

Palomar Gem and Mineral Club Newsletter

P.O. BOX 1583 | ESCONDIDO, CA 92033-1583

760-743-0809 | www.palomargem.org

Letter from the President

Jef Wright – President 2018

Thank you everyone who participated in this year's Annual Gem Show. I can't thank the committee enough for all their hard work. Archie Keuhn put together a great group of members again who completely hit it out of the park. I would be remiss if I didn't also thank everyone at the Center for the Arts in Escondido and all their tireless effort to help us put on a great show. Thank you also to all the volunteers who came out those days and helped man the demonstrations, the admissions, the raffle drawings, the security. Each and every one of you helped to make this show an annual success. And we wouldn't be anywhere without our wonderful loyal vendors who year to year register and come to our show, because it gives them a great opportunity to showcase their products in a fantastic venue. As I said last month, it does take a village and I'm so proud of our villagers who all came out and made it a fantastic success! Thank you everyone.

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July's Program

July 18, 2018 | 7:00 pm

Dittus Hall | Redwood Terrace | 710 West 13th Ave, Escondido

SURPRISE!!

At the time of press, our July program is still in production. Come and find out what it will be about. Michele always has a great program for us. She never fails! Also this is the last meeting until September, so be sure to come to find out all the happenings for August and September at our General meeting!

As always we'll have scrumptious treats!

Workshops

The Lapidary and Silversmith Workshops are held weekly. There is a shop fee of \$7 per person to attend these workshops.

Cabochon and Lapidary Class & Open Workshop

Learn to cut and polish a rock into a beautiful stone suitable for wire wrapping or fabricating in metal. A fantastic assortment of material is available for purchase on site. The workshop is also open for general use. No prior registration needed.

Tuesday: 6:30pm – 9:30pm

Wednesday: 11:00 am – 2:00 pm

Thursday: 2:00pm – 5:00 pm

Silversmith Workshop

This workshop is open to all students who have had metal smithing instruction or experience and/or have instructor approval. If you have attended an introductory class, you can continue to improve your skills at this weekly workshop.

Thursday: 6:00pm – 9:00pm

You must be a member of the PGMC in order to partake in any of the workshops or classes provided by Palomar Gem and Mineral Club.

**Lapidary Workshop
2120 W. Mission
Suite S
Escondido, CA**

Faceting Workshops

Contact Bob Johnson for registration
email: Facetguru@palomargem.org
phone: 760-809-0152

Introduction to Faceting –

An informative introduction and hands-on experience in the world of gem cutting. Learn how to create a gem out of a piece of rough, during a weekend class. No machine required. Return students welcome with or without their own machine. Each class can accommodate 3 new students without machines and 3 returning students with their own machines.

Sat., July 14 & Sun., July 15– 9:00am – 5:00pm

\$80 for new students \$70 for returning students

Faceting Continuation Class

This is a class for continuing students who have completed the Introductory Class and is held once per month, from 9 to 5 on the Saturday following the general meeting.

January Workshop: Sat., July 21 9:00am – 5:00pm

\$35 for all students



Special Classes

Advanced Silver Fabrication

Join us for a five-day class with award winning jewelry artist and metal fabricator, Ted Magee. Some of you may know Ted from the California Federation of Mineral Societies earth science classes at Zzyzx or Camp Paradise, where he teaches advanced fabrication. In this class, we are going to do some advanced stone setting, explore some different bales, and learn Ted's methods of getting a mirror polish on silver. *Prerequisite: previous fabrication experience and comfort with soldering required. This is not a beginner class.*

August 6-10, 2018,

9:00 am – 5:00 pm (1 hour lunch break)

Cost is \$250 plus materials.

Register by contacting Diane Hall

phone: 760-741-0433 and leave a message

email: silversmithing@palomargem.org (preferred method)

Next Intro to silversmithing class will be held September 29 & 30, 2018



Woven Bracelet Class

In this two day class you will learn to make a woven sterling silver bracelet. The student will learn to do a basic weave of 16 gauge sterling silver. A material packet and vice will be provided but you will need a rawhide or plastic mallet.

Saturday July 7 and Sunday July 8, 2018

10:00 am – 4:00 pm

Cost is \$60 plus materials (material cost approximately \$30 for silver)

Register by contacting Diane Hall

phone: 760-741-0433 and leave a message

email: silversmithing@palomargem.org (preferred method)



Website

Our new website is up and running. Please check it out at www.palomargem.org.

You will find calendar of events, past issues of newsletters as well as information regarding the club. This will be updated on a timely basis as items come up and you can find the latest and greatest info at your fingertips!

Old Geologists Tale

BY GENE CIANCANELLI

SCAMS, SWINDLES, AND THEFT (Part 3)



This month will conclude the story of the many ways that conmen swindle honest people in the mining and energy industries.

ENERGY SCAMS

The energy business is also prone to scams and swindles. Here is a typical drilling scam. John is a successful manufacturer of shoes. One day Tom asks John to invest in his new sock manufacturing business, but John refuses saying he knows nothing about the sock business and it is far too risky. A few weeks later, Bernie offers John the opportunity to invest in Bernie's next wildcat oil well in Montana. John considers Bernie's offer as he fantasizes investing thousand dollars and in a few months the well will hit oil and he will make millions. John further imagines himself attending parties and while his friends talk about their mundane business success, John will brag about his glamorous career as a successful wealthy oilman. People are easily bored listening to typical business ventures, but not romantic oil wells or gold mines and the audacious men who find and own them. John knows even less about the oil business than he does about the sock business, but he jumps at the chance for the excitement and wealth to come from Bernie's oil well. John can't wait to invest \$100,000 for a 5 percent interest in the well's profit. Bernie of course is going to get a lot of people to invest in his oil well and he does not care if the well is successful, because Bernie takes his cut off the top from the money promoted to drill the well. The well will be a quick cheap shallow effort with almost no chance of success for anyone but Bernie.

There is a variant of this scam called the "dry hole well". In the dry hole well scam Bernie does not raise investor money to cover 100 percent of the well's drilling cost and potential oil. Instead he raises money from many investors promising them shares that in total amount to 300 or more percent of the well's cost. If the well discovers oil then Bernie is in trouble because the well can only produce 100 percent oil, but Bernie has sold the same oil production to many people. In the dry hole scam, Bernie the promoter makes sure to get a dry hole and he pockets most of the money raised, except for the small amount spent to drill the deliberately dry hole. Since Bernie has made sure the investors don't know one another, no one realizes they were taken in a dry hole swindle.

A DRY HOLE GEOTHERMAL WELL

I'm a young geologist working for a small geothermal company in financial difficulty. One day the chief geologist, calls' saying the company plans to drill a well. I'm stunned when I learn the location, because the geology is wrong for finding a geothermal reservoir with the high temperature needed. I tell my boss, "If this is a dry hole, then I want no part of it." He was a good guy and said I should not get involved. Tucker is another young company geologist. I caution Tucker that the company is going to drill a dry hole and to not get involved. Tucker believes helping with the dry hole is a means for advancement. Tucker volunteers to supervise the well and sure enough it is quickly completed as a dry hole. A few months later, Tucker gets rewarded when he is fired. I was soon promoted to chief geologist.

LAZY GEOLOGISTS

There are geologists, who fake their reports and don't do fieldwork. It is theft to collect a paycheck and not perform the work expected. When I began working for Phelps Dodge, the chief geologist assigns Ed, a geologist in his mid-50's, to "show me the ropes". We will be working southwest of Tucson. The day begins with breakfast at 3:30 AM in order to begin working at first light, because it is July and daytime temperatures are well above 100° F. Our task is to walk along the Baboquivari Mountain Range's western edge, where the rock outcrop meets the valley gravel. We are to observe, but not map, the geology, while collecting geochemical rock samples. Phelps Dodge's exploration program hopes to find porphyry-copper deposits concealed beneath a shallow gravel covering. After a one and a half hour ride from Tucson, the Jeep is parked five miles north of the Mexican border. I'm to walk south for half a day toward the Mexican border and

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Old Geologists Tale *cont.*



then return while Ed will walk north. On subsequent days we leapfrog farther north repeating this process until the mountain range's western edge is explored and sampled. I immediately leave to get an early start. Ed brings several newspapers and, as first-light breaks the darkness, he says, "I'm going to take a few minutes to check the headlines before getting started." I leave Ed in the Jeep, thinking he's foolish to waste the day's coolest temperature. Returning in mid-afternoon, I'm desperate to grab a water jug after walking for miles in 110-degree heat with an empty canteen. I'm dirty, sweaty, tired, and my feet burn from walking on hot rocks. Every afternoon Ed is already sitting in the Jeep reading a newspaper and looking clean and rested. I wonder how does this old guy always return first, when I get started before him? Year's later, after Ed's death, his sister mentioned that Ed thought, walking for miles in the hot sun to collect rock samples with the forlorn hope of stumbling onto a copper deposit, was a dumb way to do exploration. Working in the hot desert was not what he intended to do, nor was he physically able to do such work. Apparently, after my departure, Ed would pick up rocks near the Jeep and put them in numbered sample bags. He would then write each numbered sample location on his map to indicate their collection point as being at a location miles away. Ed was then ready for a long nap after 15 minutes of hard work. Phelps Dodge is never the wiser and every year Ed gets a merit raise and I don't. It took me two years to realize that neither hard work nor success would be rewarded at Phelps Dodge. Gene is still young and doesn't yet understand how things work in the Machiavellian corporate world. I did find a copper deposit for which I was fired, but I did get a nice suntan as compensation.

As chief geologist, I tried to make sure the geologists did their work properly, but one guy managed to outsmart me. Hank worked for the company for several years and was promoted to district geologist in the Pacific Northwest. Hank worked on a project for 18 months sending monthly progress reports. Our employer, a consortium of Canadian companies, decided to reduce their exploration program and eliminate Hank's position. Hank found a government job and on his way to Florida, he stopped in San Diego to deliver his maps, rock samples, and field notes. Hank was towing a horse trailer and he placed the rock samples in a box below the horses where they received a heavy dose of horse urine. It was six months before I became motivated to look at those now dry samples. Oddly there was road tar on every rock? The following year the head of the Canadian consortium and I made a field visit to look over Hank's project. We quickly discovered Hank's geologic map and monthly reports were a fantasy. Hank collected the tar covered rock samples at the edge of the road in front of his home. He swindled his employer out of 18 months' pay and never did a single day's work. Afterward Hank repeatedly used me as a job reference as his career spiraled downward.

THE PIG-IN-A-POKE SCAM

Our firm, Cascadia Exploration Corporation, is retained by the United States Air Force as consultants for a proposed geothermal project at an Air Force Base. The Air Force is considering using geothermal energy to supply the Base's air-conditioning energy requirements. Years earlier, Pacific International Geothermal (PIG) (fictitious name) drilled two geothermal wells near the Base. The law requires dry holes to be properly abandoned by sealing the borehole with cement and restoring the ground surface to its original condition. This is expensive and some companies declare their dry holes to be commercially successful wells shut-in and waiting to be put into production. The wells sit idle decade after decade until the company goes bankrupt leaving the taxpayers to clean up the mess. I'm very familiar with and suspicious of the PIG Company, because I know the firm's president and geologist. There is a high probability these are dry holes being declared productive wells to expedite selling PIG's stock.

At the first meeting with the Base Commander, I'm informed PIG is proposing to sell two geothermal wells to the Air Force, but all the technical data for drilling and testing these wells was lost. PIG is assuring the Air Force that the wells are capable of producing the energy needed for the air conditioning facility.

At a meeting with PIG's president, the receptionist escorted me into the waiting room, while he finishes a phone call. In the waiting room, my eyes are immediately drawn to two large framed geologic maps hanging in the waiting room. I mention to the receptionist, "Those are very impressive maps." "Yes everyone comments on them. Those maps were made by our vice president, who is one of the world's leading geologists". Both maps are familiar because not only did I map the geology, but Betty and I also drafted and hand colored both these maps years earlier when Geothermal Resources International employed me.

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Seven years earlier PIG's president offered me \$20,000 for bootleg copies of the maps. He was told the maps belong to Geothermal Resources International. There were only two sets of these maps. I retained one set and Geothermal Resources held the other set. Probably someone at Geothermal Resources pocketed \$20,000. A close inspection of the framed maps revealed the title box, which contained my name and that of Geothermal Resources International, has been carefully pasted over with a new carefully drafted legend containing PIG's name and attributing the geology to PIG's geologist/ vice president. That validated my prior opinion of PIG's corporate ethics.

At the meeting with PIG's president, I don't mention the stolen maps as he goes into the hard sell and even offers me a cash incentive (bribe), if the Air Force buys the PIG wells. Instead, I suggest PIG allow the Air Force, at government expense, to test the wells to verify their condition as represented. Even though this will cost PIG nothing and add confirmation proving the resource, PIG insists the Air Force must first purchase the wells before being allowed to test the wells. This is the old "pig-in-a-poke" scam. At a subsequent meeting, I told the Base Commander, "PIG is trying to sell you a pig-in-a-poke. In the original scam, the seller presents the buyer with a sack containing a pig. The buyer must pay for the pig sight unseen and therefore he does not know if the pig is healthy, fat, and valuable or a sickly worthless pig. The buyer can kick the sack and hear a pig squeal; so he at least knows there is a live pig in the sack. In PIG's version of the scam, they want the Air Force to buy their wells and the Air Force is not even allowed to measure the well temperatures, which in a sense means the Air Force can't even kick the sack". Now the Air Force feels uncomfortable proceeding with PIG and we are able to save the U. S. taxpayers a few million dollars. The PIG wells are never tested or put into production. Eventually, the taxpayers pay to abandon the wells and clean up the surface mess after PIG's bankruptcy demise.

Unfortunately, ultimately the taxpayers suffer the financial and environmental consequences of far too many scams or the aftermath of scams. The guilty almost never get punished and they usually enjoy their ill-gotten gains. In my experience, even when the investors or landowners can prove they were swindled, both the courts and the regulatory agencies usually leave the conmen in much better financial condition than the innocent victims.



Mark your calendars!!

Sunday August 26, 2018

**Palomar Gem and Mineral Club
Annual Picnic!**

PGMC holds our annual picnic every year at the Jesmond Dene Park in Escondido. We will have people there early to grab an area for our group. Bring your favorite picnic fares and join in for some fun times. We will have some games and a slab swap as well. Bring some good food, a chair and your favorite beverage and join us for a day of fun. This will start around 10am and go until around 3pm.

We hope to see you there!

Palomar Gem and Mineral Club NEEDS YOU!

The nominating committee will once again be looking for volunteers for positions within the club. We are looking for volunteers to help with the nominating committee.

Some of the areas we need to fill for next year include:

Field Trips Chair

Refreshment Chair

Director of Communications

Ways and Means Chair

Start thinking how YOU can help with the club and how you can become an integral part of the club.

If you would like to help out, please contact Chris Toft at vp@palomargem.org.

August No Meetings!

PGMC goes on hiatus for the month of August. There will be no Board or General meetings. Instead we will have our Annual Picnic and long workshops during the month of August.

2018 Gem Show Report

2018 SHOW REPORT

Our 2018 Palomar Gem and Mineral Club Gem, Mineral and Jewelry show is in the history books! It was another successful show for our club. We were sold out for vendors, attendance was good and most important it was a lot fun for everyone. The success of our show is due to the efforts of our members and there many people to thank. Top of the list are my co-chairs and club Treasurer. Michelle, Dawn and Toni did so much of the heavy lifting, our club is very lucky to have you as members. Barb always spearheads our displays so competently and Van carefully delivers, sets up and tears down our fragile antique display cases. Hey, I think they look good for their age! Diane and Annie rallied our demonstrators. Chris rounded up volunteers, and we had plenty! Thanks to all of you who showed up and lent a helping hand. Alan set up signs, brought materials from the shop and put them all back, not a small job. Thanks to Cathy and her helpers from the San Diego club for bringing Gem ID, at times people were lined up 2 or three deep at their booth. Finally, thanks to Terri and the California Center For Arts Escondido for being so supportive and helpful. We are lucky to have their continued support.

Michelle is going to be the chair for the 2019 show. Please give her your support as the planning for the 2019 show begins shortly. It has been a pleasure and honor to be able to chair this event.

Archie J Kuehn
2018 Show Chairman

64th Annual Palomar Gem and Mineral Club's
Gem, Mineral & Jewelry Show

California Center for the Arts, Escondido
340 N. Escondido Blvd
Escondido, CA

Saturday June 9, 2018 10am - 5pm
Sunday June 10, 2018 10am - 4pm

Featuring

- Precious & Semi-Precious Gems
- Collectable Mineral Specimens
- Unique Custom Jewelry
- Rough Material
- Jewelry Findings & Supplies
- Gem Identification
- Lapidary Art Demos
- Rock Treasure Dig for kids!

Admission \$5 for Adults
Children 12 and under FREE

Details at: www.palomargem.org

MARK YOUR CALENDAR!!

July 14-15	Intro to Faceting
July 18	July General Meeting
July 21	Faceting Continuation Class
August 6-10	Advanced Silver Fabrication Class
August	No MEETINGS Off Month
August 25	Annual Workshop Cleanup Day
August 26	PGMC Annual Picnic
Sept. 10	PGMC Board Meeting
Sept 19	PGMC September Meeting – Pie Night

Palomar Gem and Mineral Club Newsletter

Board of Directors - 2018

Ever had an idea for the club and wanted to get it to the right people? Here is your opportunity. Here is our Board of Directors. We have given each of them their own palomargem.org email. Feel free to use it and send them your ideas!

PRESIDENT – Jef Wright – president@palomargem.org

VICE-PRESIDENT – Chris Toft – vp@palomargem.org

SECRETARY – Fred Floyd – secretary@palomargem.org

TREASURER – Toni Floyd – treasurer@palomargem.org

DIR. OF COMMUNICATIONS – Dawn Vickers – publicity@palomargem.org

SHOW CHAIRS – Archie Kuehn & Michele Shepard –
PGMCshow@palomargem.org

PROGRAMS – Michele Shepard – programs@palomargem.org

MEMBERSHIP – John Raabe – membership@palomargem.org

PALOMAR GEM AND MINERAL CLUB

The Palomar Gem and Mineral Club, a non-profit corporation open to all adults and young people, was organized to promote the study of rocks, minerals, gems, fossils and related subjects, such purpose to be developed through regular meetings with educational programs, field trips for the collection of geological specimens, and classes for teaching lapidary arts. The Palomar Gem and Mineral Club shares its knowledge of the earth sciences by sponsoring Gem and Mineral shows featuring exhibits, displays and demonstrations. The Club was founded March 20, 1954.

PGMC IS AFFILIATED WITH



San Diego County Fair

Every year our members volunteer at the San Diego County Fair. Here's some pictures from this year's kid dig! Thank you Dallas for the photos!

