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Arizona Corporation Commission

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Arizona State Bar Number 018643 and 014406

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AZ CORP COMMISSION  
DOCUMENT CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

WILLIAM A. MUNDELL )  
CHAIRMAN )  
JIM IRVIN )  
COMMISSIONER )  
MARC SPITZER )  
COMMISSIONER )  
IN THE MATTER OF: )  
RONALD LEE KEEL; DONALD )  
RAMEY; and MERACANA MINING )  
CORPORATION, )  
Respondents. )

Docket No. S-03418A-01-0000

RESPONSE TO SECURITIES  
DIVISION'S MOTION FOR ORDER  
REQUIRING MERACANA MINING  
CORPORATION TO RETAIN  
LEGAL COUNSEL

Respondent, Donald Ramey (hereinafter "Respondent"), by and through undersigned counsel, hereby responds to the Arizona Corporation Commission, Securities Division's motion to require Mercana Mining Corporation to obtain counsel. A Memorandum of Point and Authorities is attached hereto.

**MEMORANDUM OF POINTS AND AUTHORITIES**

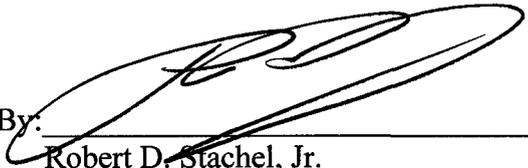
Respondent agrees that it is advisable that Mercana Mining Corporation obtain counsel and that either Richard Keel or Ron Keel, as current directors, are the proper parties to obtain that counsel. Respondent strenuously objects, however, to defaulting the corporation pending a complete outcome of the matter, should the corporation fail to obtain counsel.

The Division fails to cite nor are Respondents aware of any authority, under Arizona law, for the default of a corporation for failing to obtain counsel in an action before the Commission. Such result harms the very shareholders that Division now seeks to protect. Further, defaulting the corporation, prior to the formal hearing on the merits, risks the likelihood of inconsistent or incompatible results. The claims against the corporation are dependant upon the Court's finding as to the alleged violations of Arizona securities laws by the individual respondents. Should the Court, following the hearing on the merits, dismiss some or all of those claims now pending against the individual respondents, a prior default finding against the corporation based on the same allegations is inconsistent and unsupportable.

For the reasons stated herein, Respondent respectfully requests that this court limits its ruling on the Commission's motion to ordering Respondent Ronald Keel, as President of corporation to obtain counsel for the Corporation, without including the sanctions proposed by the Division.

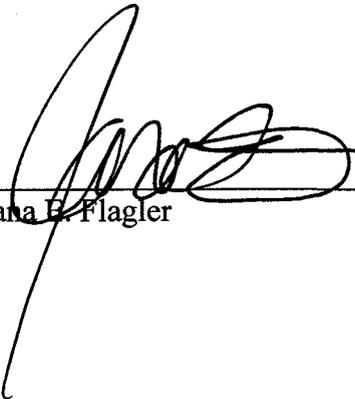
RESPECTFULLY SUBMITTED this 24 day of May, 2002.

CARDINAL & STACHEL, P.C.

By: 

Robert D. Stachel, Jr.

For the firm

By: 

Jana E. Flagler

Copy of the foregoing  
mailed this 27<sup>th</sup> day  
of May, 2002, to:

Arizona Corporation Commission  
Docket Control  
1200 W. Washington  
Phoenix, AZ 85007

Judge Phillip J. Dion III  
Administrative Law Judge  
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Respondent

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