

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

MINERAL REPORT
Surface Use Determination
and
Validity Determination
For
The Ilene P Mill Site Claim

(Title)

LANDS INVOLVED

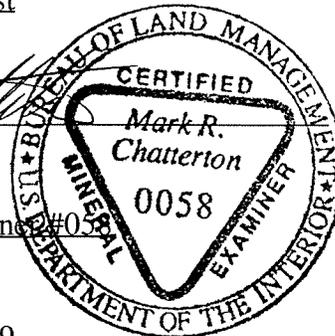
Clark County, Nevada
T. 22 S., R. 60 E., MDM
Section 13, SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$
Containing 5 acres

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January 15, 1999
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2/9/99
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I. Summary

The operations taking place on the Ilene F mill site consist of sporadic rock crushing and residential occupancy. Trash, and items not incidental to mining are stored on the site. Equipment potentially related to mining and milling operations is portable, and either not functional or shows little sign of use. The current occupant, Helen Crooks and her five children, are members of Wayne Pearson's family. The site is operated by the Pearsons as an independent mill site.

The subject lands are not located within the boundary of any mining district. During the field investigation, locatable minerals, or indications thereof, were not observed on the subject lands, nor are there any reported occurrences in the literature.

The subject lands are prospectively valuable for oil, gas and compounds or brines of sodium and potassium. The lands are not known to be valuable for other Mineral Leasing Act minerals including geothermal steam and associated geothermal resources.

The site is located in an area of sand and gravel that contains mainly limestone detritus of Quaternary age. The potential for the production of saleable minerals is considered to be high. The subject lands therefore, were determined to be mineral in character for saleable mineral materials.

The Ilene P mill site was located on October 9, 1995. The subject lands were segregated from appropriation under the General Mining Law of May 10, 1872, as amended (17 Stat. 91), on July 23, 1997, in support of a proposed land exchange. The subject lands were withdrawn from location and entry under the General Mining Law on January 27, 1998 by the Southern Nevada Public Land Management Act of 1998.

II. Conclusions

Based on the inspection of December 4, 1996, and inspections prior to and after that, it is our professional opinion that activities on this site do not meet the occupancy requirements of 43 CFR 3715.2, 3715.2-1, or 3715.5. In addition the site is not being occupied for uses that are reasonably incident to, or necessary for, prospecting, mining, or processing operations under the mining laws as provided for by 43 CFR 3712.1 and Section 4(a) of the Act of July 23, 1955.

- 1) Only limited rock crushing operations on a highly sporadic basis are occurring that do not require the level of occupancy which is taking place. Operations taking place on the mill site are not being undertaken by a prudent operator in a usual, proficient and customary manner.
- 2) Activities on the site do not constitute substantially regular work.

- 3) Activities and equipment on the site can not be reasonably calculated to lead to the extraction and beneficiation of minerals.
- 4) Operations do not involve observable on-the-ground activities that BLM may verify under Sec. 3715.7.
- 5) The primary use of the mill site is for residential purposes. The equipment present that could be reasonably incident, to a theoretical operation, is portable (i.e. not physically attached to cement pads or otherwise bolted into place). The equipment could simply be loaded onto trucks and removed at the end of operations or secured by fence on the site. All other equipment, machinery and other personal property is inoperable or inappropriate for the purposes to which the mill site is actually put, and could not be adapted for actual mineral production or mining operations.
- 6) Since no valuable minerals are exposed, the present occupancy is beyond that needed to protect exposed, concentrated or otherwise accessible valuable minerals from theft or loss.
- 7) The occupancy is not needed to protect from theft or loss appropriate, operable equipment which is regularly used, is not readily portable and cannot be protected by means other than occupancy. The equipment could be kept in a fenced compound.
- 8) The occupancy is not needed to protect the public from appropriate, operable equipment which is regularly used, is not readily portable, and if left unattended, creates a hazard to public safety.
- 9) The occupancy is not needed to protect the public from appropriate surface uses, workings, or improvements which, if left unattended, create a hazard to public safety. The occupancy and storage of inappropriate or inoperable equipment and non-mining related items or junk creates a hazard to the public. Removal of the occupancy, inappropriate or inoperable equipment and non-mining related items and junk would eliminate any perceived need for the occupancy.
- 10) The site is not located in an area so isolated or lacking in physical access as to require the mining claimant, operator or workers to remain on site in order to work a full shift of a usual and customary length. The site is within the confines of Las Vegas Valley.
- 11) Having equipment, machinery and other personal property on site that is inoperable or inappropriate for the purposes to which the mill site is actually put, and could not be adapted for actual mineral production or mining operations causes unnecessary and undue degradation of the public lands and resources.

- 12) The mill site was not being put to proper use at the time the subject lands were segregated from appropriation under the General Mining Law of May 10, 1872, as amended (17 Stat. 91), on July 23, 1997, in support of a proposed land exchange. Nor was it being put to proper use when the subject lands were withdrawn from location and entry under the General Mining Law on January 27, 1998 by the Southern Nevada Public Land Management Act of 1998.

III. Recommendations

Based on the field examinations of August 25, 1992 and December 4, 1996, the Bureau of Land Management should issue a complaint to initiate a contest action on the Ilene P mill site. The charge used in the contest complaint should state that:

"The Ilene P mill site is not being occupied for uses that are reasonably incident to, or necessary for, prospecting, mining, or processing operations under the mining laws as provided for by 43 CFR 3712.1 and Section 4(a) of the Act of July 23, 1955. The land involved does not contain a quartz mill or reduction works, nor is it used or occupied for mining or milling purposes."

IV. Introduction

On August 25, 1992 and December 4, 1996, an examination of the Ilene P mill site, NMC 722341, was made by Mark Chatterton and Edward Seum, geologists from the Las Vegas Field Office. The mill site is located on public land in Clark County, Nevada. The site is occupied by Wayne and Ilene Pearson's daughter and her children.

The purpose of the examinations was to determine the validity of the mill site, and to determine if the surface uses are reasonably incident to prospecting, mining, or processing operations within the meaning of 30 USC 612(a) and 43 CFR 3712.1 and 43 CFR 3715 (BLM Manuals 3891 and 3894, 1987).

The purpose of this report is as described above and should not be used for any purposes other than that for which it was prepared.

V. Lands Involved and Physiographic Data

The Ilene P mill site is located in the urban portion of Las Vegas Valley. Physical and legal access is provided by utilizing the road and highway system of Clark County, and the State of Nevada.

The site is in the southwest portion of the valley (see Map 1). To reach the site take Interstate Highway 15 to the Blue Diamond exit. Go west on Blue Diamond Road for approximately 3 miles to Edmond Street and turn right (north). Proceed for approximately

800 feet, the mill site is on the west side of Edmond Street at the corner of Cougar Avenue.

Both the surface and mineral estates are in Federal ownership and under the jurisdiction of the Bureau of Land Management. A number of residences on private property are located around the site. This includes a residence owned by Wayne Pearson's son, Roger (see Map 2).

On July 23, 1997 the subject lands were segregated from appropriation under the General Mining Law of May 10, 1872, as amended (17 Stat. 91). The segregation was implemented to support a proposed land exchange, N-61855. The subject lands were withdrawn from location and entry under the General Mining Law on January 27, 1998 by the Southern Nevada Public Land Management Act of 1998. A 50 foot utility right-of-way, N-2557, is located on the east side of the site.

The legal description of the subject mill site is:

Meridian:	Mount Diablo
Township:	22 South
Range:	60 East
Section:	13
Legal Subdivision:	SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$
Acres:	5

Claim History

The DCT #A mill site, NMC 334167, was located January 29, 1985 by DCT Enterprises. The mill site was located in T. 22 S., R. 60 E., sec. 13, SE $\frac{1}{4}$ NE $\frac{1}{4}$ NW $\frac{1}{4}$ SE $\frac{1}{4}$. On February 20, 1985 a Notice, N56-85-10N, was filed pursuant to the 43 CFR 3809 Regulations with Wayne Pearson listed as the operator. The work proposed in the Notice was to consist of construction of a small steel shed, spreading excess ore over low property and neutralization of chemicals. The mill site was dependent on the DCT No. 1, unpatented lode mining claim, NMC 267730, located in T. 22 S., R. 60 E., sec. 22. The DCT No. 1 was located by Roger Pearson in April of 1983. The file on the DCT No. 1 was closed July 16, 1987. The file on the DCT #A was closed on June 7, 1993.

On January 22, 1987 a new Notice, N56-87-008N, was filed by Ilene and Wayne Pearson. The Notice was for the same area covered previously under N56-85-10N. The claim name was listed as the Farra and then the Ilene P. Microfiche records show that the "Ilene P Millsite", NMC 461127, was located on January 27, 1988 by Ilene Pearson. Proposed structures on the site included a house and two lab buildings. Equipment was to include concentrating tables, grinders, small water tanks and front end loaders. Washing and concentrating of minerals without using chemicals was also proposed. Wayne Pearson was again listed as the operator. The "Ilene P Millsite", NMC 461127, was declared Null and

Void Ab Initio on January 12, 1993, by the Nevada State Office of the BLM. An appeal of the decision was received in the State Office on February 16, 1993. By decision of March 18, 1996, IBLA 93-227 (135 IBLA 85), the Interior Board of Land Appeals affirmed the Nevada State Office Decision.

On October 9, 1995, Ilene Pearson located new mill site claims on the subject lands. The claims were named the Ilene P. The claims were filed with the Nevada State Office of the BLM on October 12 and November 6, 1995. The location description, on the location certificates, describes the identical lands claimed under NMC 461127. The Nevada State Office serialized the claims as NMC 722341 and 723686, respectively. On September 30, 1997 the Nevada State Office closed NMC 723686 at the request of Ilene Pearson. The Pearsons do not have any lode or placer mining claims located on public lands in Nevada.

VI. Inspection History

Inspections on this mill site have been performed by the BLM at various intervals. A table showing the dates of inspection, inspector and picture numbers (attached to this report) is shown below.

<u>Date Inspected</u>	<u>Inspector</u>	<u>Picture #</u>
10-14-88	Mark Chatterton	
11-13-89	Gary Beckman	28-29
07-06-90	Edward Seum	30-36
08-20-90	Edward Seum	
09-18-90	Edward Seum	41-42
11-01-90	Edward Seum	
08-20-91	Edward Seum	37-40
09-04-91	Edward Seum	
03-10-92	Larry Monroe	
06-02-92	Edward Seum	43-54
07-01-92	Glen Miller	

08-25-92	Seum/Chatterton	1-27
10-06-92	Edward Seum	55-58
10-24-92	Randy August	
12-02-92	Edward Seum	59-64
02-04-93	Glen Miller	
02-12-93	Glen Miller	65-74
02-24-93	Edward Seum	75-87
05-04-93	Glen Miller	
11-03-93	Glen Miller	88-99
01-05-94	Edward Seum	
04-25-94	Edward Seum	100-103
12-20-94	Glen Miller	104-107
12-04-96	Seum/Chatterton	108-120
09-23-97	Edward Seum	
09-03-98	Edward Seum	121-137
10-21-98	Seum/Chatterton	

The first inspection was completed on this site in October of 1988. The occupancy of the site was noted as a possible problem during that inspection.

The inspection of July 6, 1990 resulted in a letter being sent to the operator requiring cleanup. The letter specifically required that trash consisting of tires, wood and other debris (photos 31- 32, 35 - 36) be removed from the site. A follow-up inspection on August 20, 1990 showed that some cleanup had been completed but that the site was still in noncompliance (photos 37 - 38 and 40).. This was verified in a letter to the operator dated August 23, 1990.

During an inspection on September 18, 1990, it was noticed that cleanup was still not

completed (photos 41 - 42). A Notice of Noncompliance was sent to the operator on September 24, 1990. The operator later came into compliance.

The next inspection which indicated that problems existed was on August 20, 1991. This inspection was made with Bureau of Land Management Rangers. The site was again found to have a large amount of non-mining related items on it. Trucks on blocks without engines, a bathtub, mattress, wood and other debris were there. Two underground tanks filled with food, water and other supplies were found. The mill site was also being used to store and repair construction equipment. This was according to employees working for "Pearson Brothers" construction contractors, who were encountered on the mill site. A copy of the Ranger report is in the attachments.

The inspection of June 2, 1992 resulted in another Notice of Noncompliance being sent to the operator. This Notice was eventually hand served on Wayne Pearson on July 20, 1992. The Notice of Noncompliance required removal of tires, cement block, inoperable vehicles, personal items in a shed, and other items as well (photos 47 - 51). A letter was also hand delivered to Mr. Pearson on July 20, 1992, that stated that the BLM would do a surface use determination. Later inspections showed some cleanup took place.

On October 24, 1992, an inspection by BLM Ranger Randy August, revealed that the site was again being used to service construction equipment. As a result of the inspection, Ranger August filed a "COMPLAINT for violation of Title 43, Code of Federal Regulations, Section 2920.1-2(e) - Unauthorized Use", against Roger Pearson (copy attached). A trial was held before U.S. Magistrate Lawrence R. Leavitt on August 2, 1993. Roger Pearson was found to have knowingly and willfully used public lands for a commercial purpose without authorization, in violation of 43 C.F.R. 2920.1-2(e). Roger Pearson was not listed in the 3809 Notice as being connected with the mill site. However, testimony showed that Wayne and Ilene Pearson were aware of and condoned the use of the mill site by Roger Pearson for purposes other than those allowed by the Mining Law.

On December 2, 1992, an inspection by Edward Seum, revealed that some clean-up had been completed. However some petroleum spillage had occurred and a lot of miscellaneous items were still on the site. No recent use of the equipment could be seen. (Photos 59-64).

During an inspection by Glen Miller on February 12, 1993, it was noted that the site was still not cleaned up. Equipment showed no use. (Photos 65-74). Inspection of February 24, 1993 by Edward Seum showed little change in the site. A few bags of chemicals were now stored next to the shop. Equipment still showed no signs of use. (Photos 75-87).

Inspection by Glen Miller on November 3, 1993 showed the site to still be in disrepair. A large amount of trash was still on the site. The equipment showed no sign of operation. (Photos 88-99).

During an inspection by Edward Seum on September 3, 1998 it was noted that some new equipment had been brought onto the site. The equipment was not set up for use and older equipment did not exhibit recent use. None of the equipment, new or old, was physically attached to cement pads or otherwise bolted into place. All of the equipment could be picked up and placed on trucks for removal without taking any preliminary steps. Trash and debris were on the site. Bee keeping equipment was stacked next to the shop. A jeep was in the shop area with the hood up. (Photos 121-137).

No milling operations ever occurred during any of the inspections listed above. No maintenance of milling equipment was being done during any of the inspections. Other than maintenance of construction equipment, no work was observed to take place on this mill site.

VII. Geologic Setting

Regional Geology

Las Vegas Valley is a prominent topographic depression trending northwest-southeast across Clark County. *U.S. Geological Survey (USGS) Open-File Report 84-130*, indicates that Las Vegas Valley is controlled by a graben structure which is not expressed at the surface. The northern end of the valley is truncated by what is believed to be a right lateral tectonic shear zone, referred to as the Las Vegas Shear Zone. The shear zone is inferred by the conspicuous bending of the topographic features and structural elements of the Spring Mountains and the Las Vegas Range. This zone trends northwest to southeast. Near Indian Springs, the northwest trend changes through several miles to nearly west. Evidence of the right-lateral movement along the zone is present along the north side of Sunrise Mountain. The continuity of the Las Vegas Shear Zone has not yet been established by field study.

Exposed Bedrock

The Las Vegas Range lays to the north of Las Vegas Valley. The lithology of the range is primarily limestone. To the east of the valley is Sunrise, Frenchman and the River Mountains. The lithology of Sunrise and Frenchman Mountains is dominated by limestone. However, there are sequences of sandstone, siltstone and shale. A sequence of gneiss also occurs near the base of Frenchman Mountain between Lake Mead and Charleston Boulevards. The lithology of the River Mountains is mainly older volcanics (Golden Door assemblage). The McCullough Mountains lay to the south of the valley and consist mainly of Tertiary volcanic rocks. Southwest of the valley are the Sloan Hills, Bird Springs Range and Blue Diamond Hill. The Sloan hills are dominated by limestone; the Bird Springs Range is a mix of limestone, sandstone, siltstone and shale; Blue Diamond Hill is underlain by sandstone, gypsum, siltstone, shale and various other clastic type materials. West and northwest of Las Vegas Valley are the Spring Mountains. This range is mainly limestone, however, east of the Keystone Thrust Fault, a

large sequence of Aztec Sandstone is present.

Valley Fill

Valley fill, within Las Vegas Valley, is the result of deposition from erosion of upland areas. The Valley is typically underlain with coarse-grained, heterogeneous and fine grained deposits of mineral materials. Heterogeneous deposits are generally found in the central portion of the basin. Fine-grained alluvium is generally found in the north end of the valley. The deposit is directly associated with the fluvial system of the valley. Coarse-grained deposits are typically closer to source areas in the form of pediment deposits.

Pediment Deposits

These consist of coalescing sequences of alluvial fans and pediments flanking the mountain ranges of the valley. The alluvium is typically angular and poorly sorted. Upland areas serve as sources and deposits are lithologically similar to the upland areas. Much of the coarse-grained facies are moderately to well indurated, commonly cemented by secondary calcium carbonate (caliche). Caliche is generally hard, thick and occurs randomly throughout the subsurface.

Fluvial Deposits

Fluvial deposits are both coarse-grained and fine-grained. Fluvial materials are coarse-grained where intermittent streams cross coarse-grained deposits such as pediments. Away from these areas fluvial deposition is fine-grained. These deposits often reflect the remnants of a playa lake. Fluvial deposits of fine-grained material are also found along major washes and the axis of the valley. Materials deposited in the washes, along the axis of the valley, and the remnants of the playa lake are better sorted and more rounded.

VIII. Site Geology

A field examination of the subject lands was conducted on December 4, 1996. The land surface has been disturbed by activities conducted by Wayne Pearson. The rest of the area has a sparse vegetative cover.

According to the *SAND and GRAVEL in the LAS VEGAS BASIN PRELIMINARY REPORT* (Castor, Carr and Breit 1991), the site is composed of sand and gravel containing mainly limestone detritus of Quaternary age. The report showed the site to be in an area of high potential for sand and gravel production. A sand and gravel operation located on private lands in T. 22 S., R. 60 E., sec. 23 is approximately one mile from the subject lands. The authors agree with the report that this would be an area of high potential for sand and gravel.

Due to the nature of the surface materials, and that the subject lands are not located within the boundary of a mining district, no samples for locatable minerals were taken. There are no reported occurrences of locatable minerals in the literature.

IX. Mining History of the Vicinity

The nearest mining district to the area is the Alunite District (Longwell et. al., 1965). The Alunite District is centered around Railroad Pass and has been referred to as the Railroad Pass District. Gold and alunite were discovered in 1908. In 1915, interest was high over the possibility of mining alunite for potash content, but it did not succeed. The most noted mine from which the majority of the district's production came is the Quo Vadis. Production figures indicate that 925 ounces of gold, 749 ounces of silver and 1,832 pounds of lead were produced (Longwell et. al., 1965). Some exploration in the area has occurred recently, but no minerals have been produced. No known occurrences of locatable minerals have been found within the valley fill of Las Vegas Valley (Vanderberg, 1936 and Johnson, 1973).

Prospecting for oil and gas has occurred in the Las Vegas Valley. No producing wells have resulted from the exploration (Garside et. al., 1988). Several wells were drilled along the Arden Dome and Sloan Anticline, a number of miles to the southwest of the application area. Shows of oil and gas have been reported. Occurrences of sodium were located in T. 21 S., R. 62 E. These are the only known occurrences of sodium and/or potassium compounds in Las Vegas Valley.

Deposits of stone, sand, and gravel for construction and building material have been developed in and near Las Vegas. The phenomenal growth of Las Vegas, along with demands of nearby military installations, has required development of known and new deposits. The sand and gravel is principally from alluvial fans of Pleistocene and Holocene age. Currently mineral materials are being produced on both private and federally owned lands.

X. Mineral-in-Character Determination

The subject lands are not located within the boundary of any mining district. During the field investigation, locatable minerals, or indications thereof, were not observed nor are there reported occurrences in the literature. Likewise, there is no reason to suspect their existence based on the geology of the area.

The Mineral Leasing Act resources classification maps, prepared by the Division of Mineral Resources, Nevada State Office, Bureau of Land Management, indicate the subject lands are prospectively valuable for oil and gas and for compounds or brines of sodium and potassium. The lands are not known to be valuable for other Mineral Leasing Act minerals including geothermal steam and associated geothermal resources.

The above classification is used where geologic information is not adequate to warrant a formal or higher classification. It is based on geologic inference and the sedimentary basin concept. It implies the leasable minerals in question may be present in sufficient quantity and quality to meet higher classification standards and, as such, the lands are valuable for prospecting.

During the field investigation, saleable minerals, or indications thereof, were not observed on the subject lands. No pits or washes which would expose the subsurface occur on the subject lands. According to the publication *SAND and GRAVEL in the LAS VEGAS BASIN PRELIMINARY REPORT* (Castor, Carr and Breit 1991), the area has a high potential for sand and gravel production. The report states that the area is made up of sand and gravel that contains mainly limestone detritus with no occurrence of gypsum to decrease the quality. There is a sand and gravel operation approximately one mile south of the subject lands. There are also other reported occurrences in the literature. There is a large market for sand and gravel in the Las Vegas Valley. Sales of materials from BLM managed lands account for a quarter of all sales in the Valley. Based on this analysis and geologic inference the land is Mineral-in-character

XI. Analysis of Surface Uses

Claim Development

On December 4, 1996, Mark Chatterton and Edward Seum went to the Ilene P mill site. The operator, Wayne Pearson, was present. Wayne and Ilene Pearson maintain a residence (photo 116) on the mill site, which is occupied by their daughter, and their daughter's small children. A swing set, playhouse and other toys are on the site. The residence has electricity and telephone service. Water is possibly being obtained from a community well.

During the field visit, a small pile of silica product, recently produced, was viewed at the base of a 9/16 Smith Jaw Crusher (photo 119). Some of the product was in cardboard boxes (photo 120). A large, portable generator (photo 114) is used to power the crusher. A small, gas powered ball mill (photos 108, 117), that showed no signs of recent use was on site. A rod mill, which would need work to get operational, was also on site. A camper and small loader/backhoe were parked under the shop awning (photo 113).

A number of items noted on site during the August 25, 1992 inspection have been removed. These include galvanized tanks, a shaker table and parts, and a large amount of scrap metal, tires, cement block, etc. Trusses, an engine block, plastic pipe, a camper top, fencing and other materials are still on site (photo 112). The claimant has done little related to proper use on the mill site.

The following summarizes Mr. Pearson's verbal statements about the mill site during the

exam on December 4, 1996. :

1. The silica product is the end result of crushing a tuff. The tuff comes from his private lands near Pioche, Nevada. These lands were not patented under the mining law.
2. The tuff is composed of 96 percent silica and 4 percent iron. It is good for kitty litter and golf greens. It has the potential for uses similar to perlite and as floor dry.
3. He has sold 10 boxes of the silica product at \$ 5.00 per box over the past year.
4. A small stockpile of rock, see picture # 108, comes from Searchlight, Nevada. Mr. Pearson did not know whether the material came from a unpatented or patented mining claim. The materials were being processed as a custom milling project. The rock contains a small amount of gold and can be reused for landscaping.
5. He uses a large portable generator to power his equipment.
6. He has not made a profit on milling operations on the mill site.

The following table is compiled from information on production at the Ilene P mill site, provided by Wayne Pearson to the BLM. The receipts and other documentation on production are included as attachments to this report.

<u>Year</u>	<u>Tons Processed</u>	<u>Monies Received</u>
1986	16	\$4,800
1987	10	\$1,000 (work in kind)
1987	?	\$6,280
1988	60	\$2,800
1991	50	\$2,000

1992 - 1996 no production

According to a letter from Wayne Pearson's lawyer dated January 12, 1999, "production in 1997 was poor due to Mr. Pearson's health problems. This continued into 1998, although 1998 was better. Documentation is not immediately available but is being

worked on.” The letter further states that about 20 tons of zeolite were processed in 1998. The processed material was sold to one of Pearson’s sons for fertilizer. There is no indication whether this is the sum total of production in 1998. A copy of the letter is attached to this report.

Surface Use Evaluation

Development of an independent mill site to process ores for extraction of valuable minerals by a prudent operator requires either a quartz mill or reduction works. A quartz mill consists of a machine or establishment for pulverizing quartz ore so that gold and silver contained in the ore may be separated by chemical means. A reduction works reduces metals from ores by smelting or through chemical means such as a cyanide plant. The minerals processed by either means must come from a vein or lode. Equipment is brought in to set up in the proper circuits for processing ore. This will take extensive testing to make sure that proper sizing and treatment of the ores will occur. The equipment is placed on permanent foundations of concrete or otherwise attached to the ground. Many times these facilities are fenced off to reduce hazards to the public. These improvements and facilities are likely to remain during temporary shutdowns under the care of a watchman or maintenance crew who reside on the site. In order to be successful a prudent operator would contract for a continuous supply of ore from a number of sources with similar types of ore. This would ensure continuous operation of the mill site except for down time during maintenance and repair.

It is possible to determine the phase a mill site claim is in through inspection. Operations that are actually taking place are key to the determination, not the equipment or personal property that may be present. The presence of primarily inappropriate or inoperable equipment or personal property indicates that the mill site claim is not being worked by a prudent operator in usual, customary and proficient operations. This can constitute unnecessary and undue degradation of the public lands.

The operations taking place on the Ilene P mill site consist of sporadic rock crushing and permanent residential occupancy. Only minor amounts of crushing took place from 1986 through 1991, and again in 1997 through 1998. No production took place from 1992 through 1996. The volcanic tuff does not meet the requirement that materials processed on site must come from a vein or lode. The volcanic tuff does not in fact come from a mining claim, either unpatented or patented. While the zeolites processed on the site would come from a hydrothermal vein, they do not meet the requirement that only metallic minerals in veins or lodes may be processed by a quartz mill or reduction works. Zeolites are tectosilicates and are not associated with metallic minerals. Mr. Pearson has presented no evidence that he has any contracts to process specific quantities of ore for metallic minerals. There can be no showing that there are ongoing and more or less continuous operations for custom work at this site.

Milling equipment located on the mill site is portable in nature. None of the equipment is set up in a "circuit" nor is it on a permanent foundation or otherwise attached to the ground. The items which might be reasonably incident to a potential operation are inoperable or do not exhibit signs of use. Were the mill site claim in a "shutdown" phase awaiting renewed production, all equipment could be removed. No caretaker or watchman would be required to reside at the site. The remaining equipment and personal property is either inoperable or inappropriate and not reasonably incident to prospecting, mining or processing operations. The primary use of the claims is for residential occupancy. The storage of inoperable or inappropriate equipment and personal property along with the occupancy constitutes unnecessary and undue degradation of the public lands. This site does not meet the occupancy requirements of 43 CFR 3715.2, 3715.2-1, or 3715.5. In addition the site is not being used or occupied in "good faith" for mining, milling, processing or beneficiation within the meaning of 30 USC 612 (a) and 43 CFR 3712.1.

XII. Bibliography

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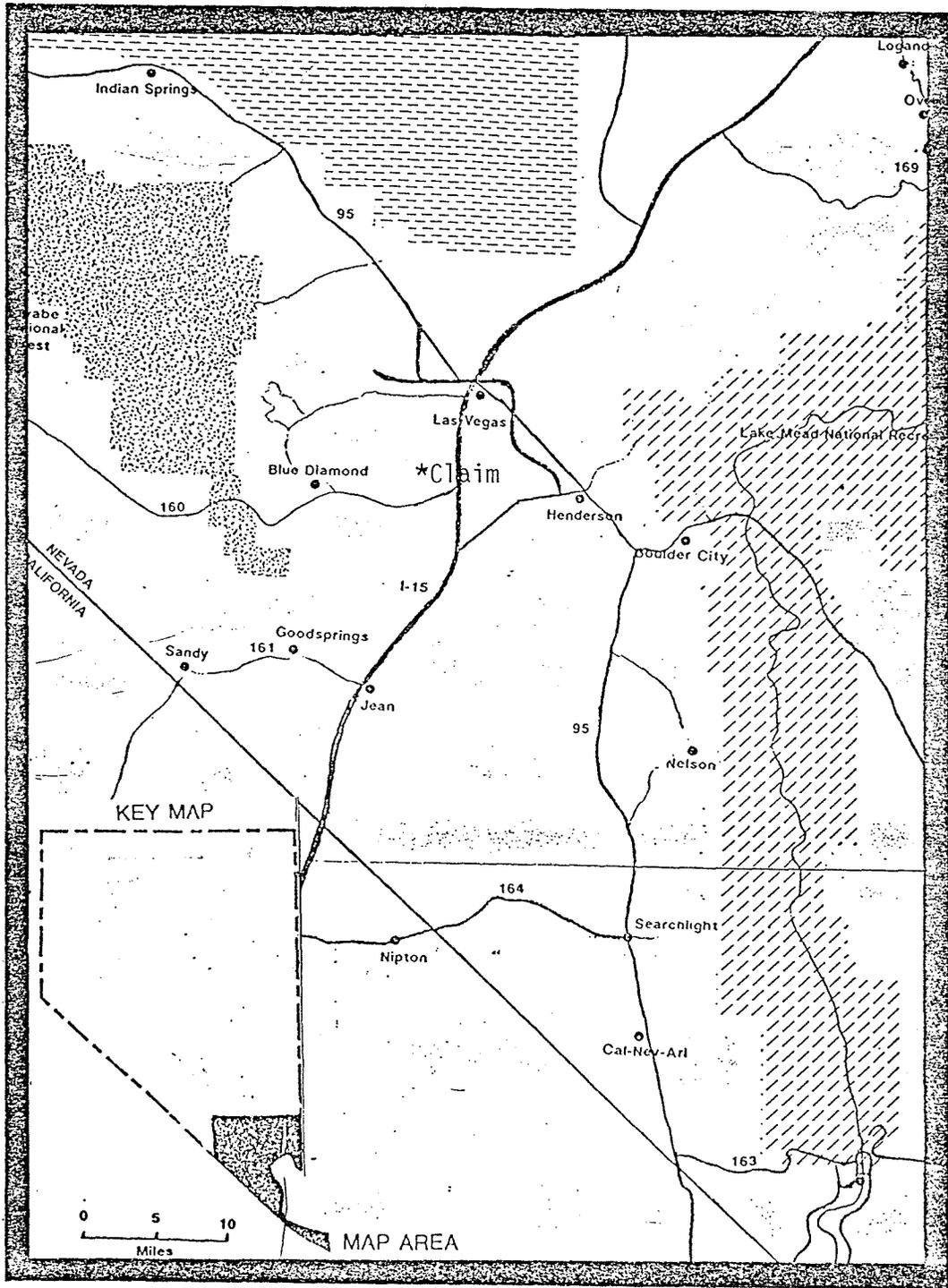
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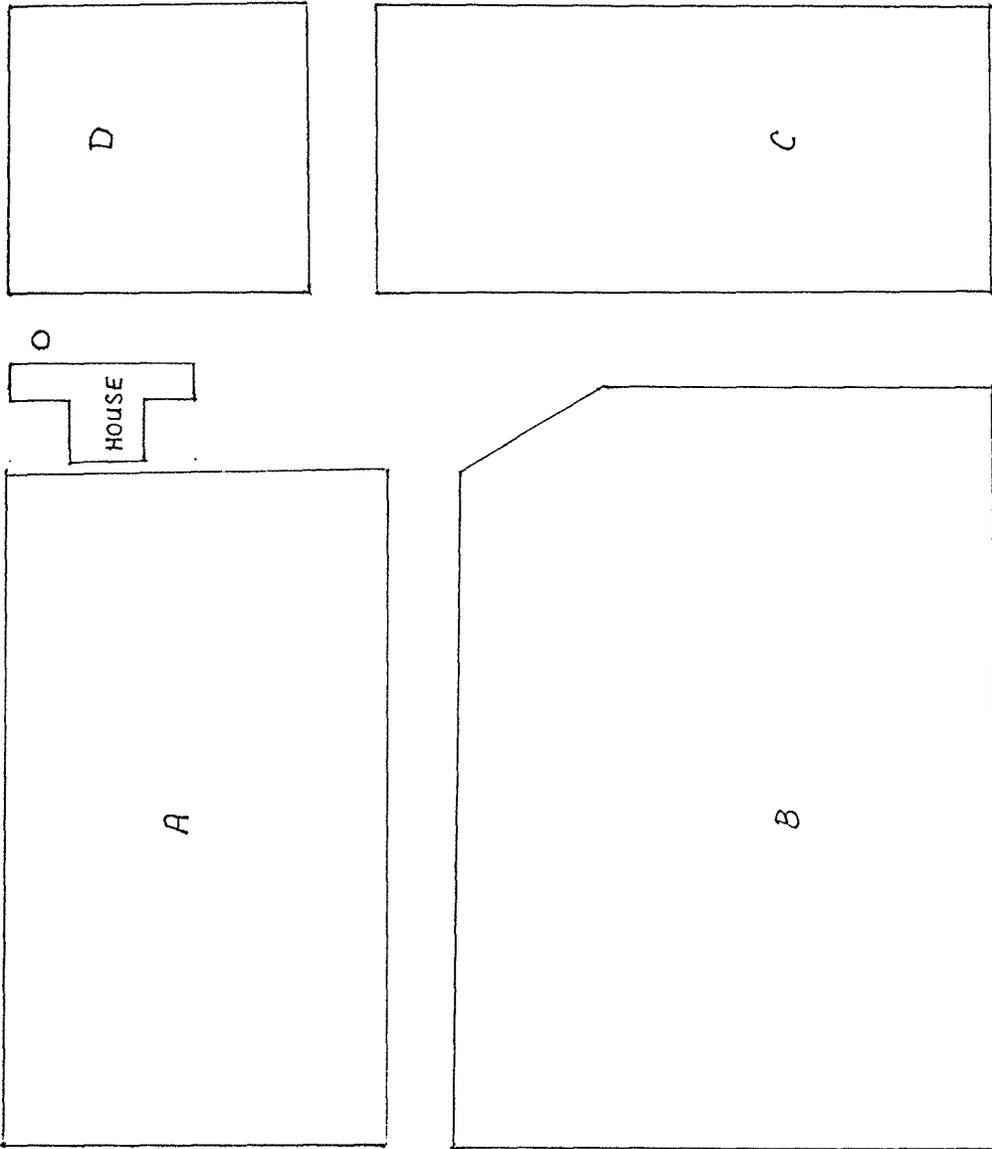
MAP 1



Prepared by: Edward Seum
03/02/93

ATTACHMENT A

MAP 3



COUGAR AVENUE

EDMOND STREET



Map prepared by: Edward Seum
03/02/93

Items on Pearson Millsite
as of 8/25/92

Area A

Childs playhouse
picnic table
2 swingsets
trampoline
soil ramp
fruit trees

Area B

Metal pipe
scrap lumber
black material (ore?)
backhoe buckets
small flatbed trailer
empty cable spool
scrap metal
large flatbed trailer on wheels
stack of tires
material (ore?) next to trailer

Area C

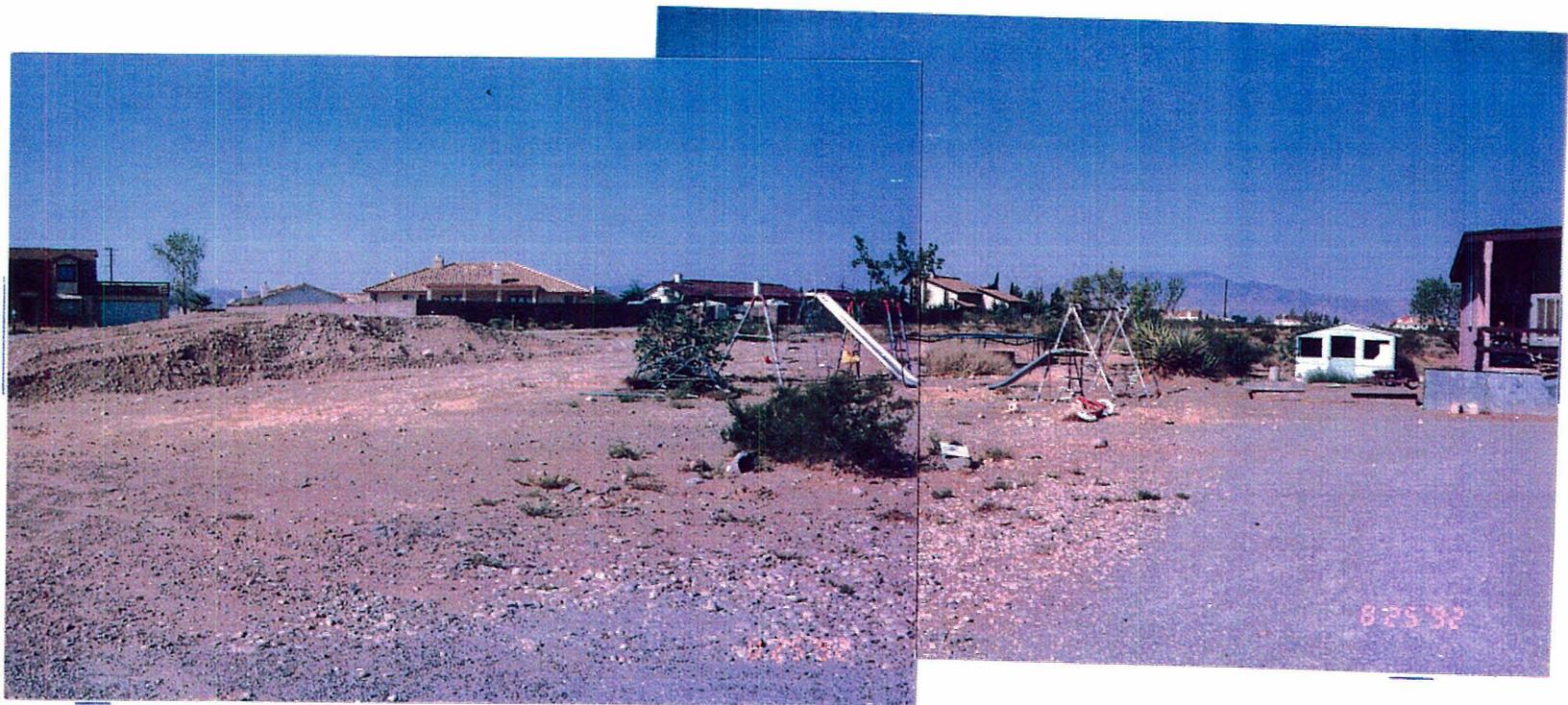
Fuel barrels
tanker trailer
empty cable spool
concrete culvert
material (ore?) with weeds in it
slab rock
concentrate barrels
2 galvanized circulation tanks
large portable generator
small ball crusher/gasoline engine
9/16 Smith jaw crusher (portable)
hopper fed rod mill
fence
lumber
shop hoist
shaker table parts
scrap metal
mattress
flatbed trailer
storage bins
covered work area
hydraulic fluid containers
rock saw
motors
fireplace insert
misc. items

Area D

Compost bin
trampoline
JCB backhoe/loader
propane tank
covered shop
storage tanks (water)
flatbed trailer
various tools/parts in shop
vehicle parts
dryer
mattress
household goods
windows
air conditioning unit
lumber stored on flatbed
buckets of nails
roofing material
plastic/metal pipe
barrels of trash
doors
Bendelari jig
Garage door
bathtub

Trailer residence with trampoline, exercise bike and bouncing horse, car.

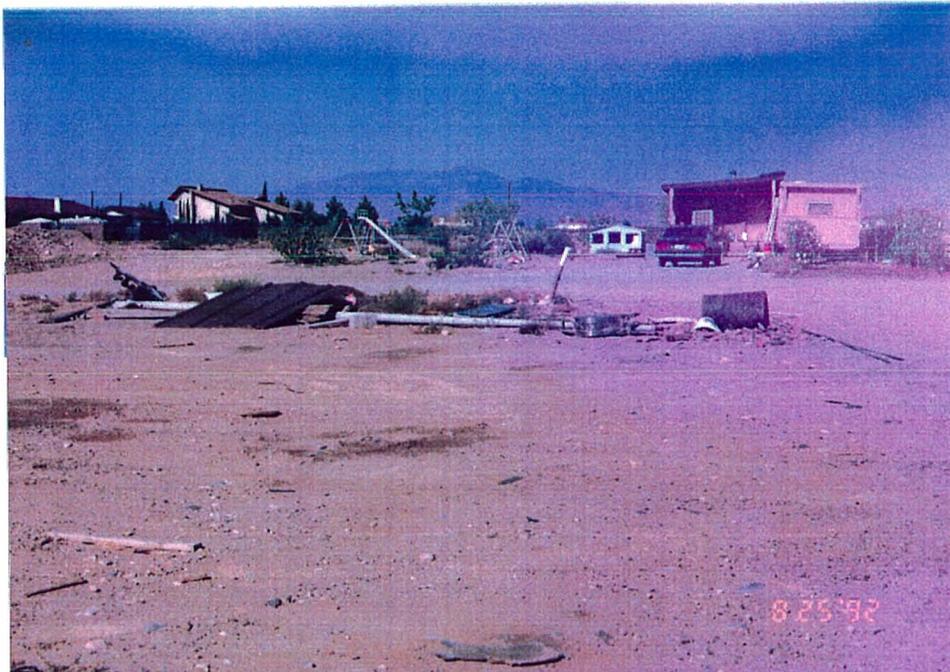
ATTACHMENT B



Photograph #1: Panorama of Area A, looking southwest. Two swingsets, trampoline, child's playhouse and picnic table are located in center and right hand side of the photo. Soil ramp on left side of picture once covered underground shelters. Trees in photo are fruit trees.
Photo by E. Seum 8/25/92



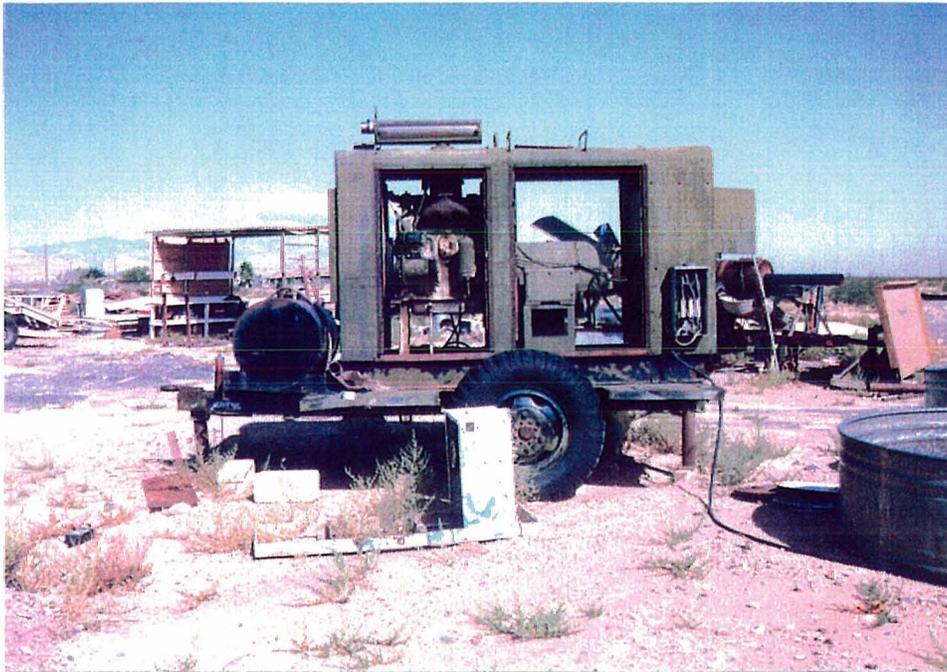
Photograph #2: Panorama of Area B, looking southwest. Flatbed trailer, empty wooden wire spool and some trash in foreground of picture.
Photo by E. Seum 8/25/92



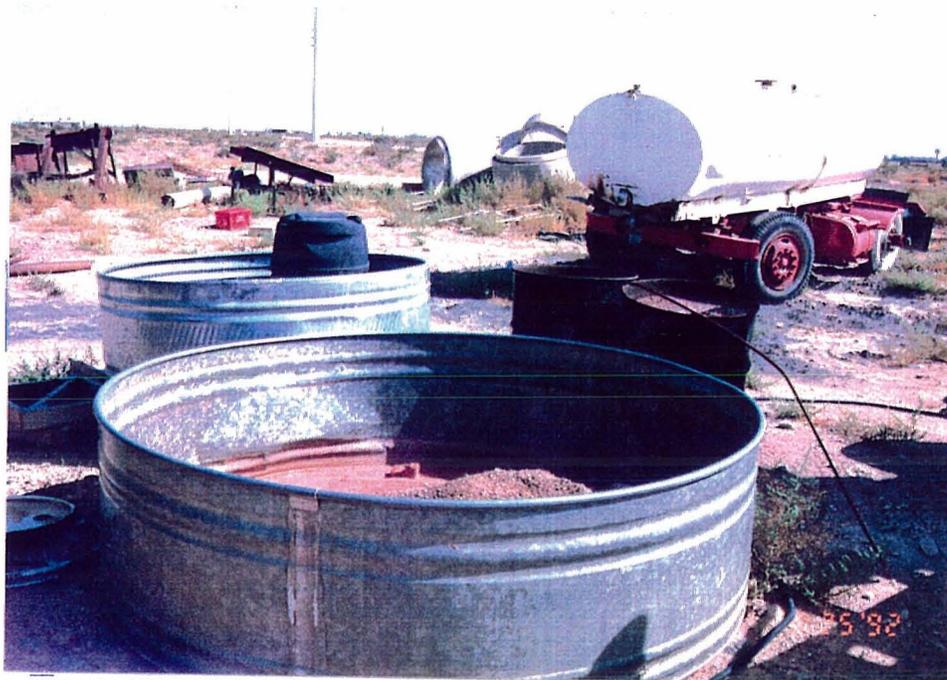
Photograph #3: Shows some plastic pipe and trash in Area B, foreground.
Photo by E. Seum 8/25/92



Photograph #4: Panorama of Area C, looking northwest. Shows small stockpile of mineral material in center of photo. Barrels, mining equipment and concrete culverts.
Photo by E. Seum 8/25/92



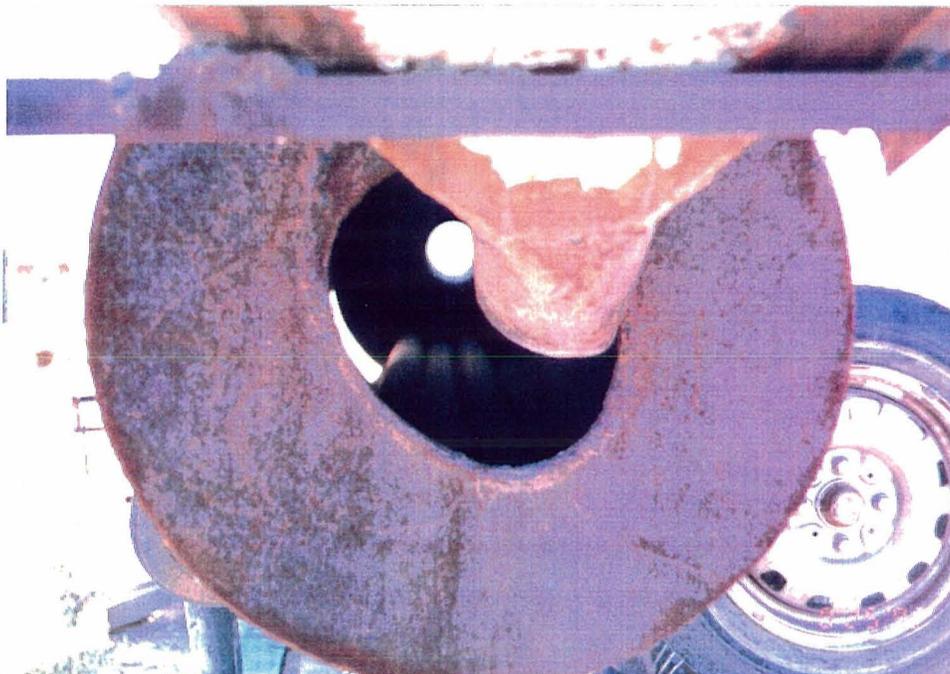
Photograph #5: Shows large portable generator,
on Area C.
Photo by E. Seum 8/25/92



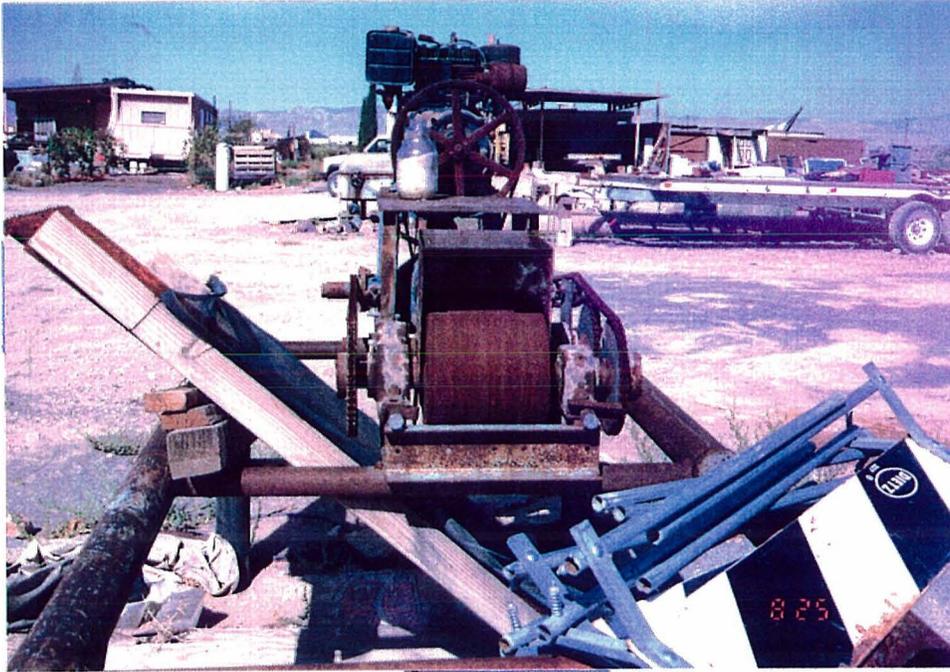
Photograph #6: Shows galvanized circulation tubs, barrels
of mineral material and truck on Area C.
Photo by E. Seum 8/25/92



Photograph #7: Shows rod mill on Area C. Note rust from lack of use.
Photo by E. Seum 8/25/92



Photograph #8: Inside of rod mill shown in photograph #7.
Photo by E. Seum 8/25/92



Photograph #9: Shows small gasoline powered crushing unit on Area C.
Photo by E. Seum 8/25/92



Photograph #10: Shows unit from above photo from another angle.
Photo by E. Seum 8/25/92



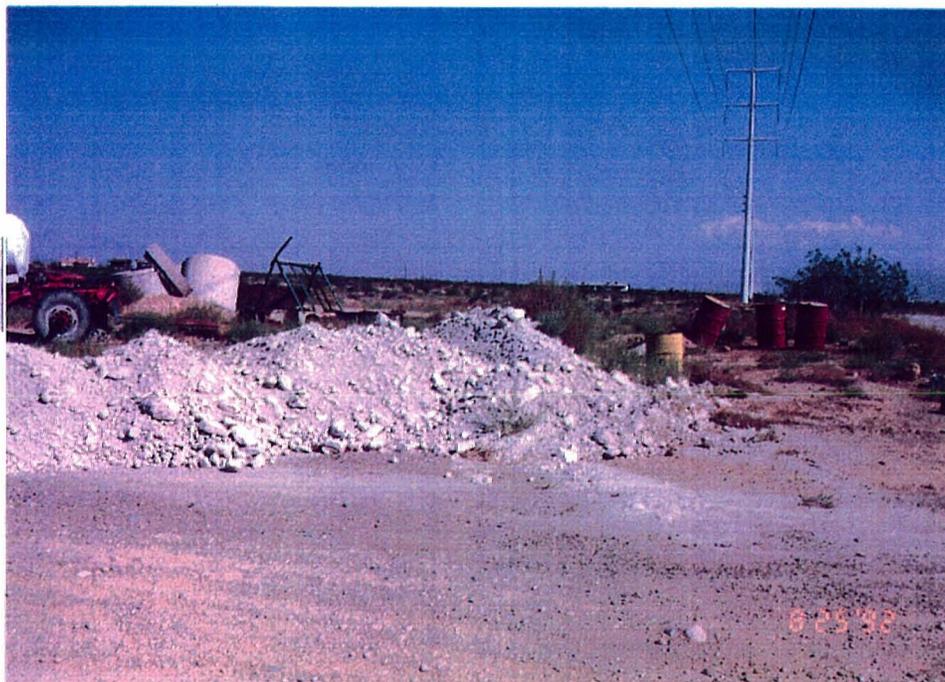
Photograph #11: Shows portable Smith 9/16 jaw crusher on Area C. Next to generator and galvanized circulation tubs.
Photo by E. Seum 8/25/92



Photograph #12: Shows grooves on belt wheel of jaw crusher shown above. Note rust.
Photo by E. Seum 8/25/92



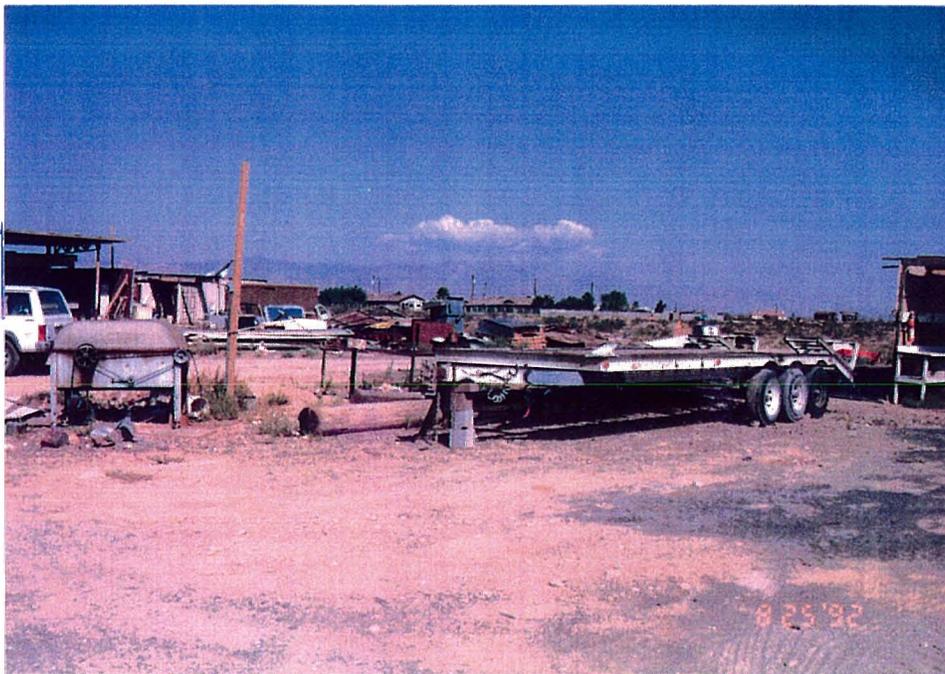
Photograph #13: Shows small stockpile of mineral material on Area C.
Photo by E. Seum 8/25/92



Photograph #14: Close up of mineral material stockpile shown in photo #4.
Photo by E. Seum 8/25/92



Photograph #15: Shows fencing, empty wire spool, buckets of various hydraulic fluids. Located on Area C looking northwest. Photo by E. Seum 8/25/92



Photograph #16: Shows flatbed trailer and rock saw on Area C. Photo by E. Seum 8/25/92



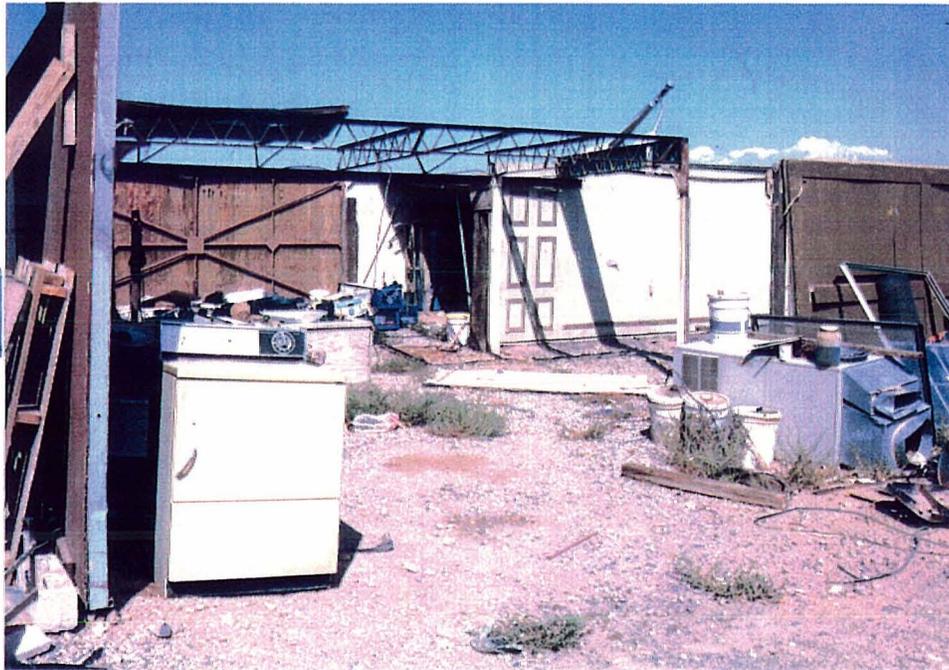
Photograph #17: Panorama of northern most portion of Area C. Shows unused pieces of mining equipment, small hoist and other items of junk or trash.
Photo by E. Seum 8/25/92



Photograph #18: Panorama of Area D, looking to the west. Shows shop area in background with bachoe/loader. Garage doors, Bendelari Jig, scrap lumber and other items in foreground. Photo by E. Seum 8/25/92



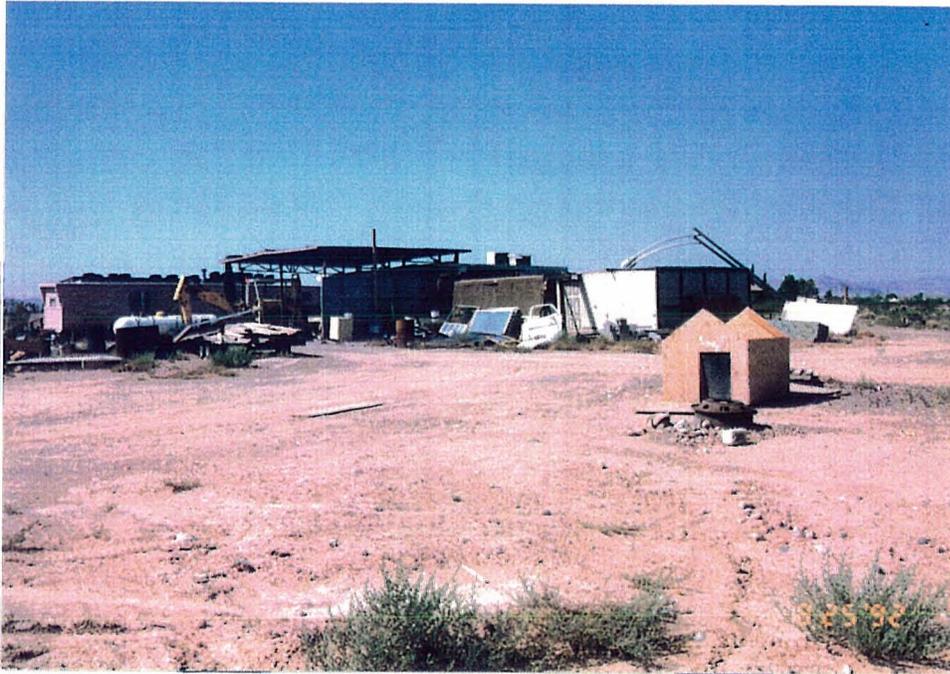
Photograph #19: Panorama of Area D, looking west. Shows shop, storage area and propane tank. Photo by E. Seum 8/25/92



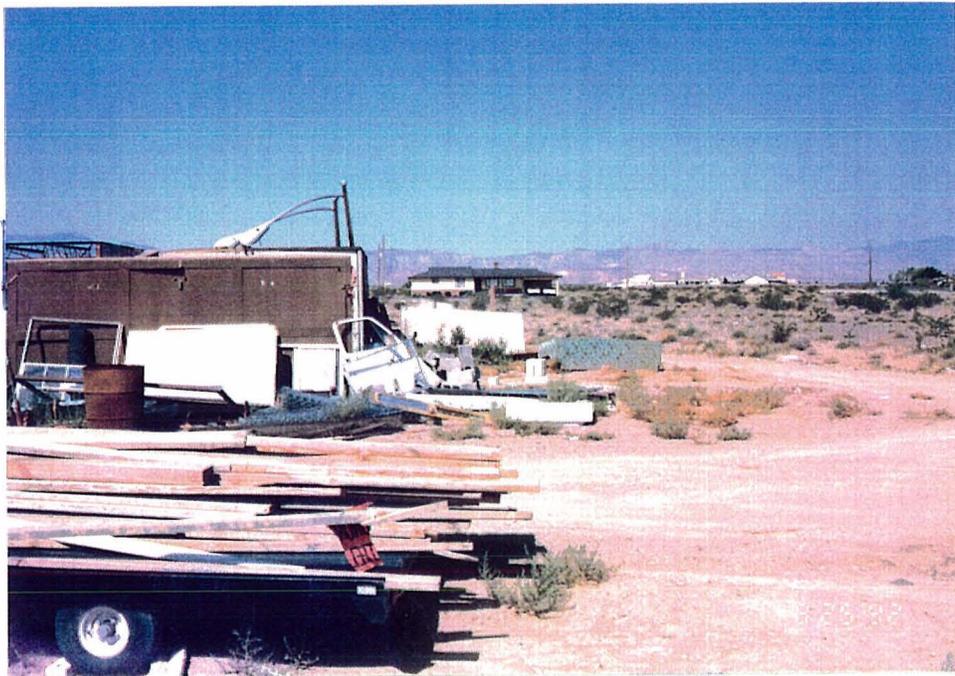
Photograph #20: Storage site on Area D. Shows dryer, air conditioning unit and other junk.
Photo by E. Seum 8/25/92



Photograph #21: Shows windows, car parts and air conditioning unit as well as miscellaneous items on Area D.
Photo by E. Seum 8/25/92



Photograph #22: Shows distance shot of Area D, looking southwest.
Photo by E. Seum 8/25/92



Photograph #23: Shows lumber stacked on flatbed trailer. Car parts, couch and other items in Area D. Far background shows Roger Pearson residence.
Photo by E. Seum 8/25/92



Photograph #24: Shows residence on claim, looking to the northwest. Residence is occupied by Wayne Pearson & family.
Photo by E. Seum 8/25/92



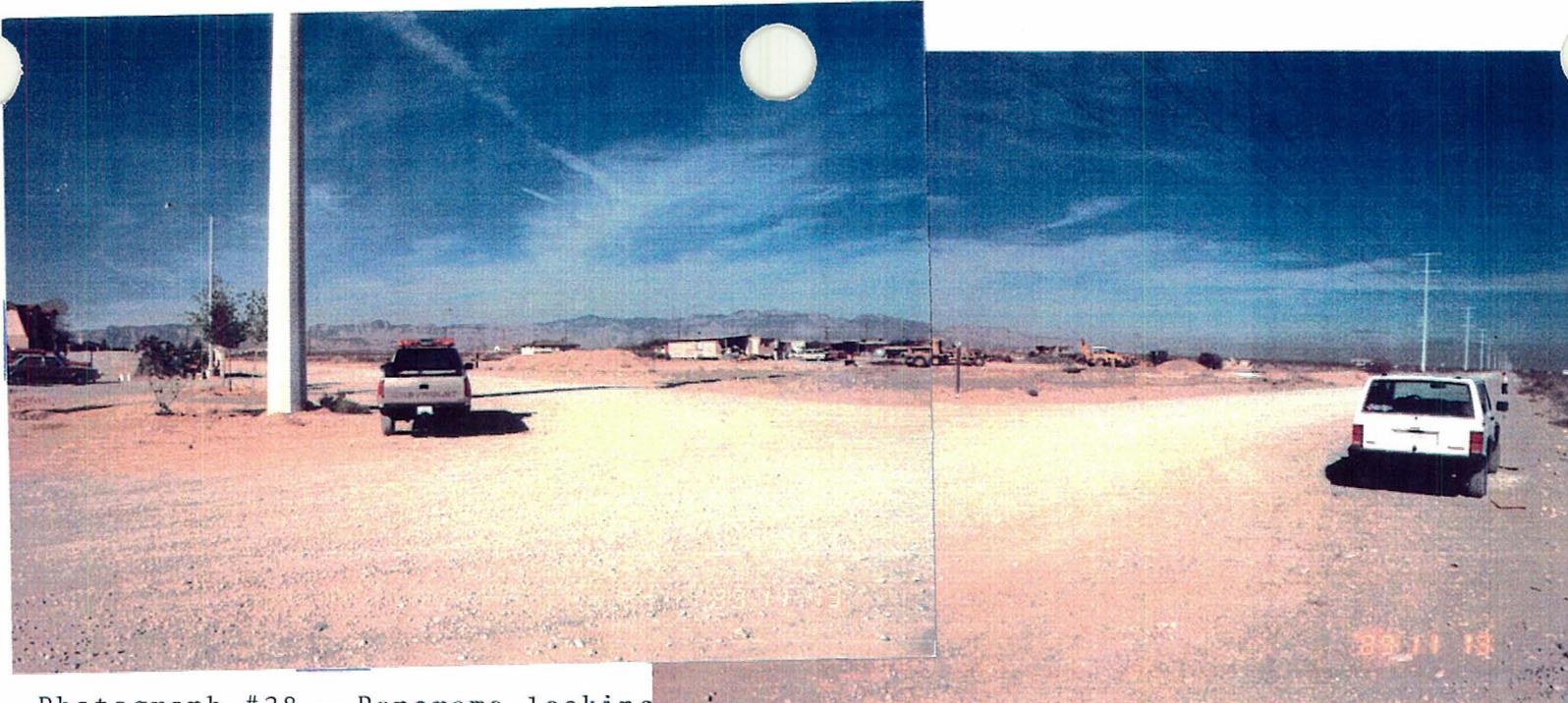
Photograph #25: Shows residence looking to the west. Grapevines and children's toys in front of residence.
Photo by E. Seum 8/25/92



Photograph #26: Shows residence looking southwest. Compost bin in foreground. Tanks next to residence are for water. Photo by E. Seum 8/25/92



Photograph #27: Shows rear of residence looking northeast. Photo by E. Seum 8/25/92



Photograph #28 - Panorama looking
to the northwest.
Photo by G. Beckman 11/13/89



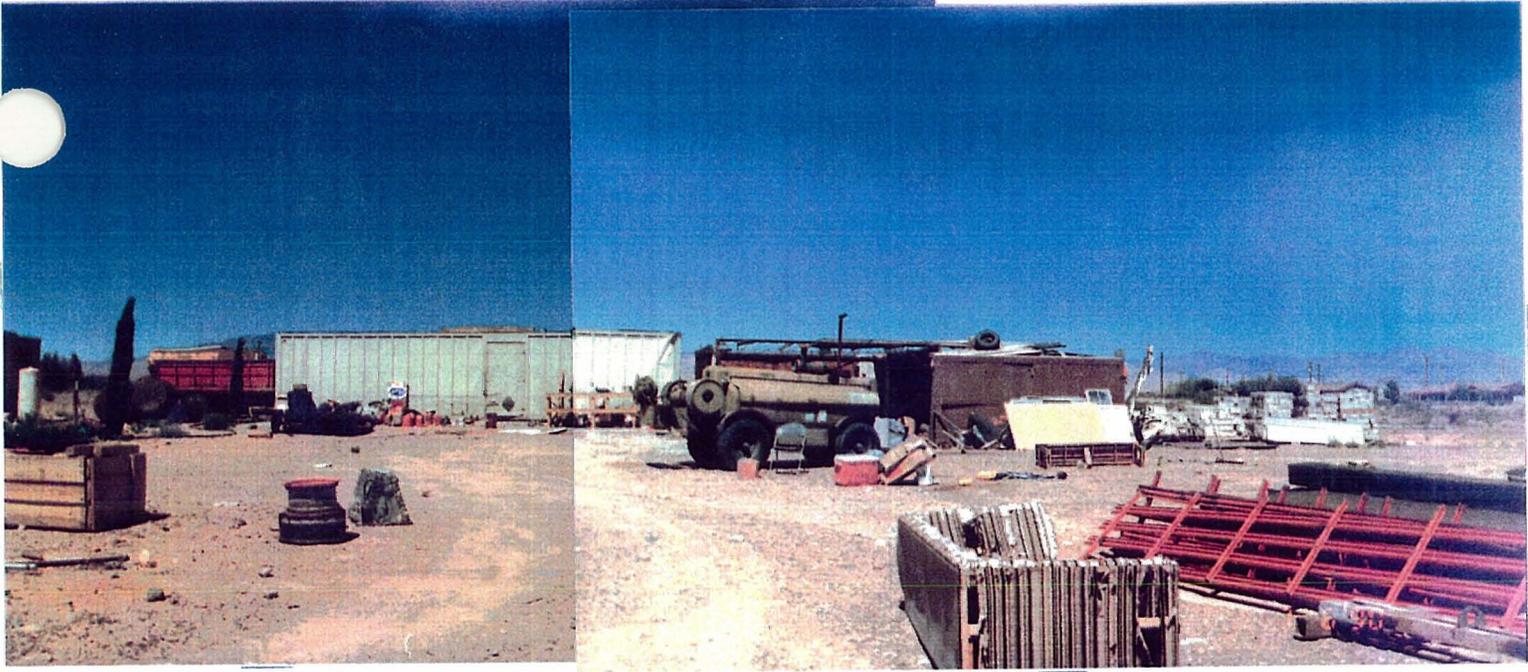
Photograph #29 - View
looking southwest.
Photo by G. Beckman
11/13/89



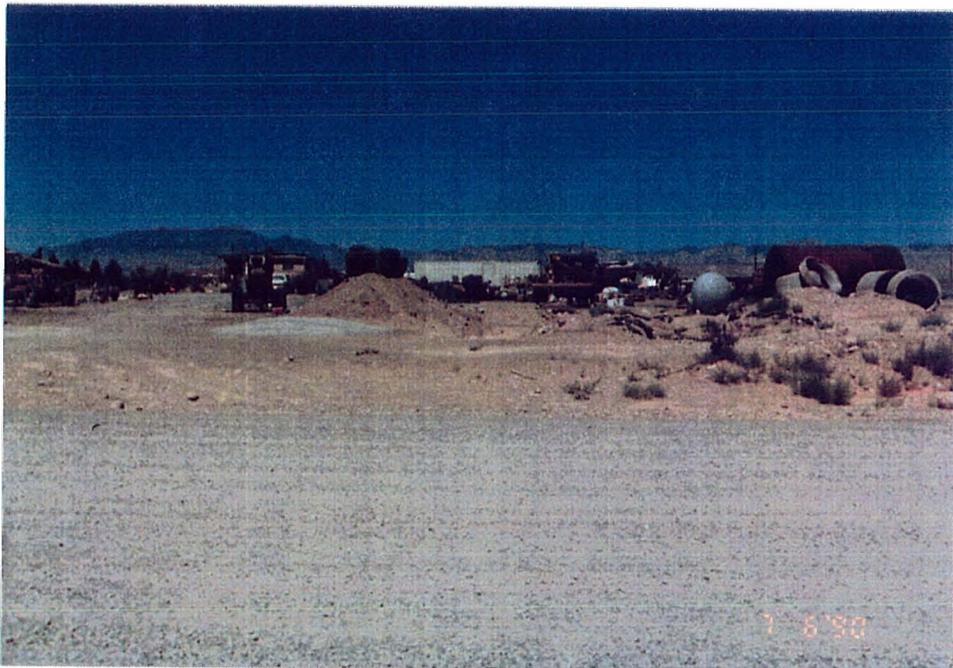
Photograph #30 - Panorama looking
northwest.
Photo by E. Seum 7/6/90



Photograph #31 - Area on the northeast
side of claim.
Photo by E. Seum 7/6/90



Photograph #32 - Looking to the west
towards shop area.
Photo by E. Seum 7/6/90



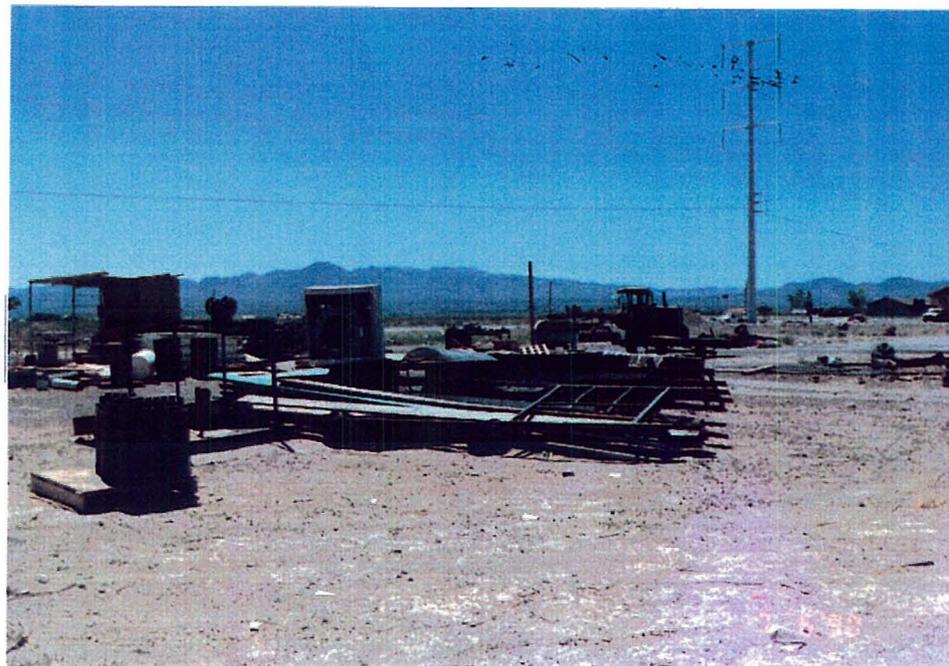
Photograph #33 - Looking to the west
at processing area.
Photo by E. Seum 7/6/90



Photograph #34 - Looking southwest at residence.
Photo by E. Seum 7/6/90



Photograph #35 - Scrap lumber on the northwest.
Photo by E. Seum 7/6/90



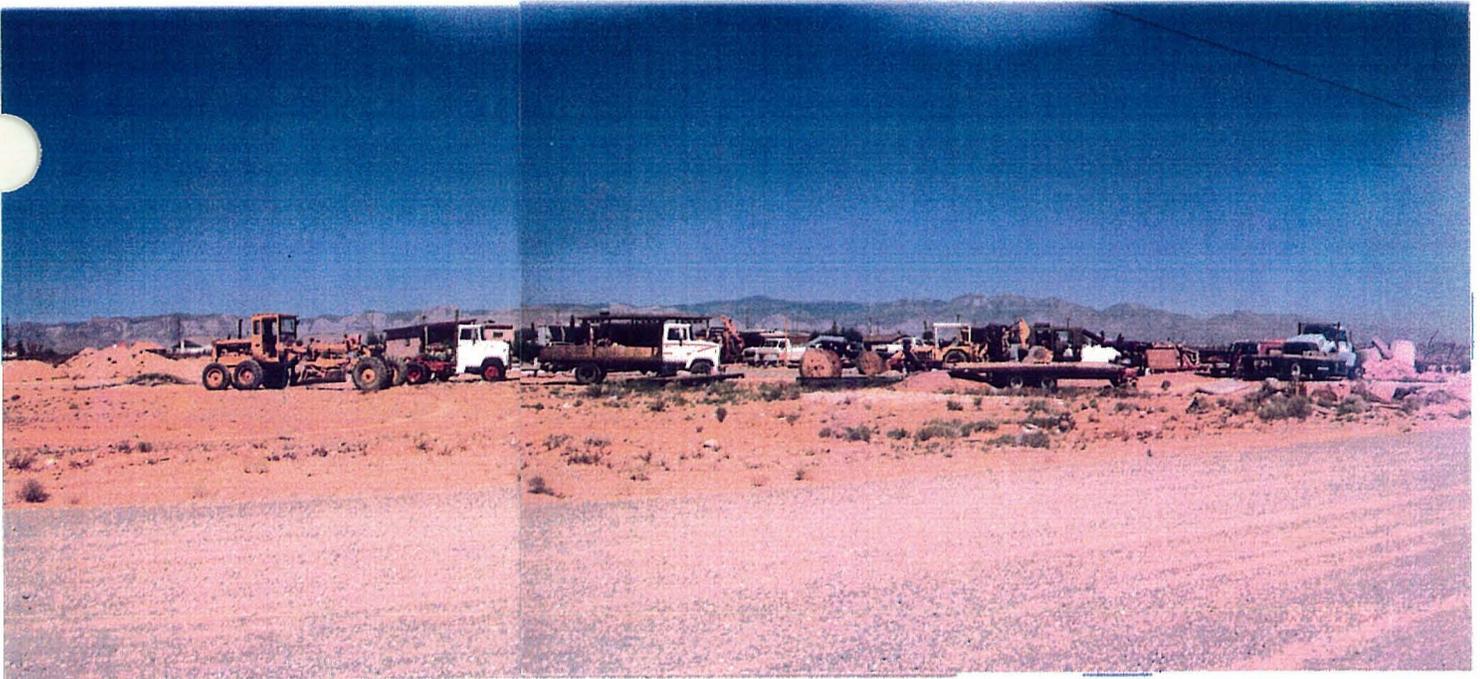
Photograph #36 - Looking southeast.
Photo by E. Seum 7/6/90



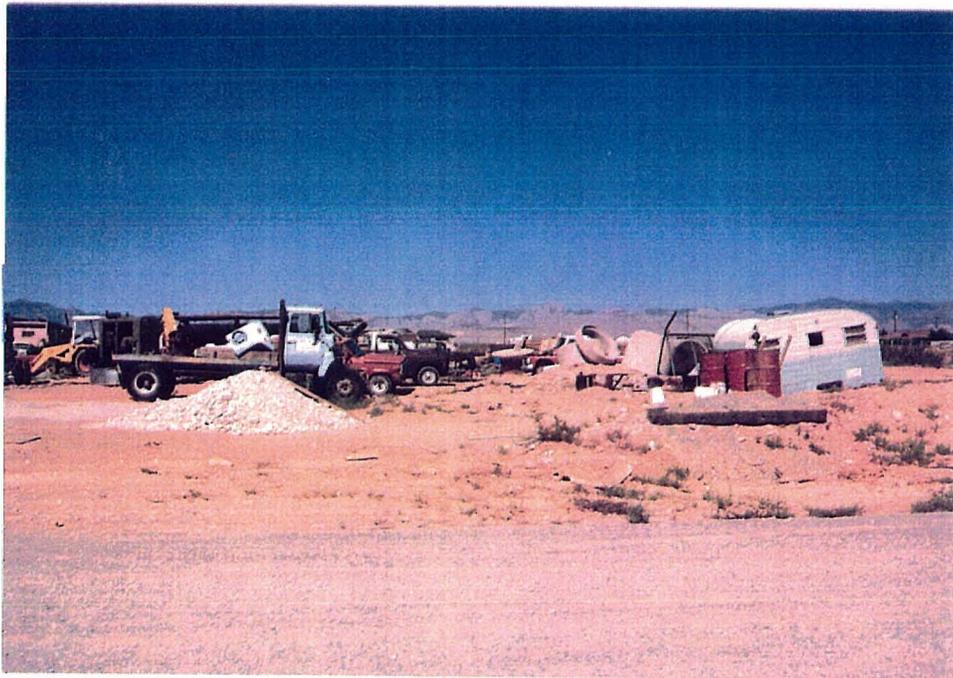
Photograph #37 - Looking to the south
at stored items.
Photo by E. Seum 8/20/91



Photograph #38 - Looking east on the northwest corner
of claim showing items stored on site.
Photo by E. Seum 8/20/91



Photograph #39 - Panorama looking to the northwest.
Photo by E. Seum 8/20/91



Photograph #40 - Disabled vehicles on
northeast corner of claim.
Photo by E. Seum 8/20/91



Photograph #41 - Fence and other items
on north end of site.
Photo by E. Seum 9/18/90



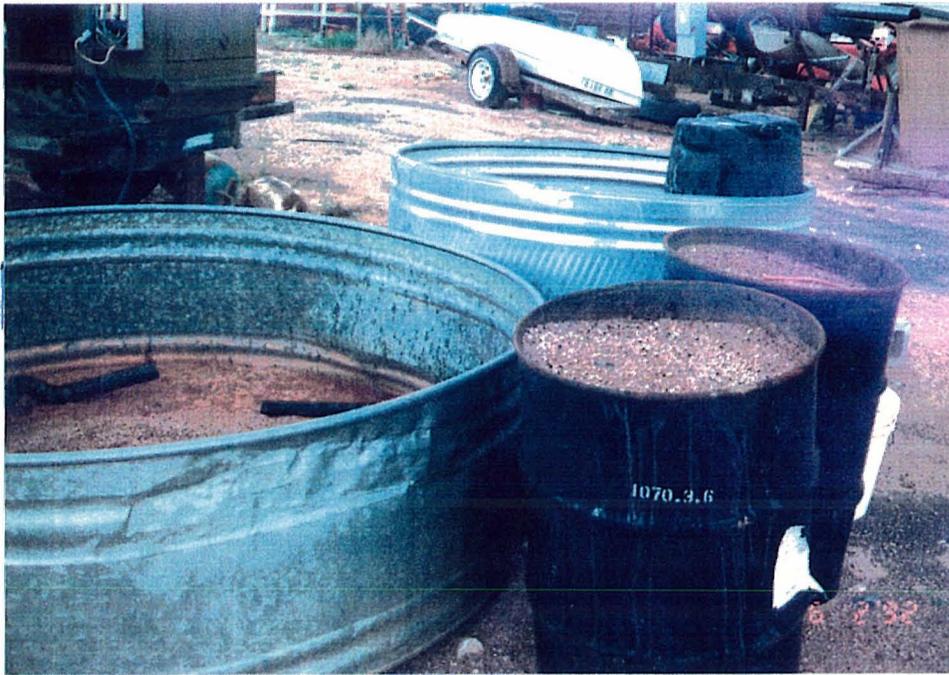
Photograph #42 - Tires and lumber on
north end of site.
Photo by E. Seum 9/18/90



Photograph #43 - Crusher, generator and galvanized tanks.
Photo by E. Seum 6/2/92



Photograph #44 - Close up of crusher.
Boat in background.
Photo by E. Seum 6/2/92



Photograph #45 - Close up of galvanized tanks and barrels of mineral materials.
Photo by E. Seum 6/2/92



Photograph #46 - Rod mill on northeast side of site.
Photo by E. Seum 6/2/92



Photograph #47 - Panorama looking west at shop area.
Photo by E. Seum 6/2/92



Photograph #48 - Panorama looking north.
Shows tires, disabled vehicle
and other items.
Photo by E. Seum 6/2/92



Photograph #49 - Items stored on the northeast side of site.
Photo by E. Seum 6/2/92



Photograph #50 - Cement block and trailer on northeast corner of site.
Photo by E. Seum 6/2/92

Photograph #51 - Shows items stored on north end of site.
Photo by E. Seum
6/2/92





Photograph #52 - Shows tanks on west
behind residence.
Photo by E. Seum 6/2/92



Photograph #53 - Shows residence and
children's toys.
Photo by E. Seum 6/2/92



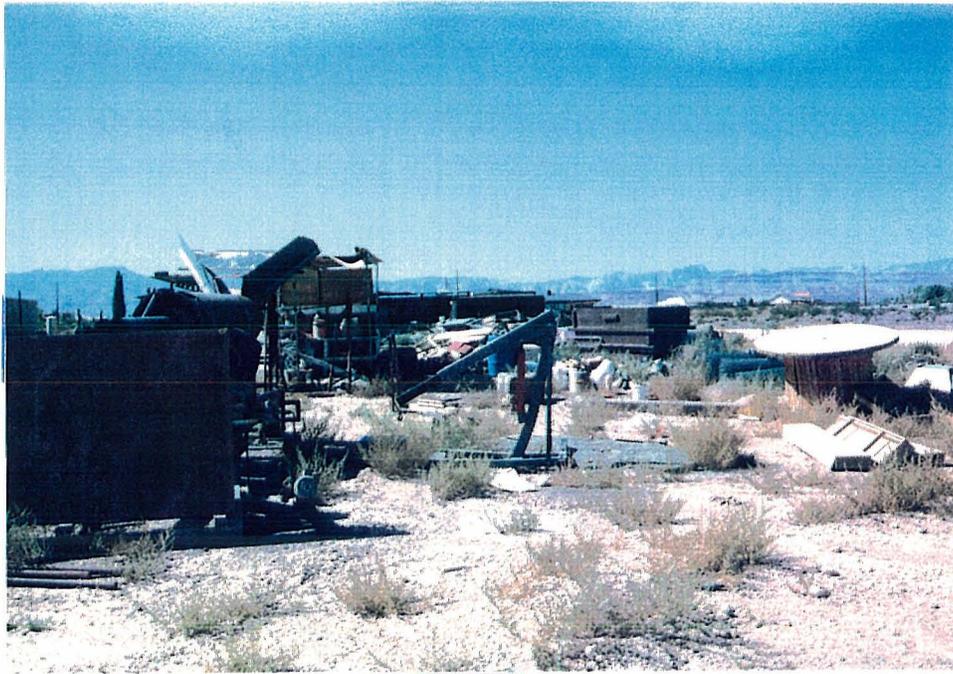
Photograph #54 - Shows
interior of child's
playhouse.
Photo by E. Seum
6/2/92



Photograph #55 - Looking to the west.
Shows processing area.
Photo by E. Seum 10/6/92



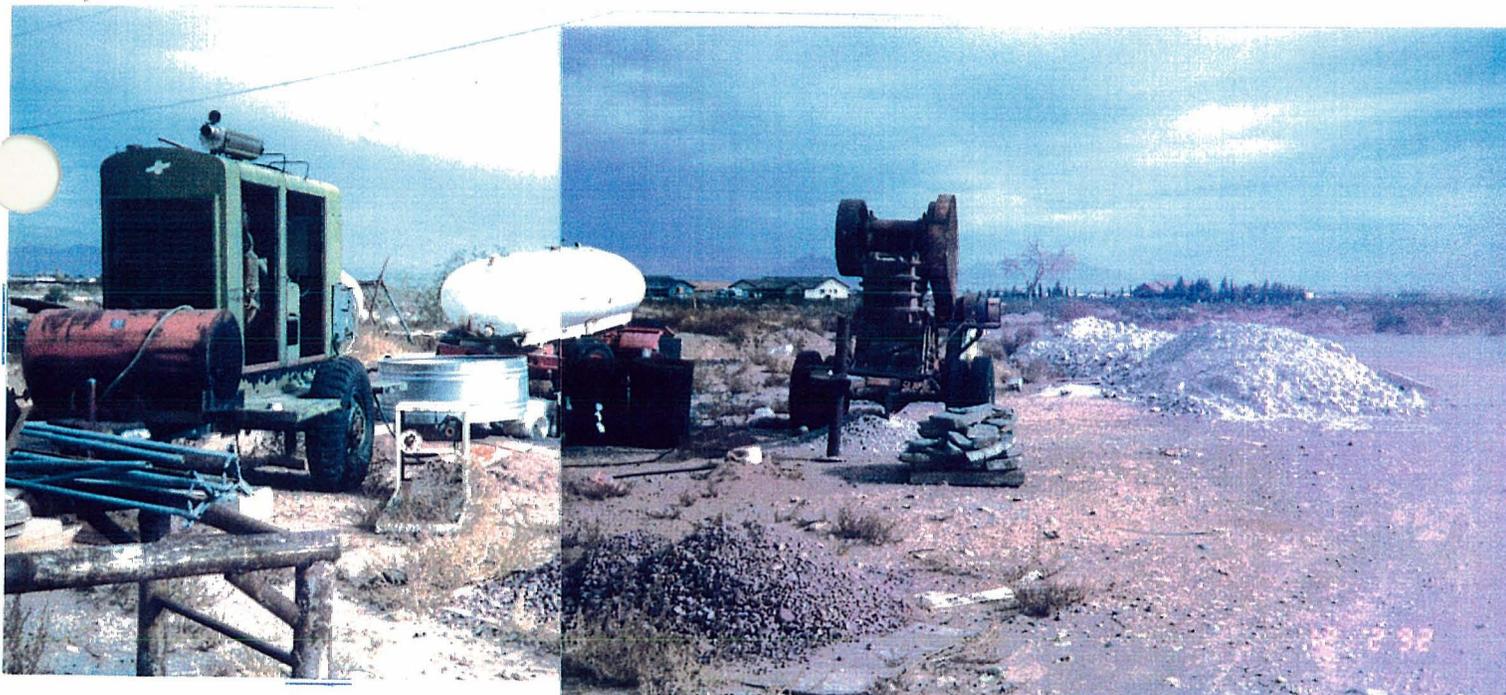
Photograph #56 - Shows processing setup.
Photo by E. Seum 10/6/92



Photograph #57 - Shows items stored
on north end of site.
Photo by E. Seum 10/6/92



Photograph #58 - Shows shop area with
backhoe parked under
the canopy.
Photo by E. Seum 10/6/92



Photograph #59 - Shows processing area
on the northeast.
Photo by E. Seum 12/2/92



Photograph #60 - Shows close up of wheel
on crusher.
Photo by E. Seum 12/2/92



Photograph #61 - Shows hydraulic fluid
leaking onto the ground.
Photo by E. Seum 12/2/92



Photograph #62 - Shows rod mill and other
items.
Photo by E. Seum 12/2/92



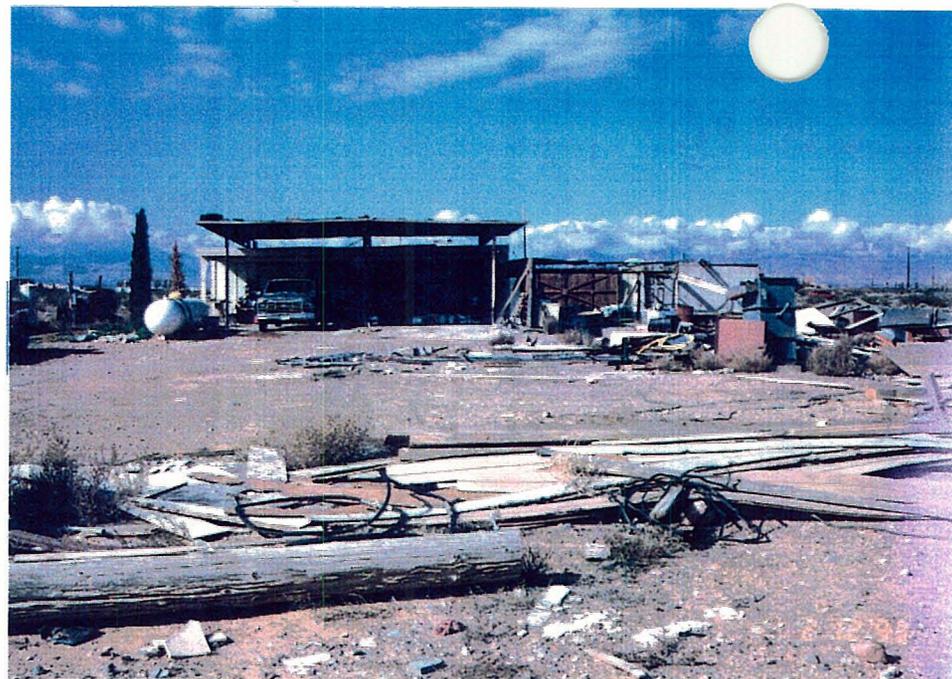
Photograph #63 - Shows items stored
next to shop area.
Photo by E. Seum 12/2/92



Photograph #64 - Shows residence and
scrap lumber.
Photo by E. Seum 12/2/92



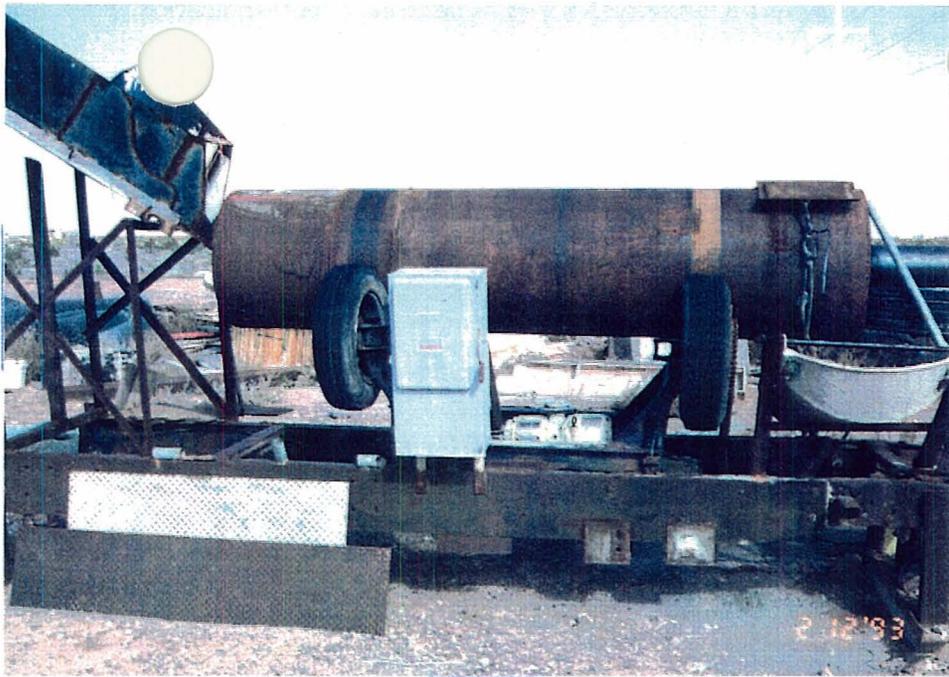
Photograph #65 - Shows items stored
on north end.
Photo by G. Miller 2/12/93



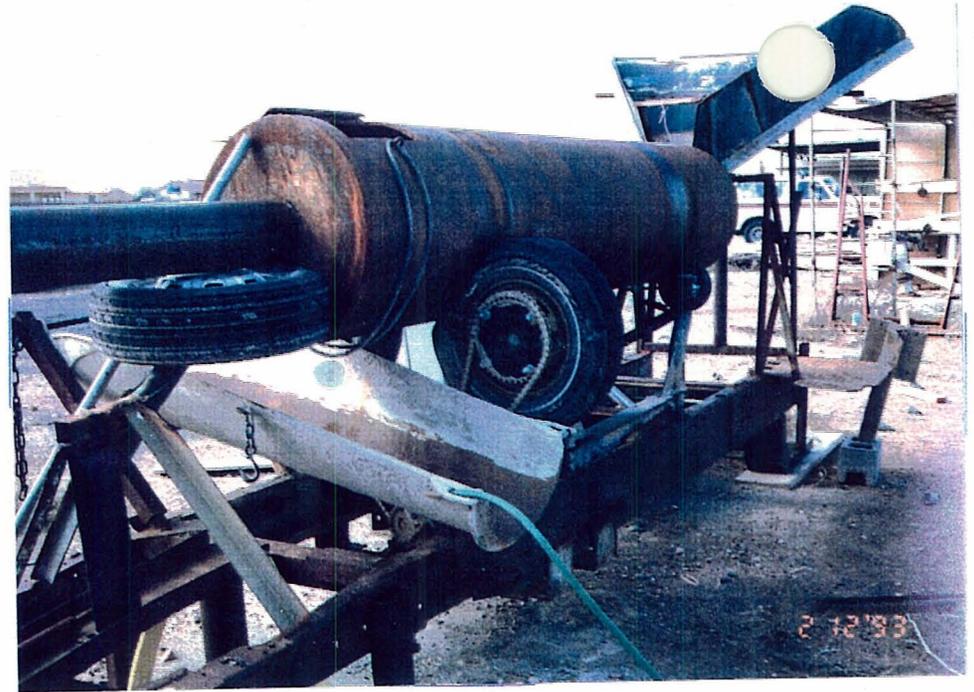
Photograph #66 - Shows shop area and
items stored near it.
Photo by G. Miller 2/12/93



Photograph #67 - Shows
debris stored next to
shop.
Photo by G. Miller
2/12/93

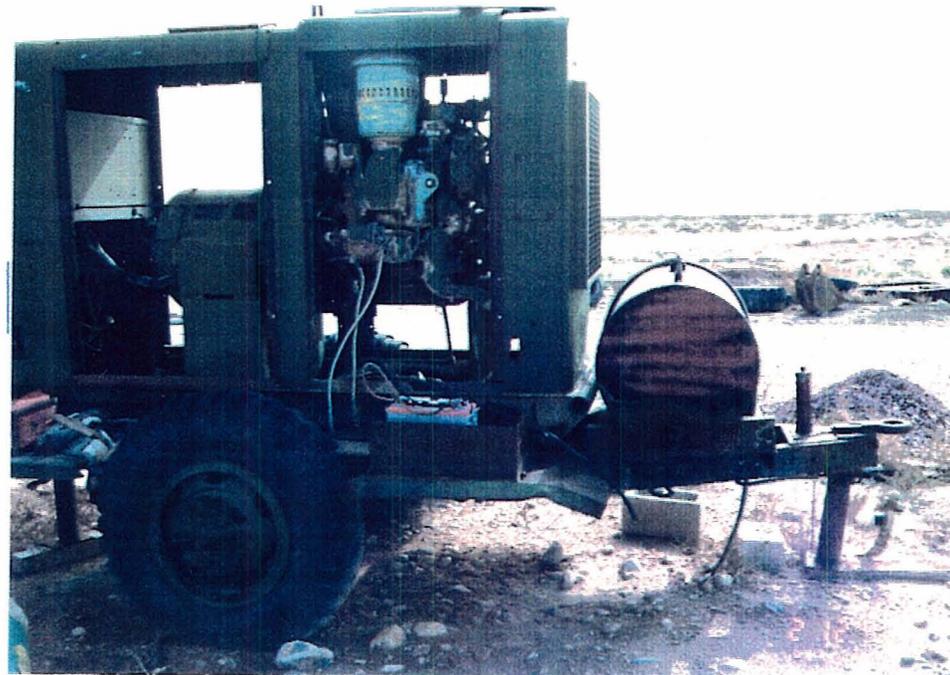


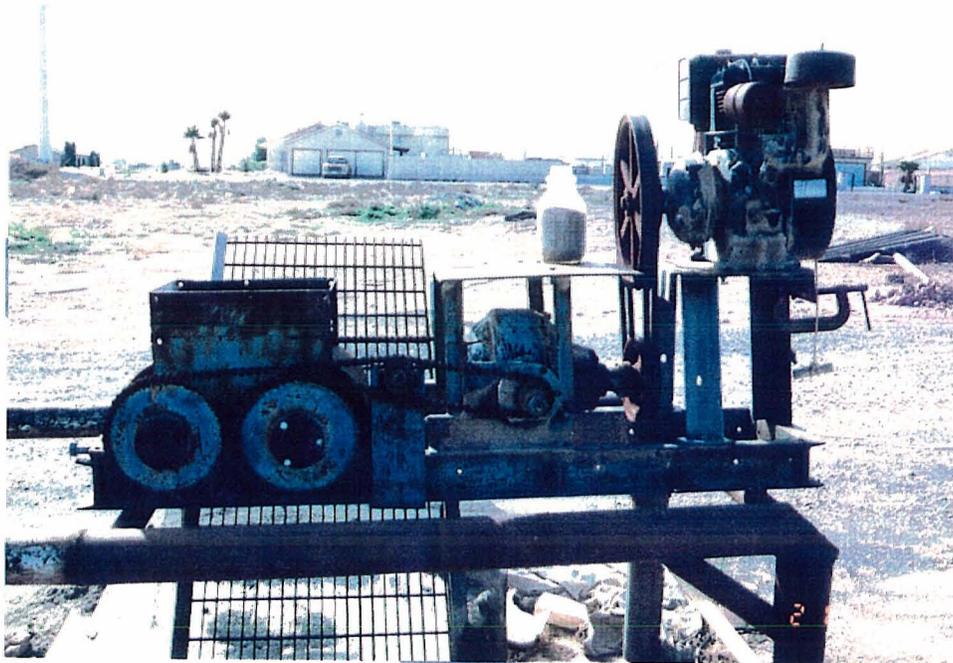
Photograph #68 - Shows rod mill on
northeast side of claim.
Photo by G. Miller 2/12/93



Photograph #69 - Shows same rod mill
as in photo 68.
Photo by G. Miller 2/12/93

Photograph #70 - Shows
generator.
Photo by G. Miller
2/12/93





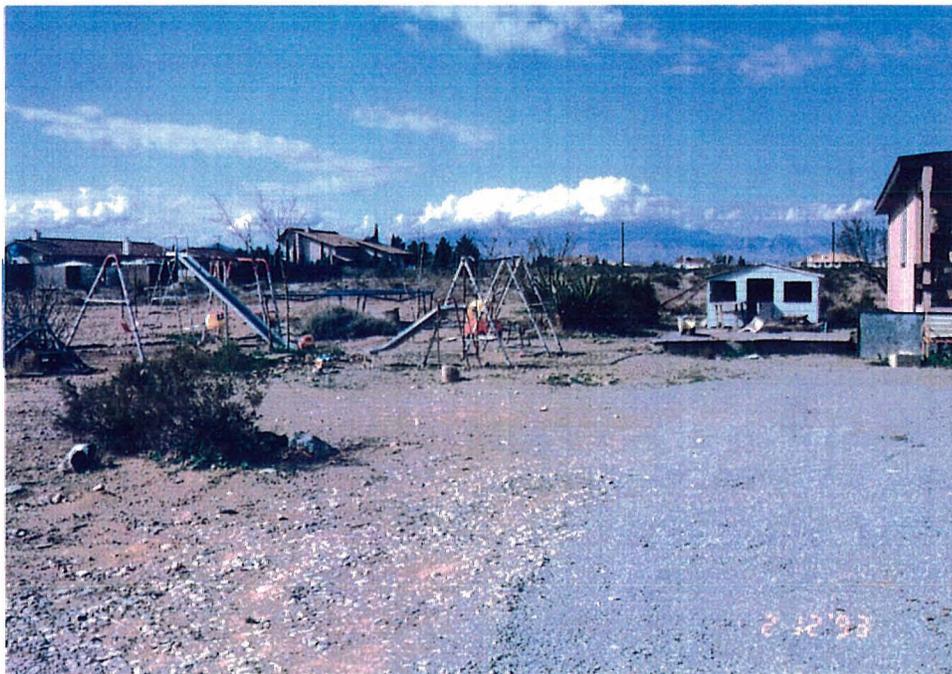
Photograph #71 - Shows small ball mill
with gasoline engine.
Photo by G. Miller 2/12/93



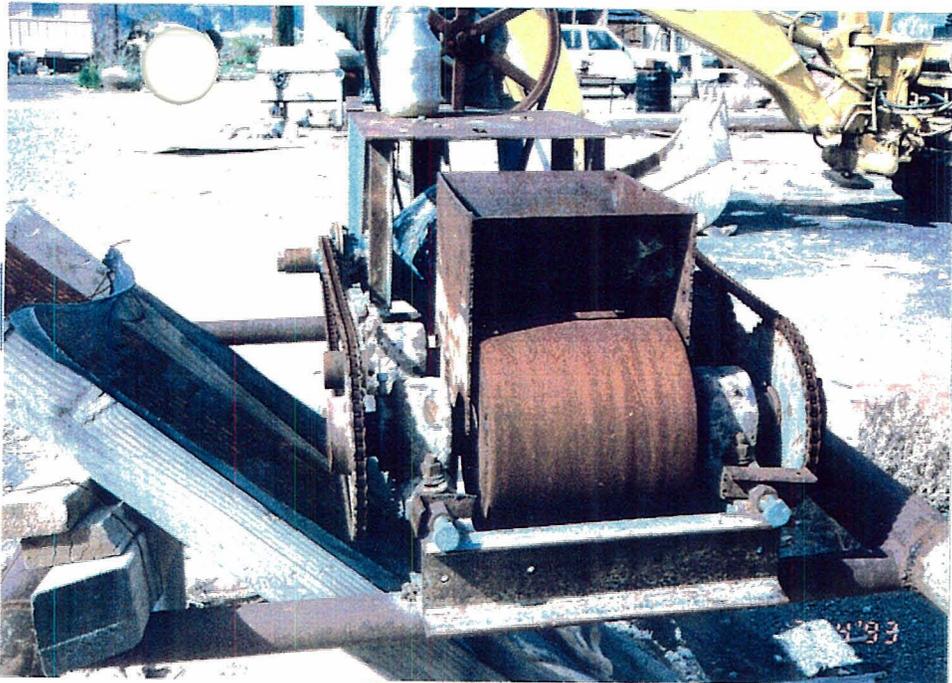
Photograph #72 - New gasoline driven mill
sitting in shop area.
Photo by G. Miller 2/12/93



Photograph #73 - Shows residence and
childs playhouse.
Photo by G. Miller 2/12/93



Photograph #74 - Shows childs playhouse
and swingsets.
Photo by G. Miller 2/12/93

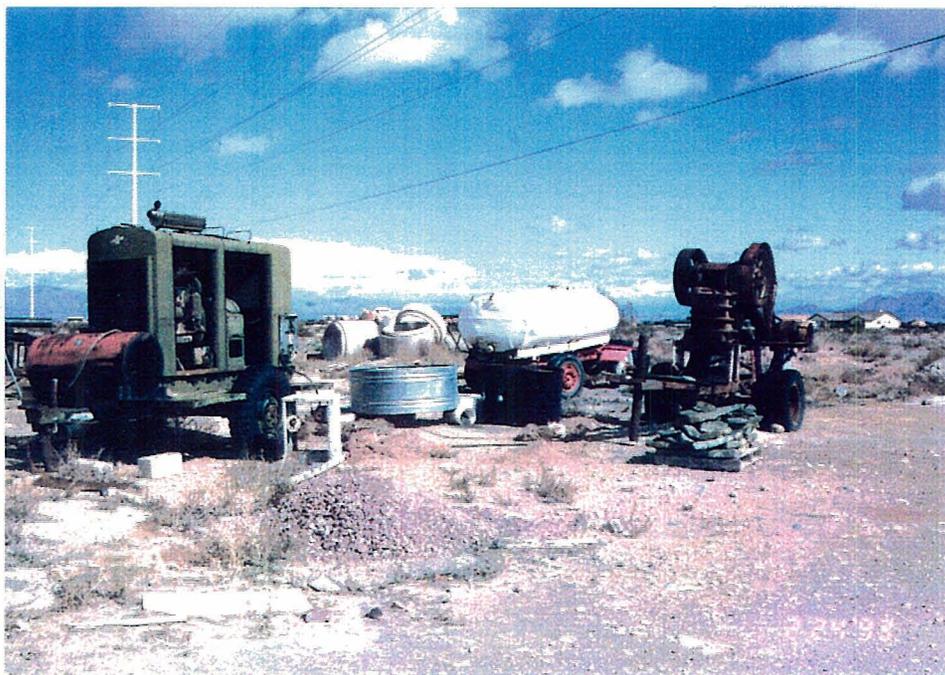


Photograph #75 - Shows close up
of small ball mill.
Photo by E. Seum 2/24/93



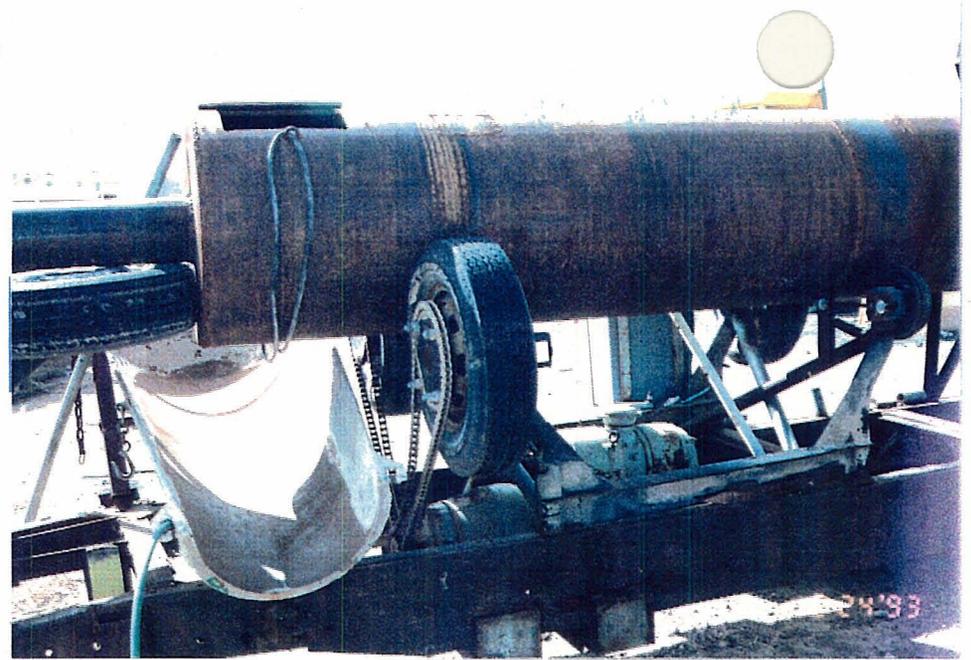
Photograph #76 - Distance shot of
small ball mill.
Photo by E. Seum 2/24/93

Photograph #77 -
Shows crusher,
generator and tank.
Photo by E. Seum
2/24/93



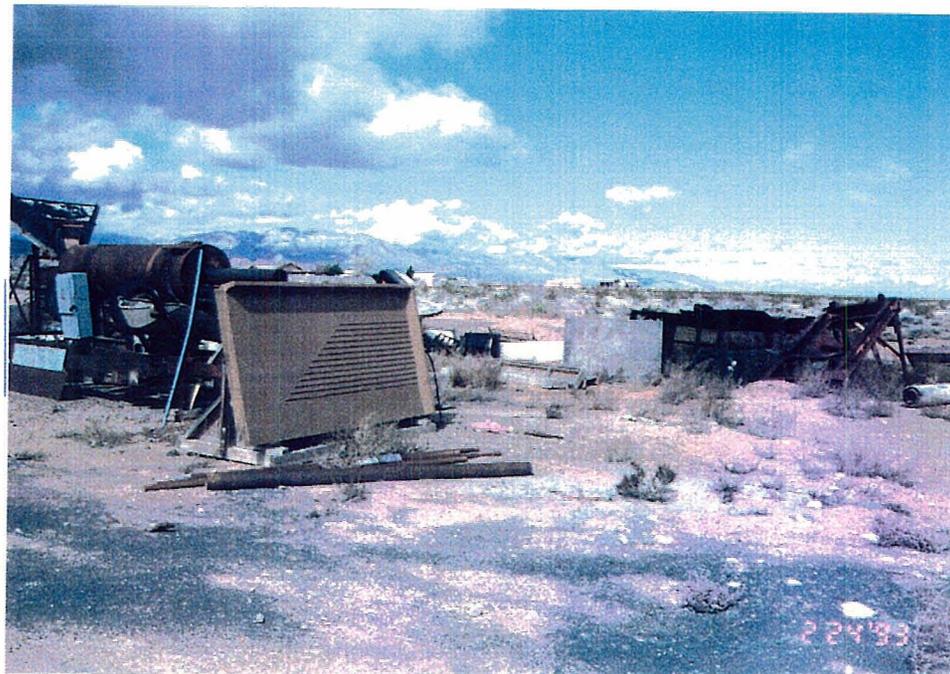


Photograph #78 - Close up of large crusher.
Photo by E. Seum 2/24/93



Photograph #79 - Shows rod mill.
Photo by E. Seum 2/24/93

Photograph #80 - Shows other equipment stored on site.
Photo by E. Seum 2/24/93





Photograph #81 - Shows new mill
under shop canopy.
Photo by E. Seum 2/24/93



Photograph #82 - Shows bags of thiourea
and sodium sulfite.
Photo by E. Seum 2/24/93



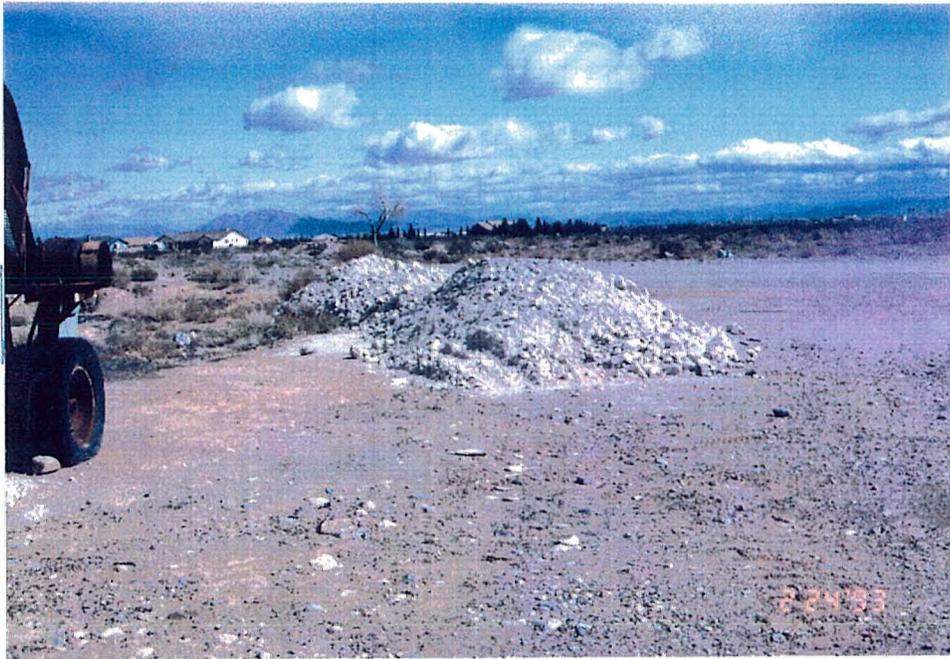
Photograph #83 - Shows
bags of thiourea and
sodium sulfite stored
in shop area.
Photo by E. Seum
2/24/93



Photograph #84 - Panorama looking to the northeast.
Shows debris stored on site.
Photo by E. Seum 2/24/93



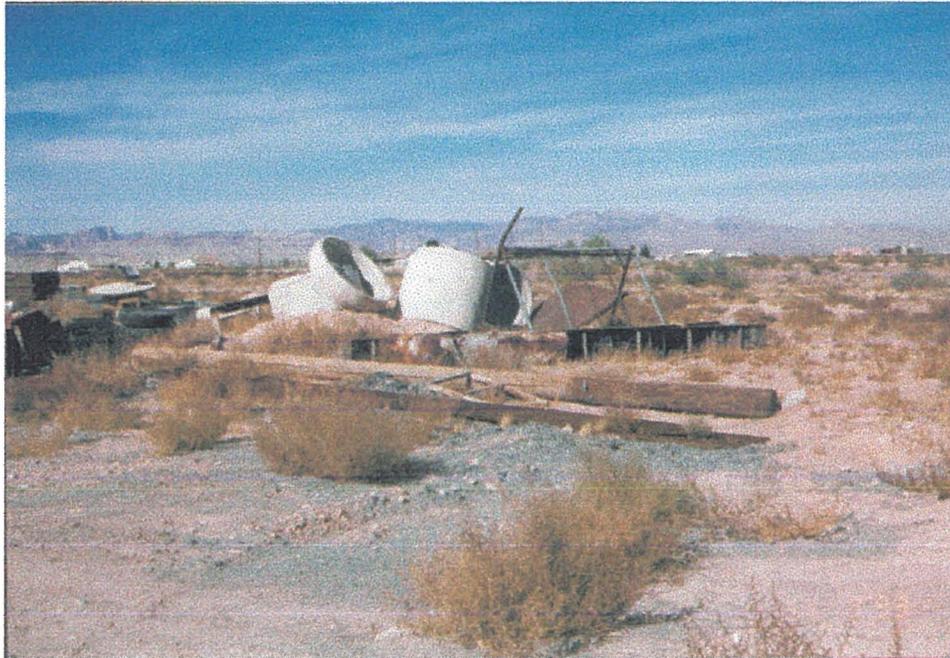
Photograph #85 - Close up of storage
area next to the shop.
Photo by E. Seum 2/24/93



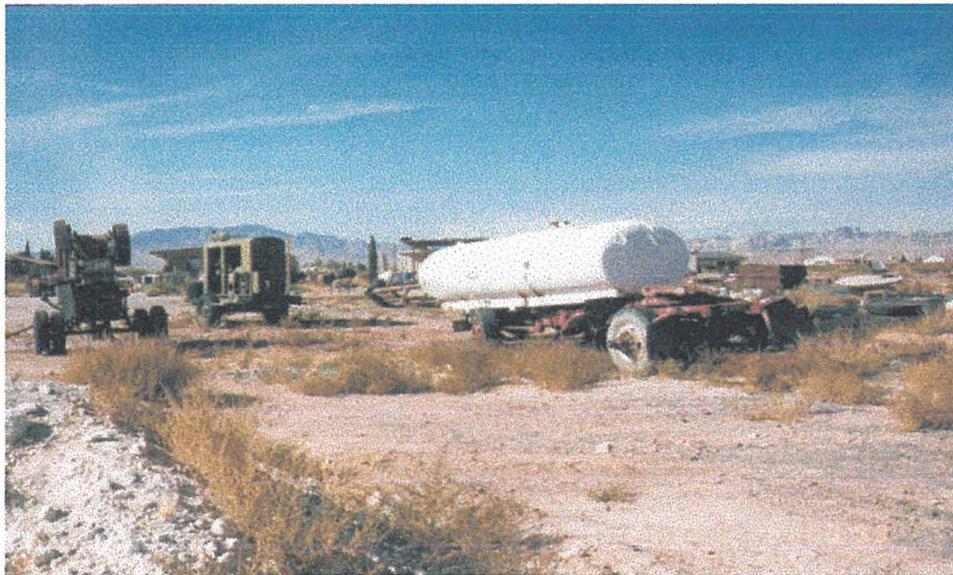
Photograph #86 - Shows stockpile of mineral material on northeast side.
Photo by E. Seum 2/24/93



Photograph #87 - Shows residence and children's play toys.
Photo by E. Seum 2/24/93



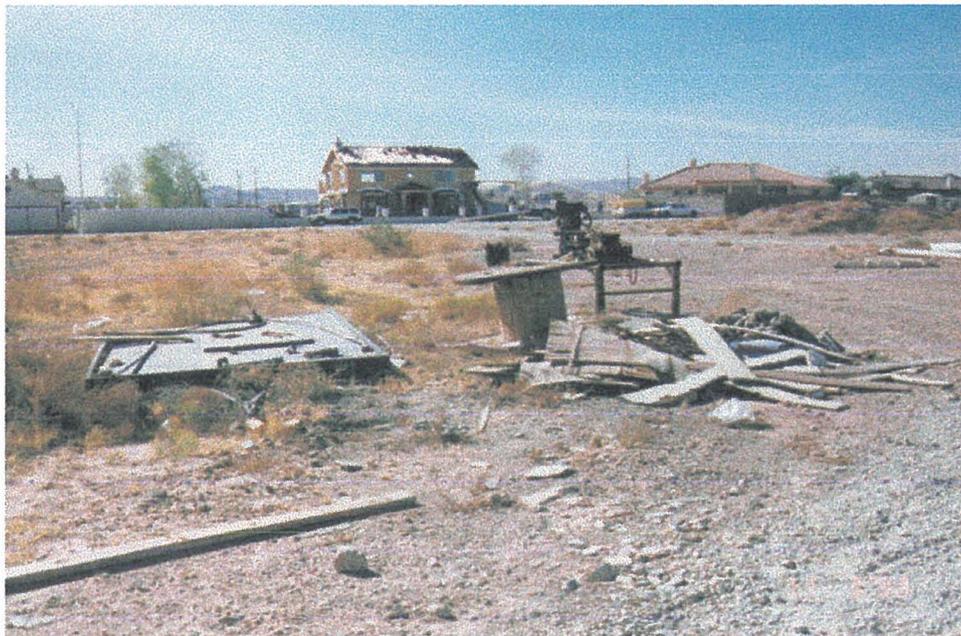
Photograph #88 - Items stored on the northeast side of the claim. Photo by G. Miller 11/3/93



Photograph #89 - Water truck body, generator and large jaw crusher. Photo by G. Miller 11/3/93



Photograph #90 - Close-up of jaw crusher. Photo by G. Miller 11/93/93.



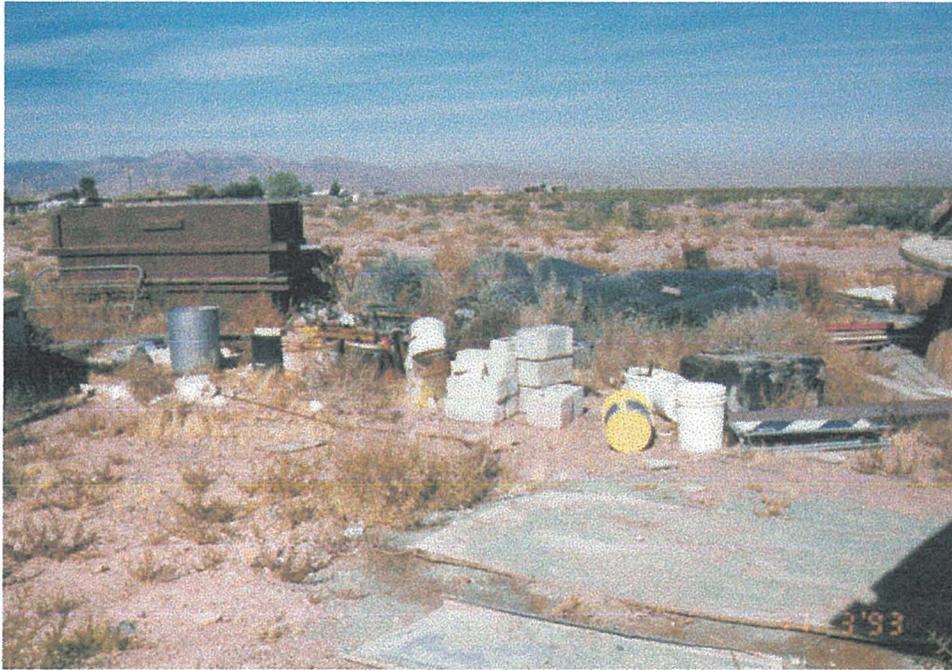
Photograph #91 - Small crusher and wood debris. Photo by G. Miller 11/3/93.



Photograph #92 - Generator on northeast side of claim.
Photo by G. Miller 11/3/93.



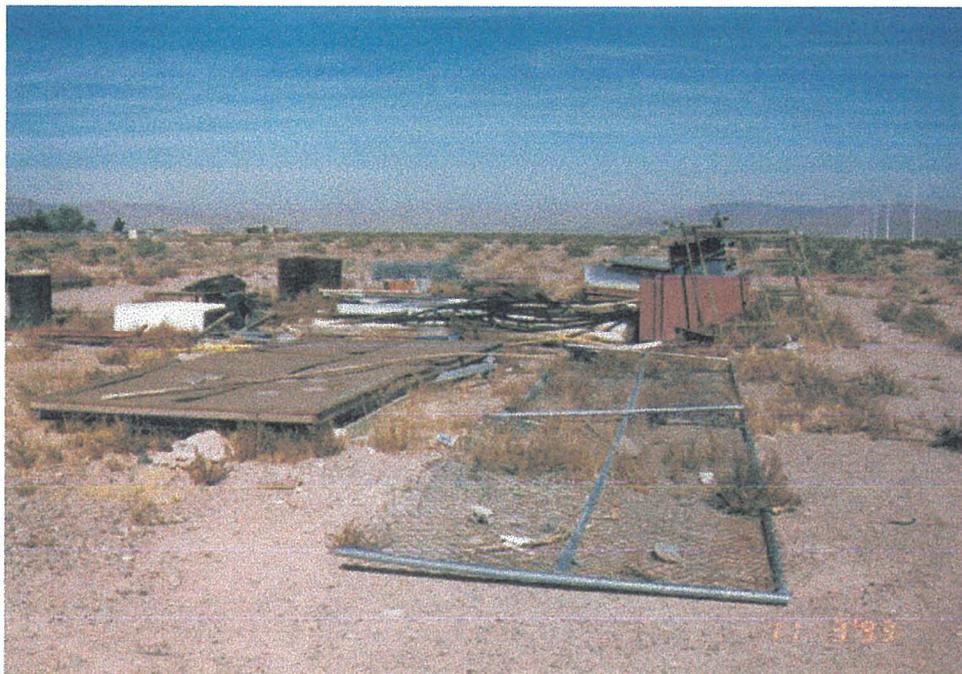
Photograph #93 - Work area on North end of claim.
Photo by G. Miller 11/3/93.



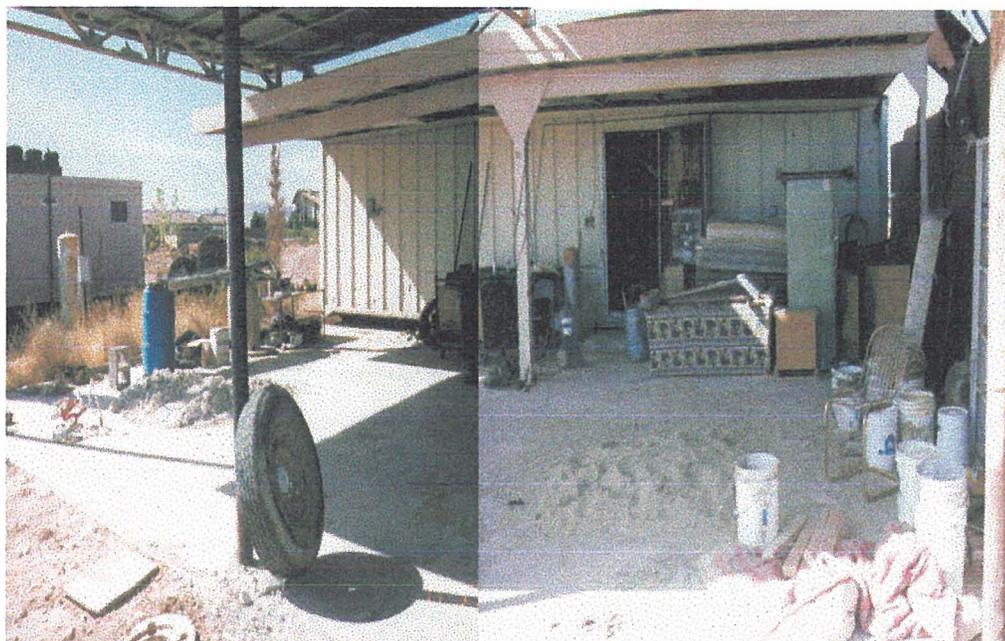
Photograph #94 - Fencing, concrete block and other items on north end of claim. Photo by G. Miller 11/3/93.



Photograph #95 - Taken looking west along the northern edge of the claim. Photo by G. Miller 11/3/93.



Photograph #96 - Fencing and other debris. Photo taken by G. Miller 11/3/93.



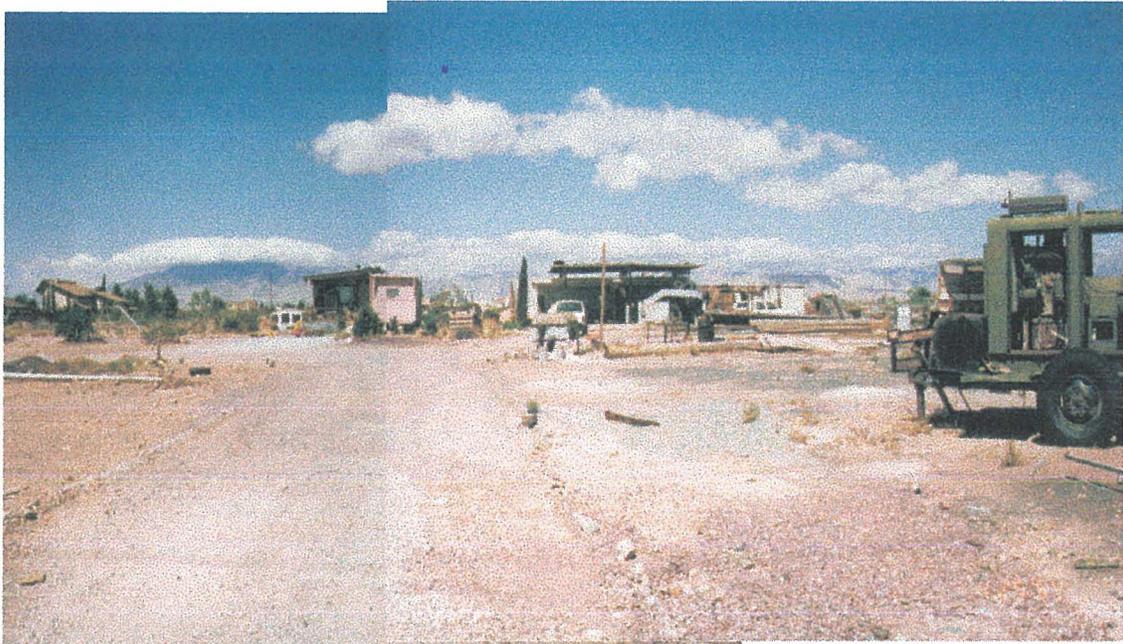
Photograph #97 - Composite photos showing shop area. Photo by G. Miller 11/3/93.



Photograph #98 - Looking to the southeast. Photo by G. Miller
11/3/93.



Photograph #99 - Storage area adjacent to shop. Photo by G. Miller
11/3/93.



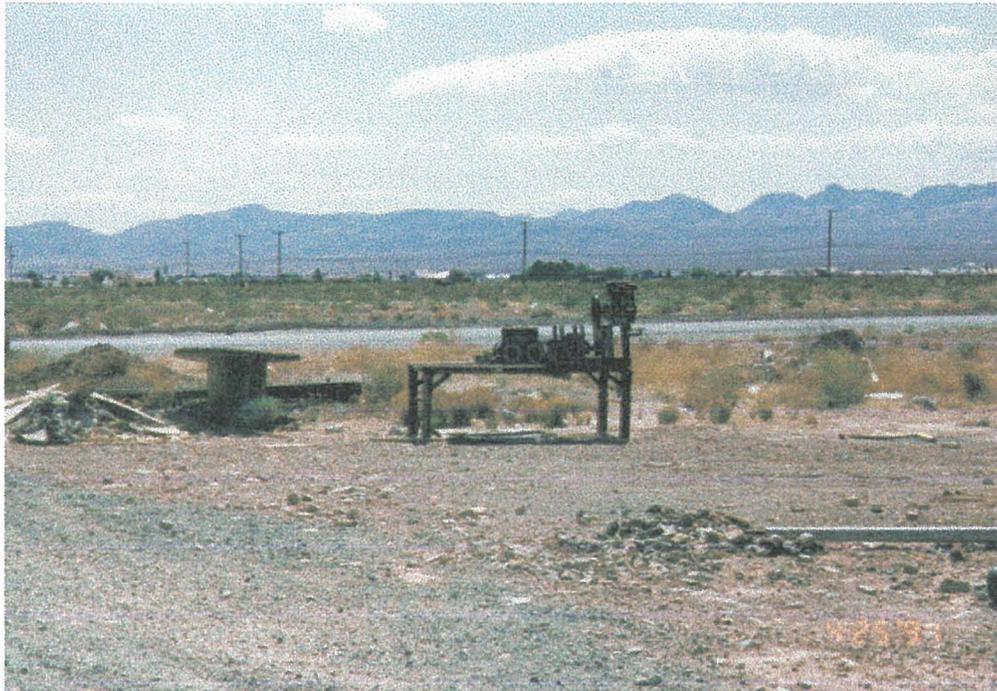
Photograph #100 - Composite photo taken looking west. Shows residence and shop area in background. Child's playhouse and swing set to left of residence. Photo by E. Seum 4/25/94.



Photograph #101 - Stockpiled material and bins located next to entrance on east side of claim. Photo by E. Seum 4/25/94.



Photograph #102 - Composite photo showing equipment on northeast corner of claim.
Photo by E. Seum 4/25/94.



Photograph #103 - Photo of small crusher. Photo by E. Seum 4/25/94.



Photograph #104 - Taken looking toward northeast side of claim. Shows mining equipment, work area, plastic pipe and wood. Photo by G. Miller 12/20/94.



Photograph #105 - Photo of crusher. Photo by G. Miller 12/20/94.



Photograph #106 - Accumulation of items on north central portion of claim. Photo by G. Miller 12/20/94.



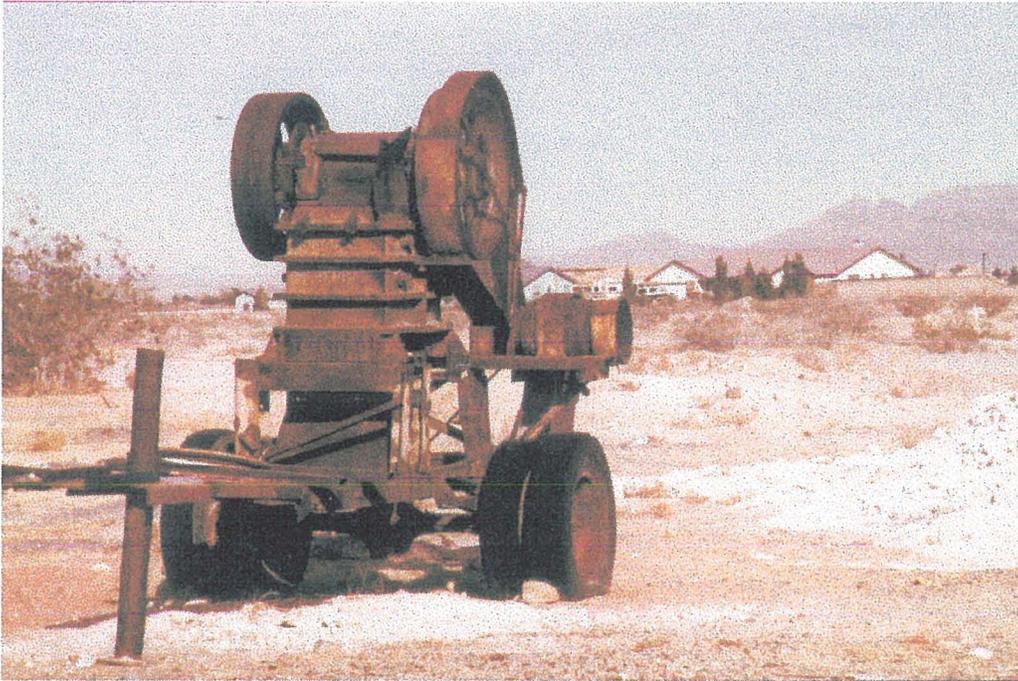
Photograph #107 - Photo of inoperable rod mill. Photo by G. Miller 12/20/94.



Photograph #108 - Stockpile of crushed rock on east side of claim next To entrance road. Photo by E. Seum 12/4/96.



Photograph #109 - Close-up of crushed rock in stockpile in Photograph #108. Photo by E. Seum 12/4/96.



Photograph #110 - Picture of crusher. Photo by E. Seum 12/4/96



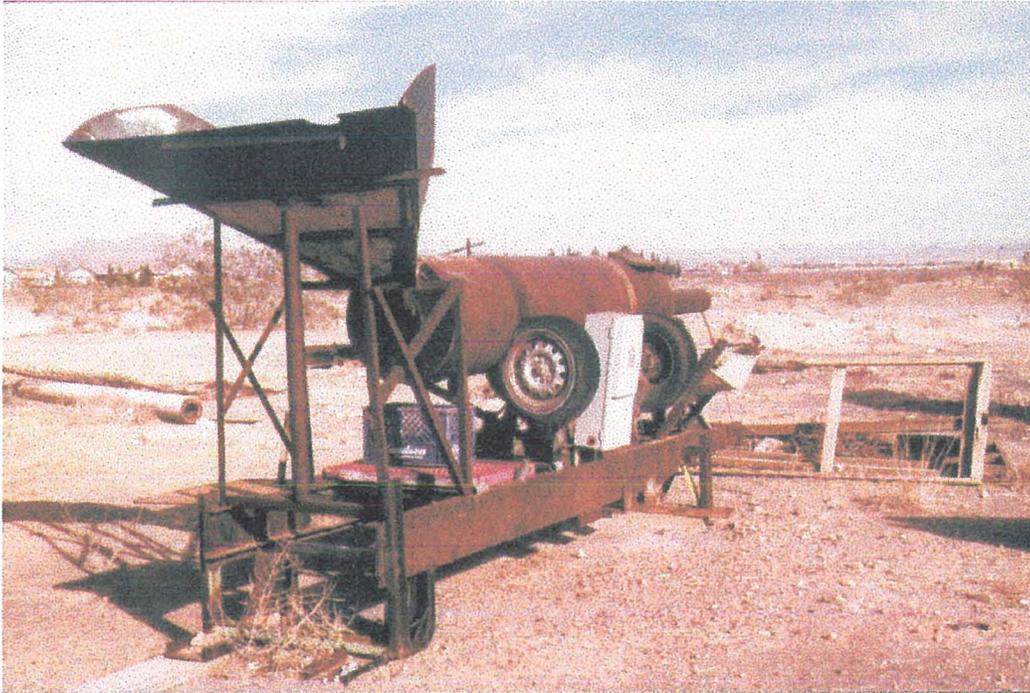
Photograph #112 - Shows tanker body, wood debris and other items.
Photo by E. Seum 12/4/96.



Photograph #113 - Shop area on northwest of claim. Camper and backhoe/loader under canopy. Photo by E. Seum 12/4/96.



Photograph #114 - Generator used to power crusher in photo #110. Photo by E. Seum 12/4/96.



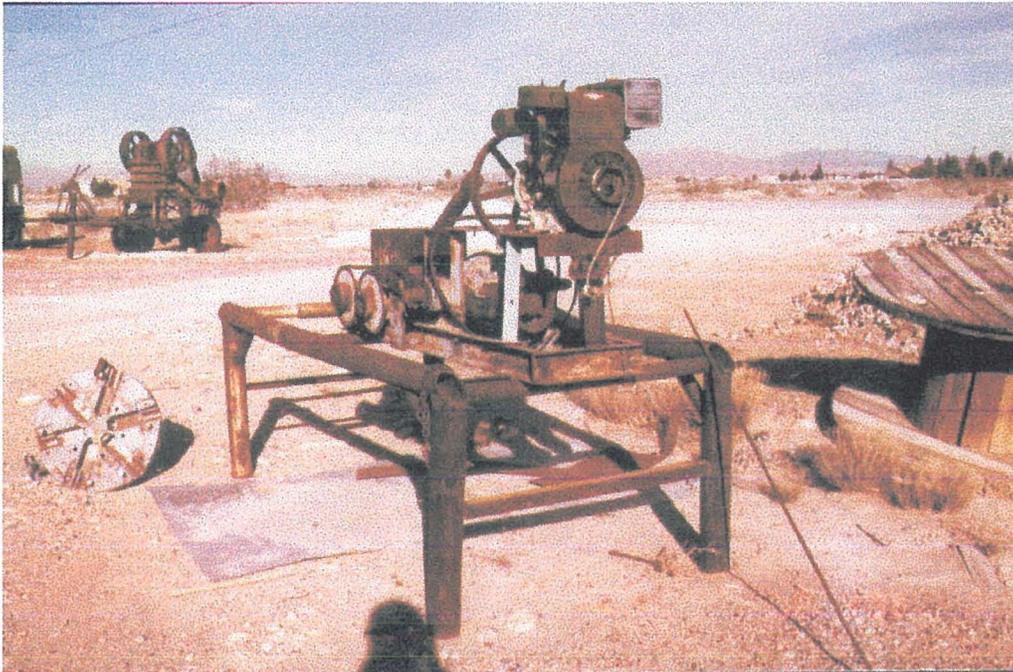
Photograph #114 - Inoperable rod mill on northeast corner of claim.
Photo by E. Seum 12/4/96.



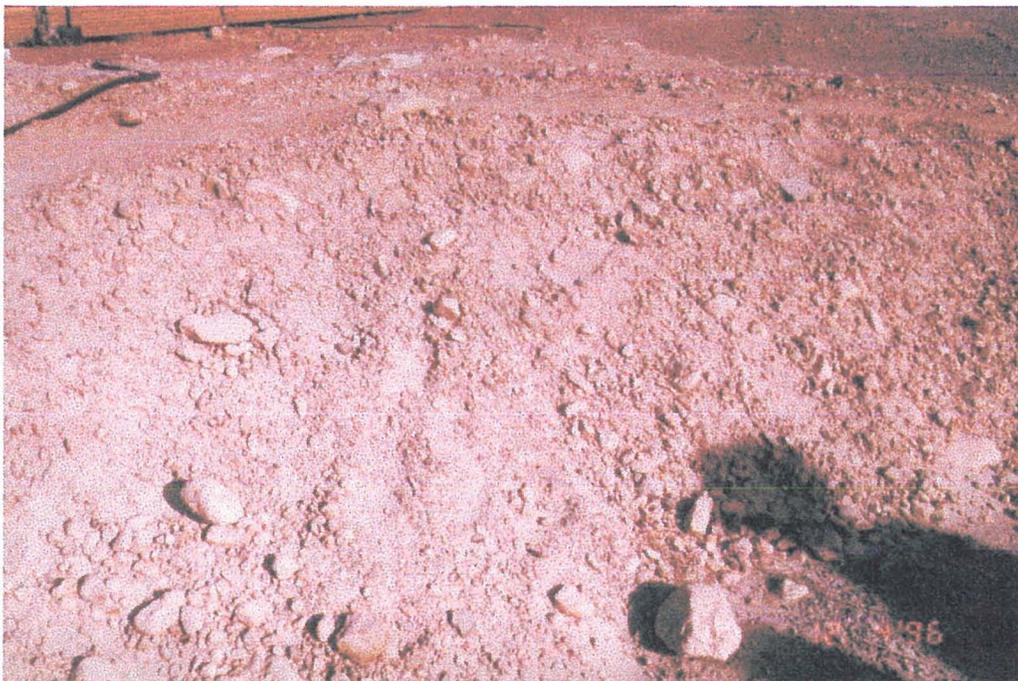
Photograph #115 - Shows shop area and residence. Photo by E. Seum
12/4/96.



Photograph #116 - Photograph of residence. Photo by E. Seum 12/4/96.



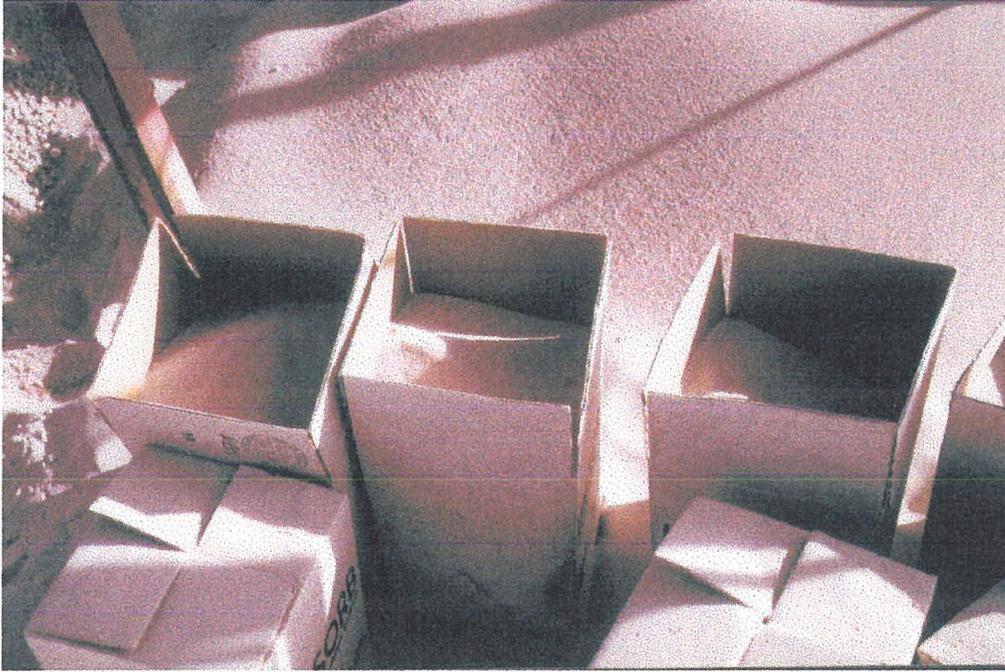
Photograph #117 - Shows small crushing unit with larger one in the background. Photo by E. Seum 12/4/96.



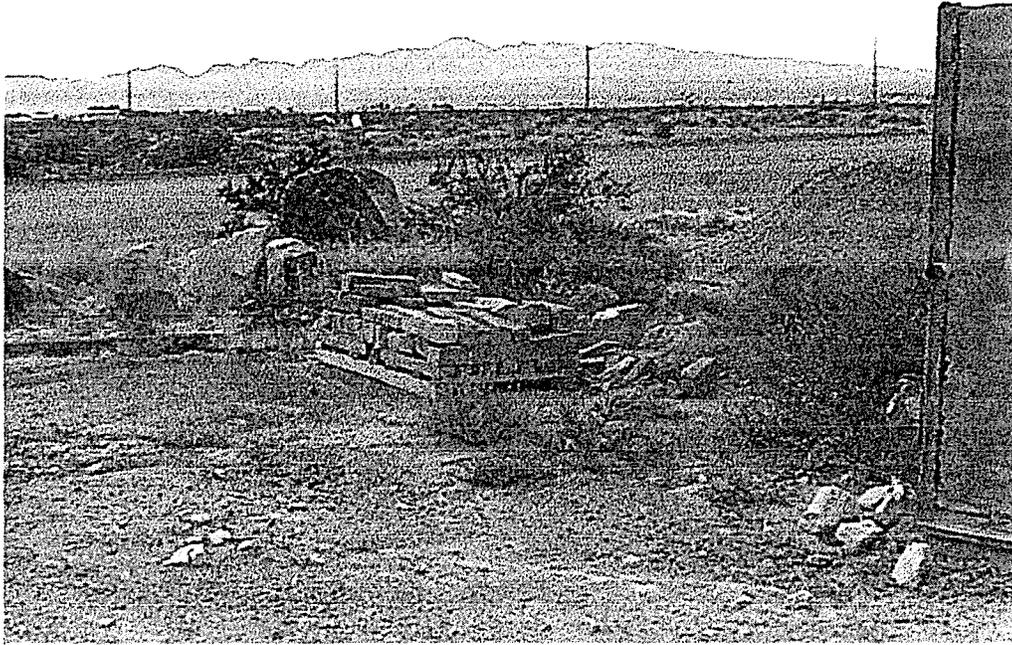
Photograph #118 - Small pile of silica material from Pearson's private lands near Pioche, NV. Photo by E.Seum 12/4/96.



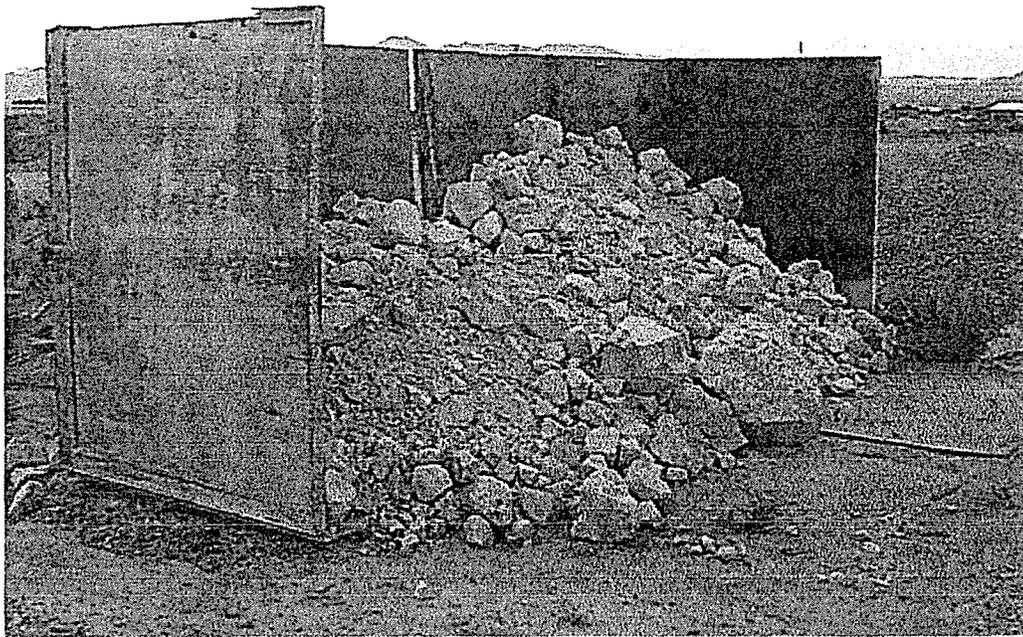
Photograph #119 - Silica material at the base of the jaw crusher. Mark Chatterton and Wayne Pearson to left. Photo by E. Seum 12/4/96.



Photograph #120 - Closeup of filled boxes at base of crusher in above photo. Photo by E. Seum 12/4/96.



Photograph #121 - Shows small pallet of rock near eastern entrance. Photo by E. Seum 9/3/98.



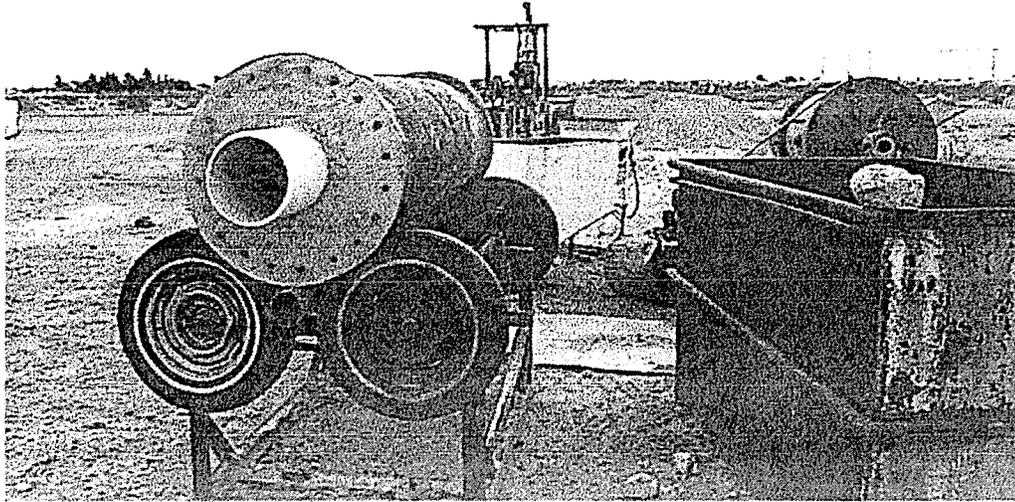
Photograph #122 - Silica material stockpiled near eastern entrance. Photo by E. Seum 9/3/98.



Photograph #123 - Small loader/backhoe next to small crusher. Photo by E. Seum 9/3/98.



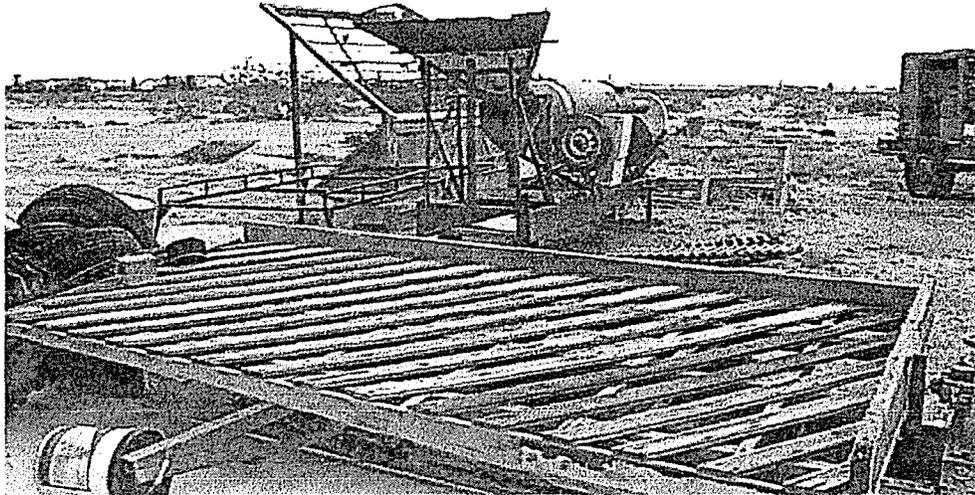
Photograph #124 - Stockpiled material on the northeast of claim. Miscellaneous items in background. Photo by E. Seum 9/3/98.



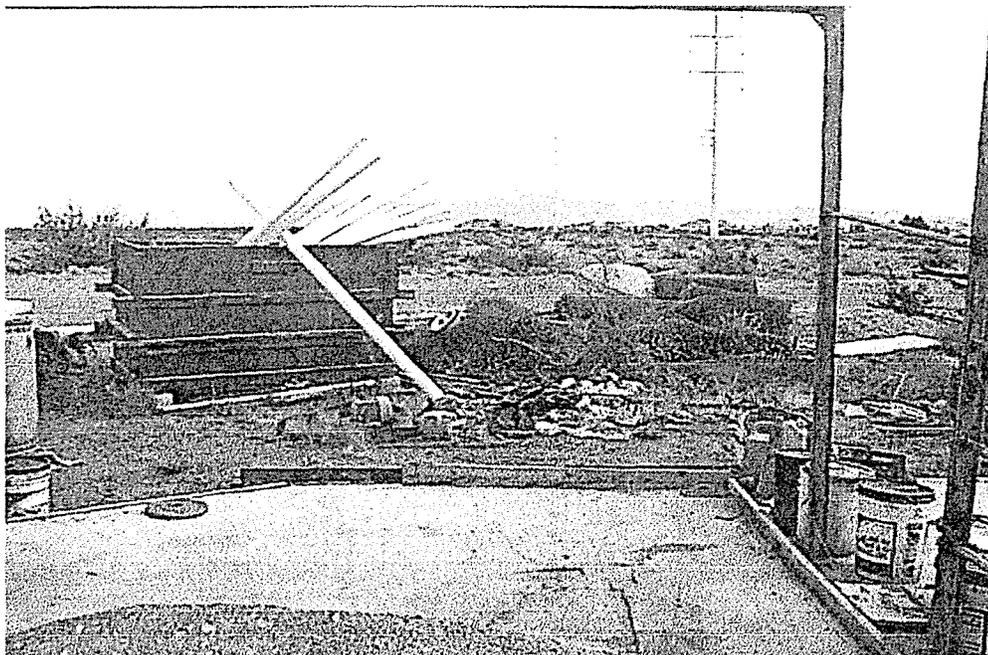
Photograph #125 - Rod mill which is new to the site not set up to operate.
Photo by E. Seum 9/3/98.



Photograph #126 - Looking toward the northeast. Material stockpile in
foreground with vegetation on and around it. Photo
by E. Seum 9/3/98.



Photograph #127 - Inoperable rod mill in center of photo. Photo by E. Seum 9/3/98.



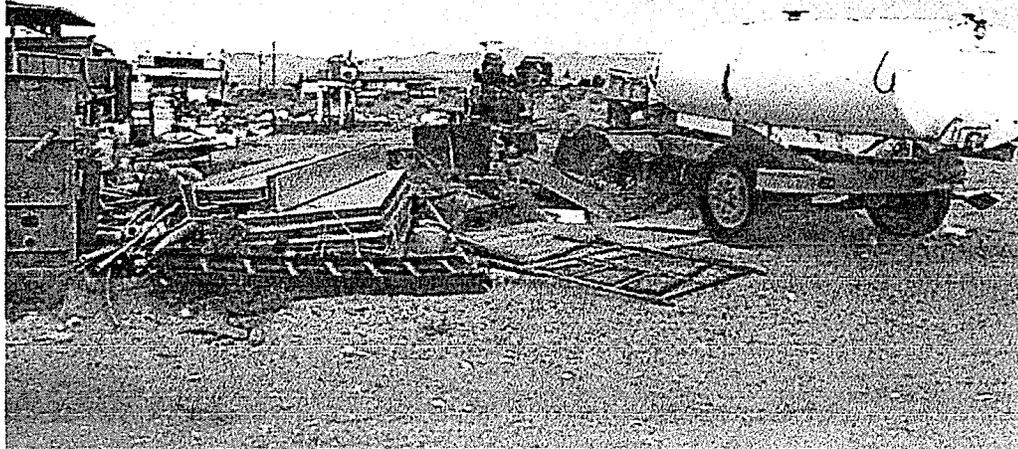
Photograph #128 - Shows fencing and other debris on north end of claim. Photo by E. Seum 9/3/98.



Photograph #129 - Shows residence and shop area. Jeep being worked on in shop area. Photo by E. Seum 9/3/98.



Photograph #130 - Shows shop area and items on northwest end of claim. Photo by E. Seum 9/3/98.



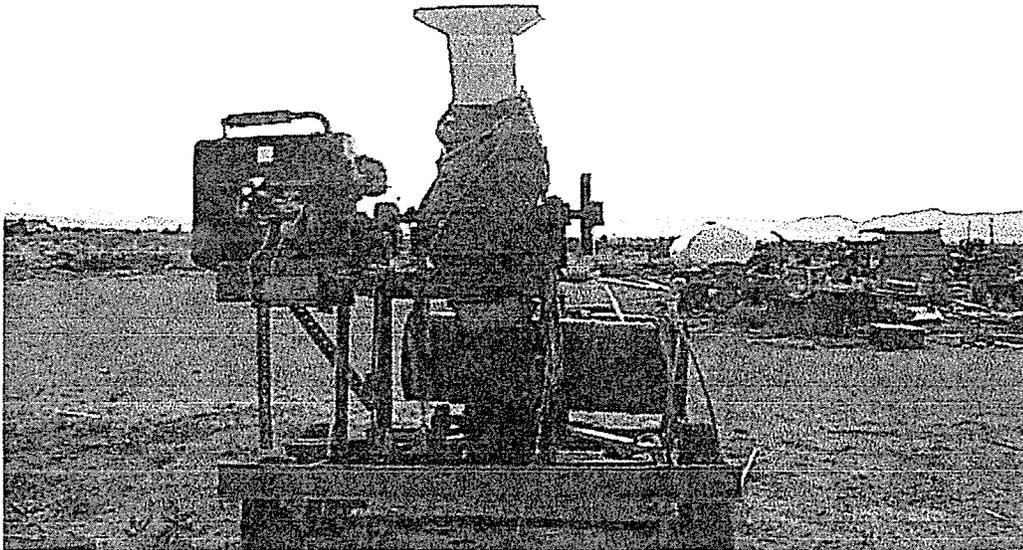
Photograph #131 - Water tanker on right. New crusher, center, background.
Photo by E. Seum 9/3/98.



Photograph #132 - Close-up of bee keeping materials, outside north end of shop. Photo by E. Seum 9/3/98.



Photograph #133 - Bee keeping materials stacked next to small travel trailer. Photo by E. Seum 9/3/98.



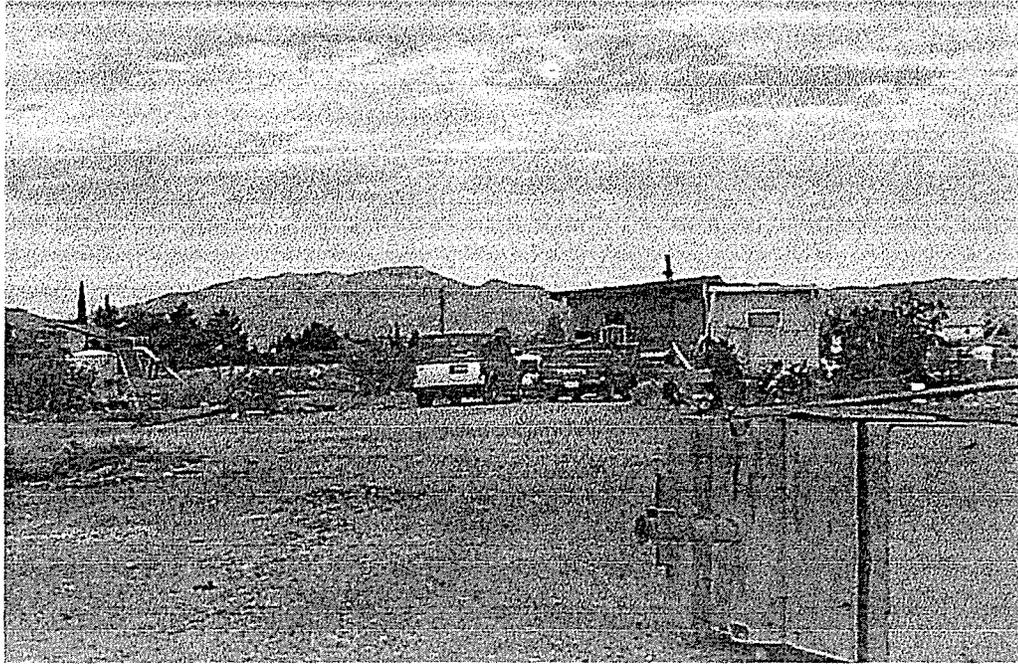
Photograph #134 - Shows new portable crusher brought on to the claim. No signs of use. Photo by E. Seum 9/3/98.



Photograph #135 - Debris on the north end of the claim. Photo by E. Seum
9/3/98.



Photograph #136 - Close-up of shop area. Photo by E. Seum 9/3/98.



Photograph #137 - Looking west at residence. Photo by E. Seum 9/3/98.

ATTACHMENT C

Dear Sir,

this is a independent millset
here are the receipts
for 91" + 92".

RECEIVED

6:30 AM

APR 29 1993

LAS VEGAS DISTRICT
BUREAU OF
LAND MANAGEMENT

For Official Use
(See page 100)

INFORMATION REPORT

CONFIDENTIAL

State of California

1964

ATTACHMENT D

CI#91-0724

Continuation, March 10 1992

Page 2

She stated that she lived on the site with her children to provide security for the mill site and its equipment. She told me that she lived there approximately 9 months out of the year, with her four children. Another daughter, Janice, also lived there with one child.

Helen Crooks allowed me into the trailer after I asked her if any part of the trailer was used for mining purposes. She showed me the desk, which she stated was used for mining, but admitted that the rest of the trailer was used as living quarters after claiming that the kitchen was used for assay work. In the kitchen, I noted only dishes, utensils, and food; no glassware or chemicals, or other materials, used in mineral assay work were visible. I took a photograph of the desk; it was being used at that time for sewing.

Helen Crooks was hostile during the visit, claiming that I was trying to drive her off of the land. She demanded to know why Barry Lagan of Public Response was there, and I told her that he was there at my request.

On the rest of the site I noted some mining equipment. However, the shed with bicycles, construction glass, and trash was still present, as were numerous pallets of concrete block, vehicle parts, batteries (one of which had leaked onto the ground), etc.

On March 17 1992, Roger Pearson, Helen Crooks, and David Woodford came to the BLM District Office to meet with Ed Seum and I. We discussed their use of the land, and answered some of my questions. Points brought up during the meeting included:

Roger Pearson admitted that Wayne Pearson, his father, had installed the underground bunker. Neither he nor Helen Crooks could provide any mining-related reason why the bunker was necessary for mill site operations.

Roger Pearson admitted that the construction equipment on the site--road grader, front end loader, and water truck were discussed--were being used for Pearson Brothers Construction, and not for mill site operations.

Helen Crooks admitted that the blading of the southeast corner of the lot, at the intersection of Cougar and Edmond, had been done in the last "two" months.

We discussed the issue of the construction business being run from the mill site, and I pointed out to Roger Pearson that I believed the facts clearly showed that he was using a mill site to operate a construction business. I

CI#91-0724

Continuation, March 10 1992

Page 3

then asked Roger Pearson "am I wrong?" He replied that he was running the construction business from the mill site.

I showed all three persons the relevant/applicable portions of 43 CFR dealing with unauthorized use, and explained the criminal penalties to them. They agreed to comply with the regulations, and I explained that if they worked with Ed Seum and terminated their improper uses of the mill site, I would not proceed to bring criminal charges. However, if they failed to cooperate with Seum, I would have little choice but to initiate criminal prosecution.

The following day Wayne Pearson telephoned me. He told me that the reason the bunker was installed was because he needed a high point on the mill site to have a gravity flow for his water tank. Rather than do a lot of surface disturbance to get a hill for gravity flow, he excavated a hole, buried some old fuel tanks in it, and used the dirt he had excavated to mound over the top of the tanks. That, he said, gave him a place to park the water truck to provide a gravity flow to the mill site.

Further investigation pending.



R.L. August
District Ranger
3-30-92

U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

INCIDENT RECORD

1. Office Stataline Resource Area				2. Office Code N V 0 5 4				3. Case No. 92 1 1				
4. Location of Incident Cougar/Edmond, LV			5. Twp. Rge. Sec.		6. Date Occurred 1 0 2 4		7. Day of Week 9 2		7. 24 Hour Time 1 1			
8. Unauthorized Use/ Incident Code 9 5			9. Nature of Incident Unauthorized Use				10. How Reported observed					
11. Reported by				12. Address (Include zip code)				13. Phone (Include area code) Home Business				
14. Received by				15. When Received Date Time				16. When Investigated Date Time				
17. Investigated by R.L. August				18. When Cleared Date Time				19. Radio Call Sign				
21. INVOLVED PERSONS			22. ADDRESS (Include zip code)				23. PHONE (Include area code)		24. SEX	25. RACE	26. AGE	27. DA BI
Pearson, Roger Archibald			8625 S. Edmond, LV, NV 89139				702-361-7372		M	W		12-1-5

28. Details of Incident (If additional space is needed, attach extra sheets)

I visited the mill site claimed by Ilene Pearson, and operated by her husband Wayne Pears. I have made many previous visits to this mill site claim, and both Ilene and Wayne Pears have been previously cited for Unauthorized Use of public lands. During an earlier investigation, I had discovered that their son Roger Pearson was operating his construction business, "Pearson Brothers Construction", from the mill site. Roger Pearson had admitted the violation, and--in exchange for not being criminally prosecuted by BLM--had agreed not to operate his construction equipment from that mill site claim nor to use it as a repair facility for his construction equipment.

When I visited on October 24 1992, I observed two tractors with front-end-loader and back attachments; pulled in under the shed in front of the "garage". (This is a semi-truck trailer, sitting on the ground, outfitted with repair equipment, spare parts, and a desk with telephone.) I recognized one of the loaders from previous visits as belonging to Roger Pearson, and used in his construction business. A man named Larry Thomas, who refused to identify himself further, stated that he was there to perform repair work on Roger Pearson's equipment. He refused to answer any questions other than to provide his name.

Roger Pearson arrived then, and admitted that he was again using the mill site for repair on his construction equipment. He stated that he normally does his repair work at the Cedco Inc. facility, but that their shop was busy so he decided to do the work at the mill. He was cited for Unauthorized Use, with a mandatory appearance date of December 8 1992.

29. PROPERTY STOLEN OR DAMAGED		30. ESTIMATED VALUE		RECOVERED	
				31. DATE	
				32. VALUE	
				COPY	
				USDI-BLM, Las Vegas District Office	
				To: MINEAUS	
				By: [Signature] Date: 10-20-92	
TOTAL		TOTAL		TOTAL	

Investigated by (Signature and Title)

ATTACHMENT E

COPY
USDI-BLM, Las Vegas District Office
To: MINERALS OFFICE
By: [Signature] Date: 3-25-93

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UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA

-oOo-

UNITED STATES OF AMERICA,
Plaintiff,
vs.
ROGER A. PEARSON,
Defendant.

MAG - 93 0032 - M - L R I
Mag Case No. _____
COMPLAINT for violation of
Title 43, Code of Federal
Regulations, Section 2920.1-2(e)
- Unauthorized Use

BEFORE the United States Magistrate Judge, Las Vegas, Nevada, the undersig
complainant, being first duly sworn, states:

That on or about October 24, 1992, in the State and Federal District of Neva
within the boundaries of the Las Vegas District, Bureau of Land Management, ROGER
PEARSON, defendant herein, did knowingly and willfully use public lands for a commer
purpose, without authorization, to wit: PEARSON was observed using his mill site claim
for his commercial construction company; all in violation of Title 43, Code of Fedc
Regulations, Section 2920.1-2(e).

Complainant, as and for probable cause, states the following:

1. Complainant is a United States Ranger with the Bureau of L
Management, Clark County, Nevada, and has been employed as a Ranger for approxima
eleven (11) years.

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2. The following information is the result of either complainant's own personal investigation, or has been provided to him by other law enforcement officers:

(a) On August 20, 1991, your affiant visited a mill site claim at the north corner of Edmond and Cougar Streets, Las Vegas, Nevada; all located on public land managed by the Bureau of Land Management, Clark County, Nevada.

(b) Your affiant observed two persons repairing/maintaining a piece of construction equipment, that is, a front end loader. Both persons identified themselves as employees of ROGER PEARSON, and admitted they were working on equipment at that site for the "Pearson Brothers" Construction Company.

(c) Your affiant had a telephone conversation with ROGER PEARSON on August 22, 1991, wherein PEARSON admitted that his construction equipment used the mill site.

(d) Your affiant again visited the mill site claim on March 10, 1992. Your affiant observed David Woodford at the mill site. Mr. Woodford identified himself as an employee of PEARSON.

(e) On March 17, 1992, your affiant met with PEARSON at the Bureau of Land Management District Office, Las Vegas, Nevada. PEARSON admitted that the construction equipment on the mill site was used for his construction company, not for mining work.

(f) At the March 17, 1992, meeting with PEARSON, your affiant further advised PEARSON that the storage or maintenance of his construction equipment was a criminal violation of Bureau of Land Management regulations. Your affiant reviewed applicable regulations with PEARSON.

(g) Also at the March 17, 1992, meeting with PEARSON, Bureau of Land Management Geologist Edward Seum also reviewed the uses allowable on mill site claims with

...

1 PEARSON. PEARSON was advised that operating a commercial construction business is
2 "reasonably incident" to mining.

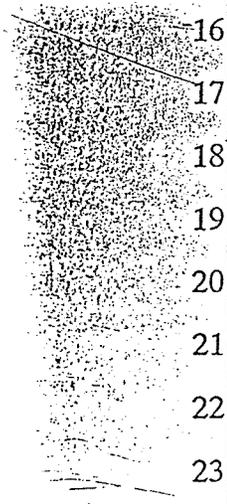
3 (h) On October 24, 1992, your affiant again visited PEARSON's mill
4 claim. Two tractors with backhoe and front end loader attachments were being repai
5 there. PEARSON admitted that he was having his construction equipment repaired at
6 mill site because the facility normally used was "full."

7
8 
9 RANDOLPH L. AUGUST
10 United States Ranger
Bureau of Land Management

11 SUBSCRIBED and SWORN to before me
12 this 12th day of February, 1993.

13 LAWRENCE R. LEAVITT

14 UNITED STATES MAGISTRATE JUDGE



ATTACHMENT F

Ed,

Pearson came into the office and
dropped off this information.

Mark Chatterton met with him

glw

Notes on the meeting

56-87-08N

We

Custom mill site

crushing operation for Dynamic
Technologies Corp.

Jay Holmes

86 - crushing only no
gravity or chemical work
concentrated material via a
table

87 Did a trade for crushing ore
for work

10292

No. L. Everett Ashcroft June 20 1988
 Received from Everett Ashcroft 2403 Maroney St
89104 LV 6280 Dollars
 For Rent of Forty Two Hundred Eighty and 00/100
 from Processing Black Rock Island 1988
 \$ 6280

RECEIPT Date June 6 1988 5829
 Received From Everett Ashcroft
 Address 2403 Maroney St 89104
Forty Eight Hundred and 00/100 Dollars \$ 4800
 For Contracting to Top
hard rock from Orograde Cnm

ACCOUNT		HOW PAID	
AMT. OF ACCOUNT		CASH	<u>4800</u>
AMT. PAID		CHECK	
BALANCE DUE		MONEY ORDER	

 By [Signature]

8K800 REDIFORM

No. L. Everett Ashcroft July 18 1987
 Received from Everett Ashcroft
2403 Maroney St 89104 LV 750 Dollars
 For Rent of Forty Eight Hundred and 00/100
 from Hard rock Contract Processing 1987
 \$ 750

8741625

10-2-92

To whom it may concern

WAYNE PEARSON milled approx
10 TON of ore for me in Jun
of 1987 in exchange for work
we did for him. 100 per ton

Douglas E. Ireland,

Account 3871218
Bank 7348458

Wayne Pearson 10292

UNION PETROCHEMICAL CORPORATION OF NEVADA
 3111 SOUTH VALLEY VIEW SUITE B-103 (702) 871-0909
 LAS VEGAS, NV 89102

11



First Interstate Bank
 of Nevada, N.A.
 National Payment Office 100
 P. O. Box 96583
 Las Vegas, Nevada 89193-9583
 04-08/1224
 00224V-24T

PAY *twelve Hundred & no/100ths*

DATE
3-27-88

AMOUNT
 \$1200⁰⁰

TO
 ORDER
 OF

Wayne Pearson

Thomas R. Kelly

⑆001115⑆ ⑆122400284N⑆00013048⑆

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING CHECK UNION PETROCHEMICAL CORPORATION OF NEVADA

DATE	DESCRIPTION	AMOUNT
	<i>Matthew</i> ORE Contract CONTRACT 2400 ⁰⁰	
	<i>Tom Kelly</i> Paid 1700 ⁰⁰	
	Balance due on completion \$1200 ⁰⁰	

NONNEGOTIABLE

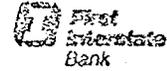
292

UNION PETROCHEMICAL CORPORATION OF NEVADA

3111 SOUTH VALLEY VIEW SUITE B-103 (702) 871-0909

LAS VEGAS, NV 89102

11



First Interstate Bank of Nevada, N.A. Maryland Parkway Office 109 P. O. Box 96553 Las Vegas, Nevada 89103-0553 94-33/1224 68294V-34T

PAY Eight Hundred 00/100 4-19-88 DATE

TO
E
ORDER
OF

Wayne Pearson

AMOUNT
\$ 800⁰⁰

Don Manaway

⑆001137⑆ ⑆122400384⑆102003204⑆

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

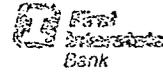
UNION PETROCHEMICAL CORPORATION OF NEVADA

DATE	DESCRIPTION	AMOUNT
4-19-88	Advance Payment for Mill Expense	

NON NEGOTIABLE

UNION PETROCHEMICAL CORPORATION OF NEVADA
 3111 SOUTH VALLEY VIEW SUITE B-108 (702) 871-9909
 LAS VEGAS, NV 89102

11



First Interstate Bank
 of Nevada, N.A.
 Raymond Parkway Office 100
 P. O. Box 83583
 Las Vegas, Nevada 89183-6583
 84-68/1224
 66293V-34T

PAY
 TO
 ORDER
 OF

Sixteen Hundred & no/100ths
 WAYNE PEARSON

DATE 11-11-88 AMOUNT \$1600.00

[Signature]

⑈001188⑈ ⑈122400⑈⑈4⑈10800⑈2048⑈

PAYEE: DETACH THIS STATEMENT BEFORE DEPOSITING CHECK

UNION PETROCHEMICAL CORPORATION OF NEVADA

DATE	DESCRIPTION	AMOUNT
	total 60 for 411111 000	
	As per contract Bal. 1200.00	
	11 Day Extra load 400.00	
	total 1600.00	

2300 South 3600 West
Salt Lake City, Utah 84119
(801) 972-0920

INVOICE NO: _____

INVOICE AND PURCHASE AGREEMENT



Wayne Pearson milled 50 ton for
Dynamic Technologies on mill site
in July & Aug of 1991 for \$2000.00

Jay Holm August 28 1991

10 2 92

A large, stylized handwritten signature in black ink, appearing to be "J. Holm", is written over the date "10 2 92".

Las Vegas, Nevada
(702) 972-4920



PEARSON BROS. CONST.

8585 S. Edmond
LAS VEGAS, NEVADA 89118
Wayne Pearson
(702) 361-2850

CUSTOMER'S ORDER NO.		PHONE		DATE		
				Nov 26 th 92		
NAME <i>D & H Lab</i>						
ADDRESS <i>3958 Looce Pl Sweet #</i>						
SOLD BY	CASH	C.O.D.	CHARGE	ON ACCT.	MOSE. RET'D.	PAID OUT
QTY.	DESCRIPTION			PRICE	AMOUNT	
<i>1</i>	<i>ton Black sand</i>			<i>50</i>	<i>lbs 1000⁰⁰</i>	
<i>Paid in full</i>						
<i>[Signature]</i>						
RECEIVED BY						
					TAX	
					TOTAL	

All claims and returned goods
MUST be accompanied by this bill.

Thank You

1201

Edward G. Marshall

Attorney and Counselor

324 SOUTH THIRD STREET
LAS VEGAS, NEVADA 89101

TELEPHONE 384-7162
AREA CODE 702

JAN 12 7 30 AM '99

WPS

BUREAU OF LAND MANAGEMENT
LAS VEGAS, NEVADA

12 January 1999

Mark Chatterton
Bureau of Land Management
4765 Vegas Drive
Las Vegas, Nevada 89108

Dear Mr. Chatterton,

This letter responds to your letter dated November 19, 1998, addressed to my client, Wayne Pearson. A copy of your letter is attached for ease of reference.

Mr. Pearson has had some health problems (he is now 74) which have slowed him down a bit. This explains the delay in getting our response to you.

In answer to your various questions as posed in the November 19 letter:

1. The Pearson mill site is indeed an independent mill site. It has no direct connection with any mining claims.

2. Production in 1997 was poor due to Mr. Pearson's health problems. This continued into 1998, although 1998 was better. Documentation is not immediately available but is being worked on.

In 1998 Mr. Pearson extended his operations into working with zeolite rock. About 20 tons were processed and sold to one of his sons for fertilizers. This was really somewhat in the nature of an experimental venture since the commercial qualities of zeolite are not entirely developed at this time. It is essentially a volcanic rock. There were no mineral claims, whether patented or unpatented, involved in this. However, Mr. Pearson believes that the source of the zeolite was a patented claim, ultimately speaking. He knows the people who own it, but does not know their name precisely.

This was strictly auxiliary and appendant to the fundamental functions and basic purposes of the millsite which continue to be operation of a quartz mill and reduction works in the traditional legal sense. The quartz ore being processed

comes from one of the mines at Johnny, Nevada. It is hauled to the mill site, crushed and sized, then chemically reduced to separate the metals from the ore. The end product is gold and silver primarily.

Mr. Pearson continues to maintain large quantities of quartz ore on the mill site, most of which comes from the Johnny mine or California.

He has a fully equipped chemical laboratory mounted on a trailer so as to afford mobility. Indeed, taken all together, the Pearson family probably has about a total of \$100,000 in valuable equipment connected with this mill site.

3. You have inquired about Mr. Pearson's "brother Roger Pearson". Roger is in fact one of Mr. and Mrs. Pearson's 13 children (4 sons and 9 daughters). He lives near the mill site, but has no direct connection with it. He is not an employee. He performs miscellaneous chores for his parents, free, on a father-parent basis, from time to time. Based on that information, you perhaps can answer yourself the question whether he is "involved in the mill site operations". My own answer would be NO, NO, not really. Roger has no formal connection with the mill site. He is welcome to come whenever he wants, but rarely does.

4. The residence on the mill site is occupied by Helen Crooks and her 5 children. She is the daughter of Mr. and Mrs. Pearson. Her function is primarily as a watchdog since a great deal of valuable machinery has always been maintained on the property during the past 10 years.

I hope the above responds adequately to your questions. We apologize for the delay that has occurred in getting these answers to you.

You will be interested to learn that Clark County (or perhaps the State) will be oil spraying the Edmond road in the very near future. Other projects are also in view for the further improvement and occupancy of the mill site.

Sincerely,


Edward Marshall



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Las Vegas Field Office
4765 Vegas Drive
Las Vegas, Nevada 89108

In Reply Refer To:
N-56-87-008N
3809
NV-053

CERTIFIED MAIL NO. **2525933**
RETURN RECEIPT REQUESTED

NOV 19 1998

Wayne Pearson
8585 South Edmond
Las Vegas, Nevada 89118

Dear Mr. Pearson:

As you may recall I met with you December 4, 1996 on the Ilene P. Millsite claim as part of a validity examination of the claim. In order to finish the examination I am requesting that you furnish the following information:

- In a letter received in this office on April 29, 1993 you stated that this was an independent mill site. Is this still the case?
- How much production took place during 1997 and 1998 on this mill site (provide documentation)?
- In 1996 you stated that the tuff that was being crushed came from your private lands near Pioche, Nevada. Were the lands where the tuff deposit occurs patented under the Mining Law? If so please provide the patent number.
- Identify by name and location the mining claims from which you are currently receiving materials, if any.
- Is your brother Roger Pearson involved in the mill site operations in any way?
- Who currently occupies the residence on the claim?

Please provide the above information to this office by December 10, 1998. Any questions should be directed to Edward Seum at 647-5070.

Sincerely,

Mark R. Chatterton
Assistant Field Manager
Nonrenewable Resources

attach