

An examination of your placer leases disclosed a discrepancy in the description as the leases overlapped certain other claims. The Indian Agent was at once requested to ask the lessees for a plan of survey of their leased properties in order that a description for insertion in the surface leases could be drawn. Since that time I am advised that the Indian Affairs Branch here have had no further word on the subject, nor is there any record of a transfer of the leases from Heis and Rankin to Hesikep Placers Limited in conformity with the Regulations.

It would, however, appear that whoever holds your leases owes to Indian Affairs surface rentals for 1936, 1936, 1937 and 1938. The Indian Agent insists on surface leases being taken out and arrears of rental paid before permitting the Company to occupy the Reserve and carry on operations thereon.

May I suggest to you, therefore, that the Hesikep Placers Limited must produce for approval proper transfers from Heis and Rankin, and adjust their differences on the subject of leases and rental through the Indian Commissioner's office in Vancouver. In order to prepare the ground for such negotiations and settlement a copy of this letter will be forwarded to Commissioner MacKay.

May I express the hope that with a more complete understanding of the facts surrounding the dispute a friendly settlement of all differences will be worked out.

Yours very truly,

D. J. A.
Secretary

D. J. A.

[Signature]
Deputy Minister.

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