPE had worked closely with the BLM between the dates of 6 January 1999 through 18 May 1999 [four (4) months and 12 days], *in the resolution of the "1998 lawsuit against Mr. Don C. Como, aka International Recovery, Inc., which involved a millsite cleanup of operations conducted by IRI between 1981 - 1985, and its resolution was satisfactorily completed with Mr. Ron Stormo [BLM Senior Law Enforcement Officer] officiating in US District Court under Federal Judge, the Honorable Monte M. Reece, and said lawsuit was dropped, and*
  - 3) **BLM / Dwight McNaughton Illegal Contract of Sale:** Given the severity of the land exchange / sale upon economic viability in reactivating the Mill after sale, and *under the legal requirement of not "withholding material facts necessary to the signing of a contract,"* only common sense stands in the way of believing the BLM EA and Record of Decision entoto, and

*Therefore, we state emphatically that "a sale has not occurred, but an "attempted illegal sale is now in progress," and*

- D. **LPE / FMI Groundwater to Production Well:** Herein, I draw your attention to page 5 (2) Groundwater, and its entire contents, with special and specific attention being directed to the following, and I quote,

*"Parcel 1 has an abandoned production water well (Sunshine Mining Corp) located 600' west of the Firestone Mill production water well in Section 17. The abandoned well was used for a number of years for the Snowcap Mining operation. The Sunshine Mining Corp abandoned well would be disposed of in the exchange.*

*The acquired parcels would not require wells." and*



- 1) Herein, again specific reference is made to the 600 feet distance from the existing and active Firestone Production Well, and the unalterable fact based upon deduction and common sense, that any reactivation of this "presupposed abandoned well" would through natural course, pull the groundwater away from the Firestone Mill Production Well, and

**This further verifies previous statements made by the joining parties in this "Civil Complaint and Request for Action," and**

- 2) Again, extremely important and of vial interest is the statement as follows:

**"The acquired parcels would not require wells." and**

- 3) Given this damning statement by a BLM government official, please tell me what the 1,360 acres plus will be used for? and

- 4) Please be advised, that Ms. Janet R. Blackburn was told by Mr. Larry Primosch that Mr. Dwight McNaughton was purchasing the land for agricultural use, and Mr. Primosch told Ms. Blackburn that McNaughton was "going to dig some more wells further south on the property anyway", and

**Existing "Metering Wells" Upon 100 Acres [+ or -]:** In conclusion on this matter, at this time the facts are supported by the "enclosures and exhibits from the Inyo County Environmental Health Dept., and

**Herein, *prima facie* evidence clearly shows that "Sunshine Mining Corp / Snow Caps Mine caused to be placed, three (3) metering wells upon the subject 100 acres [cross hatched for easy visual reference], and one (1) dry well upon their mining site, and a "bootlegged well" without a permit, and**

Therefore, the above-referenced quote, "The acquired parcels would not require wells," is a half truth and misrepresentation as to "understanding and the use of words," and this being so, all that is then needed is to "extend the three (3) wells," and siphon off the groundwater via pumping to another location for use and/or sale to another party.

#### **E. Encumbered Betty Jumbo Millsites #3 & #4 Claims:**

- 1) **Definition of Encumbered** - [Taken from Black's Law Dictionary, 6th Edition, page 527]:

**"Any right to, or interest in, land which may subsist in another to diminution of its value, but consistent with the passing of the fee by conveyance. Knudson v. Weeks, D.C. Okl., 394 F. Supp. 963, 976. A claim, lien, charge, or liability attached to and binding real property; e.g. A mortgage, judgment lien; mechanics' lien; lease; security interest; easement or right of way; accrued and unpaid taxes. If the liability relates to a particular asset, the asset is encumbered," and**



**2) EA Report –** Herein, I quote from the EA, Page 3, "D. Alternatives Considered but not Analyzed in Detail,"

"An alternative that was considered but not analyzed in detail involved the removal of 9 acres of public land from the 1,400 acres of public land identified for this exchange. The exchange mineral report recommended removal of the acreage due to encumbrances by the Betty Jumbo #3 and #4 millsite claims. The proponent requested that the two millsite claims not be excluded from the exchange but that the claims be "reserved" on the patent document. A reservation for the claims would assure that the millsite claimant of record would have full use of the claims until relinquished. The millsite reservation is a mitigation for alternatives #1 and #2.", and

**3) Sold for a Song –** The 9 acres in question should the sale consummate, would be sold at \$255 / acre, for a total sale price of \$2,295, and this includes only the land, and

Herein, be advised of the following:

- a) Betty Jumbo Well #3 – value \$385,000,
- b) Sunshine "Bootleg" well – value \$100,000,
- c) One point seventy-five (1.75) miles, of 6" underground water piping from said well, in a westerly direction to Mazourka Canyon Road – value \$50,000 approximately, and

**4) Appropriation of Land and Water –** Herein, the BLM is in the process of "appropriating our land and water," and by definition, so is the BLM / USFS in regards to the four (4) placer claims and one (1) millsite claim at Barrel Springs, under the control of Sunrise Mine & Milling, aka R. Michael Tidwell and Gene D. Mathern, and

This "act" is in contra-distinction to "taking," referring to a legal taking and presupposing payment after damages are due, and

**Appropriation of Water:** Herein, by legal definition [Black's Law Dictionary, 6th Edition, page 102 and I quote as follows:

"It follows water to its original source whether through surface subterranean streams or through percolation, Justesen v. Olsen, 86 Utah 158, 40 P.2d 802, 809; and entitles appropriation to continuing right to use water to extent of appropriation, but not beyond that reasonably required and actually used. State of Arizona v. State of California, Ariz & Cal., 298 U.S. 558, 56 S. Ct. 848, 852, 80L. Ed. 1331.", and

**5) Assure –** [Legal definition taken from Black's Law Dictionary, 6th Edition, page 123, and I quote as follows:



"To make certain and put beyond doubt. To declare, over, avouch, assert, or ensure positively. To declare solemnly; to assure to any one with design of inspiring belief or confidence. Use interchangeably with "insure" in insurance law. In real property documents it means a warranty; and in business documents, generally, it means a pledge or security. Utilities Engineering Institute v Kofod, 185 Misc. 1035, 58 N.Y.S. 2D 743, 745.", and

**a) Herein, the use of the word "Assure" is Dolus:**

Legal Definition "DOLUS" (page 483, said same):

"In civil law, guile; deceitfulness; malicious fraud. A fraudulent address or trick used to deceive some one; a fraud. Any subtle contrivance by words or acts with a design to circumvent.

Such acts or omissions as operate as a deception upon the other party, or violate the just confidence reposed by him, whether there be a deceitful intent (*Malus Animus*) or not.

Fraud, willfulness, or intentionally. In that use it is opposed to *Culpa*, which is negligence merely, in the greater or lesser degree.

The policy of the law may sometimes treat extreme *culpa* as if it were *dolus*, upon the maxim *culpa dolo comparatur*. A person is always liable for *dolus* producing damage, but not always for *culpa* producing damage, even though extreme."

**b) Use of Word Assure:** The use of the word "assure" is totally unfounded, and further obfuscates and confuses the issue of "appropriation," and any real understanding and its practical applications by the Inyo County Board of Supervisors and County Departments, and

The "false assurances conveyed," which can entail "civil litigation" at a future date by all parties to the Independence / Conway Ranch Land Exchange / Sale," and these include the BLM, USFS, Inyo County government, and Mr. Dwight McNaughton, wherein an "Administrative Review," by County government is not forthwith, and

There are numerous aspects which constitute "supersedence in law," and this is especially true after the fact of domain passing from the Federal government into County jurisdiction, i.e, the private sector, and

Herein, the "Doctrine of Appropriative Rights" [see Exhibit F, page 3] could take precedence, and

Thereafter "civil litigation" would commence, and the assurances conveyed by the BLM would be a mute point, and subject to "criminal fraud filings with the US Attorney General and the California Attorney General's Office, and



I do not have a "shred of doubt" that a competent attorney, knowledgeable in Federal land / water exchanges / sales, and the modus operandi of said transactions, can and will locate and indicate a plethora of additional "fraudulent actions," and

Therefore, in "anticipation," we strongly advise "dealing with this subject matter beforehand, rather than after," and

The claimant(s) to this "civil complaint" view an "anticipatory breach of contract" by the BLM and Mr. Dwight McNaughton, and this equates to "anticipatory repudiation," and

Inyo County government must be aware that it is "answerable," and therefore has "liability," in such an event, and

Furthermore, the "claimant(s)" see in the making an "anticipatory offense," which further compounds and surrounds the legal ramifications, as set forth in this "complaint" and the "particulars" thereto, and

Herein, the real potential exists in the setting of a precedent, and further / apparently made legally valid, with future land exchange(s) in the Owens Valley, and specific reference is made to the BLM, Resource Management Plan (RMP), Record of Decision (ROD), area-wide decision, page 16, to dispose up to 2,640 acres of land in the Owens Valley, and

**Anticipatory Offense:** (Legal definition, said same, page 93), and I quote as follows:

"A crime which has as its object a further crime, such as an attempt, a conspiracy, a solicitation, all of which are crimes in themselves.", and

**Antitrusts Acts / Antitrust Injury:** Herein, "the injury would reflect the anticompetative effect either of the violation(s) or of anticompetative acts made possible by the violation under the 'Clayton Act,' " and

Additional "antitrust acts" established by Federal and state statutes to protect trade and commerce from unlawful restraints, price discriminations, price fixing, and monopolies, and

Herein, be advised that most states have mini-antitrust acts patterned on the federal acts, and

Within this particular "legal framework," we currently understand and interpret the law(s) to be applicable to "federal land exchange(s)," and therefore to the use of the term(s) "trade" being equatable to "exchange," and

Price discriminations being equatable to an "acre exchange / sale" at \$255 / acre vs. "comparative and fair market value(s)" currently ranging between \$1,000 to \$2,000/acre and the subsequent loss to the national treasury of \$1 to \$2,000,000, and



Price fixing, under the erroneous falsehood and guise of BLM's valuation at \$400/acre, and the sale price at \$255/acre, and

"Monopolizes" as being equatable and comparable to a "single federal agency (BLM)" doing business only with a singular party (Dwight Mcnaughton), under the misnomer of "proponent," and therefore "not open for competitive bid(s)" as exemplified in the sale(s) of surplus military equipment, and

The principal federal antitrust acts are: Sherman Act (1890); Clayton Act (1914); Federal Trade Commission Act (1914); Robinson - Patman Act (1936), and

**VIII. Table of Contents: County Letters [see Exhibit VII & VIII], County Records [see Exhibit E], BLM / USFS Geological Maps [See Exhibit G], Commentary(s) [see VI and Exhibit B & I], Pictures [See Exhibit C], and other Exhibits:** In conclusion, the aforementioned constitutes the "body of evidence" currently accessible and available to the claimant(s), and are part and principal to the complaint(s), and

Therefore, are to be treated as "a matter of public record" for broad public issue, and

All rights and prerogatives under the law of the land are retained by said same, and will be pursued in accordance with the decision(s) reached by the Inyo County Board of Supervisors, and the claimant(s).