prelim Geo-X - I.P. / Toe Group.

Toe Group 801158

June 17, 1968

Mr. John E. White, Post Office Box 1179, Merritt, B. C.

Dear John:

As we couldn't arrange an independent geochemical evaluation of the Toe data in time to use it as an assessment credit on the relevant claims, we have rearranged the programme via the current I.P. survey by Geo-K. This was arranged in a hurry; consequently, I had only time enough to prepare one general coverage map for Geo-K - assuming they would go over this with you for the preliminary details. Briefly, the following is what I blocked out for the Toe group:

Line Line	SW OE/W 74e						incl.		20,250
Line	15E	4500	S.	108	3750	N.			
80 81	224E	8.0	44	8.9	9.9	音音	9.9		
85 81	30E	9.0	9.0	##	9.8	\$1	3.5		
22 87	374E	88	99	11	营 养	#4	81	40	57,750
83 88	45E	9.6	51	91	9.1	51	91		
89 89	524E	9.0	81	22	8.9	88	81		
10 01	60E	83	8.5	91	11	\$1	8.2		

Total----- 78,000 ft. = 12.9 mi. (plus a "provisional" line 67% E. @ 4500 S. = 3750 N, if required).

Initial contract for 12 mi. @ \$345.00 per mi. - which provides simultaneous resistivity and self-potential measurements, one I.P. operator and helper to conduct the survey, mobilization and demobilization for Geo-X personnel, data processing and interpretation - followed by their report with recommendations. They also provide for a minimum one day visit by a Frofessional Engineer for interpretation purposes.

Consolidated Skeena is obligated to provide: a person (you) familiar with the property to direct and layout the survey; provide surveyed (stationed) and cut lines; to helpers for the survey; field accommodation and meals for all project personnel.

Survey mileage in excess of 12 would be charged at \$325.00 per line - mile.

This survey, on 750" - 800" grid-line spacing, will be considered a general reconnaissance. I suggest that additional fill-in or detail I.P. be kept to a minimum for the time being. Generally, this should be deferred until a minimum geochemical evaluation - correlation survey, as originally intended, has been completed. This restriction is particularly important in view of the fact that this is our first experience with Geo-X's "Hewitt" I.P. equipment and staff. The general objective is to provide sufficient I.P. coverage to cover a good part of the central Toe composite geochemically-anomalous zone without greatly exceeding near-future assessment requirements. So, I would expect that you may wish to change my I.P. layouts where this may be done to general advantage - such as deleting possible swampy areas, heavy blow-down sections, etc. where coverage would not be feasible. When possible, please keep us posted on the survey progress; also, keep the essual records of work done, daily wages paid, etc. on preliminary and actual survey work. If we run too close to the June 26 dead-line you might have to arrange a preliminary filing with Mr. Dobson, pending completion of a composite geological-geochemical-geophysical report.

I have your Pothole, Shrimpton Greek rece geochem. data plotted. The Pothole drainage data appear to be the more significant - suggesting an E-NE zone on the north side of main Pothole Greek and projecting towards Boot Lake, or heading northerly to HN - WEN - Echo country. For a better pre-liminary assessment we would need a few silts from any existing northerly - flowing tributaries of Pothole Greek and drainage north and south of (brack-eting) 'Wart' ridge; so hold this for your general exploration schedule.

Your claim additions to the Mal-Chal group are noted and approved.

The Bondar-Clegg boys were highly appreciative of your cooperative on the other project, and so are we John. Their results make it all very interesting - regardless of Rio Tinto's disclaimers.

Best regards.

W. M. Sharp, P. Eng.

WMB: chs

ce Mr. F. A. McGonigle