

April 11, 2005

By Registered Mail

Ms Marie Lemay, PEng
Chief Executive Officer
Canadian Council of Professional Engineers
180 Elgin Street, Suite 1100
Ottawa, ON K2P 2K3

Dear Ms Lemay,

CCPE's response to my request for an internal investigation of geostatistics is unacceptable and unprofessional. It is your prerogative to delegate to this request to Mr John Kizas, PEng, Manager, Strategic Development. Mr Kizas, instead of investigating geostatistics, made rather impractical suggestions. APEGBC's leading geostatistician became exasperated when I persisted in questioning the validity of geostatistics. My accidental encounter with BC's licensing body is chronicled under *Documentation/Correspondence*. Of course, CCPE's Code of Ethics ought to prevail as soon as its internal investigation confirms that geostatistics is a scientific fraud.

Meanwhile, Mr Kizas has received a spreadsheet template showing how to obtain by interpolation three lines of kriged borehole grades between two lines of salted borehole grades. He may not know how to interpret the statistics for these lines of salted and kriged borehole grades but should now understand how geostatistics converted Bre-X's bogus grades and Busang's barren rock into a phantom gold resource. He knows which grades are measured and which are calculated. He may even know how many more can be calculated. But does he understand which grades are awarded degrees of freedom and why? Does he grasp why the concept of degrees of freedom is fundamental in mathematical statistics but irrelevant in geostatistics?

Several years before the Bre-X fraud I deemed it my moral duty to crusade against geostatistics. CCPE's Code of Ethics, too, alludes to moral duty. Matheron and his co-workers in the early 1960s *lost* the variance of a *single* distance-weighted average and *found* the variance of a *set* of distance-weighted averages. I have asked many times why only the distance-weighted average lost its variance. Matheron's followers have yet to respond. I reiterate that the practice of geostatistics is a scientific fraud, and that it violates CCPE's Code of Ethics. Incredibly, the CCPE just does not get it.

Yours truly,

J W Merks
President