

- **SENDER:** Complete items 1, 2, and 3.  
Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).

- ☒ Show to whom and date delivered..... 15¢  
☐ Show to whom, date, & address of delivery.. 35¢  
☐ RESTRICTED DELIVERY.  
Show to whom and date delivered..... 65¢  
☐ RESTRICTED DELIVERY.  
Show to whom, date, and address of delivery 85¢

2. ARTICLE ADDRESSED TO:

3. ARTICLE DESCRIPTION:

REGISTERED NO.

CERTIFIED NO.

INSURED NO.

3971436

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE



Addressee



Authorized agent

4.

DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK

CLERK'S  
INITIALS

UNITED STATES POSTAL SERVICE  
OFFICIAL BUSINESS

SENDER INSTRUCTIONS

- Print your name, address, and ZIP Code in the space below.
- Complete items 1, 2, and 3 on the reverse.
  - Moisten gummed ends and attach to front of article.
  - if space permits. Otherwise affix to back of article.
  - Endorse article "Return Receipt Requested" adjacent to number.

RETURN  
TO



David L. Evans  
(Name of Sender)

1700 Royal Dr.  
(Street or P.O. Box)

78410-Hw, 89503  
(City, State, and ZIP Code)

PENALTY FOR PRIVATE  
USE TO AVOID PAYMENT  
OF POSTAGE, \$300





DAVID LE COUNT EVANS

CONSULTING GEOLOGIST

1700 ROYAL DRIVE

TELEPHONE (702) 747-4101

RENO, NEVADA 89503

June 8, 1978

Mr. Charles B. Edwards,  
Ferguson and Bosworth,  
P.O. Bin 2427,  
Bakersfield,  
California 93303.

Dear Chuck:

It was very good of you to call me this morning and tell me of the current interest in Dixie Valley, as indicated by Amoco's application for 50,000 acres and Gen-Mar's target with BLM for 62,000 acres. The news is very encouraging to those of us who have some 10,000 acres in the same area.

Please find enclosed my analysis of Dixie Valley opportunities, accompanied by maps in a separate pocket. The presentation is accompanied by Exhibits, covering the BLM problem, as well as a letter of transmittal to Bill Charles in Calgary which considers the position of Mr. Benj. C. Charles. I cannot speak for Wightman and Rysch, but assume that they will go along, more or less, with what I have written.

Glad to hear that you did so well on June Lake, even though it was a victory for worms and other bait.

With best regards, I am,

Sincerely,

David LeCount Evans



DAVID LE COUNT EVANS  
CONSULTING GEOLOGIST  
1700 ROYAL DRIVE  
TELEPHONE (702) 747-4101  
RENO, NEVADA 89503

March 22, 1978

Mr. William W. Charles,  
Consulting Geologist,  
2208 Juniper Road, N.W.,  
Calgary 42, Alberta, Canada.

Re: Dixie Valley proposed  
oil/gas exploration,  
Churchill County, Nevada.

Dear Bill:

The attached fourteen pages of geological analysis, accompanied by five interpretive plates, are submitted in support of the captioned proposed program. Our purpose has been to confine the preceding strictly to geology. Other equally important factors are considered in this letter of transmittal.

Leases and Acreage:

Leases have been and are being negotiated through Interior's Bureau of Land Management. Purposes have been to avoid the center of the valley and test the west and east flanks. The exact center has been taken from R. C. Speed's contours, estimated by geophysics, (1976, MC4, Geological Society of America).

Total acres amount to 10,065, of which 6,385 have been granted, with starting date of February 1, 1978.

The 3,680 acres applied for appear to be a matter of time for processing, since no claims are shown in conflict on the B.L.M. master maps.



Acreage totals are summarized as follows: (refer to Plate C)

| <u>Block</u> | <u>Lessee</u>  | <u>Granted</u> | <u>Applied</u> | <u>Total</u> | <u>Comments</u>  |
|--------------|----------------|----------------|----------------|--------------|--|
| Charles B    | Benj.C.Charles | 2,560          |                | 2,560        | East flank   |
| Charles C    | Benj.C.Charles | 2,560          |                | 2,560        | East flank<br>(to Rysh)  |
| Charles A    | Robert Rysh    |                | 2,560          | 2,560        | West flank<br>(to Charles)                                       |
|              | P. Witt        |                | 320            | 320          | Adjoins<br>Block A   |
|              | R. Sommerfeld  |                | 160            | 160          | Adjoins<br>Block A   |
| Rysh         | Robert Rysh    | 640            |                | 640          | West flank   |
| Wightman     | Theo Wightman  | 625            |                | 625          | West flank   |
| Rysh         | Robert Rysh    |                | 640            | 640          | $\frac{1}{4}$ sections<br>along west<br>side Charles<br>B Block. |
| Totals       |                | 6,385          | 3,680          | 10,065       |  |

Lessees are:

| <u>Lessee</u>        | <u>Acres</u> | <u>Address</u>  |
|----------------------|--------------|---|
| Mr. Benj. C. Charles | 5,120        | 33871 Mercator Isles, Laguna Niguel,<br>California 92667. |
| Mr. Robert Rysh      | 3,840        | 2204 Lone Tree Road, Fallon, Nv. 89406                    |
| Mrs. Theo Wightman   | 625          | 2200 Lone Tree Road, Fallon, Nv. 89406                    |
| Mr. P. Witt          | 320          | New Unionville, Ohio.                                     |
| Mr. R. Sommerfeld    | 160          | Parma, Ohio.  |
|                      | 10,065       |   |

Obvious is the fact that oil and gas leases cover a very small percentage of the valley floor. Block can be extended by BLM leasing at a reasonable lease cost. To date, no other interest has been evident for the Dixie Valley basin, except for geothermal possibilities, for which the valley is heavily blocked.



Lease Terms and Stipulations:

Reference is made to Exhibits A, B and C, attached to this letter.

Indicated Costs:

Great distances from drilling-servicing centers and expenditures to meet Federal stipulations, assure costs above the national average. Mud programs, cementing services, drill stem testing, et cetera, must rely on Bakersfield or other distantly-based contractors, with the consequent cost of rig or "down" time.

On the basis of current Trap Spring operations, a completed 5000 foot oil well is costing \$450,000; this according to Mr. Kenneth Stracke of Northwest Pipeline, testifying before Nevada's Division of Mineral Resources (September 14, 1977). High servicing costs and costly Federal requirements represent about 25% of the total.

The cost of a dry hole, however, is reportedly set at \$190,000, this according to Mr. William Pennington, President of Western Oil Lands.

Conclusion:

With references to our "Leases and Acreage", Benj. C. Charles controls 51% and Rysh and Wightman 44% of the leases. Acreage is not unitized. Each believes in the area's potential and each is interested in seeing a sound and reputable group explore the possibilities.

Each group must negotiate its own deal. The writer is in no position to propose but would suggest that agreements be tied to the more or less standard approach of

- (1) repayment to lease holders of lease costs;
- (2) a reasonable 'finder's' or production payment;



(3) a basic Overriding Royalty Interest  
(ORI) of 1/16 of the 7/8, after discovery  
and confirmatory completion, on all prod-  
uction.

Trusting that the above, and enclosures, may be of interest  
and with best regards, I am,

Yours very truly,

A handwritten signature in dark ink, appearing to read 'D. LeCount Evans', with a stylized, cursive script.

David LeCount Evans

Consulting Geologist,  
Reno, Nevada.

March 22, 1978



C & R CONSULTANTS LTD.  
W.W.Charles President,  
2208 Juniper Road N.W., Calgary, Alberta Canafa.

June 18, 1978

Dear Ben:

Attached is the submittal to Great Basins. I hope it meets with your approval. I would like to propose the following commission for C and R Consultants Ltd. if the leases are successfully placed. C and R to be granted \$ 5000 out of the \$30,000 on lease sale plus 1% of the over riding rpyalty retained by original lessors. It is also suggested that Taffy Evans be granted \$5000 out of the \$ 30,000 for his part in preparing the geological report. That would give the original lessor, B.C.C. et al double their money or \$ 20,000, plus a 4% ORR convertible to a working interest if production is found. Please let me know your thoughts.

Sgd.

Bill



July 4, 1978

Dear Taffy —

Enclosed copy of Bill's letter - which I read to you on the phone —

Take a pencil and be sure and tell the others that it looks about like this —

EVANS ————— 5000<sup>00</sup>

Then 10,000 acres — if  
they want their bail back  
also — (@ 2.00 per acre) 20,000<sup>00</sup>

---

TOTAL 25,000<sup>00</sup>

On hand balance 5000<sup>00</sup>

---

30,000<sup>00</sup>

Bill didn't know as  
he figured it that others involved —  
I'll leave it up to you what ever  
you work out — It may get a little  
Complicated & leaves about enough for  
a lawyer to draw a good lease —  
More later — best to you two — Ben



**C & R CONSULTANTS LTD.**

W. W. Charles, President E. A. Charles, Secretary-Treasurer

2208 JUNIPER ROAD N.W., CALGARY, ALBERTA, CANADA T2N 3V2 / TELEPHONE (403) 289-7549

*Confidential*

June 18, 1978

Dear Ben:

Attached is the submittal to Great Basins. I hope it meets with your approval. I would like to propose the following commission for C & R. Consultants Ltd. if the leases are successfully placed. C & R to be granted \$ 5,000.00 out of the \$30,000.00 on lease sale plus 1% of the overriding royalty retained by original lessors. It is also suggested that Taffy Evans be granted \$ 5,000.00 out of the \$ 30,000.00 for his part in preparing the geological report. That would give the original lessor, BCC et.al. double their money or \$ 20,000 plus a 4% ORR convertible to a working interest if production is found. Please let me know your thoughts.

Also included is the latest on Norse Petroleum. Did I tell you options are being implemented in Norse at \$12.00 upwards to \$ 20.00 per share

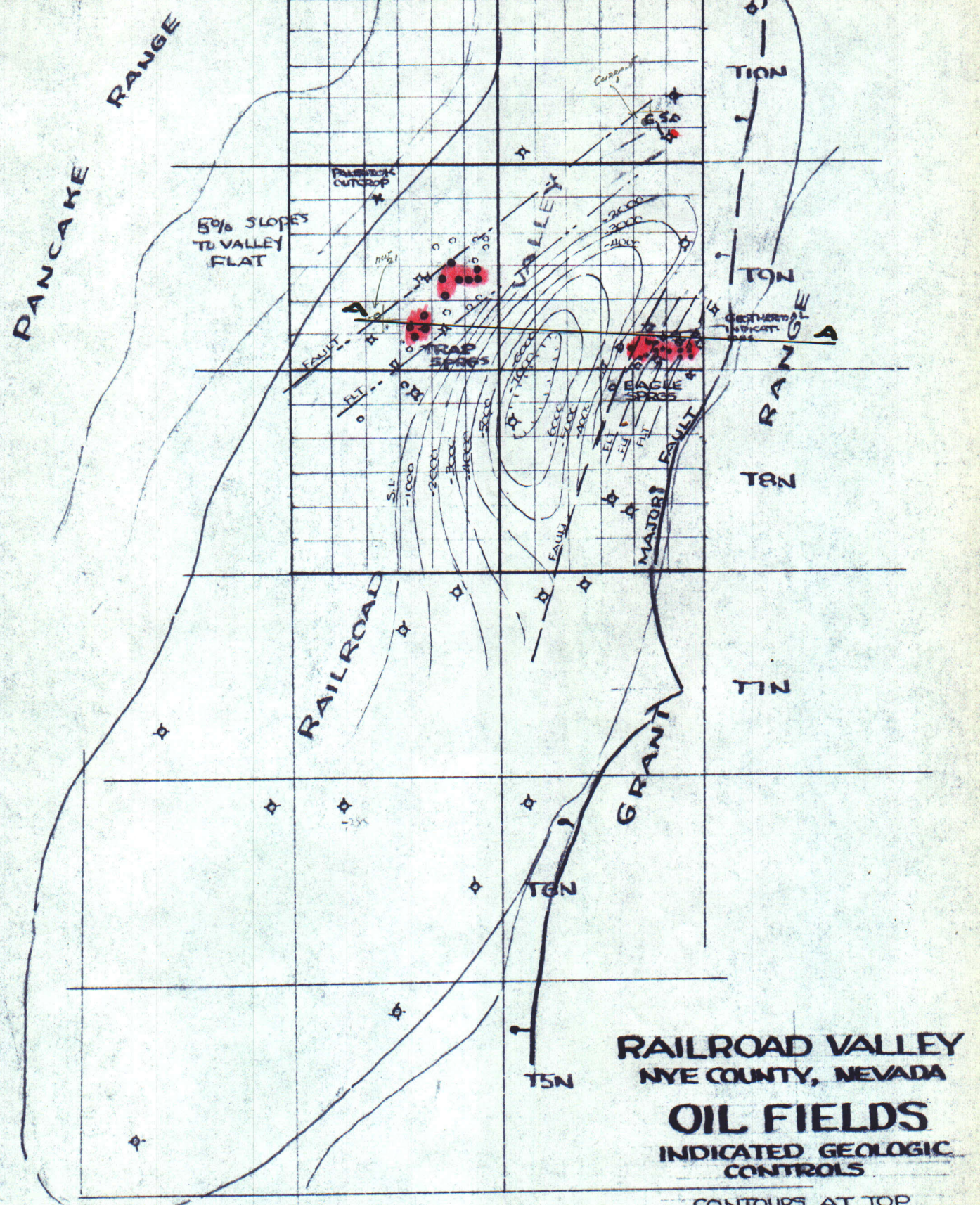
Eve goes in the hospital this week for a brief operation. She is keeping her spirits up and hoping everything will go well.

More later. Keep me posted.

Devotedly,

*Bill*





**RAILROAD VALLEY**  
**NYE COUNTY, NEVADA**  
**OIL FIELDS**  
**INDICATED GEOLOGIC**  
**CONTROLS**

CONTOURS AT TOP  
 OF SILICIFIED VOLCANICS

1 IN = 4 MI

DAVID LECOUNT EVANS  
 CONS. GEOLOGIST

RENO, NEVADA  
 JANUARY 1978



01300124

R56E

R57E

736

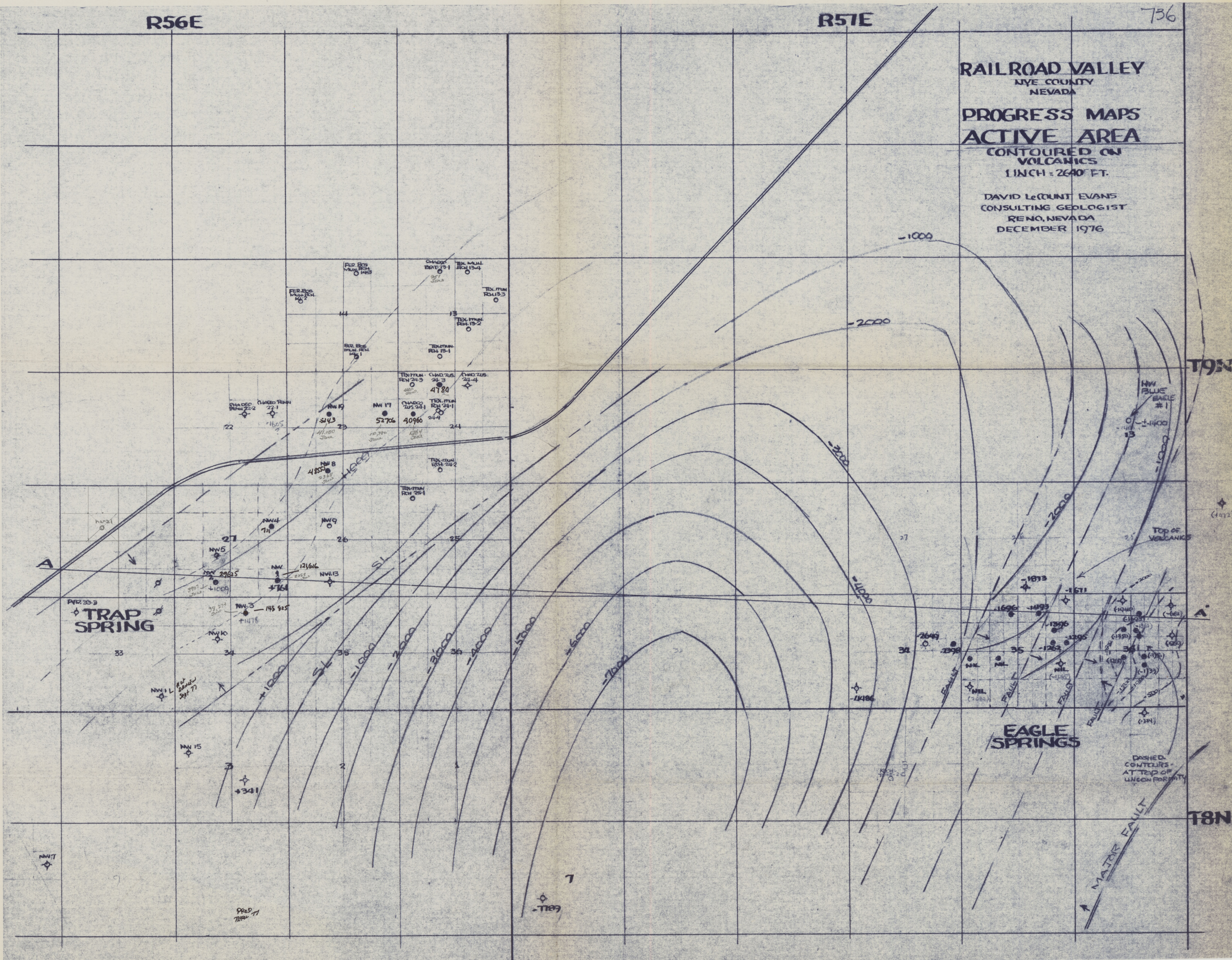
RAILROAD VALLEY  
NYE COUNTY  
NEVADA

PROGRESS MAPS  
ACTIVE AREA

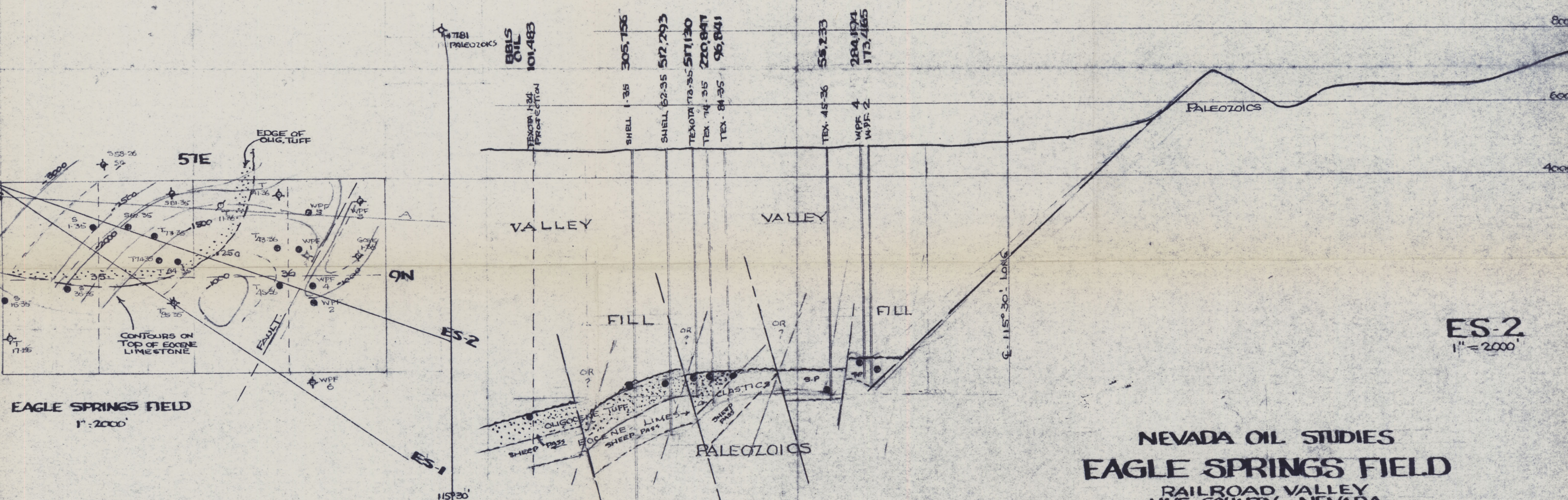
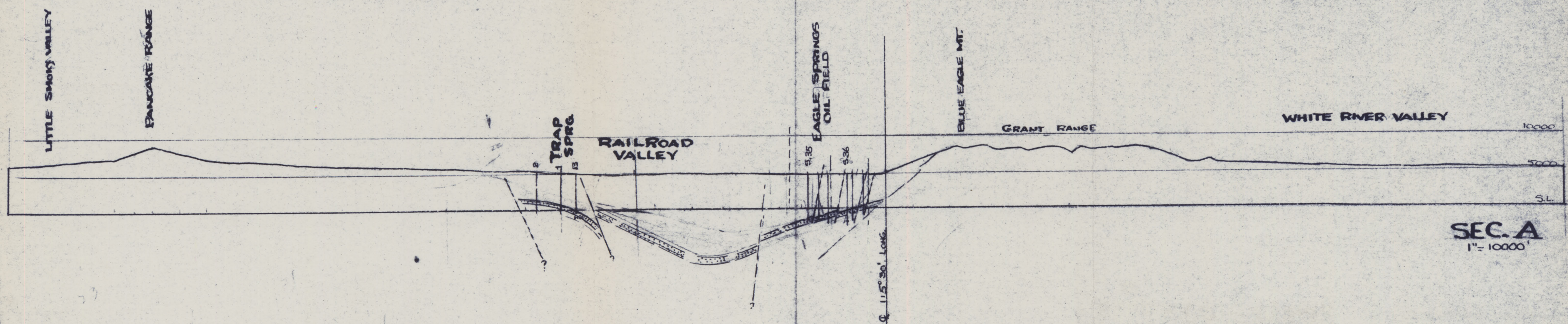
CONTOURED ON  
VOLCANICS

1 INCH = 2640 FT.

DAVID LeCOURT EVANS  
CONSULTING GEOLOGIST  
RENO, NEVADA  
DECEMBER 1976







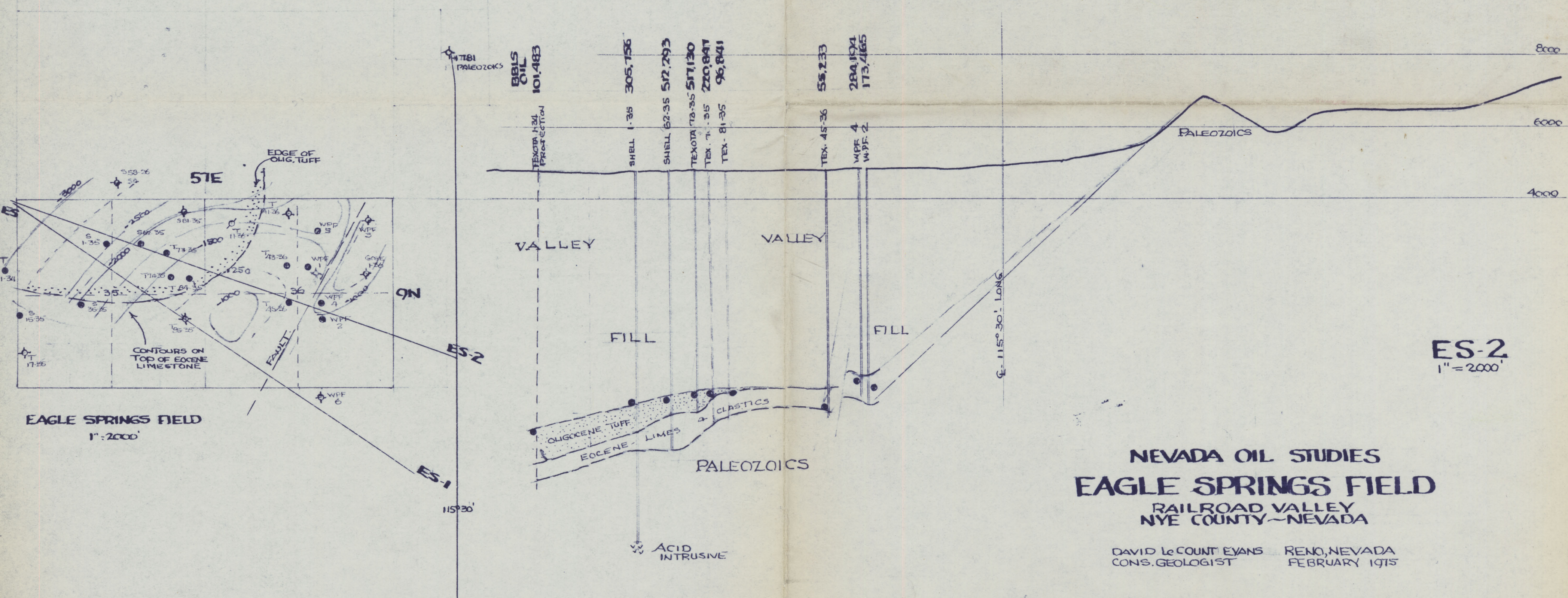
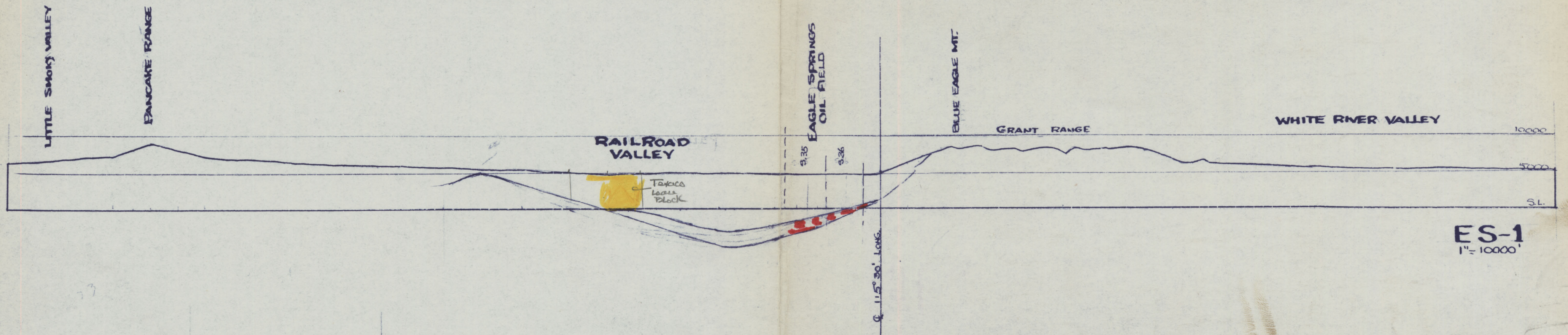
**EAGLE SPRINGS FIELD**  
1" = 2000'

**NEVADA OIL STUDIES**  
**EAGLE SPRINGS FIELD**  
RAILROAD VALLEY  
NYE COUNTY-NEVADA

DAVID Le COUNT EVANS RENO, NEVADA  
CONS. GEOLOGIST FEBRUARY 1915

0130 0124





# NEVADA OIL STUDIES EAGLE SPRINGS FIELD RAILROAD VALLEY NYE COUNTY-NEVADA

DAVID LeCOURT EVANS RENO, NEVADA  
CONS. GEOLOGIST FEBRUARY 1915

0130 0126