

Shasta Resources Council

Securing Old Shasta's Future

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August 29, 2006

Mike Pool, Director
California State Office
Bureau of Land Management
2800 Cottage Way, Suite W1834
Sacramento, California 95825

Re: **Proposal To Purchase Victoria Drive, Redding, Property ("Area 51")**

Mr. Pool,

As you know, in our letter to you of June 19, 2006, the Shasta Resources Council (SRC) presented a direct, fully funded purchase offer, in the form of a formal proposed land purchase contract, for the BLM managed property in the vicinity of Victoria Drive, Redding, California, that has been proposed for exchange with certain Grass Valley Creek land by Mr. Rice.

Your letter of July 7th, **in reply, characterized this merely as a "letter of interest," and did not specifically accept or reject the SRC purchase offer.** That reply, it was noted, referred to the then ongoing review of protests that had been received by BLM, apparently from numerous groups and individuals representing northern California fisheries, trails and open space advocates in opposition to the proposed exchange, indicating that the direct purchase **offer alternative such as that presented by SRC had been "thoroughly analyzed" and that the April exchange decision had concluded that an exchange, rather than a sale to a private party, was "in the public interest."**

In light of the very protests that you cited in your recent letter to SRC, which we understand raised questions about whether BLM had in fact fully and properly considered a community acquisition alternative, and because those protests were said to still be under review, it is of considerable concern to SRC because your reply appeared to be negatively conclusive as to the merits of a community acquisition alternative, as presented. As a result, it appears that even before formally responding to the protests, including that stating that BLM should consider an alternative of the kind submitted by SRC, you may have pre-determined the outcome of related protest responses said to still be under review.

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We hope that this apparent pre-judgment of a critical protest issue, as has been presented to you as the State Director for independent review following a local BLM office exchange determination and resulting protests, has not in fact occurred. With this in mind, and to make clear the financial feasibility of the community purchase alternative that SRC has presented, we are presenting the attached SRC Land Purchase Loan Guarantee. The identified individuals, by executing the provided loan guarantee, have personally guaranteed a source of funding for the proposed Area 51 acquisition, should BLM accept the still pending offer.

We again request that BLM fully and completely consider the SRC land acquisition offer, as this can best ensure that the subject Victoria Drive area land is maintained in public use, **while the proceeds of sale are made available for BLM's acquisition of other area resource lands within the Redding BLM office's management purview, that would be consistent with** the Resource Management Plan goals and objectives. At the very least, please confirm that pending a conclusion of what you have described to be still ongoing administrative proceedings to determine whether or not the proposed Area 51 exchange will proceed, you will be maintaining an open mind with regard to the merits of a community acquisition alternative, such as we have proposed.

Thanks, in advance, for further considering the SRC offer in light of the funding that has been guaranteed for that purpose. It is presumed, in light of prior correspondence from your office on this topic, that sale proceeds could in fact be retained for local BLM use and **further resulting public benefit, and it is therefore requested that any further reply to SRC's** offer reaffirm this possibility. Again, and in the mean time, please do not hesitate to contact us if there are any questions concerning the SRC offer.

Sincerely Yours,

Randall Hauser, Chair

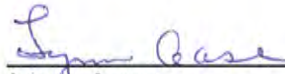
Enclosure: SRC Land Purchase Guarantee

cc: Steve Anderson, Redding Field Office
Hon. Barbara Boxer, U.S. Senate (DC)
Stacey Smith, Field Representative, Congressman Boxer(Sacramento)
Hon. Diane Feinstein, U.S. Senate (DC)
Mike Walker, Field Representative, Senator Feinstein (SF)
Hon. Wally Herger, U.S. House of Representatives (DC)
Dave Meurer, Field Representative, Congressman Herger (Redding)
Board of Supervisors, Shasta County
Board of Directors, Shasta Community Services District
Bruce Ross, Record Searchlight

SRC LOAN GUARANTEE

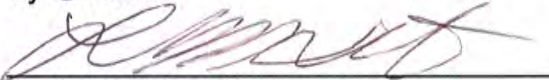
The following individuals hereby guarantee that they are collectively willing and financially able to guarantee payment on a loan to be obtained by the Shasta Resources Council, Inc., a California non-profit corporation (SRC), in the sum of \$900,000, said loan proceeds to be used to purchase that Bureau of Land Management (BLM) property in the vicinity of Victoria Drive and Lower Springs Road, and commonly referred to by BLM as the Victoria Drive Parcel and further described in the attached Exhibit A. The understood purpose of the proposed SRC land acquisition is to preserve Area 51 creeks, trails, and natural open space for public use in perpetuity consistent with the *Area 51 Prospectus and Plan* published by the SRC.

Date: August 23, 2006



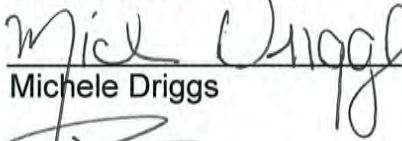
Lynn Aase

Date: August 23, 2006



Lang Dayton

Date: August 24, 2006



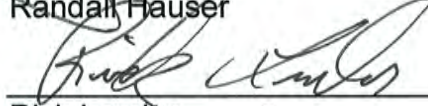
Michele Driggs

Date: August 23, 2006



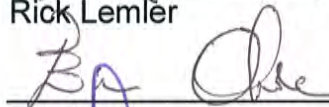
Randall Hauser

Date: August 24, 2006



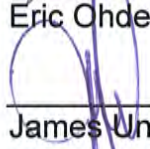
Rick Lemler

Date: August 24, 2006



Eric Ohde

Date: August 23, 2006



James Underwood

Date: August 23, 2006



Susan Weale