# PALOMAR GEM & MINERAL CLUB

VOLUME 62 - ISSUE #1
JANUARY 2021

| BOARD OFFICERS ELECTED | |
|---|---|
| President | JEF WRIGHT UNTIL REPLACED |
| Vice President | **VACANT** |
| Secretary | **Fred Floyd** |
| Treasurer | Toni Floyd |
| **BOARD OF DIRECTORS (APPOINTED)** | |
| CFMS Chairperson: | Charles Shoup |
| Field Trips: | Melissa Takagi |
| Parliamentarian: | Chris Toft |
| Shop Coordinator: | Alan Mazzola |
| Program Chair | **Karen Wagner** |
| Show Chair | VACANT |
| Newsletter Editor | **Carol Hiestand** |
| Website: | Ian Burney |
| Membership Chair | Karen Wagner |
| **STANDING COMMITTEES (APPOINTED)** | |
| Facebook Page | Admin |
| Ways & Means | Dawn Wright |
| Historian | Barbara Bury |
| Hospitality & Good Cheer | Judy Jessup |
| Meeting Displays | Barbara Bury |
| | |
| Picnic Coordinator | Moni Waiblinger |
| Refreshments | Dawn Wright |
| Redwood Rep | Barbara Bury |
| Librarian<br>Calendar | Chris Toft<br>VACANT |

CONTENTS:



Rock Sidewalk Sale Feb 21st

front of workshop – many slabs and inexpensive minerals etc. available 1st come, 1st served- club fundraiser 12-3PM

COVID IS STILL IMPACTING US IN SAN DIEGO COUNTY;

Severe restrictions are still in place due to a surge in Calif.

Please take care of yourselves and wear a mask; ICU beds and mortuaries are FULL!!

HAPPY BIRTHDAY TO JANUARY BIRTHDAY PEOPLE!!!

**Membership:** Dues for the coming year will be voluntary. Members have the choice to pay dues or defer for the year. Your membership will continue until January 2022 when that years' dues will be requested.

FEES: $25 for individuals (18 and older), $40 for families with 2 parents, $35 for single-parent families

Mailing address: P.O. BOX 1583, Escondido, CA 92033 Ph: (760) 743-0809
Credit card donations and dues payments, please call Toni Floyd: (425) 281-6218

CFMS show page was updated for June 2021
**June 12-13, 2021, Escondido CA**
Palomar Gem and Mineral Club
340 N. Escondido Blvd., Escondido CA 92025
Saturday – 10 AM – 5 PM, Sunday 10 AM-4PM
Palomar Gem and Mineral Show – presented by the Palomar Gem and Mineral Club. Held in the California Arts Centers museum and ballroom. A beautiful indoor facility. Secure for vendors and comfortable for attendees. 30-35 dealers.
Website: pgmcshow@palomargem.org

Gem show leaders

- Chair – Toni
- Vendors - Toni
- Sponsors– Archie
- Volunteers – Chris
- Vendor Floor map
- Advertising
- Printing advertising paper
- Demo coordinator
- Showcases recruitment and coordination
- Supply orders
    - Table covers
    - Wrist bands
    - Raffle tickets

**Show day –**
**Friday**

- Friday Vendor check in - Toni
- Electrical and Cases
- Table set up
- Show signs set ups
  Saturday and Sunday
- Front door / cashier support - Toni
- Security

VOLUNTEERS NEEDED FOR OPEN SPOTS, PLEASE CALL OR EMAIL TONI OR CHRIS

## THE CANADIAN KING - PART 1

By; Gene Ciancanelli

*This story is a bit long because it played out over a six-year period starting in the mid- 1970's; therefore, it will be told over several months. As usual the names of people, places, and companies are changed but the events are true. This is a typical example of how some small, mining and energy companies are managed for the benefit of insiders.*

Huron Gold Mines Ltd. (Huron) is one firm among several companies known as The Paisley Mining Group. Ian Paisley, a Canadian mining promoter, controls the Paisley Mining Group. Huron is a penny-stock company with two unproven properties, a geothermal lease and the "Freedom" gold mine prospect in Canada's Northwest Territories. The geothermal lease will be proven to be within the Howland Geothermal Field. As the Howland Project evolves, it becomes Huron's primary asset and the company's name is changed to Huron Resources International.

The people controlling Huron sell stock to the public and give various insider individuals significant stock positions for their assistance to capitalize the firm and/or to expedite development. It is my policy to never invest in or take stock options or other considerations from clients. An honest consultant will keep independent of a client's business and only charge a standard fee for services rendered to avoid conflicts of interest. As is the all too often case, I'm unaware that Huron's officers don't plan to share Huron's profits with the public shareholders. To extract Huron's cash value, management eventually sells the Howland lease to Franco Western Petroleum Company for more than ten million dollars *(That would be more than forty million dollars at the present time)*. Huron's officers then create other penny-stock firms and invest Huron's Howland profit in their new penny stock companies. Huron's officers hold large stock positions in the new companies as compensation, for managing these new firms. The reason for investing Huron's capital, in new penny-stock companies, is to convince the public that these new companies have potential. Investing Huron's capital and issuing optimistic press releases romances the public and drives up each new company's stock price. The insiders' personal shares are soon worth considerably more than their Huron share value. Once the new company's stock price reaches a preselected high price (called the "strike price") then the Huron insiders sell all their personally owned shares, but they don't sell the shares purchased by Huron Corporation. The insiders' sudden sell off of their personal shares erodes public confidence, which causes the new company's stock price to plummet. Eventually, each penny stock company quietly ceases to operate and Huron Corporation's shares are worthless. Huron's public shareholders are told the firm's investments have been unsuccessful. This scheme allows the Huron insiders to personally extract and pocket all Huron's value. I was no longer consulting for Huron when the firm's treasury was plundered in this manner and investors lost confidence in the Huron name. Huron's principals then change the firm's name to Canada Thermal Energy in an unsuccessful attempt to revive the company. Canada Thermal soon becomes a geologic consulting firm specializing in geothermal-energy exploration. Lacking expertise and industry recognition, the firm is unable to sell its services and eventually Canada Thermal ceases to operate. Huron's public shareholders had their pockets picked clean and it was all legal.

### THE HOWLAND GEOTHERMAL PROJECT

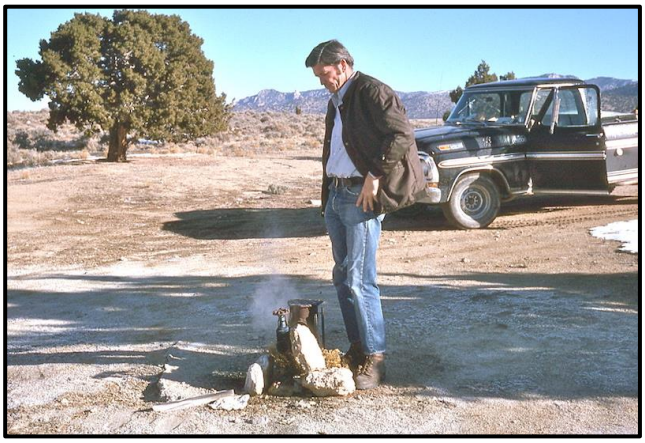
One morning, I receive a phone call from Ian Paisley in Toronto. Mr. Paisley says he is president of Huron Gold Mines Ltd. and is calling at Gerald Barkley's suggestion. I'm racking my brain trying to recall, who the Hell is Gerald Barkley? Then I remember he's a stockbroker in Toronto, whom I briefly met a year earlier. (Paisley) *"We own a geothermal lease in the Howland Field, where Franco Western Petroleum has just made a new discovery. Franco Western has offered to buy our lease for $50,000. I need an expert opinion regarding the lease's value, to determine if we should accept the Franco Western offer. I would like you to fly to Toronto and give us your opinion."* (Gene) *"At the moment, I'm completely booked up with a commitment to supervise a drilling project for Republic Geothermal and there are commitments to other firms. You also need to know, that I'm part owner, with several other partners, in geothermal leases in the same area. We refer to our property as The Joe Hill Project. I'm also currently consulting for Franco Western Petroleum in the Geysers – Clear Lake Geothermal Province. You may consider either or both the Joe Hill and Franco Western consulting as a conflict of interest?"* (Paisley) *"No, I have no problem with either of*

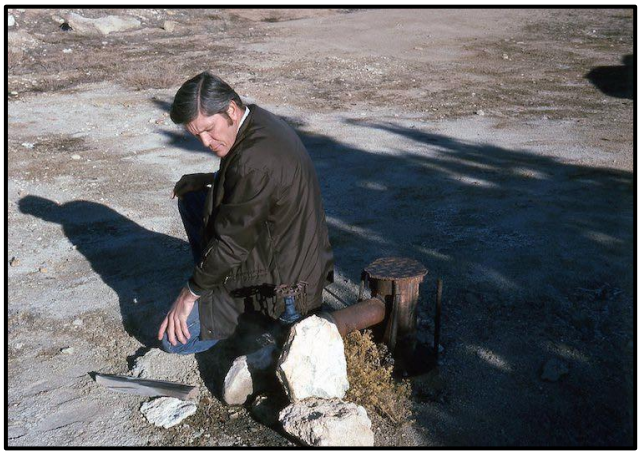
*those. In fact, if Franco Western is hiring your services, that is further proof to me that you are the right man for this job."* (Gene) *"Two things are necessary before I fly to Toronto. First, you need to provide information on your lease and I will research that lease's location with respect to the possible geothermal reservoir's location. Second, you have to send a retainer sufficient to cover the expenses and part of my fee."*

The retainer fee arrives and research begins on the Howland area's geology and the Huron lease documents. The work begins with a meeting with two professors working in the area. They are conducting a government funded geologic and geophysical study across the Howland Known Geothermal Resource Area (KGRA). Present at the meeting is Clifford "Jack" Von Hoene, an engineer from Middleton, Utah, a small town near the Howland Field. Jack represents both the Ryan Estate and Huron. The late Dr. Ryan, a dentist and mineral prospector, was responsible for discovering and developing interest in the Howland area's geothermal potential. Eight years earlier, Dr. Ryan was exploring for mercury when he accidentally drilled the Howland area's first geothermal discovery hole. A four-inch rotary hole was drilled to 265 feet when the hole penetrated a steam pocket, which blew the drilling rods from the hole. The hole blew steam for a month, until it could be successfully shut off and abandoned. Although Franco Western takes credit for discovering the Howland Field, in reality, Franco Western drilled the first successfully completed production well. Dr. Ryan's initial discovery alerted the U. S. Geological Survey to designate the surrounding Federal lands as the Howland KGRA. Following the discovery well, Dr. Ryan hired Jack Von Hoene, an engineer, to drill and measure temperature-gradient holes across the surrounding area to confirm the thermal anomaly. Following the Geothermal Steam Act's passage in 1973, the federal leases in the Howland KGRA could now be acquired at a competitive KGRA bid sale. Franco Western Petroleum approaches Jack Von Hoene, who is now managing the late Dr. Ryan's estate. Franco Western is interested in reviewing the Ryan well records and temperature-gradient data. In return for access to the Ryan information, Franco Western agrees to include the Ryan Estate as a partner in their Howland Project. Jack and the Ryan Estate agree to the Franco Western proposal, because they lack the necessary capital to competitively bid against large companies. On the evening before the bid sale, Franco Western informs Jack that Franco Western has decided to submit bids without the Ryan Estate as their partner. Franco Western's eleventh-hour cancellation of their "gentlemen's agreement" effectively cuts off the Ryan Estate from any ownership in the field they discovered. Franco Western has picked Jack's brain and reviewed the Ryan files, which allowed Franco Western to know the extent of the thermal anomaly and which leases to acquire. Angry at this betrayal, Jack forms an alliance with Huron Gold Mines Ltd. and they acquire section 7, which is state owned land. Section 7 is the lease that Franco Western now wants to purchase from Huron.

Jack's agreement with Huron calls for Ian Paisley, Frank Denton, and Arnold Chambers to each pay Jack $25,000 for his services and expertise to acquire section 7. Only Ian Paisley will honor the agreement and pay Jack the $25,000 fee. Paisley, Denton, and Chambers will make several million dollars from the section 7 acquisition. That lone $25,000 will be all that Jack will ever receive for his ten-year contribution to the Howland Field's discovery and development.

A week later, I fly to Middleton, Utah to meet Jack and visit the Howland Field and surrounding area. It is obvious that section 7 is within the reservoir and inside the area Franco Western will be developing. Phillip's must have section 7 and their $50,000 purchase offer is a low figure for a multi-million-dollar resource. At that time, Jack and I begin to forge a close lifelong friendship. Jack was kind enough to assist me with recalling the early facts in this summary, just before his sudden death in 2006.





Jack Von Hoene at the Howland steam field's Ryan discovery drill hole.

Following that first meeting with Jack, I have to fly back to Salt Lake City. There is a small plane, called the Bank Plane, that flies each day from Salt Lake City to the small towns to pick up the daily checks and cash deposits to be delivered to the Federal Bank in Salt Lake City. The plane also can take two passengers. I'm the first passenger aboard and Irving Fishman boards the flight in the next town. Irving is a furniture salesman from Long Island, New York and this is his first trip ever out of New York State. Having grown up myself in New York, you have to understand that to a New Yorker everything west of the Hudson River is considered wild rural uncivilized country and the western states are still dangerous Indian territory. They don't realize that the streets of New York City are much more dangerous and uncivilized than it is out here in Indian Territory. I had completed three years of college, when I flew out to Tucson in 1961. I expected Tucson to be a small town with horse filled dirt streets, hitching posts, and cowboys and Indians surrounded by sand dunes like the Sahara Desert. As the Bank Plane flies from town to town picking up the bank bags, Irving is really excited and the pilot tells him he's riding shotgun. Irving says, "*My friends are never going to believe I went out west and rode shotgun guarding the bank's money."* A snowstorm moves in by late afternoon and by nightfall a blizzard closes the Salt Lake City airport. We are forced to land in Provo after 10 PM. The pilot has to arrange for his plane to be secured and he asks if we will take the bank bags to the Federal Bank and he will pay the cab fare. The roads are getting snowed in, but we manage to find a cab from Salt Lake City that agrees to take us on his return trip. After a touch and go road trip, it is after midnight by the time we arrive at the Federal Bank. The Federal Bank refuses to accept the bank bags because we aren't the regular pilot. Our attempts to explain the situation due to the blizzard fall on deaf ears. These typical impossible to deal with intransigent government employees are not interested in either our explanation or the cash and checks. In frustration, I dump the bags on the floor and we leave as the government employees now realize we have called their bluff. One of them shouts they are going to call the police and I respond, "*Go ahead".* Irving is worried we are going to get in

trouble, but I reassure him the police are much too busy dealing with this blizzard and we have done nothing wrong. Besides that, no one knows who we are and Irving will be safe at home long before this could ever become an issue. I told Irving you have to be prepared for anything when you ride shotgun. Irving and I found an all-night café to eat a very late dinner. He was so excited over this adventure. It was apparently one of the most exciting events in his life and he said his wife, kids, and friends were going to be amazed when he told them of his adventure.

Time passed, but Jack couldn't let Franco Western's dirty trick pass without extracting some revenge. Franco Western is drilling temperature-gradient holes to determine the locations for their deep production wells. These are narrow diameter holes drilled from 100 to 500 feet deep. After a hole is drilled, a string of PVC pipe is sealed at the bottom and lowered into the hole. The PVC pipe is filled with water and allowed to sit for several weeks to reach temperature equilibrium. Then a temperature-recording tool is lowered inside the PVC pipe to measure and profile the temperature's rise with increasing depth. This information is used to map the temperature variance across the geothermal reservoir. The holes are drilled and left for several weeks to reach equilibrium. One night, Jack goes out and measures the temperature in each Franco Western well. Armed with a long thin pole and a sack of potatoes, Jack uses the pole to stuff a raw potato deep down inside each pipe. A few days later, the Franco Western geophysical crew arrives to lower temperature-recording instruments into each hole. The tool will not go to the bottom in the first hole and they assume there is a blockage in the pipe. They soon discover all the holes are blocked and realize there is sabotage, but the perpetrator is unknown. Franco Western spent a large sum drilling these holes and they acquire no temperature data. Jack has some revenge, but there is more to come.

Franco Western now has to drill new holes. One night, Jack is taking a break from his usual role as Middleton's most eligible bachelor. He's sitting in the J&R bar. Ike is the bartender/owner. (Ike) *"Jack, you should talk to this guy over here. He's a driller, who drilled 18 holes for Franco Western, and they fired him. He's pissed and you might get some information from him."* Jack goes over to the driller. (Jack) *"I heard you were drilling for Franco Western?"* (Driller) *"I was until them bastards fired me, after I spent all winter busting and freezing my ass out there for them sons-of-bitches."* (Jack) *"How would you like to make $500 for some information?"* (Driller) *"What do I have to do?"* (Jack) *"You show me where you drilled those holes and I give you $500."* (Driller) *"Give me the $500."* (Jack) *"I don't have $500 on me, but you ask Ike and he'll tell you I'm good for it. Tomorrow morning, we will go to the bank and you will get your money."* (Driller) *"Hey Ike, can this guy be trusted?"* (Ike) *"He's OK."* (Jack) *"What I want you to do is to take me around and show me the location of each hole and I will mark it on my map. I will buy a case of beer from Ike and we can go now."* So late on a moonlit winter night, Jack and the driller, armed with a case of cold beer, go around to each drill site and Jack marks the location on his map. You may wonder why they took cold beer on a cold winter night? I never met a driller, who didn't drink beer; especially free beer. The next morning, the driller is $500 richer. A few weeks later, Jack returns and measures the temperature gradient in each Franco Western hole, but this time Jack doesn't do the raw potato plug. Instead, Jack sells the data to Franco Western's competitors earning a profit on his $500 and a case of beer investment.

Franco Western is never the wiser and a few years later, Franco Western hires Jack as a manager, where he earns a nice salary. Franco Western decides to exit the geothermal business and Franco Western sells their geothermal division to Freeport, which is one of the world's largest mining companies and is run by Jack's buddies. Jack is appointed president of Freeport's geothermal division. Jack then has to decide, who among the Franco Western employees keeps their job and who gets let go. Those, who reneged on the Ryan Estate agreement, are now unemployed. Don't get mad just get even.

BIRTHSTONES

# JANUARY BIRTHSTONE

COURTESY: NOMADS LTD, HONG KONG (FAR RIGHT)

Those born in January are lucky to have the beautiful and diverse garnet as their birthstone. Garnets are commonly red but also come in an extraordinary range of beautiful colors, including orange, yellow, purple and vibrant green. There are even garnets that change color from blue to purple in different lighting. Some believe the true value of the garnet birthstone is its power to bring the wearer good health, wealth and happiness.

## GARNET BIRTHSTONE

### GARNET BIRTHSTONE MEANING & HISTORY

The name “garnet” originates from the medieval Latin *granatus*, meaning “pomegranate,” in reference to the similarity of the red color. Garnets have been used since the Bronze Age as gemstones and abrasives. Necklaces studded with red garnets adorned the pharaohs of ancient Egypt. Signet rings in ancient Rome featured garnet intaglios that were used to stamp the wax that secured important documents. The clergy and nobility of the Middle Ages had a preference for red garnets.

Garnet is actually a group of several minerals. Five of these – pyrope, almandine, spessartine, grossular and andradite – are important as gems. Pyrope and almandine range from purple to red. Spessartine is found in exciting oranges and yellows, while andradite is mostly yellow to green (the gem variety demantoid). Grossular may have the widest range, from colorless through yellow to reddish orange and orangy red, as well as a strong vibrant green called tsavorite.

The Smithsonian's antique pyrope hair comb is one of the most famous pieces of garnet jewelry (pyrope is from the Greek *pyrōpos*, which means "fiery-eyed"). A large rose-cut garnet sits at the crest, much like a queen serenely surveying her court. The pyrope garnets that decorate this tiara-like jewel came from the historic mines in Bohemia (now part of the Czech Republic), and these rich red beauties were extremely popular during the Victorian era (1837–1901), when this piece was fashioned.


This antique pyrope garnet hair comb is part of the National Gem Collection at the Smithsonian Institution.

Curious about your garnet birthstone's reputed health benefits? According to Indian astrology, garnet helps eliminate negative feelings (depression, guilt) and instill greater self-confidence and mental clarity to promote

creative thinking and peace of mind. In ancient and medieval times, gems like garnet were also thought to be remedies for inflammatory diseases and to soothe the angry heart.

## WHERE IS GARNET FOUND?

Garnets come from many different regions and countries. Bohemia was the primary source of the red pyrope garnets so popular during Victorian times. In 19th century Russia, green demantoid garnets from the Ural Mountains were prized by the Russian royal family and used by the great jeweler Peter Carl Fabergé (1846–1920). Today, the African continent supplies much of the world's garnet. Namibia is now producing demantoids, and most of the bright green tsavorites in the market come from Kenya, Tanzania and Madagascar. Namibia and Tanzania are also key sources of the rich orange-to-yellow spessartine garnets. For many years, Southern California's Little Three mining area was known for producing this spellbinding gem, The birthstone for January is also found in Myanmar, Brazil, Iran, Afghanistan, Pakistan, India and Sri Lanka, among other countries.

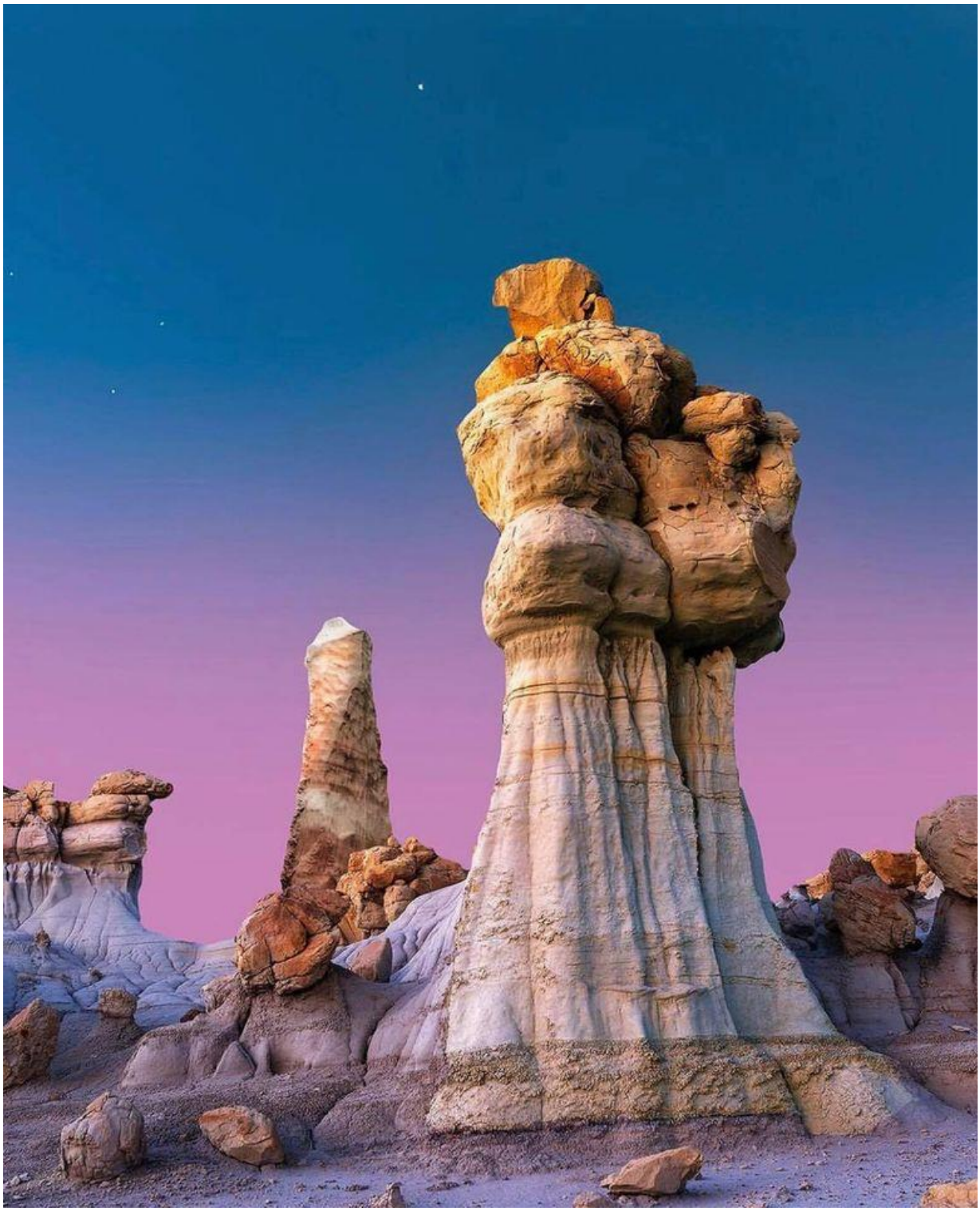

Small-scale artisanal miners, such as this tsavorite miner near Voi, in Kenya, are estimated to supply some 80% of the world's gems. Photo: Robert Weldon/GIA

## GARNET BIRTHSTONE CARE & CLEANING

The different types of garnet range between 6.5 and 7.5 on the Mohs scale of hardness. This means that this birthstone is more susceptible to damage than rubies, sapphires and diamonds. So while not all garnets are good candidates for daily wear, they are ideal for earrings, brooches and pendants. Give thought to how you store your garnet jewelry. If you let it rub against harder gems – again, think diamonds, rubies and sapphires – it can be scratched. And in turn garnet can scratch softer gems, such as opals or pearls.

Most garnets are not treated. Rarely, however, some garnets might be fracture filled, whereby treaters try to improve the apparent clarity of the gem by filling surface-reaching breaks with a glass-like substance. Such treated stones require special care. Regardless, use of a soft brush with warm soapy water is always safe for cleaning garnets. Ultrasonic cleaners are usually safe, except for stones that have fractures or have been fracture filled. Steam cleaning is not recommended.


This stunning 5.55 carat tsavorite garnet is set in platinum with two fancy yellow diamonds weighing a total of 0.71 carats and 136 round diamonds weighing 1.02 carats total weight. Courtesy: Omi Privé



# Dec mystery photo

# answer: Bitsy Badlands, NM

# Jan. mystery photo. Do you know where?!?


HAPPY NEW YEAR EVERYONE!!!