

August 25, 2003

Dr John L Hennessy, President
Stanford University
Stanford, CA 94305

Dear Dr Hennessy,

Thanks for your response to my letter of June 27, 2003. I knew that geostatistics is not your field of expertise because I had perused your *curriculum vitae* before I wrote to you. I also noticed that you were awarded the 2000 John Von Neumann Medal. Did you know that it was Von Neumann who derived the equation for the variance terms of an ordered set of independently measured and equidistant values? And that such variance terms, when plotted in a graph, give a sampling variogram, which shows where orderliness in a sample space dissipates into randomness? I made use of Von Neumann's equation to derive its homologue for the variance terms of an ordered set of independently measured values at variable distances.

Let me reiterate why you should care about the scientific integrity of geostatistical teachings at Stanford University. You should care not so much because geostatistics inflates shrimp populations but because it inflates mineral inventories that shrink during mining due to predictable "unexpected dilution". And it converted Bre-X's bogus grades into the infamous Busang phantom gold deposit. Hailed as a new science but fundamentally flawed and embellished with needless neologisms and eponyms, geostatistics constitutes scientific fraud. In fact, reporting inflated mineral inventories is corporate fraud of the Enron variety. The Securities and Exchange Commission accepts geostatistical estimates only when confirmed by conventional methods. Geostatistics cannot possibly give unbiased confidence limits for mineral inventories as measures for the risks mining investors encounter. It is only a matter of time before its scientific integrity will be challenged in a Court of Law.

Surely, Dr Hennessy, an academic with impeccable credentials ought to recognize that the Journelian presumption of spatial dependence without proof is purely a game of chance. Therefore, I urge you to initiate an independent interdisciplinary scientific inquiry before Stanford's role in geostatistical gambling with other people's money becomes common knowledge.

Yours truly,

J W Merks
President