

Richard: I understand you have been assigned to investigate the allegations contained in the letter to the IG from Sen. Vitter and Rep. Scalise. Late last week the IG had asked me to look into the allegations and draft a response articulating why the OIG would not further investigate. The end result of my efforts are below. Hopefully some of the information is useful to you. Please feel free to call to discuss. I'll be travelling to NO tomorrow, but will be available over BB and email. Thanks,

Kevin
202.208.6466

Mary,

I've attached a draft response to Sen. Vitter and Rep. Scalise that incorporates comments from Bruce's review.



Sen Vitter & Rep. Scalise 6.22.10.doc

The letter currently states that "the OIG is not aware of any formal challenges to the Department's safety report" under the Information Quality Act's procedures. DOI has a specific process for "affected persons" to challenge "disseminated information" under the IQA. The congressional letter does not appear to qualify as such a challenge and I am not aware of any IQA challenges to the 30-day report, but I wanted to mention it since you would likely know better.

Also, the current letter does not attach the letter from the Dept. to Dr. Jukvam-Wold, but it may be worthwhile to do so since my draft discusses the content of that letter.

Below are some of the resources I used in drafting the response:



Letter from Sen. Vitter & Rep. Scalise 7.16.10 Secretary's 30 Day Letter to the President.pdf



Dept. Response Letter to Jukvam-Wold.pdf

DOI IQA Policy: <http://www.doi.gov/ocio/guidelines/515Guides.pdf>

OMB IQA Policy: http://www.whitehouse.gov/omb/fedreg_reproducible/

OMB Peer Review Policy: <http://www.whitehouse.gov/omb/memoranda/fy2005/m05-03.pdf>

Interesting.

How will this affect the new case???

Guess we will see.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

Original Message

From: "The Washington Post" [newsletters@email.washingtonpost.com]
Sent: 06/22/2010 02:05 PM AST
To: Richard Larrabee
Subject: Breaking News: Judge blocks ban on deepwater drilling

News Alert: Judge blocks ban on deepwater drilling
01:55 PM EDT Tuesday, June 22, 2010

A federal judge in New Orleans has blocked the moratorium on deepwater drilling imposed by the Obama administration after the Gulf spill. The administration said it will appeal the ruling.

For more information, visit [washingtonpost.com](http://www.washingtonpost.com):
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZM/NHENF/VU/t>

Reading this alert on your BlackBerry? To get Washington Post news in just one click, download our mobile launcher:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZM/6D077/VU/t>

Sign Up for more alerts:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZM/ERMYI/VU/t>

To unsubscribe, click here:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZM/Z7LOC/VU/t?>

a=N02&b=cmljaGFyZF9sYXJyYWJlZUBkb2lvaWcuZ292

Copyright 2010 The Washington Post Company
Washington Post Digital
c/o E mail Customer Care
1150 15th Street NW
Washington, DC 20071

[[8VXTM7 15HGY TNO5Y EE751U AJLHZM T M2 20100622 d6699d1ec95867e49]]

Sounds good to me.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 06/22/2010 04:23 PM EDT

To: Richard Larrabee

Subject: Re: Fw: Breaking News: Judge blocks ban on deepwater drilling
I don't think it does at all. We can discuss more later.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**
06/22/2010 04:18 PM

To "Humbert" <harry_humbert@doioig.gov>

cc

Subj Fw: Breaking News: Judge blocks ban on deepwater drilling
ect

Interesting.

How will this affect the new case???

Guess we will see.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

Original Message

From: "The Washington Post" [newsletters@email.washingtonpost.com]

Sent: 06/22/2010 02:05 PM AST

To: Richard Larrabee

Subject: Breaking News: Judge blocks ban on deepwater drilling

News Alert: Judge blocks ban on deepwater drilling
01:55 PM EDT Tuesday, June 22, 2010

A federal judge in New Orleans has blocked the moratorium on deepwater drilling imposed by the Obama administration after the Gulf spill. The administration said it will appeal the ruling.

For more information, visit [washingtonpost.com](http://www.washingtonpost.com):
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/NHENF/VU/t>

Reading this alert on your BlackBerry? To get Washington Post news in just one click, download our mobile launcher:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/6D077/VU/t>

Sign Up for more alerts:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/ERMYI/VU/t>

To unsubscribe, click here:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/Z7LOC/VU/t?a=N02&b=cmljaGFyZGF9sYXJyYWJlZUBkb2lvaWcuZ292>

Copyright 2010 The Washington Post Company
Washington Post Digital
c/o E mail Customer Care
1150 15th Street NW
Washington, DC 20071

[[8VXTM7 15HGY TNO5Y EE751U AJLHZN T M2 20100622 d6699d1ec95867e49]]

Dave,

I just learned about this case today while spending the day at jury duty - thus, I don't know much about it yet. (They dismissed me from a rape trial just because I told them the defendant clearly looked like a rapist and his @### should be cut off).

Harry,

Your thoughts??

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: David W Brown
Sent: 06/22/2010 03:10 PM PDT
To: Richard Larrabee
Subject: interview on Thursday

My guys were going to interview the Berkeley Professor quoted in the Wall Street Journal on the 6 month moratorium report. Do you want us to hold off?

David W. Brown
Special Agent in Charge
Department of Interior
Office of Inspector General
Western Region Investigations
(916) 978-5630

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.



ROI-Deepwater_Moratorium_07-15-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This is the draft ROI without the Draft Executive Summaries I may - or may not - get from the Administrative Record.

Are you sure you read Kemkar closely before telling me to load it into CMS? Me think not unless you are interested in finding a new job. You may want to read the draft ROI closely also - I can't help myself :-)



ROI-Deepwater_Moratorium_07-15-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/16/2010 09:29 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Re: Kemkar IARNotes [Link](#)
ect

Good Rich. Load them both to CMS

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 09:21 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subj Kemkar IAR
ect

[attachment "IAR-Kemkar_Neil_07-16-2010.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry,

Attached is a rough draft of the ROI, along with a draft of a "Summary" of our in-depth investigation on this case in the form of the Kalamath case mentioned by Steve and Mary.

I am still awaiting for a copy of the Administrative Record of the litigation in Louisiana from SOL in order to review the drafts of the Executive Summaries; however, I am concerned that the drafts will not be able to clearly document which draft belongs to DOI versus the White House and at what time-frames the changes may have been made (and by whom). As we have discussed in depth, the only way to unequivocally identify these facts and time-frames is by conducting a thorough review of the email traffic between DOI and the White House on May 26 and the early morning hours of May 27, 2010, which has been denied by Steve and Mary.

Also, as I mentioned to you last Friday, I have requested Kevin Laden to review the draft ROI in order to draft an analysis of whether the Information Quality Act may have been violated, per the Congressional Request.

Finally, based on my review of the Administrative Record and Kevin's analysis, this attached ROI and Summary may have to be modified. I will keep you updated.

Have a good week of A/L.



ROI-Deepwater_Moratorium_07-15-10.doc Summary of Findings - PI-10-0562-1.docx

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Great - thanks. Just waiting for your opinion and SOL to upload on-line later this week the Administrative Record in which various drafts of the Executive Summary are allegedly located. Then I can close the case.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

07/20/2010 02:40 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Re: draft ROI for PI-10-0562-I [Notes Link](#)
ect

Just a quick update in case you get questions about the status: I've prepared a draft opinion that Bruce is reviewing. He's been on leave and may be out some more later this week, but we'll get something back to you before too long. Feel free to call with any questions/concerns. Thanks,

Kevin
202.208.6466

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 10:19 AM

To Kevin Laden/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subj draft ROI for PI-10-0562-I
ect

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.

[attachment "ROI-Deepwater_Moratorium_07-15-10.doc" deleted by Kevin Laden/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

Kevin,

I just finished reading your opinion and really appreciate it. I believe it captures exactly what I was hoping OGC would review and analyze in assisting OIG in responding to the Congressional request.

I did notice 2 very minor typos while reading:

Page 4 - 2nd full paragraph, 1st sentence - apostrophe should be after "s" in the word "experts", not before the "s."

Page 6 - 1st full paragraph, 1st sentence - there should not be an apostrophe after the "reviewers."

Thanks again Kevin.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

07/21/2010 09:37 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG

Subj Fw: Draft Opinion re: Moratorium Recommendation in the
ect Safety Report's Ex. Summary

Richard:

Per our discussion, my initial draft is attached. As we discussed, it is possible that additional evidence could uncover a more intentional misrepresentation regarding the safety report as a whole, but the evidence currently developed does not appear to support such an interpretation. Please let me know if you have any thoughts, questions, concerns, etc. Thanks,

Kevin
202.208.6466

[attachment "IQA Draft Legal Opinion - KLaden 7.20.2010 (2).doc" deleted by Richard Larrabee/WDC/OIG/DOI]

----- Forwarded by Kevin Laden/WDC/OIG/DOI on 07/16/2010 10:21 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 10:19 AM

To Kevin Laden/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subj draft ROI for PI-10-0562-I
ect

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

How did the "Summary" work for you? Do you think it will be enough of a diversion so that the Senator and the Congressman will not bother requesting the actual ROI, as suggested?

Just waiting for SOL to put the Administrative record on-line - Maria Grazia from SOL will call me once it is completed and placed on-line and provide to me the necessary link.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To Richard Larrabee/WDC/OIG/DOI@OIG
07/21/2010 10:10 AM cc
Subj Re: Fw: Draft Opinion re: Moratorium Recommendation in the
ect Safety Report's Ex. Summary [Notes Link](#)

Thanks for keeping me in the loop Rich. Looking forward to the final draft. Please CC me on it when you send it to Scott.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 07/21/2010 10:03 AM EDT
To: Kevin Laden
Cc: Bruce Delaplaine; Harry Humbert
Subject: Re: Fw: Draft Opinion re: Moratorium Recommendation in the
Safety Report's Ex. Summary
Kevin,

I just finished reading your opinion and really appreciate it. I believe it captures exactly what I was hoping OGC would review and analyze in assisting OIG in responding to the Congressional request.

I did notice 2 very minor typos while reading:

Page 4 - 2nd full paragraph, 1st sentence - apostrophe should be after "s" in the word "experts", not before the "s."

Page 6 - 1st full paragraph, 1st sentence - there should not be an apostrophe after the "reviewers."

Thanks again Kevin.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

07/21/2010 09:37 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subj Fw: Draft Opinion re: Moratorium Recommendation in the
ect Safety Report's Ex. Summary

Richard:

Per our discussion, my initial draft is attached. As we discussed, it is possible that additional evidence could uncover a more intentional misrepresentation regarding the safety report as a whole, but the evidence currently developed does not appear to support such an interpretation. Please let me know if you have any thoughts, questions, concerns, etc. Thanks,

Kevin
202.208.6466

[attachment "IQA Draft Legal Opinion - KLaden 7.20.2010 (2).doc" deleted by Richard Larrabee/WDC/OIG/DOI]

----- Forwarded by Kevin Laden/WDC/OIG/DOI on 07/16/2010 10:21 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 10:19 AM

To Kevin Laden/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subj draft ROI for PI-10-0562-I
ect

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

Scott,

Attached is a draft ROI and draft "Summary of Findings" letter to be sent to Senator Vitter and Congressman Scalise.

Kevin Laden is finalizing his legal opinion as to whether the Information Quality Act was violated, per request of the Congressional letter (it is currently with Bruce for review). I used his draft opinion to incorporate his findings into the ROI; obviously, if his final opinion changes (which he said was very unlikely), I will make the appropriate edits to the ROI.

Also, you will notice that the final section to the Details of Investigation section of the ROI is still outstanding because I am waiting to hear from SOL when I can view their Administrative Record for different drafts of the Executive Summary on-line (I've been told it will be on-line this week sometime). As you know, I was directed to not ask for Secretary Counselor Steve Black's emails that contained the actual drafts sent to, and returned by the White House (even though he told us he had them if we wanted them).

Please call or email with any edits, comments, questions, etc.

Thanks.



ROI-Deepwater_Moratorium_07-15-10.doc Summary of Findings - PI-10-0562-1.docx

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Thanks Kevin.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

07/21/2010 09:37 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subj Fw: Draft Opinion re: Moratorium Recommendation in the
ect Safety Report's Ex. Summary

Richard:

Per our discussion, my initial draft is attached. As we discussed, it is possible that additional evidence could uncover a more intentional misrepresentation regarding the safety report as a whole, but the evidence currently developed does not appear to support such an interpretation. Please let me know if you have any thoughts, questions, concerns, etc. Thanks,

Kevin
202.208.6466



IQA Draft Legal Opinion - KLaden 7.20.2010 (2).doc

----- Forwarded by Kevin Laden/WDC/OIG/DOI on 07/16/2010 10:21 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 10:19 AM

To Kevin Laden/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subj draft ROI for PI-10-0562-I
ect

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Read the two articles about our moratorium investigation.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 07/23/2010 09:53 AM -----

"Tsai, Brian"
<Brian_Tsai@ios.doi.gov> To Undisclosed recipients;;
07/23/2010 09:47 AM cc
Subj News Summary
ect



Interior News Summary

Headline	Date	Outlet
----------	------	--------

Video

[Secretary Salazar Video](#)

[The Today Show Update on Gulf Oil Spill](#)

Secretary Salazar News

[Oil spill work on hold as Bonnie approaches](#) 07/23/10
Associated Press AP Harry R. Weber and David Dishneau

[Salazar pledges to limit revolving-door lobbyists](#) 07/23/10
Washington Post Kimberly Kindy

[Gov't watchdog looking into moratorium claims](#) 07/22/10
Associated Press AP Frederic J. Frommer

Moratorium process investigated	07/23/10	The Advocate (LA)	Gerard Shields
BP Managers Named in Disaster Probe (See Below)	07/23/10	Street Journal	Ben Casselman and Russell Gold
Other News			
Task force finds obstacles remain to Ore. logging	07/22/10	Associated Press AP	Jeff Barnard
Federal roundup of wild horses resumes in Nevada	07/23/10	Today	Oren Dorell
Senate rejects \$3 billion Indian trust settlement	07/22/10	Associated Press AP	
Senate Democrats turn focus to Gulf spill response	07/23/10	Associated Press AP	Matthew Daly
NY tribe faces late recognition challenge	07/22/10	Associated Press AP	Frank Elton

Brian Tsai
Public Affairs Specialist
U.S. Department of the Interior
(202) 208-6416

BP Managers Named in Disaster Probe

The Two Men Were Aboard Rig for the Oil Giant; Documents Show Key Safety Switch on Deepwater Horizon Didn't Work

Wall Street Journal
Ben Casselman and Russell Gold
07/23/10

http://online.wsj.com/article/SB10001424052748703467304575383330524596218.html?mod=WSJ_hp_MIDDLENexttoWhatsNewsTop

KENNER, La. Two managers from BP PLC have been named as subjects of a federal investigation into the explosion and sinking of the Deepwater Horizon oil rig in the Gulf of Mexico.

The two men are the first individuals from BP to be named "parties in interest" in the case, indicating that they are potential targets of the probe.

Both were aboard the rig representing BP, which owned the well being drilled, when the well blew out April 20, killing 11 and unleashing the worst offshore oil spill in U.S. history.

Investigators on Thursday said they had named as parties Robert Kaluza, a BP employee overseeing operations on the rig, and Patrick O'Bryan, BP's vice president in charge of drilling. Neither could be

reached for comment Thursday evening. A lawyer for Mr. Kaluza didn't immediately respond to messages. BP declined to comment.

Mr. Kaluza has twice been called to testify in front of the investigative board holding hearings in this city just outside New Orleans. He declined, citing his rights under the Fifth Amendment of the U.S. Constitution.

Five employees of Transocean Ltd., which owned and operated the oil rig, have previously been named as parties in the investigation; this gives the employees additional protections, such as access to evidence and the right to question witnesses.

Investigators' move to name the BP employees comes after a week of testimony in which investigators repeatedly questioned the company's decisions aboard the rig and suggests investigators believe those decisions could have contributed to the disaster.

BP and Transocean had already been named as subjects of the probe, which is being conducted by the U.S. Coast Guard and by the Bureau of Ocean Energy Management, Regulation and Enforcement. There are now 16 subjects of the probe, including individuals and contractors.

Meanwhile, internal documents reviewed by The Wall Street Journal show engineers who pulled some of the Deepwater Horizon's equipment from the seabed two weeks after the rig exploded found that a crucial safety switch wasn't functional.

The safety switch addressed in the documents, known as a "deadman switch," should have activated once the floating rig erupted into flames and lost communication with well-control equipment a mile below the surface. The switch should have triggered the blowout preventer, a 450-ton set of valves designed to shut down the well.

But a test of the blowout preventer's control system found that the deadman switch was inoperable, according to a May report by Cameron International Corp., which made the equipment. Cameron employees attempted to activate the switch, but nothing happened.

A second control system had a dead battery, congressional investigators have said, though Transocean disputes that.

The Cameron report, which was ordered by Transocean, also noted that the deadman switch was rebuilt, most likely aboard the rig, in February by an "unknown person."

A Cameron spokesman declined to comment. A Transocean spokesman said that testing after the blowout was "inconclusive" and that there was no reason to believe the deadman switch "wasn't fully functional."

The report, which hasn't previously been made public, provides a new clue into why the blowout preventer didn't operate as expected and seal off the raging well — one of the chief unanswered questions in the Deepwater Horizon disaster. While a working switch wouldn't have prevented the uncontrolled blowout on April 20, it could have cut off the fuel that fed the inferno for 36 hours until the rig sank.

During the hearings, federal investigators have had tough questions for Transocean, probing the driller's maintenance of the blowout preventer, safety systems and other equipment aboard the rig.

According to testimony at the hearings, the Deepwater Horizon experienced a series of power losses, computer crashes and other issues in the months before the explosion, and hundreds of items were overdue for maintenance. But in a March 29 email, a BP manager praised workers on the rig for completing 63 of 70 maintenance items. It wasn't immediately clear whether the email referred to the same maintenance issues.

A survey of the oil rig's workers by Lloyd's Register Group, which was done last spring at Transocean's request, found that they were concerned about safety aboard the rig. Less than half felt they could report unsafe conditions without reprisal, according to the survey, which was earlier reported by the New York Times.

In hearings Thursday, Natalie Roshto said her husband, Shane, who died on the rig, was particularly worried. "From day one he deemed this hole a well from hell," said Ms. Roshto, who is suing Transocean for the wrongful death of her husband. "He said Mother Nature just doesn't want to be drilled here."



image001.png



07-23-10.doc

Harry,

Just called SOL again yesterday in re the Administrative Record in order to get whatever drafts of the Executive Summary that may have been placed in the record. SOL told me that they are still working on completing the final Administrative Record and they will let me know when it is placed on-line for all of the public to view.

Seems a bit ironic to me that in conducting an internal OIG investigation, we have been directed to not secure vital documentation pertinent to the investigation internally, but rather must wait for its public release in order to obtain the documentation.

I will let you know when the drafts are released to the public and I incorporate them into the ROI.

Have a safe trip to Houston (Helicopter case? Why are you going? - just being nosy).

Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry
Humbert/WDC/OIG/DOI To "Rich Larrabee" <richard_larrabee@doioig.gov>
07/27/2010 08:45 AM cc
Subj Hey Rich
ect

Sorry to just be getting back to you. Flying to Houston as we speak. Glad you thought that the pizza on the grill was awesome. I'll bet the kids enjoyed it.
Let me know when you get all of the final documentation and have incorporated it into the final product. Scott has the previous one that you sent.
Hope all is well.

Harry.

This message was sent from a wireless device.

MARY GRACE - Executive Assistant - Telephone (202) 208-3111

She has been very nice and I have not asked for any special attention - she simply informed me that the Administrative Record is not "complete" yet.

It seemed clear to me that we were directed by Mary and Steve to not request the drafts from anyone in the Secretary's Office. Black told us that he has them in his emails - its crazy to not ask him for his email traffic with the drafts he sent and received from the WH. Just my two-cents, again (sorry that I sound like a broken record!)

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To Richard Larrabee/WDC/OIG/DOI@OIG
07/27/2010 09:03 AM cc
Subj Re: Hey Rich [Notes Link](#)
ect

I want a name and a phone number of the person you are dealing with at the SOL. We are NOT waiting until the public gets a copy before we are permitted to view it. Yep, helicopter case.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 07/27/2010 08:59 AM EDT
To: Harry Humbert
Subject: Re: Hey Rich

Harry,

Just called SOL again yesterday in re the Administrative Record in order to get whatever drafts of the Executive Summary that may have been placed in the record. SOL told me that they are still working on completing the final Administrative Record and they will let me know when it is placed on-line for all of the public to view.

Seems a bit ironic to me that in conducting an internal OIG investigation, we have been directed to not secure vital documentation pertinent to the investigation internally, but rather must wait for its public release in order to obtain the documentation.

I will let you know when the drafts are released to the public and I incorporate them into the ROI.

Have a safe trip to Houston (Helicopter case? Why are you going? - just being nosy).

Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To "Rich Larrabee" <richard_larrabee@doioig.gov>
07/27/2010 08:45 AM cc
Subj Hey Rich
ect

Sorry to just be getting back to you. Flying to Houston as we speak. Glad you thought that the pizza on the grill was awesome. I'll bet the kids enjoyed it.
Let me know when you get all of the final documentation and have incorporated it into the final product. Scott has the previous one that you sent.
Hope all is well.

Harry.
This message was sent from a wireless device.

Roger that. This is the note I drafted for entry into Case Notes - are you good with it?

SA Larrabee has completed drafts of the ROI and Summary. OGC has completed their analysis of whether the facts and circumstances determined in the investigation may represent a violation of the Information Quality Act. The ROI cannot be finalized, however, until drafts of the Executive Summary have been obtained and reviewed. Counselor Steve Black said he had copies of the various drafts in his emails; yet we were directed to not obtain Black's emails, but rather try to obtain the drafts from the official Administrative Record SOL is preparing in relation to the moratorium litigation in Louisiana. According to SOL, however, they have not yet completed the Admin Record for release to the public.

Just let me know and I will enter it into Case Notes.

Also, I have a call in with SOL about trying to obtain copies of the draft Executive Summaries prior to the Admin Record being officially completed. I have not yet received a response.

Are you back in your office?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To Richard Larrabee/WDC/OIG/DOI@OIG
07/28/2010 12:04 PM cc
Subj PI-0562
ect

Rich-

I forwarded the issues with the SOL to Scott yesterday who was to have addressed the concerns we have with John. Please update the CMS notes to reflect our current status. I will keep you posted on what I hear.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Harry,

In case we do not get a chance to speak on the phone later, just wanted to update you.

I just got off the phone with Mary Grace from SOL and tried requesting the draft Executive Summaries that will be in the final Administrative Record before the Record is finalized and she correctly informed me that SOL cannot release those documents to me because they are not SOL produced documents, but rather Counselor Black is the source of the documents. Ironically, she then pointed out that the source - Steve Black - could release the drafts directly to us, and then she asked why we simply did not request them from him. I, of course, being so quick-minded, responded by saying absolutely nothing and in doing so, sounded like a complete imbecile.

So that's the story - no drafts coming from SOL until the Administrative Record is finalized for public release. Unless of course, we ask the source for the drafts (and associated emails!)

Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Can we also ask him for all of his available drafts of the Executive Summary, along with his emails?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.



Larrabee - 7-29-2010.docx

Just twiddling my thumbs on this one Harry.

I just read in CMS the letter Mary sent to Congress last week informing them that we were conducting an investigation into this matter - interesting.

Hope you are enjoying Lake Charles.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Can we also ask him for all of his available drafts of the Executive Summary, along with his emails?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

Good luck Harry. How will you deliver this to them? Just curious.

You will note in the request that I included a deadline for production - giving them 5 days to comply. Otherwise we may be sitting around for a while until they get around to responding.



Email and Document Request to Black and Kemkar.docx

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To Richard Larrabee/WDC/OIG/DOI@OIG
08/05/2010 10:36 AM cc
Subj Re: Do you have a draft [Notes Link](#)
ect

Either is fine Rich.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Richard Larrabee/WDC/OIG/DOI To Harry Humbert/WDC/OIG/DOI@OIG
08/05/2010 10:30 AM cc
Subj Re: Do you have a draft [Notes Link](#)
ect

Not yet. Do you want it in as an email or word document? I will do it this morning.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior

Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

08/05/2010 10:28 AM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subj Do you have a draft
ect

Email for me yet?

This message was sent from a wireless device.

Harry,

Just read your entry in CMS - Did I understand correctly that the emails generated from the Office of the Secretary (OS) will no longer be captured by Zantaz? If so, will there be any way for an entity outside OS (e.g. OIG) to capture OS emails in the future? Or has OS simply decided that it is inconvenient for them to allow an outside entity to be able to retrieve their emails?

If so, the word "transparency" is not springing to mind.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To Richard Larrabee/WDC/OIG/DOI@OIG
08/12/2010 12:40 PM cc
Subj Re: Zantaz [Notes Link](#)
ect

Did you hit your head on the ride?
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 10:37 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Salazar interview?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:29 AM MDT
To: Richard Larrabee
Subject: Re: Zantaz

No hard drives- no nothing else.
Enjoy space mountain!
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 09:34 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Right.

Who won the day with Steve and Mary? Kolesnik? Dupuy?

What about hard-drive reviews?

In Disney World right now waiting to ride Space Mountain.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:00 AM EDT
To: Richard Larrabee
Subject: Re: Zantaz

Yep.....and now you know what kind of day I am having!

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**
08/12/2010 09:59 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc

Subject Re: Zantaz [Notes Link](#)

Who is Smith? Do you mean Black?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 08/12/2010 09:55 AM EDT

To: Richard Larrabee

Subject: Zantaz

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Harry,

Was the zantaz CD FedEx'd to my office address in Boston or my residence in Lexington, MA? Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry,

I have completed my review of the emails retrieved via Zantaz for DOI Secretary Counselor Steve Black for the dates of May 26 and 27, 2010.

Contrary to Black statements to us during his interview that he exchanged emails with the White House that contained drafts of the Executive Summary to the 30-Day Report throughout the evening of May 26 and early morning hours of May 27, 2010, I was unable to locate any such emails with attachments containing drafts of the Executive Summary. In fact, I was unable to identify any email exchanges at all with the White House.

The only email that contained an early version of the Executive Summary draft was sent by Neal Kemkar to MMS' Mike Saucier as a courtesy draft on May 26 at 10:29pm; this email contained a forwarded email from Black to Kemkar (which had the draft ES) 3 hours earlier, yet that email was not captured by Zantaz. In discussing why Zantaz did not capture the earlier email from Black to Kemkar with Amy Bouchard, she informed me that the Office of the Secretary (OS) changed routers in March 2010 and thus their emails were no longer being captured by Zantaz. Accordingly, the only reason Zantaz retrieved the email to Saucier is because he is with MMS, whose emails Zantaz are still capturing.

In conclusion, the emails retrieved by Zantaz under this request are far from complete because they would not contain any internal emails within the OS, or any emails they sent to the WH (or anyone else outside of the Zantaz realm, for that matter).

My recommendation:

We need to request all emails directly from Black and Kemkar that they sent and received during May 26 and 27, 2010 (including those that contained drafts of the ES), along with all drafts of the ES they may have in their possession, regardless of whether they were attached to those emails or not. This request, I believe is already in Memorandum format. I would additionally recommend that we contact CCU in order to determine whether they have a contact with OS that would allow us to retrieve Black's and Kemkar's emails independently for verification purposes.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
918.2320

Ok

Have a good weekend - glad I am not in DC :-)

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/20/2010 04:13 PM EDT
To: Richard Larrabee
Subject: Black

Rich-

Please update CMS- see below.

Based on discussions with IG/COS/AIGI and DAIGI and our inability to obtain Zantaz, it was decided that I would ask Black for the items desired. Went to his office and requested that his Secretary notify me when he is available. She advised that he is out of the office until next Wed, but may come back sooner.

Harry

Harry Humbert
Director
Program Integrity Division
Department of the Interior
Office of Inspector General
202-219-0635

0

Must have - seeing stars and having delusions of independence and objectivity.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:38 AM MDT
To: Richard Larrabee
Subject: Re: Zantaz

Did you hit your head on the ride?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 10:37 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Salazar interview?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:29 AM MDT
To: Richard Larrabee
Subject: Re: Zantaz

No hard drives- no nothing else.

Enjoy space mountain!

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 09:34 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Right.

Who won the day with Steve and Mary? Kolesnik? Dupuy?

What about hard-drive reviews?

In Disney World right now waiting to ride Space Mountain.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:00 AM EDT
To: Richard Larrabee
Subject: Re: Zantaz

Yep.....and now you know what kind of day I am having!

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI** To Harry Humbert/WDC/OIG/DOI@OIG
08/12/2010 09:59 AM cc
Subj Re: Zantaz [Notes Link](#)
ect

Who is Smith? Do you mean Black?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 09:55 AM EDT
To: Richard Larrabee
Subject: Zantaz

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Figured that, but thought I would ask anyway to show my devotion to the cause.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/26/2010 08:35 AM MDT
To: Richard Larrabee
Subject: Re: Steve Black

I think I might be able to handle it!

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/25/2010 03:32 PM MDT
To: Harry Humbert
Subject: Re: Steve Black

Right - Need help?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/25/2010 05:11 PM EDT
To: Richard Larrabee
Subject: Steve Black

Rich-

He does not return until next Wednesday. I have a 1030 meeting with him to request the documents we seek.

Harry



A handwritten signature in black ink, reading "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392



ROI-Deepwater_Moratorium_09-27-10-II.doc

Also, Bruce D. mentioned that Art Gary provided a formal letter to us along with the emails stating that they would be exerting some privileges - could you have a copy of that letter sent to me so that I can place into CMS? Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



Department of the Interior News Summary

Friday, December 10, 2010

TABLE OF CONTENTS

Secretary Salazar News	3
Energy	4
Offshore Drilling	4
Senator blocks Obama nominee over drilling halt	4
Sen. David Vitter blocks NOAA nomination to protest slow pace of offshore drilling permits	6
OFFSHORE DRILLING: GOP senators say extended reviews could invite lawsuits	7
SENATE: Vitter blocks NOAA nominee, cites drilling concerns	9
BLOG: Amid criticism from drill-state lawmakers, continuing resolution expands drilling review period	11
BLOG: Vitter wants W.H. energy czar to testify	12
Renewable Energy	13
Renewable energy grant program extension likely	13
Is state in jeopardy of losing solar energy industry incentives?	14
LETTERS: Wind offers more promise than gas	16
RENEWABLE ENERGY: Jobs argument is potent in tax debate, but some say it's off point	17
Gulf Oil Spill	22
BP executive: Response on rig was late	22
Cape Wind	23
Fearing Drastic Losses, Fishermen Dodge Legal Traps in Cape Wind Fight	23
Natural Gas	26
NATURAL GAS: Northeast regulator eases proposed drilling curbs	26
America's Great Outdoors	29
Gateway Arch	29
Salazar, LaHood In St. Louis For Arch Grounds Upgrade	29
Grand Teton National Park	30
Wyo. officials say yes to Teton land sale to feds	30
Wyoming sells Grand Teton National Park land to feds	32
Parties OK park deal	34
State to sell Grand Teton parcel to Feds	36
Endangered Species	38
EDITORIAL: Don't undermine endangered species	38
Western Oregon Forests	39
Canyonville pilot project could help open O&C lands to logging	39
Uranium Mining	41
Flagstaff opposes uranium mining near Grand Canyon	41
Empowering Native American Communities	42
Cobell	42
INTERIOR: Obama signs historic <i>Cobell</i> , Indian water rights settlements	42
Gaming	44
Feinstein casino plan draws anger from tribes	44
Senate	46
SENATE: Cantwell likely pick to lead Indian Affairs panel	46
Hot Topics	48
Climate Change	48
Climate talks intensify; negotiators see progress	48

Forest plan hangs in balance at climate conference	50
As climate-change talks continue, lack of consensus spurs smaller-scale actions	54
CANCUN: Rumors upend late-night bid to break Kyoto deadlock.....	56
Emissions.....	57
E.P.A. Delays Tougher Rules on Emissions.....	57
Department of the Interior or Related News.....	59
National Park Service.....	60
Groups ask court to halt Alton strip mining.....	60
Office of Insular Affairs.....	61
Babauta Approves \$1 Million for GMH.....	61
Interior gives \$5M for CUC, Compact-Impact.....	62
CUC needs \$4.2M to overhaul five engines.....	63
New panel, NREL work on green energy plan for CNMI.....	64

Secretary Salazar News

Energy

Offshore Drilling

Senator blocks Obama nominee over drilling halt

Associated Press AP

Jim Abrams

12/09/10

Printed 138 times as of 9:30 a.m.

(Washington Post, Yahoo!, WDSU-TV, etc)

http://news.yahoo.com/s/ap/20101209/ap_on_go_co/us_senator_drilling_moratorium/print

WASHINGTON (AP) -- The Obama administration won't be able to fill a key science position until it testifies about a decision to block areas of the eastern Gulf and Atlantic seaboard from new oil and gas drilling, a Republican senator said Thursday.

Sen. David Vitter, R- La., said in a letter to President Barack Obama that he was putting a "hold" on the nomination of Dr. Scott Doney for chief scientist at the National Oceanic and Atmospheric Administration. He first wants answers to the tough new policy on offshore drilling announced earlier this month.

Under Senate rules, a single senator can prevent a nominee from getting a vote on the Senate floor. It takes 60 vote to override such "holds."

Vitter said he wants Carol Browner, Obama's chief energy and climate change adviser, and Steve Black, counselor to Interior Secretary Ken Salazar, to testify under oath before the Senate Small Business Committee on a November report by the Interior Department's inspector general.

That report concluded that the White House edited a drilling safety report in a way that made it appear that scientists and experts supported the administration's six-month ban on new deep-water drilling.

"Louisianians are distraught by your administration's disregard for scientific integrity, the health of the U.S. economy and domestic energy production," Vitter told Obama in the letter.

Interior Department spokeswoman Kendra Barkoff said Vitter was "posturing."

"No amount of political pressure is going to weaken our commitment to delivering strong oversight, strong safety standards and clear rules of the road for offshore oil and gas production," Barkoff said. Interior says the inspector general's report was an editing mistake and not an issue of wrongdoing or scientific integrity.

Vitter said he also wanted a response to a letter he sent to Salazar last month about what he a de facto drilling moratorium.

Louisiana's Democratic senator, Mary Landrieu, also held up a confirmation vote for White House budget chief Jacob Lew for several months to protest the administration's offshore drilling policies imposed after last summer's BP oil spill in the Gulf.

The administration's drilling announcement reversed a March plan that would have authorized officials to explore the potential for drilling from Delaware to central Florida, plus the northern waters of Alaska.

Obama nominated Doney in August to be NOAA's top scientist. He is currently a scientist at the Woods Hole Oceanographic Institution in Massachusetts.

Sen. David Vitter blocks NOAA nomination to protest slow pace of offshore drilling permits

The Times-Picayune (New Orleans, LA)

Bruce Alpert

12/10/10

http://www.nola.com/news/gulf-oil-spill/index.ssf/2010/12/sen_david_vitter_blocks_noaa_n.html

For the second time in recent weeks, a Louisiana senator is blocking Senate confirmation of an Obama administration nominee to protest [the slow pace of permits for offshore drilling](#) in the wake of [the BP Deepwater Horizon oil spill](#).

This time it is Republican Sen. [David Vitter](#), who is holding up the nomination of [Scott Doney](#) to be chief scientist at the National Oceanic and Atmospheric Administration.

Just before Thanksgiving, Sen. [Mary Landrieu](#), D-La., dropped her nearly two-month hold on Obama's nomination of Jack Lew to head the Office of Management and Budget. She released her hold after getting Interior Secretary Ken Salazar to meet with industry officials, though later she said she wasn't satisfied with his response.

In a letter to the president Thursday, Vitter said he is requesting two actions by the administration before he'll drop his hold on Doney. One would be to make two key advisers, Carol Browner, the assistant to the president for energy and climate change, and Steve Black, counselor to Salazar, available for a Small Business Committee hearing to testify about the federal moratorium on deepwater drilling, which officially ended in October.

Vitter said that [the Interior Department's inspector general raised questions about the editing process](#) in a report justifying the moratorium, which led to the mistaken impression that a group of scientists peer reviewing the administration's response to the BP oil spill had agreed with the moratorium. They had not.

He also said he wants a "full and satisfactory written response" to his letter to Salazar about the "de facto drilling moratorium" by the Interior Department's Bureau of Bureau of Ocean Energy Management, Regulation and Enforcement.

Kendra Barkoff, spokeswoman for Salazar, criticized the Vitter hold on Doney, who recently served as the senior scientist at the Marine Chemistry and Geochemistry Department of the Woods Hole Oceanographic Institution of Massachusetts and was recommended this week for Senate confirmation by the Senate Commerce Committee.

"This is nothing more than a thinly veiled attempt to turn back the clock on offshore oil and gas safety and environmental reforms, and to ignore the lessons of the Deepwater Horizon oil spill," Barkoff said. "No amount of political pressure is going to weaken our commitment to delivering strong oversight, strong safety standards, and clear rules of the road for offshore oil and gas production.

"This type of posturing also ignores the fact that many companies have raised the bar on their safety practices to meet the new standards we have set, which has allowed BOEMRE to approve 21 new shallow-water drilling projects in the last several weeks," Barkoff said.

In his letter to the president, Vitter said Louisiana residents "are distraught by your administration's disregard for scientific integrity, the health of the U.S. economy and domestic energy production."

OFFSHORE DRILLING: GOP senators say extended reviews could invite lawsuits

Environment & Energy Daily

Phil Taylor

12/10/10

<http://www.eenews.net/EEDaily/print/2010/12/10/7>

Five Republican senators yesterday warned that an Obama administration measure tucked into a spending bill to give the Interior Department triple the time to review offshore drilling proposals would open the door to a slew of lawsuits from environmental groups.

Legislation to continue funding the government that passed the House this week would allow Interior's Bureau of Ocean Energy Management, Regulation and Enforcement 90 days to review drilling permits as opposed to the 30 days required under current law ([E&ENews PM](#), Dec. 7).

The proposal has been pushed by the Obama administration since May, when the president said the 30-day deadline encouraged regulators to waive environmental reviews.

But allowing 90 days to review drilling permits could encourage the use of environmental assessments that would give conservation groups additional opportunities to file lawsuits that stall energy production in the Gulf of Mexico, the senators said.

"This language has not been analyzed and scrutinized by the appropriate Senate committees," the GOP senators wrote to the chairman and ranking member of the Appropriations Committee. "Such a proper review would allow an understanding of whether this provision will result in environmental assessments on every single permit to drill."

"This would open the door to environmental lawsuits under the National Environmental Policy Act by the environmental community on every application that could create jobs and produce domestic offshore energy," added the [letter](#) from Sens. David Vitter of Louisiana, John Cornyn and Kay Bailey Hutchison of Texas, Roger Wicker of Mississippi, and Jeff Sessions of Alabama.

The senators also warned that by retroactively changing the terms of leases issued for millions of acres of federal waters, the U.S. risks drawing breach-of-contract lawsuits from oil and gas companies.

A 2000 Supreme Court case involving a breach of lease terms off the coast of North Carolina cost the federal government \$170 million, said Jack Coleman, a managing partner at EnergyNorthAmerica LLC who was Interior's senior attorney for royalties and offshore minerals at the time.

"The consequences of this are potentially very strong," said Coleman, who testified to U.S. lawmakers earlier this year about the legal risk of raising the liability cap for current lease holders in the Gulf. "They are entitled to a reliance on the deal they made."

Environmental groups have long advocated for extending review times for offshore drilling and limiting the government's use of categorical exclusions that fast-track drilling approvals.

"The extension for reviewing exploration plans makes a lot of sense," said Miyoko Sakashita, oceans director for the Center for Biological Diversity, which has filed multiple lawsuits that challenge Interior offshore drilling decisions. "It's something Interior asked for specifically to address some of the concerns with regulatory oversight of the offshore oil and gas industry."

"Any challenges to that [90-day] rule seem absurd," Sakashita added. "Part of what's required here is the federal government has to look before they leap."

Sen. Dianne Feinstein (D-Calif.) this week said she strongly supports language in the spending measure to extend time for Interior to review drilling plans.

"The department has asked for more time. They need more time," Feinstein said ([E&E Daily](#), Dec. 9).

At the request of Interior Secretary Ken Salazar, a similar proposal to extend environmental reviews of offshore drilling was included in a House oil spill bill that passed this summer. The measure stalled in the Senate.

"Thirty days ... was never a sufficient time frame to conduct these reviews," said BOEMRE spokeswoman Melissa Schwartz. "In light of the new safety and environmental protection requirements and policies, the current time limitation is even less appropriate."

Without extended reviews, the agency would need significant additional staff and contractors in order to meet the deadline, Schwartz said.

SENATE: Vitter blocks NOAA nominee, cites drilling concerns

E & E News PM

Paul Quinlan

12/09/10

<http://www.eenews.net/eenewspm/print/2010/12/09/3>

Louisiana Sen. David Vitter (R) announced his hold on President Obama's nominee for chief scientist at the National Oceanic and Atmospheric Administration today, citing outstanding concerns over the administration's scientific integrity and the ongoing permitting bottleneck for deepwater drillers in the Gulf of Mexico.

Vitter made two demands in a letter to Obama today. First, he wants Carol Browner, Obama's top energy and climate adviser, and Steve Black, Interior Secretary Ken Salazar's counsel on energy, to commit to testify before a "full investigative hearing" of the Senate Small Business Committee.

Vitter said the hearing would examine findings by the Interior Department's watchdog that the White House tampered with language in a controversial report to imply that independent scientists supported the Obama administration's recently lifted moratorium on deepwater drilling ([Greenwire](#), Nov. 10).

Vitter sits on the Small Business Committee, as does Louisiana's other senator, Mary Landrieu (D), who serves as chairwoman. Both senators have been highly critical of the Obama administration's moves regarding offshore drilling, and Landrieu held up the nomination of Budget Director Jack Lew for several weeks as a result.

In his letter, Vitter also asked for "a full and satisfactory written response" to a letter he sent to Salazar on Nov. 21 that listed five outstanding issues that he said are contributing to the permitting logjam that persists despite the administration's rollback of a deepwater drilling moratorium.

"Louisianans are distraught by your administration's disregard for scientific integrity, the health of the U.S. economy, and domestic energy production," Vitter wrote. "We are losing jobs, economic activity, revenue to the federal treasury, and energy independence. We must change this dead-end path."

Scott Doney, Obama's nominee to fill the chief scientist job at NOAA, a position vacant for more than a decade, was expected to coast through the confirmation process. At a hearing last week, he said the "success of NOAA's enterprise requires recruiting and retaining the best scientists" and pledged to "cultivate future scientists" at the agency.

Vitter's hold will slow what Democrats, at least, view as an effort to improve NOAA's science credentials, which have come under fire in the aftermath of this summer's Deepwater Horizon oil spill amid allegations of incorrect flow estimates and damage assessments. NOAA Administrator Jane Lubchenco and others have expressed "a clear need for strong guidance on the science side" of the agency, Sen. Jay Rockefeller (D-W.Va.) said during Doney's confirmation hearing.

"I think that's the role I would fill, try to bring research to a high level, maintain the quality of it and try to make sure the best science is being used," Doney said.

Vitter pledged today to keep the hold in place until "they address my request."

"The administration has been really horrible, in my opinion, on sound science, particularly in that instance related to the moratorium, and there are a lot of unanswered questions and a lot of logjams with regard to the *de facto* moratorium, so that's what it's all about," he said in an interview.

BLOG: Amid criticism from drill-state lawmakers, continuing resolution expands drilling review period

The Hill/E2 Wire Blog

Andrew Restuccia

12/09/10

<http://thehill.com/blogs/e2-wire/677-e2-wire/132861-amid-criticism-from-drill-state-senators-cr-expands-drilling-review-period>

The \$1.1 trillion continuing resolution [passed by the House](#) Thursday night includes a provision that would increase by 60 days the time the Interior Department has to conduct environmental and safety reviews of proposed offshore-drilling projects.

The Interior Department says the provision, which would extend the review period from 30 days to 90 days, is necessary to adequately review offshore exploration permits.

But the move is facing resistance from drilling-state lawmakers, who argue the extension will further delay offshore permitting at the newly formed Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE).

Sens. Mary Landrieu (D-La.) and Lisa Murkowski (R-Alaska), in a Dec. 7 letter to key members of the Senate Appropriations Committee, panned any effort to lengthen the review period. “[E]xtending the statutory period that BOEM has to review offshore oil and gas exploration plans is unnecessary,” the letter says.

But the Interior Department says exploration plan reviews are complicated and time intensive, particularly given efforts by the department to tighten drilling regulations in the aftermath of the BP oil spill.

“Without this change, there would be significant additional costs for BOEMRE to significantly increase staff and contractors in order to meet these short time frames,” said bureau spokeswoman Melissa Schwartz. “There is also a risk that there would be further delays for reviews given a lack of capacity.”

The former Minerals Management Service, the now-defunct agency within Interior that was in charge of overseeing offshore drilling in the run-up to the BP oil spill, has been criticized for exempting drilling projects from environmental review. As part of the department’s wide-ranging new drilling regulations, BOEMRE decreed it would greatly limit the use of the exemptions. As a result, Interior officials say it is necessary to have additional time to review the exploration plans.

The House continuing resolution also includes funding to double the number of offshore drilling inspectors.

BLOG: Vitter wants W.H. energy czar to testify

Politico/On Congress Blog

Darren Goode

12/09/10

http://www.politico.com/blogs/glennthrush/1210/Vitter_wants_WH_energy_czar_to_testify.html?showall

Sen. David Vitter wants White House energy and climate adviser Carol Browner to testify before a Senate panel, and will try to hold up the nomination for a top scientist at the National Oceanic and Atmospheric Administration as collateral.

The Louisiana Republican is protesting the Obama administration's crackdown on offshore oil and gas drilling, and sent a letter Thursday announcing a procedural hold on Scott Doney's nomination to be chief scientist at NOAA.

"I am uncomfortable confirming a high-level science adviser within your administration while there remain significant outstanding concerns over scientific integrity at federal agencies and the White House, including with regard to the recent drilling moratorium and the ongoing bottleneck in [licensing], which I would characterize as a continuing de facto moratorium," Vitter wrote.

Vitter said his intent is for the Senate Small Business Committee to hold a hearing on a November report by the Interior Department's inspector general and he wants Browner and Steve Black, counselor to Interior Secretary Ken Salazar, to testify under oath.

The [report](#) found that the White House revised a crucial section of an Interior report to suggest an independent group of scientists and engineers supported a six-month ban on offshore oil drilling. Interior spokeswoman Kendra Barkoff said, at the time, the changes were part of the normal editing and consulting process. "There was no intent to mislead the public," Barkoff said.

Vitter also wants a response to a letter he sent last month to Salazar regarding what he deems as the "continuing de facto drilling moratorium." Drilling advocates have complained that permits for both deepwater and shallow water drilling have dried up since the April 20 BP disaster in the Gulf of Mexico that sparked the world's biggest oil spill.

The administration had placed a six-month ban on deepwater drilling while investigations into the spill continue and it continues to roll out new offshore drilling oversight and safety standards.

The small business panel's chairwoman, Sen. Mary Landrieu (D-La.), blocked the nomination of Obama's budget chief, Jack Lew, for months over the offshore drilling moratorium. Vitter is a member of the committee.

Interior spokeswoman Kendra Barkoff blasted Vitter's maneuver. "This is nothing more than a thinly veiled attempt to turn back the clock on offshore oil and gas safety and environmental reforms, and to ignore the lessons of the Deepwater Horizon oil spill," she said in a statement to POLITICO. "No amount of political pressure is going to weaken our commitment to delivering strong oversight, strong safety standards, and clear rules of the road for offshore oil and gas production.

"This type of posturing also ignores the fact that many companies have raised the bar on their safety practices to meet the new standards we have set, which has allowed BOEMRE to approve 21 new shallow water drilling projects in the last several weeks," she added.

Renewable Energy

Renewable energy grant program extension likely

Associated Press AP

Frederic J. Frommer

12/09/10

Printed 88 times as of 9:30 a.m.

(ABC News, TheStreet.com, Yahoo!, etc)

http://news.yahoo.com/s/ap/20101209/ap_on_bi_ge/us_congress_renewable_energy/print

WASHINGTON (AP) -- A large bloc of House and Senate Democrats rallied behind a Treasury Department plan for renewable energy Thursday, bolstering the chances of the cash grant program being extended in the tax cut package.

Sen. Kent Conrad, D-N.D., said the program was added to the tax package, while cautioning it was not a done deal. The office of Senate Minority Leader Mitch McConnell, R-Ky., confirmed the provision was included.

Sen. Ben Nelson, D-Neb., said of the grants, "I hope that they will be in there and I believe they probably will."

Seventeen senators and 81 House members, in separate letters, urged their leaders to renew the cash grants, calling them essential to wind, solar and other renewable energy industries in the U.S.

The tax cut package negotiated by President Barack Obama and congressional Republicans did not extend the program, which would have meant the program's expiration at the end of the month without changes by Congress. The program was created by the federal stimulus law.

"We will have difficulty supporting tax legislation currently being drafted for Senate consideration that fails to include an extension," the senators wrote to Senate Majority Leader Harry Reid of Nevada and Sen. Max Baucus of Montana, who chairs the Finance Committee. "If Congress allows taxes to rise on renewable development, momentum would be lost and the growth of renewable energy would be jeopardized."

The letter was led by Sen. Dianne Feinstein of California.

The House bloc led by Reps. Mike Thompson of California and Earl Blumenauer of Oregon urged a two-year extension, pitching their effort at a Capitol Hill news conference.

"This is about jobs," Thompson said.

Blumenauer said that when Democrats met with Vice President Joe Biden this week on the tax package, he expressed interest in the program but indicated there was resistance from Republicans.

Denise Bode, CEO of the American Wind Energy Association, said that 20,000 people would be laid off in her industry in the next three months if the program ended.

"This is survival," she said. "We've never had as much at risk."

Is state in jeopardy of losing solar energy industry incentives?

Las Vegas Sun (NV)

Karoun Demirjian

12/10/10

<http://www.lasvegassun.com/news/2010/dec/10/state-jeopardy-losing-solar/>

Washington Largely lost amid the debate over extending the Bush-era tax cuts was that President Barack Obama's framework for extending them could have dealt a severe, if not fatal, blow to Nevada's renewable energy industry.

After a revolt by House Democrats, an outcry from their counterparts in the Senate and principled opposition from Republican factions, Obama's compromise was being reworked, with lawmakers agreeing Thursday to insert an extension of tax credits used to fund solar and wind energy projects in the bill still under construction.

The program, which is in danger of expiring, was inaugurated under the president's stimulus package in 2009. It allows companies to turn research and development tax cuts into cash a necessary step to finance an industry in its infancy in bad economic times.

"It's been a way to make up for the fact that most of the organizations that used to provide tax equity no longer are," said Ian Rogoff, executive chairman of [HelioPower](#), a company that develops commercial solar projects in the Reno-Carson City area, Southern Nevada and California. "What the grants enabled the industry to do is continue."

Despite high praise for the credits-to-grants program from renewable energy states, Democrats in Congress and Energy Secretary Steven Chu, an extension wasn't included in the initial version of the tax framework.

That sent several lawmakers, especially those from Western states, scurrying to include an extension in the bill.

"It is proven to create jobs," Democratic Sen. Dianne Feinstein of California wrote in [an op-ed in Politico](#) pushing for its inclusion in the tax bill. "If Congress allows taxes to increase on renewable development, momentum could be lost. The future of renewable energy may be jeopardized."

Feinstein had been pushing for a two-year extension, but the bill as it stands contains a one-year extension.

Although that's welcome news, it's not likely to be enough to get the renewable energy industry across the finish line. Recent studies have shown that the industry, left to its own devices and current market forces, isn't altogether viable.

The culprit is a mix of global market pressures and timing. Renewable energy projects, although improving in efficiency the cost of solar panel production is 50 percent lower than it was a few years ago aren't producing enough revenue to be self-sustaining. And the recession's radiating shocks in foreign markets have left the United States with a stronger dollar against other currencies, making the cost of importing fossil fuel relatively cheap.

Cutting a program such as the extension could jeopardize development of the industry and the proliferation of solar panels across Nevada.

In addition to his work at HelioPower, Rogoff was a co-founder of the Sierra Nevada solar company. Both have been direct and indirect recipients of the credits-to-grants program.

Before the recession, the Rogoff's companies used to get the bulk of their tax credit equity financing from Citibank, Rogoff said. But as the markets dried up, and Citibank, which used to hold about 10 percent of total bank capital in the United States, had to turn to the government for a bailout, the funding disappeared.

“We were kind of at the mercy of big banks ... most companies in renewable energy are nowhere near as big or profitable. They’re not mature enough to absorb (tax) credits into their earnings,” Rogoff said.

So in the short term, no grants mean no solar panels for many independent business owners hoping to green their energy supply — you don’t have to be just an energy research facility to apply, just be funding a relevant project.

Although Nevada’s senators say the inclusion of the extension will be a good thing for the state, they’re not guaranteeing they’ll support the bill, for other reasons.

For Reid, the bill’s been tough to swallow because it goes against a core tenet that he’s espoused for months: Those earning more than \$250,000 don’t need a tax cut.

For Republican Sen. John Ensign, there’s an equally existential argument to be made against the legislation. “While I don’t believe that anyone should have their taxes raised ... we should have at least worked on putting a package of spending cuts together to offset this bill,” he said Thursday. “It’s good for the economy in the short term, but the debt is going to kill us in the not-too-long term.”

Ensign said he is working with Republican Oklahoma Sen. Tom Coburn and others on amendments to the tax bill that would propose spending offsets. However, it’s not clear whether amendments will be allowed on the bill.

If there are, stay tuned — there could be more bounty in store for Nevada.

Reid appears to have re-energized a push to include a legalization of online poker in some sort of legislative vehicle before the lame-duck session draws to a close. The chances don’t look all that good, but informal discussions appeared to be continuing among Reid, Ensign, Minority Leader Mitch McConnell of Kentucky and Minority Whip Jon Kyl of Arizona, who said this week that there was “zero chance” the tax bill would feature any sort of online poker language.

For now, he’s right. In the first version of the tax bill Reid released Thursday night, it didn’t.

LETTERS: Wind offers more promise than gas

Washington Post

12/10/10

http://www.washingtonpost.com/wp-dyn/content/article/2010/12/09/AR2010120906516_pf.html

The Dec. 6 editorial on offshore drilling, "[On second thought](#)," suggested that Interior Secretary Ken Salazar failed to "explain the reversal for the Atlantic Coast," where "Democratic and Republican governors of Virginia have expressed support for careful exploration." If [Mr. Salazar's Dec. 1 announcement](#) failed to make the case against Atlantic offshore leasing, that doesn't mean there is no case to be made.

The Bureau of Ocean Energy Management, Regulation and Enforcement estimates [130 million barrels of oil](#) could be recovered off Virginia's coast - only enough to power Americans' cars for six days. The natural gas off our coast would last 12 days longer, but at current prices it might not yield a profit.

Topping the list of opponents is the Defense Department; the Navy says offshore wells would hamper training and impede readiness. Virginia Beach hoteliers worry that a spill would threaten our state's \$19-billion-per-year tourism industry, and the fishing sector voices similar concerns. Neighbors in Maryland and North Carolina rightfully object to having their communities put at risk.

By contrast, last week 40 organizations in 13 Atlantic states issued a report on [offshore wind](#). Using current technology, offshore wind can provide as much as 212 gigawatts of electricity to Atlantic states annually, enabling our transition to electric cars and off foreign oil. On this front, the Obama administration is making progress, and Congress should ensure funding for the necessary research.

Nathan Lott, Richmond

The writer is executive director of the Virginia Conservation Network.

RENEWABLE ENERGY: Jobs argument is potent in tax debate, but some say it's off point

Greenwire

Anne C. Mulkern

12/09/10

<http://www.eenews.net/Greenwire/print/2010/12/09/2>

Renewable energy industry leaders argue that failure to renew a key tax benefit threatens tens of thousands of jobs and blocks the creation of at least 65,000 more.

It's a powerful political assertion at a time of high unemployment. It's also flawed, analysts said.

Focusing on jobs is an inaccurate way to measure a policy's worth, said Roger Bezdek, president of Management Information Services Inc., an economic research firm that specializes in energy and environment issues.

"You subsidize anything enough, you're going to get jobs," Bezdek said. "That's the wrong metric. The government should spend tax dollars on projects or technologies that make sense economically."

The jobs contention comes as renewable energy and environmental groups lobby for extension of an incentive known as Section 1603, named for its place in the 2009 stimulus bill.

The program offers wind, solar, geothermal and other green-energy developers grants of up to 30 percent of project costs in lieu of tax credits they would otherwise receive. Hydropower and certain biomass projects receive half the amount available to the others.

The tax break expires at the end of this month, and an extension was left out of the deal struck between President Obama and Republicans. Their package would leave in place through 2012 tax cuts passed under President George W. Bush, continue unemployment insurance and cut the payroll tax by 2 percent for two years. Senate Democrats are working to get a continuation of Section 1603.

As they tried to win more supporters, the heads of the wind and solar industries' largest trade groups yesterday described the situation as dire.

"We have tens of thousands of jobs that are at risk," said Denise Bode, CEO of American Wind Energy Association. "If it's not extended, we're going to lose in the neighborhood of a quarter of industry jobs. We're already seeing it. We're already seeing right now in the neighborhood of 20,000 jobs in 2010 that will be lost."

A renewal of the program for two years would create 65,000 jobs in the solar industry, said Rhone Resch, president and CEO of the Solar Energy Industries Association.

"None of those jobs can we actually expect to be created if this program is not extended," Resch said. "Not only will those jobs not be created, but we will also contract."

"It's great that the administration and Congress is supporting additional unemployment benefits, but unfortunately, many people currently employed by the renewable energy industry will be standing in line and applying for those unemployment benefits unless the 1603 investment tax credit is extended," Resch added.

The jobs argument is problematic for several reasons, analysts said. One of the most significant is that the wind industry is facing a series of economic obstacles unrelated to the expiring tax credit, said Kevin Book, managing director of the consulting firm ClearView Energy Partners.

Wind, Book said, is struggling to expand amid low electricity usage and very low natural gas prices. Utilities don't need to add wind to supply extra power during peak demand periods, he said.

"The facts of wind demand are very bad, and they're very bad regardless of the policy circumstances you have in place," Book said.

Wind, with the grant program in place last year, doubled the number of megawatts it had added in 2008. But for the first half of this year, new wind developments were 71 percent below the same period last year. Liz Salerno, AWEA's director of industry data and analysis, in an October interview attributed that to lower demand for power and lower natural gas prices ([Greenwire](#), Oct. 14).

Bode yesterday blamed the slower growth on the "slapdash policies" wind has had compared to the long-term support enjoyed by competitors in the fossil fuel industry.

"Congress has failed to act on the renewable standard, which would have provided more long-term certainty," Bode said, referring to a requirement that utilities generate a portion of power from green sources.

The contraction, Bode said, also is "a direct result of the fact that 1603 was not extended or wasn't planned to be extended before November," and people didn't know whether Congress would return for a lame-duck session.

"What we started seeing toward the end of this year was the manufacturers pulling back in response to the developers pulling back," Bode said.

Bode today defended the legitimacy of the jobs argument.

"The renewable energy tax credit helped create a \$20 billion American industry with 85,000 jobs and 400 manufacturing facilities," Bode said. "We use tax credits all across the country to encourage development that's good for America. Renewable energy tax credits in place now saved jobs last year and its pending expiration puts jobs at risk."

Jobs for whom?

But the jobs argument also fails to account for the fact that a portion of the parts used in wind, solar and other renewable developments are made overseas, Book said, even when the jobs installing those parts are domestic. That makes the jobs contention politically dicey, he said.

The 1603 program requires that the wind, solar or other developments be built in the United States. But there is no requirement that the parts used be made domestically. The Section 48C stimulus bill program, which offers grants in lieu of tax credits for manufacturing facilities, mandates that they be constructed in the United States.

Overseas manufacturing is just one of the reasons the 1603 program has stirred controversy. A *Greenwire* investigation found that of the largest projects, 64 percent went to projects that began construction before the stimulus measures started ([Greenwire](#), Oct. 14).

"The idea that you're destroying a lot of high-value U.S. jobs" by not renewing the grant program, Book said, "is probably harder to substantiate when you consider how much of the [original equipment manufacturer] base is located somewhere else."

"The highest-value jobs are not the install jobs. They're the manufacturing jobs," Book added. "The 48C credit is a much bigger job driver than 1603."

The renewable industry argues that the 1603 incentive drives demand for renewable project parts, which leads to more of those being made in the United States. In the case of wind products, companies have said, they are expensive to ship, so those made domestically cut costs.

The domestic manufacturing sector has been hurt by the lack of federal movement to extend the 1603 program or pass a renewable portfolio standard, or RPS, Bode said.

"Manufacturers and others in the construction sector and others are starting to see there's no appetite for renewable energy by policymakers so far," Bode said. "There's not the outspoken support there was two years ago when this Congress began."

Money put into renewable projects creates more jobs than money put into fossil fuel development, said Nathanael Greene, director of renewable energy policy at Natural Resources Defense Council.

"There's much more of an upstream job-creation effect," Greene said, when considering the work on the steel used in towers, engineering of those towers, assembling the blades, and transporting the materials.

"That's part of the challenge for renewables," Greene said. "You have to put a lot more money down on day one, but then you have free fuel. So there's a trade-off there."

Future shock

Analysts disagreed about how essential it is that renewable companies get the 1603 extension for 2011.

Green sectors are likely to take a severe hit next year without a program that provides government grants in place of tax credits, Bezdek said.

"It's absolutely essential to keeping them alive," Bezdek said. "Whether you think it is wise policy to continue subsidizing these industries is a valid question -- but a different question. The salient point is that, without such subsidies, these industries will be greatly harmed."

With Congress unlikely to penalize carbon emissions over the next two years, he said, renewables "simply can't compete with conventional fuels" such as coal, oil and natural gas.

Book, however, said that over the long run, it doesn't help wind and the other renewables to have government grants available.

"Losing 1603 is almost certainly more bad than good in 2011," Book said. "It might be more good than bad in 2012 or 2013, though."

The 1603 program aimed to help companies during the recession by replacing a tax incentive that for many companies had become worthless. Wind, solar, geothermal and certain biomass developers qualify

for a tax deduction of 2.2 cents per kilowatt-hour of energy produced. Before the recession, companies often sold investments to banks that then took the deductions.

During the recession, companies said, it became nearly impossible to find investors. Banks saw incomes fall and did not need deductions to lower tax bills.

The private market still falls short of meeting demand, Book said. But the government program also thwarts private investment, he said.

"If you do it next year, it's just another year that the market hasn't recovered," Book said. "It's just another year that government money crowds out private money."

"The private investor is probably going to demand a higher rate of return" because that investor is risking his money, Book said.

"To the extent that the private investor is going to compete with the federal government cash grant that has an effectively lower cost of equity, you really do have a problem," Book said. There's no space to figure out what investors will pay, he said, "when the government sweeps in and pays 30 percent no matter what."

If renewables could "swallow the bitter pill" and do without the 1603 program, Book said, the industry might be better off. "It seems like a much more reliable future to get the government out of the way," he said.

NRDC's Greene, however, argued that it's vital to renew the tax credit to sustain renewables.

"No one's asking for this to be or sees this as a permanent solution to moving us away from fossil fuels," Greene said "This is about keeping us alive and moving forward after the next year or two," until a national RPS can be passed or more states can pass green power mandates.

"This is a temporary fix," Greene added. "Industry is really very much in the balance right now. Do we want to preserve the domestic wind and solar and geothermal industry that will continue to produce power forever, or do we want to go back to fossil fuel?"

Room to negotiate

Renewal of the 1603 program appears to have been omitted from Obama's deal with the Republicans because the program started in the stimulus legislation, Resch said.

"What we have heard is that Republicans have said no extensions of any of the Recovery Act programs," Resch said, adding, "It's unclear why the White House would not have included it, otherwise. They have supported this."

Vice President Joe Biden last month called for an extension of the tax credit ([E&ENews PM](#), Nov. 9).

Extension of the renewable energy grant in lieu of tax credit program may have been left out of the White House-Republican agreement, but that doesn't mean it's dead, ClearView's Book said.

"When a car salesman hands a written offer to a buyer, and that buyer gets up from the table and walks away, the salesman seldom expects the negotiation to end, especially if the buyer really needs a car,"

ClearView says in a report issued Tuesday. "A buyer who comes back to a lower asking price -- even one that isn't as low as his bid -- can still claim to have emerged victorious from a transaction that ultimately benefited the seller."

Lawmakers similarly produce proposals that leave room to add items and take items out, the report says.

"In the final bill, we give better-than-even odds that green power will be in, too, probably incorporating some extension of, or modification to, Section 1603 [wind and geothermal] grants, and some allocation -- even as little as \$500 million to the Section 48C [solar] credit," it says.

Gulf Oil Spill

BP executive: Response on rig was late

United Press International UPI

12/09/10

http://www.upi.com/Top_News/US/2010/12/09/BP-executive-Response-on-rig-was-late/UPI-33481291937566/

HOUSTON, Dec. 9 (UPI) -- The Deepwater Horizon crew failed to respond to troubling indications for a crucial 43 minutes, a BP official said at a hearing on the Gulf of Mexico oil spill.

Vice President Steve Robinson, who participated in BP's internal investigation into the disaster, testified Wednesday at a hearing held jointly in Houston by the Coast Guard and the Interior Department, the Houston Chronicle reported.

Robinson said electronic records show the crew began trying to shut down the well at 9:41 p.m. April 20, 43 minutes after sensors first picked up signs of an increased flow of mud from the well.

By 9:41, Robinson said, the explosion and blowout that followed a few minutes later were inevitable. Eleven workers were killed, and millions of barrels of oil spewed into the gulf before the well was capped 87 days later.

Robinson said the crew may have been distracted by activities like emptying tanks of mud.

Joseph Keith, a mud logger for Sperry Sun, a Halliburton subsidiary, testified Tuesday about the level of activity. He said it was hard to keep track of mud seeping from the well.

"They were moving too much mud around," he said.

Cape Wind

Fearing Drastic Losses, Fishermen Dodge Legal Traps in Cape Wind Fight

Martha's Vineyard Gazette (MA)

Mike Seccombe

12/10/10

<http://www.mvgazette.com/article.php?28315>

It seems, on its face, a ludicrous mismatch.

On the one side, the legal might of the United States Coast Guard and Department of the Interior, and on the other a small bunch of fishermen armed with books of raffle tickets, bags of shellfish and, reportedly, Warren Doty's banjo.

But the Martha's Vineyard/Dukes County Fishermen's Association is utterly determined to take on the federal government over the plan to turn over the rich fishing grounds of Horseshoe Shoal to Cape Wind's proposed wind farm. They don't lack pluck. What they lack is money.

So tomorrow night they will hold the first of a planned series of events which they hope will raise the necessary \$75,000 to pursue legal action to have the wind farm moved, or at least to have its effects on their livelihoods mitigated.

The goal for the first event, to be held at the P.A. Club, is \$10,000, said the association's president, Mr. Doty.

"We have an anonymous donor, arranged through POINT [the anti-wind power group Protect Our Islands Now for Tomorrow], who is going to match anything that we raise up to \$5,000. So we're hoping to raise \$5,000 and match that," he said.

The feedback from the event's main organizer, Michele Jones, is that they already are well on their way to meeting the target. One fisherman alone, she said, already had sold \$1,600 worth of raffle tickets.

Others will brave the chilly ponds for bags of oysters and other delicacies to provide a raw bar worthy of the association's founder, Tom Osmers, she said.

Donors have given all manner of fishing equipment waders, oilers, clam rakes, et cetera to be raffled off. And there will be live music from Tristan Israel and Paul Thurlow as well as "special guests."

"I have connections. There will be surprises," said Ms. Jones, herself a musician, as well as an artist, fisherwoman and lawyer. "You might suggest that Warren Doty will give a rare public performance on the banjo."

All of which sounds very heart-warming and community-oriented and fun, but the motivation is deadly serious. People's livelihoods are at stake here.

"Horseshoe Shoal is the richest conch ground in the world," said Ms. Jones.

Vineyard fishermen fear that if the wind project goes ahead, they will be denied access to the area, so they have sued the Coast Guard and the Department of the Interior to have the project stopped.

“We’re going for broke,” said Ms. Jones. “We want them to move it. But what we think will happen is they will mitigate,” she said.

So far, the federal authorities have sought to frustrate the planned legal action.

In response to the association’s lawsuit, Mr. Doty said, the Department of the Interior has said the action was premature in that final approval for the project has not been given.

This is despite the fact that a lease has been issued and Cape Wind already has entered into a contract to sell the power which would be generated.

“But the Department of the Interior says there still are several steps they have to take before giving [the lease]. We in turn have responded that this is ridiculous.

“What did the Secretary of the Interior sign when he went to Atlantic City? He signed the lease. In a big public ceremony at a wind association conference.

“Anyway, that’s where it stands right now.”

The proponents of Cape Wind have always maintained that fishermen have nothing to worry about, that they will be able to continue to catch conch after the turbines go up.

But Ms. Jones accuses them of being less than honest in their promises.

“Cape Wind says, ‘Of course you’ll be able to fish there,’ but when you speak to their insurers, they say ‘No, we won’t insure them if you fish there.’

“So they speak with forked tongue.”

Another major concern is that the Coast Guard now is planning new regulations for the operation of fishing boats working near the wind farm which will add considerable expense to their operations.

“We have always been required to have observers on our owner-operated fishing vessels, and to date it has always been our deck hands who serve as the second pair of eyes.

“Well, now the Coast Guard wants us to carry another crew member to be a dedicated observer, and not do anything else. That’s because the turbines will clutter the radar.

“There’s a huge expense in that. And huge extra danger,” she said.

The association has worked hard doing its homework on the economic threat.

“We have very carefully in our economic analysis outlined the circumstances of each and every one of the 25 boats and crews on the Island who depend on the fishery,” said Ms. Jones.

“We have all of their catch reports and all of their tax returns. We’ve documented very carefully what they stand to lose by losing this fishery.”

Almost all the conch fishermen in this part of the state worked the shoal or its margins.

“But even the men who do not fish where the wind farm is going will be impacted because they will be crowded by the others who are forced off the shoal. It’s going to affect everyone’s livelihood,” she said.

“It impacts every one of the conch fleet, pretty drastically.”

And so the association has engaged counsel, expert in fisheries matters. Their estimated cost is \$75,000.

Strangely, the Alliance to Protect Nantucket Sound, which has led the fight against Cape Wind and spent some \$20 million in the process, has not offered financial assistance to the Vineyard fishermen.

Mr. Doty said he was not concerned by that.

“We have our own legal team and we think our position is different from anybody else’s because we’re saying we have a historic use of this area, a continued and reasonable use.”

Under the federal Magnuson Stevens Act, he said, the Horseshoe Shoal area was defined as essential fish habitat, and as a result fishing there was heavily regulated.

“We are mandated to protect essential fish habitat, so there are all sorts of things you’re not supposed to do there,” Mr. Doty said.

And the fishermen were fine with that, he said.

“But it seems like someone forgot to tell Cape Wind about that.”

Natural Gas

NATURAL GAS: Northeast regulator eases proposed drilling curbs

Greenwire

Mike Soraghan

12/09/10

<http://www.eenews.net/Greenwire/print/2010/12/09/3>

Regulators charged with protecting the watershed for New York City and the Philadelphia region today backed off from their toughest restrictions on Marcellus Shale drilling, but still proposed measures stricter than existing rules in nearby areas.

The Delaware River Basin Commission (DRBC) released proposed regulations that would allow gas drilling to start in eastern Pennsylvania, and also cover western New York state when its moratorium is lifted.

Under the proposal, drillers in those areas would need to post \$125,000 bonds for each well to cover the costs of pollution and restoration. That's a steep drop from the \$5 million in financial assurance that had been proposed earlier.

Such scaling back could come at the direction of the governors of the four member states -- Pennsylvania, New York, Delaware and New Jersey -- along with the Army Corps of Engineers, which represents the Obama administration on the panel.

Despite the scale-back, the amount is five times higher than the financial assurance required by Pennsylvania state regulators, noted energy analyst Kevin Book.

"DRBC wells will tie up more working capital than wells in other parts of the formation," said Book, managing director of the Washington-based consulting firm ClearView Energy Partners, "making it more attractive to drill other places first."

The amount of financial assurance has been a key sticking point in negotiations about the rules, and has been interpreted by some as an indicator of how welcoming the regulators and the body's member states will be to natural gas development in the Northeast ([Greenwire](#), Sept. 16).

Drilling supporters today were generally happy that the process is moving forward, but wary about some of the details, such as the bonding requirement, fees and the scope of the regulations. Tom Shepstone, a landowner and businessman in Honesdale, Pa., who supports drilling, said the operating requirements in the rules are reasonable, but the commission is asserting itself too deeply into land use.

"It's not practical, and it can be used by overzealous regulators or protestants to stop almost anything unless there is a better definition," Shepstone said.

One industry group says the regulations send a mixed message, indicating that the four states involved do want development, while making it financially difficult for it to occur.

"Unfortunately, while a lot of the words in here sound good, a lot of the numbers sound like a swift kick to the stomach," said Chris Tucker, spokesman for a group of independent drilling companies called Energy in Depth. "I've never seen bonding and fee requirements this high. They very well might prove prohibitive."

Drilling opponents disliked the regulations, furious that the commission is not waiting on a full "cumulative impacts" study before moving forward with the regulations.

"On bonding, \$125,000 is a joke, and the terms of the bonding are inadequate," said Jill Wiener of Catskill Citizens for Safe Energy. "If and when a water source is contaminated, there is no reliable way to clean it and make it whole again."

Public awareness rises

The producers most affected by the DRBC regulations are Hess Corp. and Newfield Exploration Co., which have acquired most of the rights to gas from property owners in Wayne County, the heart of Pennsylvania's portion of the Delaware Basin.

The regulations are subject to a 90-day public comment period, during which the commission plans three public hearings. The dates and places for those hearings have not yet been announced.

The long-delayed regulations have emerged as public awareness of "hydraulic fracturing" has increased. Enhancements in the fracturing process -- injecting millions of gallons of chemical-laced water deep underground at high pressure -- are what has opened up the formation in Pennsylvania, New York and surrounding states.

Hundreds of people attended U.S. EPA hearings this summer in Pennsylvania and New York on fracturing. Most of them were critical of the process and said current regulation of it is insufficient. The process has also been the subject of a segment on the CBS news show "60 Minutes" and a full episode on the popular network television show "CSI: Crime Scene Investigation."

The gas drilling industry says fracturing is an established, safe technology that has long been well-regulated by the states. Supporters say the gas in the Marcellus Shale formation under Pennsylvania, New York and adjacent states could power the country for years and allow a switch from coal to a cleaner-burning fuel.

Many farmers have reaped big windfalls by allowing drilling on and under their land. And many see gas development as a significant job creator in the region ([Greenwire](#), Sept. 13).

But drilling has contaminated creeks and ruined the water wells of homes near well sites. New York City and Philadelphia have rallied against drilling out of concern it could contaminate their water supply. Many are also concerned that the immense water needs of the industry could lower river levels and restrict water supplies.

The commission oversees development, water quality and water quantity in a 13,539-square-mile watershed that covers portions of all four member states. But drilling is most likely in two -- upstate New York and Pennsylvania. Drilling is already in high gear in Pennsylvania but has largely been blocked in New York.

The fracturing process uses millions of gallons of water for each well and produces toxic and salty wastewater, so it could affect downstream member states such as New Jersey and Delaware.

The regulations were expected to be done in September, but the process was repeatedly delayed. Drilling opponents such as Damascus Citizens for Sustainability and the Delaware Riverkeeper Network had interpreted the delays as signs that their protests were effective.

But commission Executive Director Carol Collier has said her agency was trying to find the best way to protect the Delaware watershed without encroaching on state regulatory prerogatives. She also said that bonding amounts came down as state leaders became more engaged.

"We started off very high," Collier said in September. "We're coming down a bit. ... Right now, the states are in motion. The regulations are changing. Some things will be stricter, and some things will be less strict."

States weigh in

The administration of New Jersey Gov. Chris Christie (R) and outgoing New York Gov. David Paterson (D) wrote the commission in recent days, asking it to hold off on allowing more drilling in the watershed.

New Jersey Environmental Protection Commissioner Bob Martin told Collier, "New Jersey continues to oppose any drilling in the Delaware River Basin until appropriate regulations and safeguards are in place."

Paterson, who recently signed a short-term moratorium on fracturing, said the rulemaking process should wait until New York officials finish a study they have been working on and give Gov.-elect Andrew Cuomo (D), time to weigh in on the process.

"Your proposed program, covering only a small portion of New York State, could well conflict with the technical and regulatory protocols adopted in New York," Paterson wrote to Collier, "causing confusion, duplication, redundant regulatory fee assessments, differing regulations in different locations and possible mismanagement."

Paterson's representative on the board spoke out against releasing the regulations at a commission meeting Wednesday, citing those same concerns.

Gen. Peter "Duke" DeLuca of the Army Corps, the federal representative on the panel, had already rebuffed a request from Rep. Maurice Hinchey (D-N.Y.), who is fighting drilling in upstate New York, to delay drilling until a full environmental analysis can be performed ([Greenwire](#), Oct. 10). DeLuca said the panel had to balance environmental and economic interests.

Not long after, President Obama spoke about increasing natural gas development as a possible area of common ground with congressional Republicans ([Greenwire](#), Nov. 4).

America's Great Outdoors

Gateway Arch

Salazar, LaHood In St. Louis For Arch Grounds Upgrade

Associated Press AP

12/09/10

Printed 56 times as of 9:30 a.m.

(fox2now.com, USA Today, Stamford Advocate, etc)

<http://www.fox2now.com/news/ktvi-salazar-lahood-arch-upgrade-120910,0,6542269.story>

ST. LOUIS (AP) Two members of [President Barack Obama's](#) Cabinet were traveling to St. Louis on Friday to discuss plans to expand and improve the grounds of the Gateway Arch.

Interior Secretary [Ken Salazar](#) and Transportation Secretary Ray LaHood will be joined by Democratic Sen. Claire McCaskill for a tour of the Arch. They are also scheduled to speak to the media about efforts to connect St. Louis and East St. Louis, Ill.

Earlier this year, a project was awarded to revitalize the grounds of the Arch, the 45-year-old monument to westward expansion that sits along the Mississippi River.

Grand Teton National Park

Wyo. officials say yes to Teton land sale to feds

Associated Press AP

Mead Gruver

12/09/10

Printed 103 times as of 9:30 a.m.

(MSNBC, abc6.com, newsvine.com, etc)

http://www.msnbc.msn.com/id/40589899/ns/us_news/

CHEYENNE, Wyo. (AP) -- The state land board on Thursday approved selling 2 square miles of property within Grand Teton National Park to the federal government for \$107 million in a deal that would be completed in four phases over three years.

The proposal next goes to the Wyoming Legislature for approval, although Gov. Dave Freudenthal doubted lawmakers would vote against the plan and undo months - and in a sense, years - of negotiations with the Interior Department.

"Negotiating is always slow, but I'm glad that we got it done," the governor said. "This is a reasonable deal."

The state Board of Land Commissioners, made up of the top five statewide elected officials, voted 4-0 for the plan. State Superintendent of Public Instruction Jim McBride was not present.

Less certain is whether Congress will allocate money for the acquisition. Talk about reducing the federal deficit has been plentiful lately, but there is time: The first transaction requiring an appropriation under the deal would occur in 2013.

Sen. Mike Enzi, R-Wyo., said through a spokeswoman he would work to see the sale through while keeping in mind the federal budget.

Wyoming has owned the land since statehood. The National Park Service has been gradually acquiring private land inside Grand Teton since the park was established in its current form in 1950. The process has left Wyoming holding the largest remaining pieces of land within the park that are not part of the park.

The state leases some of the land for cattle grazing, bringing in \$1,625 a year, but Wyoming's constitution requires state land to be managed to generate maximum revenue for public schools. Selling the land for \$107 million and investing it at a 1 percent return would bring in more than \$1 million a year.

More than a decade of talks between Wyoming and the Interior Department on what to do with the state land got bogged down a couple years ago. Ideas discussed over the years have included a sale, a land-for-land trade, or trade for federal mineral interests.

In February, Wyoming threatened to begin auctioning off the land if the Interior Department officials didn't resume negotiations in earnest.

State Treasurer Joe Meyer said he would have supported an auction, had it come to that, but he acknowledged that the idea stirred up a lot of opposition.

"You might get some prince from Arabia who would pay \$300 million," he said. "The problem is that it's politically sensitive."

He said he no longer wished to pursue an auction.

The plan looks much like a proposal Assistant Interior Secretary Tom Strickland outlined in a letter to Freudenthal in November.

"By entering into this agreement, Wyoming is ensuring the conservation of these lands as part of Grand Teton National Park while providing revenue to support state school systems," Strickland said in a news release. "This is an agreement in which everyone - the park, the state and the citizens of Wyoming - comes out ahead."

The land is scattered among four parcels. The first transaction would be a Jan. 5, 2012, sale of 40 acres of state mineral rights for \$2,000, money the Interior Department already has available. The federal government, not Wyoming, owns the surface rights to that land under a "split estate" arrangement common in the West.

Wyoming would sell 86 acres along the Snake River for \$16 million on Jan. 5, 2013.

After that, Wyoming would sell two parcels measuring 1 square mile each. One flat section of grass and sagebrush in the middle of the park would be sold for \$45 million on Jan. 5, 2014.

The final section, on the east side of the park, would be sold for \$46 million on Jan. 5, 2015. That section is considered the most valuable because there is a road through it.

"We did strategically say, 'Look, we're going to save the best parcels for the last,'" Freudenthal said. "Dessert is last in this agreement."

The agreement calls on the Interior Department to meet each deadline or the deal becomes void.

Wyoming sells Grand Teton National Park land to feds

Casper Star-Tribune (WY)

Joan Barron

12/10/10

http://trib.com/news/state-and-regional/article_1a005dd2-d179-510d-ad07-a4e9a4a1dc62.html

CHEYENNE -- Culminating a decades-long effort, state officials Thursday set in motion the sale of 1,400 acres of scenic state land within Grand Teton National Park to the federal government.

The \$107 million sale to the U.S. Department of the Interior will be in four phases beginning Jan. 5, 2012, and ending Jan. 5, 2015.

The money will be deposited in the Common School Permanent Land Fund for the benefit of K-12 public schools.

The deal is contingent on the approval of the Legislature next year and availability of federal dollars.

Rep. Keith Gingery, R-Jackson, said Thursday afternoon the Teton County legislative delegation will work with the state attorney general on the bill authorizing the agreement. He is confident the Legislature will approve the sale, but added it will be more difficult for Wyoming's congressional delegation to find the money to pay for the land.

The State Loans and Investments Board approved the sale. The board includes Gov. Dave Freudenthal, Secretary of State Max Maxfield, Auditor Rita Meyer and Treasurer Joe Meyer. The fifth board member, Superintendent of Public Instruction Jim McBride, was absent.

Later during what may be his final news conference as governor, Freudenthal said he was "really pleased" with the agreement.

He noted that the possibility of a sale or swap with the federal government for the state sections first came up decades ago when he was working for Gov. Ed Herschler.

"This is the first time we have kind of a route forward," Freudenthal said.

Like everything in government, however, the sale is subject to available funding or what is known in Congress as "repurposing money," he said.

The agreement is structured so that the best parcel is transferred last.

The 640-acre Kelly segment on Gros Ventre Road has public access. It also has the highest sales price at \$46 million.

"The dessert comes after the meal," Freudenthal said of the sequence.

The first parcel, identified as Jackson Lake, is the least costly at \$2,000. It is 39.9 acres.

The second parcel, 86.32-acre Snake River, costs \$16 million, while the third tract, 640-acre Antelope Flats, sells for \$45 million.

The state has been receiving about \$3,000 a year from state grazing leases on the Grand Teton tracts.

In an attempt to prod the federal government into a purchase or trade, Freudenthal last spring threatened to sell the land at public auction.

The state can sell the trust land through an agreement with a single party, in this case the Department of the Interior, because of a Wyoming Supreme Court opinion that said the school trust was set up through state law, not the constitution, said the outgoing, Democratic two-term chief executive.

The agreement says the state board may terminate the deal if the federal government fails to acquire each parcel by the deadline.

The state board had three options: do nothing and allow the land to appreciate in value; to sell it to the federal government in phases; or to sell it at public auction.

The board members said a public auction would have entailed a worldwide bid.

In that event, the land could have been closed to the public.

"Under this agreement the asset still is open to the Wyoming people," said outgoing Auditor Rita Meyer.

Wyoming has owned the land since statehood in 1890, when the federal government set aside land in new Western states to be mined, logged or leased to raise money for public education.

Wyoming kept its so-called "school sections" after Grand Teton National Park was established in 1950.

Parties OK park deal

Jackson Hole Daily (WY)

Cory Hatch

12/10/10

http://www.jhnewsandguide.com/article.php?art_id_6766

Interior Department and state officials have agreed to a \$107 million deal that could permanently protect 1,405 acres of state school parcels in Grand Teton National Park, Gov. Dave Freudenthal announced Thursday.

Freudenthal made the announcement after the state Board of Land Commissioners voted 4-0 for a plan to sell the four parcels to the Park Service one at a time between Jan. 5, 2012 and Jan. 5, 2015. The deal is still subject to approval by the Wyoming Legislature, and the U.S. Congress must come up with the funding.

"I am really pleased," Freudenthal said in a press conference from Cheyenne. "This is the first time we have a route forward. It's not perfect and it's subject to the availability of funds."

State officials negotiated an order in which the Interior Department would buy the four parcels to ensure the process moves forward. The parcel that is potentially the most valuable to real estate developers, 640 acres on the Gros Ventre Road near Kelly, would be sold last.

"The Kelly parcel is the one that really has the public access," Freudenthal said. "The dessert comes after the meal. We wanted to make sure this was a fair deal."

Nearly 40 acres of mineral rights near Jackson Lake would be sold first for \$2,000. The second parcel, 86 acre snear the park's south boundary, would be sold the following year for \$16 million. A 640-acre plot near Antelope Flats would transfer over to the Park Service in 2014 for \$45 million, and the Kelly parcel would be sold in 2015 for \$46 million. The 40 acres of mineral rights near Jackson Lake weren't originally expected to be included in the transaction.

The approval from the State Legislature is needed because normally such transactions are either done with a land swap or through a public auction. Freudenthal said he didn't expect any problems getting the Legislature's approval.

"The legislation is pretty much drafted," he said. "We haven't gotten any criticism."

Freudenthal praised Interior Secretary Ken Salazar and Assistant Secretary Tom Strickland, saying the federal officials didn't hold up the sale because of disagreements between the State and the Interior Department over other issues such wolves.

"It wouldn't be the first time we got pretty close to the church door and the feds went the other way," Freudenthal said.

Strickland said the deal is good for everyone.

"By entering into this agreement, Wyoming is ensuring the conservation of these lands as part of Grand Teton National Park while providing revenue to support state school systems," Strickland said in a statement. "This is an agreement in which everyone the park, the state, and the citizens of Wyoming comes out ahead."

Keith Gingery, a Republican who represents Jackson in the Wyoming House of Representatives and will serve as speaker pro-tem the upcoming session, said there's still work to be done.

"The Wyoming Legislature will need to approve the sale of the land in the upcoming legislative session, and our congressional delegation in D.C. is going to have to find the money to pay the state of Wyoming," he said in a statement. "I am confident that the Wyoming Legislature will approve the sale. However, it will be some heavy lifting for our congressional delegation to find the funds.

"The Teton County legislative delegation will work together to formulate a bill with the assistance of the [state] Attorney General's office to be introduced at the upcoming legislative session starting in January," Gingery continued. "This will be a high priority to our delegation."

Sharon Mader, Grand Teton program manager with the National Parks Conservation Association, said the land sale is "absolutely the right decision."

"It's great news for anybody who cares about preserving Grand Teton," Mader said. "There seems to be a lot of support and good momentum, but with our national deficit, coming up with funding will continue to be a challenge. This is going to be a really important time for lawmakers to ... move this forward."

Wyoming is obligated to manage the land to generate money to benefit schools, but has not developed the property in deference to conservation values of the park.

However, a lack of action on the part of the federal government toward purchasing the property led Freudenthal earlier this year to say he would put a for sale sign on the land and offer it to the highest bidder, opening the possibility that the land might be developed.

The property in Grand Teton is currently being leased for grazing, generating a meager amount compared to the value of the property.

State to sell Grand Teton parcel to Feds

Wyoming Business Report

Wyoma Groenenberg

12/09/10

http://www.wyomingbusinessreport.com/article.asp?id_54995

December 9, 2010 -- The State Land and Investment Board (SLIB) today authorized in a 4-1 vote to sell 1,406 acres located in Grand Teton National Park (GTNP) to the Department of the Interior for \$107 million over a five-year period.

The board is comprised of five state elected officials: Gov. Dave Freudenthal, Secretary of State Max Maxfield, Treasurer Joe Meyer and Auditor Rita Meyer, who all voted for the plan, while Superintendent of Public Instruction Jim McBride was absent.

Freudenthal said in a prepared statement, "This is the first time we have had a route forward. It is not perfect, and it is obviously like everything in the government; it is subject to the availability of funds. But, to have an agreement in principal, an agreement on the price, an agreement on the time schedule, an agreement on the manner and means by which it would be transacted, I think, is a good step."

Leigh Anne Manlove, the governor's press secretary, noted that a sticking point in the negotiations was to complete the deal in five years with an initial payment of \$22 million. There are two school trust sections, Kelly and Antelope Flats, each with 640 acres, involved in the sale and two smaller parcels, Snake River with surface and minerals on 86.32 acres, and Jackson Lake with minerals only on 39.59 acres.

"It is a graduated sale and not all sections will be sold at once, with different costs for each," Manlove said. "We cherry-picked," meaning that the most valuable section, the Kelly, which has public access, will be the last to be sold.

Gary Pollock, GTNP management assistant who spoke on behalf of park Superintendent Mary Gibson Scott, said that once the land is conveyed from state government to the federal government and the funds appropriated, "It will be integrated as a part of Grand Teton National Park" and be administered like any other national park lands.

According to Rep. Keith Gingery from Teton County's House District 23 and House speaker pro tem, "There is still work to be done. The Wyoming Legislature will need to approve the sale of the land in the upcoming legislative session, and our congressional delegation in D.C. is going to have to find the money to pay the State of Wyoming.

"I am confident that the Wyoming Legislature will approve the sale; however, it will be some heavy lifting for our congressional delegation to find the funds," he explained.

Gingery said he appreciates Superintendent Scott's willingness "to make this a high priority and to work so closely with the Teton County legislative delegation in keeping us apprised of her efforts to save these lands for perpetuity. My own father worked on this exchange back in the early 1980s. It has been a long time coming. This will be a high priority to our (Teton County) delegation."

When the Business Report contacted Rep. Peter Jorgensen of House District 16 (Jackson Hole and Dubois), he was not aware yet of the decision. He said he had been following the issue and was pleased that an agreement had been reached with the Department of the Interior, rather than going to auction.

“I’m fully in support of and appreciate this. It’s really the best thing that possibly could have happened,” Jorgensen told the Business Report. “The alternative, if it had gone to auction and a speculator bought the land, it might be divided for expensive homes. We already have a lot of expensive homes; we don’t have many national parks. It’s a win-win all the way around.”

Endangered Species

EDITORIAL: Don't undermine endangered species

Arizona Republic (Phoenix, AZ)

12/10/10

<http://www.azcentral.com/arizonarepublic/opinions/articles/2010/12/10/20101210fri2-10.html>

Congress may fire a shot in the dark that hits endangered gray wolves.

After a court decision reversed Interior Secretary Ken Salazar's decision to remove gray wolves in the northern Rockies from the endangered species list, the administration is backing an effort in Congress to simply exclude those wolves from current or future protection under the Endangered Species Act.

President Obama wants to throw wolves under the bus. Never mind that the Endangered Species Act includes a process for delisting that is based on science, not politics. Or that the proposed congressional action undermines the law by setting a precedent that could result in any number of controversial species being abandoned to extinction.

The administration supports one of at least six measures in Congress aimed at wolves. Some affect reintroduced Mexican gray wolves that are struggling to survive in a recovery area in Arizona and New Mexico.

Unlike wolves in the Rockies, who have achieved robust populations, there are only 42 Mexican gray wolves in the wild. Even with federal protection, this fragile population is in danger. Without federal protection, these wolves could be doomed.

Congress should not arbitrarily bypass the legal and scientific process for delisting a species that is outlined in the Endangered Species Act - especially not in the dark. Environmental groups say the plan is to attach a bill excluding wolves in the northern Rockies from the Endangered Species Act to a larger omnibus bill before the end of the year. There would be no hearings and there is no assurance that Mexican gray wolves would not be added to the exclusion.

The Endangered Species Act is a popular, scientifically sound law that has had spectacular success recovering species like eagles, condors and wolves. Congress should not undermine it.

Western Oregon Forests

Canyonville pilot project could help open O&C lands to logging

The News-Review (Medford, OR)

John Sowell

12/09/10

http://www.nrtoday.com/article/20101209/NEWS/101209784/1063/NEWS&ParentProfile_1055

A pilot logging project on a federal forest near Canyonville could provide a model for balancing environment considerations while opening logging on 2.4 million acres of Oregon & California Railroad forests, participants in a forest summit in Washington, D.C., on Wednesday said.

The project was discussed Wednesday during a daylong series of meetings and panel discussions between Interior Secretary Ken Salazar and a group of Oregon government officials, timber industry representatives and environmentalists.

“This was the most productive meeting we've had,” Douglas County Commissioner Doug Robertson said. “We had the Oregon delegation and the secretary talking about an Oregon issue. This was not just window dressing. There was meat with it.”

Forestry professors Norm Johnson of Oregon State University and Jerry Franklin of the University of Washington outlined their ideas for large-scale forest restoration projects on Bureau of Land Management land outside Canyonville and near Ruch in Jackson County.

The aim of the projects is to enhance habitat for the threatened northern spotted owl and for salmon while yielding logs for mills that have seen supplies from federal forests cut by more than half over the past two decades. Each pilot project would involve thinning and logging on 10,000 acres dispersed across 80,000 acres of watersheds.

“It's scientifically based,” said Rep. Peter DeFazio, who attended the meeting along with other members of the Oregon congressional delegation. “For years, I've heard from extremists on both sides asking us to use scientifically based techniques. That's what we're doing here.”

The pilot projects, described in a 160-page plan drawn up by the professors, is consistent with the Northwest Forest Plan and will not be easily challenged, DeFazio said. That should allow the projects to move forward fairly quickly, he said.

“Hopefully, with what we learn here, we can apply it over all of the O&C lands and maybe over some of the Forest Service lands,” DeFazio said.

Environmental consultant Andy Kerr told The Associated Press that if the pilot projects go through in the next 12 to 18 months, they would represent a major change in the way BLM's Roseburg and Medford districts design logging projects.

While the U.S. Forest Service and other BLM districts in Oregon have been successful at designing projects that are not challenged by conservation groups, the Roseburg and Medford districts have continued to offer sales that cannot pass legal tests for protecting the environment, Kerr said.

In the past, numerous timber sales were held up by lawsuits filed by conservation groups seeking to enforce environmental laws. The Bush administration tried to increase logging on Oregon & California

Railroad trust lands administered by the federal Bureau of Land Management, but its Western Oregon Plan Revisions were withdrawn by the Obama administration following criticism of the plan by scientists and environmentalists.

During an October meeting in Roseburg arranged by DeFazio, Salazar called for the pilot projects to test forest restoration techniques. He said then that he wanted them to lead to the establishment of a 20-year management plan for the 2.4 million acres of O&C lands, which were originally owned by the defunct Oregon & California Railroad but later seized by the federal government following a massive scandal.

Uranium Mining

Flagstaff opposes uranium mining near Grand Canyon

Associated Press AP

12/10/10

Printed 24 times as of 9:30 a.m.

(KSWT-TV, Public News Service, BusinessWeek, etc)

http://www.kswt.com/Global/story.asp?S_13650234

FLAGSTAFF, Ariz. (AP) - The City of Flagstaff has joined in opposing uranium mining near the Grand Canyon.

The City Council passed a resolution this week supporting Interior Secretary Ken Salazar's decision to ban any new hard-rock mining claims in a 1 million-acre area outside the national park's boundaries.

His administration is studying whether mining on those lands should be permanently prohibited.

The city's resolution says that mining will almost certainly have a detrimental effect on the economic well-being of Flagstaff.

Northern Arizona's American Indian tribes oppose uranium mining on their reservations and in the area.

Supporters, such as Gov. Jan Brewer, say economic impacts, energy independence and national security considerations support continued exploration.

Empowering Native American Communities

Cobell

INTERIOR: Obama signs historic *Cobell*, Indian water rights settlements

Greenwire
Phil Taylor
12/09/10

<http://www.eenews.net/Greenwire/print/2010/12/09/12>

With the stroke of a pen, President Obama last night approved a historic \$3.4 billion settlement resolving a 14-year, highly contentious class-action lawsuit involving the federal government's mismanagement of American Indian trust accounts.

Obama also ended decades of negotiations between American Indian tribes and the federal government by signing four water rights settlements totaling more than \$1 billion in New Mexico, Arizona and Montana.

The Claims Resolution Act of 2010 also included the \$1.15 billion Pigford II settlement, resolving discrimination claims by African-American farmers against the Department of Agriculture.

The *Cobell v. Salazar* settlement was fiercely litigated, with more than 3,600 filings in district court alone and 80 published judicial opinions, said lead plaintiff Elouise Cobell.

The settlement includes \$1.5 billion in compensation for historical accounting claims to settle charges the United States mismanaged the administration of assets held in trust for American Indians. It also provides \$1.9 billion for the voluntary buyback and consolidation of fractionated lands and to prevent the continued fractionation of thousands of new accounts in future generations. It will also set up a \$60 million Indian scholarship fund.

"After 14 years of litigation, it's finally time to address the way that Native Americans were treated by their government," said Obama, who was accompanied by Interior Secretary Ken Salazar, Agriculture Secretary Tom Vilsack, Attorney General Eric Holder and Sens. Jeff Bingaman (D-N.M.) and Max Baucus (D-Mont.) at a signing ceremony at the White House. "It's finally time to make things right."

Cobell, who is a member of Montana's Blackfeet Nation, said the settlement signing sends a historic message to tribal leaders, many of whom will meet next week in Washington, D.C., for the second White House Tribal Nations Conference.

"After 123 years of living with what Congress once called the 'Broken Trust,' people throughout Indian Country will see Wednesday as a monumental day," said Cobell, who attended the signing ceremony. "The nation's political leaders placed their seal of approval on the settlement of our fight in the courts."

Jefferson Keel, president of the National Congress of American Indians, said Obama and Congress "have continued to exhibit a renewed determination to honor the federal trust responsibility to tribal nations and Indian people."

"Today's ceremony is another concrete example of this administration's commitment to work with members of Congress to honor our historic, nation-to-nation relationship," he added.

The settlement now goes back before U.S. District Judge James Robertson for a fairness hearing, said John Dossett, general counsel at NCAI. If the judge grants preliminary approval, notice will be given to all class members.

If it is finalized, all class members will get an automatic check for \$1,000 for historical accounting errors, and a formula will determine the amount of claims for natural resources accounting.

Land consolidation will likely occur over the next 10 years but will be difficult, considering some pieces of land have as many as 1,300 owners, Dossett said.

"It's a big process to find all these landowners," Dossett said. "And you've got to account for the value of the property and convince them to sell the land."

\$1B in water settlements

The four water rights settlements seek to provide permanent water supplies and economic development opportunities to the Crow Tribe in Montana, the White Mountain Apache in Arizona and the Aamodt and Pueblo of Taos in New Mexico.

Under a 1908 Supreme Court decision, tribal water rights were implicitly reserved when reservations were established.

"The Aamodt and Abeyta settlements represent fair and reasonable conclusions to protracted, contentious litigation," said Bingaman. "They are the product of countless hours of hard work and determination."

The measure includes \$66 million to purchase water rights and construct a number of projects to improve water use efficiency, groundwater management and water quality in the Taos Valley, Bingaman said. Funding also will help the Pueblo manage water resources as specified in the settlement. An additional \$58 million in future spending is authorized to fully implement the settlement. The state of New Mexico is expected to contribute approximately \$20 million to the effort.

The bill also contains \$81.8 million toward the implementation of the Aamodt settlement to be used in the construction of a water system in the Pojaoque Valley that will serve Pueblo and non-Pueblo residents.

An additional \$92.5 million has been authorized for the project, subject to the appropriations process, and the state of New Mexico and Santa Fe County will contribute approximately \$117 million toward the cost of the water system and settlement implementation.

An additional \$180 million was included to implement a water settlement passed by Congress last year that provides for the construction of the Navajo-Gallup pipeline, a project that is expected to create hundreds of jobs, Bingaman said.

The four settlements bring the total number of tribal water rights accords to six under the Obama administration. The 2009 Omnibus Public Land Management Act included the Navajo-San Juan and Duck Valley water settlements.

"This administration's support for four water rights settlements in a single Congress is unprecedented," said Assistant Secretary Indian Affairs Larry Echo Hawk. "The agreements reflect the commitment of a wide range of stakeholders, including states, tribes and local communities, to work together constructively with the administration rather than stay locked in an endless cycle of litigation."

Gaming

Feinstein casino plan draws anger from tribes

San Jose Mercury News (CA)

John Simerman

12/09/10

http://www.mercurynews.com/breaking-news/ci_16819296?nclick_check_1

With just days left in a lame-duck Congress, U.S. Sen. Dianne Feinstein is stirring an uproar among Native American tribes across the country with her push to thwart them from gaining casino footholds in urban areas, or anywhere away from their clearly defined turf.

A staunch opponent of Indian casinos in the Bay Area, Feinstein wields formidable power as chairwoman of an appropriations subcommittee that holds the purse strings for the Department of Interior, which oversees Indian land issues. Senate Majority Leader Harry Reid, D-Nevada reportedly backs her proposed legislation, while many tribal leaders and advocates attack it as a harsh broadside against "Indian Country."

"She has her eye on the Bay Area, but (her plan) would grotesquely and adversely affect many tribes across the country," said Judith Shapiro, a Washington attorney who represents several tribes with a stake in the outcome. "There's a lot of power in play right now."

Feinstein telegraphed her move last week in an opinion section piece in Bay Area News Group papers, casting last month's advisory vote in Richmond against a casino at Point Molate as a symbol of public concern over urban casinos in California. She and other critics say urban casinos would betray the will of state voters who a decade ago authorized gaming on Indian lands.

Federal regulations say tribes such as the Guidiville and Scotts Valley bands of Pomo Indians -- which seek casino land at Point Molate and in North Richmond, respectively -- must show a "significant historical connection" to the area of the proposed casino, as well as a modern connection.

Those terms allow for interpretation, to account for varied tribal circumstances. Feinstein aims to wrench away the wiggle room.

According to documents provided by her office, she wants to force tribes to prove "substantial direct" modern and aboriginal ties to newly acquired casino land. Alternate language circulating on Capitol Hill would make tribes show a "clear and convincing historical and modern-day connection" to a proposed casino site.

Either way, tribal advocates fear it would bar virtually any casino project on newly acquired land -- even rural sites for landless tribes that have fought to regain federal recognition.

Feinstein has tied her move to a separate bid in Congress to unwind a U.S. Supreme Court decision last year, known as "Carcieri," that stripped the Interior Department of the power to place any land in federal trust for tribes that were not under federal jurisdiction in 1934. Tribal interests have lobbied nearly two years for a "Carcieri fix."

That fix, Feinstein argues, would allow "reservation shopping" to continue. "If the Senate takes up this bill, I plan to offer legislation to make clear, once and for all, that reservation shopping is not acceptable in California," she wrote.

The House on Wednesday passed a Carcieri fix as part of a larger appropriations bill.

Shapiro, the tribal attorney, said fear of reservation shopping is overblown, noting that the Interior Department has approved a handful of "off-reservation" projects in more than two decades.

One gambling watchdog praised Feinstein's proposal, predicting it would stymie both Richmond-area casino plans.

"It's another layer that makes it very difficult for any of these tribes to move to an urban location," said Cheryl Schmit of Stand Up for California.

The Point Molate plan already stands on shaky political ground, after Richmond voters rejected Measure U on Nov. 2 and ushered in a firm anti-casino majority to the City Council. A spokesman for the Guidiville tribe did not return calls.

Feinstein's plan also threatens six years of Scotts Valley tribe work for a casino development along Richmond Parkway, spokesman Eric Zell said. The tribe, which like the Guidiville was restored to federal recognition through a settlement, argues that ancestors populated land around nearby San Pablo Bay.

Under Feinstein's plan, "we'd have to show there was some kind of direct aboriginal connection to the parcel of land we're proposing," Zell said. "That's not how the game has been set up. We're not going to find (tribal ancestors') bones underneath the greenhouse, and that's not what is required."

Several California tribes are angry with Feinstein for a lack of transparency and failure to consult them, Zell said. They also worry about deals between Feinstein and Reid. The Senate majority leader continued Thursday to push legislation backed by Nevada casino interests to legalize online gambling and to give established casino and racetrack operators a leg up in licensing.

Senate

SENATE: Cantwell likely pick to lead Indian Affairs panel

Environment & Energy Daily

Phil Taylor

12/10/10

<http://www.eenews.net/EEDaily/print/2010/12/10/4>

Sen. Maria Cantwell (D-Wash.) appears next in line to succeed outgoing Chairman Byron Dorgan (D-N.D.) on the Senate Indian Affairs Committee in the 112th Congress.

While Cantwell is sixth in seniority on the 14-member panel, higher-ranking Democrats already lead other committees or are poised to take new chairmanships.

"I think there are people ahead of me and they need to decide first," Cantwell said this week. But asked if she would take the post if given the opportunity, she said, "If lots of stars aligned."

Those stars could line up, with Democratic Sens. Daniel Inouye of Hawaii serving as chairman of Appropriations, Kent Conrad of North Dakota leading Budget, Daniel Akaka of Hawaii chairing Veterans' Affairs and Tim Johnson of South Dakota planning to replace retiring Sen. Chris Dodd of Connecticut as the head of Banking, Housing and Urban Affairs.

John Diamond, spokesman for Cantwell, would not confirm whether the senator was hoping to take the Indian Affairs gavel but said the decision would be left up to Senate leadership to decide based on seniority and merit.

"We're going to tackle committee assignment issues in January," Diamond said.

Sen. Jon Tester (D-Mont.) this week said he would be interested in the post but that Cantwell has more seniority.

"Would love to have it," he said. "But I think Maria is in line for it, too."

Tester sponsored a water rights bill for the Crow Tribe that was signed into law Wednesday, and in the spring he introduced a \$591 million proposal to improve drinking water and reservoir capacity for Montana's Blackfeet Tribe.

"There are a lot of issues out there that I am intimately familiar with that I think we could do some good," next year in Indian Affairs, he said.

The committee oversees issues involving American Indian, Native Hawaiian and Alaska Native tribes, including Indian education, economic development, land management, trust responsibilities, health care and claims against the United States.

Dorgan, who is retiring at the end of the session, saw many legislative victories as chairman, including passage of the Tribal Law and Order Act that seeks to improve justice systems on reservations and clarify jurisdictional confusion among tribal, state and local law enforcement officials.

The committee also passed four tribal water rights bills President Obama signed into law this week that will authorize more than \$1 billion to settle century-old water disputes with the federal government ([Greenwire](#), Dec. 9).

Dorgan also circulated a comprehensive draft bill that would help unlock vast renewable and conventional energy resources on Indian reservations across the country.

The next leader of the committee will be expected to pick up where Dorgan left off with his [draft](#) "Indian Energy Promotion and Parity Act," which seeks to resolve some of the major barriers to energy development on tribal lands.

Those barriers include outdated laws and cumbersome regulations on reservations, lack of tribal access to the transmission grid, and difficulty obtaining financing and investment for projects.

At an oversight hearing last year to examine possible solutions for tribal energy development, Cantwell indicated she would seek ways to encourage renewable energy on reservations.

"Indian Country has the potential to provide a huge amount of renewable resources. That potential needs to be tapped," she said. "At least 77 reservations have the potential for wind energy production, and many others utilize biomass and solar."

Hot Topics

Climate Change

Climate talks intensify; negotiators see progress

Associated Press AP

Charles J. Hanley

12/10/10

Printed 378 times as of 9:30 a.m.

(Muncie Star Press, OneNewsNow, Yahoo!, etc)

<http://news.yahoo.com/s/ap/climate/print>

CANCUN, Mexico (AP) -- Negotiators reported progress Thursday at the U.N. climate conference, setting the stage for agreements on a support fund for poorer nations and other steps easing global warming's impact. The complex talks stretched deep into the night to try to meet a Friday deadline.

Once again this year the annual negotiations under the U.N. climate treaty won't produce an overarching, legally binding deal to slash emissions of carbon dioxide and other global warming gases. From the start, the talks focused instead on a package of secondary items, including setting up the "green fund" for developing countries.

In that and in a half-dozen other areas, world environment ministers and other delegates were still haggling late Thursday over the wording of texts. But the conference president, Mexican Foreign Secretary Patricia Espinosa, sounded an upbeat note.

"The reports I have gotten are positive," she told a late-night meeting of parties to the 193-nation treaty. "A broad and balanced package of decisions is, indeed, within our grasp."

On the key issue of a green fund, Bangladesh's state minister for the environment, Mohammed Hasan Mahmud, reported to the session that "we have narrowed down our gaps and there is convergence on establishing the fund," but details remained to be resolved.

Earlier, Akira Yamada of Japan, whose government's resistance to committing to future emissions cuts has slowed the talks, predicted the conference might have to extend into Saturday.

Yamada did say he believed parties could reach agreement. The talks were difficult, he said, but "we are engaging in how we can find good wording which can accommodate not only Japan but other countries."

As some 15,000 delegates, environmentalists, business leaders, journalists and others met at this Caribbean resort, carbon dioxide and other global warming gases, byproducts of industry, vehicles and agriculture, continued to accumulate in the atmosphere, barely abated by modest emission reductions undertaken thus far.

Scientists say temperatures could rise by up to 6.4 degrees Celsius (11.5 degrees Fahrenheit) in this century without deeper cuts, leading to serious damage to coastlines, human health, agriculture and economies in general.

"We all will leave Cancun knowing very clearly that we have not very significantly changed the time window in which the world will be able to address climate change," Achim Steiner, the head of the U.N. Environment Program, told reporters.

Bolivia's President Evo Morales, addressing the full conference, cited families already being deprived of water because of warming and drought, and islanders facing the loss of homes from seas rising from global warming.

If governments shun strong, mandatory emissions reductions, "then we will be responsible for 'ecocide,' which is equivalent to genocide because this would be an affront to mankind as a whole," the Bolivian leader said.

Last year's climate summit in Copenhagen, Denmark, was supposed to have produced a global pact under which richer nations, and possibly some poorer ones, would be required to rein in greenhouse gases.

That agreement would have succeeded the 1997 Kyoto Protocol, which mandated modest emissions reductions by developed nations that expire in 2012. Alone in the industrial world, the U.S. rejected Kyoto, complaining that emerging economies, such as China and India, should also have taken on obligations.

The 2009 summit produced instead a "Copenhagen Accord" under which the U.S., China and more than 80 other nations made voluntary pledges to reduce emissions, or at least to limit their growth.

In a sign of the sensitivity of even voluntary pledges, the U.S. and China were squabbling in Cancun over an effort to "anchor" them in a fresh U.N. document. The Chinese want separate listings to maintain a distinction between developing and developed countries, and the Americans want a single integrated list.

Japan, meanwhile, has resisted language that would commit it to a second period of Kyoto-style emissions reductions beyond 2012.

Yamada said the 37 industrialized countries that ratified Kyoto now account for only 27 percent of global greenhouse gas emissions. It's time for others - the U.S. and China included - to join in mandatory cutbacks, he said.

"For an ultimate goal, we are aiming for a single legally binding instrument, in which all major emitters participate," the Japanese negotiator told reporters.

The European Union, meanwhile, joined with small island states and Costa Rica in proposing that parties commit to taking up a "legally binding instrument" at next year's climate conference in Durban, South Africa.

The U.S. delegation also seeks detailed provisions for monitoring, reporting and verification, called "MRV," of how China and other developing nations are fulfilling their voluntary Copenhagen pledges. A leading environmentalist here accused American negotiators of blocking a decision on the green fund in "the kind of brinkmanship that costs lives."

"The United States continues to hold these important decisions hostage in an effort to get what they want on transparency and MRV. This is unacceptable," said Jeremy Hobbs, executive director of Oxfam International.

The green fund would help developing nations buy advanced clean-energy technology to reduce their own emissions, and to adapt to climate change, by building seawalls against rising seas, for example, and upgrading farming practices to compensate for shifting rain patterns. Under the Copenhagen Accord, richer nations promised to provide \$100 billion a year for the fund by 2020.

Forest plan hangs in balance at climate conference

Associated Press AP

Mark Stevenson

12/09/10

Printed 137 times as of 9:30 a.m.

(Deseret News, FOX News, Washington Examiner, etc)

<http://www.washingtonpost.com/wp-dyn/content/article/2010/12/09/AR2010120903957.html>

CANCUN, Mexico (AP) -- Pedro Chuc May climbs a big zapote tree, braces himself against the trunk with a rope sling and uses his sharp machete to slash v-shaped cuts in the rough bark to let the tree's resin - the base for natural chewing gum - flow into a cut-off soda bottle below.

Chuc May's ancient Mayan chicle-tapping technique doesn't harm the trees, if done right, but it earns him only about \$450 per year.

A U.N. program under debate at the climate change conference in Cancun, a few hours north of his patch of trees, could help May and millions of others who live in the world's forests earn more while slowing the deforestation that accounts for one-fifth of the carbon dioxide emissions blamed for warming the planet.

For Chuc, it might mean a new distributor and a fairer price. He could be paid to plant trees, care for the forest, fight fires or be hired as a forest ranger - just about anything that helps keep forests standing and prevents the release of CO₂ into the atmosphere.

It's a simple idea with a complicated name - Reducing Emissions from Deforestation and Forest Degradation, or REDD.

Unlike old piecemeal forest-protection efforts, REDD is a global effort with standards, monitoring and a pay-for-results system that would give people incentives to leave their forests standing and to keep from emitting more carbon into the atmosphere.

The delegates in Cancun are trying to hammer out just what shape it will take: Who will administer it, who will fund it, who will enforce it and even what some of its most basic rules will be.

Anything that protects forests - alternate income for communities, solar panels, forest guards, mapping efforts - could be included in REDD.

Norwegian Prime Minister Jens Stoltenberg, whose country has already committed \$1 billion to one of the first projects, calls REDD "the fastest, the cheapest and easiest way" to reduce emissions of heat-trapping gases.

Mexican President Felipe Calderon calls it a way "to reduce both poverty and emissions at the same time."

The program was touted as one of the biggest potential deals at Cancun, but the talks have been stymied by disagreements over how to finance and evaluate projects, and over safeguards to guarantee that forest-dwellers won't be evicted by the process.

A watered-down text may be all negotiators can achieve when the conference ends on Friday. But some poor countries would need immediate aid to prepare for the plan's rigorous accounting procedures.

The world is still losing about 13 million acres (5.2 million hectares) of forests to logging per year, an area about the size of Costa Rica. While that is down from 21 million acres (8.3 million hectares) a year in the 1990s, the world is still faced with the question of what to do with as much as a billion hectares of degraded forest land where most trees have already been cut down.

The REDD negotiations have turned into minefields because countries disagree whether companies in rich countries should be able to use sponsorship of green projects in the developing world as a way to offset pollution in their home countries.

Proponents say such markets can help fund the estimated \$30 billion annual cost of reducing deforestation by 50 percent.

But critics say that would mean restricting the economic options of the countries with forests, and the people who live there, so that big companies can go on polluting and rich countries can go on producing.

"We're not here to turn nature into a good, an asset," Bolivian President Evo Morales told the Cancun conference on Thursday. "The forests are sacred to the peoples of the world and we cannot allow new policies that seek to ensure only the survival of capitalism."

The program "is quite possibly ... the largest land grab of all time," wrote Jihan Gearon of the indigenous Environmental Network. Demonstrators from pro-Indian and environmental groups paraded through the conferences halls at Cancun, shouting "No, no, no REDD!"

About \$4.5 billion in REDD funding has been promised by donor governments, though only about one-sixth of that has been released. But even governments that might get the aid don't agree with each other.

Some countries want to weaken requirements that forest communities give full, informed consent to REDD programs, arguing that such strict standards may be hard to meet, said Louis Verchot of the Center for International Forestry Research.

Others insist on strong protection for the rights of native forest dwellers who depend on their environment.

"The forest is our supermarket, our hardware store and our health clinic," said Mirna Cunningham, a Miskita Indian from Nicaragua.

Many also fear money will be siphoned off by "carbon cowboys," fly-by-night operators who set up conservation programs of questionable value, take their fees and disappear.

To prevent that, REDD would require developing countries, mainly those in the world's tropical forest belt, to map woodlands, measure the emissions caused by logging and then draw up a plan to reduce them as a condition for receiving money.

Most national governments also want to control all programs in their territories, saying that would avoid surreptitious logging and encroachment by agriculture, problems that plagued piecemeal conservation programs in the past, as loggers banned from one parcel simply moved next door.

Many also argue that third-party verification of the programs could violate their national sovereignty.

In any case, most agree that a global approach with verifiable standards is needed; the old piecemeal approach wasn't up to the scale of the problem.

"The old idea was that you enriched families, so they wouldn't have to go into the forest and chop down trees with machetes," said Tony Simmons, of the World Agroforestry Center. "In many places we've enriched those families and now they can afford to buy chain saws and they can really go into the forests and do some damage."

But the new REDD system will take years to put in place. Deficit-ridden developed countries may be slow to fork over donations and some poor countries can't even start until they get seed money to make inventories of their forests and plans for managing them.

Experts say unless some standard practices are adopted everywhere, markets won't touch forest-based carbon credits.

Bolivia opposed a recent REDD draft agreement because it included market involvement and lacked sufficient safeguards for Indian communities.

Pablo Solon, who represents Bolivia at the Cancun talks, doesn't want to see the forest used just as a storage lot for carbon: If a tree is merely a carbon-capture machine, what's to stop replacement of natural forests with plantations of easily harvestable trees? Would trees be favored over other valuable ecosystems, like peat bogs and mangroves?

Still, Bolivia desperately needs funds.

"The heat level has increased. The number of fires we normally have has risen by a factor of three," Solon said. "We need planes, infrastructure, forest rangers and satellite equipment to work with."

Almost anything can fit in REDD, if it stops carbon emissions from forests.

Guyanese President Bharrat Jagdeo plans to use his money from Norway's REDD donations to buy families solar panels so they won't need wood for cooking fuel, as well as surveying to get them clear land titles and a \$25,000 economic development grant for each Indian village. But he hasn't been able to get the money yet, because of what he calls bureaucracy. "It's a nightmare," he said.

Fire-prevention measures might be eligible: Daniel Nepstad of the Amazon Environmental Research Institute says emissions from forest fires now often exceed the carbon released from logging and the erosion of clear-cut lands.

At the other side of the globe, Indonesia has signed a \$1 billion deal with Norway, part of it to get Indonesia ready for REDD through administrative reform, planning and management. Indonesia is the third-largest emitter of greenhouse gases in the world, mainly because of deforestation.

Kuntoro Mangkusubroto, who heads up the Indonesian government's new multi-agency task force, lays out some of the challenges: The forestry system is plagued by corruption. Every government agency has its own maps, often conflicting, of where forest boundaries lie. While the government has banned new logging permits, there are hundreds of existing ones the government says it cannot cancel.

In one of the first REDD scandals, Greenpeace International accused the Indonesian government of promoting the expansion of wood-pulp and palm-oil plantations on land that was misclassified as

degraded. It says the program could put at risk forested areas the size of Norway and Denmark combined, including 50 percent of forested orangutan habitat.

Mangkusubroto's deputy, Heru Prasetyo, said the Greenpeace report was based on old data and old plans that are being changed. Mangkusubroto says "we have plenty of degraded land" where commercial plantations could expand without touching pristine woods. But he acknowledges wearily, "The policy is great, but try to enforce it through our system, that's hard."

Ajit Joy, who heads the U.N. Office on Drugs and Crime in Indonesia, estimates that nearly 45 percent of the foreign wood exported to China and the United States is illegally logged.

Conviction rates for illegal logging are low, and most of those caught are truck drivers or other small fish, Joy said.

"This wood is moved in big trucks, and how could this wood pass through without corruption and connivance ... there are criminal gangs involved, there are big brokers," Joy said.

As climate-change talks continue, lack of consensus spurs smaller-scale actions

Washington Post

Juliet Eilperin and William Booth

12/10/10

http://www.washingtonpost.com/wp-dyn/content/article/2010/12/09/AR2010120906727_pf.html

CANCUN, MEXICO - In response to growing frustration that the [U.N. climate negotiations](#) are not producing real-world results, individual nations, states and business are cobbling together patchwork solutions to preserve forests, produce clean energy and scrub pollution from the air.

Under this new approach, businesses in California will offset their greenhouse gas emissions by funding tropical forest preservation in Mexico and Brazil; Japan will help pay for nuclear power plants in developing nations; and South Korea will invest in promoting renewable energy at home.

But the central question remains: Will a bottom-up network of ad hoc arrangements and bilateral deals be enough to avert dangerous climate change?

For years, international policymakers operated on the assumption that they would develop a successor to the landmark 1997 Kyoto Protocol, the only legally binding international accord to reduce greenhouse gases. They expected to agree on a common path for cutting the world's carbon output, dole out key nations' specific obligations and create a common market for trading greenhouse emissions. That vision has evaporated, replaced by a much looser web of climate-related efforts across the globe.

"The web of them together is an international architecture," said Robert Stavins, who directs Harvard University's environmental economics program. "You'll see a bottom-up linkage of climate policies that are very different between countries, regions, and even on the sub-national level."

The advantage of the U.N.-led talks taking place here - increasingly frenzied as they go into the final day Friday - is that they offer every country big and small the ability to argue its case. But the failure of political leadership and lack of a consensus among rich, poor and rapidly developing nations is forcing a departure from the way the world has approached climate-change policy for the past two decades.

Brazil's climate-change ambassador, Sergio Serra, described the U.N. climate negotiations as "on life support" and the goals for this conference so modest that "we are just trying to keep things honorably alive."

In an interview Thursday, Mexican President Felipe Calderon predicted the talks would produce meaningful results by week's end, but he expressed frustration with the cumbersome U.N. process. If negotiations fail, he added, Mexico would push for "a change in the rules."

"I am not allowing another 10 years to go by before we pass an agreement," he said.

Meanwhile, countries and regions are pressing ahead with their own mandatory limits on greenhouse gas emissions that will involve carbon trading systems - allowing companies to compensate for their emissions by buying credits that are used to invest in pollution-reducing projects in other parts of the world.

"That could open the door for ties between industrialized nations such as Australia, Japan and those in the European Union and developing countries," Serra said. That is good, he said, "though it remains unclear how this will work, since each trading system may involve a different set of rules."

Jake Schmidt, who directs international climate policy for the Natural Resources Defense Fund, an advocacy group, said, "Countries aren't just sitting and waiting for this international agreement to deliver."

On the state level, California recently announced that starting in 2012 it would allow companies forced to cut their carbon output to offset some of their emissions by supporting certified forest protection projects in the Brazilian state of Acre and the Mexican state of Chiapas. Linda Adams, California's secretary for environmental protection, said at a panel in Cancun that the decision will "pave the way for others to be part of our carbon market."

Even developing countries that are not bound by mandatory limits yet are looking at ways to cut their greenhouse gases. Mexico is examining how to convert its urban solid waste into energy, for example, while some of its farmers are producing shade-grown coffee for Starbucks using practices that sequester carbon.

Steve Cochran, vice president for climate and air at the Environmental Defense Fund advocacy group, said this new period of experimentation could lay the foundation for a more ambitious global effort in the future.

"People need to see, touch and feel that some of this stuff actually works," he said. "And when they do that, they'll be willing to take broader steps."

But even the emerging approaches, such as donations from rich countries to poor ones to conserve their forests, need to work out some kinks. On Wednesday, Guyana's [President Bharrat Jagdeo](#) publicly questioned why it's taking so long to get its first installment of funds under a \$250 million forest conservation agreement with Norway.

"The international community has a very poor track record of delivering help," he said, blaming World Bank officials for a recent delay. Yvonne Tsikata, World Bank country director for the Caribbean, said in a statement that her institution was just serving as a "financial intermediary" and was awaiting the sign-off from a steering committee comprising officials from Guyana and Norway before transferring the funds.

In the meantime, representatives from nations most vulnerable to climate change said they still needed a global agreement - and soon. The current emissions pledges that industrialized and developing countries have made as part of the U.N. process fall well short of ensuring global temperatures don't exceed 3.6 degrees above pre-industrial levels, which many scientists agree could be a significant tipping point.

"Individual actions by themselves cannot substitute for international governance," said Grenada's permanent U.N. representative, [Dessima Williams](#), who chairs a coalition of 43 [small island nations](#) threatened by rising sea levels. "We realize the multilateral process is complex and long-term. We have been in it, and we're in it for the long haul. Our problem is the islands are really suffering."

These annual negotiations, formally known as the Conference of Parties (COP), have taken place for the past 16 years and now even some senior U.N. diplomats and advisers have raised the question of whether it's worth imposing an expiration date.

"Which COP will be the final one for a decision?" asked one top U.N. official here, who asked not to be identified because he was not authorized to speak on the subject. "Are we just going to go on and on?"

CANCUN: Rumors upend late-night bid to break Kyoto deadlock

Greenwire

Lisa Friedman

12/09/10

<http://www.eenews.net/Greenwire/print/2010/12/09/4>

CANCUN, Mexico -- A middle-of-the-night proposal from small island nations, the Europeans and Costa Rica aimed at breaking a deadlock over the future of the Kyoto Protocol has been upended over rumors of a "secret text," negotiators said today.

The two-paragraph [document](#) put forth at a late-night negotiating session proposes a call for the conclusion of a legally binding climate agreement at next year's U.N. Framework Convention on Climate Change meeting in Durban, South Africa.

The agreement would be made under a specific track of the negotiations called the "convention" that encompasses all countries, including the United States and China.

Doing so would allow space for Japan -- which opposes a second phase of the 1997 Kyoto Protocol -- to negotiate a new agreement by next year that brings in the United States and major emerging countries like China, India and Brazil, according to negotiators and others familiar with the late-night talks.

In an interview, Indian Environment Minister Jairam Ramesh said developing countries are "not agreeable to a legally binding agreement at this stage." Even if they were, he said, the mood of the negotiations has been soured by rumors of a "secret text" aimed at getting around the main negotiating process.

"It creates a trust deficit," he said of rumors. "There is no secret text."

A leading European negotiator also said any chance countries might have had of breaking an impasse over the future of the Kyoto Protocol was broken by what the delegate termed "incorrect news reports."

"It's not going to fly," the negotiator said, "because there's so much resistance now from developing countries."

Japan caused a flurry on the first day of the talks when it announced it would not establish targets for a second commitment period of Kyoto. The first phase of the 1997 emission treaty that only requires industrialized countries to cut carbon ends in 2012. Developing countries insist that the treaty be extended for another five-year period.

With time running out on the Cancun talks, Ramesh said prospects for a deal are bleak. Delegates, he said, figure to leave Mexico with even less than was accomplished at talks in Copenhagen last year.

"This will be 'Copenhagen lite,' as of now," he said. "I thought it would be Copenhagen-plus, but it's going to be Copenhagen lite."

Emissions

E.P.A. Delays Tougher Rules on Emissions

New York Times

John M. Broder and Sheryl Gay Stolberg

12/10/10

http://www.nytimes.com/2010/12/10/science/earth/10epa.html?_r=1&hp&pagewanted=print

The Obama administration is retreating on long-delayed environmental regulations — new rules governing smog and toxic emissions from industrial boilers — as it adjusts to a changed political dynamic in Washington with a more muscular Republican opposition.

The move to delay the rules, announced this week by the [Environmental Protection Agency](#), will leave in place policies set by President [George W. Bush](#). [President Obama](#) ran for office promising tougher standards, and the new rules were set to take effect over the next several weeks.

Now, the agency says, it needs until July 2011 to further analyze scientific and health studies of the smog rules and until April 2012 on the boiler regulation. Mr. Obama, having just cut a painful deal with Republicans intended to stimulate the economy, can ill afford to be seen as simultaneously throttling the fragile recovery by imposing a sheaf of expensive new environmental regulations that critics say will cost jobs.

The delays represent a marked departure from the first two years of the Obama presidency, when the E.P.A. moved quickly to reverse one Bush environmental policy after another. Administration officials now face the question of whether in their zeal to undo the Bush agenda they reached too far and provoked an unmanageable political backlash.

Environmental advocates are furious. They fear a similar delay on the approaching start of one of the most far-reaching regulatory programs in American environmental history, the effort to curb emissions of carbon dioxide and other greenhouse gases.

But in a striking turnabout, the [National Association of Manufacturers](#) and the [American Petroleum Institute](#) — which have been anything but friendly to Mr. Obama — are praising his administration.

“Clearly, the agency has heard the calls from manufacturers,” said Keith McCoy, vice president for energy and natural resources at the manufacturers’ group. “We hope this week’s announcements signal that the E.P.A. is slowing down on overly burdensome and unnecessary rules that will crush economic growth and job creation.”

White House officials said that no plan was under way to retreat from the president’s aggressive environmental agenda. And some Democratic policy analysts said the environmental agency was simply exercising its usual caution, albeit in a new political climate.

“The E.P.A. always operates under the caricature of environmental zealots, and the reality is that economic concerns and the ability for business to continue operating is always a significant consideration,” said Joshua Freed, director of the clean energy program at Third Way, a centrist Democratic group. “The administration’s number one goal over the next two years is going to be expanding economic growth. The environmental regulatory process has always played out in that context, and that’s not going to change.”

The delays come as the president is reaching out to a newly empowered [Republican Party](#) on tax policy, a move that is angering his own Democratic base. He must now decide whether to make similar efforts on environmental issues.

“Obama has already signaled that in his quest for re-election he’s more than willing to turn against his base in order to make a compromise with his adversaries,” Frank O’Donnell, president of Clean Air Watch, an advocacy group, said in an e-mail, responding to the rules delay.

Mr. O’Donnell said the administration was clearly “running scared” from the incoming Congress and said he suspected that it was willing to moderate its stand on a variety of environmental regulations, including pending greenhouse gas rules aimed at reducing the pollutants that contribute to [global warming](#).

The E.P.A. has said that it will begin regulating carbon emissions from power plants and other major stationary sources on Jan. 2, as a prelude to broader regulation of carbon dioxide in future years. Delaying that program would undercut much of what officials are trying to do in international negotiations like the [United Nations](#) climate talks now under way in Cancún, Mexico.

“Look, in January there will be appropriations battles and a whole lot of other tough fights,” said Jeffrey Holmstead, head of the E.P.A.’s air quality office in the recent Bush administration and now a lobbyist for industry. “The administration is going to be feeling a lot of pressure, and they would be better off to do some sort of a deal acceptable to the Republicans to delay this rather than having to threaten a veto.”

The delayed smog rule would lower the allowable concentration of airborne ozone to 60 to 70 parts per billion from the current level of 75 parts per billion, putting several hundred cities in violation of air pollution standards. The agency says that the new rule would save thousands of lives per year but cost businesses and municipalities as much as \$90 billion annually.

The boiler rule would affect 200,000 industrial boilers, heaters and solid waste incinerators and is intended to cut emissions of mercury and other dangerous pollutants in half.

[Lisa P. Jackson](#), the E.P.A. administrator, described the rules delay as a technical and tactical decision. She said she was delaying them for a matter of months merely to get “further interpretation” of scientific and health studies of their effects. An agency official said the delays were not a response to Congressional threats to curb the agency’s power or cut its budget.

Still, the threats are looming. Representative Fred Upton, the Michigan Republican who is in line to become the new chairman of the House Energy and Commerce Committee, has made limiting E.P.A. authority one of his main objectives and has promised a steady round of hearings questioning the basis of agency actions.

Mr. Upton suggested recently that Ms. Jackson should be given her own parking place on Capitol Hill because she would be testifying so frequently in the coming year.

In a statement on Wednesday, Mr. Upton called for the environmental agency to “stand down altogether” from the rules, which he said would “send a devastating economic shockwave coast to coast.”

Mr. Upton and Senator [James Inhofe](#) of Oklahoma, the highest-ranking Republican on the Senate panel that oversees the E.P.A., followed up Thursday evening with a letter to Ms. Jackson in which they said they were “gravely concerned” about the direction the agency is taking. They vowed to conduct a thorough oversight investigation of the new rules.

Department of the Interior or Related News

National Park Service

Groups ask court to halt Alton strip mining

Salt Lake Tribune (UT)

Brandon Loomis

12/09/10

<http://www.sltrib.com/sltrib/home/50842820-76/utah-national-coal-mining.html.csp>

Environmentalists seeking to block a strip mine near Bryce Canyon National Park are appealing to the Utah Supreme Court.

The Sierra Club, Southern Utah Wilderness Alliance, Natural Resources Defense Council and National Parks Conservation Association filed their appeal Wednesday, seeking a stay on mining and a review of state-issued permits for Alton Coal Co.'s Coal Hollow Project in Kane County, about 10 miles southwest of the park.

"Our biggest concern is the proximity to Bryce," said Karen Hevel-Mingo, a Utah-based representative for the National Parks Conservation Association.

Opponents, including Panguitch residents who testified against a state air-quality permit, fear that crushing and trucking the coal will create health hazards and dim the park's brilliant night sky.

"I'm not sure that we would be having this conversation," Hevel-Mingo said, "if it weren't 10 miles from one of Utah's national parks."

"This is much bigger than one mine," Panguitch small-business owner Bobbi Bryant said in a news released issued by the environmental groups. "It is a decision for Utah to allow coal-strip mining to take place near our beautiful national parks and monuments, and we would like the Utah Supreme Court to consider and agree that there are better choices for our environment and economy."

Other Panguitch residents and city and county officials have supported the project as a jobs generator. It's planned as a 244-acre mine to be developed in 30 successive pits producing up to 2 million tons of coal a year.

Utah Division of Oil, Gas and Mining spokesman Jim Springer said state law doesn't account for distant effects to national parks or other significant landmarks, such as Panguitch's historic downtown.

"That's not exactly next door," Springer said.

The mining company did not respond to a call seeking comment. It has begun preparing the ground for digging.

The state mining board approved the permit early last month. It then considered appeals and issued a final order Nov. 22.

Office of Insular Affairs

Babauta Approves \$1 Million for GMH

Pacific News Center

12/10/10

http://www.pacificnewscenter.com/index.php?option=com_content&view=article&id=9971:babauta-approves-1-million-for-gmh&catid=45:guam-news&Itemid=156

Guam - After declaring a state of emergency for the Guam Memorial Hospital Governor Felix Camacho asked for funding from the Department of the Interior.

Today PNC caught up with Department of Interior Assistant Secretary Tony Babauta. He says that after the emergency at the hospital was declared and after Camacho asked for the funding they were able to divert money from compact impact funding that was to go elsewhere to instead go to the hospital. "Well it's a million dollars for the governor to use to buy supplies medical supplies and other equipment that is needed for the hospital," said Babauta adding, "It was money that was redirected for compact impact funding."

Guam gets an annual allotment of compact impact funding from the Department of the Interior for the most part the governor is allowed to prioritize the spending of the compact impact money.

Interior gives \$5M for CUC, Compact-Impact

Saipan Tribune

Haidee V. Eugenio

12/10/10

http://www.saipantribune.com/newsstory.aspx?newsID_105298&cat_1

Assistant Interior Secretary for Insular Areas Tony Babauta approved yesterday a total of \$5 million for three CNMI programs and projects, including some \$3 million in redirected funding to be given to the Commonwealth Utilities Corp. for the overhaul of its power engines.

Babauta also awarded \$1.9 million for Compact Impact funding, and another \$93,000 for the CNMI Water Task Force.

Gov. Benigno R. Fitial welcomed the Office of Insular Affairs' redirection of the \$3 million from unobligated or unspent capital improvement project funding to CUC, and the two other grants.

Babauta signed the federal grants during a joint news conference with Fitial on alternative energy planning on Capital Hill yesterday morning.

Babauta said OIA does not want to see the CNMI experience severe power outages again similar to what it had to deal with in 2007.

He also signed an OIA Compact-Impact grant to the CNMI totaling \$1,903,443 for fiscal year 2011, the same funding level as in fiscal year 2010.

Compact-Impact funding is used to reimburse the CNMI for its expenses in hosting citizens from the Freely Associated States-Pohnpei, Yap, Chuuk, and Kosrae in the Federated States of Micronesia, along with Palau and the Marshall Islands.

Of the \$1.9 million, the Department of Public Safety and Investigative Services will get the lion's share of over \$1.157 million; Department of Public Health, \$513,509; Department of Corrections, \$154,698; Division of Youth Services, \$44,616; Office of the Public Defender, \$37,151; and Department of Public Health's mental health services, \$23,235.

The CNMI has seen a drop in Compact Impact funding because the latest survey found that there are fewer FAS citizens in the CNMI, while Guam has seen an increase.

Babauta said OIA wants to see all people of the CNMI get 24-hour water service. He said from 26 percent of the population having access to 24-hour water service, the figure went up to 84 percent with the work of the Water Task Force. Fitial said prior to last week, the coverage was only 76 percent.

CUC needs \$4.2M to overhaul five engines

Saipan Tribune

Moneth Deposa

12/07/10

http://www.saipantribune.com/newsstory.aspx?cat_1&newsID_105219

The Commonwealth Utilities Corp. needs \$4.25 million to complete the overhaul of five engines, according to its executive director Abe Utu Malae.

Malae earlier disclosed that power generation on island is on course to crash because of the stalled overhaul and Saipan could go back to the days of frequent power outages if the scheduled overhaul of power engines is delayed any further.

There are three power plants in Lower Base with a combined 21 engines. A few of these units are not currently working.

Malae disclosed yesterday that five engines-three large and two small ones-need immediate overhaul and other repairs within the next 12 months and this will cost CUC a total of \$4.2 million.

Malae said the large engines are engines No. 5, 6, and 8 while the small engines are engines No. 2 and 3.

For engine No. 8, the overhaul cost is estimated at \$800,000, while engine No. 6 needs \$1.8 million-\$800,000 for overhaul and \$1 million for repairing the foundation and replacing the anchor bolts.

For engine No. 5, CUC has to come up with \$150,000 to replace its anchor bolts.

The smaller engine No. 3 needs \$700,000 for its overhaul, while \$800,000 is needed for engine No. 2-\$700,000 for overhaul and \$100,000 for replacing anchor bolts.

The lack of funds to buy needed engine parts was cited as the main reason for the delayed overhaul. CUC revenues generated from its customers are being used for operation, including personnel and all other expenses.

To stave off this potential disaster, Malae disclosed that CUC must secure sufficient financing for power plant operations and the agency's chief financial chief is now working on this.

Saipan Tribune learned that engine No. 8, for example, was scheduled to be overhauled in January this year but that has never happened.

“If the overhaul is delayed much longer, irreparable damage to the crankshaft may occur such as what happened about five years ago to engine No. 4-it was 24,000 hours beyond its scheduled major overhaul,” Malae had said.

Engine No. 2, meantime, has over 24 years of running hours while three of the seven generators at the power plant are thousands of hours beyond the 36,000-hour major overhaul point.

Malae said that CUC's oldest engines are already 30 years old.

CUC has been under a state of emergency since 2008.

New panel, NREL work on green energy plan for CNMI

Saipan Tribune

Haidee V. Eugenio

12/10/10

http://www.saipantribune.com/newsstory.aspx?cat_1&newsID_105300

By early 2011, the U.S. National Renewable Energy Laboratory will be providing a report on the renewable energy options for the CNMI so that stakeholders can make educated decisions to select which one will best suit the islands, whether it be solar, wind, hydrokinetic, or geothermal.

A four-member NREL team wraps up today their data gathering in the CNMI and meetings with stakeholders to help them identify and analyze the renewable energy options here.

Assistant Interior Secretary for Insular Areas Tony Babauta presented yesterday to Gov. Benigno R. Fitial, other government officials, private sector representatives, and the media, the members of the NREL team.

They included senior project leader Phil Voss, senior research supervisor E. Ian Baring-Gould, senior engineer Scott Haase, and principal scientist Charles Visser.

“When they leave, they will have a much better picture of the CNMI's possible options and opportunities,” Babauta said.

Similar undertakings were created in American Samoa and Guam in previous months.

Fitial, for his part, appointed nine members of a renewable energy leadership committee which will work with NREL.

The NREL team and the leadership committee met yesterday afternoon, a few hours after Babauta and Fitial's joint news conference.

Fitial's appointees include the Northern Marianas College president, Commonwealth Utilities Corp. executive director, CNMI Energy Office director, the governor's special assistant for administration, the governor's special advisor for alternative energy, and representatives from the Rota and Tinian mayor's offices, the Saipan Chamber of Commerce, and the Hotel Association of the Northern Mariana Islands.

In January, a full CNMI Energy Steering Committee will be formed.

“This Steering Committee, with NREL's guidance, is charged with creating a long-term, comprehensive, strategic energy plan for the CNMI. This plan is intended to belong to the CNMI and to be a continuing community effort. It will be a starting point from which you and businesses can more wisely decide on the right mix of energy alternatives available,” Babauta said.

Babauta and Fitial thanked each other for their efforts in advancing the cause for renewable energy in the CNMI, at a time when the costs of fuel have been steadily increasing.

The NREL team's visit to the CNMI is a follow-up to the partnership that Fitial and others developed when they visited NREL in Golden, Colorado in March this year.

Fitial, in an interview with reporters later, said he is particularly interested in geothermal and hydrokinetic

energy, which is generated from ocean current.

“Geothermal energy is affordable and reliable. You go to the Philippines and you see they only pay less than 5 cents per kilowatt hour. You go to Iceland, the same thing,” he said, adding that his administration has been actually working on developing geothermal energy.

Babauta set aside \$1 million of OIA's budget for creating long-term strategic energy plans.

202-225-5255 (fax) And
cid:image001.png@01CBADBB.F8E33300(Embedded image moved to file:
pic15207.jpg)cid:image002.jpg@01CBADBB.F8E33300(Embedded image moved to
file: pic14482.jpg)cid:image003.jpg@01CBADBB.F8E33300
(Embedded image moved to file: pic20946.jpg)
cid:image004.jpg@01CBADBB.F8E33300

(See attached file: ltr.ken salazar re moratorium report.04.25.2011.pdf)

Harry,

This is the IAR of the telephonic interview I did with Ken Arnold, who wrote the letter (fax) to Senators Landrieu and Vitter and LA Governor Jindal. I will be completing IARs for the other peer-reviewer I spoke to on the phone and Bob Bea forthwith. Let me know how this reads for you.



IAR-Arnold_Kenneth_07-08-2010.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

As you noticed last week - Boston is a better place than DC.

All IARs are in CMS (including Bea's - you can delete it and I can upload if you find any issues/errors with it).

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:27 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Re: Interview of Bea [Notes Link](#)
ect

Great- You want to move back here?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 02:26 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subj Re: Interview of Bea [Notes Link](#)
ect

You need a Deputy.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:25 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Re: Interview of Bea[Notes Link](#)
ect

Thanks Rich-

Trying to do too many things at once down here..

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 02:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subj Re: Interview of Bea[Notes Link](#)
ect

Just forwarded it again to you.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:20 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Interview of Bea
ect

Rich-

Did you do an IAR on this?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Excellent.

I will be there.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/10/2010 02:19 PM EDT

To: Richard Larrabee; John Dupuy; Scott Culver

Subject: Interview of Liz Birnbaum

Interview is set for next Wednesday at 1300 (1 PM for you civillians) at her residence.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Did she say anything other than she wants to talk about the moratorium?

I have a feeling that she is not just bored and looking for a bit of bromidic conversation over tea.

Very interested in hearing what she has to say.

Have a good weekend.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/10/2010 02:19 PM EDT

To: Richard Larrabee; John Dupuy; Scott Culver

Subject: Interview of Liz Birnbaum

Interview is set for next Wednesday at 1300 (1 PM for you civillians) at her residence.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Harry,

FYI - Birnbaum was fired/resigned on May 27 - the day the moratorium Executive Summary was issued.

This should be an extremely interesting interview.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/10/2010 02:19 PM EDT

To: Richard Larrabee; John Dupuy; Scott Culver

Subject: Interview of Liz Birnbaum

Interview is set for next Wednesday at 1300 (1 PM for you civilians) at her residence.

Harry



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Harry,

Good talking with you yesterday and thanks for the update on how the Secretary's Office is handling our OIG request for documentation (Black's emails and drafts of Moratorium Executive Summary).

You noted that Art Gary with SOL is reviewing our request, along with Black's documents that would be responsive to our request, in order to determine what may be "privileged," and thus would be withheld from production to the OIG. I would like to point out that the Secretary's Office's approach to our request for documentation, ironically, is in direct contradiction with the Secretary Salazar's own memorandum he issued on April 20, 2010 to the entire department regarding cooperation with the OIG - and specifically what must be provided to the OIG upon request, under the OIG Act. The second paragraph of his attached memorandum reads:

The Inspector General Act (Act) provides the Inspector General access to information within the Department. The Act states, "the Inspector General is authorized to have access to all records, reports, audits, reviews, documents, papers, recommendations, or other material available to the Department relating to its programs and operations (Section 6(a)(1))." Information that the Inspector General has access to may include information that may be privileged, confidential, or otherwise exempt from disclosure under law such as the Freedom of Information Act or the Privacy Act. In providing privileged or confidential information to the Inspector General's office, Department employees should identify and clearly mark such information. The Office of Inspector General will treat such information in accordance with applicable statutes and regulations. Providing such information to the Office of Inspector General will not constitute a waiver of any privileges that may attach to the information. In addition to the Act, the Department Manual 110 DM 4 provides for the responsibilities for the Office of Inspector General and its relationship with Department bureaus and offices.

I don't quite understand why all of the bureaus in DOI must provide all requested documentation in response to a request from OIG, regardless of whether the documentation may be privileged information, yet the Secretary's Office does not need to comply with this requirement - which, as I pointed out above, ironically, is a requirement issued by the Secretary himself.

Based on my understanding after having worked many OIG cases, we have always received all requested documentation, analyzed it and moved forward with our investigation utilizing the information derived from the documentation. After a final ROI is drafted, we then afford SOL the opportunity to review the ROI to identify any departmental privileged information/documents; OIG's OGC then consults with SOL about what documents/information will ultimately be included or withheld from the ROI, based on privilege.

Regarding this specific instance, concomitant with other instances we have previously discussed concerning this investigation, I am deeply concerned that this is yet another example of how a double standard is being followed in this investigation in granting great deference to the Secretary's Office that would not be granted to any other departmental bureaus or employees. For what it is worth.

Have a great weekend.



Secretary Salazar's Cooperation with the Office of Inspector General Ltr.PDF

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Odd lady

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 09/17/2010 03:17 PM EDT
To: Richard Larrabee
Subject: Re: Birnbaum IAR

Rich-

Liz called this afternoon to clarify that she had been present at a meeting to discuss the impact of separate measures on the industry for prohibiting them from doing certain things or for forcing them to conduct certain testing in the wake of the platform explosion.. Again, she makes mentions that she is sure we have seen the charts.....but just wanted to make sure that we were clear about that one weekend meeting.....odd call

IAR looks good.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**
09/17/2010 08:55 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subj Birnbaum IAR
ect

Harry,

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.

[attachment "IAR-Birnbaum_Elizabeth_09-15-10.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry,

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.



IAR-Bimbaum_Elizabeth_09-15-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

I wouldn't try doing that stuff with him. He's a big dude.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 09/23/2010 03:25 PM EDT
To: Richard Larrabee
Subject: Re: Birnbaum CMS issues

I will get with Humphrey



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**
09/23/2010 03:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc

Subj Re: Birnbaum CMS issues [Notes Link](#)
ect

Thanks - I will try that.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 09/23/2010 03:19 PM EDT
To: Richard Larrabee
Subject: Re: Birnbaum CMS issues

Have you petted the keyboard and said nice things to it?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Richard Larrabee/WDC/OIG/DOI To Harry Humbert/WDC/OIG/DOI@OIG
09/23/2010 02:40 PM cc
Subj Birnbaum CMS issues
ect

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.

[attachment "IAR-Birnbaum_Elizabeth_09-15-10.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

HQ does that to people.

Delaplaine said that Gary would get back to him by today about his "review" of Black's emails. Holding my breath.....turning blue.....starting to fade out.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To Richard Larrabee/WDC/OIG/DOI@OIG
09/24/2010 07:41 AM cc
Subj Re: Fw: Birnbaum - CMS issue [Notes Link](#)
ect

Glad you saw the humor in that! I was a bit punchy yesterday.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 09/24/2010 07:39 AM EDT
To: Harry Humbert
Subject: Re: Fw: Birnbaum CMS issue

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To Richard Larrabee/WDC/OIG/DOI@OIG
09/24/2010 07:38 AM cc
Subj Re: Fw: Birnbaum - CMS issue [Notes Link](#)
ect

Bragging?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 09/24/2010 07:37 AM EDT
To: Harry Humbert
Cc: Brook Minnick
Subject: Re: Fw: Birnbaum CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI** To Brook W Minnick/ARL/OIG/DOI@OIG
09/24/2010 07:36 AM cc Richard Larrabee/WDC/OIG/DOI@OIG
Subj Fw: Birnbaum - CMS issue
ect

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI** To Harry Humbert/WDC/OIG/DOI@OIG
09/24/2010 07:35 AM cc
Subj Birnbaum - CMS issue
ect

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

I have, although it always takes a long time to do so after several attempts. This is the first one I think that I finally just gave up on.

I have not tried any others since - I have been too busy trying to upload this damn one!

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Brook W
Minnick/ARL/OIG/DOI**

09/24/2010 09:12 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj Re: Fw: Birnbaum - CMS issue [Notes Link](#)
ect

I assume that in the past, you have been able to upload recordings through the VPN, correct? Is this the first recording you were unable to upload? Have you tried any others since?

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 08:53 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subj Re: Fw: Birnbaum - CMS issue [Notes Link](#)
ect

I tried from my office in Boston with the same high-speed connection I use for everything else.

I also tried from my residence that has a high speed connection. I think it must be a VPN issue. Very aggravating.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 08:50 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum CMS issue [Link](#)

Where were you trying to upload from? Your office? New Orleans? I was able to put the recording right in, and it was relatively small. I have only seen an issue with files much bigger (10x the size of yours), which makes me think there is/was a network problem wherever you were sitting.

In any event, it is in. Let me know if you continue to see problems, or need any further assistance.

Brook

Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:41 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum CMS issue [Link](#)

Thanks Brook. It is PI-PI-10-0562-I; attachment to Birnbaum IAR.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 07:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG, Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Re: Fw: Birnbaum CMS issue [Link](#)

It is probably a combination of a large file and slow network causing the browser to time out. I will take of it.

Brook

This message was sent from a wireless device.

From: Richard Larrabee
Sent: 09/24/2010 07:37 AM EDT
To: Harry Humbert
Cc: Brook Minnick
Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM
Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Interesting.

The WH clearly edited the version sent to them by DOI in a manner that created the misrepresentation - intentional or not, only interviews with WH staff could possibly determine.

Attached is the email and attached draft Black sent to the WH at 11:38pm on May 26, 2010:



Black Email to Aldy 5-26-10 - 1138pm.docx Interim Measures Report_100526_FINAL_OMB edits+JITF scrub.pdf

Below are two versions of the WH edited draft that the WH (Joe Aldy) sent back to Black at 2:13am on may 27, 2010 (notice the chart with the Report-specific recommendations was removed to a latter section and the paragraph about the recommendations being peer-reviewed was shifted up to read directly after the Secretary's "recommendation" for the moratorium, rather than where DOI had it - under the chart of Report-specific recommendations, which were peer-reviewed by the experts):



Interim Measures Report_100527 4a version 1.docx Interim Measures Report_100527 4a version 2.docx

This is the email and final draft Black sent out at 12:14pm on May 27, 2010:



Black email with FINAL draft - 5-27-10 - 1214pm.docx Interim Measures Report_100527_FINAL_version 2_CLEAN.pdf

Don't ask me why I am working on a Saturday - one for the team, I guess.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 09/25/2010 12:52 PM -----

Bruce Delaplaine/WDC/OIG/DOI To Harry Humbert/WDC/OIG/DOI@OIG, Richard Larrabee/WDC/OIG/DOI@OIG
09/24/2010 05:44 PM cc
Subj Fw: OIG Sep 1, 2010 Letter Response
ect

Here is the second of two emails. As with the other set, we will comply with their claim of privilege unless and until we collectively decide otherwise.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General

Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 09/24/2010 05:43 PM -----

"Gary, Art"
<Art.Gary@sol.doi.gov> To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>
09/24/2010 05:21 PM cc
Subj FW: OIG Sep 1, 2010 Letter Response
ect

With this you should have a total of seven attachments.

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Gary, Art
Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response

Bruce as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff

to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Got it. Be careful what you ask for.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 01:12 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subj Write
ect

The ROI including ALL information. We will make decisions after seeing the final full ROI
H.

This message was sent from a wireless device.

Please read and then give me a call on my cell 202-841-6999.



IAR-Black-Kemkar Email Review-9-27-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 11:20 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj When is it good to call to Discuss Moratorium Issues?
ect



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Harry,

Edited version attached.

Also, I will upload into CMS and enter a Case Note recommending that we ask to speak with White House staff Joseph Aldy about the emendations they made to the Executive Summary that clearly led to the allegation of misrepresentation made by the NAS experts - keeping in mind, of course, that the White House would most likely claim Executive Privilege and refuse such an interview.

Based upon our discussions, assuming my recommendation to request an interview with the White House will be denied by upper management of OIG, I will start completing the ROI by incorporating this IAR. As directed, I will make no mention in the ROI of the fact that we did not conduct any independent validation that Black provided all of his emails that would be responsive to our request.



IAR-Black-Kemkar Email Review-9-27-10-Final.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 11:20 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subj When is it good to call to Discuss Moratorium Issues?
ect



A handwritten signature in black ink that reads 'Harry Humbert'.

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Good morning gentlemen. Following up on my email & communications with Bruce on Friday, I'd like to transmit to you the documents collected from Steve Black in response to your September 1 request. Where should I send them?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

I want to complete a cover note to you, so I can have them brought down. What room?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Harry Humbert@doioig.gov [mailto:Harry Humbert@doioig.gov]
Sent: Monday, September 27, 2010 9:35 AM
To: Gary, Art
Cc: Delaplaine, Bruce
Subject: Re: requested documents

Art-

Do you need for me to come and get them?

H.



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

"Gary, Art"
<Art.Gary@sol.doi.gov>

09/27/2010 09:31 AM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>, "Humbert, Harry"
<Harry_Humbert@doioig.gov>
cc
Subjerequested documents
ct

Good morning gentlemen. Following up on my email & communications with Bruce on Friday, I'd like to transmit to you the documents collected from Steve Black in response to your September 1 request. Where should I send them?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

Recommended insert to replace narrative on pp. 8 9:

The language in the Executive Summary to which the experts objected was this:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry. (Peer Review Language.)

A review of the emails that Black sent to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (Attachments 12 & 13) reflects that the moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30 Day Report, which had been peer reviewed.

At 2:13 AM on May 27, 2010, Aldy sent an email back to Black that contained two edited versions of the Executive Summary (Attachments 14, 15, & 16). Both versions sent by Aldy contained significant edits to DOI's draft Executive Summary, but were very similar to each other the only difference being the length of time recommended for the moratorium. Both versions, however, revised and re ordered the Executive Summary, placing the peer review language immediately following the moratorium recommendation causing the distinction between the Secretary's moratorium recommendation which had not been peer reviewed and the recommendations contained in the 30 Day Report which had been peer reviewed to become effectively lost. Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010 with the peer review language immediately following the moratorium recommendation.

The Information Quality Act

The Information Quality Act (IQA) directs the Office of Management and Budget (OMB) to issue government wide guidelines that "provide policy and procedural guidance" designed to ensure the to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of "information (including statistical information) . . . disseminated by Federal agencies." "Information" under the IQA guidelines means The guidelines define "information" to mean "any communication or representation of knowledge such as facts or data." The IQA policies concentrate on "reliable methods and data sources," reproducibility, "transparency about data and methods," and administrative methods for correcting disseminated information. OMB has issued separate guidance governing agency peer reviews of "scientific information."

Both the IQA and peer review guidance require agencies to apply the standards "flexibly, and in a manner appropriate to the nature and timeliness of the information to be disseminated." The peer review guidance does not apply to "health and safety" information that is "time sensitive" at the time of the dissemination. While IQA guidelines create a process for "affected persons" to

Formatted: Default

Formatted: Font: 12 pt

obtain the correction of “disseminated information,” the OIG is not aware of the Department’s receipt of any such challenge to the 30 Day Report.

While the 30 Day report’s executive summary could have been more clearly worded and the peer review process more structured, the Department has not definitively violated the IQA. OMB IQA guidelines also require agencies to create a process for “affected persons” to obtain the correction of “disseminated information” that does not comply with IQA guidelines.

The website for the Department’s IQA program indicates that the Department has received no formal challenges to the 30 Day Report under the IQA.

We could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes “information” under the IQA. For example, the recommendation for a moratorium is not addressed in the safety report itself and constitutes an opinion that is based primarily on non technical concerns, which are not as appropriate for peer review by petroleum engineers. The executive summary does not indicate that any of the peer reviewers approved of any of the report’s recommendations and the urgent circumstances surrounding the report’s release may have justified not applying some of the relevant OMB guidance. The Department also may have adequately remedied the IQA concerns by communicating directly with the experts, offering a formal apology, and publicly clarifying the nature of the peer review.

Upon hearing the experts’ concerns, however, the Department communicated by letter, telephone and a personal meeting to apologize and clarify that it did not intend to imply that the moratorium recommendation had been peer reviewed. Since no IQA challenge has been received by the Department, the Department has no formal obligation under the IQA. Had the Department received a formal challenge, however, the Department may have adequately remedied the challenge by offering a formal apology, clarifying its position, and communicating directly with the experts.

Formatted: Default

Committee on Natural Resources
1333 Longworth House Office Building
Washington, DC 20515
202-226-9297 (voice)
202-226-7390 (direct)
202-225-5255 (fax) And



ltr.mary.kendall.re.moratorium.report.04.25.2011.pdf

(See attached file: ltr.ken salazar re moratorium report.04.25.2011.pdf)



pic15207.jpg pic14482.jpg pic20946.jpg ltr.ken salazar re moratorium report.04.25.2011.pdf

.gov> To
04/26/2011 08:10 "Delaplaine, Bruce"
AM <Bruce_Delaplaine@doioig.gov> cc
Subject
FW: Letter to Secretary attached

Bruce- this came in to the Secretary but no doubt is headed your way too.
Art

From: Tompkins, Hilary C
Sent: Tuesday, April 26, 2011 7:56 AM
To: Gary, Art; Greenberger, Sarah
Subject: Fw: Letter to Secretary attached

Delivered by SOL Blackberry Services

From: Mansour, Christopher
Sent: Monday, April 25, 2011 06:52 PM
To: Iudicello, Fay; Tompkins, Hilary C; Barkoff, Kendra; Salotti, Christopher; Urban, Heather
Subject: Fw: Letter to Secretary attached

From: Charters, Tim <Tim.Charters@mail.house.gov>
To: Mansour, Christopher
Cc: Young, Todd <Todd.Young@mail.house.gov>
Sent: Mon Apr 25 16:50:37 2011
Subject: Letter to Secretary attached

Christopher,

Attached is a letter sent to the Secretary today. Any questions please let me know.

Tim Charters
Staff Director- Republican Majority Staff Subcommittee on Energy and Mineral Resources Committee on Natural Resources
1333 Longworth House Office Building
Washington, DC 20515
202-226-9297 (voice)
202-226-7390 (direct)
202-225-5255 (fax) And
cid:image001.png@01CBADBB.F8E33300(Embedded image moved to file: pic15207.jpg)cid:image002.jpg@01CBADBB.F8E33300(Embedded image moved to file: pic14482.jpg)cid:image003.jpg@01CBADBB.F8E33300
(Embedded image moved to file: pic20946.jpg)
cid:image004.jpg@01CBADBB.F8E33300



Richard
Larrabee/WDC/OIG/DOI
04/28/2011 07:22 AM

To "Humbert" <harry_humbert@doioig.gov>
cc
bcc
Subject Fw: Letter

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

From: "Kris Kolesnik" [pk.kolesnik@comcast.net]
Sent: 04/27/2011 08:55 PM AST
To: Richard Larrabee
Subject: FW: Letter

FY!!

From: Kris_Kolesnik@doioig.gov [mailto:Kris_Kolesnik@doioig.gov]
Sent: Tuesday, April 26, 2011 9:34 AM
To: pk.kolesnik@comcast.net
Subject: Fw: Letter

This message was sent from a wireless device.

From: "Charters, Tim" [Tim.Charters@mail.house.gov]
Sent: 04/25/2011 04:52 PM AST
To: Kris Kolesnik
Subject: Letter

Kris,

Attached is a letter that was sent to the Acting-IG today. Any questions please let me know.

Tim Charters

Staff Director- Republican Majority Staff
Subcommittee on Energy and Mineral Resources



Richard
Larrabee/WDC/OIG/DOI
04/28/2011 07:22 AM

To "Humbert" <harry_humbert@doioig.gov>
cc
bcc
Subject Fw: Letter to Secretary attached

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----
From: "Kris Kolesnik" [pk.kolesnik@comcast.net]
Sent: 04/27/2011 08:56 PM AST
To: Richard Larrabee
Subject: FW: Letter to Secretary attached

FYI again!

-----Original Message-----
From: Kris Kolesnik@doioig.gov [mailto:Kris_Kolesnik@doioig.gov]
Sent: Tuesday, April 26, 2011 9:38 AM
To: pk.kolesnik@comcast.net
Subject: Fw: Letter to Secretary attached

This message was sent from a wireless device.

----- Original Message -----
From: Bruce Delaplaine
Sent: 04/26/2011 08:46 AM EDT
To: Kris Kolesnik
Cc: Mary Kendall
Subject: Fw: Letter to Secretary attached this may require further
discussion.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726
----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 04/26/2011 08:45 AM

"Gary, Art"
<Art.Gary@sol.doi

**Richard
Larrabee/WDC/OIG/DOI**

04/28/2011 02:47 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: PI-PI-10-562-I

Harry,

Just a taste of some of our email correspondence during the moratorium case. I'll get that FedEx out to you right away.

Good to see/chat with you this morning.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/28/2011 02:45 PM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/09/2010 12:11 PM

To Harry Humbert/WDC/OIG/DOI

cc

Subject PI-PI-10-562-I

Harry,

I just wanted to follow with you about my request for a Zantaz review of Secretary Salazar's emails, along with those emails of top departmental staff that advised him regarding the Deepwater Horizon 30-Day Report and subsequent 6-month moratorium on drilling in the Gulf of Mexico.

As we discussed, I think we as the DOI-OIG could be opening ourselves up to legitimate criticism (of bias) by not pursuing this investigation in a similar manner in which we would pursue an investigation of a lower level DOI employee. As you know, in order to be effective and thorough in any investigation, we need to take the same comprehensive approach with the "higher level" investigations as we do with the "lower level" investigations, and we have regularly made extensive use of the Zantaz database to obtain emails of DOI employees in pursuance of our investigations over the past 5 years.

To be more specific about my request for a Zantaz email review, I believe that all emails sent or received by the identified persons should be obtained for the periods between May 20, 2010 and June 3, 2010 (only a 2 week period). I chose May 20, 2010 because that is one week prior to the issuance of the moratorium on May 27, 2010 and drafts of the Report were being produced during that time period that had not yet included the recommendation for the moratorium; and I chose June 3, 2010 as the ending date because that this the date of the letters issued by DOI to the peer-reviewers apologizing for the

misunderstanding (the emails written by departmental personnel in response to the peer-reviewers initial outcry, prior to the department issuing the apology letters, may be quite telling).

Thanks again Harry.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Richard Larrabee/WDC/OIG/DOI

05/03/2011 02:05 PM

To

Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject

Fw: ROI

Harry,

This seems to be a bit of a pissing match, but wanted to send you the email wherein I sent the final ROI version to Humphrey.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/03/2011 02:02 PM -----

**Richard
Larrabee/WDC/OIG/DOI**

10/25/2010 12:52 PM

To Humphrey Phelps/WDC/OIG/DOI

cc

Subject ROI



ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

05/03/2011 07:32 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG

Subject Re: Fw: Hall/Hastings requests [Notes Link](#)

Harry and Bruce,

It appears our illustrious editing team somehow changed the reference numbers in the attachments. See Attachment section of the final ROI I submitted in comparison to the final ROI uploaded after editing.

My Final version reads:

12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 13.
15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 15.
17. White House edited 30-Day Report, version 2, attached to Attachment 15.

Edited Final version uploaded into CMS reads:

12. IAR Black-Kemkar email review on September 26, 2010.
13. Email from Black to Aldy, dated 11:38 p.m. on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.
15. Email from Aldy to Black, dated 2:13 a.m. on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.



ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc OI_Deepwater Moratorium_ROI_FINAL.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

05/02/2011 08:37 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Fw: Hall/Hastings requests

Can we discuss in the morning? I am confused as well.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Bruce Delaplaine

Sent: 05/02/2011 05:14 PM EDT

To: Art Gary

Cc: Harry Humbert

Subject: Re: Hall/Hastings requests

Art,

I am sure it is a typo that resulted from a late-arriving attachment but will confirm with Harry Humbert tomorrow.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

"Gary, Art"

<Art.Gary@sol.doi.gov>

05/02/2011 03:02 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>

cc

Subject Hall/Hastings requests

Bruce can you clarify something for me? Review of the attachments to the unredacted OIG report produces this question:

There appears to be a disconnect between the attachment list at the back of the unredacted report and the actual last five attachments. Attachment 14 is a copy of one of the draft 30-day report (one of two files) attached to the email designated as Attachment 13. But in the list of attachments on p. 8 of the report, Attachment 14 is identified having been attached to Attachment 12 rather than 13. The same kind of disconnect occurs with respect to Attachments 16 and 17, which appear to be copies of the two files attached to the email designated as Attachment 15, but the list identifies them both as having been attached to Attachment 14 instead.

I think this must be a typographical error can you confirm? Perhaps an attachment was added up the list at the last minute that knocked the numbers off by one. If it isn't a technical mistake, then I'm utterly confounded. Either option is reasonable at this point. If it is the former, we can either just be silent about it or we can defer to OIG to explain it. If it's the latter, well, let's just see what happens.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
Office of the Solicitor
U.S. Department of the Interior
Phone: (202) 208-4423
Fax: (202) 208-5589

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

**Richard
Larrabee/WDC/OIG/DOI**

05/03/2011 09:09 AM

To "Humbert" <harry_humbert@doioig.gov>

cc

Subject Fw: Hall/Hastings requests

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Bruce Delaplaine

Sent: 05/03/2011 09:00 AM EDT

To: Robert Gettlin

Subject: Fw: Hall/Hastings requests

Bob, just wanted you to be aware of the mistake that was made in a recent report, perhaps in the editing process. It has already gone to the Dept and to Congress (without attachments) so we are not inclined to change it now. I am not sure how the mistake was made as we did not add an attachment which would have explained it (perhaps an additional attachment was contemplated?)
the bottom most email explains the error.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/03/2011 08:53 AM -----

**Harry
Humbert/WDC/OIG/DOI**

05/03/2011 07:34 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG

Subject Re: Fw: Hall/Hastings requests [Notes Link](#)

Thanks Rich-

I will talk with Bruce this morning.

Harry

Harry Humbert
Director
Department of the Interior
Office of Inspector General
Program Integrity Division
202-219-0635 (desk)
202-255-8329 (cell)

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

**Richard
Larrabee/WDC/OIG/DOI**
05/03/2011 07:32 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Fw: Hall/Hastings requests [Notes Link](#)

Harry and Bruce,

It appears our editing team somehow changed the reference numbers in the attachments. See Attachment section of the final ROI I submitted in comparison to the final ROI uploaded after editing.

My Final version reads:

12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 13.
15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 15.
17. White House edited 30-Day Report, version 2, attached to Attachment 15.

Edited Final version uploaded into CMS reads:

12. IAR Black-Kemkar email review on September 26, 2010.
13. Email from Black to Aldy, dated 11:38 p.m. on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.
15. Email from Aldy to Black, dated 2:13 a.m. on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.



ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc OI_Deepwater Moratorium_ROI_FINAL.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

05/02/2011 08:37 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Fw: Hall/Hastings requests

Can we discuss in the morning? I am confused as well.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Bruce Delaplaine

Sent: 05/02/2011 05:14 PM EDT

To: Art Gary

Cc: Harry Humbert

Subject: Re: Hall/Hastings requests

Art,

I am sure it is a typo that resulted from a late-arriving attachment but will confirm with Harry Humbert tomorrow.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

"Gary, Art"
<Art.Gary@sol.doi.gov>

05/02/2011 03:02 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>

cc

Subject Hall/Hastings requests

Bruce can you clarify something for me? Review of the attachments to the unredacted OIG report produces this question:

There appears to be a disconnect between the attachment list at the back of the unredacted report and the actual last five attachments. Attachment 14 is a copy of one of the draft 30-day report (one of two files) attached to the email designated as Attachment 13. But in the list of attachments on p. 8 of the report, Attachment 14 is identified having been attached to Attachment 12 rather than 13. The same kind of disconnect occurs with respect to Attachments 16 and 17, which appear to be copies of the two files attached to the email designated as Attachment 15, but the list identifies them both as having been attached to Attachment 14 instead.

I think this must be a typographical error can you confirm? Perhaps an attachment was added up the list at the last minute that knocked the numbers off by one. If it isn't a technical mistake, then I'm utterly confounded. Either option is reasonable at this point. If it is the former, we can either just be silent about it or we can defer to OIG to explain it. If it's the latter, well, let's just see what happens.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
Office of the Solicitor
U.S. Department of the Interior
Phone: (202) 208-4423
Fax: (202) 208-5589

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

Richard Larrabee/WDC/OIG/DOI

08/02/2011 02:47 PM

To

"Humbert" <harry_humbert@doioig.gov>

cc

Subject

Fw: Letter from the Committee on Natural Resources to Acting Inspector General Kendall

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 08/02/2011 02:45 PM -----

**Kris
Kolesnik/WDC/OIG/DOI**

To richard_larrabee@doioig.gov

08/02/2011 10:15 AM

cc

Subject Fw: Letter from the Committee on Natural Resources to
Acting Inspector General Kendall

Fyi

This message was sent from a wireless device.

Original Message

From: "Rodriguez, Traci" [Traci.Rodriguez@mail.house.gov]

Sent: 08/01/2011 05:08 PM AST

To: Kris Kolesnik

Cc: "Rodriguez, Traci" <Traci.Rodriguez@mail.house.gov>; "Young, Todd" <Todd.Young@mail.house.gov>

Subject: Letter from the Committee on Natural Resources to Acting Inspector General Kendall

Kris,

Attached please find a copy of a letter from the Committee on Natural Resources relating to the Federal Moratorium on Deepwater Drilling. Please note the responsive deadline of August 16, 2011. If you have any questions, please do not hesitate to contact me.

Traci L. Rodriguez
Senior Counsel
Office of Oversight and Investigations
Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, D.C. 20515

Telephone: 202 226 0987

Fax: 202 225 5929



[resrit@mail.house.gov_20110801_164526.pdf](#)

Richard Larrabee/WDC/OIG/DOI

08/02/2011 07:15 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Letter from the Committee on Natural Resources to Acting Inspector General Kendall [Notes Link](#)

Your welcome.

Queen to d5. Check.

Wonder what our next move will be. Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**
08/02/2011 06:00 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Letter from the Committee on Natural Resources to Acting Inspector General Kendall [Notes Link](#)

Interesting. Thanks for sharing.
This message was sent from a wireless device.

From: Richard Larrabee

To: Harry Humbert
Cc:
Date: 08/02/2011 02:47 PM EDT
Subject: Fw: Letter from the Committee on Natural Resources to Acting Inspector General Kendall

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 08/02/2011 02:45 PM -----

Kris
Kolesnik/WDC/OIG/DOI To richard_larrabee@doioig.gov
08/02/2011 10:15 AM cc
Subject Fw: Letter from the Committee on Natural Resources to
Acting Inspector General Kendall

Fyi

This message was sent from a wireless device.

Original Message

From: "Rodriguez, Traci" [Traci.Rodriguez@mail.house.gov]
Sent: 08/01/2011 05:08 PM AST
To: Kris Kolesnik
Cc: "Rodriguez, Traci" <Traci.Rodriguez@mail.house.gov>; "Young, Todd"
<Todd.Young@mail.house.gov>
Subject: Letter from the Committee on Natural Resources to Acting Inspector
General Kendall

Kris,

Attached please find a copy of a letter from the Committee on Natural Resources relating to the Federal Moratorium on Deepwater Drilling. Please note the responsive deadline of August 16, 2011. If you have any questions, please do not hesitate to contact me.

Traci L. Rodriguez
Senior Counsel
Office of Oversight and Investigations
Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building

Washington, D.C. 20515

Telephone: 202 226 0987

Fax: 202 225 5929

[attachment "resrit@mail.house.gov_20110801_164526.pdf" deleted by Harry Humbert/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

09/17/2010 03:25 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum IAR [Notes Link](#)

Odd lady

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 09/17/2010 03:17 PM EDT
To: Richard Larrabee
Subject: Re: Birnbaum IAR

Rich-

Liz called this afternoon to clarify that she had been present at a meeting to discuss the impact of separate measures on the industry for prohibiting them from doing certain things or for forcing them to conduct certain testing in the wake of the platform explosion.. Again, she makes mentions that she is sure we have seen the charts.....but just wanted to make sure that we were clear about that one weekend meeting.....odd call

IAR looks good.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/17/2010 08:55 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum IAR

Harry,

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.

[attachment "IAR-Birnbaum_Elizabeth_09-15-10.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/17/2010 06:03 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum IAR [Notes Link](#)

I will upload.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/17/2010 03:17 PM EDT

To: Richard Larrabee

Subject: Re: Birnbaum IAR

Rich-

Liz called this afternoon to clarify that she had been present at a meeting to discuss the impact of separate measures on the industry for prohibiting them from doing certain things or for forcing them to conduct certain testing in teh wake of the platform explosion.. Again, she makes mentions that she is sure we have seen the charts.....but just wanted to make sure that we were clear about that one weekend meeting.....odd call

IAR looks good.

Harry

Richard Larrabee/WDC/OIG/DOI

09/17/2010 08:55 AM

To

Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject

Birnbaum IAR

Harry,

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.

[attachment "IAR-Birnbaum_Elizabeth_09-15-10.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 02:40 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum CMS issues

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 03:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

Thanks - I will try that.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/23/2010 03:19 PM EDT

To: Richard Larrabee

Subject: Re: Birnbaum CMS issues

Have you petted the keyboard and said nice things to it?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 02:40 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum CMS issues

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee

Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 03:27 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

I wouldn't try doing that stuff with him. He's a big dude.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/23/2010 03:25 PM EDT

To: Richard Larrabee

Subject: Re: Birnbaum CMS issues

I will get with Humphrey



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 03:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

Thanks - I will try that.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior

Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 09/23/2010 03:19 PM EDT
To: Richard Larrabee
Subject: Re: Birnbaum CMS issues

Have you petted the keyboard and said nice things to it?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 02:40 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum CMS issues

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.



Birnbaum_interview_9-15-2010.WMA

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum - CMS issue [Notes Link](#)

Good 'nuff.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum - CMS issue [Notes Link](#)

I am going to forward this to Brook the CMS Guru
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 09/24/2010 07:31 AM EDT
To: Harry Humbert
Subject: Birnbaum CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Harry Humbert/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:37 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Brook W Minnick/ARL/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:39 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:38 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Thanks Brook. It is PI-PI-10-0562-I; attachment to Birnbaum IAR.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Brook W
Minnick/ARL/OIG/DOI**

09/24/2010 07:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

It is probably a combination of a large file and slow network causing the browser to time out. I will take of it.

Brook

This message was sent from a wireless device.

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee

Senior Special Agent

Energy Investigations Unit

U.S. Department of the Interior

Office of Inspector General

617.918.2320

Harry Humbert/WDC/OIG/DOI

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM

Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:43 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

HQ does that to people.

Delaplaine said that Gary would get back to him by today about his "review" of Black's emails. Holding my breath.....turning blue.....starting to fade out.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Glad you saw the humor in that! I was a bit punchy yesterday.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:39 AM EDT

To: Harry Humbert

Subject: Re: Fw: Birnbaum CMS issue

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:38 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director

Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:46 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Gasp....cough...gasp....cough.... Good idea. You are always so smart about these things!

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:44 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I would stop holding your breath



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:43 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

HQ does that to people.

Delaplaine said that Gary would get back to him by today about his "review" of Black's emails. Holding my breath.....turning blue.....starting to fade out.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To Richard Larrabee/WDC/OIG/DOI@OIG
09/24/2010 07:41 AM cc
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Glad you saw the humor in that! I was a bit punchy yesterday.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 09/24/2010 07:39 AM EDT
To: Harry Humbert
Subject: Re: Fw: Birnbaum CMS issue

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To Richard Larrabee/WDC/OIG/DOI@OIG
09/24/2010 07:38 AM cc
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 09/24/2010 07:37 AM EDT
To: Harry Humbert
Cc: Brook Minnick
Subject: Re: Fw: Birnbaum CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 08:53 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I tried from my office in Boston with the same high-speed connection I use for everything else.

I also tried from my residence that has a high speed connection. I think it must be a VPN issue. Very aggravating.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Brook W
Minnick/ARL/OIG/DOI**

09/24/2010 08:50 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Where were you trying to upload from? Your office? New Orleans? I was able to put the recording right in, and it was relatively small. I have only seen an issue with files much bigger (10x the size of yours), which makes me think there is/was a network problem wherever you were sitting.

In any event, it is in. Let me know if you continue to see problems, or need any further assistance.

Brook

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Thanks Brook. It is PI-PI-10-0562-I; attachment to Birnbaum IAR.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 07:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG, Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Re: Fw: Birnbaum CMS issue [Link](#)

It is probably a combination of a large file and slow network causing the browser to time out. I will take of it.

Brook

This message was sent from a wireless device.

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent

Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM
Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 09:24 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I have, although it always takes a long time to do so after several attempts. This is the first one I think that I finally just gave up on.

I have not tried any others since - I have been too busy trying to upload this damn one!

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Brook W
Minnick/ARL/OIG/DOI**

09/24/2010 09:12 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I assume that in the past, you have been able to upload recordings through the VPN, correct? Is this the first recording you were unable to upload? Have you tried any others since?

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 08:53 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I tried from my office in Boston with the same high-speed connection I use for everything else.

I also tried from my residence that has a high speed connection. I think it must be a VPN issue. Very aggravating.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 08:50 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum CMS issue [Link](#)

Where were you trying to upload from? Your office? New Orleans? I was able to put the recording right in, and it was relatively small. I have only seen an issue with files much bigger (10x the size of yours), which makes me think there is/was a network problem wherever you were sitting.

In any event, it is in. Let me know if you continue to see problems, or need any further assistance.

Brook

Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:41 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject Re: Fw: Birnbaum CMS issue [Link](#)

Thanks Brook. It is PI-PI-10-0562-I; attachment to Birnbaum IAR.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 07:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG, Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Re: Fw: Birnbaum CMS issue [Link](#)

It is probably a combination of a large file and slow network causing the browser to time out. I will take of it.

Brook

This message was sent from a wireless device.

From: Richard Larrabee
Sent: 09/24/2010 07:37 AM EDT
To: Harry Humbert
Cc: Brook Minnick
Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior

Office of Inspector General

617.918.2320

Harry Humbert/WDC/OIG/DOI

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM

Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/25/2010 01:05 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

Interesting.

The WH clearly edited the version sent to them by DOI in a manner that created the misrepresentation - intentional or not, only interviews with WH staff could possibly determine.

Attached is the email and attached draft Black sent to the WH at 11:38pm on May 26, 2010:



Black Email to Aldy 5-26-10 - 1138pm.docx Interim Measures Report_100526_FINAL_OMB edits+JITF scrub.pdf

Below are two versions of the WH edited draft that the WH (Joe Aldy) sent back to Black at 2:13am on May 27, 2010 (notice the chart with the Report-specific recommendations was removed to a latter section and the paragraph about the recommendations being peer-reviewed was shifted up to read directly after the Secretary's "recommendation" for the moratorium, rather than where DOI had it - under the chart of Report-specific recommendations, which were peer-reviewed by the experts):



Interim Measures Report_100527 4a version 1.docx Interim Measures Report_100527 4a version 2.docx

This is the email and final draft Black sent out at 12:14pm on May 27, 2010:



Black email with FINAL draft - 5-27-10 - 1214pm.docx Interim Measures Report_100527_FINAL_version 2_CLEAN.pdf

Don't ask me why I am working on a Saturday - one for the team, I guess.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 09/25/2010 12:52 PM -----

**Bruce
Delaplaine/WDC/OIG/DOI**

09/24/2010 05:44 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG
cc

Subject Fw: OIG Sep 1, 2010 Letter Response

Here is the second of two emails. As with the other set, we will comply with their claim of privilege unless and until we collectively decide otherwise.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 09/24/2010 05:43 PM -----

"Gary, Art"
<Art.Gary@sol.doi.gov>

09/24/2010 05:21 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>
cc

Subject FW: OIG Sep 1, 2010 Letter Response

With this you should have a total of seven attachments.

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Gary, Art
Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response

Bruce as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

[REDACTED]

**Richard
Larrabee/WDC/OIG/DOI**

09/27/2010 01:13 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Write [Notes Link](#)

Got it. Be careful what you ask for.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 01:12 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Write

The ROI including ALL information. We will make decisions after seeing the final full ROI
H.

This message was sent from a wireless device.

**Richard
Larrabee/WDC/OIG/DOI**

09/27/2010 04:00 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Draft ROI



ROI-Deepwater_Moratorium_09-27-10-II.doc

Also, Bruce D. mentioned that Art Gary provided a formal letter to us along with the emails stating that they would be exerting some privileges - could you have a copy of that letter sent to me so that I can place into CMS? Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

"Gary, Art"
<Art.Gary@sol.doi.gov>
09/27/2010 09:31 AM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>,
"Humbert, Harry" <Harry_Humbert@doioig.gov>
cc
Subject requested documents

Good morning gentlemen. Following up on my email & communications with Bruce on Friday, I'd like to transmit to you the documents collected from Steve Black in response to your September 1 request. Where should I send them?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

"Gary, Art"
<Art.Gary@sol.doi.gov>

09/27/2010 09:36 AM

To "Humbert, Harry" <Harry_Humbert@doioig.gov>

cc

Subject RE: requested documents

I want to complete a cover note to you, so I can have them brought down. What room?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Harry Humbert@doioig.gov [mailto:Harry_Humbert@doioig.gov]
Sent: Monday, September 27, 2010 9:35 AM
To: Gary, Art
Cc: Delaplaine, Bruce
Subject: Re: requested documents

Art-

Do you need for me to come and get them?

H.



A handwritten signature in cursive script, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

"Gary, Art"
<Art.Gary@sol.doi.gov>

09/27/2010 09:31 AM

To"Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>, "Humbert, Harry"
<Harry_Humbert@doioig.gov>
cc
Subjerequested documents
ct

Good morning gentlemen. Following up on my email & communications with Bruce on Friday, I'd like to transmit to you the documents collected from Steve Black in response to your September 1 request. Where should I send them?

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

**Richard
Larrabee/WDC/OIG/DOI**

09/27/2010 11:36 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: When is it good to call to Discuss Moratorium
Issues?[Notes Link](#)

Please read and then give me a call on my cell 202-841-6999.



IAR-Black-Kemkar Email Review-9-27-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 11:20 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject When is it good to call to Discuss Moratorium Issues?



A handwritten signature in black ink, appearing to read 'Harry Humbert', written over a light blue background.

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/27/2010 12:08 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: When is it good to call to Discuss Moratorium
Issues?[Notes Link](#)

Harry,

Edited version attached.

Also, I will upload into CMS and enter a Case Note recommending that we ask to speak with White House staff Joseph Aldy about the emendations they made to the Executive Summary that clearly led to the allegation of misrepresentation made by the NAS experts - keeping in mind, of course, that the White House would most likely claim Executive Privilege and refuse such an interview.

Based upon our discussions, assuming my recommendation to request an interview with the White House will be denied by upper management of OIG, I will start completing the ROI by incorporating this IAR. As directed, I will make no mention in the ROI of the fact that we did not conduct any independent validation that Black provided all of his emails that would be responsive to our request.



IAR-Black-Kemkar Email Review-9-27-10-Final.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 11:20 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject When is it good to call to Discuss Moratorium Issues?



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/28/2010 09:05 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Edited ROI



ROI-Deepwater_Moratorium_09-27-10-III.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Richard
Larrabee/WDC/OIG/DOI**

09/28/2010 12:39 PM

To Humphrey Phelps/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject Re: Fed Mrt Dp Wtr [Notes Link](#)



PI-10-0562-I - ROI Attachments-9-28-10.png

There on their way with a Draft ROI for Attachment reference.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Humphrey
Phelps/WDC/OIG/DOI**

09/28/2010 08:40 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fed Mrt Dp Wtr [Notes Link](#)

Thanks Dude...

**Richard
Larrabee/WDC/OIG/DOI**

09/28/2010 08:39 AM

To Humphrey Phelps/WDC/OIG/DOI@OIG

cc

Subject Re: Fed Mrt Dp Wtr [Notes Link](#)

I do. I will work on it today and get them right out to you after I speak with Harry. Is he in his office?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

Humphrey
Phelps/WDC/OIG/DOI

09/28/2010 08:36 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fed Mrt Dp Wtr

Hey Richard do you have the attachments for this case yet??? If so please send them to me so I can began preparing the folder...

Thanks

Humphrey

"Kris Kolesnik" <pk.kolesnik@comcast.net>

09/30/2010 01:10 PM

To

<Mary_Kendall@doioig.gov>

cc

<stephen_hardgrove@doioig.gov>, "John Dupuy" <john_dupuy@doioig.gov>, <Scott_Culver@doioig.gov>, <Harry_Humbert@doioig.gov>, <Bruce_Delaplaine@doioig.gov>, <Kris_Kolesnik@doioig.gov>

Subject

Inquiry from House Repubs re Drilling Moratorium request

Mary:

I recieved an email this a.m. from Tim Charters, staff director for the Republicans on the House Resources Committee. He was inquiring about the status of our moratorium investigation requested by 7 members of his committee. He said that, after Congress got out on recess last night (until Nov. 15), a couple of his members asked him to check with OIG on the status of the investigation. I assured him that we were doing our due diligence on the case, but that I could not tell him when it would be issued. I told him that I would give him a heads-up as to when it would be issued to the extent I could, but that I couldn't promise anything. He hung up satisfied and will share that with his departing members.

KK

**Richard
Larrabee/WDC/OIG/DOI**

10/12/2010 12:40 PM

To Harry Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG, Kris
Kolesnik/WDC/OIG/DOI@OIG

cc

Subject Fw: Breaking News: Obama to lift moratorium on deep
water drilling in the Gulf of Mexico

FYI

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 10/12/2010 12:40 PM -----

"The Washington Post"
**<newsletters@email.washi
ngtonpost.com>**

10/12/2010 12:36 PM

Please respond to
"The Washington Post"
<newsletters12TBYD.748712@email.washingt
onpost.com>

To richard_larrabee@doioig.gov

cc

Subject Breaking News: Obama to lift moratorium on deep water
drilling in the Gulf of Mexico

Breaking News Alert: Obama to lift moratorium on deep water drilling in the Gulf of Mexico
October 12, 2010 12:20:15 PM

WASHINGTON -- The White House said Tuesday the government will lift a moratorium on deep water oil drilling likely this week.

White House spokesman Robert Gibbs said the government is close to having the plans in place to lift the ban on deep water drilling after the Gulf of Mexico oil spill.

For more information, visit [washingtonpost.com](http://www.washingtonpost.com)

Explore Washington Post content in a whole new innovative way. Click below to explore Time and Space ----- s
http://timespace.washingtonpost.com/project/top-news?wpisrc=nl_natlalert

Get breaking news alerts sent to your mobile phone. Sign up by texting NEWS to 98999.

[Manage your e-mail subscriptions](#)

To unsubscribe, [click here](#)

Copyright 2010 The Washington Post Company

Washington Post Digital
E-mail Customer Care
1150 15th Street NW
Washington, DC 20071

**Richard
Larrabee/WDC/OIG/DOI**

10/13/2010 03:20 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: FMDD 10-0562-I [Notes Link](#)

I'm busy working for Little - will get back to you in a few weeks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 10/13/2010 03:06 PM EDT

To: Richard Larrabee

Subject: Fw: FMDD 10 0562 I

Rich-

Let me know if you are able to read Mary's edits. Let's please move this quickly.

Harry



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 10/13/2010 03:05 PM -----

**Humphrey
Phelps/WDC/OIG/DOI**

10/13/2010 03:03 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject FMDD 10-0562-I

[attachment "FMDD.pdf" deleted by Richard Larrabee/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

10/13/2010 03:29 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: FMDD 10-0562-I[Notes Link](#)

No - you around?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 10/13/2010 03:23 PM EDT
To: Richard Larrabee
Subject: Re: FMDD 10 0562 I

I am sure that you are overwhelmed with volumes of interviews and tracking down leads, making charts, etc.,Do you need me to call Dave?



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

10/13/2010 03:20 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: FMDD 10-0562-I[Notes Link](#)

I'm busy working for Little - will get back to you in a few weeks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 10/13/2010 03:06 PM EDT
To: Richard Larrabee
Subject: Fw: FMDD 10 0562 I

Rich-

Let me know if you are able to read Mary's edits. Let's please move this quickly.

Harry



----- Forwarded by Harry Humbert/WDC/OIG/DOI on 10/13/2010 03:05 PM -----

**Humphrey
Phelps/WDC/OIG/DOI**
10/13/2010 03:03 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Harry Humbert/WDC/OIG/DOI@OIG
Subject FMDD 10-0562-I

[attachment "FMDD.pdf" deleted by Richard Larrabee/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

10/13/2010 03:43 PM

To Mary Kendall/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG
cc John Dupuy/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG
Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Thanks - Will do.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Mary Kendall
Sent: 10/13/2010 02:11 PM EDT
To: Harry Humbert; Richard Larrabee; Kevin Laden
Cc: John Dupuy; Scott Culver; Bruce Delaplaine
Subject: 30 Day Report/Peer Review Investigation

All - I am attaching language that I propose to replace the narrative on pp. 8-9 of the draft report. I hope it simplifies the comparison of the draft Executive Summary that was sent by DOI against the drafts that came back from the White House, but if I have somehow changed the meaning of anything, please let me know.

I also tried to condense, and hedge, the IQA issue, so that we wouldn't have to reference the OGC opinion in the report. I am not confident that I have captured the essence, however, so please feel free to push back with clarification, if needed.

Please provide me your thoughts about this proposed language as soon as practicable.

I will get my other edits to Harry, momentarily.

Thanks. Mary

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/14/2010 01:28 PM

To Mary Kendall/WDC/OIG/DOI@OIG

cc

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary,

Thank you for your comments on the ROI and investigation.

Your email language was far simpler than my own, yet I believe it still clearly captured our finding that DOI's draft Executive Summary had made the distinction between the safety recommendations that were peer reviewed by the experts, and the 6-month moratorium recommendation, whereas that distinction was lost in the Executive Summary as a result of the edits made by the White House.

Obviously, whether that loss of distinction was intentional on the part of an over-zealous White House staffer/editor, or simply an honest oversight, the jury will always remain out. The reader of the ROI will have to make their own speculations on that topic.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Mary
Kendall/WDC/OIG/DOI**

10/14/2010 12:30 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Other than a few editing tweaks and trying to simplify the discussion about the e-mails, I thought it very well done, thorough, and to the point.

Did you have any problems with the e-mail language?

Thanks for your efforts on this, Richard!

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/14/2010 11:21 AM

To Mary Kendall/WDC/OIG/DOI@OIG

cc

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

No problem. Hope the overall ROI/Investigation was up to par.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Mary
Kendall/WDC/OIG/DOI**

10/14/2010 11:14 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Appreciate your thoughts, Richard. Thanks.

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/14/2010 11:12 AM

To Mary Kendall/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary,

I have no personal issues with including it in the body of the ROI - as always with Kevin's work, it is carefully worded, logical and persuasive.

The discussion, however, is clearly a legal interpretation/opinion of how the IQA applies (or does not apply) to the facts and circumstances identified in the investigation, and without reference to where it came from (e.g. a "legal opinion" from our OGC or some other legal scholar), the discussion would be attributed to me, the author of the ROI. Although I would have no issues for taking credit for Kevin's legal work on the matter, a reader of the report might question the credentials of the Special Agent/author to render such an opinion (not knowing of course that I do actually play an attorney on TV and in the State of Oregon - or stayed in a Holiday Inn last night). For this reason, I believe the discussion of the (non) applicability of the IQA should be either included in a slap on or, as I originally drafted, simply be referenced as an OGC legal opinion that was researched and drafted by an OIG attorney.

Just my two cents.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Mary
Kendall/WDC/OIG/DOI**

10/14/2010 10:43 AM

To Kevin Laden/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Kevin - Thanks for the careful clarification. Much improved.

Richard - Are you comfortable including this language in the Report, or should we put it in the slap on?

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

Kevin Laden/WDC/OIG/DOI

10/14/2010 10:27 AM

To Mary Kendall/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary - I have reviewed and edited the paragraphs in the "Information Quality Act" portion of the narrative. My revision is probably easiest to read in the "final" view. Please let me know if I've raised any further questions or concerns and thank you for the chance to offer my input.

Kevin



Draft Exec Summary Revisions - KLaden 10.14.10.doc

Kevin M. Laden
Associate General Counsel
Office of Inspector General
Department of the Interior
1849 C Street, N.W., MS 4428
Washington, D.C. 20240
Office: 202.208.6466
Cell: 202.480.5800

**Mary
Kendall/WDC/OIG/DOI**

10/13/2010 02:11 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG

cc John Dupuy/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG

Subject 30-Day Report/Peer Review Investigation

All - I am attaching language that I propose to replace the narrative on pp. 8-9 of the draft report. I hope it simplifies the comparison of the draft Executive Summary that was sent by DOI against the drafts that came back from the White House, but if I have somehow changed the meaning of anything, please let me know.

I also tried to condense, and hedge, the IQA issue, so that we wouldn't have to reference the OGC opinion in the report. I am not confident that I have captured the essence, however, so please feel free to push back with clarification, if needed.

Please provide me your thoughts about this proposed language as soon as practicable.

I will get my other edits to Harry, momentarily.

Thanks. Mary

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/14/2010 10:01 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject ROI



ROI-Deepwater_Moratorium_10-14-10-IV-incorporating_IG_Edits.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

10/14/2010 10:27 AM

To Mary Kendall/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary - I have reviewed and edited the paragraphs in the "Information Quality Act" portion of the narrative. My revision is probably easiest to read in the "final" view. Please let me know if I've raised any further questions or concerns and thank you for the chance to offer my input.

Kevin



Draft Exec Summary Revisions - KLaden 10.14.10.doc

Kevin M. Laden
Associate General Counsel
Office of Inspector General
Department of the Interior
1849 C Street, N.W., MS 4428
Washington, D.C. 20240
Office: 202.208.6466
Cell: 202.480.5800

Mary

Kendall/WDC/OIG/DOI

10/13/2010 02:11 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG

cc John Dupuy/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG

Subject 30-Day Report/Peer Review Investigation

All - I am attaching language that I propose to replace the narrative on pp. 8-9 of the draft report. I hope it simplifies the comparison of the draft Executive Summary that was sent by DOI against the drafts that came back from the White House, but if I have somehow changed the meaning of anything, please let me know.

I also tried to condense, and hedge, the IQA issue, so that we wouldn't have to reference the OGC opinion in the report. I am not confident that I have captured the essence, however, so please feel free to push back with clarification, if needed.

Please provide me your thoughts about this proposed language as soon as practicable.

I will get my other edits to Harry, momentarily.

Thanks. Mary

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/14/2010 11:12 AM

To Mary Kendall/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary,

I have no personal issues with including it in the body of the ROI - as always with Kevin's work, it is carefully worded, logical and persuasive.

The discussion, however, is clearly a legal interpretation/opinion of how the IQA applies (or does not apply) to the facts and circumstances identified in the investigation, and without reference to where it came from (e.g. a "legal opinion" from our OGC or some other legal scholar), the discussion would be attributed to me, the author of the ROI. Although I would have no issues for taking credit for Kevin's legal work on the matter, a reader of the report might question the credentials of the Special Agent/author to render such an opinion (not knowing of course that I do actually play an attorney on TV and in the State of Oregon - or stayed in a Holiday Inn last night). For this reason, I believe the discussion of the (non) applicability of the IQA should be either included in a slap on or, as I originally drafted, simply be referenced as an OGC legal opinion that was researched and drafted by an OIG attorney.

Just my two cents.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Mary
Kendall/WDC/OIG/DOI**

10/14/2010 10:43 AM

To Kevin Laden/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG

Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Kevin - Thanks for the careful clarification. Much improved.

Richard - Are you comfortable including this language in the Report, or should we put it in the slap on?

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

Kevin Laden/WDC/OIG/DOI

10/14/2010 10:27 AM

To Mary Kendall/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG, Harry
Humbert/WDC/OIG/DOI@OIG, John
Dupuy/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG
Subject Re: 30-Day Report/Peer Review Investigation [Notes Link](#)

Mary - I have reviewed and edited the paragraphs in the "Information Quality Act" portion of the narrative. My revision is probably easiest to read in the "final" view. Please let me know if I've raised any further questions or concerns and thank you for the chance to offer my input.

Kevin



Draft Exec Summary Revisions - KLaden 10.14.10.doc

Kevin M. Laden
Associate General Counsel
Office of Inspector General
Department of the Interior
1849 C Street, N.W., MS 4428
Washington, D.C. 20240
Office: 202.208.6466
Cell: 202.480.5800

Mary
Kendall/WDC/OIG/DOI
10/13/2010 02:11 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG, Kevin
Laden/WDC/OIG/DOI@OIG
cc John Dupuy/WDC/OIG/DOI@OIG, Scott
Culver/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG
Subject 30-Day Report/Peer Review Investigation

All - I am attaching language that I propose to replace the narrative on pp. 8-9 of the draft report. I hope it simplifies the comparison of the draft Executive Summary that was sent by DOI against the drafts that came back from the White House, but if I have somehow changed the meaning of anything, please let me know.

I also tried to condense, and hedge, the IQA issue, so that we wouldn't have to reference the OGC opinion in the report. I am not confident that I have captured the essence, however, so please feel free to push back with clarification, if needed.

Please provide me your thoughts about this proposed language as soon as practicable.

I will get my other edits to Harry, momentarily.

Thanks. Mary

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Richard
Larrabee/WDC/OIG/DOI**

10/19/2010 09:20 AM

To Humphrey Phelps/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject Re: FMDD ROI [Notes Link](#)

Done.



ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Humphrey
Phelps/WDC/OIG/DOI**

10/19/2010 08:24 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject FMDD ROI

Richard attached is the FMDD ROI with Mary's edits.. Harry wishes you to complete the edits as soon as possible Today!!!

also some of the margin edits were cut off so it reads "Since the Moratorium has been lifted taking "Presently" and "now" out helps a bit."

Take Care

Humphrey

[attachment "FMDD ROI.pdf" deleted by Richard Larrabee/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

10/21/2010 01:18 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Moratorium ROI Attachment



Hastings_Request_for_Inv_072010.pdf

**Richard
Larrabee/WDC/OIG/DOI**

10/29/2010 03:35 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Federal Moratorium on Deepwater Drilling [Notes Link](#)

Thanks. Have a good weekend my friend.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 10/29/2010 01:26 PM MDT

To: Richard Larrabee

Subject: Fw: Fw: Federal Moratorium on Deepwater Drilling

Fyi

This message was sent from a wireless device.

----- Original Message -----

From: Mary Kendall

Sent: 10/29/2010 03:02 PM EDT

To: Harry Humbert

Subject: Re: Fw: Federal Moratorium on Deepwater Drilling

We should have an answer early next week -- Monday, hopefully. That's what David Hayes' office promised. M.

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Harry
Humbert/WDC/OIG/DOI**
10/29/2010 12:52 PM

To Mary Kendall/WDC/OIG/DOI
cc
Subject Fw: Federal Moratorium on Deepwater Drilling

Mary-

I have asked all to stand by on the report. Has there been any movement on a possible interview with Aldy (White House)?

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 10/29/2010 10:50 AM MDT
To: Sandra Evans; Scott Swanson
Cc: Richard Larrabee; Bruce Delaplaine
Subject: Re: Federal Moratorium on Deepwater Drilling

All-

There has been a possible new development. Please stand by. DO NOT- REPEAT DO NOT release the report or prepare it for distrobution until you hear from me.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Sandra Evans
Sent: 10/29/2010 12:27 PM EDT
To: Scott Swanson
Cc: Harry Humbert; Richard Larrabee; Bruce Delaplaine
Subject: Federal Moratorium on Deepwater Drilling

Attached is the track changes version of the redacted report and the name listing. Mary has completed her review and I am forwarding it on to you.

The footer language should read: This report contains information that has been redacted pursuant to 5 U.S.C. §§ 552 (b)(6) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

[attachment "Federal Moratorium on Deepwater Drilling Name Listing.doc" deleted by Harry Humbert/WDC/OIG/DOI]

[attachment "Federal Moratorium on Deepwater Drilling.redacted.doc" deleted by Harry Humbert/WDC/OIG/DOI]

Sandra Evans
Freedom of Information and Privacy Act Officer

Office of Inspector General
703-487-5436 (Telephone)
703-487-5406 (Facsimile)



Richard
Larrabee/WDC/OIG/DOI
11/05/2010 02:25 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: Fw: Moratorium

On its way

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
Harry Humbert

----- Original Message -----

From: Harry Humbert
Sent: 11/05/2010 10:06 AM MDT
To: Richard Larrabee
Subject: Re: Fw: Moratorium

Done

This message was sent from a wireless device.
Richard Larrabee

----- Original Message -----

From: Richard Larrabee
Sent: 11/05/2010 11:58 AM EDT
To: Harry Humbert
Subject: Re: Fw: Moratorium

It is uploaded - let me know when you have confirmed so that I can print and sign and put in FedEx today.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

Harry Humbert/WDC/OIG/DOI

11/05/2010 09:59 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Moratorium

Rich-

Please review and then upload to CMS the final ROI. I will approve it, then you need to print it and sign it and fed-ex it to Scott Swanson.



Richard
Larrabee/WDC/OIG/DOI
11/05/2010 05:05 PM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: moratorium report 

I will - talked to Hubbard about it - should be interesting.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.
Kris Kolesnik

----- Original Message -----

From: Kris Kolesnik
Sent: 11/05/2010 04:59 PM EDT
To: Richard Larrabee
Subject: moratorium report

It's getting ready to go out next week. Let's talk Monday. Will you be available?

KK

Hope your weekend is good.

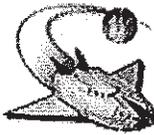
Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 11/05/2010 09:58 AM -----



Kathryn Dolac/WDC/OIG/DOI

11/05/2010 09:01 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Moratorium

Redacted, Unredacted, and transmittal memo:

[attachment "OI_Deepwater Moratorium_ROI_REDACTED_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_Memo_110410_KP.docx" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_ROI_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

11/05/2010 02:26 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Moratorium [Notes Link](#)

On its way

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 11/05/2010 10:06 AM MDT
To: Richard Larrabee
Subject: Re: Fw: Moratorium

Done

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 11/05/2010 11:58 AM EDT
To: Harry Humbert
Subject: Re: Fw: Moratorium

It is uploaded - let me know when you have confirmed so that I can print and sign and put in FedEx today.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 09:59 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: Moratorium

Rich-

Please review and then upload to CMS the final ROI. I will approve it, then you need to print it and sign it and fed-ex it to Scott Swanson.

Hope your weekend is good.

Harry



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 11/05/2010 09:58 AM -----

**Kathryn
Dolac/WDC/OIG/DOI**

11/05/2010 09:01 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Moratorium

Redacted, Unredacted, and transmittal memo:

[attachment "OI_Deepwater Moratorium_ROI_REDACTED_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_Memo_110410_KP.docx" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_ROI_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

**Richard
Larrabee/WDC/OIG/DOI**

11/05/2010 11:59 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Moratorium [Notes Link](#)

It is uploaded - let me know when you have confirmed so that I can print and sign and put in FedEx today.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 09:59 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: Moratorium

Rich-

Please review and then upload to CMS the final ROI. I will approve it, then you need to print it and sign it and fed-ex it to Scott Swanson.

Hope your weekend is good.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 11/05/2010 09:58 AM -----

**Kathryn
Dolac/WDC/OIG/DOI**

11/05/2010 09:01 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Moratorium

Redacted, Unredacted, and transmittal memo:

[attachment "OI_Deepwater Moratorium_ROI_REDACTED_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_Memo_110410_KP.docx" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_ROI_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI]



Richard
Larrabee/WDC/OIG/DOI
11/08/2010 10:45 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: moratorium report 

I'm available at 202-841-6999 anytime - watching oil spill commission hearings on-line on CSpan2 all day today.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kris Kolesnik/WDC/OIG/DOI

Kris Kolesnik/WDC/OIG/DOI
11/05/2010 04:59 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject moratorium report

It's getting ready to go out next week. Let's talk Monday. Will you be available?

KK



Richard
Larrabee/WDC/OIG/DOI
11/10/2010 12:39 PM

To "Kolesnik" <kris_kolesnik@doioig.gov>
cc
bcc

Subject Fw: News Article - Interior Dept. Responds to IG
Investigation into its Oil Spill Report

Salazar's statement that our ROI concludes it was a mistake and unintentional is a clear attempt to spin our report - I truly believe the editing WAS intentional - by an overzealous staffer at the WH. And, if asked, I - as the Case Agent - would be happy to state that opinion to anyone interested. We simply were not allowed to pursue the matter to the WH. But of course, that was not mentioned in our report.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
Edward Woo

----- Original Message -----

From: Edward Woo
Sent: 11/10/2010 12:02 PM EST
To: All Investigations Employees; Kris Kolesnik; Bruce Delaplaine; Lori Vassar; Sandra Evans; Kimberly Elmore; Heather Dieguez; Stephen Hardgrove; Laurie Larson-Jackson; William McMullen; Gillian Sharpley; Kimberly Pernice; Cristopolis Dieguez; alan.boehm@ratb.gov; Melanie Sorenson
Subject: News Article - Interior Dept. Responds to IG Investigation into its Oil Spill Report

[Interior Department responds to IG investigation into its oil ...](#)

The Washington Independent

Interior Secretary Ken Salazar sent a letter yesterday to Interior Department Inspector General Mary Kendall arguing that her investigation into the ...



Richard
Larrabee/WDC/OIG/DOI
11/18/2010 07:31 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: Moratorium 

Now is the time to ask Mary about making me your Boston based, GS-15 Deputy.

Let me know when the SF-50 gets cut. :-)

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
Harry Humbert

----- Original Message -----

From: Harry Humbert
Sent: 11/14/2010 03:51 PM EST
To: Richard Larrabee
Subject: Moratorium

Hey Rich-

I was out the first few days last week. Just wanted to say "Nice Job" on the Moratorium report. As always- a great job.

Harry



Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392



Richard
Larrabee/WDC/OIG/DOI
11/30/2010 07:24 PM

To David W Brown/SAC/OIG/DOI@OIG
cc
bcc
Subject Re: what's up?

It'll come back after 1/1/11 when the R's take over the House and the respective Committees - Doc Hastings will be the Chairman for the Natural Resource Committee and he is the one who made the second request for the investigation that essentially called us out to make sure we did a real investigation. In the meantime, it will be relatively quiet for Mary.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

David W Brown/SAC/OIG/DOI

David W Brown/SAC/OIG/DOI
11/30/2010 06:10 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject what's up?

did you ever hear anything further on the moratorium report? It got plenty of play in the media then died pretty quickly.

DB

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.



Richard
Larrabee/WDC/OIG/DOI
12/10/2010 01:52 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
bcc
Subject Fw: artistry

FYI

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 12/10/2010 01:52 PM -----

Bruce
Delaplaine/WDC/OIG/DOI
09/24/2010 04:42 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG
cc
Subject artistry

Art called to say he would be sending the emails to me in a few minutes and provide a paper copy on Monday.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

**Richard
Larrabee/WDC/OIG/DOI**

12/10/2010 01:59 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

FYI

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 12/10/2010 01:58 PM -----

**Bruce
Delaplaine/WDC/OIG/DOI**

09/24/2010 05:41 PM

To Harry Humbert/WDC/OIG/DOI@OIG, Richard
Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

Here is the first of two emails. We will comply with their claim of privilege unless and until we collectively decide otherwise.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 09/24/2010 05:38 PM -----

**"Gary, Art"
<Art.Gary@sol.doi.gov>**

09/24/2010 05:20 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>

cc

Subject FW: OIG Sep 1, 2010 Letter Response

Resending with fewer attachments. There are two more attachments coming in one email if I can manage it; if not then two.

Art

Arthur E. Gary
Deputy Solicitor

U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Gary, Art
Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response

Bruce as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

----- Message from "Kemkar, Neal" <Neal_Kemkar@ios.doi.gov> on Thu, 27 May 2010 13:55:24 -0400 ---

--

To: Ken Arnold <karnold@karnoldconsulting.com>

cc: "Black, Steve" <steve_black@ios.doi.gov>, "Ishee, Mary Katherine" <MaryKatherine.Ishee@boemre.g>
<Kallie_Hanley@ios.doi.gov>

Subject: FINAL 30-DAY SAFETY REPORT

Ken Final report and transmittal letter are attached, with thanks from the Secretary and the whole team. We will be in touch shortly about next steps.

Neal

Neal Kemkar
Office of the Secretary

U.S. Department of the Interior
(202) 208 5379



Interim Measures Report 100527 FINAL.pdf



30day report transmittal letter.pdf

**Richard
Larrabee/WDC/OIG/DOI**

12/10/2010 02:01 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

FYI

----- Forwarded by Richard
Larrabee/WDC/OIG/DOI on 12/10/2010 01:59
PM -----

E
r To Harry
u Humbert/WDC/OIG/D
c OI@OIG, Richard
e Larrabee/WDC/OIG/D
OI@OIG

E cc

e Su Fw: OIG Sep 1, 2010
I bje Letter Response
a ct

p

l

a

i

n

e

/

V

E

C

/

C

I

C

/

E

C

I

0

9

/

2

4

/

2

0

1

0

0

5

:

4

4

F
N

Here is the second of two emails. As with the other set, we will comply with their claim of privilege unless and until we collectively decide otherwise.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce
Delaplaine/WDC/OIG/DOI on 09/24/2010
05:43 PM -----

"
C To "Delaplaine, Bruce"
a <Bruce_Delaplaine@d
r oioig.gov>
y cc
' Su FW: OIG Sep 1, 2010
A bje Letter Response
r ct
t
"

<
A
r
t
.
C
a
r
y
(
s
c
l
.
d
c
i
.
g
c
v
>

0
9
/
2
4
/

2
0
1
0

0
5
:
2
1

F
N

With this you should have a total of seven attachments.

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Gary, Art
Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response

Bruce as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and

FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor

U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**Richard
Larrabee/WDC/OIG/DOI**

12/10/2010 02:06 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

FYI

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 12/10/2010 02:03 PM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/25/2010 01:04 PM

To Harry Humbert/WDC/OIG/DOI

cc

Subject Fw: OIG Sep 1, 2010 Letter Response

Interesting.

The WH clearly edited the version sent to them by DOI in a manner that created the misrepresentation - intentional or not, only interviews with WH staff could possibly determine.

Attached is the email and attached draft Black sent to the WH at 11:38pm on May 26, 2010:



Black Email to Aldy 5-26-10 - 1138pm.docx Interim Measures Report_100526_FINAL_OMB edits+JITF scrub.pdf

Below are two versions of the WH edited draft that the WH (Joe Aldy) sent back to Black at 2:13am on may 27, 2010 (notice the chart with the Report-specific recommendations was removed to a latter section and the paragraph about the recommendations being peer-reviewed was shifted up to read directly after the Secretary's "recommendation" for the moratorium, rather than where DOI had it - under the chart of Report-specific recommendations, which were peer-reviewed by the experts):



Interim Measures Report_100527 4a version 1.docx Interim Measures Report_100527 4a version 2.docx

This is the email and final draft Black sent out at 12:14pm on May 27, 2010:



Black email with FINAL draft - 5-27-10 - 1214pm.docx Interim Measures Report_100527_FINAL_version 2_CLEAN.pdf

Don't ask me why I am working on a Saturday - one for the team, I guess.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior

Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 09/25/2010 12:52 PM -----

**Bruce
Delaplaine/WDC/OIG/DOI** To Harry Humbert/WDC/OIG/DOI@OIG, Richard
09/24/2010 05:44 PM Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: OIG Sep 1, 2010 Letter Response

Here is the second of two emails. As with the other set, we will comply with their claim of privilege unless and until we collectively decide otherwise.

Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 09/24/2010 05:43 PM -----

"Gary, Art"
<Art.Gary@sol.doi.gov> To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>
09/24/2010 05:21 PM cc
Subject FW: OIG Sep 1, 2010 Letter Response

With this you should have a total of seven attachments.

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Gary, Art

Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response

Bruce as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

----- Message from "Black, Steve" <steve_black@ios.doi.gov> on Thu, 27 May 2010 08:18:51 -0400 -----

**Richard
Larrabee/WDC/OIG/DOI**

12/10/2010 12:19 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc Kris Kolesnik/WDC/OIG/DOI@OIG

Subject Fw: News Summary

Harry,

See the attached couple of articles about your upcoming testimony before the House on the Moratorium report. Have a good weekend.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 12/10/2010 12:18 PM -----

"Tsai, Brian"
<Brian_Tsai@ios.doi.gov>

12/10/2010 09:45 AM

To Undisclosed recipients;;

cc

Subject News Summary



Interior News Summary

Headline	Date	Outlet
----------	------	--------

Video

[Secretary Salazar Video](#)

Secretary Salazar News

[Salazar, LaHood In St. Louis For Arch Grounds Upgrade](#)

Associated Press AP

12/09/10

Wyo. officials say yes to Teton land sale to feds	12/09/10	
Associated Press AP	Mead Gruver	
Wyoming sells Grand Teton National Park land to feds	12/10/10	Casper
Star-Tribune (WY)	Joan Barron	
Senator blocks Obama nominee over drilling halt	12/09/10	
Associated Press AP	Jim Abrams	
BLOG: Vitter wants W.H. energy czar to testify	12/09/10	Politico
Blog	Darren Goode	
Other News		
Renewable energy grant program extension likely	12/09/10	
Associated Press AP	Frederic J. Frommer	
Flagstaff opposes uranium mining near Grand Canyon	12/10/10	
Associated Press AP		
EDITORIAL: Don't undermine endangered species	12/10/10	
Arizona Republic		
As climate-change talks continue, lack of consensus spurs smaller-scale actions	12/10/10	
Washington Post	Juliet Eilperin and William Booth	
E.P.A. Delays Tougher Rules on Emissions	12/10/10	New
York Times	John M. Broder and Sheryl Gay Stolberg	

FOR MORE CLIPS, PLEASE CLICK ON THE ATTACHMENT

Brian Tsai
Public Affairs Specialist
U.S. Department of the Interior
(202) 208-6416



image001.png



12-10-10.doc

To

03/22/2012 05:30 PM

All Investigations Employees, Bruce
Delaplaine/WDC/OIG/DOI@OIG,
Cristopolis Dieguez/WDC/OIG/DOI@OIG,
Deborah Holmes/WDC/OIG/DOI@OIG,
Gillian Sharpley/WDC/OIG/DOI@OIG,
Joann Gauzza/WDC/OIG/DOI@OIG,

Kimberly

Elmore/WDC/OIG/DOI, Kimberly
Pernice/WDC/OIG/DOI@OIG, Kris
Kolesnik/WDC/OIG/DOI, Laurie
Larson-Jackson/WDC/OIG/DOI@OIG, Lori

Y

Vassar/WDC/OIG/DOI@OIG, Mary
Kendall/WDC/OIG/DOI@OIG, Melanie
Sorenson/WDC/OIG/DOI, Sandra
Evans/WDC/OIG/DOI@OIG, Stephen
Hardgrove/WDC/OIG/DOI@OIG, William
McMullen/DEN/OIG/DOI@OIG, Debra
Ferris/SAC/OIG/DOI@OIG, Adolph
Benavidez/WDC/OIG/DOI@OIG

cc

Subject

News Article - Republican Pushes
Subpoena in Drilling Ban Probe

News

1 new result for "Mary Kendall"

Republican pushes subpoena in drilling ban probe

FuelFix

... it inaccurately appeared the experts backed the proposed ban. The
report could have been "more clearly worded," according to Inspector
General Mary Kendall.

FuelFix



Richard
Larrabee/WDC/OIG/DOI
03/23/2012 09:20 AM

To "David Brown" <david_brown@doioig.gov>
cc
bcc
Subject Fw: News Article - Republican Pushes Subpoena in Drilling Ban Probe

Hmmmmmm.....

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 03/23/2012 09:19 AM -----

Edward Woo/SAC/OIG/DOI
03/22/2012 05:30 PM

To All Investigations Employees, Bruce Delaplaine/WDC/OIG/DOI@OIG, Cristopolis Dieguez/WDC/OIG/DOI@OIG, Deborah Holmes/WDC/OIG/DOI@OIG, Gillian Sharpley/WDC/OIG/DOI@OIG, Joann Gauzza/WDC/OIG/DOI@OIG, Kimberly Elmore/WDC/OIG/DOI, Kimberly Pernice/WDC/OIG/DOI@OIG, Kris Kolesnik/WDC/OIG/DOI, Laurie Larson-Jackson/WDC/OIG/DOI@OIG, Lori Y Vassar/WDC/OIG/DOI@OIG, Mary Kendall/WDC/OIG/DOI@OIG, Melanie Sorenson/WDC/OIG/DOI, Sandra Evans/WDC/OIG/DOI@OIG, Stephen Hardgrove/WDC/OIG/DOI@OIG, William McMullen/DEN/OIG/DOI@OIG, Debra Ferris/SAC/OIG/DOI@OIG, Adolph Benavidez/WDC/OIG/DOI@OIG

cc

Subject News Article - Republican Pushes Subpoena in Drilling Ban Probe

News

1 new result for "Mary Kendall"

Republican pushes subpoena in drilling ban probe

FuelFix

FuelFix

... it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," according to Inspector General Mary Kendall.



Richard
Larrabee/WDC/OIG/DOI
03/27/2012 08:17 AM

To "Humbert, Harry" <Harry.Humbert@oci.fda.gov>
cc
bcc
Subject RE: News Article - Republican Pushes Subpoena in Drilling
Ban Probe

Cool.

Let me know when you get the spot and then need a Deputy. :-)

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

"Humbert, Harry" <Harry.Humbert@oci.fda.gov>



"Humbert, Harry"
<Harry.Humbert@oci.fda.gov>
>
03/24/2012 06:29 PM

To Richard_Larrabee@doioig.gov
cc
Subject RE: News Article - Republican Pushes Subpoena in Drilling
Ban Probe

Hey Rich- Still waiting . Hoping all is well.

Harry

-----Original Message-----

From: Richard_Larrabee@doioig.gov [mailto:Richard_Larrabee@doioig.gov]
Sent: Friday, March 23, 2012 9:20 AM
To: Humbert, Harry
Subject: Fw: News Article - Republican Pushes Subpoena in Drilling Ban Probe

FYI

Hope all is well Harry. Did you get that Chief job yet?

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 03/23/2012 09:18 AM -----

Edward
Woo/SAC/OIG/DOI



Richard
Larrabee/WDC/OIG/DOI
04/03/2012 08:04 PM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: Interior Subpoena

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/03/2012 08:03 PM -----



Keith Kuczka/DEN/OIG/DOI
04/03/2012 03:44 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Interior Subpoena

----- Forwarded by Keith Kuczka/DEN/OIG/DOI on 04/03/2012 01:43 PM -----

From: Clarence Hull/DEN/OIG/DOI
To: Keith Kuczka/DEN/OIG/DOI@OIG
Date: 04/03/2012 01:41 PM
Subject: Interior Subpoena

Republican hits Interior with subpoena over drilling ban

Posted on April 3, 2012 at 11:23 am by Puneet Kollipara in Deepwater drilling, Drilling, Gulf Oil Disaster, Gulf of Mexico, Interior Department



Richard
Larrabee/WDC/OIG/DOI
04/03/2012 08:04 PM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: Interior Subpoena

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/03/2012 08:03 PM -----



Keith Kuczka/DEN/OIG/DOI
04/03/2012 03:44 PM

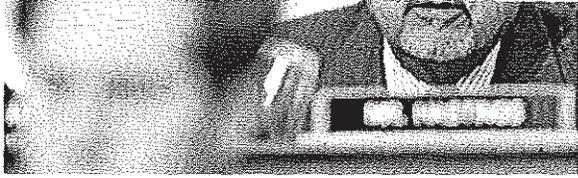
To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Interior Subpoena

----- Forwarded by Keith Kuczka/DEN/OIG/DOI on 04/03/2012 01:43 PM -----

From: Clarence Hull/DEN/OIG/DOI
To: Keith Kuczka/DEN/OIG/DOI@OIG
Date: 04/03/2012 01:41 PM
Subject: Interior Subpoena

Republican hits Interior with subpoena over drilling ban

Posted on April 3, 2012 at 11:23 am by Puneet Kollipara in Deepwater drilling, Drilling, Gulf Oil Disaster, Gulf of Mexico, Interior Department



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages

of documents, and made clear that we intend to continue to cooperate with the Committee's legitimate oversight interests."

"However, we also have expressed serious and longstanding institutional concerns about the Committee's efforts to compromise Executive Branch deliberations, particularly regarding pending Executive Branch decision making," Fetcher said in an email.

The panel's drilling ban probe stems from a report the Interior Department issued five weeks after the worst oil spill in U.S. history. The document included a recommendation for a six-month ban on some drilling in the Gulf of Mexico and some argue laid the foundation for the subsequent moratorium on most deep-water exploration.

The ban, which lasted from May until October of 2010, halted most deep-water drilling in the Gulf of Mexico, while oil was still gushing from BP's ill-fated Macondo well and for a few months after it was contained.

Critics of the ban said the report was packaged and edited so that it appeared professional engineers and industry experts who peer reviewed the document signed off on the recommendations — including the urging for a moratorium.

But eight of 15 experts named in the report insisted they did not endorse the recommendation for a ban on drilling and said the recommendation was added only after they reviewed the document. Administration officials have insisted that they never meant to mislead the public. And the Interior Department later edited the report to reflect the concerns.

The Interior Department's inspector general concluded in November 2010 that the White House edited the document so that it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," but it appears there was no intention to mislead, according to Inspector General Mary Kendall.

Fetcher cited Kendall's finding in criticizing the House committee GOP's ongoing investigation. "This investigation continues to spend taxpayer resources to relitigate an issue that was resolved two years ago, and that has thoroughly been reviewed by the Department's Inspector General," Fetcher said. "The American people would be best served by passage of the legislative changes we've recommended to further enhance offshore oil and gas enforcement and safety."

Clay Hull
Program Analyst
DOI/OIG/Investigations/EIU
134 Union, Suite 640, Lakewood, CO 80228
(W) 303-236-8286
(C) 303-859-0876
e-mail: Clarence_Hull@doioig.gov



Richard
Larrabee/WDC/OIG/DOI
04/03/2012 08:05 PM

To "David Brown" <david_brown@doioig.gov>
cc
bcc
Subject Fw: Interior Subpoena

FYI - can you call me about this when you get a chance?

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/03/2012 08:04 PM -----



Keith Kuczka/DEN/OIG/DOI
04/03/2012 03:44 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Interior Subpoena

----- Forwarded by Keith Kuczka/DEN/OIG/DOI on 04/03/2012 01:43 PM -----

From: Clarence Hull/DEN/OIG/DOI
To: Keith Kuczka/DEN/OIG/DOI@OIG
Date: 04/03/2012 01:41 PM
Subject: Interior Subpoena

Republican hits Interior with subpoena over drilling ban

Posted on April 3, 2012 at 11:23 am by [Puneet Kollipara](#) in [Deepwater drilling](#), [Drilling](#), [Gulf Oil Disaster](#), [Gulf of Mexico](#), [Interior Department](#)



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages

of documents, and made clear that we intend to continue to cooperate with the Committee's legitimate oversight interests."

"However, we also have expressed serious and longstanding institutional concerns about the Committee's efforts to compromise Executive Branch deliberations, particularly regarding pending Executive Branch decision making," Fetcher said in an email.

The panel's drilling ban probe stems from a report the Interior Department issued five weeks after the worst oil spill in U.S. history. The document included a recommendation for a six-month ban on some drilling in the Gulf of Mexico and some argue laid the foundation for the subsequent moratorium on most deep-water exploration.

The ban, which lasted from May until October of 2010, halted most deep-water drilling in the Gulf of Mexico, while oil was still gushing from BP's ill-fated Macondo well and for a few months after it was contained.

Critics of the ban said the report was packaged and edited so that it appeared professional engineers and industry experts who peer reviewed the document signed off on the recommendations — including the urging for a moratorium.

But eight of 15 experts named in the report insisted they did not endorse the recommendation for a ban on drilling and said the recommendation was added only after they reviewed the document. Administration officials have insisted that they never meant to mislead the public. And the Interior Department later edited the report to reflect the concerns.

The Interior Department's inspector general concluded in November 2010 that the White House edited the document so that it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," but it appears there was no intention to mislead, according to Inspector General Mary Kendall.

Fetcher cited Kendall's finding in criticizing the House committee GOP's ongoing investigation. "This investigation continues to spend taxpayer resources to relitigate an issue that was resolved two years ago, and that has thoroughly been reviewed by the Department's Inspector General," Fetcher said. "The American people would be best served by passage of the legislative changes we've recommended to further enhance offshore oil and gas enforcement and safety."

Clay Hull
Program Analyst
DOI/OIG/Investigations/EIU
134 Union, Suite 640, Lakewood, CO 80228
(W) 303-236-8286
(C) 303-859-0876
e-mail: Clarence_Hull@doioig.gov



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:22 AM

To "Kolesnik" <kris_kolesnik@doioig.gov>
cc
bcc
Subject My call



Subpoena Article.docx



Fed Morat DpWtr Drl Trans Memo PI-10-0562-1.pdf



Fed Mrtm - Salazar Letter.pdf



Fed Mrtm - Response to Hastings-Lamborn 30-Day Report.pdf

Just read highlighted portions of all attached docs. Read article, then read "Trans Memo" first, "Salazar's Letter" second, then our "Response to Hastings" third.

Talk to you later.

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:36 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: letter from Chairman Hastings and Subcommittee
Chairman Lamborn 

They're requesting both Harry and my emails and notes.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

From: Kris Kolesnik
Sent: 04/10/2012 07:28 AM MDT
To: Richard Larrabee
Subject: Fw: letter from Chairman Hastings and Subcommittee Chairman Lamborn

FYI

This message was sent from a wireless device.

From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:49 AM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/10/2012 09:49 AM -----

Kris Kolesnik/WDC/OIG/DOI
04/10/2012 09:29 AM

To richard_larrabee@doioig.gov
cc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

This message was sent from a wireless device.

. From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



04 06 12 Hastings_Lamborn Ltr to Acting IG Mary Kendall.pdf



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:49 AM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/10/2012 09:49 AM -----

Kris Kolesnik/WDC/OIG/DOI
04/10/2012 09:29 AM

To richard_larrabee@doioig.gov
cc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

This message was sent from a wireless device.

. From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



04 06 12 Hastings_Lamborn Ltr to Acting IG Mary Kendall.pdf



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:22 AM

To "Kolesnik" <kris_kolesnik@doioig.gov>
cc
bcc
Subject My call



Subpoena Article.docx



Fed Morat DpWtr Drl Trans Memo PI-10-0562-1.pdf



Fed Mrtm - Salazar Letter.pdf



Fed Mrtm - Response to Hastings-Lamborn 30-Day Report.pdf

Just read highlighted portions of all attached docs. Read article, then read "Trans Memo" first, "Salazar's Letter" second, then our "Response to Hastings" third.

Talk to you later.

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:49 AM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/10/2012 09:49 AM -----

Kris Kolesnik/WDC/OIG/DOI
04/10/2012 09:29 AM

To richard_larrabee@doioig.gov
cc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

This message was sent from a wireless device.

. From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



04 06 12 Hastings_Lamborn Ltr to Acting IG Mary Kendall.pdf



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:36 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: letter from Chairman Hastings and Subcommittee
Chairman Lamborn 

They're requesting both Harry and my emails and notes.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

From: Kris Kolesnik
Sent: 04/10/2012 07:28 AM MDT
To: Richard Larrabee
Subject: Fw: letter from Chairman Hastings and Subcommittee Chairman Lamborn

FYI

This message was sent from a wireless device.

From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107

Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 04/26/2011 08:45 AM

"Gary, Art"
<Art.Gary@sol.doi
.gov>

04/26/2011 08:10
AM

"Delaplaine, Bruce"
<Bruce_Delaplaine@doioig.gov>

To

cc

Subject

FW: Letter to Secretary attached

Bruce- this came in to the Secretary but no doubt is headed your way too.
Art

From: Tompkins, Hilary C
Sent: Tuesday, April 26, 2011 7:56 AM
To: Gary, Art; Greenberger, Sarah
Subject: Fw: Letter to Secretary attached

Delivered by SOL Blackberry Services

From: Mansour, Christopher
Sent: Monday, April 25, 2011 06:52 PM
To: Iudicello, Fay; Tompkins, Hilary C; Barkoff, Kendra; Salotti,
Christopher; Urban, Heather
Subject: Fw: Letter to Secretary attached

From: Charters, Tim <Tim.Charters@mail.house.gov>
To: Mansour, Christopher
Cc: Young, Todd <Todd.Young@mail.house.gov>
Sent: Mon Apr 25 16:50:37 2011
Subject: Letter to Secretary attached

Christopher,

Attached is a letter sent to the Secretary today. Any
questions please let me know.

Tim Charters
Staff Director- Republican Majority Staff Subcommittee on Energy and Mineral
Resources Committee on Natural Resources
1333 Longworth House Office Building
Washington, DC 20515
202-226-9297 (voice)
202-226-7390 (direct)

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 04/26/2011 08:45 AM

"Gary, Art"
<Art.Gary@sol.doi.gov>
04/26/2011 08:10 AM
"Delaplaine, Bruce"
<Bruce_Delaplaine@doioig.gov>
Subject
FW: Letter to Secretary attached

Bruce- this came in to the Secretary but no doubt is headed your way too.
Art

From: Tompkins, Hilary C
Sent: Tuesday, April 26, 2011 7:56 AM
To: Gary, Art; Greenberger, Sarah
Subject: Fw: Letter to Secretary attached

Delivered by SOL Blackberry Services

From: Mansour, Christopher
Sent: Monday, April 25, 2011 06:52 PM
To: Iudicello, Fay; Tompkins, Hilary C; Barkoff, Kendra; Salotti, Christopher; Urban, Heather
Subject: Fw: Letter to Secretary attached

From: Charters, Tim <Tim.Charters@mail.house.gov>
To: Mansour, Christopher
Cc: Young, Todd <Todd.Young@mail.house.gov>
Sent: Mon Apr 25 16:50:37 2011
Subject: Letter to Secretary attached

Christopher,

Attached is a letter sent to the Secretary today. Any questions please let me know.

Tim Charters
Staff Director- Republican Majority Staff Subcommittee on Energy and Mineral Resources Committee on Natural Resources
1333 Longworth House Office Building
Washington, DC 20515
202-226-9297 (voice)
202-226-7390 (direct)
202-225-5255 (fax) And
cid:image001.png@01CBADBB.F8E33300 (Embedded image moved to file:



Richard
Larrabee/WDC/OIG/DOI
04/28/2011 02:47 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
bcc
Subject Fw: PI-PI-10-562-I

Harry,

Just a taste of some of our email correspondence during the moratorium case. I'll get that FedEx out to you right away.

Good to see/chat with you this morning.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/28/2011 02:45 PM -----



Richard
Larrabee/WDC/OIG/DOI
07/09/2010 12:11 PM

To Harry Humbert/WDC/OIG/DOI
cc
Subject PI-PI-10-562-I

Harry,

I just wanted to follow with you about my request for a Zantaz review of Secretary Salazar's emails, along with those emails of top departmental staff that advised him regarding the Deepwater Horizon 30-Day Report and subsequent 6-month moratorium on drilling in the Gulf of Mexico.

As we discussed, I think we as the DOI-OIG could be opening ourselves up to legitimate criticism (of bias) by not pursuing this investigation in a similar manner in which we would pursue an investigation of a lower level DOI employee. As you know, in order to be effective and thorough in any investigation, we need to take the same comprehensive approach with the "higher level" investigations as we do with the "lower level" investigations, and we have regularly made extensive use of the Zantaz database to obtain emails of DOI employees in pursuance of our investigations over the past 5 years.

To be more specific about my request for a Zantaz email review, I believe that all emails sent or received by the identified persons should be obtained for the periods between May 20, 2010 and June 3, 2010 (only a 2 week period). I chose May 20, 2010 because that is one week prior to the issuance of the moratorium on May 27, 2010 and drafts of the Report were being produced during that time period that had not yet included the recommendation for the moratorium; and I chose June 3, 2010 as the ending date because that this the date of the letters issued by DOI to the peer-reviewers apologizing for the misunderstanding (the emails written by departmental personnel in response to the peer-reviewers initial outcry, prior to the department issuing the apology letters, may be quite telling).

Thanks again Harry.

Richard J. Larrabee



Richard
Larrabee/WDC/OIG/DOI
04/28/2011 09:11 AM

To "Kris Kolesnik" <pk.kolesnik@comcast.net>
cc
bcc
Subject Re: Letter to Secretary attached

Let the good times roll.

Flying back to Boston now from DC - missed you this morning. Talked to Harry though.

Will try calling you later today.

Thanks Kris.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----
From: "Kris Kolesnik" [pk.kolesnik@comcast.net]
Sent: 04/27/2011 08:56 PM AST
To: Richard Larrabee
Subject: FW: Letter to Secretary attached

FYI again!

-----Original Message-----
From: Kris_Kolesnik@doioig.gov [mailto:Kris_Kolesnik@doioig.gov]
Sent: Tuesday, April 26, 2011 9:38 AM
To: pk.kolesnik@comcast.net
Subject: Fw: Letter to Secretary attached

This message was sent from a wireless device.

----- Original Message -----
From: Bruce Delaplaine
Sent: 04/26/2011 08:46 AM EDT
To: Kris Kolesnik
Cc: Mary Kendall
Subject: Fw: Letter to Secretary attached this may require further discussion.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General



Richard
Larrabee/WDC/OIG/DOI
05/02/2011 02:03 PM

To David W Brown/SAC/OIG/DOI@OIG
cc
bcc
Subject Fw: Letter to Secretary attached

The chickens may be coming home to roost.

See attached letter/request that went to both Mary and the Secretary. It comes from Doc Hastings, the author of the letter we received back in July 2010 demanding a thorough investigation, inasmuch as we were so aggressive investigating the previous administration.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/02/2011 01:59 PM -----



"Kris Kolesnik"
<pk.kolesnik@comcast.net>
04/27/2011 08:56 PM

To <richard_larrabee@doioig.gov>
cc
Subject FW: Letter to Secretary attached

FYI again!

-----Original Message-----

From: Kris_Kolesnik@doioig.gov [mailto:Kris_Kolesnik@doioig.gov]
Sent: Tuesday, April 26, 2011 9:38 AM
To: pk.kolesnik@comcast.net
Subject: Fw: Letter to Secretary attached

This message was sent from a wireless device.

----- Original Message -----

From: Bruce Delaplaine
Sent: 04/26/2011 08:46 AM EDT
To: Kris Kolesnik
Cc: Mary Kendall
Subject: Fw: Letter to Secretary attached this may require further discussion.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

Subject Fw: Hall/Hastings requests

Can we discuss in the morning? I am confused as well.

Harry

This message was sent from a wireless device.

Bruce Delaplaine

----- Original Message -----

From: Bruce Delaplaine

Sent: 05/02/2011 05:14 PM EDT

To: Art Gary

Cc: Harry Humbert

Subject: Re: Hall/Hastings requests

Art,

I am sure it is a typo that resulted from a late-arriving attachment but will confirm with Harry Humbert tomorrow.

Bruce

Bruce Delaplaine

General Counsel

Office of Inspector General

Department of the Interior

(202) 208-5726

"Gary, Art" <Art.Gary@sol.doi.gov>



"Gary, Art"

<Art.Gary@sol.doi.gov>

05/02/2011 03:02 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>

cc

Subject Hall/Hastings requests

Bruce – can you clarify something for me? Review of the attachments to the unredacted OIG report produces this question:

There appears to be a disconnect between the attachment list at the back of the unredacted report and the actual last five attachments. Attachment 14 is a copy of one of the draft 30-day report (one of two files) attached to the email designated as Attachment 13. But in the list of attachments on p. 8 of the report, Attachment 14 is identified having been attached to Attachment 12 rather than 13. The same kind of disconnect occurs with respect to Attachments 16 and 17, which appear to be copies of the two files attached to the email designated as Attachment 15, but the list identifies them both as having been attached to Attachment 14 instead.

I think this must be a typographical error – can you confirm? Perhaps an attachment was added up the list at the last minute that knocked the numbers off by one. If it isn't a technical mistake, then I'm utterly confounded. Either option is reasonable at this point. If it is the former, we can either just be silent about it or we can defer to OIG to explain it. If it's the latter, well, let's just see what happens.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

Harry
Humbert/WDC/OIG/DOI
05/02/2011 08:37 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>
cc
Subject Fw: Hall/Hastings requests

Can we discuss in the morning? I am confused as well.
Harry
This message was sent from a wireless device.
Bruce Delaplaine

----- Original Message -----

From: Bruce Delaplaine
Sent: 05/02/2011 05:14 PM EDT
To: Art Gary
Cc: Harry Humbert
Subject: Re: Hall/Hastings requests

Art,
I am sure it is a typo that resulted from a late-arriving attachment but will confirm with Harry Humbert tomorrow.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726
"Gary, Art" <Art.Gary@sol.doi.gov>



"Gary, Art"
<Art.Gary@sol.doi.gov>
05/02/2011 03:02 PM

To "Delaplaine, Bruce" <Bruce_Delaplaine@doioig.gov>
cc
Subject Hall/Hastings requests

Bruce – can you clarify something for me? Review of the attachments to the unredacted OIG report produces this question:

There appears to be a disconnect between the attachment list at the back of the unredacted report and



Richard
Larrabee/WDC/OIG/DOI
05/03/2011 02:04 PM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
bcc
Subject Fw: ROI

Harry,

This seems to be a bit of a pissing match, but wanted to send you the email wherein I sent the final ROI version to Humphrey.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/03/2011 02:02 PM -----



Richard
Larrabee/WDC/OIG/DOI
10/25/2010 12:52 PM

To Humphrey Phelps/WDC/OIG/DOI
cc
Subject ROI



ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc
Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



Larrabee/WDC/OIG/DOI
05/03/2011 07:32 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Fw: Hall/Hastings requests

Harry and Bruce,

It appears our editing team somehow changed the reference numbers in the attachments. See Attachment section of the final ROI I submitted in comparison to the final ROI uploaded after editing.

My Final version reads:

12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 13.
15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 15.
17. White House edited 30-Day Report, version 2, attached to Attachment 15.

Edited Final version uploaded into CMS reads:

12. IAR – Black-Kemkar email review on September 26, 2010.
13. Email from Black to Aldy, dated 11:38 p.m. on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.
15. Email from Aldy to Black, dated 2:13 a.m. on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.

[attachment "ROI-Deepwater_Moratorium_10-19-10-V-incorporating_IG_Edits.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

[attachment "OI_Deepwater Moratorium_ROI_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

Harry
Humbert/WDC/OIG/DOI
05/02/2011 08:37 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>
cc

Program Integrity Division
202-219-0635 (desk)
202-255-8329 (cell)

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

Richard Larrabee/WDC/OIG/DOI



Richard
Larrabee/WDC/OIG/DOI
05/03/2011 07:32 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Fw: Hall/Hastings requests 

Harry and Bruce,

It appears our editing team somehow changed the reference numbers in the attachments. See Attachment section of the final ROI I submitted in comparison to the final ROI uploaded after editing.

My Final version reads:

12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 13.
15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 15.
17. White House edited 30-Day Report, version 2, attached to Attachment 15.

Edited Final version uploaded into CMS reads:

12. IAR – Black-Kemkar email review on September 26, 2010.
13. Email from Black to Aldy, dated 11:38 p.m. on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.
15. Email from Aldy to Black, dated 2:13 a.m. on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.



ROI-Deepwater_Moratorium_10-19-10-Vincorporating_IG_Edits.doc OI_Deepwater Moratorium_ROI_FINAL.doc

Bruce Delaplaine

----- Original Message -----

From: Bruce Delaplaine
Sent: 05/03/2011 09:00 AM EDT
To: Robert Gettlin
Subject: Fw: Hall/Hastings requests

Bob, just wanted you to be aware of the mistake that was made in a recent report, perhaps in the editing process. It has already gone to the Dept and to Congress (without attachments) so we are not inclined to change it now. I am not sure how the mistake was made as we did not add an attachment which would have explained it (perhaps an additional attachment was contemplated?) the bottom most email explains the error.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/03/2011 08:53 AM -----

Harry
Humbert/WDC/OIG/DOI
05/03/2011 07:34 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Fw: Hall/Hastings requests

Thanks Rich-

I will talk with Bruce this morning.

Harry

Harry Humbert
Director
Department of the Interior
Office of Inspector General
Program Integrity Division
202-219-0635 (desk)
202-255-8329 (cell)

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

Richard Larrabee/WDC/OIG/DOI



Richard



Richard
Larrabee/WDC/OIG/DOI
05/03/2011 09:09 AM

To "Humbert" <harry_humbert@doioig.gov>
cc
bcc
Subject Fw: Hall/Hastings requests

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
Bruce Delaplaine

----- Original Message -----

From: Bruce Delaplaine
Sent: 05/03/2011 09:00 AM EDT
To: Robert Gettlin
Subject: Fw: Hall/Hastings requests

Bob, just wanted you to be aware of the mistake that was made in a recent report, perhaps in the editing process. It has already gone to the Dept and to Congress (without attachments) so we are not inclined to change it now. I am not sure how the mistake was made as we did not add an attachment which would have explained it (perhaps an additional attachment was contemplated?)
the bottom most email explains the error.
Bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/03/2011 08:53 AM -----

Harry Humbert/WDC/OIG/DOI
05/03/2011 07:34 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc Bruce Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Fw: Hall/Hastings requests

Thanks Rich-

I will talk with Bruce this morning.

Harry

Harry Humbert
Director
Department of the Interior
Office of Inspector General



Richard
Larrabee/WDC/OIG/DOI
05/03/2011 09:49 AM

To Bruce Delaplaine/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: Hall/Hastings requests

I certainly understand - when reading your email and first noting that you had forwarded my email to Bob, I cringed thinking about my adjective usage - but then laughed out loud when I saw your 'tempered' editing. Thanks again.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
Bruce Delaplaine

----- Original Message -----

From: Bruce Delaplaine
Sent: 05/03/2011 09:34 AM EDT
To: Richard Larrabee
Subject: Re: Hall/Hastings requests

just trying to keep others from getting bent out of shape. I will let you know if I learn how the mistake occurred.

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726
Richard Larrabee/WDC/OIG/DOI



Richard
Larrabee/WDC/OIG/DOI
05/03/2011 09:15 AM

To Bruce Delaplaine/WDC/OIG/DOI@OIG
cc
Subject Re: Hall/Hastings requests

Thanks for the Bcc Bruce.

Thanks also for the removal of my frustrated adjective "illustrious.". I always knew you were a man of proper judgment and calm reason. :-)

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

Joann Gauzza
Special Assistant to the
Acting Inspector General
Assistant Inspector General
for Management
Office of Inspector General
202-219-2049 (phone)
202-208-6062 (fax)

Bruce Delaplaine/WDC/OIG/DOI

Bruce
Delaplaine/WDC/OIG/DOI
05/16/2011 04:33 PM

To Joann Gauzza/WDC/OIG/DOI@OIG
cc

Subject letter to rep hastings

Joann,
please send me a copy of our recent reply letter (without attachments)
thanks
bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

for Management
Office of Inspector General
202-219-2049 (phone)
202-208-6062 (fax)

Bruce Delaplaine/WDC/OIG/DOI

Bruce
Delaplaine/WDC/OIG/DOI
05/16/2011 04:33 PM

To Joann Gauzza/WDC/OIG/DOI@OIG
cc

Subject letter to rep hastings

Joann,
please send me a copy of our recent reply letter (without attachments)
thanks
bruce

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726



Richard
Larrabee/WDC/OIG/DOI
05/17/2011 10:33 AM

To David W Brown/SAC/OIG/DOI@OIG
cc
bcc
Subject Fw: letter to rep hastings

You're a SAC, right?

See if you can read this ONE PAGE letter and find the typo, it is very difficult to descry, therefore completely understandable that the signatory did not notice it prior to signing and releasing to Chairman Hastings. Very embarrassing, to say the least.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/17/2011 10:30 AM -----

Bruce
Delaplaine/WDC/OIG/DOI
05/17/2011 08:48 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: letter to rep hastings

Harry,
you asked for a copy of this Moratorium related letter to upload into CMS. (I drafted it and Mary made some edits.)

cc: Richard

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/17/2011 08:46 AM -----



Joann Gáuzza/WDC/OIG/DOI
05/17/2011 08:30 AM

To Bruce Delaplaine/WDC/OIG/DOI@OIG
cc
Subject Re: letter to rep hastings



CongHastings-Lamborn30-DayReport.pdf



Richard
Larrabee/WDC/OIG/DOI
05/17/2011 10:40 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Fw: letter to rep hastings

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/17/2011 10:38 AM -----

Bruce
Delaplaine/WDC/OIG/DOI
05/17/2011 08:48 AM

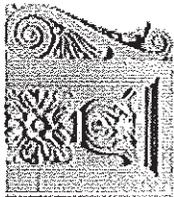
To Harry Humbert/WDC/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: letter to rep hastings

Harry,
you asked for a copy of this Moratorium related letter to upload into CMS. (I drafted it and Mary made some edits.)

cc: Richard

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/17/2011 08:46 AM -----



Joann Gauzza/WDC/OIG/DOI
05/17/2011 08:30 AM

To Bruce Delaplaine/WDC/OIG/DOI@OIG
cc
Subject Re: letter to rep hastings 



CongHastings-Lamborn30-DayReport.pdf

Joann Gauzza
Special Assistant to the
Acting Inspector General
Assistant Inspector General



Richard
Larrabee/WDC/OIG/DOI
05/17/2011 10:44 AM

To pk.kolesnik@comcast.net
cc
bcc
Subject Fw: letter to rep hastings

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 05/17/2011 10:43 AM -----

Bruce
Delaplaine/WDC/OIG/DOI
05/17/2011 08:48 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: letter to rep hastings

Harry,
you asked for a copy of this Moratorium related letter to upload into CMS. (I drafted it and Mary made some edits.)

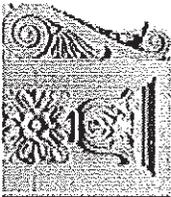
cc: Richard

Bruce Delaplaine
General Counsel
Office of Inspector General
Department of the Interior
(202) 208-5726

----- Forwarded by Bruce Delaplaine/WDC/OIG/DOI on 05/17/2011 08:46 AM -----

Joann Gauzza/WDC/OIG/DOI
05/17/2011 08:30 AM

To Bruce Delaplaine/WDC/OIG/DOI@OIG
cc
Subject Re: letter to rep hastings 



CongHastings-Lamborn30-DayReport.pdf

Joann Gauzza
Special Assistant to the
Acting Inspector General
Assistant Inspector General

U.S. Department of the Interior
Office of Inspector General
617.918.2320

David W Brown/SAC/OIG/DOI



David W
Brown/SAC/OIG/DOI
05/17/2011 11:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc

Subject Re: Fw: letter to rep hastings 

Last time I checked I was the SAC but who knows. I usually say things only once in my official gov documents but they chose to say this twice.. Looks like a cut and paste error.. I assume this is what you are referring to.

The attachments contain information that is exempt from disclosure to the public under the Freedom of Information Act (FOIA), 5 U.S.C. § 552, and the Privacy Act, 5 U.S.C. § 552a. We respectfully request that the Committee treat all of this information accordingly.

David W. Brown
Special Agent in Charge
Department of Interior
Office of Inspector General
Western Region Investigations
(916) 978-5630

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

Richard Larrabee---05/17/2011 07:34:05 AM---You're a SAC, right? See if you can read this ONE PAGE L...



Richard
Larrabee/WDC/OIG/DOI
05/17/2011 11:44 AM

To David W Brown/SAC/OIG/DOI@OIG
cc
bcc
Subject Re: Fw: letter to rep hastings

A year well spent!

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.
David W Brown

----- Original Message -----

From: David W Brown
Sent: 05/17/2011 08:43 AM PDT
To: Richard Larrabee
Subject: Re: Fw: letter to rep hastings

Good thing we spent a year developing our procedures for the quality review of our external communication.

David W. Brown
Special Agent in Charge
Department of Interior
Office of Inspector General
Western Region Investigations
(916) 978-5630

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

Richard Larrabee---05/17/2011 08:41:58 AM---Yes. Must really mean it since it is said twice.

From: Richard Larrabee/WDC/OIG/DOI
To: David W Brown/SAC/OIG/DOI@OIG
Date: 05/17/2011 08:41 AM
Subject: Re: Fw: letter to rep hastings

Yes.

Must really mean it since it is said twice.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit



Richard
Larrabee/WDC/OIG/DOI
08/02/2011 10:33 AM

To "David Brown" <david_brown@doioig.gov>
cc
bcc
Subject Fw: Letter from the Committee on Natural Resources to
Acting Inspector General Kendall

Will be interesting to see how we respond.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----
From: Kris Kolesnik
Sent: 08/02/2011 08:14 AM MDT
To: Richard Larrabee
Subject: Fw: Letter from the Committee on Natural Resources to Acting
Inspector General Kendall

Fyi

This message was sent from a wireless device.

----- Original Message -----
From: "Rodriguez, Traci" [Traci.Rodriguez@mail.house.gov]
Sent: 08/01/2011 05:08 PM AST
To: Kris Kolesnik
Cc: "Rodriguez, Traci" <Traci.Rodriguez@mail.house.gov>; "Young, Todd"
<Todd.Young@mail.house.gov>
Subject: Letter from the Committee on Natural Resources to Acting Inspector
General Kendall

Kris,

Attached please find a copy of a letter from the Committee on Natural
Resources relating to the Federal Moratorium on Deepwater Drilling. Please
note the responsive deadline of August 16, 2011. If you have any questions,
please do not hesitate to contact me.

Traci L. Rodriguez
Senior Counsel
Office of Oversight and Investigations
Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, D.C. 20515



Richard
Larrabee/WDC/OIG/DOI
08/02/2011 10:35 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: Letter from the Committee on Natural Resources to
Acting Inspector General Kendall

Thanks Kris. In AR USAO now, will call you later.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Kris Kolesnik
Sent: 08/02/2011 08:14 AM MDT
To: Richard Larrabee
Subject: Fw: Letter from the Committee on Natural Resources to Acting
Inspector General Kendall

Fyi

This message was sent from a wireless device.

----- Original Message -----

From: "Rodriguez, Traci" [Traci.Rodriguez@mail.house.gov]
Sent: 08/01/2011 05:08 PM AST
To: Kris Kolesnik
Cc: "Rodriguez, Traci" <Traci.Rodriguez@mail.house.gov>; "Young, Todd"
<Todd.Young@mail.house.gov>
Subject: Letter from the Committee on Natural Resources to Acting Inspector
General Kendall

Kris,

Attached please find a copy of a letter from the Committee on Natural
Resources relating to the Federal Moratorium on Deepwater Drilling. Please
note the responsive deadline of August 16, 2011. If you have any questions,
please do not hesitate to contact me.

Traci L. Rodriguez
Senior Counsel
Office of Oversight and Investigations
Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, D.C. 20515

of documents, and made clear that we intend to continue to cooperate with the Committee's legitimate oversight interests."

"However, we also have expressed serious and longstanding institutional concerns about the Committee's efforts to compromise Executive Branch deliberations, particularly regarding pending Executive Branch decision making," Fetcher said in an email.

The panel's drilling ban probe stems from a report the Interior Department issued five weeks after the worst oil spill in U.S. history. The document included a recommendation for a six-month ban on some drilling in the Gulf of Mexico and some argue laid the foundation for the subsequent moratorium on most deep-water exploration.

The ban, which lasted from May until October of 2010, halted most deep-water drilling in the Gulf of Mexico, while oil was still gushing from BP's ill-fated Macondo well and for a few months after it was contained.

Critics of the ban said the report was packaged and edited so that it appeared professional engineers and industry experts who peer reviewed the document signed off on the recommendations — including the urging for a moratorium.

But eight of 15 experts named in the report insisted they did not endorse the recommendation for a ban on drilling and said the recommendation was added only after they reviewed the document. Administration officials have insisted that they never meant to mislead the public. And the Interior Department later edited the report to reflect the concerns.

The Interior Department's inspector general concluded in November 2010 that the White House edited the document so that it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," but it appears there was no intention to mislead, according to Inspector General Mary Kendall.

Fetcher cited Kendall's finding in criticizing the House committee GOP's ongoing investigation. "This investigation continues to spend taxpayer resources to relitigate an issue that was resolved two years ago, and that has thoroughly been reviewed by the Department's Inspector General," Fetcher said. "The American people would be best served by passage of the legislative changes we've recommended to further enhance offshore oil and gas enforcement and safety."

Clay Hull
Program Analyst
DOI/OIG/Investigations/EIU
134 Union, Suite 640, Lakewood, CO 80228
(W) 303-236-8286
(C) 303-859-0876
e-mail: Clarence_Hull@doioig.gov



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages



Richard
Larrabee/WDC/OIG/DOI
04/03/2012 08:04 PM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: Interior Subpoena

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/03/2012 08:03 PM -----



Keith Kuczka/DEN/OIG/DOI
04/03/2012 03:44 PM

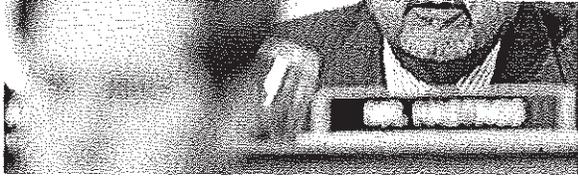
To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Interior Subpoena

----- Forwarded by Keith Kuczka/DEN/OIG/DOI on 04/03/2012 01:43 PM -----

From: Clarence Hull/DEN/OIG/DOI
To: Keith Kuczka/DEN/OIG/DOI@OIG
Date: 04/03/2012 01:41 PM
Subject: Interior Subpoena

Republican hits Interior with subpoena over drilling ban

Posted on April 3, 2012 at 11:23 am by Puneet Kollipara in Deepwater drilling, Drilling, Gulf Oil Disaster, Gulf of Mexico, Interior Department



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages

of documents, and made clear that we intend to continue to cooperate with the Committee's legitimate oversight interests."

"However, we also have expressed serious and longstanding institutional concerns about the Committee's efforts to compromise Executive Branch deliberations, particularly regarding pending Executive Branch decision making," Fetcher said in an email.

The panel's drilling ban probe stems from a report the Interior Department issued five weeks after the worst oil spill in U.S. history. The document included a recommendation for a six-month ban on some drilling in the Gulf of Mexico and some argue laid the foundation for the subsequent moratorium on most deep-water exploration.

The ban, which lasted from May until October of 2010, halted most deep-water drilling in the Gulf of Mexico, while oil was still gushing from BP's ill-fated Macondo well and for a few months after it was contained.

Critics of the ban said the report was packaged and edited so that it appeared professional engineers and industry experts who peer reviewed the document signed off on the recommendations — including the urging for a moratorium.

But eight of 15 experts named in the report insisted they did not endorse the recommendation for a ban on drilling and said the recommendation was added only after they reviewed the document. Administration officials have insisted that they never meant to mislead the public. And the Interior Department later edited the report to reflect the concerns.

The Interior Department's inspector general concluded in November 2010 that the White House edited the document so that it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," but it appears there was no intention to mislead, according to Inspector General Mary Kendall.

Fetcher cited Kendall's finding in criticizing the House committee GOP's ongoing investigation. "This investigation continues to spend taxpayer resources to relitigate an issue that was resolved two years ago, and that has thoroughly been reviewed by the Department's Inspector General," Fetcher said. "The American people would be best served by passage of the legislative changes we've recommended to further enhance offshore oil and gas enforcement and safety."

Clay Hull
Program Analyst
DOI/OIG/Investigations/EIU
134 Union, Suite 640, Lakewood, CO 80228
(W) 303-236-8286
(C) 303-859-0876
e-mail: Clarence_Hull@doioig.gov



Richard
Larrabee/WDC/OIG/DOI
04/03/2012 08:05 PM

To "David Brown" <david_brown@doioig.gov>
cc
bcc
Subject Fw: Interior Subpoena

FYI - can you call me about this when you get a chance?

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/03/2012 08:04 PM -----



Keith Kuczka/DEN/OIG/DOI
04/03/2012 03:44 PM

To Richard Larrabee/WDC/OIG/DOI@OIG
cc
Subject Fw: Interior Subpoena

----- Forwarded by Keith Kuczka/DEN/OIG/DOI on 04/03/2012 01:43 PM -----

From: Clarence Hull/DEN/OIG/DOI
To: Keith Kuczka/DEN/OIG/DOI@OIG
Date: 04/03/2012 01:41 PM
Subject: Interior Subpoena

Republican hits Interior with subpoena over drilling ban

Posted on April 3, 2012 at 11:23 am by [Puneet Kollipara](#) in [Deepwater drilling](#), [Drilling](#), [Gulf Oil Disaster](#), [Gulf of Mexico](#), [Interior Department](#)



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages

of documents, and made clear that we intend to continue to cooperate with the Committee's legitimate oversight interests."

"However, we also have expressed serious and longstanding institutional concerns about the Committee's efforts to compromise Executive Branch deliberations, particularly regarding pending Executive Branch decision making," Fetcher said in an email.

The panel's drilling ban probe stems from a report the Interior Department issued five weeks after the worst oil spill in U.S. history. The document included a recommendation for a six-month ban on some drilling in the Gulf of Mexico and some argue laid the foundation for the subsequent moratorium on most deep-water exploration.

The ban, which lasted from May until October of 2010, halted most deep-water drilling in the Gulf of Mexico, while oil was still gushing from BP's ill-fated Macondo well and for a few months after it was contained.

Critics of the ban said the report was packaged and edited so that it appeared professional engineers and industry experts who peer reviewed the document signed off on the recommendations — including the urging for a moratorium.

But eight of 15 experts named in the report insisted they did not endorse the recommendation for a ban on drilling and said the recommendation was added only after they reviewed the document. Administration officials have insisted that they never meant to mislead the public. And the Interior Department later edited the report to reflect the concerns.

The Interior Department's inspector general concluded in November 2010 that the White House edited the document so that it inaccurately appeared the experts backed the proposed ban. The report could have been "more clearly worded," but it appears there was no intention to mislead, according to Inspector General Mary Kendall.

Fetcher cited Kendall's finding in criticizing the House committee GOP's ongoing investigation. "This investigation continues to spend taxpayer resources to relitigate an issue that was resolved two years ago, and that has thoroughly been reviewed by the Department's Inspector General," Fetcher said. "The American people would be best served by passage of the legislative changes we've recommended to further enhance offshore oil and gas enforcement and safety."

Clay Hull
Program Analyst
DOI/OIG/Investigations/EIU
134 Union, Suite 640, Lakewood, CO 80228
(W) 303-236-8286
(C) 303-859-0876
e-mail: Clarence_Hull@doioig.gov



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:22 AM

To "Kolesnik" <kris_kolesnik@doioig.gov>
cc
bcc
Subject My call



Subpoena Article.docx



Fed Morat DpWtr Drl Trans Memo PI-10-0562-1.pdf



Fed Mrtm - Salazar Letter.pdf



Fed Mrtm - Response to Hastings-Lamborn 30-Day Report.pdf

Just read highlighted portions of all attached docs. Read article, then read "Trans Memo" first, "Salazar's Letter" second, then our "Response to Hastings" third.

Talk to you later.

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:36 AM

To Kris Kolesnik/WDC/OIG/DOI@OIG
cc
bcc
Subject Re: letter from Chairman Hastings and Subcommittee
Chairman Lamborn 

They're requesting both Harry and my emails and notes.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

From: Kris Kolesnik
Sent: 04/10/2012 07:28 AM MDT
To: Richard Larrabee
Subject: Fw: letter from Chairman Hastings and Subcommittee Chairman Lamborn

FYI

This message was sent from a wireless device.

From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



Richard
Larrabee/WDC/OIG/DOI
04/10/2012 09:49 AM

To "Humbert" <harry.humbert@oci.fda.gov>
cc
bcc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

Richard J. Larrabee
Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 04/10/2012 09:49 AM -----

Kris Kolesnik/WDC/OIG/DOI
04/10/2012 09:29 AM

To richard_larrabee@doioig.gov
cc
Subject Fw: letter from Chairman Hastings and Subcommittee
Chairman Lamborn

FYI

This message was sent from a wireless device.

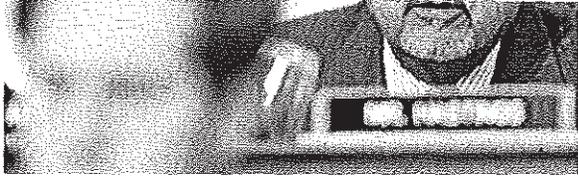
. From: "Brown, Byron" [Byron.Brown@mail.house.gov]
Sent: 04/09/2012 09:21 AM AST
To: Kris Kolesnik
Subject: letter from Chairman Hastings and Subcommittee Chairman Lamborn

Hi Kris, Attached is a follow up letter regarding our moratorium investigation. Please let me know if you have questions. Thanks.

Byron R. Brown
Senior Counsel for Oversight
Office of Oversight and Investigations
Committee on Natural Resources
Main Number: (202) 225-2761
Oversight Number: (202) 225-7107



04 06 12 Hastings_Lamborn Ltr to Acting IG Mary Kendall.pdf



House Natural Resources Committee chairman Rep. Doc Hastings, R-Wash, leads a committee hearing. (AP Photo/Kevin Wolf)

A top House Republican has issued his first subpoena to the Interior Department for documents that he contends could shed light on how the Obama administration justified its five-month deep-water drilling moratorium following the 2010 BP oil spill.

The expected request from Rep. Doc Hastings, R-Wash., chairman of the House Natural Resources Committee, came a week after his GOP-controlled committee signed off on giving him subpoena authority on a party-line 23-17 vote.

“President Obama pledged unprecedented transparency and it’s regrettable that a Congressional subpoena is necessary to obtain documents pertaining to the Administration’s report that recommended a six-month drilling moratorium in the Gulf of Mexico,” Hastings said in an emailed statement.

The subpoena push started after what Hastings described as months of stalling by Interior Department officials. The House Committee on Natural Resources that Hastings heads opened an inquiry into the drilling ban and a separate probe into the government’s handling of a coal production regulation more than a year ago. Republicans have raised concerns that a report issued after the oil spill falsely represented experts’ views to make them appear they endorsed the temporary deep-water drilling ban, a moratorium GOP lawmakers argue has caused a downturn in economic activity and energy production on the Gulf Coast.

Hastings’ subpoena — with more that could follow — orders the Obama administration to hand over certain certain documents created, sent or received by various top Obama administration

officials. **It also seeks a range of other documents from the Interior inspector general that Hastings argues could shed light on the independent watchdog agency’s investigation into how the report was written. The deadline is a week from today.**

Interior Department spokesman Adam Fetcher responded in an email that department officials “have repeatedly testified, responded to the Committee’s requests, produced thousands of pages

Telephone: 202-226-0987
Fax: 202 225-5929

Telephone: 202-226-0987
Fax: 202 225-5929



resrit@mail.house.gov_20110801_164526.pdf

Thanks

Art

Arthur E. Gary
Deputy Solicitor
Office of the Solicitor
U.S. Department of the Interior
Phone: (202) 208-4423
Fax: (202) 208-5589

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

NICK J. RAHALL II, WV
CHAIRMAN
DALE E. KILDEE, MI
ENI F.H. FALCOMAYAVEGA, AS
FRANK PALLONE, JR., NJ
GRACE F. NAPOLITANO, CA
RUSH D. HOLT, NJ
RAUL M. GRIJALVA, AZ
MADELEINE Z. BORDALLO, GU
JIM COSTA, CA
DAN BOREN, OK
GREGORIO SABLAN, MP
MARTIN HEINRICH, NM
BEN RAY LUJAN, NM
GEORGE MILLER, CA
EDWARD J. MARKEY, MA
PETER A. DeFAZIO, OR
MAURICE D. HINGHEY, NY
DONNA M. CHRISTENSEN, VI
DIANA DeGETTE, CO
RON KIND, WI
LOIS CAPPS, CA
JAY INSLEE, WA
JOE BACA, CA
STEPHANIE HERSETH SANDLIN, SD
JOHN P. SARBANES, MD
CAROL SHEA-PORTER, NH
NIKI TSONGAS, MA
FRANK KRATOVIL, JR., MD
PEDRO R. PIERLUISI, PR

JAMES H. ZOIA
CHIEF OF STAFF

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

July 20, 2010

DOC HASTINGS, WA
RANKING REPUBLICAN MEMBER
DON YOUNG, AK
ELTON GALLEGLY, CA
JOHN J. DUNCAN, JR., TN
JEFF FLAKE, AZ
HENRY E. BROWN, JR., SC
CATHY McMORRIS RODGERS, WA
LOUIE GOHMERT, TX
ROB BISHOP, UT
BILL SHUSTER, PA
DOUG LAMBORN, CO
ADRIAN SMITH, NE
ROBERT J. WITTMAN, VA
PAUL C. BROUN, GA
JOHN FLEMING, LA
MIKE COFFMAN, CO
JASON CHAFFETZ, UT
CYNTHIA M. LUMMIS, WY
TOM McCLINTOCK, CA
BILL CASSIDY, LA

TODD YOUNG
REPUBLICAN CHIEF OF STAFF

Ms. Mary Kendall
Acting Inspector General
U.S. Department of the Interior
Office of Inspector General
1849 C Street NW - Mail Stop 4428
Washington, D.C. 20240

Dear Inspector General Kendall,

In testimony before the House Committee on Natural Resources, Secretary Salazar agreed to cooperate with any Inspector General investigation into the changes made to the Interior Department's 30-Day Safety Report¹ after it had been peer-reviewed. As you know, this report, which included a recommendation for a six-month deepwater drilling moratorium on the Outer Continental Shelf, was presented to the President and the American people as having been peer-reviewed by a group of prominent engineers. Specifically, the language of the report states that "the recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering."² Following the release of the report it was discovered that this statement was patently false. The engineers have come forward to declare that the report was edited by political appointees after their review but prior to presentation to the President.

There are important questions about this incident that must be answered. Who in the Administration ignored the recommendation of scientists and made these changes? Were any laws broken? Who made the decision to misrepresent the views of the scientists? Were the changes influenced by the White House? Were the changes recommended by outside groups? Recent media reports suggest the Administration is acting on advice and recommendations made by the *Center for American Progress* including the recommendation for a moratorium on the OCS.

When testifying before the Committee, you initially asserted that the Inspector General office may not be able to investigate because the issue of the moratorium is subject to an ongoing court case. However, you later indicated that it would be possible to open an investigation. To be clear, we are not asking you to investigate the moratorium. We are asking you to investigate the changes made to the 30-Day Safety Report by political appointees that were presented to the public as a peer-reviewed scientific paper.

¹ Also known as the "Increased Safety Measures for Energy Development on the Outer Continental Shelf, May 27, 2010

² 30-Day Safety Report, Page 4

The decision to alter the report after the peer-review process severely undermines trust in the Department of the Interior and the federal government. In one of his early speeches, Secretary Salazar said, "I pledge to you that we will ensure the Interior Department's decisions are based on sound science and the public interest, and not on the special interests."³ Clearly, the decision to establish a six-month moratorium was not based on sound science. The outside experts who cosigned the report have raised serious concerns that the imposition of the moratorium would exacerbate any safety issues associated with deepwater drilling.

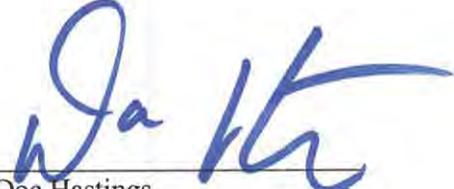
Finally, during the previous Administration, the Inspector General's office had a record of aggressively investigating exactly these types of actions. In fact, you personally testified on July 31, 2007 before the Natural Resources Committee at a hearing on "The Political Influence of the Bush Administration on Agency Science and Decision-Making." During that testimony you discussed a report that when issued stated "In the end, the cloud of MacDonald's overreaching, and the actions of those who enabled and assisted her, have caused the unnecessary expenditure of hundreds of thousands of dollars to re-issue decisions and litigation costs to defend decisions that, in at least two instances, the courts found to be arbitrary and capricious."⁴

We expect you to hold the Obama Administration to this same standard. We strongly believe the altering of this 30-Day Safety Report is an egregious example of disregarding science and merits equal examination. This overreaching by political appointees in either the Department or the White House have caused the unnecessary expenditure of significant Department funds to re-issue decisions, has adversely impacted tens of thousands of citizens through lost wages and jobs, cost business hundreds of thousands of dollars, and incurred litigation costs to defend the moratorium that the court has found to be arbitrary and capricious.

We strongly encourage you to open an investigation into the allegations and the decisions made associated with this 30-Day Safety Report. Since the Secretary has publicly pledged his full cooperation, there is little doubt that the Inspector General's office could quickly investigate the influences and actions that resulted in the changes to the engineering safety report that was presented to the President.

We look forward to hearing from you promptly regarding your decision on this matter.

Sincerely,



Doc Hastings
Ranking Member
Committee on Natural Resources

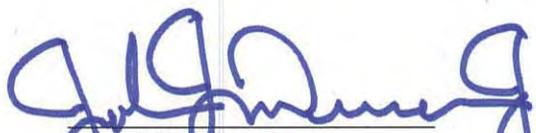


Doug Lamborn
Ranking Member
Subcommittee on Energy and Minerals

³ Secretary of the Interior Salazar Pledges Accountability & Change In Employee Listening Session, January 22, 2009

⁴ Report of Investigation: The Endangered Species Act and the Conflict between Science and Policy, December 15, 2008

The Hon. Mary Kendall
July 20, 2010
Page 3



John J. Duncan, Jr.
Committee on Natural Resources



Bill Cassidy
Committee on Natural Resources



Paul Broun
Committee on Natural Resources



Jason Chaffetz
Committee on Natural Resources



John Fleming
Committee on Natural Resources

the actual last five attachments. Attachment 14 is a copy of one of the draft 30-day report (one of two files) attached to the email designated as Attachment 13. But in the list of attachments on p. 8 of the report, Attachment 14 is identified having been attached to Attachment 12 rather than 13. The same kind of disconnect occurs with respect to Attachments 16 and 17, which appear to be copies of the two files attached to the email designated as Attachment 15, but the list identifies them both as having been attached to Attachment 14 instead.

I think this must be a typographical error – can you confirm? Perhaps an attachment was added up the list at the last minute that knocked the numbers off by one. If it isn't a technical mistake, then I'm utterly confounded. Either option is reasonable at this point. If it is the former, we can either just be silent about it or we can defer to OIG to explain it. If it's the latter, well, let's just see what happens.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
Office of the Solicitor
U.S. Department of the Interior
Phone: (202) 208-4423
Fax: (202) 208-5589

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

From: Origin ID: LWMA (202) 841-6999
Richard Larrabee
US Dept of Interior OIG
5 Post Office Square
Suite 100, 15th Floor, CID15-2
Boston, MA 02109



J10301008090225

Ship Date: 28SEP10
ActWgt: 5.0 LB
CAD: 1271572/INET3090

Delivery Address Bar Code



Ref # PI-PI-10-0562-I
Invoice #
PO #
Dept #

SHIP TO: (202) 208-5747
Humphrey Phelp

BILL SENDER

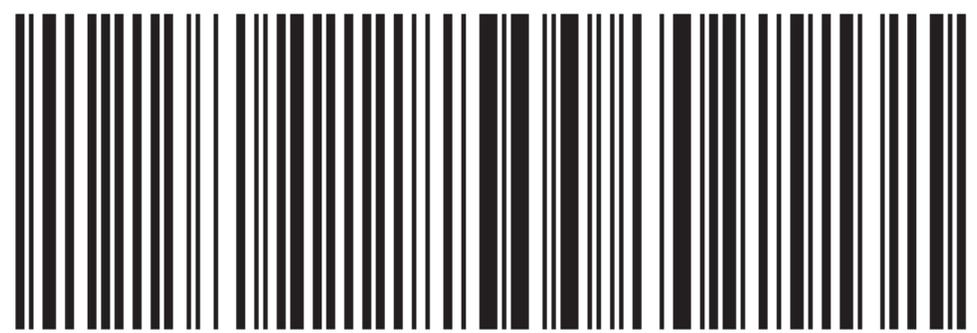
**1849 C. ST NW
MAIL STOP 4428
WASHINGTON, DC 20240**

WED - 29 SEP A2
PRIORITY OVERNIGHT

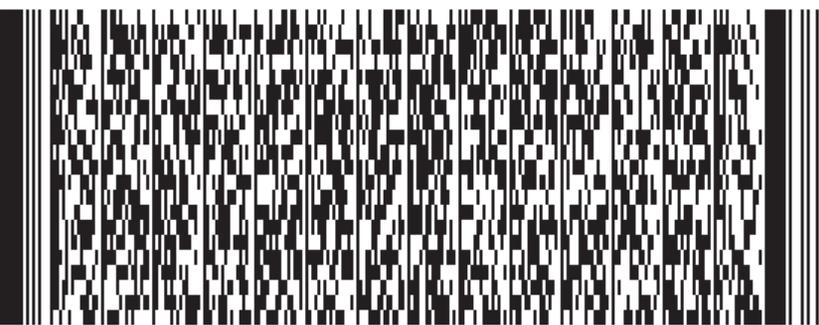
TRK# 7962 8763 8551
0201

20240
DC-US
DCA

ZD AUKA



50AG3/9292/2780



pic15207.jpg)cid:image002.jpg@01CBADBB.F8E33300 (Embedded image moved to
file: pic14482.jpg)cid:image003.jpg@01CBADBB.F8E33300
(Embedded image moved to file: pic20946.jpg)
cid:image004.jpg@01CBADBB.F8E33300

(See attached file: ltr.ken salazar re moratorium report.04.25.2011.pdf)



pic15207.jpg pic14482.jpg pic20946.jpg ltr.ken salazar re moratorium report.04.25.2011.pdf

DOC HASTINGS, WA
CHAIRMAN
DON YOUNG, AK
JOHN J. DUNCAN, JR., TN
LOUIE GOHMERT, TX
ROB BISHOP, UT
DOUG LAMBORN, CO
ROBERT J. WITTMAN, VA
PAUL C. BROUN, GA
JOHN FLEMING, LA
MIKE COFFMAN, CO
TOM McCLINTOCK, CA
GLENN THOMPSON, PA
JEFF DENHAM, CA
DAN BENISHEK, MI
DAVID RIVERA, FL
JEFF DUNCAN, SC
SCOTT R. TIPTON, CO
PAUL A. GOSAR, AZ
RAÚL R. LABRADOR, ID
KRISTI L. NOEM, SD
STEVE SOUTHERLAND II, FL
BILL FLORES, TX
ANDY HARRIS, MD
JEFFREY M. LANDRY, LA
CHARLES J. "CHUCK" FLEISCHMANN, TN
JON RUNYAN, NJ
BILL JOHNSON, OH

TODD YOUNG
CHIEF OF STAFF

U.S. House of Representatives
Committee on Natural Resources
Washington, DC 20515

EDWARD J. MARKEY, MA
RANKING DEMOCRATIC MEMBER
DALE E. KILDEE, MI
PETER A. DeFAZIO, OR
ENI F.H. FALEOMAVAEGA, AS
FRANK PALLONE, JR., NJ
GRACE F. NAPOLITANO, CA
RUSH D. HOLT, NJ
RAÚL M. GRIJALVA, AZ
MADELINE Z. BORDALLO, GU
JIM COSTA, CA
DAN BOREN, OK
GREGORIO KILILI CAMACHO SABLÁN, CNMI
MARTIN HEINRICH, NM
BEN RAY LUJÁN, NM
JOHN P. SARBANES, MD
BETTY SUTTON, OH
NIKI TSONGAS, MA
PEDRO R. PIERLUISI, PR
JOHN GARAMENDI, CA
COLLEEN W. HANABUSA, HI

JEFFREY DUNCAN
DEMOCRATIC STAFF DIRECTOR

August 1, 2011

The Honorable Mary Kendall
Acting Inspector General
U.S. Department of the Interior
1849 C Street, NW – Mail Stop 4428
Washington, DC 20240

Dear Ms. Kendall:

On April 25, 2011, we requested the underlying documents, drafts and communications reviewed by the Office of Inspector General (OIG) in reaching its conclusion and issuing its Report of Investigation – Federal Moratorium on Deepwater Drilling Case No. PI-PI-10-0562-I. Specifically, we requested the following items:

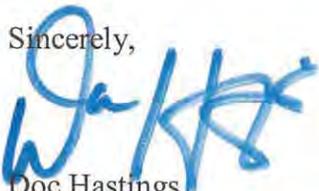
Any and all documents, referring, relating, or pertaining, directly or indirectly, to:

- a. The Report of Investigation – Federal Moratorium on Deepwater Drilling, including but not limited to emails or other communication regarding the Executive Summary or any portion of the draft report “Increased Safety Measures for Energy Development on the Outer Continental Shelf;”
- b. Drafts, revisions, excerpts, inserts, deletions, or other alterations or modifications of the Executive Summary or any portion of the draft report “Increased Safety Measures for Energy Development on the Outer Continental Shelf;”
- c. Witnesses or individuals interviewed or sought to be interviewed, whether formally or informally, in connection with the Report of Investigation – Federal Moratorium on Deepwater Drilling, including but not limited to interview transcripts, notes, summaries, letters, or other communications;
- d. Individuals or entities including their titles and telephone and mailing contact information receiving any version, in whole or in part, of the draft report pertaining to the “Increased Safety Measures for Energy Development on the Outer Continental Shelf” and the dates on which draft reports were received; and
- e. A moratorium on drilling including but not limited to communications.

A complete written response was to be provided to the Committee no later than May 13, 2011. On May 11, 2011, OIG provided the Committee with two copies of Report of Investigation – Federal Moratorium on Deepwater Drilling Case with eleven attachments. Six other attachments were withheld as potentially privileged per instructions given to OIG by DOI Deputy Solicitor Arthur Gary. In the letter which accompanied this production, OIG indicated that Mr. Gary would be contacting the Committee to assert DOI's claim of privilege over these withheld documents. Mr. Gary has not contacted the Committee in any manner to assert a privilege nor to extend an invitation to communicate directly with his office to reach a mutually agreeable accommodation regarding the six withheld attachments. Following the May 11th production, OIG has not produced any additional documents, including the names of the individuals or entities receiving any version, in whole or in part, of the draft report pertaining to the "Increased Safety Measures for Energy Development on the Outer Continental Shelf" and the dates on which draft reports were received or an inclusive listing of the witnesses or individuals interviewed or sought to be interviewed as requested in items c and d of the April 25th letter. See Request c,d.

Because it has been several months since OIG's production of documents, we write to ask OIG to confirm that its May 11th response is its complete written response to the Committee's April 25th letter. If not, the Committee requests that OIG provide additional responsive documents no later than August 16, 2011. Your response should conform with the Instructions included in the Committee's April 25th letter to you.

If you have any questions about this matter or to make arrangements for production, please do not hesitate to contact Traci Rodriguez, Senior Counsel, Office of Oversight and Investigations. We look forward to your timely response.

Sincerely,

Doc Hastings
Chairman
Natural Resources Committee


Doug Lamborn
Subcommittee Chairman
Energy and Mineral Resources



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

REPORT OF INVESTIGATION

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date October 14, 2010
Report Subject Closing Report of Investigation	

SYNOPSIS

On June 16, 2010 the Department of the Interior (DOI) Office of Inspector General (OIG) received a request from Senator David Vitter and Congressman Steve Scalise requesting that OIG conduct an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a 6-month moratorium on deepwater drilling in the Gulf of Mexico, misrepresented that the moratorium was reviewed and supported by a group of scientists and industry experts (**Attachment 1**). Their letter also requested OIG to assess whether this alleged misrepresentation resulted in a violation of law as it relates to the Information Quality Act (IQA).

We also received an additional request on July 20, 2010 for an investigation into the same matter by seven republican member of the U.S. House of Representatives' Committee on Natural Resources, including Doc Hastings, Doug Lamborn, John J. Duncan, Jr., Bill Cassidy, Paul Broun, Jason Chaffetz, and John Fleming (**Attachment 2**).

The scientists and industry experts expressed concern that the Executive Summary to the 30-day report which contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling was worded in a manner that implied that the experts peer reviewed and supported this policy decision, when in fact they had neither reviewed nor supported such a policy decision and had never been asked to do so.

All DOI officials interviewed stated that it was never their intention to imply the moratorium was peer reviewed by the experts, but rather rushed editing of the Executive Summary by DOI and the White House resulted in this implication. After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, OIG determined that the White House edited the original DOI draft Executive Summary in a manner that led to the implication that the moratorium recommendation had been peer reviewed by the experts.

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature
Approving Official/Title Program Integrity Director Harry Humbert	Signature

Authentication Number: 00000000000000000000000000000000

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

OFFICIAL USE ONLY

OI-002 (04/10 rev. 2)

Finally, we could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes “information” under the IQA. If it did, however, DOI may have adequately addressed the issue by offering a formal apology, clarifying its position, and communicating directly with the experts.

BACKGROUND

On April 20, 2010 the Deepwater Horizon deepwater drilling rig exploded in the Gulf of Mexico and caused a massive oil leak in a deepwater well being drilled by BP. In response to the explosion, the U.S. Department of the Interior (DOI) declared a moratorium on deepwater drilling, which it extended for six months on May 27, 2010 in conjunction with a 30-Day Report issued by DOI, entitled Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report) (**Attachment 3**).

DETAILS OF INVESTIGATION

Steve Black is the Counselor to Secretary of the Interior Ken Salazar (**Attachment 4**). Black provided background information concerning the creation of the 30-Day Report. He said that in late April 2010 President Obama directed DOI Secretary Salazar to prepare a report that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved. Black said that Secretary Salazar placed him in charge of a team responsible for producing the Report.

Black said the Report was prepared with the help of scientists and engineers from DOI and the Department of Energy. He said that he also collaborated closely with the White House in preparing the report, specifically the staff of Carol Browner, Assistant to the President for Energy and Climate Change.

According to Black, the President asked the National Academy of Sciences (NAS) and the National Academy of Engineers (NAE), a subdivision of NAS, to conduct a separate, distinct study to determine the root causes of the accident. When meeting with NAS and NAE, Black said that he asked them to recommend several experts in offshore drilling to peer review the recommendations that would be made in the Report he was tasked to prepare. Peter Blair of NAE subsequently provided a list of seven names and Black contacted all seven experts and asked them for their voluntary assistance, which they agreed to provide. In addition to the seven NAE experts, Black said that DOI also sought peer reviewers from industry and academia to assist in the effort to produce the recommendations in the Report, including Ken Arnold, a professional engineer.

According to Black, Peter Blair of NAE facilitated the interactions of the peer reviewers, meetings with whom were held via teleconference. Black said that the peer reviewers did not draft any portions of the Report or the recommendations themselves, but rather they reviewed the recommendations and provided valuable oral and written feedback.

Black said that he held a final conference call with the peer reviewers on Tuesday, May 24, 2010 in which they discussed a draft of the Report, not the final Report. According to Black, the peer reviewers knew that it was only a draft Report and they knew that they were not being consulted concerning “policy decisions.” Black then explained that the decision to invoke the moratorium on current deepwater drilling projects was a policy decision made by Secretary Salazar and President Obama. Black further stated that there were some discussions about various parameters of a potential moratorium with the peer reviewers; the moratorium recommendation, however, as ultimately issued

by DOI, was never peer reviewed by the peer reviewers.

According to Black, Secretary Salazar sent a Decision Memorandum to President Obama outlining the findings in the Report and his recommendation for a 6-month moratorium on current deepwater offshore drilling prior to meeting with the President on the evening of Wednesday, May 25, 2010. Black said that he was not a part of that meeting, but that after the meeting Secretary Salazar told him that the President wanted to “sleep on [the idea of the moratorium]” overnight before making a final decision. Accordingly, Black said that Secretary Salazar instructed him and Black’s special assistant Neil Kemkar to draft two different Executive Summaries to the Report; one including the decision to invoke the moratorium and a second not including the moratorium. Black said that the next morning Secretary Salazar directed him to begin working closely with Joseph Aldy of Carol Browner’s staff at the White House to draft the Executive Summary to include the moratorium.

According to Black, there was “a little disconnect” about the definitions used in the Report and the final parameters of the moratorium that was ultimately issued (e.g. the Report defined deepwater drilling as 1,000 feet versus the moratorium defining it as 500 feet).

Black said that he initially drafted the Executive Summary, which included, at the behest of Salazar, the mention that the recommendations contained in the report were peer reviewed by experts outside of the government. Black said that Salazar felt it was very important to have the recommendations undergo the peer review process and he wanted this stressed in the Executive Summary.

After he drafted the Executive Summary, Black sent it to Aldy of Browner’s staff at the White House. According to Black, Browner was concerned that the Executive Summary did not summarize the recommendations and the associated timetables well enough; therefore Browner’s staff drafted some of the text to be included in the Executive Summary themselves. After several iterations between him and Browner’s staff, Black said that he received a final version of the Executive Summary from the White House “around 2 or 3am” the morning it was ultimately finalized. After receiving the final product from the White House, Black said that he reviewed the final draft; he did not have any issues with the text added by the White House.

Kenneth Arnold is a professional engineer who was asked to participate in a peer review of the Report’s recommendations (**Attachment 5**). Following issuance of the final Report and the concomitant Executive Summary, Arnold sent a letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that his name, along with other peer reviewers, was used by Secretary Salazar to justify the 6-month deepwater drilling moratorium (**Attachment 6**). The letter was co-signed by several other peer reviewers.

In the letter he faxed to Landrieu, Vitter and Jindal, Arnold stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the Executive Summary that Arnold and the other peer-reviewers were

concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also consulted with a wide range of experts from government, academia and industry.

Black stated that it was no one's intention to imply that the peer reviewers reviewed the 6-month moratorium on deepwater drilling policy decision (See Attachment 4). He explained that the "recommendations" the Executive Summary was referring to were the formal recommendations contained in the body of the Report, not the moratorium. When asked if an objective reader of the Executive Summary might conclude that the peer reviewers reviewed the moratorium recommendation, due to the organization of the text, Black stated again that it was not the intention of DOI or the White House to imply this was the case. He then offered the explanation that due to the rush to complete the Report and the Executive Summary, time did not allow for careful editing and review of the Executive Summary. He then said that the Report itself and the draft Executive Summary did undergo the surnaming process, but the final Executive Summary did not.

Following release of the Report and the Executive Summary, Black said he received a telephone call from Arnold. He said that Arnold told him the peer reviewers were concerned that the Executive Summary misrepresented that the peer reviewers had reviewed and supported the moratorium recommendation made by Secretary Salazar to the President. Arnold also told him at that time that the peer reviewers were in the process of drafting a letter to various members of Congress explaining their concerns (See Attachment 6). Black said that until Arnold told him about these concerns, Black had never considered the possibility that an objective reader of the Executive Summary may believe that the peer reviewers had reviewed the 6-moratorium policy decision.

Black said that he informed the Secretary about the peer reviewers concerns immediately after speaking with Arnold, even though the Secretary was very busy at that time with travel due to the oil spill crisis in the Gulf of Mexico. During this time frame, according to Black, the letter drafted by the peer reviewers had been sent to Congressional members and was subsequently released to the media.

Black stated that Secretary Salazar directed him to draft and issue a formal letter to the concerned peer reviewers apologizing for the misunderstanding and stating that the peer reviewers did not in fact peer review and support the moratorium ultimately decided upon by DOI and the White House (**Attachment 7**). Specifically, the letter issued by DOI to the concerned peer reviewers on June 3, 2010 stated:

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety

equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Black said that sometime in mid-June, Secretary Salazar held a teleconference call with the concerned peer reviewers and apologized for any misunderstanding resulting from the text of the Executive Summary. Secretary Salazar then had a personal meeting with the concerned peer reviewers in Washington DC the following week and apologized once again to them for the misunderstanding. Black said that he was not present at this personal meeting between Secretary Salazar and the peer reviewers, although his Special Assistant, Neal Kemkar was present during both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers.

According to Kemkar, after Secretary Salazar was tasked by the President to prepare the Report, Kemkar assisted Black in preparing the Report by helping collect and compile the background information related to deepwater offshore drilling (**Attachment 8**). Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical.

Kemkar stated that he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar echoed Black by stating that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium.

Kemkar said that he was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for edits, specifically to Aldy of Browner's staff. Kemkar confirmed Black's statement that the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010.

Kemkar noted that he did review the final Executive Summary after it was returned by the White House, but it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium rather than only reviewing the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns after he returned from a short vacation, when he read the letter Arnold had sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter because he believed that DOI had formed an excellent relationship with the peer reviewers during the Report writing process.

Kemkar said that he never participated in any discussion with other DOI staff or White House staff about trying to draft the Executive Summary in a manner that would imply that the peer reviewers had reviewed the 6-month moratorium.

Arnold acknowledged that after he sent the letter to the Governor and Senators, DOI issued formal letters to each of the peer reviewers of the report apologizing for any misunderstanding or confusion (See Attachment 5). He also confirmed that Secretary Salazar conducted a teleconference with those

who reviewed the report in order to apologize for any misunderstanding surrounding the representations made in the Executive Summary for the report. According to Arnold, Secretary Salazar stated that the Executive Summary was not meant to imply that the decision to invoke a 6-month moratorium on deepwater drilling was peer reviewed by Arnold and others, but rather the moratorium was an independent decision of Secretary Salazar and the White House.

Based upon the teleconference that Secretary Salazar conducted regarding the matter, along with the letters DOI issued to the peer reviewers, Arnold said that he has accepted Secretary Salazar's explanation that the language in the Executive Summary was a mistake rather than an intentional attempt to use the peer-reviewers' names to justify a political decision. As a result, Arnold said that he presently considers the matter a "non-issue" and he is now focusing on trying to assist DOI in instituting a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Ford Brett is the Managing Director for Petroskills, a petroleum training alliance, and was also a peer reviewer utilized by DOI in completing the Report (**Attachment 9**). Brett co-signed the letter that Arnold sent to Louisiana Governor Jindal and Senators Landrieu and Vitter, expressing concern that their names were being used by Secretary Salazar justify a deepwater drilling moratorium.

Brett, similar to Arnold, confirmed that he received the formal letter from DOI apologizing for the misunderstanding and that Secretary Salazar held both a conference call and personal meeting to do the same. Based upon these actions by Secretary Salazar, Brett said that he also believed that the misrepresentation was an editing "mistake" and not intentional. Brett said, however, that he was still concerned about the "process" the government was following in pursuing the moratorium. He explained that he believes DOI should not make such a blanket decision without first seeking expert peer review, but rather DOI should seek such peer review and then make a moratorium decision based on that review.

Robert Bea, another peer reviewer, is the Associate Director for the Center for Catastrophic Risk Management at the University of California (**Attachment 10**). Bea stated that he first heard of the moratorium recommended by DOI in the Executive Summary of the May 27, 2010 report when Senator Landrieu asked him about it on May 29, 2010. He said the proposed moratorium had not been discussed with the peer reviewers prior to issuance of the Report.

Similar to both Arnold and Brett, Bea confirmed that DOI issued a formal letter of apology and Secretary Salazar held a conference call and personal meeting with the concerned peer reviewers to tell them it was never the intention of DOI and the White House to imply that the peer reviewers reviewed and approved the moratorium. Following these actions by Secretary Salazar, Bea also said that he believes that the misrepresentation was a "mistake" and not intentional because he always tries to believe people mean well and tell the truth, unless proven otherwise. He explained that he simply does not know whether it was a mistake or intentional, but he was not interested in speculating one way or the other because he was now focused on trying to persuade DOI to institute a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Bea also expressed concern that DOI is proposing the moratorium without any input from expert peer reviewers. He questioned why DOI would not peer review such an important, far-reaching decision in light of the fact that DOI had all of the safety recommendations listed in the report undergo peer review.

S. Elizabeth Birnbaum is the former Director of the Minerals Management Service (MMS) (**Attachment 11**). Birnbaum said that she did not personally work on preparing the Executive Summary containing the moratorium recommendation. According to Birnbaum, Black was the principle person responsible for preparing the 30-Day Report on deepwater drilling safety and that her participation was limited to surnaming the Report.

Birnbaum said that there were general discussions about extending a moratorium on deepwater drilling and its associated parameters, although she had no knowledge that Secretary Salazar planned on recommending the moratorium in the Executive Summary of the 30-Day Report to the President. She stated that she learned of the recommendation only when MMS Deputy Director Mary Katherine Ishee told her about it as she delivered the Report and Executive Summary to Birnbaum for surnaming. According to Birnbaum, she asked Ishee why the moratorium recommendation had been inserted in the Executive Summary; Ishee told her that Black had inserted the moratorium recommendation based upon an agreement with the White House to do so.

Birnbaum said that she has no knowledge whether the implication that the moratorium had been peer reviewed was intentional or not. Birnbaum opined that the implication was probably a product of editing and a review of the email trail related to the creation of the Executive Summary would be the best way to identify who may have edited the document that resulted in the implication.

Birnbaum also stated that she does not believe that Secretary Salazar's request for her resignation was in any way related to the issuance of the 6-month moratorium on deepwater drilling, regardless of the fact that both events occurred on May 27, 2010.

When the OIG requested the email exchanges between DOI and the White House in an effort to complete the Executive Summary and the 30-Day Report, Black stressed that he believes that the communications between DOI and the White House should be "privileged" because they were the product of a conversation between the President and a member of his Cabinet (See Attachment 4).

The language in the Executive Summary to which the experts objected was this:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry.

A review of the emails that Black sent to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (**Attachments 12, 13 & 14**) reflects that **in DOI's draft of the Executive Summary** the moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30-Day Report, which had been peer reviewed.

At 2:13 AM on May 27, 2010, Aldy sent an email back to Black that contained two edited versions of the Executive Summary (**Attachments 15, 16, & 17**). Both versions sent by Aldy contained significant edits to DOI's draft Executive Summary, but were very similar to each other -- the only difference being the length of time recommended for the moratorium. Both versions, however, revised and re-ordered the Executive Summary, placing the peer review language immediately following the moratorium recommendation causing the distinction between the Secretary's moratorium recommendation which had not been peer reviewed and the recommendations contained in the 30-

Day Report which had been peer reviewed to become effectively lost. Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010 with the peer review language immediately following the moratorium recommendation.

The Information Quality Act

The Information Quality Act (IQA) directs the Office of Management and Budget (OMB) to issue government-wide guidelines that “provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies.” “Information” under the IQA guidelines means “any communication or representation of knowledge such as facts or data.”

OMB IQA guidelines also require agencies to create a process for “affected persons” to obtain the correction of “disseminated information” that does not comply with IQA guidelines.

The website for the **DOI’s** IQA program indicates that **DOI** has received no formal challenges to the 30-Day Report under the IQA.

We could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes “information” under the IQA. Upon hearing the experts’ concerns, however, **DOI** communicated by letter, telephone and a personal meeting to apologize and clarify that it did not intend to imply that the moratorium recommendation had been peer reviewed. Since no IQA challenge has been received by **DOI**, the Department has no formal obligation under the IQA. Had **DOI** received a formal challenge, however, **DOI** may have adequately remedied the challenge by offering a formal apology, clarifying its position, and communicating directly with the experts.

SUBJECT(S)

DISPOSITION

ATTACHMENTS

1. Senator Vitter and Congressman Scalise letter to OIG, dated June 16, 2010.
2. U.S. House of Representatives’ Committee on Natural Resources letter to OIG, dated July 20, 2010.
3. Report Increased Safety Measures for Energy Development on the Outer Continental Shelf, issued by the United States Department of the Interior, dated May 27, 2010.
4. Investigative Activity Report, Interview of Black, conducted on July 14, 2010.
5. Investigative Activity Report, Interview of Arnold, conducted on July 2, 2010.
6. Letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, undated.
7. Letter issued by DOI to several peer reviewers, dated June 3, 2010.
8. Investigative Activity Report, Interview of Kemkar, conducted on July 15, 2010.
9. Investigative Activity Report, Interview of Brett, conducted on July 6, 2010.
10. Investigative Activity Report, Interview of Bea, conducted on July 6, 2010.
11. Investigative Activity Report, Interview of Birnbaum, conducted on September 15, 2010.
12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.

15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.

Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct**
(Ethics Conflict of Interest) Financial Crimes
***** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- Discussed case with PI Director Humbert and coordinated with SAC Brown in re upcoming interview of scientist in California.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct**
(Ethics Conflict of Interest) Financial Crimes
***** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- Conducted interviews of Black and Kemkar.
 - All interview IARs have been completed, entered into CMS and discussed with PI Director Humbert.
 - Acting IG and Chief of Staff were briefed by SA Larrabee and PI Director Humbert regarding the content of the interviews.
 - Acting IG and Chief of Staff have directed that a zantaz review of emails not be conducted and that the case to be closed and a Summary of the case be drafted.
 - OGC attorney Laden has drafted an opinion/analysis of whether the facts and circumstances identified in the draft ROI were a violation of the Information Quality Act, as asked by the Congressional request.
 - SA Larrabee has drafted a preliminary ROI and Summary and forwarded onto DAIGI Culver and PI Director Humbert for review.

Final Investigative Steps:

- SA Larrabee is waiting to review the Administrative Record compiled by SOL in relation to the moratorium litigation in Louisiana in order to try to obtain various drafts of the Executive Summary. Counselor Black said that he possessed the emails that contained the draft Executive Summary he sent to the White House on the night of May 26, 2010 and the edited draft Executive Summary returned from the White House on the morning of May 27, 2010; however, since we were directed to not obtain any emails regarding the case, Counselor Black directed us to the Administrative Record for various drafts.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct**
(Ethics Conflict of Interest) Financial Crimes
***** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- SA Larrabee is still waiting to review the Administrative Record compiled by SOL in relation to the moratorium litigation in Louisiana in order to try to obtain various drafts of the Executive Summary. Counselor Black said that he possessed the emails that contained the draft Executive Summary he sent to the White House on the night of May 26, 2010 and the edited draft Executive Summary returned from the White House on the morning of May 27, 2010; however, since we were directed to not obtain any emails regarding the case, Counselor Black directed us to the Administrative Record for various drafts.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct**
(Ethics Conflict of Interest) Financial Crimes
***** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- Conducted interviews of three peer-reviewers of the report: Arnold, Brett and Bea.
 - All three said that Secretary Salazar and DOI apologized to them and the other peer-reviewers for the “misunderstanding” and misrepresentation contained in the executive summary of the report suggesting that the 6-month moratorium was peer-reviewed and supported by the peer-reviewers.
 - All three identified a formal letter issued to each peer-reviewer by DOI, signed by David Hayes, which articulates that the 6-month moratorium was a unilateral decision made by DOI and was not peer-reviewed.
 - All three expressed concern that DOI was proposing the moratorium *without* their peer-review. They recognize the moratorium is a discretionary decision of the department/administration, yet they believe such decisions are best made after being informed by peer-review.
 - All interview IARs have been completed, entered into CMS and discussed with PI Director Humbert.

Suggested Investigative Steps:

- Conduct zantaz review of all department personnel emails involved in drafting and reviewing the executive summary attached to the report that made the misrepresentation (for the one-week period prior to release of the executive summary) in order to help determine whether such misrepresentation was intentional or a mistake, as claimed by the department.
- Conduct interviews of such departmental personnel after zantaz review in order to request all available drafts of the executive summary prior to its finalization and obtain their statements as to whether the misrepresentation was a mistake or intentional.
- Following review of emails, drafts of the executive summary, and statements of interviewees, identify the circumstances surrounding the execution of the executive summary and present to OGC for legal review regarding potential violations, if any, of the Information Quality Act.
- Prepare ROI and provide to Congressional requestors Vitter and Scalise.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct
(Ethics Conflict of Interest) Financial Crimes *** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- None - draft ROI prepared by SA Larrabee is still with HQ.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct
(Ethics Conflict of Interest) Financial Crimes *** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- Zantaz was run for Steve Black's emails on May 26 and May 27, 2010.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct
(Ethics Conflict of Interest) Financial Crimes *** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- PI Director Humbert is meeting with Steve Black to request his emails and drafts of the Executive Summary on September 1, 2010.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct
(Ethics Conflict of Interest) Financial Crimes *** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- According to PI Director Humbert, Black's emails are being reviewed by SOL Art Gary regarding privilege issues (Executive or Attorney-Client??) before they will be provided to OIG, if at all.
- SA Larrabee and PI Director Humbert interviewed former MMS Director Birnbaum on September 15, 2010.

PI-10-0562-I* Federal Moratorium on Deepwater oil Drilling***Employee Misconduct
(Ethics Conflict of Interest) Financial Crimes *** SA Larrabee***DOI**

The OIG received a request from Sen. Vitter and Rep. Scalise to look into allegations that inappropriate activity may have occurred relating to the 30-day review the DOI used in justifying the current moratorium in the Gulf of Mexico. Press releases allege that a team of engineers reviewed, approved, and signed off on a version of the 30-day review that was presented to them by the administration. However after they signed their names to the document a significant change was made, a change that led to the 6-month suspension of deepwater exploratory drilling. In justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, however the team of scientists assembled by the National Academy of Engineering strongly refutes this claim.

Biweekly Activities:

- SA Larrabee received the emails provided by Black in response to OIG's request. The review showed that the White House edited the DOI draft Executive Summary in a manner that led to the allegation of misrepresentation by the NAS experts.
- SA Larrabee has completed an IAR discussing the comparison of the DOI and White House drafts of the Executive Summary.
- Per request of PI Director Humbert, SA Larrabee has completed a draft ROI for the case.
- SA Larrabee recommends that OIG request an interview with White House staffer Joseph Aldy to inquire about the motives behind the White House emendations, understanding that Executive Privilege may be exercised by the White House with respect to such a request.



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

Whose word is "misrepresentation"?

REPORT OF INVESTIGATION

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date September 27, 2010
Report Subject Closing Report of Investigation	

SYNOPSIS

On June 16, 2010 the Department of the Interior (DOI) Office of Inspector General (OIG) received a request from Senator David Vitter and Congressman Steve Scalise requesting that OIG conduct an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a 6-month moratorium on deepwater drilling in the Gulf of Mexico, misrepresented that the moratorium was reviewed and supported by a group of scientists and industry experts (**Attachment 1**). Their letter also requested OIG to assess whether this misrepresentation resulted in a violation of law as it relates to the Information Quality Act (IQA).

We received another request from X, Tax

The experts expressed concern ^{with} the Executive Summary to the 30-day report – ^{which} that contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling – was worded in a manner that implied that the experts peer reviewed and supported this policy decision, whereas they had ^{not} reviewed nor supported such a policy decision.

All DOI officials interviewed stated that it was never their intention to imply the moratorium was peer reviewed by the experts, but rather rushed editing of the Executive Summary by DOI and the White House ^{implication} must have resulted in this impression. After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, OIG determined that the White House edited the original DOI draft Executive Summary in a manner that led to the ^{implication} allegation of misrepresentation of the peer review/experts.

implication word Arnold's

had never been asked to do so. ?

Finally, OIG's ^{recommendation} Office of General Counsel reviewed the facts and circumstances identified in the investigation and determined that the IQA and related policies do not directly apply to the Department's recommendation for a moratorium. ^{we could not definitively determine whether or not the recommendation for a moratorium combined w/ the peer review language constitutes "information" under the IQA. If it did, however, the Department may have}

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature <i>adequately addressed the issue by offering a formal</i>
Approving Official/Title Program Integrity Director Harry Humbert	Signature <i>apology, clarifying his position, and communicating directly with the experts.</i>
Authentication Number: 00000000000000000000000000000000	

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

BACKGROUND

On April 20, 2010 the Deepwater Horizon deepwater drilling rig exploded in the Gulf of Mexico and caused a massive oil leak in a deepwater well being drilled by BP. In response to the explosion, the federal government declared a moratorium on deepwater drilling, which it extended for six months on May 27, 2010 in conjunction with a 30-Day Report issued by the US Department of the Interior (DOI),² entitled Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report) (Attachment 2). The Report was completed by DOI at the behest of President Barack Obama.²

DETAILS OF INVESTIGATION

Steve Black is the Counselor to Secretary of the Interior Ken Salazar (Attachment 3). Black provided background information concerning the creation of the ^{30 Day} Report. He said that in late April 2010 President Obama directed DOI Secretary Salazar to prepare a report that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved. Black said that Secretary Salazar placed him in charge of a team responsible for producing the Report.

Black said the Report was prepared with the help of scientists and engineers from DOI and the Department of Energy. He said that he also collaborated closely with the White House in preparing the report, specifically the staff of Carol Browner, Assistant to the President for Energy and Climate Change.

According to Black, the President asked the National Academy of Sciences (NAS) and the National Academy of Engineers (NAE), a subdivision of NAS, to conduct a separate, distinct study to determine the root causes of the accident. When meeting with NAS and NAE, Black said that he asked them to recommend several experts in offshore drilling to peer review the recommendations that would be made in the Report he was tasked to prepare. Peter Blair of NAE subsequently provided a list of seven names, and ^{Black} DOI contacted all seven experts and asked them for their voluntary assistance, which they ^{agreed to provide} all-accepted. In addition to the seven NAE experts, Black said that DOI also sought peer reviewers from industry and academia to also assist in the effort to produce the recommendations in the Report, including Ken Arnold, _____ (who is...?)

According to Black, Peter Blair of NAE facilitated the interactions of the peer reviewers, and the ^{with work} meetings were held via teleconference, with the peer reviewers. Black said that the peer reviewers did not draft any portions of the Report or the recommendations themselves, but rather they reviewed the recommendations and provided valuable oral and written feedback.

Black said that he held a final conference call with the peer reviewers on Tuesday, May 24, 2010 ^{in which} wherein they discussed a draft of the Report, not the final Report. According to Black, the peer reviewers knew that it was only a draft Report and they knew that they were not being consulted concerning "policy decisions." Black then explained that the decision to invoke the moratorium on current deepwater drilling projects was a policy decision made by Secretary Salazar and President Obama. Black further stated that there were some discussions ^{about} of various parameters of a potential moratorium with the peer reviewers; however, the moratorium, ^{recommendation, how to} as ultimately issued by DOI, was never peer reviewed by the peer reviewers.

According to Black, Secretary Salazar sent a Decision Memorandum to President Obama outlining the findings in the Report and his recommendation for a 6-month moratorium on current deepwater offshore drilling prior to meeting with the President on the evening of Wednesday, May 25, 2010. Black said that he was not a part of that meeting, and ^{but that} after the meeting Secretary Salazar said that the ^{told him}

President wanted to “sleep on [the idea of the moratorium]” overnight before making a final decision. Accordingly, Black said that Secretary Salazar instructed him and Black’s special assistant Neil Kemkar to draft two different Executive Summaries to the Report; one including the decision to invoke the moratorium and a second not including the moratorium. Black said that the next morning Secretary Salazar directed him to begin working closely with Joseph Aldy of Carol Browner’s staff at the White House to draft the Executive Summary to include the moratorium.

According to Black, there was “a little disconnect” about the definitions used in the Report and the final parameters of the moratorium that was ultimately issued (e.g. the Report defined deepwater drilling as 1,000 feet versus the moratorium defining it as 500 feet). ^{Black} he then pointed out that neither he nor Aldy were present during the meeting between Salazar and the President. *This phrase does not fit here.*

Black said that he initially drafted the Executive Summary, which included, at the behest of Salazar, the mention that the recommendations contained in the report were peer reviewed by experts outside of the government. Black said that Salazar felt it was very important to have the recommendations undergo the peer review process and he wanted this stressed in the Executive Summary.

After he drafted the Executive Summary, Black sent it to Aldy ^{or?} and Browner’s staff at the White House. According to Black, Browner was concerned that the Executive Summary did not summarize the recommendations and the associated timetables well enough; therefore, Browner’s staff drafted some of the text to be included in the Executive Summary themselves. After several iterations between him and Browner’s staff, Black said that he received a final version of the Executive Summary from the White House “around 2 or 3am” the morning it was ultimately finalized. After receiving the final product from the White House, Black said that he reviewed the final draft; and he did not have any issues with the text added by the White House.

Kenneth Arnold is a professional engineer who was asked to participate in a peer review of the Report’s recommendations (**Attachment 4**). Following issuance of the ^{final} Report and the concomitant Executive Summary, Arnold sent a letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that his name, along with other peer reviewers, was used by Secretary Salazar to justify the 6-month deepwater drilling moratorium (**Attachment 5**). The letter was co-signed by several other peer reviewers.

In the letter he faxed to Landrieu, Vitter and Jindal, Arnold stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the Executive Summary, ^{that} Arnold and the other peer-reviewers were concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations

should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also consulted with a wide range of experts from government, academia and industry.

~~Regarding the peer reviewers' complaint that the Executive Summary misrepresented that they peer reviewed – and support and approved of – the 6-month moratorium on deepwater drilling,~~ Black stated that it was no one's intention to imply that the peer reviewers reviewed ~~that particular~~ policy decision (See Attachment 2). He explained that the "recommendations" the Executive Summary ^{was} referring to when it claimed peer review were the formal recommendations contained in the body of the Report, not the moratorium. When asked about how an objective reader of the Executive Summary ~~may readily~~ ^{might} conclude that the peer reviewers reviewed the moratorium recommendation, due to the organization of the text, Black stated again that it was not the intention of DOI or the White House to imply this was the case. He then offered the explanation that due to the rush to complete the Report and the Executive Summary, time did not allow for careful editing and review of the Executive Summary. He then said that the Report itself and the draft Executive Summary did undergo the surnaming process, ~~yet the final Executive Summary did not do so.~~ ^{but}

Following release of the Report and the Executive Summary, Black said he received a telephone call from Arnold. He said that Arnold told him the peer reviewers were concerned that the Executive Summary misrepresented that the peer reviewers had reviewed and supported the moratorium recommendation made by Secretary Salazar to the President. Arnold also told him at that time that the peer reviewers were in the process of drafting a letter to various members of Congress explaining their concerns (See Attachment 5). Black said that until Arnold told him about these concerns, Black had never considered the possibility that an objective reader of the Executive Summary may believe that the peer reviewers had reviewed the 6-moratorium policy decision.

Black said that he informed the Secretary about the peer reviewers concerns immediately after speaking with Arnold, ^{even though} yet the Secretary was very busy at that time with travel due to the oil spill crisis in the Gulf of Mexico. During this time frame, according to Black, the letter drafted by the peer reviewers had been sent to Congressional members and ^{was} subsequently ~~leaked~~ ^{released} to the media.

Black stated that Secretary Salazar directed him to draft and issue a formal letter to the concerned peer reviewers apologizing for the misunderstanding and stating that the peer reviewers did not in fact peer review and support the moratorium ultimately decided upon by DOI and the White House (**Attachment 6**). Specifically, the letter issued by DOI to the concerned peer reviewers on June 3, 2010 stated:

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to

the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Black said that sometime in mid-June, Secretary Salazar held a teleconference call with the concerned peer reviewers and apologized for any misunderstanding resulting from the text of the Executive Summary. Secretary Salazar then had a personal meeting with the concerned peer reviewers in Washington DC the following week and apologized once again to them for the misunderstanding. Black said that he was not present at this personal meeting between Secretary Salazar and the peer reviewers, ^{although} whereas his Special Assistant, Neal Kemkar was present during both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers.

According to Kemkar, after Secretary Salazar was tasked by the President to prepare the Report, he ^{Kemkar} assisted his supervisor, Black, in preparing the Report by helping collect and compile the background information related to deepwater offshore drilling (**Attachment 7**). Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical.

Kemkar stated that he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar echoed Black by stating that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium.

Kemkar said that he was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for their edits, specifically to Aldy of Browner's staff. Kemkar confirmed Black's statement that the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010.

Kemkar noted that he did review the final Executive Summary after it was returned by the White House, ^{but} and it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium rather than only reviewing the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns about this alleged misrepresentation after he returned from a short vacation, when he read the letter Arnold had been sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter ^{because} inasmuch as he had believed that DOI had formed an excellent relationship with the peer reviewers during the Report writing process.

Kemkar said that he was not a part of any discussion with other DOI staff or White House staff that involved trying to imply in the Executive Summary that the peer reviewers had reviewed the 6-month moratorium. ^{This is awkward. Do we have his exact words?}

Arnold acknowledged that after he sent the letter to the Governor and Senators, DOI issued formal letters to each of the peer reviewers of the report apologizing for ^{that} the misunderstanding ^{of confusion} (See Attachment 4). He also confirmed that Secretary Salazar conducted a teleconference with those who reviewed the report in order to apologize for any misunderstanding surrounding the representations made in the Executive Summary for the report. According to Arnold, Secretary Salazar stated that the

Executive Summary was not meant to imply that the decision to invoke a 6-month moratorium on deepwater drilling was peer reviewed by Arnold and others, but rather the moratorium was an independent decision of Secretary Salazar and the White House.

Based upon the teleconference ^{that} Secretary Salazar conducted regarding the matter, along with the letters DOI issued to the peer reviewers, Arnold said that he has accepted Secretary Salazar's explanation that the ~~misrepresentations~~ ^{language} in the Executive Summary ^{was} were a mistake rather than an intentional attempt to use the peer-reviewers' names to justify a political decision. As a result, Arnold said that he presently considers the matter a "non-issue" and he is now focusing on trying to assist DOI in instituting a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Ford Brett is the Managing Director for Petroskills, a petroleum training alliance, and was also a peer reviewer utilized by DOI in completing the Report (**Attachment 8**). Brett co-signed the letter that Arnold sent to Louisiana Governor Jindal and Senators Landrieu and Vitter, expressing concern that their names were being inappropriately used by Secretary Salazar justify a deepwater drilling moratorium.

Brett, similar to Arnold, confirmed that he received the formal letter from DOI apologizing for the misunderstanding and that Secretary Salazar held both a conference call and personal meeting to do the same. Based upon these actions by Secretary Salazar, Brett said that he has ~~was~~ also prepared to believe that the misrepresentation was an editing "mistake" and not intentional. Brett, ~~however,~~ ^{he} said that he was still concerned about the "process" the government was following in pursuing the moratorium. He explained that he believes DOI should not make such a blanket decision without first seeking expert peer review, but rather DOI should seek such peer review and then make a moratorium decision based on that review. Did he say "prepared to"?

^{another peer reviewer,} Robert Bea, is the Associate Director for the Center for Catastrophic Risk Management at the University of California, and ~~he was also a peer reviewer recommended by NAS to assist DOI in preparing the Report (Attachment 9).~~ Bea stated that he first heard of the moratorium recommended by DOI in the Executive Summary of the May 27, 2010 report when Senator Landrieu asked him about it on May 29, 2010. He said the proposed moratorium had not been discussed with the peer reviewers prior to issuance of the Report.

Similar to both Arnold and Brett, Bea confirmed that DOI issued a formal letter of apology and Secretary Salazar held a conference call and personal meeting with the concerned peer reviewers to tell them it was never the intention of DOI and the White House to imply that the peer reviewers reviewed and approved the moratorium. Following these actions by Secretary Salazar, Bea also said that he ~~has~~ ^{was prepared to} believe that the misrepresentation was a "mistake" and not intentional because he always tries to believe people mean well and tell the truth, unless proven otherwise. He explained that he simply does not know whether it was a mistake or intentional, but he was not interested in speculating one way or the other because he was now focused on trying to persuade DOI to institute a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

^{also} Bea then expressed concern that DOI is ~~not approaching the moratorium issue the correct way~~ ^{inasmuch as DOI is} proposing the moratorium without any input from expert peer reviewers. He ^{questioned} ~~mused~~ why DOI would not peer review such an important, far-reaching decision in light of the fact that DOI had all of the ~~other~~ ^{other} safety recommendations listed in the report undergo peer review.

S. Elizabeth Birnbaum is the former Director of the Minerals Management Service (MMS)

(Attachment 10). After Birnbaum read the Congressional Request submitted to OIG asking for an investigation into whether there was intentional misrepresentation on the part of DOI related to their recommendation of a 6-month deepwater drilling moratorium, Birnbaum said that she personally did not work on preparing the Executive Summary containing the moratorium recommendation. According to Birnbaum, Black was the principle person responsible for heading up the department's effort to issue the 30-Day Report on deepwater drilling safety and Birnbaum's participation was limited to surnaming the report, and its recommendations.

Birnbaum said that there were general discussions about extending a moratorium on deepwater drilling and its associated parameters, however, she had no knowledge that Secretary Salazar planned on recommending to the President of the United States in the Executive Summary of the 30-Day Report for a 6-month extension of the deepwater drilling moratorium. She stated that she learned of the recommendation only when MMS Deputy Director Mary Katherine Ishee told her about it as she was delivering the Report and Executive Summary to Birnbaum for surnaming. According to Birnbaum, she asked Ishee why the moratorium recommendation had been inserted in the Executive Summary, and Ishee told her that Black had inserted the moratorium recommendation based upon an agreement with the White House to do so.

Regarding whether the Executive Summary was intentionally drafted in a manner to misrepresent that the peer-review team of engineers and scientists that reviewed the safety recommendations in the 30-Day Report had also reviewed and supported the recommendation for a 6-month moratorium, Birnbaum said that she has no knowledge that the misrepresentation was intentional. Birnbaum opined that the misrepresentation was probably a product of editing and a review of the email trail related to the creation of the Executive Summary would be the best way to identify who may have edited the document that resulted in the misrepresentation.

Birnbaum also stated that she does not believe that Secretary Salazar's request for her resignation was in any way related to the issuance of the 6-month moratorium on deepwater drilling, regardless of the fact that both events occurred on the same day, May 27, 2010.

Regarding the email exchanges between DOI and the White House in an effort to complete the Executive Summary and the 30-Day Report, Black stressed that he believes that the communications between DOI and the White House should be "privileged" because it was the product of a conversation between the President and a member of his Cabinet (See Attachment 2). Upon request, however, Black provided to OIG the emails and associated drafts of the Executive Summary that he exchanged with the White House during May 26, 2010 and the early hours of May 27, 2010. OIG did not independently validate that the emails provided by Black in response to OIG's request were complete and unedited.

The emails were provided to OIG in response to a formal OIG request following Black's interview (Attachment 11): The request was made by OIG Program Integrity Director Harry Humbert to Black and stated the following:

During your interview, you informed us that you initially drafted the Executive Summary to the 30-Day Review on Offshore Drilling on May 26, 2010 (which was ultimately released on May 27, 2010) and thereafter exchanged drafts of the Executive Summary with the White House, which they edited, through the early morning hours of May 27, 2010.

[wa] Accordingly, I respectfully request that you provide all of the emails you sent externally which contained the draft Executive Summaries as well as the last and final revision. *reflect that*

A review of the emails identified that Black (DOI) sent a draft Executive Summary to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (**Attachments 12 & 13**). Almost three hours later, at 2:13 AM on May 27, 2010, Aldy (White House) sent an email back to DOI that contained two edited versions of the Executive Summary (**Attachments 14, 15 & 16**).

Both versions sent by the White House contained significant edits to DOI's draft Executive Summary ^{but} and were very similar. The only difference between the two versions sent by the White House was the length of time being recommended for the moratorium on the current deepwater drilling of 33 exploratory wells in the Gulf of Mexico. One version recommended a moratorium on current deepwater drilling operations "until additional safety testing can be conducted on the well barriers and on the blowout preventers, as detailed in this report," and the second version recommended that drilling operations cease outright for "6-months" (See Attachments 15 & 16).

Both versions of the Executive Summary ^{sent} edited by the White House, however, were identical in how they altered DOI's draft Executive Summary in a manner that led to the allegation of misrepresentation made by NAS peer review experts. A comparison of the draft Executive Summary DOI sent to the White House with the edited version returned to DOI by the White House shows that large portions of the original text provided in DOI's draft were altered, removed and shifted throughout the document. *changed*

Specifically, DOI's draft Executive Summary includes a 'Recommendations' section immediately following an introductory 'Overview' section. The first paragraph of the 'Recommendation' section contains discussion about the immediate measures the Secretary recommends to improve safety of offshore drilling operations, based on the findings of the 30-Day Report. This first paragraph then states that the Secretary recommends a "6-month moratorium on permits for new exploratory wells with a depth of 1,000 feet or greater to allow time for implementation of the measures outlined in this report." The first paragraph concludes by stating "Finally, the Secretary recommends an immediate halt to drilling operations on the 33 existing permitted exploratory wells currently being drilled to water depth of 1,000 feet or greater in the Gulf of Mexico for a sufficient length of time to perform additional safety testing on the well barriers and on the blowout preventers, as detailed in this report."

Following the first paragraph of the 'Recommendation' section, DOI's draft Executive Summary then contains a chart of specific "key" recommendations contained in the body of the 30-Day Report itself. Immediately following the chart of specific recommendations listed in the 30-Day Report, DOI's draft Executive Summary then concludes with the following paragraph:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry.

The edited version sent back to DOI, following White House emendations, removed from the 'Recommendation' section's first paragraph the Secretary's 6-month moratorium recommendation concerning permits for new exploratory deepwater wells, and his moratorium recommendation concerning deepwater wells currently being drilled.

These moratorium recommendations of the Secretary, that were policy decisions distinct from the

specific recommendations of the 30-Day Report, were then reinserted into the Executive Summary following a summary of the 30-Day Report's key recommendations, *immediately before* the paragraph stating that "[T]he recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering."

In sum, the DOI draft Executive Summary had first listed the Secretary's policy moratorium recommendations in its initial paragraph of its 'Recommendation' section. The DOI draft then contained a separate discussion identifying specific key recommendations contained in the 30-Day Report in a chart format, and immediately following the chart stated that the recommendations contained in the report had been peer reviewed by experts from NAS.

In contrast, the White House edited the Executive Summary by removing the policy moratorium recommendations from the initial paragraph of the 'Recommendation' section and reinserted those policy recommendations into the Executive Summary immediately before the paragraph that stated that the "recommendations" had been peer reviewed by the NAS experts. Accordingly, the White House's edits to DOI's draft Executive Summary resulted in the distinction between the Secretary's policy moratorium recommendations and the 30-Day Report's specific recommendations – which had indeed been peer reviewed by NAS experts – to become effectively lost.

OIG's Office of General Counsel reviewed and analyzed the facts and circumstances identified in this investigation and determined that the Information Quality Act and related policies do not directly apply to the Department's recommendation for a moratorium (**Attachment 17**).

SUBJECT(S)

DISPOSITION

ATTACHMENTS

1. Senator Vitter and Congressman Scalise letter to OIG, dated June 16, 2010.
2. Increased Safety Measures for Energy Development on the Outer Continental Shelf report, issued by the United States Department of the Interior, dated May 27, 2010.
3. Investigative Activity Report, Interview of Black, conducted on July 14, 2010.
4. Investigative Activity Report, Interview of Arnold, conducted on July 2, 2010.
5. Letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, undated.
6. Letter issued by DOI to several peer reviewers, dated June 3, 2010.
7. Investigative Activity Report, Interview of Kemkar, conducted on July 15, 2010.
8. Investigative Activity Report, Interview of Brett, conducted on July 6, 2010.
9. Investigative Activity Report, Interview of Bea, conducted on July 6, 2010.
10. Investigative Activity Report, Interview of Birnbaum, conducted on September 15, 2010.
11. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
12. Black email to Aldy, dated 11:38 PM on May 26, 2010.
13. DOI draft Executive Summary attached to Attachment 12.
14. Aldy email to Black, dated 2:13 AM on May 27, 2010.
15. White House edited Executive Summary, version 1, attached to Attachment 14.
16. White House edited Executive Summary, version 2, attached to Attachment 14.
17. OIG Office of General Counsel legal opinion in re IQA, dated July 26, 2010.

Recommended insert to replace narrative on pp. 8 – 9:

The language in the Executive Summary to which the experts objected was this:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry. (Peer Review Language.)

A review of the emails that Black sent to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (Attachments 12 & 13) reflects that the moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30-Day Report, which had been peer reviewed.

At 2:13 AM on May 27, 2010, Aldy sent an email back to Black that contained two edited versions of the Executive Summary (Attachments 14, 15, & 16). Both versions sent by Aldy contained significant edits to DOI's draft Executive Summary, but were very similar to each other -- the only difference being the length of time recommended for the moratorium. Both versions, however, revised and re-ordered the Executive Summary, placing the peer review language immediately following the moratorium recommendation causing the distinction between the Secretary's moratorium recommendation -- which had not been peer reviewed -- and the recommendations contained in the 30-Day Report -- which had been peer reviewed -- to become effectively lost. Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010 with the peer review language immediately following the moratorium recommendation.

The Information Quality Act

The Information Quality Act (IQA) directs the Office of Management and Budget (OMB) to issue government-wide guidelines that "provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies." "Information" under the IQA guidelines means "any communication or representation of knowledge such as facts or data."

OMB IQA guidelines also require agencies to create a process for "affected persons" to obtain the correction of "disseminated information" that does not comply with IQA guidelines.

The website for the Department's IQA program indicates that the Department has received no formal challenges to the 30-Day Report under the IQA.

We could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes "information" under the IQA. Upon hearing

the experts' concerns, however, the Department communicated by letter, telephone and a personal meeting to apologize and clarify that it did not intend to imply that the moratorium recommendation had been peer reviewed. Since no IQA challenge has been received by the Department, the Department has no formal obligation under the IQA. Had the Department received a formal challenge, however, the Department may have adequately remedied the challenge by offering a formal apology, clarifying its position, and communicating directly with the experts.



OFFICE OF
INSPECTOR GENERAL
 U.S. DEPARTMENT OF THE INTERIOR

REPORT OF INVESTIGATION

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date October 14, 2010
Report Subject Closing Report of Investigation	

SYNOPSIS

On June 16, 2010 the Department of the Interior (DOI) Office of Inspector General (OIG) received a request from Senator David Vitter and Congressman Steve Scalise requesting that OIG conduct an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a 6-month moratorium on deepwater drilling in the Gulf of Mexico, misrepresented that the moratorium was reviewed and supported by a group of scientists and industry experts (**Attachment 1**). Their letter also requested OIG to assess whether this alleged misrepresentation resulted in a violation of law as it relates to the Information Quality Act (IQA).

We also received an additional request on July 20, 2010 for an investigation into the same matter by seven republican member of the U.S. House of Representatives' Committee on Natural Resources, including Doc Hastings, Doug Lamborn, John J. Duncan, Jr., Bill Cassidy, Paul Broun, Jason Chaffetz, and John Fleming (**Attachment 2**). *Insert their states behind their names, eg. (R-IA) affiliation*

The scientists and industry experts expressed concern that the Executive Summary to the 30-day report – which contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling – was worded in a manner that implied that the experts peer reviewed and supported this policy decision, when in fact they had neither reviewed nor supported such a policy decision and had never been asked to do so.

All DOI officials interviewed stated that it was never their intention to imply the moratorium was peer reviewed by the experts, but rather rushed editing of the Executive Summary by DOI and the White House resulted in this implication. After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, OIG determined that the White House edited the original DOI draft Executive Summary in a manner that led to the implication that the moratorium recommendation had been peer reviewed by the experts.

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature
Approving Official/Title Program Integrity Director Harry Humbert	Signature

Authentication Number: 00000000000000000000000000000000

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

Finally, we could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes "information" under the IQA. If it did, however, DOI may have adequately addressed the issue by offering a formal apology, clarifying its position, and communicating directly with the experts.

BACKGROUND

On April 20, 2010 the Deepwater Horizon deepwater drilling rig exploded in the Gulf of Mexico and caused a massive oil leak in a deepwater well being drilled by BP. In response to the explosion, the U.S. Department of the Interior (DOI) declared a moratorium on deepwater drilling, which it extended for six months on May 27, 2010 in conjunction with a 30-Day Report issued by DOI, entitled Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report) (**Attachment 3**).

DETAILS OF INVESTIGATION

Steve Black is the Counselor to Secretary of the Interior Ken Salazar (**Attachment 4**). Black provided background information concerning the creation of the 30-Day Report. He said that in late April 2010 President Obama directed DOI Secretary Salazar to prepare a report that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved. Black said that Secretary Salazar placed him in charge of a team responsible for producing the Report.

Black said the Report was prepared with the help of scientists and engineers from DOI and the Department of Energy. He said that he also collaborated closely with the White House in preparing the report, specifically the staff of Carol Browner, Assistant to the President for Energy and Climate Change.

According to Black, the President asked the National Academy of Sciences (NAS) and the National Academy of Engineers (NAE), a subdivision of NAS, to conduct a separate, distinct study to determine the root causes of the accident. When meeting with NAS and NAE, Black said that he asked them to recommend several experts in offshore drilling to peer review the recommendations that would be made in the Report he was tasked to prepare. Peter Blair of NAE subsequently provided a list of seven names, and Black contacted all seven experts and asked them for their voluntary assistance, which they agreed to provide. In addition to the seven NAE experts, Black said that DOI also sought peer reviewers from industry and academia to assist in the effort to produce the recommendations in the Report, including Ken Arnold, a professional engineer.

According to Black, Peter Blair of NAE facilitated the interactions of the peer reviewers, meetings with whom were held via teleconference. Black said that the peer reviewers did not draft any portions of the Report or the recommendations themselves, but rather they reviewed the recommendations and provided valuable oral and written feedback.

Black said that he held a final conference call with the peer reviewers on Tuesday, May 24, 2010 in which they discussed a draft of the Report, not the final Report. According to Black, the peer reviewers knew that it was only a draft Report and they knew that they were not being consulted concerning "policy decisions." Black then explained that the decision to invoke the moratorium on current deepwater drilling projects was a policy decision made by Secretary Salazar and President Obama. Black further stated that there were some discussions about various parameters of a potential moratorium with the peer reviewers; the moratorium recommendation, however, as ultimately issued

by DOI, was never peer reviewed by the ^{experts} peer reviewers.

According to Black, Secretary Salazar sent a Decision Memorandum to President Obama outlining the findings in the Report and his recommendation for a 6-month moratorium on current deepwater offshore drilling prior to meeting with the President on the evening of Wednesday, May 25, 2010. Black said that he was not a part of that meeting, but that after the meeting Secretary Salazar told him that the President wanted to “sleep on [the idea of the moratorium]” overnight before making a final decision. Accordingly, Black said that Secretary Salazar instructed him and Black’s special assistant Neil Kemkar to draft two different Executive Summaries to the Report; one including the decision to invoke the moratorium and a second not including the moratorium. Black said that the next morning Secretary Salazar directed him to begin working closely with Joseph Aldy of Carol Browner’s staff at the White House to draft the Executive Summary to include the moratorium.

According to Black, there was “a little disconnect” about the definitions used in the Report and the final parameters of the moratorium that was ultimately issued (e.g. the Report defined deepwater drilling as 1,000 feet versus the moratorium defining it as 500 feet).

Black said that he initially drafted the Executive Summary, which included, at the behest of Salazar, the mention that the recommendations contained in the report were peer reviewed by experts outside of the government. Black said that Salazar felt it was very important to have the recommendations undergo the peer review process and he wanted this stressed in the Executive Summary.

After he drafted the Executive Summary, Black sent it to Aldy of Browner’s staff at the White House. According to Black, Browner was concerned that the Executive Summary did not summarize the recommendations and the associated timetables well enough; therefore, Browner’s staff drafted some of the text to be included in the Executive Summary themselves. After several iterations between him and Browner’s staff, Black said that he received a final version of the Executive Summary from the White House “around 2 or 3am” the morning it was ultimately finalized. After receiving the final product from the White House, Black said that he reviewed the final draft; he did not have any issues with the text added by the White House.

Kenneth Arnold is a professional engineer who was asked to participate in a peer review of the Report’s recommendations (**Attachment 5**). Following issuance of the final Report and the concomitant Executive Summary, Arnold sent a letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that his name, along with other peer reviewers, was used by Secretary Salazar to justify the 6-month deepwater drilling moratorium (**Attachment 6**). The letter was co-signed by several other peer reviewers.

In the letter he faxed to Landrieu, Vitter and Jindal, Arnold stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the Executive Summary that Arnold and the other peer-reviewers were

concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also consulted with a wide range of experts from government, academia and industry.

Black stated that it was no one's intention to imply that the peer reviewers reviewed the 6-month moratorium on deepwater drilling policy decision (See Attachment 4). He explained that the "recommendations" the Executive Summary was referring to were the formal recommendations contained in the body of the Report, not the moratorium. When asked if an objective reader of the Executive Summary might conclude that the peer reviewers reviewed the moratorium recommendation, due to the organization of the text, Black stated again that it was not the intention of DOI or the White House to imply this was the case. He then offered the ^{explained} explanation that due to the rush to complete the Report and the Executive Summary, time did not allow for careful editing and review of the Executive Summary. He then said that the Report itself and the draft Executive Summary did undergo the surnaming process, but the final Executive Summary did not.

Following release of the Report and the Executive Summary, Black said he received a telephone call from Arnold. He said that Arnold told him the peer reviewers were concerned that the Executive Summary misrepresented that the peer reviewers had reviewed and supported the moratorium recommendation made by Secretary Salazar to the President. Arnold also told him at that time that the peer reviewers were in the process of drafting a letter to various members of Congress explaining their concerns (See Attachment 6). Black said that until Arnold told him about these concerns, Black had never considered the possibility that an objective reader of the Executive Summary may believe that the peer reviewers had reviewed the 6-moratorium policy decision.

Black said that he informed the Secretary about the peer reviewers' concerns immediately after speaking with Arnold, even though the Secretary was very busy at that time with travel due to the oil spill crisis in the Gulf of Mexico. During this time frame, according to Black, the letter drafted by the peer reviewers had been sent to Congressional members and was subsequently released to the media.

Black stated that Secretary Salazar directed him to draft and issue a formal letter to the concerned peer reviewers apologizing for the misunderstanding and stating that the peer reviewers did not in fact peer review and support the moratorium ultimately decided upon by DOI and the White House (**Attachment 7**). Specifically, the letter issued by DOI to the concerned peer reviewers on June 3, 2010 stated:

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety

equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Black said that sometime in mid-June, Secretary Salazar held a teleconference call with the concerned peer reviewers and apologized for any misunderstanding resulting from the text of the Executive Summary. Secretary Salazar then had a personal meeting with the concerned peer reviewers in Washington DC the following week and apologized once again to them for the misunderstanding. Black said that he was not present at this personal meeting between Secretary Salazar and the peer reviewers, although his Special Assistant, Neal Kemkar was present during both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers.

According to Kemkar, after Secretary Salazar was tasked by the President to prepare the Report, Kemkar assisted Black in preparing the Report by helping collect and compile the background information related to deepwater offshore drilling (**Attachment 8**). Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical.

Kemkar stated that he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar echoed Black by stating that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium.

Kemkar said that he was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for edits, specifically to Aldy of Browner's staff. Kemkar confirmed Black's statement that the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010.

Kemkar noted that he did review the final Executive Summary after it was returned by the White House, but it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium rather than only reviewing the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns after he returned from a short vacation, when he read the letter Arnold had sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter because he believed that DOI had formed an excellent relationship with the peer reviewers during the Report writing process.

Kemkar said that he never participated in any discussion with other DOI staff or White House staff about trying to draft the Executive Summary in a manner that would imply that the peer reviewers had reviewed the 6-month moratorium.

Arnold acknowledged that after he sent the letter to the Governor and Senators, DOI issued formal letters to each of the peer reviewers of the report apologizing for any misunderstanding or confusion (See Attachment 5). He also confirmed that Secretary Salazar conducted a teleconference with those

who reviewed the report in order to apologize for any misunderstanding surrounding the representations made in the Executive Summary for the report. According to Arnold, Secretary Salazar stated that the Executive Summary was not meant to imply that the decision to invoke a 6-month moratorium on deepwater drilling was peer reviewed by Arnold and others, but rather the moratorium was an independent decision of Secretary Salazar and the White House.

Based upon the teleconference that Secretary Salazar conducted regarding the matter, along with the letters DOI issued to the peer reviewers, Arnold said that he has accepted Secretary Salazar's explanation that the language in the Executive Summary was a mistake rather than an intentional attempt to use the peer-reviewers' names to justify a political decision. As a result, Arnold said that he presently considers the matter a "non-issue" and he is now focusing on trying to assist DOI in instituting a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Since the moratorium has been lifted, take out help out help a bit.

Ford Brett is the Managing Director for Petroskills, a petroleum training alliance, and was also a peer reviewer utilized by DOI in completing the Report (**Attachment 9**). Brett co-signed the letter that Arnold sent to Louisiana Governor Jindal and Senators Landrieu and Vitter, expressing concern that their names were being used by Secretary Salazar justify a deepwater drilling moratorium.

Brett, similar to Arnold, confirmed that he received the formal letter from DOI apologizing for the misunderstanding and that Secretary Salazar held both a conference call and personal meeting to do the same. Based upon these actions by Secretary Salazar, Brett said that he also believed that the misrepresentation was an editing "mistake" and not intentional. Brett said, however, that he was still concerned about the "process" the government was following in pursuing the moratorium. He explained that he believes DOI should not make such a blanket decision without first seeking expert peer review, but rather DOI should seek such peer review and then make a moratorium decision based on that review.

Robert Bea, another peer reviewer, is the Associate Director for the Center for Catastrophic Risk Management at the University of California (**Attachment 10**). Bea stated that he first heard of the moratorium recommended by DOI in the Executive Summary of the May 27, 2010 report when Senator Landrieu asked him about it on May 29, 2010. He said the proposed moratorium had not been discussed with the peer reviewers prior to issuance of the Report.

Similar to both Arnold and Brett, Bea confirmed that DOI issued a formal letter of apology and Secretary Salazar held a conference call and personal meeting with the concerned peer reviewers to tell them it was never the intention of DOI and the White House to imply that the peer reviewers reviewed and approved the moratorium. Following these actions by Secretary Salazar, Bea also said that he believes that the misrepresentation was a "mistake" and not intentional because he always tries to believe people mean well and tell the truth, unless proven otherwise. He explained that he simply does not know whether it was a mistake or intentional, but he was not interested in speculating one way or the other because he was now focused on trying to persuade DOI to institute a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Bea also expressed concern that DOI is proposing the moratorium without any input from expert peer reviewers. He questioned why DOI would not peer review such an important, far-reaching decision in light of the fact that DOI had all of the safety recommendations listed in the report undergo peer review.

S. Elizabeth Birnbaum is the former Director of the Minerals Management Service (MMS) (**Attachment 11**). Birnbaum said that she did not personally work on preparing the Executive Summary containing the moratorium recommendation. According to Birnbaum, Black was the principle person responsible for preparing the 30-Day Report on deepwater drilling safety and that her participation was limited to surnaming the Report.

Birnbaum said that there were general discussions about extending a moratorium on deepwater drilling and its associated parameters, although she had no knowledge that Secretary Salazar planned on recommending the moratorium in the Executive Summary of the 30-Day Report to the President. She stated that she learned of the recommendation only when MMS Deputy Director Mary Katherine Ishee told her about it as she delivered the Report and Executive Summary to Birnbaum for surnaming. According to Birnbaum, she asked Ishee why the moratorium recommendation had been inserted in the Executive Summary; Ishee told her that Black had inserted the moratorium recommendation based upon an agreement with the White House to do so.

Birnbaum said that she has no knowledge whether the implication that the moratorium had been peer reviewed was intentional or not. Birnbaum opined that the implication was probably a product of editing and a review of the email trail related to the creation of the Executive Summary would be the best way to identify who may have edited the document that resulted in the implication.

Birnbaum also stated that she does not believe that Secretary Salazar's request for her resignation was in any way related to the issuance of the 6-month moratorium on deepwater drilling, regardless of the fact that both events occurred on May 27, 2010.

When the OIG requested the email exchanges between DOI and the White House in an effort to complete the Executive Summary and the 30-Day Report, Black stressed that he believes that the communications between DOI and the White House should be "privileged" because they were the product of a conversation between the President and a member of his Cabinet (See Attachment 4).

The language in the Executive Summary to which the experts objected was this:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry.

A review of the emails that Black sent to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (**Attachments 12, 13 & 14**) reflects that in DOI's draft of the Executive Summary the moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30-Day Report, which had been peer reviewed.

At 2:13 AM on May 27, 2010, Aldy sent an email back to Black that contained two edited versions of the Executive Summary (**Attachments 15, 16, & 17**). Both versions sent by Aldy contained significant edits to DOI's draft Executive Summary, but were very similar to each other -- the only difference being the length of time recommended for the moratorium. Both versions, however, revised and re-ordered the Executive Summary, placing the peer review language immediately following the moratorium recommendation causing the distinction between the Secretary's moratorium recommendation -- which had not been peer reviewed -- and the recommendations contained in the 30-

should be like this

Day Report – which had been peer reviewed – to become effectively lost. Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010 with the peer review language immediately following the moratorium recommendation.

SUBJECT(S)

DISPOSITION

ATTACHMENTS

1. Senator Vitter and Congressman Scalise letter to OIG, dated June 16, 2010.
2. U.S. House of Representatives' Committee on Natural Resources letter to OIG, dated July 20, 2010.
3. Report – Increased Safety Measures for Energy Development on the Outer Continental Shelf, issued by the United States Department of the Interior, dated May 27, 2010.
4. Investigative Activity Report, Interview of Black, conducted on July 14, 2010.
5. Investigative Activity Report, Interview of Arnold, conducted on July 2, 2010.
6. Letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, undated.
7. Letter issued by DOI to several peer reviewers, dated June 3, 2010.
8. Investigative Activity Report, Interview of Kemkar, conducted on July 15, 2010.
9. Investigative Activity Report, Interview of Brett, conducted on July 6, 2010.
10. Investigative Activity Report, Interview of Bea, conducted on July 6, 2010.
11. Investigative Activity Report, Interview of Birnbaum, conducted on September 15, 2010.
12. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
13. Black email to Aldy, dated 11:38 PM on May 26, 2010.
14. DOI draft 30-Day Report attached to Attachment 12.
15. Aldy email to Black, dated 2:13 AM on May 27, 2010.
16. White House edited 30-Day Report, version 1, attached to Attachment 14.
17. White House edited 30-Day Report, version 2, attached to Attachment 14.

August 5, 2010

Steve Black and Neil Kemkar,

Thank you for recently taking the time to meet with the Office of Inspector General regarding our investigation related to the 6-month moratorium on deepwater drilling issued by the Secretary of the Interior.

Mr. Black, during your interview, you informed us that you initially drafted the Executive Summary to the 30-Day Review on Offshore Drilling on May 26, 2010 (that was ultimately released on May 27, 2010) and thereafter exchanged drafts of the Executive Summary with the White House, which they edited, through the early morning hours of May 27, 2010.

Mr. Kemkar, you informed us that that you assisted Mr. Black in the editing process for the Executive Summary.

Accordingly, we respectfully request that both of you provide all of the emails you exchanged with each other and the White House that contained the draft Executive Summaries and/or discussed the Executive Summary in any way. Please send the emails and all of their respective attachments to:

Harry_Humbert@doioig.gov.

Additionally, please provide all drafts of the Executive Summary leading up to an including the final draft that you possess that may have not been contained in the aforementioned emails.

Please comply with this request by August 10, 2010. Thank you for your assistance in this matter.

Sincerely,

Harry Humbert
Director – Program Integrity Division
Department of the Interior Office of the Inspector General

If I can be of any help, please let me know.

Harry

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 05/06/2010 03:36 PM -----

**Stephen
Hardgrove/WDC/OIG/DOI**

05/06/2010 01:15 PM

Please respond by 05/10/2010

To John_Dupuy@doioig.gov

cc david_little@doioig.gov, Keith Kuczka,
Jack_Rohmer@doioig.gov, aboehm@doioig.gov,
scott_culver@doioig.gov, Megan Wallace, David Brown,
harry_humbert@doioig.gov, Robert_Knox@doioig.gov

Subject Deepwater Horizon Investigative Efforts

John, I would like to have information prepared for my review on Monday that identifies any hotline submission, telephone contact, e-mail notification or any other notice or speculation involving any potential misconduct, misinformation, concerns, or any other notification to the OIG regarding the Deepwater incident, offshore drilling, or MMS policy making involving off shore drilling.

I have been advised of a few specific contacts, but would like to see all on one page. Please identify what actions have been taken, plan to be taken while identifying who is doing what. Also include any OI personnel assigned to conduct research or participate in any other activity associated with the topic(s). The list should identify the source(s) of the information if possible.

Upon review of the information, and in anticipation of additional information, we may identify specific personnel to be assigned to work on the issues. I would like to see your proposal on next steps as well.

I will schedule a meeting with you at 3pm on Monday but would like the information earlier to review.

Regards,

Steve Hardgrove
Chief of Staff
Office of Inspector General for the Department of the Interior
202-208-5492

All is well. You still planning on staying Monday night?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

"T HELBLING LLC"
<thelbling@comcast.net>

06/23/2010 07:58 AM

To <Harry_Humbert@doioig.gov>

cc

Subject Interior secretary to issue new drilling ban - Disaster in the Gulf- msnbc.com

http://www.msnbc.msn.com/id/37841204/ns/disaster_in_the_gulf

Hold on If your boss makes an error you will be up to bat!!!

Hope all is well

I don't think it does at all. We can discuss more later.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

06/22/2010 04:18 PM

To "Humbert" <harry_humbert@doioig.gov>

cc

Subject Fw: Breaking News: Judge blocks ban on deepwater
drilling

Interesting.

How will this affect the new case???

Guess we will see.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: "The Washington Post" [newsletters@email.washingtonpost.com]

Sent: 06/22/2010 02:05 PM AST

To: Richard Larrabee

Subject: Breaking News: Judge blocks ban on deepwater drilling

News Alert: Judge blocks ban on deepwater drilling
01:55 PM EDT Tuesday, June 22, 2010

A federal judge in New Orleans has blocked the moratorium on deepwater drilling imposed by the Obama administration after the Gulf spill. The administration said it will appeal the ruling.

For more information, visit [washingtonpost.com](http://www.washingtonpost.com):
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/NHENF/VU/t>

Reading this alert on your BlackBerry? To get Washington Post news in just one click, download our mobile launcher:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/6DO77/VU/t>

Sign Up for more alerts:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/ERMYI/VU/t>

To unsubscribe, click here:
<http://link.email.washingtonpost.com/r/8VXTM7/TNO5Y/EE751U/AJLHZN/Z7LOC/VU/t?a=N02&b=cmljaGFyZGF9sYXJyYWJlZUBkb2lvaWcuZ292>

Copyright 2010 The Washington Post Company
Washington Post Digital
c/o E-mail Customer Care
1150 15th Street NW
Washington, DC 20071

[[8VXTM7-15HGY-TNO5Y-EE751U-AJLHZN-T-M2-20100622-d6699d1ec95867e49]]

Yeah-

I still have to go to Boston.

Perhaps on your next trip down here.

Hope all is well with you.

Harry

"T HELBLING LLC" <thelbling@comcast.net>

06/23/2010 08:14 AM

To

<Harry_Humbert@doioig.gov>

cc

Subject

RE: Interior secretary to issue new drilling ban - Disaster in the Gulf- msnbc.com

Thanks you the invite. Are you still flying to Boston? If so, I will most likely drive down that morning, pick up thomas @ 10 AM, and drive back home. I have to be in Detroit at 7 PM Tuesday night.

From: Harry_Humbert@doioig.gov [mailto:Harry_Humbert@doioig.gov]

Sent: Wednesday, June 23, 2010 8:04 AM

To: T HELBLING LLC

Subject: Re: Interior secretary to issue new drilling ban - Disaster in the Gulf- msnbc.com

All is well. You still planning on staying Monday night?

Harry Humbert

Director

Department Of The Interior

Office of Inspector General

Program Integrity Div.

202-219-0635

"T HELBLING LLC" <thelbling@comcast.net>

06/23/2010 07:58 AM

To

<Harry_Humbert@doioig.gov>

cc

Subject

Interior secretary to issue new drilling ban - Disaster in the Gulf- msnbc.com

http://www.msnbc.msn.com/id/37841204/ns/disaster_in_the_gulf

Hold on If your boss makes an error you will be up to bat!!!

Hope all is well

Thanks Rich-

Trying to do too many things at once down here..

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 02:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Interview of Bea [Notes Link](#)

Just forwarded it again to you.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:20 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Interview of Bea

Rich-

Did you do an IAR on this?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Rich-

Good. Please load both of them to CMS and I will approve. Will discuss with the IG tomorrow morning during the bi-weekly to discuss moving forward from here. Based on the comments of both Arnold and Ford, I am wondering if having Kris reach out to Vitter and Scalise might not be a bad approach.....your thoughts?

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 01:02 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: PI-PI-10-0562-I IAR



IAR-Brett_Ford_07-08-2010.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

----- Forwarded by Richard Larrabee/WDC/OIG/DOI on 07/08/2010 01:01 PM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 11:50 AM

To Harry Humbert/WDC/OIG/DOI

cc

Subject PI-PI-10-0562-I IAR [Notes Link](#)

Harry,

This is the IAR of the telephonic interview I did with Ken Arnold, who wrote the letter (fax) to Senators Landrieu and Vitter and LA Governor Jindal. I will be completing IARs for the other peer-reviewer I spoke to on the phone and Bob Bea forthwith. Let me know how this reads for you.



IAR-Amold_Kenneth_07-08-2010.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Great- You want to move back here?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 02:26 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Interview of Bea [Notes Link](#)

You need a Deputy.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:25 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Interview of Bea [Notes Link](#)

Thanks Rich-

Trying to do too many things at once down here..

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/08/2010 02:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Interview of Bea [Notes Link](#)

Just forwarded it again to you.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/08/2010 02:20 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Interview of Bea

Rich-

Did you do an IAR on this?

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Call me please.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/09/2010 12:56 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject In re moratorium

FYI - See this link.

<http://blogs.wsj.com/law/2010/07/09/fifth-circuit-rejects-obamas-appeal-on-drilling-moratorium/>

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Per phone msg. I have no idea how much longer their (SOL) process will take.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 07/27/2010 08:59 AM EDT
To: Harry Humbert
Subject: Re: Hey Rich

Harry,

Just called SOL again yesterday in re the Administrative Record in order to get whatever drafts of the Executive Summary that may have been placed in the record. SOL told me that they are still working on completing the final Administrative Record and they will let me know when it is placed on-line for all of the public to view.

Seems a bit ironic to me that in conducting an internal OIG investigation, we have been directed to not secure vital documentation pertinent to the investigation internally, but rather must wait for its public release in order to obtain the documentation.

I will let you know when the drafts are released to the public and I incorporate them into the ROI.

Have a safe trip to Houston (Helicopter case? Why are you going? - just being nosy).

Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To "Rich Larrabee" <richard_larrabee@doioig.gov>
07/27/2010 08:45 AM cc
Subject Hey Rich

Sorry to just be getting back to you. Flying to Houston as we speak. Glad you thought that the pizza on the grill was awesome. I'll bet the kids enjoyed it.
Let me know when you get all of the final documentation and have incorporated it into the final product. Scott has the previous one that you sent.
Hope all is well.

Harry.
This message was sent from a wireless device.



OFFICE OF
INSPECTOR GENERAL
 U.S. DEPARTMENT OF THE INTERIOR

INVESTIGATIVE ACTIVITY REPORT

Case Title Federal Moratorium On Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date July 16, 2010
Report Subject Interview of Neil Kemkar	

On July 15, 2010, Senior Special Agent Richard Larrabee and Program Integrity Director Harry Humbert interviewed Neil Kemkar, Special Assistant to the Counselor to Secretary of the Interior Ken Salazar, from 1500 to 1530 hours in Kemkar’s office at the Main Interior Building in Washington DC. Kemkar was interviewed in relation to a letter that was sent by several peer-review experts to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that their names were used by the Department of the Interior (DOI) to justify a deepwater drilling moratorium. The following is a summary of the interview.

The letter faxed to Landrieu, Vitter and Jindal, stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the executive summary the peer-reviewers were concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature
--	-----------

Authentication Number: 00000000000000000000000000000000

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

consulted with a wide range of experts from government, academia and industry.

Kemkar said that after President Barack Obama directed Secretary Salazar to prepare a 30-Day Report (Report) that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved, his supervisor, Black, was assigned the task of completing the Report. Kemkar assisted Black in this task by helping collect and compile the background information related to offshore drilling. Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical. Kemkar said the rReport was prepared in collaboration with the White House, specifically Carol Browner's staff.

According to Kemkar, he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar stated that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium. According to Kemkar, the 6-month moratorium was a policy decision made by DOI and the Administration and thus was not open to peer-review.

Kemkar said that he was told on Thursday, May 26, 2010 that Secretary Salazar and the President had met on Wednesday and decided to invoke a 6-month moratorium and he personally was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. He said that he is not certain who actually prepared the initial draft of the Executive Summary, but he did assist in editing the document several times. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for their edits, specifically to Joe Aldy of Carol Browner's staff. Kemkar said the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010. Kemkar said that he has the emails detailing these communications with the White House, which also would include the actual drafts sent to the White House and the draft returned with their emendations. The OIG did not request copies of these emails and drafts because it was decided that we simply would believe his and Black's memory of these events.

According to Kemkar, he did review the final Executive Summary after it was returned by the White House and it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium and not just reviewed the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns about this alleged misrepresentation after he returned from a short vacation when he read the letter that had been sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter inasmuch as he had believed that DOI had formed a great relationship with the peer reviewers during the Report writing process.

Kemkar said that he was not a part of any discussion with other DOI staff or White House staff that involved trying to imply in the Executive Summary that the peer reviewers had reviewed the 6-month moratorium. Additionally, Kemkar said that he participated in both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers in order to apologize for any misunderstanding.

Good Rich. Load them both to CMS

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**
07/16/2010 09:21 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Kemkar IAR



IAR-Kemkar_Neil_07-16-2010.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Thanks for keeping me in the loop Rich. Looking forward to the final draft. Please CC me on it when you send it to Scott.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 07/21/2010 10:03 AM EDT

To: Kevin Laden

Cc: Bruce Delaplaine; Harry Humbert

Subject: Re: Fw: Draft Opinion re: Moratorium Recommendation in the Safety Report's Ex. Summary
Kevin,

I just finished reading your opinion and really appreciate it. I believe it captures exactly what I was hoping OGC would review and analyze in assisting OIG in responding to the Congressional request.

I did notice 2 very minor typos while reading:

Page 4 - 2nd full paragraph, 1st sentence - apostrophe should be after "s" in the word "experts", not before the "s."

Page 6 - 1st full paragraph, 1st sentence - there should not be an apostrophe after the "reviewers."

Thanks again Kevin.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Kevin Laden/WDC/OIG/DOI

07/21/2010 09:37 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Bruce Delaplaine/WDC/OIG/DOI@OIG

Subject Fw: Draft Opinion re: Moratorium Recommendation in the Safety Report's Ex. Summary

Richard:

Per our discussion, my initial draft is attached. As we discussed, it is possible that additional evidence could uncover a more intentional misrepresentation regarding the safety report as a whole, but the evidence currently developed does not appear to support such an interpretation. Please let me know if you have any thoughts, questions, concerns, etc. Thanks,

Kevin
202.208.6466

[attachment "IQA Draft Legal Opinion - KLaden 7.20.2010 (2).doc" deleted by Richard Larrabee/WDC/OIG/DOI]

----- Forwarded by Kevin Laden/WDC/OIG/DOI on 07/16/2010 10:21 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

07/16/2010 10:19 AM

To Kevin Laden/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject draft ROI for PI-10-0562-I

Kevin,

As we discussed, see attached draft ROI for your legal analysis whether a violation of the Information Quality Act may have occurred. Thanks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

I want a name and a phone number of the person you are dealing with at the SOL. We are NOT waiting until the public gets a copy before we are permitted to view it. Yep, helicopter case.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 07/27/2010 08:59 AM EDT
To: Harry Humbert
Subject: Re: Hey Rich

Harry,

Just called SOL again yesterday in re the Administrative Record in order to get whatever drafts of the Executive Summary that may have been placed in the record. SOL told me that they are still working on completing the final Administrative Record and they will let me know when it is placed on-line for all of the public to view.

Seems a bit ironic to me that in conducting an internal OIG investigation, we have been directed to not secure vital documentation pertinent to the investigation internally, but rather must wait for its public release in order to obtain the documentation.

I will let you know when the drafts are released to the public and I incorporate them into the ROI.

Have a safe trip to Houston (Helicopter case? Why are you going? - just being nosy).

Cheers.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI To "Rich Larrabee" <richard_larrabee@doioig.gov>
07/27/2010 08:45 AM cc
Subject Hey Rich

Sorry to just be getting back to you. Flying to Houston as we speak. Glad you thought that the pizza on the grill was awesome. I'll bet the kids enjoyed it.

Let me know when you get all of the final documentation and have incorporated it into the final product.

Scott has the previous one that you sent.

Hope all is well.

Harry.

This message was sent from a wireless device.

Rich-

I forwarded the issues with the SOL to Scott yesterday who was to have addressed the concerns we have with John. Please update the CMS notes to reflect our current status. I will keep you posted on what I hear.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Yep that is fine.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

To Harry Humbert/WDC/OIG/DOI@OIG

07/28/2010 12:30 PM

cc

Subject Re: PI-0562 [Notes Link](#)

Roger that. This is the note I drafted for entry into Case Notes - are you good with it?

SA Larrabee has completed drafts of the ROI and Summary. OGC has completed their analysis of whether the facts and circumstances determined in the investigation may represent a violation of the Information Quality Act. The ROI cannot be finalized, however, until drafts of the Executive Summary have been obtained and reviewed. Counselor Steve Black said he had copies of the various drafts in his emails; yet we were directed to not obtain Black's emails, but rather try to obtain the drafts from the official Administrative Record SOL is preparing in relation to the moratorium litigation in Louisiana. According to SOL, however, they have not yet completed the Admin Record for release to the public.

Just let me know and I will enter it into Case Notes.

Also, I have a call in with SOL about trying to obtain copies of the draft Executive Summaries prior to the Admin Record being officially completed. I have not yet received a response.

Are you back in your office?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/28/2010 12:04 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject PI-0562

Rich-

I forwarded the issues with the SOL to Scott yesterday who was to have addressed the concerns we have with John. Please update the CMS notes to reflect our current status. I will keep you posted on what I hear.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

am not there. In Lake Jackson.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/28/2010 12:32 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: PI-0562 [Notes Link](#)

OK - calling your office number right this very second.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/28/2010 12:32 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: PI-0562 [Notes Link](#)

Yep that is fine.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

07/28/2010 12:30 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: PI-0562 [Notes Link](#)

Roger that. This is the note I drafted for entry into Case Notes - are you good with it?

SA Larrabee has completed drafts of the ROI and Summary. OGC has completed their analysis of whether the facts and circumstances determined in the investigation may represent a violation of the Information Quality Act. The ROI cannot be finalized, however, until drafts of the Executive Summary have been obtained and reviewed. Counselor Steve Black said he had copies of the various drafts in his emails; yet we were directed to not obtain Black's emails, but rather try to obtain the drafts from the official Administrative Record SOL is preparing in relation to the moratorium litigation in Louisiana. According to SOL, however, they have not yet completed the Admin Record for release to the public.

Just let me know and I will enter it into Case Notes.

Also, I have a call in with SOL about trying to obtain copies of the draft Executive Summaries prior to the Admin Record being officially completed. I have not yet received a response.

Are you back in your office?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

07/28/2010 12:04 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject PI-0562

Rich-

I forwarded the issues with the SOL to Scott yesterday who was to have addressed the concerns we have with John. Please update the CMS notes to reflect our current status. I will keep you posted on what I hear.

Harry

Harry Humbert
Director

Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Email for me yet?

This message was sent from a wireless device.

Either is fine Rich.

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

08/05/2010 10:30 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Do you have a draft [Notes Link](#)

Not yet. Do you want it in as an email or word document? I will do it this morning.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

08/05/2010 10:28 AM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Do you have a draft

Email for me yet?

This message was sent from a wireless device.

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Yep.....and now you know what kind of day I am having!

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

To Harry Humbert/WDC/OIG/DOI@OIG

08/12/2010 09:59 AM

cc

Subject Re: Zantaz [Notes Link](#)

Who is Smith? Do you mean Black?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 09:55 AM EDT
To: Richard Larrabee
Subject: Zantaz

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

No hard drives- no nothing else.
Enjoy space mountain!
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 09:34 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Right.

Who won the day with Steve and Mary? Kolesnik? Dupuy?

What about hard-drive reviews?

In Disney World right now waiting to ride Space Mountain.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:00 AM EDT
To: Richard Larrabee
Subject: Re: Zantaz

Yep.....and now you know what kind of day I am having!

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**
08/12/2010 09:59 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc

Subject Re: Zantaz [Notes Link](#)

Who is Smith? Do you mean Black?

Richard J. Larrabee

Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 09:55 AM EDT
To: Richard Larrabee
Subject: Zantaz

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Did you hit your head on the ride?
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 10:37 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Salazar interview?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:29 AM MDT
To: Richard Larrabee
Subject: Re: Zantaz

No hard drives- no nothing else.
Enjoy space mountain!
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee
Sent: 08/12/2010 09:34 AM MDT
To: Harry Humbert
Subject: Re: Zantaz

Right.

Who won the day with Steve and Mary? Kolesnik? Dupuy?

What about hard-drive reviews?

In Disney World right now waiting to ride Space Mountain.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320
This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 08/12/2010 10:00 AM EDT

To: Richard Larrabee

Subject: Re: Zantaz

Yep.....and now you know what kind of day I am having!

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

**Richard
Larrabee/WDC/OIG/DOI**

08/12/2010 09:59 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Zantaz [Notes Link](#)

Who is Smith? Do you mean Black?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 08/12/2010 09:55 AM EDT

To: Richard Larrabee

Subject: Zantaz

Rich-

Zantaz was run on Smith account only for 26 and 27 May 2010. No Memo's were provided to either Smith or Kemkar. I have been advised that the memo to Smith is on hold- pending the results of your review. The CD was sent out to you this morning. See CMS notes.

Harry

Harry Humbert
Director
Department Of The Interior
Office of Inspector General
Program Integrity Div.
202-219-0635

Interview is set for next Wednesday at 1300 (1 PM for you civillians) at her residence.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

Rich-

Liz called this afternoon to clarify that she had been present at a meeting to discuss the impact of separate measures on the industry for prohibiting them from doing certain things or for forcing them to conduct certain testing in the wake of the platform explosion.. Again, she makes mentions that she is sure we have seen the charts.....but just wanted to make sure that we were clear about that one weekend meeting.....odd call

IAR looks good.

Harry



**Richard
Larrabee/WDC/OIG/DOI**

09/17/2010 08:55 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum IAR

Harry,

How does this IAR look for you as a summary of our interview.

I will be sending our recording off for transcription.

As always, good to see you this week.



IAR-Birnbaum_Elizabeth_09-15-10.doc

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/23/2010 03:19 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

Have you petted the keyboard and said nice things to it?



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 02:40 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum CMS issues

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/23/2010 03:25 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

I will get with Humphrey



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/23/2010 03:23 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum CMS issues [Notes Link](#)

Thanks - I will try that.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 09/23/2010 03:19 PM EDT

To: Richard Larrabee

Subject: Re: Birnbaum CMS issues

Have you petted the keyboard and said nice things to it?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

To Harry Humbert/WDC/OIG/DOI@OIG

09/23/2010 02:40 PM

cc

Subject Birnbaum CMS issues

Harry,

I have tried to upload Birnbaum's interview recording over 15 times in CMS, but it keeps crapping out on me. Any suggestions?

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum - CMS issue [Notes Link](#)

I am going to forward this to Brook the CMS Guru
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:31 AM EDT

To: Harry Humbert

Subject: Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Harry Humbert/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.



Birnbaum_interview_9-15-2010.WMA

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:37 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Birnbaum - CMS issue [Notes Link](#)

Fucking persistent aren't you?

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.



Birnbaum_interview_9-15-2010.WMA

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:38 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Glad you saw the humor in that! I was a bit punchy yesterday.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:39 AM EDT

To: Harry Humbert

Subject: Re: Fw: Birnbaum - CMS issue

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:38 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit

U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:44 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

I would stop holding your breath



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:43 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

HQ does that to people.

Delaplaine said that Gary would get back to him by today about his "review" of Black's emails. Holding my breath.....turning blue.....starting to fade out.....

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Glad you saw the humor in that! I was a bit punchy yesterday.
This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:39 AM EDT

To: Harry Humbert

Subject: Re: Fw: Birnbaum - CMS issue

Hey did you ever try to those things on Humphrey? You know, what you suggested I do to my keyboard.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:38 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Bragging?

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General

617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Richard Larrabee/WDC/OIG/DOI@OIG

Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/24/2010 08:51 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Thanks very much Brook.



Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Brook W
Minnick/ARL/OIG/DOI**

09/24/2010 08:50 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Where were you trying to upload from? Your office? New Orleans? I was able to put the recording right in, and it was relatively small. I have only seen an issue with files much bigger (10x the size of yours), which makes me think there is/was a network problem wherever you were sitting.

In any event, it is in. Let me know if you continue to see problems, or need any further assistance.

Brook

**Richard
Larrabee/WDC/OIG/DOI**

09/24/2010 07:41 AM

To Brook W Minnick/ARL/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject Re: Fw: Birnbaum - CMS issue [Notes Link](#)

Thanks Brook. It is PI-PI-10-0562-I; attachment to Birnbaum IAR.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Brook W Minnick/ARL/OIG/DOI

09/24/2010 07:39 AM

To Richard Larrabee/WDC/OIG/DOI@OIG, Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Re: Fw: Birnbaum - CMS issue [Link](#)

It is probably a combination of a large file and slow network causing the browser to time out. I will take of it.

Brook

This message was sent from a wireless device.

From: Richard Larrabee

Sent: 09/24/2010 07:37 AM EDT

To: Harry Humbert

Cc: Brook Minnick

Subject: Re: Fw: Birnbaum - CMS issue

Maybe just too big of a file????

Richard J. Larrabee
Senior Special Agent

Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

Harry Humbert/WDC/OIG/DOI

09/24/2010 07:36 AM

To Brook W Minnick/ARL/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG
Subject Fw: Birnbaum - CMS issue

Brook-

Can you help with this issue?



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 09/24/2010 07:35 AM -----

Richard Larrabee/WDC/OIG/DOI

09/24/2010 07:35 AM

To Harry Humbert/WDC/OIG/DOI@OIG
cc
Subject Birnbaum - CMS issue

Harry,

I have tried over 15 times now to upload the recording of Birnbaum's interview as an attachment to her IAR, but CMS keeps crapping out on me. You want to try to upload it from your office in HQ? - might have better luck.

I received and uploaded the transcript.

[attachment "Birnbaum_interview_9-15-2010.WMA" deleted by Richard Larrabee/WDC/OIG/DOI]

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

09/27/2010 01:12 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Write

The ROI including ALL information. We will make decisions after seeing the final full ROI
H.

This message was sent from a wireless device.

**Harry
Humbert/WDC/OIG/DOI**

To Richard Larrabee/WDC/OIG/DOI@OIG

09/27/2010 11:20 AM

cc

Subject When is it good to call to Discuss Moratorium Issues?



Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Harry
Humbert/WDC/OIG/DOI**

10/13/2010 03:06 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: FMDD 10-0562-I

Rich-

Let me know if you are able to read Mary's edits. Let's please move this quickly.

Harry



A handwritten signature in black ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 10/13/2010 03:05 PM -----

**Humphrey
Phelps/WDC/OIG/DOI**

10/13/2010 03:03 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject FMDD 10-0562-I



FMDD.pdf

**Harry
Humbert/WDC/OIG/DOI**

10/13/2010 03:23 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: FMDD 10-0562-I[Notes Link](#)

I am sure that you are overwhelmed with volumes of interviews and tracking down leads, making charts, etc.,Do you need me to call Dave?



A handwritten signature in cursive script, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Richard
Larrabee/WDC/OIG/DOI**

10/13/2010 03:20 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: FMDD 10-0562-I[Notes Link](#)

I'm busy working for Little - will get back to you in a few weeks.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert
Sent: 10/13/2010 03:06 PM EDT
To: Richard Larrabee
Subject: Fw: FMDD 10-0562-I

Rich-

Let me know if you are able to read Mary's edits. Let's please move this quickly.

Harry



Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 10/13/2010 03:05 PM -----

**Humphrey
Phelps/WDC/OIG/DOI**

10/13/2010 03:03 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject FMDD 10-0562-I

[attachment "FMDD.pdf" deleted by Richard Larrabee/WDC/OIG/DOI]

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 03:14 PM

To Mary Kendall/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Federal Moratorium on Deepwater Drilling [Notes Link](#)

Got it. Thanks Mary. I hope you have a good weekend.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Mary Kendall

Sent: 10/29/2010 03:02 PM EDT

To: Harry Humbert

Subject: Re: Fw: Federal Moratorium on Deepwater Drilling

We should have an answer early next week -- Monday, hopefully. That's what David Hayes' office promised. M.

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 12:52 PM

To Mary Kendall/WDC/OIG/DOI

cc

Subject Fw: Federal Moratorium on Deepwater Drilling

Mary-

I have asked all to stand by on the report. Has there been any movement on a possible interview with Aldy (White House)?

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 10/29/2010 10:50 AM MDT

To: Sandra Evans; Scott Swanson

Cc: Richard Larrabee; Bruce Delaplaine

Subject: Re: Federal Moratorium on Deepwater Drilling

All-

There has been a possible new development. Please stand by. DO NOT- REPEAT DO NOT release the report or prepare it for distrobution until you hear from me.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Sandra Evans

Sent: 10/29/2010 12:27 PM EDT

To: Scott Swanson

Cc: Harry Humbert; Richard Larrabee; Bruce Delaplaine

Subject: Federal Moratorium on Deepwater Drilling

Attached is the track changes version of the redacted report and the name listing. Mary has completed her review and I am forwarding it on to you.

The footer language should read: This report contains information that has been redacted pursuant to 5 U.S.C. §§ 552 (b)(6) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

[attachment "Federal Moratorium on Deepwater Drilling Name Listing.doc" deleted by Harry Humbert/WDC/OIG/DOI]

[attachment "Federal Moratorium on Deepwater Drilling.redacted.doc" deleted by Harry Humbert/WDC/OIG/DOI]

Sandra Evans
Freedom of Information and Privacy Act Officer
Office of Inspector General
703-487-5436 (Telephone)
703-487-5406 (Facsimile)

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 03:26 PM

To "Rich Larrabee" <richard_larrabee@doioig.gov>

cc

Subject Fw: Fw: Federal Moratorium on Deepwater Drilling

Fyi

This message was sent from a wireless device.

----- Original Message -----

From: Mary Kendall

Sent: 10/29/2010 03:02 PM EDT

To: Harry Humbert

Subject: Re: Fw: Federal Moratorium on Deepwater Drilling

We should have an answer early next week -- Monday, hopefully. That's what David Hayes' office promised. M.

Mary L. Kendall
Acting Inspector General
Office of Inspector General
Department of the Interior
(202) 208-5745

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 12:52 PM

To Mary Kendall/WDC/OIG/DOI

cc

Subject Fw: Federal Moratorium on Deepwater Drilling

Mary-

I have asked all to stand by on the report. Has there been any movement on a possible interview with Aldy (White House)?

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 10/29/2010 10:50 AM MDT

To: Sandra Evans; Scott Swanson

Cc: Richard Larrabee; Bruce Delaplaine

Subject: Re: Federal Moratorium on Deepwater Drilling

All-

There has been a possible new development. Please stand by. DO NOT- REPEAT DO NOT release the report or prepare it for distrobution until you hear from me.
Harry

This message was sent from a wireless device.

----- Original Message -----

From: Sandra Evans

Sent: 10/29/2010 12:27 PM EDT

To: Scott Swanson

Cc: Harry Humbert; Richard Larrabee; Bruce Delaplaine

Subject: Federal Moratorium on Deepwater Drilling

Attached is the track changes version of the redacted report and the name listing. Mary has completed her review and I am forwarding it on to you.

The footer language should read: This report contains information that has been redacted pursuant to 5 U.S.C. §§ 552 (b)(6) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

[attachment "Federal Moratorium on Deepwater Drilling Name Listing.doc" deleted by Harry Humbert/WDC/OIG/DOI]

[attachment "Federal Moratorium on Deepwater Drilling.redacted.doc" deleted by Harry Humbert/WDC/OIG/DOI]

Sandra Evans
Freedom of Information and Privacy Act Officer
Office of Inspector General
703-487-5436 (Telephone)
703-487-5406 (Facsimile)

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 12:50 PM

To Sandra Evans/WDC/OIG/DOI@OIG, Scott
Swanson/WDC/OIG/DOI@OIG
cc Richard Larrabee/WDC/OIG/DOI@OIG, Bruce
Delaplaine/WDC/OIG/DOI@OIG
Subject Re: Federal Moratorium on Deepwater Drilling [Notes Link](#)

All-

There has been a possible new development. Please stand by. DO NOT- REPEAT DO NOT release the report or prepare it for distrobution until you hear from me.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Sandra Evans

Sent: 10/29/2010 12:27 PM EDT

To: Scott Swanson

Cc: Harry Humbert; Richard Larrabee; Bruce Delaplaine

Subject: Federal Moratorium on Deepwater Drilling

Attached is the track changes version of the redacted report and the name listing. Mary has completed her review and I am forwarding it on to you.

The footer language should read: This report contains information that has been redacted pursuant to 5 U.S.C. §§ 552 (b)(6) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

[attachment "Federal Moratorium on Deepwater Drilling Name Listing.doc" deleted by Harry Humbert/WDC/OIG/DOI]

[attachment "Federal Moratorium on Deepwater Drilling.redacted.doc" deleted by Harry Humbert/WDC/OIG/DOI]

Sandra Evans
Freedom of Information and Privacy Act Officer
Office of Inspector General
703-487-5436 (Telephone)
703-487-5406 (Facsimile)

**Harry
Humbert/WDC/OIG/DOI**

10/29/2010 12:52 PM

To Mary Kendall/WDC/OIG/DOI

cc

Subject Fw: Federal Moratorium on Deepwater Drilling

Mary-

I have asked all to stand by on the report. Has there been any movement on a possible interview with Aldy (White House)?

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 10/29/2010 10:50 AM MDT

To: Sandra Evans; Scott Swanson

Cc: Richard Larrabee; Bruce Delaplaine

Subject: Re: Federal Moratorium on Deepwater Drilling

All-

There has been a possible new development. Please stand by. DO NOT- REPEAT DO NOT release the report or prepare it for distrobution until you hear from me.

Harry

This message was sent from a wireless device.

----- Original Message -----

From: Sandra Evans

Sent: 10/29/2010 12:27 PM EDT

To: Scott Swanson

Cc: Harry Humbert; Richard Larrabee; Bruce Delaplaine

Subject: Federal Moratorium on Deepwater Drilling

Attached is the track changes version of the redacted report and the name listing. Mary has completed her review and I am forwarding it on to you.

The footer language should read: This report contains information that has been redacted pursuant to 5 U.S.C. §§ 552 (b)(6) of the Freedom of Information Act. Supporting documentation for this report may be obtained by sending a written request to the OIG Freedom of Information Office.

[attachment "Federal Moratorium on Deepwater Drilling Name Listing.doc" deleted by Harry Humbert/WDC/OIG/DOI]

[attachment "Federal Moratorium on Deepwater Drilling.redacted.doc" deleted by Harry Humbert/WDC/OIG/DOI]

Sandra Evans
Freedom of Information and Privacy Act Officer
Office of Inspector General
703-487-5436 (Telephone)
703-487-5406 (Facsimile)

**Harry
Humbert/WDC/OIG/DOI**

To Scott Swanson/WDC/OIG/DOI@OIG

11/03/2010 05:34 PM

cc

Subject Moratorium Report

Can we meet first thing tomorrow morning?



A handwritten signature in black ink, which appears to read "Harry Humbert". The signature is written in a cursive style with some loops and flourishes.

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 02:14 PM

To Scott Swanson/WDC/OIG/DOI@OIG

cc John Dupuy/WDC/OIG/DOI@OIG, Humphrey
Phelps/WDC/OIG/DOI@OIG, Kris
Kolesnik/WDC/OIG/DOI@OIG, Edward
Baugh/WDC/OIG/DOI@OIG, Steven
Futrowsky/WDC/OIG/DOI@OIG

Subject Moratorium Report

Scott-

The ROI has been uploaded and is in CMS. SA Larrabee has signed it and it is being Fed-Ex'ed to you. You should have it on Monday.

At that point you will need to get the other letters written for Mary's signature. Remember to put in those letters that the Department has claimed privilege for the documents. Once all are bound and ready to go-make one last coordination with John Dupuy. You should coordinate with Kris Kolesnik for locations and phone numbers of the members who will be receiving the reports. I have asked Ted Baugh and Steve Futrowsky to be prepared to take you and your folks to the Hill for Distribution. All reports are going out at the same time. Use Humphrey if you need his assistance.

Also be prepared to have the report posted to our web site within 2 days (or sooner if requested by the IG).

That should about take care of it. Slow and easy. We are not on a killer time line here.

I will reach out to you on Monday.

Harry



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 09:59 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: Moratorium

Rich-

Please review and then upload to CMS the final ROI. I will approve it, then you need to print it and sign it and fed-ex it to Scott Swanson.

Hope your weekend is good.

Harry

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 11/05/2010 09:58 AM -----

Kathryn Dolac/WDC/OIG/DOI

11/05/2010 09:01 AM

To

Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject

Moratorium

Redacted, Unredacted, and transmittal memo:

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 12:06 PM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Re: Fw: Moratorium [Notes Link](#)

Done

This message was sent from a wireless device.

----- Original Message -----

From: Richard Larrabee

Sent: 11/05/2010 11:58 AM EDT

To: Harry Humbert

Subject: Re: Fw: Moratorium

It is uploaded - let me know when you have confirmed so that I can print and sign and put in FedEx today.

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320

**Harry
Humbert/WDC/OIG/DOI**

11/05/2010 09:59 AM

To Richard Larrabee/WDC/OIG/DOI@OIG

cc

Subject Fw: Moratorium

Rich-

Please review and then upload to CMS the final ROI. I will approve it, then you need to print it and sign it and fed-ex it to Scott Swanson.

Hope your weekend is good.

Harry



A handwritten signature in black ink, appearing to read "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 11/05/2010 09:58 AM -----

**Kathryn
Dolac/WDC/OIG/DOI**

11/05/2010 09:01 AM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Moratorium

Redacted, Unredacted, and transmittal memo:

[attachment "OI_Deepwater Moratorium_ROI_REDACTED_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_Memo_110410_KP.docx" deleted by Richard Larrabee/WDC/OIG/DOI] [attachment "OI_Deepwater Moratorium_ROI_FINAL.doc" deleted by Richard Larrabee/WDC/OIG/DOI]

**Harry
Humbert/WDC/OIG/DOI**

11/12/2010 06:02 AM

To "Harry Humbert" <hlhumbert@comcast.net>

cc

Subject Fw: News Article - Interior Dept. Responds to IG
Investigation into its Oil Spill Report

This message was sent from a wireless device.

----- Original Message -----

From: Edward Woo

Sent: 11/10/2010 12:02 PM EST

To: All Investigations Employees; Kris Kolesnik; Bruce Delaplaine; Lori Vassar; Sandra Evans; Kimberly Elmore; Heather Dieguez; Stephen Hardgrove; Laurie Larson-Jackson; William McMullen; Gillian Sharpley; Kimberly Pernice; Cristopolis Dieguez; alan.boehm@ratb.gov; Melanie Sorenson

Subject: News Article - Interior Dept. Responds to IG Investigation into its Oil Spill Report

-

[Interior Department responds to IG investigation into its oil ...](#)

The Washington Independent

Interior Secretary Ken Salazar sent a letter yesterday to Interior Department Inspector General **Mary Kendall** arguing that her investigation into the ...

**Harry
Humbert/WDC/OIG/DOI**

11/12/2010 06:03 AM

To "Harry Humbert" <hlhumbert@comcast.net>

cc

Subject Fw: News Article - Senior Republicans: Questions 'Need to be Answered' Following Interior Drilling Report

This message was sent from a wireless device.

----- Original Message -----

From: Edward Woo

Sent: 11/10/2010 02:09 PM EST

To: All Investigations Employees; Kris Kolesnik; Bruce Delaplaine; Lori Vassar; Sandra Evans; Kimberly Elmore; Heather Diequez; Stephen Hardgrove; Laurie Larson-Jackson; William McMullen; Gillian Sharpley; Kimberly Pernice; Cristopolis Diequez; alan.boehm@ratb.gov; Melanie Sorenson

Subject: News Article - Senior Republicans: Questions 'Need to be Answered' Following Interior Drilling Report



Senior Republican: Questions ‘need to be answered’ following Interior drilling report

By Ben Geman - 11/10/10 01:51 PM ET

The House Republican likely to lead the Natural Resources Committee next year said questions “need to be answered” following new Interior Department inspector general findings about [White House changes to a key offshore drilling report](#).

Rep. Doc Hastings (R-Wash.) said the matter could be part of the panel’s wider oversight of offshore drilling policy and the BP oil spill that he envisions under GOP rule in the next Congress.

“Very broadly, it is associated with what went on in the Gulf,” he told E2 Wire in a wide-ranging interview Wednesday.

The Interior Department’s acting inspector general, in [new findings this week](#), said White House edits to a May Interior Department offshore safety report left the impression that outside engineers consulted on the study had endorsed a six-month ban on deepwater drilling. They hadn’t.

“After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, the OIG determined that the White House edit of the original DOI draft Executive Summary led to the implication that the moratorium recommendation had been peer reviewed by the experts,” states the report by acting Inspector General Mary Kendall. (Acronym alert: DOI is Interior, OIG is the inspector general).

Hastings noted he is still learning more about the matter, and said he wanted to know “who edited it? Under whose authority?”

He also issued a prepared statement on the matter Wednesday.

"Who at the White House actually rewrote the Interior Department document? Is that person a scientist with relevant experience or a political appointee?" he said.

Hastings also suggested that the White House may have a hand in other Interior actions.

"Furthermore, what other Interior Department decisions are being changed or made by unknown White House staff? This moratorium has cost thousands of jobs and caused severe economic impacts throughout the Gulf. We need to get answers as to who and how these policy decisions are being made and ensure that they are actually based on sound science," he said.

Sen. David Vitter (R-La.), a critic of the deepwater drilling ban who requested the inspector general review in June, pounced on the new findings.

"I initially requested this investigation on June 16 because I wanted to make sure that the federal government was basing policy decisions that would directly impact so many Louisianans on science — not politics. Unfortunately, this report reveals the contrary," he said.

A White House spokesperson could not be reached for comment Wednesday. The Obama administration last month lifted the deepwater drilling freeze that was imposed in late May in response to the BP oil spill.

But Vitter and other critics of the moratorium fear that Interior will drag its feet in issuing drilling permits even though the formal ban has been removed.

Interior Department officials are emphasizing the inspector general's conclusion that they did not intentionally seek to mislead.

Interior officials are also noting they took steps — including a letter to the engineers in June — to clear up the misunderstanding with the experts that felt the May report misrepresented their views.

A Nov. 9 memo from Kendall to Interior Secretary Ken Salazar accompanying her report backs this up, stating: “All DOI officials interviewed stated that it was not their intention to imply that the moratorium had been peer reviewed by the experts, and that when the experts' concern was brought to their attention, they promptly issued an apology to the experts via conference call, letter, and personal meeting.”

Salazar, in a letter to Kendall Tuesday, notes that the report “confirms that there was no wrongdoing or intent to mislead the public.”

“The decision to impose a temporary moratorium on deepwater drilling was made by the Secretary, following consultation with colleagues including the White House. As the report makes clear, the misunderstanding with the reviewers was resolved with the June 3rd letter and a subsequent conference call with those experts,” added Kendra Barkoff, a spokeswoman for Interior.

**Harry
Humbert/WDC/OIG/DOI**

To Richard Larrabee/WDC/OIG/DOI@OIG

11/14/2010 03:51 PM

cc

Subject Moratorium

Hey Rich-

I was out the first few days last week. Just wanted to say "Nice Job" on the Moratorium report. As always- a great job.

Harry



A handwritten signature in blue ink that reads "Harry Humbert".

Harry Humbert
Director
Program Integrity Division
Work: 202-219-0635
Cell: 202-255-8392



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

Whose word is "misrepresentation"?

REPORT OF INVESTIGATION

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date September 27, 2010
Report Subject Closing Report of Investigation	

SYNOPSIS

On June 16, 2010 the Department of the Interior (DOI) Office of Inspector General (OIG) received a request from Senator David Vitter and Congressman Steve Scalise requesting that OIG conduct an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a 6-month moratorium on deepwater drilling in the Gulf of Mexico, misrepresented that the moratorium was reviewed and supported by a group of scientists and industry experts (**Attachment 1**). Their letter also requested OIG to assess whether this ^{allegation} misrepresentation resulted in a violation of law as it relates to the Information Quality Act (IQA).

We received another request from X, X, X

The experts expressed concern ^{Not} the Executive Summary to the 30-day report – ^{which} that contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling – was worded in a manner that implied that the experts peer reviewed and supported this policy decision, whereas they had ^{not} reviewed nor supported such a policy decision.

All DOI officials interviewed stated that it was never their intention to imply the moratorium was peer reviewed by the experts, but rather rushed editing of the Executive Summary by DOI and the White House ^{implication of} must have resulted in this impression. After reviewing different drafts of the Executive Summary that were exchanged between DOI and the White House prior to its final issuance, OIG determined that the White House edited the original DOI draft Executive Summary in a manner that led to the ^{implication that the moratorium recommendation had been} allegation of misrepresentation of the peer review ^{by the} experts.

application word Arnold's

had never asked to do so?

Finally, OIG's Office of General Counsel reviewed the facts and circumstances identified in the ~~investigation and determined that the IQA and related policies do not directly apply to the Department's recommendation for a moratorium.~~ ^{we could not definitively determine whether or not the recommendation for a moratorium combined w/ the peer review language constitutes "information" under the IQA. If it did, however, the Department may have}

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature <i>adequately addressed the issue by offering a formal</i>
Approving Official/Title Program Integrity Director Harry Humbert	Signature <i>apology, clarifying his position, and communicating directly with the experts.</i>
Authentication Number: 00000000000000000000000000000000	

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

BACKGROUND

On April 20, 2010 the Deepwater Horizon deepwater drilling rig exploded in the Gulf of Mexico and caused a massive oil leak in a deepwater well being drilled by BP. In response to the explosion, the federal government declared a moratorium on deepwater drilling, which it extended for six months on May 27, 2010 in conjunction with a 30-Day Report issued by the US Department of the Interior (DOI),² entitled Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report) (Attachment 2). The Report was completed by DOI at the behest of President Barack Obama.²

DETAILS OF INVESTIGATION

Steve Black is the Counselor to Secretary of the Interior Ken Salazar (Attachment 3). Black provided background information concerning the creation of the ^{30 Day} Report. He said that in late April 2010 President Obama directed DOI Secretary Salazar to prepare a report that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved. Black said that Secretary Salazar placed him in charge of a team responsible for producing the Report.

Black said the Report was prepared with the help of scientists and engineers from DOI and the Department of Energy. He said that he also collaborated closely with the White House in preparing the report, specifically the staff of Carol Browner, Assistant to the President for Energy and Climate Change.

According to Black, the President asked the National Academy of Sciences (NAS) and the National Academy of Engineers (NAE), a subdivision of NAS, to conduct a separate, distinct study to determine the root causes of the accident. When meeting with NAS and NAE, Black said that he asked them to recommend several experts in offshore drilling to peer review the recommendations that would be made in the Report he was tasked to prepare. Peter Blair of NAE subsequently provided a list of seven names, and ^{Black} DOI contacted all seven experts and asked them for their voluntary assistance, which they ^{agreed to provide} all-accepted. In addition to the seven NAE experts, Black said that DOI also sought peer reviewers from industry and academia to also assist in the effort to produce the recommendations in the Report, including Ken Arnold, _____ (who is...?)

According to Black, Peter Blair of NAE facilitated the interactions of the peer reviewers, and the ^{will work} meetings were held via teleconference, with the peer reviewers. Black said that the peer reviewers did not draft any portions of the Report or the recommendations themselves, but rather they reviewed the recommendations and provided valuable oral and written feedback.

Black said that he held a final conference call with the peer reviewers on Tuesday, May 24, 2010 ^{in which} wherein they discussed a draft of the Report, not the final Report. According to Black, the peer reviewers knew that it was only a draft Report and they knew that they were not being consulted concerning "policy decisions." Black then explained that the decision to invoke the moratorium on current deepwater drilling projects was a policy decision made by Secretary Salazar and President Obama. Black further stated that there were some discussions ^{about} of various parameters of a potential moratorium with the peer reviewers; however, the moratorium, ^{recommendation, however} as ultimately issued by DOI, was never peer reviewed by the peer reviewers.

According to Black, Secretary Salazar sent a Decision Memorandum to President Obama outlining the findings in the Report and his recommendation for a 6-month moratorium on current deepwater offshore drilling prior to meeting with the President on the evening of Wednesday, May 25, 2010. Black said that he was not a part of that meeting, and ^{but that} after the meeting Secretary Salazar ^{told him} said that the

President wanted to “sleep on [the idea of the moratorium]” overnight before making a final decision. Accordingly, Black said that Secretary Salazar instructed him and Black’s special assistant Neil Kemkar to draft two different Executive Summaries to the Report; one including the decision to invoke the moratorium and a second not including the moratorium. Black said that the next morning Secretary Salazar directed him to begin working closely with Joseph Aldy of Carol Browner’s staff at the White House to draft the Executive Summary to include the moratorium.

According to Black, there was “a little disconnect” about the definitions used in the Report and the final parameters of the moratorium that was ultimately issued (e.g. the Report defined deepwater drilling as 1,000 feet versus the moratorium defining it as 500 feet). ~~Black pointed out that neither he nor Aldy were present during the meeting between Salazar and the President.~~ *Black pointed out that neither he nor Aldy were present during the meeting between Salazar and the President. This phrase doesn't fit here.*

Black said that he initially drafted the Executive Summary, which included, at the behest of Salazar, the mention that the recommendations contained in the report were peer reviewed by experts outside of the government. Black said that Salazar felt it was very important to have the recommendations undergo the peer review process and he wanted this stressed in the Executive Summary.

After he drafted the Executive Summary, Black sent it to Aldy ^{or?} and Browner’s staff at the White House. According to Black, Browner was concerned that the Executive Summary did not summarize the recommendations and the associated timetables well enough; therefore, Browner’s staff drafted some of the text to be included in the Executive Summary themselves. After several iterations between him and Browner’s staff, Black said that he received a final version of the Executive Summary from the White House “around 2 or 3am” the morning it was ultimately finalized. After receiving the final product from the White House, Black said that he reviewed the final draft; and he did not have any issues with the text added by the White House.

Kenneth Arnold is a professional engineer who was asked to participate in a peer review of the Report’s recommendations (**Attachment 4**). Following issuance of the ^{final} Report and the concomitant Executive Summary, Arnold sent a letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that his name, along with other peer reviewers, was used by Secretary Salazar to justify the 6-month deepwater drilling moratorium (**Attachment 5**). The letter was co-signed by several other peer reviewers.

In the letter he faxed to Landrieu, Vitter and Jindal, Arnold stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the Executive Summary, ^{that} Arnold and the other peer-reviewers were concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations

should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also consulted with a wide range of experts from government, academia and industry.

~~Regarding the peer reviewers' complaint that the Executive Summary misrepresented that they peer reviewed – and support and approved of – the 6-month moratorium on deepwater drilling,~~ Black stated that it was no one's intention to imply that the peer reviewers reviewed ~~that particular~~ policy decision (See Attachment 2). He explained that the "recommendations" the Executive Summary ~~were referring to when it claimed peer review~~ were the formal recommendations contained in the body of the Report, not the moratorium. When asked ~~about how~~ an objective reader of the Executive Summary ~~may readily~~ ^{might} conclude that the peer reviewers reviewed the moratorium recommendation, due to the organization of the text, Black stated again that it was not the intention of DOI or the White House to imply this was the case. He then offered the explanation that due to the rush to complete the Report and the Executive Summary, time did not allow for careful editing and review of the Executive Summary. He then said that the Report itself and the draft Executive Summary did undergo the surnaming process, ~~yet the final Executive Summary did not do so.~~ ^{but}

Following release of the Report and the Executive Summary, Black said he received a telephone call from Arnold. He said that Arnold told him the peer reviewers were concerned that the Executive Summary misrepresented that the peer reviewers had reviewed and supported the moratorium recommendation made by Secretary Salazar to the President. Arnold also told him at that time that the peer reviewers were in the process of drafting a letter to various members of Congress explaining their concerns (See Attachment 5). Black said that until Arnold told him about these concerns, Black had never considered the possibility that an objective reader of the Executive Summary may believe that the peer reviewers had reviewed the 6-moratorium policy decision.

Black said that he informed the Secretary about the peer reviewers concerns immediately after speaking with Arnold, ~~yet the Secretary was very busy at that time with travel due to the oil spill crisis in the Gulf of Mexico. During this time frame, according to Black, the letter drafted by the peer reviewers had been sent to Congressional members and subsequently leaked to the media.~~ ^{even though} ^{was} ^{released}

Black stated that Secretary Salazar directed him to draft and issue a formal letter to the concerned peer reviewers apologizing for the misunderstanding and stating that the peer reviewers did not in fact peer review and support the moratorium ultimately decided upon by DOI and the White House (**Attachment 6**). Specifically, the letter issued by DOI to the concerned peer reviewers on June 3, 2010 stated:

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to

the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Black said that sometime in mid-June, Secretary Salazar held a teleconference call with the concerned peer reviewers and apologized for any misunderstanding resulting from the text of the Executive Summary. Secretary Salazar then had a personal meeting with the concerned peer reviewers in Washington DC the following week and apologized once again to them for the misunderstanding. Black said that he was not present at this personal meeting between Secretary Salazar and the peer reviewers, ^{although} whereas his Special Assistant, Neal Kemkar was present during both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers.

According to Kemkar, after Secretary Salazar was tasked by the President to prepare the Report, he ^{Kemkar} assisted his supervisor, Black, in preparing the Report by helping collect and compile the background information related to deepwater offshore drilling (**Attachment 7**). Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical.

Kemkar stated that he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar echoed Black by stating that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium.

Kemkar said that he was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for their edits, specifically to Aldy of Browner's staff. Kemkar confirmed Black's statement that the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010.

Kemkar noted that he did review the final Executive Summary after it was returned by the White House, ^{but} and it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium rather than only reviewing the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns about this alleged misrepresentation after he returned from a short vacation, when he read the letter Arnold had been sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter ^{because} inasmuch as he had believed that DOI had formed an excellent relationship with the peer reviewers during the Report writing process.

Kemkar said that he was not a part of any discussion with other DOI staff or White House staff that involved trying to imply in the Executive Summary that the peer reviewers had reviewed the 6-month moratorium. ^{This is awkward. Do we have his exact words?}

Arnold acknowledged that after he sent the letter to the Governor and Senators, DOI issued formal letters to each of the peer reviewers of the report apologizing for ^{that} the misunderstanding ^{of confusion.} (See Attachment 4). He also confirmed that Secretary Salazar conducted a teleconference with those who reviewed the report in order to apologize for any misunderstanding surrounding the representations made in the Executive Summary for the report. According to Arnold, Secretary Salazar stated that the

Executive Summary was not meant to imply that the decision to invoke a 6-month moratorium on deepwater drilling was peer reviewed by Arnold and others, but rather the moratorium was an independent decision of Secretary Salazar and the White House.

Based upon the teleconference, ^{that} Secretary Salazar conducted regarding the matter, along with the letters DOI issued to the peer reviewers, Arnold said that he has accepted Secretary Salazar's explanation that the ^{language} misrepresentations in the Executive Summary ^{was} were a mistake rather than an intentional attempt to use the peer-reviewers' names to justify a political decision. As a result, Arnold said that he presently considers the matter a "non-issue" and he is now focusing on trying to assist DOI in instituting a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Ford Brett is the Managing Director for Petroskills, a petroleum training alliance, and was also a peer reviewer utilized by DOI in completing the Report (**Attachment 8**). Brett co-signed the letter that Arnold sent to Louisiana Governor Jindal and Senators Landrieu and Vitter, expressing concern that their names were being inappropriately used by Secretary Salazar justify a deepwater drilling moratorium.

Brett, similar to Arnold, confirmed that he received the formal letter from DOI apologizing for the misunderstanding and that Secretary Salazar held both a conference call and personal meeting to do the same. Based upon these actions by Secretary Salazar, Brett said that he has ~~was~~ also prepared to believe that the misrepresentation was an editing "mistake" and not intentional. Brett, ^{however,} said that he was still concerned about the "process" the government was following in pursuing the moratorium. He explained that he believes DOI should not make such a blanket decision without first seeking expert peer review, but rather DOI should seek such peer review and then make a moratorium decision based on that review. Did he say "prepared to"?

^{another peer reviewer,} Robert Bea, is the Associate Director for the Center for Catastrophic Risk Management at the University of California, and he ~~was also a peer reviewer recommended by NAS to assist DOI in preparing the Report (Attachment 9)~~. Bea stated that he first heard of the moratorium recommended by DOI in the Executive Summary of the May 27, 2010 report when Senator Landrieu asked him about it on May 29, 2010. He said the proposed moratorium had not been discussed with the peer reviewers prior to issuance of the Report.

Similar to both Arnold and Brett, Bea confirmed that DOI issued a formal letter of apology and Secretary Salazar held a conference call and personal meeting with the concerned peer reviewers to tell them it was never the intention of DOI and the White House to imply that the peer reviewers reviewed and approved the moratorium. Following these actions by Secretary Salazar, Bea also said that he ~~has~~ was prepared to believe that the misrepresentation was a "mistake" and not intentional because he always tries to believe people mean well and tell the truth, unless proven otherwise. He explained that he simply does not know whether it was a mistake or intentional, but he was not interested in speculating one way or the other because he was now focused on trying to persuade DOI to institute a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

^{also} Bea then expressed concern that DOI is ~~not approaching the moratorium issue the correct way~~ inasmuch as DOI is proposing the moratorium without any input from expert peer reviewers. He ^{questioned} mused why DOI would not peer review such an important, far-reaching decision in light of the fact that DOI had all of the other safety recommendations listed in the report undergo peer review.

S. Elizabeth Birnbaum is the former Director of the Minerals Management Service (MMS)

(Attachment 10). After Birnbaum read the Congressional Request submitted to OIG asking for an investigation into whether there was intentional misrepresentation on the part of DOI related to their recommendation of a 6-month deepwater drilling moratorium, Birnbaum said that she personally did not work on preparing the Executive Summary containing the moratorium recommendation. According to Birnbaum, Black was the principle person responsible for heading up the department's effort to issue the 30-Day Report on deepwater drilling safety and Birnbaum's participation was limited to surnaming the report, and its recommendations.

Birnbaum said that there were general discussions about extending a moratorium on deepwater drilling and its associated parameters, however, she had no knowledge that Secretary Salazar planned on recommending to the President of the United States in the Executive Summary of the 30-Day Report for a 6-month extension of the deepwater drilling moratorium. She stated that she learned of the recommendation only when MMS Deputy Director Mary Katherine Ishee told her about it as she was delivering the Report and Executive Summary to Birnbaum for surnaming. According to Birnbaum, she asked Ishee why the moratorium recommendation had been inserted in the Executive Summary, and Ishee told her that Black had inserted the moratorium recommendation based upon an agreement with the White House to do so.

Regarding whether the Executive Summary was intentionally drafted in a manner to misrepresent that the peer-review team of engineers and scientists that reviewed the safety recommendations in the 30-Day Report had also reviewed and supported the recommendation for a 6-month moratorium; Birnbaum said that she has no knowledge that the misrepresentation was intentional. Birnbaum opined that the misrepresentation was probably a product of editing and a review of the email trail related to the creation of the Executive Summary would be the best way to identify who may have edited the document that resulted in the misrepresentation.

Birnbaum also stated that she does not believe that Secretary Salazar's request for her resignation was in any way related to the issuance of the 6-month moratorium on deepwater drilling, regardless of the fact that both events occurred on the same day, May 27, 2010.

Regarding the email exchanges between DOI and the White House in an effort to complete the Executive Summary and the 30-Day Report, Black stressed that he believes that the communications between DOI and the White House should be "privileged" because it was the product of a conversation between the President and a member of his Cabinet (See Attachment 2). Upon request, however, Black provided to OIG the emails and associated drafts of the Executive Summary that he exchanged with the White House during May 26, 2010 and the early hours of May 27, 2010. OIG did not independently validate that the emails provided by Black in response to OIG's request were complete and unedited.

The emails were provided to OIG in response to a formal OIG request following Black's interview (Attachment 11): The request was made by OIG Program Integrity Director Harry Humbert to Black and stated the following:

During your interview, you informed us that you initially drafted the Executive Summary to the 30-Day Review on Offshore Drilling on May 26, 2010 (which was ultimately released on May 27, 2010) and thereafter exchanged drafts of the Executive Summary with the White House, which they edited, through the early morning hours of May 27, 2010.

[w2]
Accordingly, I respectfully request that you provide all of the emails you sent externally which contained the draft Executive Summaries as well as the last and final revision. *reflect that*

A review of the emails identified that Black (DOI) sent a draft Executive Summary to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (Attachments 12 & 13). Almost three hours later, at 2:13 AM on May 27, 2010, Aldy (White House) sent an email back to DOI that contained two edited versions of the Executive Summary (Attachments 14, 15 & 16).

Both versions sent by the White House contained significant edits to DOI's draft Executive Summary and were very similar. The only difference between the two versions sent by the White House was the length of time being recommended for the moratorium on the current deepwater drilling of 33 exploratory wells in the Gulf of Mexico. One version recommended a moratorium on current deepwater drilling operations "until additional safety testing can be conducted on the well barriers and on the blowout preventers, as detailed in this report," and the second version recommended that drilling operations cease outright for "6-months" (See Attachments 15 & 16).

Both versions of the Executive Summary ^{sent} edited by the White House, however, were identical in how they altered DOI's draft Executive Summary in a manner that led to the allegation of misrepresentation made by NAS peer review experts. A comparison of the draft Executive Summary DOI sent to the White House with the edited version returned to DOI by the White House shows that large portions of the original text provided in DOI's draft were altered, removed and shifted throughout the document. *changed*

Specifically, DOI's draft Executive Summary includes a 'Recommendations' section immediately following an introductory 'Overview' section. The first paragraph of the 'Recommendation' section contains discussion about the immediate measures the Secretary recommends to improve safety of offshore drilling operations, based on the findings of the 30-Day Report. This first paragraph then states that the Secretary recommends a "6-month moratorium on permits for new exploratory wells with a depth of 1,000 feet or greater to allow time for implementation of the measures outlined in this report." The first paragraph concludes by stating "Finally, the Secretary recommends an immediate halt to drilling operations on the 33 existing permitted exploratory wells currently being drilled to water depth of 1,000 feet or greater in the Gulf of Mexico for a sufficient length of time to perform additional safety testing on the well barriers and on the blowout preventers, as detailed in this report."

Following the first paragraph of the 'Recommendation' section, DOI's draft Executive Summary then contains a chart of specific "key" recommendations contained in the body of the 30-Day Report itself. Immediately following the chart of specific recommendations listed in the 30-Day Report, DOI's draft Executive Summary then concludes with the following paragraph:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry.

The edited version sent back to DOI, following White House emendations, removed from the 'Recommendation' section's first paragraph the Secretary's 6-month moratorium recommendation concerning permits for new exploratory deepwater wells, and his moratorium recommendation concerning deepwater wells currently being drilled.

These moratorium recommendations of the Secretary, that were policy decisions distinct from the

specific recommendations of the 30-Day Report, were then reinserted into the Executive Summary following a summary of the 30-Day Report's key recommendations, *immediately before* the paragraph stating that "[T]he recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering."

In sum, the DOI draft Executive Summary had first listed the Secretary's policy moratorium recommendations in its initial paragraph of its 'Recommendation' section. The DOI draft then contained a separate discussion identifying specific key recommendations contained in the 30-Day Report in a chart format, and immediately following the chart stated that the recommendations contained in the report had been peer reviewed by experts from NAS.

In contrast, the White House edited the Executive Summary by removing the policy moratorium recommendations from the initial paragraph of the 'Recommendation' section and reinserted those policy recommendations into the Executive Summary immediately before the paragraph that stated that the "recommendations" had been peer reviewed by the NAS experts. Accordingly, the White House's edits to DOI's draft Executive Summary resulted in the distinction between the Secretary's policy moratorium recommendations and the 30-Day Report's specific recommendations – which had indeed been peer reviewed by NAS experts – to become effectively lost.

OIG's Office of General Counsel reviewed and analyzed the facts and circumstances identified in this investigation and determined that the Information Quality Act and related policies do not directly apply to the Department's recommendation for a moratorium (**Attachment 17**).

SUBJECT(S)

DISPOSITION

ATTACHMENTS

1. Senator Vitter and Congressman Scalise letter to OIG, dated June 16, 2010.
2. Increased Safety Measures for Energy Development on the Outer Continental Shelf report, issued by the United States Department of the Interior, dated May 27, 2010.
3. Investigative Activity Report, Interview of Black, conducted on July 14, 2010.
4. Investigative Activity Report, Interview of Arnold, conducted on July 2, 2010.
5. Letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, undated.
6. Letter issued by DOI to several peer reviewers, dated June 3, 2010.
7. Investigative Activity Report, Interview of Kemkar, conducted on July 15, 2010.
8. Investigative Activity Report, Interview of Brett, conducted on July 6, 2010.
9. Investigative Activity Report, Interview of Bea, conducted on July 6, 2010.
10. Investigative Activity Report, Interview of Birnbaum, conducted on September 15, 2010.
11. Investigative Activity Report, Black-Kemkar Email Review, conducted on September 27, 2010.
12. Black email to Aldy, dated 11:38 PM on May 26, 2010.
13. DOI draft Executive Summary attached to Attachment 12.
14. Aldy email to Black, dated 2:13 AM on May 27, 2010.
15. White House edited Executive Summary, version 1, attached to Attachment 14.
16. White House edited Executive Summary, version 2, attached to Attachment 14.
17. OIG Office of General Counsel legal opinion in re IQA, dated July 26, 2010.

Recommended insert to replace narrative on pp. 8 – 9:

The language in the Executive Summary to which the experts objected was this:

The recommendations contained in this report have been peer reviewed by seven experts identified by the National Academy of Engineering [NAS]. Those experts, who volunteered their time and expertise, are identified in Appendix 2. The Department also consulted with a wide range of experts from government, academia and industry. (Peer Review Language.)

A review of the emails that Black sent to Joseph Aldy at the White House at 11:38 PM on May 26, 2010 (Attachments 12 & 13) reflects that the moratorium was discussed on the first page of the Executive Summary, while the peer review language was on the second page of the Executive Summary, immediately following a summary list of the safety recommendations contained in the body of the 30-Day Report, which had been peer reviewed.

At 2:13 AM on May 27, 2010, Aldy sent an email back to Black that contained two edited versions of the Executive Summary (Attachments 14, 15, & 16). Both versions sent by Aldy contained significant edits to DOI's draft Executive Summary, but were very similar to each other -- the only difference being the length of time recommended for the moratorium. Both versions, however, revised and re-ordered the Executive Summary, placing the peer review language immediately following the moratorium recommendation causing the distinction between the Secretary's moratorium recommendation -- which had not been peer reviewed -- and the recommendations contained in the 30-Day Report -- which had been peer reviewed -- to become effectively lost. Although the Executive Summary underwent some additional minor editing, it was ultimately published on May 27, 2010 with the peer review language immediately following the moratorium recommendation.

The Information Quality Act

The Information Quality Act (IQA) directs the Office of Management and Budget (OMB) to issue government-wide guidelines that "provide policy and procedural guidance to Federal agencies for ensuring and maximizing the quality, objectivity, utility, and integrity of information (including statistical information) disseminated by Federal agencies." "Information" under the IQA guidelines means "any communication or representation of knowledge such as facts or data."

OMB IQA guidelines also require agencies to create a process for "affected persons" to obtain the correction of "disseminated information" that does not comply with IQA guidelines.

The website for the Department's IQA program indicates that the Department has received no formal challenges to the 30-Day Report under the IQA.

We could not definitively determine whether or not the recommendation for a moratorium combined with the peer review language constitutes "information" under the IQA. Upon hearing

the experts' concerns, however, the Department communicated by letter, telephone and a personal meeting to apologize and clarify that it did not intend to imply that the moratorium recommendation had been peer reviewed. Since no IQA challenge has been received by the Department, the Department has no formal obligation under the IQA. Had the Department received a formal challenge, however, the Department may have adequately remedied the challenge by offering a formal apology, clarifying its position, and communicating directly with the experts.



**OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR**

INVESTIGATIVE ACTIVITY REPORT

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date September 17, 2010
Report Subject Interview of S. Elizabeth Birnbaum	

On September 15, 2010, Senior Special Agent Richard Larrabee and Program Integrity Director Harry Humbert interviewed S. Elizabeth Birnbaum, former Director of the Minerals Management Service (MMS) from 1315 to 1345 hours at Birnbaum’s Residence in Arlington, Virginia. The interview was audio recorded and a transcript has been completed; the following is a summary of the interview.

After Birnbaum read the Congressional Request submitted to the OIG asking for an investigation into whether there was intentional misrepresentation on the part of the Department of the Interior related to their recommendation of a 6-month deepwater drilling moratorium, Birnbaum said that she personally did not work on preparing the Executive Summary containing the moratorium recommendation. According to Birnbaum, Secretary of the Interior Counselor Steve Black was the principle person responsible for heading up the department’s effort to issue the 30-Day Report on deepwater drilling safety and Birnbaum’s participation was limited to surnaming the report and its recommendations.

Birnbaum said that there were general discussions about extending a moratorium on deepwater drilling and its associated parameters; however, she had no knowledge that Secretary of the Interior Ken Salazar planned on recommending to the President of the United States in the Executive Summary of the 30-Day Report for a 6-month extension of the deepwater drilling moratorium. She stated that she learned of the recommendation only when MMS Deputy Director Mary Katherine Ishee told her about as she was delivering the report and Executive Summary to Birnbaum for surnaming. According to Birnbaum, she asked Ishee why the moratorium recommendation had been inserted in the Executive Summary and Ishee told her that Black had inserted the moratorium recommendation based upon an agreement with the White House to do so.

Regarding whether the Executive Summary was intentionally drafted in a manner to misrepresent that the peer review team of engineers and scientists that reviewed the safety recommendations in the 30-Day Report had also reviewed and supported the recommendation for a 6-month moratorium, Birnbaum said that she has no knowledge that the misrepresentation was intentional. Birnbaum opined that the misrepresentation was probably a product of editing and a review of the email trail related to the creation of the Executive Summary would be the best way to identify who may have edited the

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature
---	------------------

Authentication Number: 00000000000000000000000000000000

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

document that resulted in the misrepresentation.

Birnbaum also stated that she does not believe that Secretary Salazar's request for her resignation was in any way related to the issuance of the 6-month moratorium on deepwater drilling, regardless of the fact that both events occurred on the same day, May 27, 2010.

DEPARTMENT OF THE INTERIOR

**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT
ON THE OUTER CONTINENTAL SHELF**

MAY 27, 2010

INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF

EXECUTIVE SUMMARY

Overview

On April 20, 2010, an explosion and fire erupted on an offshore drilling rig in the Gulf of Mexico called the *Deepwater Horizon*, which had just completed an exploratory well 52 miles from shore in 4,992 feet of water. Eleven members of the crew are missing and presumed dead. The remainder of the crew abandoned the rig and was rescued by a nearby supply vessel, the *Damon Bankston*. The fire destroyed the rig, which sank on April 22, 2010. The resulting oil spill has been declared “a spill of national significance” and could become one of the oil industry’s gravest disasters. Crude oil continues to flow from a broken pipe on the seafloor, has spread across thousands of square miles, and is damaging local economies, sensitive coastlines and wildlife throughout the Gulf region. On April 30, 2010, the President directed the Secretary of the Interior to conduct a thorough review of this event and to report, within 30 days, on “what, if any, additional precautions and technologies should be required to improve the safety of oil and gas exploration and production operations on the outer continental shelf.” This report responds to the President’s directive.

Recommendations

The Secretary recommends a series of steps immediately to improve the safety of offshore oil and gas drilling operations in Federal waters and a moratorium on certain permitting and drilling activities until the safety measures can be implemented and further analyses completed.

The report recommends a number of specific measures designed to ensure sufficient redundancy in the blowout preventers (BOPs), to promote the integrity of the well and enhance well control, and to facilitate a culture of safety through operational and personnel management (see Table ES-1). Recommended actions include prescriptive near-term requirements, longer-term performance-based safety measures, and one or more Department-led working groups to evaluate longer-term safety issues. The recommendations take into account that drilling activities conducted in the deepwater environment create increased risks and challenges.

Key recommendations on BOPs and related safety equipment used on floating drilling operations include:

- *Mandatory inspection of each BOP to be used on floating drilling operations to ensure that the BOP: meets manufacturer design specifications, taking into account any modifications that have been made; is compatible with the specific drilling equipment on the rig it is to be used on, including that the shear ram is compatible with the drill pipe to be used; has not been compromised or damaged from previous service; is designed to operate at the planned operating depth. Certification of these requirements will be made publicly available.*

- *Requirement of new safety features on BOPs and related backup and safety equipment including:* a requirement that BOPs have two sets of blind shear rams spaced at least four feet apart to prevent BOP failure if a drill pipe or drill tool is across on set of rams during an emergency; requirements for emergency back-up control systems; and requirements for remote operating vehicle capabilities. *The Department will develop new surface and subsea testing requirements to verify reliability of these capabilities.*
- *Overhaul of the testing, inspection and reporting requirements for BOP and related backup and safety equipment to ensure proper functioning, including new means of improving transparency and providing public access to the results of inspections and routine reporting.*

Key recommendations on well control systems include:

- *Development of enhanced deepwater well-control procedures.*
- *Verification of a set of new safeguards that must be in place prior to displacement of kill-weight drilling fluid from the wellbore.*
- *New design, installation, testing, operations, and training requirements relating to casing, cement or other elements that comprise an exploratory well.*
- *A comprehensive study of methods for more rapid and effective response to deepwater blowouts.*

Key recommendations on a systems-based approach to safety:

- *Immediate, enhanced enforcement of current regulations through verification within 30 days of compliance with the April 30, 2010, National Safety Alert.*
- *Enhanced requirements to improve organizational and safety management for companies operating offshore drilling rigs.*
- *New rules requiring that offshore operators have in place a comprehensive, systems-based approach to safety and environmental management.*

The Secretary also recommends temporarily halting certain permitting and drilling activities. First, the Secretary recommends a six-month moratorium on permits for new wells being drilled using floating rigs. The moratorium would allow for implementation of the measures proposed in this report and for consideration of the findings from ongoing investigations, including the bipartisan National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling.

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely

practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The Department also consulted with a wide range of experts from government, academia and industry.

Relationship to Ongoing Investigations

This 30-day review has been conducted without the benefit of the findings from the ongoing investigations into the root causes of the explosions and fire on the Deepwater Horizon and the resulting oil spill (collectively "BP Oil Spill") including if there were any violations of existing safety or construction law, gross negligence, or willful misconduct. In the coming months, those investigations will likely suggest refinements to some of this report's recommendations, as well as additional safety measures. Nevertheless, the information currently available points to a number of specific interim recommendations regarding equipment, systems, procedures, and practices needed for safe operation of offshore drilling activities.

Furthermore, because the purpose of this review is to recommend immediate measures to improve the safety of offshore drilling activities, nothing in this report should be used to influence or prejudice any ongoing investigations, or impact any current or future litigation.

Table ES-1. Recommendations for Increased Safety Measures

Recommendations	Key Components (with implementation plan)
Blowout Preventer (BOP) Equipment and Emergency Systems	<ul style="list-style-type: none"> • Order re-certification of subsea BOP stacks (immediately) • Order BOP equipment compatibility verification (immediately) • Establish formal equipment certification requirements (rulemaking)
New Safety Equipment Requirements and Operating Procedures	<ul style="list-style-type: none"> • Develop new BOP and remote operated vehicle (ROV) testing requirements (immediately) • Develop new inspection procedures and reporting requirements (immediately) • Develop secondary control system requirements (emergency rulemaking) • Establish new blind shear ram redundancy requirements (emergency rulemaking) • Develop new ROV operating capabilities (rulemaking)
Well-Control Guidelines and Fluid Displacement Procedures	<ul style="list-style-type: none"> • Establish new fluid displacement procedures (immediately) • Establish new deepwater well-control procedure requirements (emergency rulemaking)
Well Design and Construction – Casing and Cementing	<ul style="list-style-type: none"> • Establish new casing and cementing design requirements – two independent tested barriers (immediately) • Establish new casing installation procedures (immediately) • Develop formal personnel training requirements for casing and cementing operations (rulemaking) • Develop additional requirements for casing installation (rulemaking) • Enforce tighter primary cementing practices (rulemaking) • Develop additional requirements for evaluation of cement integrity (immediately) • Study Wild-Well intervention techniques and capabilities (immediately)
Increased Enforcement of Existing Safety Regulations and Procedures	<ul style="list-style-type: none"> • Order compliance verification for existing regulations and April 30, 2010, National Safety Alert (immediately) • Adopt safety case requirements for floating drilling operations on the Outer Continental Shelf (emergency rulemaking) • Adopt final rule to require operators to adopt a robust safety and environmental management system for offshore drilling operations (rulemaking) • Study additional safety training and certification requirements (rulemaking)

CONTENTS

	PAGE
I. INTRODUCTION	1
II. OFFSHORE OIL AND GAS PRODUCTION	3
III. EXISTING WELL CONTROL STUDIES	6
IV. LEGAL FRAMEWORK, INSPECTIONS, AND ENFORCEMENT	9
V. REGULATORY AUTHORITY AND REQUIREMENTS IN OTHER NATIONS	14
VI. RECOMMENDATIONS FOR IMMEDIATE ACTION TO IMPROVE OFFSHORE DRILLING SAFETY	17
VII. CONCLUSION	28
EXPERT CONSULTATIONS	APPENDIX 1
BRIEF PRIMER ON OFFSHORE DRILLING TECHNOLOGY AND SYSTEMS	APPENDIX 2

I. INTRODUCTION

On April 20, 2010, the crew of the Transocean drilling rig *Deepwater Horizon* was preparing to temporarily abandon BP's discovery well at the Macondo prospect 52 miles from shore in 4,992 feet of water in the Gulf of Mexico. An explosion and subsequent fire on the rig caused 11 fatalities and several injuries. The rig sank two days later, resulting in an uncontrolled release of oil that has been declared a spill of national significance. The Nation faces a potentially massive and unprecedented environmental disaster, which has already resulted in the tragic loss of life and personal injuries as well as significant harm to wildlife, coastal ecosystems, and other natural resources. The disaster is commanding the Department of the Interior's resources as we work to ensure that the spill is stopped and the well permanently plugged; that our natural resources along the Gulf Coast are protected and restored; and that we get to the bottom of what happened and hold those responsible accountable.

On April 30, 2010, the President ordered the Secretary of the Interior to evaluate what, if any, additional precautions and technologies should be required to improve the safety of oil and gas exploration and production operations on the Outer Continental Shelf (OCS). In addition to this review of the OCS regulatory structure, the President recently created the bipartisan National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling. The President established the National Commission to examine the relevant facts and circumstances concerning the root causes of the BP Oil Spill, to develop options for guarding against, and mitigating the impact of, oil spills associated with offshore drilling, and to submit a final public report to him with its findings and options for consideration within six months of the date of the Commission's first meeting.

In addition, the Departments of the Interior and Homeland Security are undertaking a joint investigation into the causes of the BP Oil Spill, including holding public hearings, calling witnesses, and taking any other steps necessary to determine the cause of the spill. Several committees in Congress have held and will continue to hold hearings on the events associated with the BP Oil Spill. Respecting the ongoing investigations, this report does not speculate as to the possible causes of the BP Oil Spill. This report is intended to identify an initial set of safety measures that can and will be implemented as soon as practicable to improve the safety of offshore oil and gas development.

To provide context for the safety recommendations, this report presents a history of OCS production, spills, and blowouts, a review of the existing U.S. regulatory and enforcement structure, a survey of other countries' regulatory approaches, and a summary of existing Minerals Management Service (MMS)-sponsored studies on technologies that could reduce the risk of blowouts.

In compiling the recommendations presented in this report, the Department has drawn from expertise within the Federal Government, academia, professional engineers, industry, and other governments' regulatory programs. In particular, seven members of the National Academy of Engineering peer reviewed the recommendations in this report. The Department received ideas from the Department of Energy National Laboratories on ways to improve offshore safety. Appendix 1 lists expert consultations for this report.

This report examines all aspects of drilling operations, including equipment, procedures, personnel management, and inspections and verification in an effort to identify safety and environmental protection measures that would reduce the risk of a catastrophic event. (A brief primer on offshore drilling technology and systems is included in Appendix 2). In particular, this report examines several issues highlighted by the BP Oil Spill regarding operational and personnel safety while conducting drilling operations in deepwater environments.

While technological progress has enabled the pursuit of deeper oil and gas deposits in deeper water, the risks associated with operating in water depths in excess of 1,000 feet are significantly more complex than in shallow water. This report describes safety and environmental issues involved in offshore drilling, including the unique challenges associated with drilling operations in deepwater.

The recommendations address well-control and well abandonment operations; specific requirements for devices, such as blowout preventers (BOPs) and their testing; industry practices; worker training; inspection protocol and operator oversight; and the responsibility of the Department for safety and enforcement.

In developing the recommendations contained in this report, the Department has been guided by the principle that feasible measures that materially and undeniably reduce the risk of a loss-of-well-control event should be pursued. Therefore, some recommended measures—particularly those the Department intends to implement immediately—are necessarily prescriptive. At the same time, the Department is examining innovative ways to promote a culture of safety for offshore operations by addressing the human element of operations. The Department is committed to moving to finalize a rulemaking that would require operators to adopt a systems-based approach to safety and environmental management. This rule would require operators to incorporate global best practices regarding environmental and safety management on offshore platforms into their operating plans and procedures. In finalizing this rulemaking, the Department will analyze carefully the current circumstances in the Gulf of Mexico and lessons learned from the ongoing investigation into the causes of the BP Oil Spill.

To realize an improved margin of safety associated with the recommended equipment standards and operating procedures, the report proposes new inspection and verification measures, which the Department will implement. Several of these efforts will also allow the public to access information about the inspection and verification structures, to promote confidence that: (1) the Federal Government undertakes appropriate actions to review, audit, and confirm industry performance; and (2) industry follows the best possible practices and the new set of regulatory requirements.

A comprehensive set of reforms encompassing all aspects of oil and gas development on the OCS simply could not be fully developed in the 30-day timeframe of this report. With respect to some safety measures, the Department will undertake further study—with appropriate input from independent experts, academia, industry, and other stakeholders—to develop new regulations and other appropriate steps to promote drilling safety. These Department-led strike teams will also help to inform the work of the President's new bipartisan National Commission. Finally, this report does not address several important issues associated with the safety of offshore

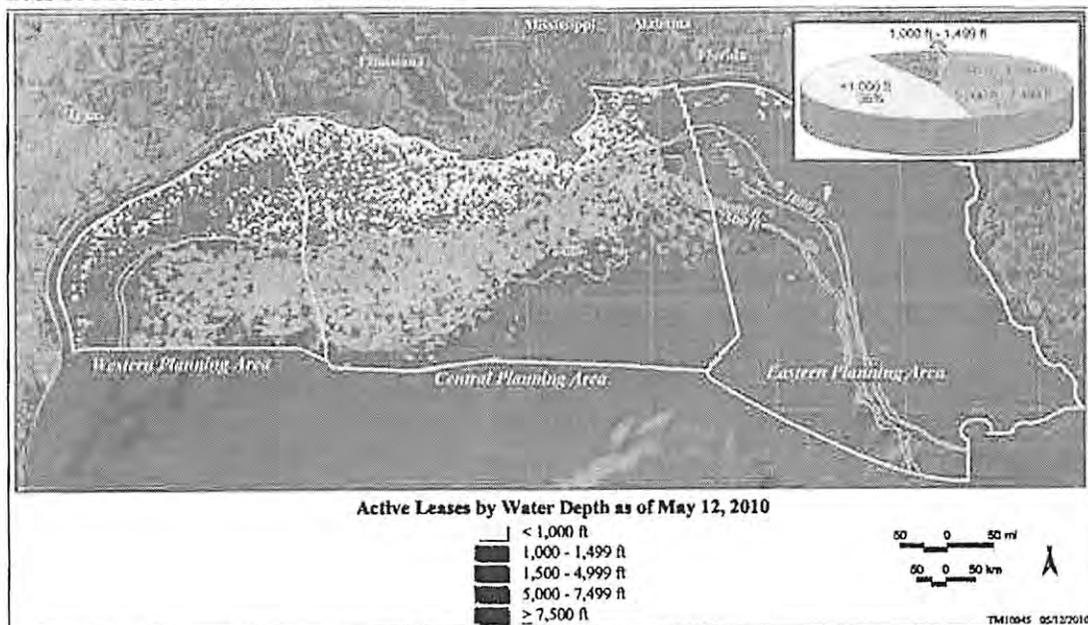
drilling that implicate shared responsibilities with other departments and agencies. For example, the Department will work in close cooperation with the Department of Homeland Security, including the United States Coast Guard, the Environmental Protection Agency, and other agencies to evaluate and improve oil spill response capabilities and industry responsibilities.

II. OFFSHORE OIL AND GAS PRODUCTION

A. Federal OCS Oil and Gas Activities

The Gulf of Mexico provides 97 percent of Federal OCS production. The Gulf of Mexico has nearly 7,000 active leases (see Figure 1), 64 percent of which are in deepwater. The Pacific OCS has 49 active leases off the coast of Southern California, 43 of which are producing. There have been no Pacific OCS lease sales since 1984. Alaska has 675 active leases and production from a single joint State-Federal field. The Atlantic does not have any active leases or production.

Figure 1
Gulf of Mexico OCS Active Leases



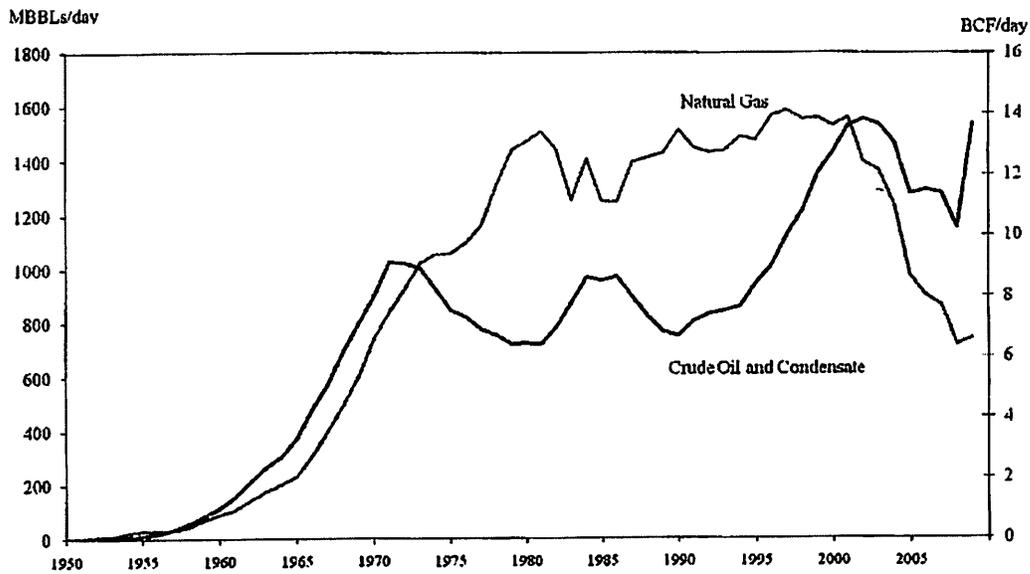
Source: Minerals Management Service Database, 2010.

Since 1947, more than 50,000 wells have been drilled in the Federal Gulf of Mexico, and there are now approximately 3,600 structures in the Gulf. In 2009, production from these structures accounted for 31 percent of total domestic oil production and 11 percent of total domestic, marketed natural gas production. Oil production in 2009 represented the second highest annual production for the Gulf of Mexico OCS (see Figure 2). Minerals Management Service Database, 2010.

Since the first major deepwater leasing boom in 1995 and 1996, a sustained and robust expansion of deepwater drilling activity has occurred, largely enabled by major advances in drilling

technology. In 2001, U.S. deepwater offshore oil production surpassed shallow water offshore oil production for the first time. By 2009, 80 percent of offshore oil production and 45 percent of natural gas production occurred in water depths in excess of 1,000 feet, and industry had drilled nearly 4,000 wells to those depths. In 2007, a record 15 rigs were drilling for oil and gas in water depths of 5,000 feet or more in the Gulf of Mexico. Operators have drilled about 700 wells in water depths of 5,000 feet or greater in the OCS. While fewer wells are drilled in the OCS today, they tend to be more sophisticated with higher per-well production levels than those in the past.

Figure 2
Gulf of Mexico OCS Oil and Gas Production



Source: Minerals Management Service Database, 2010.

Since 1953, the Federal Government has received approximately \$200 billion in lease bonuses, fees, and royalty payments from OCS oil and gas operators. Last year, the Federal OCS leasing revenue was \$6 billion. The OCS oil and gas industry provides relatively high-paying jobs in drilling and production activities, as well as employment in supporting industries. Offshore operations provide direct employment estimated at 150,000 jobs. Minerals Management Service Database, 2010.

B. OCS Petroleum Spills

Since the 1969 Santa Barbara, California, oil spill, there have been relatively few major oil spills from offshore oil and gas operations in the U.S. and around the world. Yet several notable blowouts have occurred, including one in June 1979, when the Ixtoc I exploratory well located about 50 miles off the Yucatan Peninsula blew out and was not brought under control until March 1980, releasing over three million barrels of oil off the coast of the Mexican state of Campeche. In 2009, the Australian Montara well in the Timor Sea blew out and was not brought under control for more than 10 weeks, releasing oil into the open ocean and forming a thin sheen covering up to 10,000 square miles. Nevertheless, the relatively infrequent occurrence of a major oil spill from an offshore drilling operation has led many to view these operations as safe.

From 1964 to 2009, operators in the Federal OCS produced about 17.5 billion barrels of oil (crude oil and condensate). Over this same time, the total estimated petroleum volume spilled from OCS activities was approximately 532,000 barrels, or 30.3 barrels spilled per million barrels produced. The spill rates from OCS platform and rig activities improved each decade from the 1960s through the 1990s, although the past decade reversed this trend (see Table 1). The oil spilled from OCS rigs and platforms over the past 30 years totaled about 27,000 barrels, illustrating how a catastrophic spill like the current BP Oil Spill can vastly exceed the impacts of typical spills on the OCS.

Table 1
Crude Oil Spills from Platform and Rigs from Federal OCS Activities, 1960-2009

Time Period	OCS Oil Production (Thousand Barrels)	Number of Spills	Barrels Spilled (Thousand Barrels)	Thousand Barrels Produced per Barrel Spilled
1960-1969	1,460,000	13	99	15
1970-1979	3,455,000	32	106	33
1980-1989	3,387,000	38	7	473
1990-1999	4,051,000	15	2	1,592
2000-2009	5,450,000	72	18	296

Note: Only covers spills of 50 barrels or more.

Source: Minerals Management Service Database, 2010.

Blowouts represent a type of loss of well control event that can result in large discharges of oil into the natural environment. Since 1970, the number of blowouts per number of wells drilled has varied significantly from year to year. From 1964 through 1970, a total of approximately 178,000 barrels of oil was spilled on the Federal OCS as a result of blowout events (see Table 2). Of this total, about 13,000 barrels resulted from blowouts related to external forces, such as hurricanes and ship collisions. An additional 30,000 barrels were released when a production fire resulted in the loss of well control of 12 wells on a production platform. The remaining 135,000 barrels that were released during blowouts occurred during drilling, well completion, or workover operations.

Table 2
Blowout Events Exceeding 1,000 Barrels on the Federal Outer Continental Shelf, 1964-2009

Year	Description of Event
1964	Two blowouts associated with a hurricane event that destroyed four platforms. Total of 10,280 barrels crude oil spilled.
1965	One blowout associated with drilling. 1,688 barrels condensate spilled.
1969	One blowout that occurred when a supply vessel collided with a drilling rig during a storm and sheared the wellhead. 2,500 barrels crude oil spilled.
1969	One blowout (Santa Barbara, California) was associated with drilling. 80,000 barrels spilled.
1970	One blowout was caused by a fire in the production area that resulted in the loss of control of 12 wells on the platform. 30,000 barrels crude oil spilled.
1970	One blowout associated with wireline work during workover operations. 53,000 barrels spilled.

Source: Minerals Management Service Database, 2010.

After these blowouts, in the period from 1971 through 2009, a total of approximately 1,800 barrels was spilled on the Federal OCS as a result of blowout events. Of that amount, 425 barrels were blowouts resulting from hurricane damage. An additional 450 barrels occurred at an oil pump during production operations. Since 1956, 15 blowouts resulted in at least one fatality; three of these events occurred after 1986.

While the rate of blowouts per well drilled has not increased, even as more activity has moved into deeper water, the experience with the BP Oil Spill illustrates the significant challenges in containing a blowout in deepwater, as compared to containing a blowout in shallower water.

III. EXISTING WELL CONTROL STUDIES

The Department has conducted research related to offshore oil and gas exploration, development, and production for two purposes: (1) to augment the overall knowledge base in the field, and (2) to identify information supporting new or modified requirements in a regulation or recommended practices. The Department maintains interagency agreements and working arrangements for research with other Federal agencies who share responsibility for regulatory oversight of OCS operations, including the Departments of Commerce, Energy, and Transportation.

Through the Technical Assessment & Research (TA&R) Program, the Department studies the operational safety, technology, and the pollution prevention and spill response capabilities associated with offshore operations. The TA&R Program serves "to promote new technology and safety through the funding of collective research with industry, academia, and other

government agencies and disseminate findings through a variety of public forums.” *Minerals Management Service Engineering and Research Branch 2008-2012 Strategic Plan*. This program has funded or co-funded numerous studies investigating the use of well control techniques and equipment, including those associated with drilling fluid of a specified weight and circulation, cement with a specific bond and integrity, casing with a specific design, pressure control safety valves, and BOPs (see Table 3 for a list of well control studies funded by the Department since 1990). These studies have led to offshore drilling safety improvements around the world.

Table 3
TA&R Funded Well Control Research, 1990-2010

Study No.	Title of Study	Completion Date
<u>8</u>	Blowout Prevention Procedures for Deepwater Drilling	1978 to 2003
<u>150</u>	Floating Vessel Blowout Control	December 1991
<u>151</u>	Investigation of Simulated Oil Well Blowout Fires	1989 to 1993
<u>170</u>	Improved Means of Offshore Platform Fire Resistance	1991 and 1994
<u>220</u>	Study of Human Factors in Offshore Operations	1995 to 1997
<u>253</u>	Blowout Preventer Study	December 1996
<u>264</u>	Development of Improved Drill String Safety Valve Design and Specifications	1996 and 1998
<u>319</u>	Reliability of Subsea Blowout Preventer Systems for Deepwater Applications—Phase II	November 1999
<u>382</u>	Experimental Validation of Well Control Procedures in Deepwater	December 2005
<u>383</u>	Performance of Deepwater BOP Equipment During Well Control Events	July 2001
<u>403</u>	Repeatability and Effectiveness of Subsurface-Controlled Safety Valves	March 2003
<u>408</u>	Development of a Blowout Intervention Method and Dynamic Kill Simulated for Blowouts in Ultra-Deepwater	December 2004
<u>431</u>	Evaluation of Secondary Intervention Methods in Well Control	March 2003
<u>440</u>	Development and Assessment of Well Control Procedures for Extended Reach and Multilateral Wells	December 2004
<u>455</u>	Review of Shear Ram Capabilities	December 2004
<u>463</u>	Evaluation of Sheer Ram Capabilities	September 2004

<u>519</u>	Drilling and Completion Gaps for High Temperature and High Pressure In Deep Water	June 2006
<u>540</u>	Risk Assessment of Surface vs. Subsurface BOP's on Mobile Offshore Drilling Units	August 2006
<u>541</u>	Application of Dual Gradient Technology to Top Hole Drilling	November 2006
<u>566</u>	Using Equipment, Particularly BOP and Wellhead Components in Excess of the Rated Working Pressure	October 2006
<u>582</u>	A Probabilistic Approach to Risk Assessment of Managed Pressure Drilling in Offshore Drilling Applications	October 2008
<u>631</u>	Risk Profile of Dual Gradient Drilling	Estimated completion in September 2010
<u>640</u>	Risk Analysis of Using a Surface Blow Out Preventer	April 2010

Note: This report includes hyperlinks to the reports via the study numbers.

Source: Minerals Management Service Database, 2010.

These studies have examined, among other things, blind shear ram capabilities, back-up BOP systems, and drilling and cementing design and operations, which have informed the setting of Department regulations. For example, the 1999 *Reliability of Subsea BOP systems for Deepwater Applications* (study number 319) recommended modifying testing regulations to ensure that the testing of variable pipe rams appropriately account for the diameters of all the sizes of pipe in use in a given drilling project. The Department used this recommendation in revising its 2003 final drilling regulations.

The 2002 *Review of Shear Ram Capabilities* (study number 455) identified issues associated with the cutting power of shear rams, which are intended to cut through drill pipe when the well must be secured in an emergency situation. The Department adopted the report's recommendation that the BOP must be capable of shearing pipe planned for use in current drilling programs under 30 CFR 250.416(e). This regulation requires the submittal of information demonstrating that shear rams on the proposed BOP stack can cut drill pipe under maximum anticipated surface pressure.

The 2004 *Evaluation of Sheer Ram Capabilities* (study number 463) expanded on the analysis in study number 455 through an evaluation of BOP shear rams under the most demanding conditions. In this study, 214 pipe samples were tested against various ram models, and 16 (7.5 percent) were unsuccessful in shearing the pipe below a certain pressure (3,000 pounds per square inch). All 16 of these cases involved a particular combination of shear ram and pipe, which was found unsuitable for actual drilling operations. The results of this study confirmed the regulatory decision to require operators to submit documentation that shows the shear rams are capable of shearing the pipe in the hole under maximum anticipated surface pressures.

The 2003 *Evaluation of Secondary Intervention Methods in Well Control* (study number 431) reviewed the design and capabilities of various secondary BOP intervention systems used in practice. Secondary intervention represents an alternate means to operate BOP functions in the event of total loss of the primary control system or a means to assist personnel during situations involving imminent equipment failure or well-control problems. This study discusses the possible use of acoustic systems in the Gulf of Mexico. According to the report, there remain significant doubts about the ability of an acoustic control system to provide a reliable emergency back-up to the primary control system during an actual well flow event.

IV. LEGAL FRAMEWORK, INSPECTIONS, AND ENFORCEMENT

A. Statutory Authority

In 1953, the Congress passed the Outer Continental Shelf Lands Act (OCSLA) that defines the OCS as any submerged land outside state jurisdiction and established Federal jurisdiction over these waters and all resources they contain. The OCSLA also set Federal responsibilities for managing and maintaining the OCS subject to environmental constraints and safety concerns. The legislation authorized the Department to lease areas of the OCS for development and to regulate offshore operations and development. Since then, the OCSLA has been amended to address changing issues, including the 1978 requirement for the Department to develop 5-year leasing program schedules after consideration of environmental, social, and economic effects of natural gas and oil activity on OCS resources, location-specific risks, energy needs, laws, and stakeholder interests. This amendment also requires the Department to seek a balance between potential damage to the environment and coastal areas and potential energy supply. The first 5-year leasing program started in 1980 and the current 5-year plan ends in 2012.

Congress has also enacted laws to promote production in frontier areas like the Gulf of Mexico deepwater. For example, the 1995 Deepwater Royalty Relief Act encouraged oil and gas development in the Gulf of Mexico in water depths greater than 200 meters (656 feet) through royalty relief. Royalty relief incentives were also offered to encourage production from wells drilled for deep natural gas (greater than 15,000 feet or 4,572 meters total depth) on new leases located in shallow waters (less than 200 meters). The Energy Policy Act of 2005 included additional incentives for oil and gas development in offshore areas to stimulate production in deepwater and expanded the OCSLA to include the areas offshore Alaska for royalty suspension.

Oil and gas leasing and operations are subject to environmental reviews under the National Environmental Policy Act (NEPA). On May 14, 2010, Secretary of the Interior Ken Salazar and the Council on Environmental Quality Chair Nancy Sutley announced a full review of NEPA compliance for oil and gas activities on the OCS, and accordingly, NEPA will not be covered in this report.

B. Regulations

Under the OCSLA, the Secretary of the Interior, through the MMS, manages and regulates leasing, exploration, development, and production of resources on the OCS. Current regulations are a combination of prescriptive and performance-based measures.

Prescriptive regulations specify rules or courses of action that must be explicitly followed in order to comply with regulation. A prescriptive approach sets clear rules for industry to follow. Performance-based regulations, in contrast, specify objectives for industry to achieve but allow flexibility in the technology and approaches used to meet these objectives. This approach allows improved technologies and methodologies to be incorporated into industry practices without major revisions to regulations and puts the onus on industry to develop systems for continuous improvement of safety and environmental protection practices. Internationally, many countries (e.g., United Kingdom, Norway, and Australia) are moving toward more performance-based regulations. The Department also incorporates by reference recommended practices and standards from industry associations and technical standard setting groups such as the American National Standards Institute, API standards and recommended practice documents, and National Association of Corrosion Engineers documents. The Department also issues Notice to Lessees (NLTs) to clarify and provide direction on regulatory requirements.

The regulations in 30 CFR 250 govern important drilling operations on the OCS. Subpart D covers all aspects of the drilling operation including permitting, casing requirements, cementing requirements, diverter systems, BOP systems, drilling fluids requirements, equipment testing, and reporting. The minimum requirements for BOPs are stated in detail, including system components, surface and subsea BOP stacks, associated systems and equipment, choke manifolds, kelly valves, drill-string safety valves, maintenance and inspections, pressure tests and additional testing, and recordkeeping. Subpart Q covers decommissioning, which includes temporary abandonment of wells. These regulations are mainly prescriptive in nature, and convey the minimum requirements for safe operations.

While regulations governing OCS exploration, development, and production activities have been largely prescriptive, the Department has been considering more performance-based approaches. For example, the 2002 Subpart O (30 CFR 250.1500) training rule is a performance-based regulation. In addition, the Department has incorporated by reference nearly 100 consensus standards into current offshore operating regulations. In this way, the Department imposes a responsibility on operators to ensure safe operations through compliance with prescribed standards as well as compliance with performance-based, overarching measures. As such, it is the responsibility of operators to meet the requirements of 30 CFR 250.401:

What must I do to keep wells under control? You must take necessary precautions to keep wells under control at all times. You must: (a) Use the best available and safest drilling technology to monitor and evaluate well conditions and to minimize the potential for the well to flow or kick and...(e) Use and maintain equipment and materials necessary to ensure the safety and protection of personnel, equipment, natural resources, and the environment.

Review of Applications for Permit to Drill (APDs)

Upon receipt of an APD, the Department reviews the approval documents for the Exploration or Development Plans for conditions that apply to the APD or the well's proposed location. The Department also assesses whether the applicant has oil spill financial responsibility coverage.

The Department conducts an engineering review of the APD, to check the proposed drilling rig's maximum operating limits for drilling depth and water depth to ensure appropriateness for the proposed well program. The review consists of, but is not limited to, the proposed procedure, well location and directional program, geological and geophysical hazards, subsurface environment for pore pressure and fracture gradient, wellbore design and schematic, design calculations for pressure containment during drilling and completion, cement volumes, and testing pressures for the well control equipment, casing and casing shoe. This review is performed for shallow and deepwater drilling operations, and a hurricane risk assessment is performed during hurricane season. The Department reviews APDs to determine how the proposed operation satisfies the regulations in meeting its objective of safely reaching a targeted depth. This review includes an assessment of:

- well casing setting depths determined by formation strength, predicted formation fluid pressure, drilling mud weight limits, any anticipated subsurface hazards;
- effectiveness of well casing strength for pressure containment at its specified depth;
- effectiveness of cementing the well casing after successfully securing and isolating the hydrocarbon zones or any encountered subsurface hazards; and
- maintaining well control by adjusting drilling mud properties and the use of well control equipment such as diverters and BOPs.

The Department reviews the operator's plans and APDs to verify the use of best available and safest technology (BAST), and inspections verify the use of approved equipment and maintenance thereof.

Upon completing the engineering review, the Department may approve the APD with conditions if warranted, return it to the operator for modifications, or deny it. If the applicant makes changes to the drilling application, the Department must grant approval before the applicant performs its work.

C. Inspections

The Department maintains a comprehensive inspection program to promote the safety of offshore oil and gas operations on the OCS. This program places inspectors offshore on drilling rigs and production platforms to enforce operator compliance with Federal safety and environmental protection requirements. When a drilling rig enters Federal waters to drill a well, Federal inspectors will meet the rig where it is moored to provide training to the rig operators about the Federal regulatory structure. At this time, inspectors will conduct a drilling inspection of the equipment. It is Departmental policy for inspectors to inspect the rig once on location every 30 days.

For production platforms, it is practice for initial inspections to take place during the fabrication of the platform at a shipyard. Federal inspectors and engineers review the flow diagrams and

charts to determine if the specific facility meets regulatory requirements. A complete production inspection of the facility occurs typically about 30 to 45 days after a production platform is installed.

After operations begin, the Department conducts additional announced and unannounced inspections. Inspectors typically give the operator a few days notice for announced inspections. Inspectors also fly to platforms or rigs unannounced, and in such cases, inspectors contact the operator as they approach the facility. These unannounced inspections foster a climate of safe operations, maintain an inspector presence, and allow regulators to focus on operators with a poor performance record. They are also conducted after a critical safety feature has previously been found defective during previous inspections or by operator reporting.

During a drilling inspection an inspector typically conducts the following:

- a general safety walk through of the facility looking for general housekeeping hazards related to slips/trips/falls/railings/open gratings;
- verification of the location of gas detectors/hydrogen sulfide detectors/mud volume detectors;
- verification that the mud trip tank is operational and properly marked (graduated), that appropriate quantities of a mud weighting material are onboard (barite), and that the drilling mud currently in use has been periodically tested and is of the proper density as indicated in the APD (viewing mud logger's report);
- verification that proper well control data relative to the well depth and type of tubulars (drill pipe, casing) in the well is clearly marked and posted on the rig floor and that there are remote BOP and Diverter control panels on the facility;
- verification that equipment is properly grounded and that drill string safety valves with proper wrenches for the diameter of drill pipe or casing currently in the well are located on the drill floor in an open position and within easy access to rig personnel;
- verification that the crown block safety device is installed and operational and that fresh air intakes are properly located on the rig;
- verification that diesel engines have required shut down devices, that breathing air is properly labeled, that engine exhaust is insulated;
- verification that crane load charts on platform rigs have been recorded, that all equipment has proper catch basins/drains/curbs/gutters/drip pans, that the facility is properly marked as to location, that the facility is properly lighted;
- if drilling is being conducted on a production facility, verification that there is an operational Emergency Shut Down device on the rig floor;

- verification of the status/switch position of the BOP pumps that the stand-by pump operates in an automatic fashion, that the accumulator bottles are in service;
- review the BOP tests records;
- checks the Subpart O well control status of contractor and lessee employees;
- checks for certain Potential Incidents of Noncompliance, which allow the inspector to check for general competency related to drilling operations; and
- inspectors may test, randomly or as a result of a safety concern, an offshore employee's competency with various safety devices.

The records check and documentation components of a drilling inspection apply to equipment, procedures, and operations that were conducted prior to the inspector boarding the facility, including but not limited to casing, cement, diverter, and BOP pressure testing results, casing setting depths, cement volumes, proper wait on cement time, formation pressure integrity tests, formation evaluation tests, required well control drills, hydrogen sulfide training certifications, and gas detector and hydrogen sulfide detector calibration records. Furthermore, the inspector confirms that proper paperwork is available in regard to any granted departures approved during the drilling of the well which were not previously approved in the APD.

During 2009, industry drilled a total of 331 wells in the Gulf of Mexico, and the MMS Gulf of Mexico Region conducted the following types and numbers of inspections:

- 561 drilling inspections;
- 3,678 production inspections;
- 268 well workover and well completion inspections;
- 6,804 meter inspections;
- 82 abandonment inspections;
- 4,837 pipelines inspections; and
- 3,342 personal safety inspections, on behalf of the U.S. Coast Guard.

E. Enforcement

The Secretary of the Interior, the Secretary of the Army, and the U.S. Coast Guard have the authority to pursue civil and criminal enforcement actions against persons who violate the OCSLA, the regulations created to implement the OCSLA, and the terms of any lease, license, or permit issued under OCSLA. The Department maintains a National Potential Incident of Noncompliance (PINC) List to help inspectors carry out enforcement actions: it contains a checklist of requirements for specific installations or procedures and prescribed enforcement

actions consisting of written warnings, shut-in of a component, including wells, equipment, or pipelines, or shut-in of an entire platform if noncompliance with the National PINC is detected. If the violation does not impose an immediate danger to personnel or equipment, a warning Incident of Noncompliance (INC) is issued. An INC must be corrected within 14 days from the time specified on the INC, and the operator may not continue the activity in question until it has corrected the INC.

The OCSLA (43 U.S.C. § 1334(a)(2)) and regulations at 30 CFR 250.181-188 authorize the Secretary to cancel a lease or permit if, after opportunity and notice for a hearing, it is determined that: (1) continued activity would probably cause serious harm or damage to life, property, the environment, minerals, or national security or defense; (2) the threat of harm or damage will not disappear or decrease to an acceptable extent within a reasonable time; (3) the advantages of cancellation outweigh the advantages of continued activity; and (4) a suspension has been in effect for at least five years or the termination of suspension and lease cancellation are at the request of the lessee.

Regulations appearing in 30 CFR 250.135-136 provide for a disqualification process for operators exhibiting chronic poor compliance. This procedure allows operators to be placed on probation and requires that they submit Performance Improvement Plans. This gives the operator an opportunity to improve their performance. Should it not improve during a specified time, the operator may be disqualified from operating a given facility, including up to any and all facilities. Ultimately, an operator can go through Departmental debarment procedures that would prevent it from transacting any business with the Federal Government.

Under 43 U.S.C. § 1350(b) of the OCSLA, as amended, and regulations appearing at 30 CFR 250.200-206, civil penalties can be assessed for failure to comply with responsibilities under the law, a lease, a license, a permit, or any regulation or order issued pursuant to the Act. In addition to the enforcement actions specified above, civil penalty of up to \$35,000 per violation per day may be assessed if: (1) the operator fails to correct the violation in the amount of time specified on the INC; or (2) the violation resulted in a threat of serious, irreparable, or immediate harm or damage to life, property, minerals, or the environment. On a drilling rig, for example, 160 items are checked for potential violations. If significant enough, the violation may call for the particular well component or the entire complex to be shut in. In 2009, drilling operations of 20 facilities were shut-in.

V. REGULATORY AUTHORITY AND REQUIREMENTS IN OTHER NATIONS

There have been and continue to be a number of approaches for regulating offshore drilling activity. Some countries have adopted a prescriptive approach directing offshore oil and gas activities through detailed regulations and requirements, while other regulatory bodies have adopted a performance-based approach. Some regulators have adopted a hybrid approach by being prescriptive in areas deemed critical, while also establishing broad performance parameters where they deem industry needs the latitude to meet particular objectives.

There is a major difference among offshore oil and gas regulators in the number of technical standards referenced within their regulations, and the effect of referenced standards. For

example, in the United Kingdom, the standards are not compulsory, while in the United States, referenced standards have the same status as regulations. A standard is a formal document that establishes or defines a method or practice; these may also be called recommended practices. Some of the standards developing organizations, referenced in the regulations, include API, American Society of Mechanical Engineers, and American National Standards Institute. The following summarizes the regulatory structures in Norway, the United Kingdom, Australia, and Canada.

Norway

Over the past 40 years, Norway has moved from a prescriptive to a performance-based approach for regulating offshore oil and gas. Like the United States today with joint regulatory oversight of mobile drilling rigs by the Department and the U.S. Coast Guard, Norway originally regulated mobile units through its maritime authority and fixed installations by the Norwegian Petroleum Directorate (NPD).

Over time, the NPD has developed new approaches, including "compliance responsibility" that required companies to verify that their business was run acceptably and in line with the rules. The NPD eliminated the concept of inspection and replaced it with the concept of "supervision." They also replaced the term "approvals" with "consents." Supervision spans audits, verification, investigations, and most significantly, interaction with industry in the form of studies, professional seminars, and the development of regulations. These changes transformed the earlier approvals system that had the effect of the NPD being a virtual guarantor that company activities were acceptable into one centered on the concept of consent.

Since this major change in 1985, the trend has been away from prescription towards a regulatory approach based more on performance and risk management. Also, a series of reforms has resulted in regulations that are aligned with the changes in regulatory approach. Norway's regulatory requirements are general and primarily specify the conditions or functions that must be achieved to be compliant. Within this framework, companies have the freedom to choose practical solutions along with the responsibility to ensure compliance. To avoid misunderstandings about requirements for complying with the regulations, non-binding recommendations and guidelines have also been issued that reference reputable Norwegian and/or international industrial standards for structures, equipment, or procedures. These recommendations and guidelines rely primarily on Det Norske Veritas *Offshore Standards* that provide technical requirements and acceptance criteria and *Recommended Practices* for proven technology and sound engineering practice.

This approach also means that the regulator must keep abreast of and participate in developing and revising industry standards to ensure that they remain relevant and reflect best practice. Supervision by the regulator involves checking whether the administrative management systems at the companies ensure acceptable operation. This auditing must be conducted by personnel who have special technical and management expertise and experience.

The NPD acknowledges that the requirements for successfully delivering performance-based regulations demands extensive participation from industry, employees, and the regulator in terms

of expertise, management and flexibility. To achieve a safe and environmentally responsible offshore work environment, strategic, and operational plans must be drawn up, selected development measures implemented, progress monitored and corrective action taken when problems arise.

The Petroleum Safety Authority Norway (PSA) was established as an independent government regulator in 2004. It took over the safety department of the NPD and continued its role. Its authority was also extended to cover supervision of safety, emergency preparedness, and the working environment for petroleum-related plants and associated pipeline systems on land. Norway is working toward harmonizing their regulations for offshore and land-based petroleum operations under the PSA.

United Kingdom

The UK safety regulation is predominantly performance-based. Indeed, the safety case concept for offshore oil and gas operation began after the 1988 explosion and resulting fire of a North Sea oil production platform called Piper Alpha, which killed 167 men. The subsequent investigation led to the issuance of the Public Inquiry into the Piper Alpha Disaster (the Lord Cullen report) and the reorganization of the UK offshore safety laws from prescriptive to a safety case approach. UK standards describe objectives, and operators can select the methods and equipment used to achieve these objectives and meet their statutory obligations. Complementing the safety case regulations are approved codes of practice and guidance documents.

The UK regulates offshore oil and gas through the Health and Safety Executive (HSE). The core activities of HSE are safety case assessment, verification, inspection, investigation, and enforcement. The approval process for the HSE is case-specific, and each case must be accepted and approved before offshore installation operates. A government inspectorate is in place as an assurance mechanism. The HSE oversight includes over 300 installations including, production platforms, Floating Production Storage and Offloading units, and mobile offshore drilling units. Other legislation is applied offshore on an activity basis. In 1992, the Offshore Installation (Safety Case) Regulations were introduced into the UK sector. These require all fixed and mobile offshore installations operating in UK waters to have a safety case which must be reviewed and approved by the Health and Safety Executive.

Australia

The organization responsible for regulating Australia's oil and gas industry is The National Offshore Petroleum Safety Authority, an independent statutory agency designated under the Commonwealth *Offshore Petroleum and Greenhouse Gas Storage Act 2006*. This organization implements a performance-based regulatory approach. The regulator is responsible for providing assurance that the operators address risks identified by a safety case. The organization includes a joint government inspectorate, and requires third party validations for regulatory assurance. Each manned facility is inspected at least once every year. The inspections are planned and usually take several days. The subject of planned inspections includes both control and management of major equipment and occupational health and safety.

The primary features of the Australian regulatory system are:

- **Duties of care:** Specific categories of persons (operators, employers, etc.) who are involved in offshore petroleum activities at facilities are required to "take all reasonably practicable steps" to protect the health and safety of the facility workforce and of any other persons who may be affected.
- **Consultation provisions:** Mechanisms are set out that will enable effective consultation between each facility operator, relevant employers, and the workforce regarding occupational health and safety.
- **Powers of inspectors:** Inspectors are granted powers to enter offshore facilities or other relevant premises, conduct inspections, interview people, seize evidence and otherwise take action to ensure compliance by parties with legal obligations.
- **Standards and best practices** are based on a safety case approach, similar to that specified in the UK regulatory system.

Canada

The Canada-Nova Scotia Offshore Petroleum Board (C-NSOPB) and the Canada Newfoundland & Labrador Offshore Petroleum Board (C-NLOPB) are responsible for the regulation of petroleum activities in the Nova Scotia, Newfoundland, and Labrador offshore areas. Their principle responsibilities include ensuring health and safety for offshore workers, protection of the environment, conservation of offshore petroleum resources, compliance with legislative provisions regarding employment and industrial benefits, issuance of licenses for offshore exploration and development, and resource evaluation. Both boards are independent joint agencies of the Government of Canada and their respective provinces. Each work activity proposed in the offshore area related to exploration, drilling, production, conservation, processing, or transportation of petroleum requires the authorization of the responsible board. Assurance mechanisms include board inspections, audits and investigations programs, and industry self inspections. Operators are required to submit reports detailing the status of their work programs on an ongoing basis, along with other documentation to demonstrate compliance with regulatory requirements. The C-NSOPB oversees one operational natural gas project comprised of five production platforms and one 26-inch pipeline. The C-NLOPB oversees three oil projects comprised of Floating Production Storage and Offloading units and one integrated drilling/production accommodation installation.

VI. RECOMMENDATIONS FOR IMMEDIATE ACTION TO IMPROVE OFFSHORE DRILLING SAFETY

The BP Oil Spill demonstrates the possibility of a catastrophic event (or multiple catastrophic failures) and, therefore, the need to ensure that oil and gas development on the Outer Continental Shelf can be conducted safely and that another event like the BP Oil Spill never occurs again.

This 30-day review has of necessity been conducted without the results of the ongoing investigations into the precise causes of the event. A series of other investigations will determine

those causes in the coming months. Nevertheless, this report makes a set of interim recommendations based upon what is known about the equipment, systems, and practices necessary for safe operation. For example, the BP Oil Spill has underscored that as drilling activity moves increasingly into very deep water environments, it is important to reevaluate whether the best practices for safe drilling operations developed over the years need to be bolstered to account for the unique challenges of drilling in deepwater. In addition, the presumed failure of the BOP points to a need to examine standards specifically related to BOP safety.

With that context in mind, the recommendations are designed to address specific policies, practices, and procedures, which the Department has identified as important for workplace and environmental safety, even before completion of the investigation into the event. Many of the near-term recommendations are prescriptive in nature, reflecting the importance of addressing immediate needs while the Department conducts a more comprehensive examination of the entire regulatory program and determines whether additional performance-based standards are necessary.

Implementation of these recommendations is expected to improve safety of offshore drilling operations. In the coming months, these measures will be refined and supplemented based on recommendations from other reviews and investigations, including from continuing work at the Department as described below, from the Joint Investigation and from the independent bipartisan commission established by the President.

Each recommendation below is accompanied by a brief discussion of the context of the recommendations and an explanation of how it will enhance the safety of future OCS drilling activities. Each is also identified with regard to priority of expected implementation. Certain measures are intended for immediate implementation (within the next 30 days), through issuance of either a NTL, internal Departmental guidance, or in the case of a safety and environmental rule, through publication of the final rulemaking.

Other recommendations will be addressed through emergency rulemaking, where appropriate. It is the intent of the Department to issue expeditiously interim final rules to implement these recommendations. Such rules will become effective immediately upon issuance, but will also be opened for public review and comment and may be adjusted after comments are received through the appropriate process.

Finally, several recommendations require further study and, therefore, will be addressed through notice and comment rulemaking. The Department will immediately establish strike teams within the Department to further develop these measures. These strike teams will address the highly technical and complex issues raised and will seek input as appropriate from academia, industry, and other technical experts and stakeholders. The teams will present their recommendations for additional environmental protection and safety measures within six months. Recommendations will be implemented as expeditiously as possible through formal rulemaking. The recommendations from these strike teams may also inform the efforts of the President's new bipartisan National Commission.

A primer on offshore drilling technology and systems describes many of the terms used in the below recommendations (see Appendix 2).

The specific recommendations of the Department follow:

I. Blowout Preventer Equipment and Emergency Systems

BOPs and Emergency Systems: BOPs are used to control the release of oil and gas in the event of loss of well control. Current drilling regulations impose specific requirements addressing BOP systems, including requirements for annular preventers and the primary systems that control those preventers, as well as pipe and blind-shear rams.

Although the regulations do not require specific secondary control systems (back-up systems) including subsea BOP safety systems, which are designed to shut-in the wellbore automatically during emergency events the Department only approves permits for which they are secondary control systems. These safety systems include autoshear and deadman systems. Emergency events could include the loss of communication and power between the surface and the BOP stack or an unplanned disconnect of the marine riser from the BOP stack. In addition, all Gulf of Mexico drilling rigs are currently equipped to use a remote operated vehicle (ROV) to provide secondary control of the subsea BOP stack, and most provide other tertiary control systems as well. The ROV intervention capability is limited on some subsea BOP stacks while others have the ability to control multiple functions.

A. Certification of Subsea BOP Stack

Recommendation 1 – Order Immediate Re-certification of All BOP Equipment Used in New Floating Drilling Operations

Prior to spudding any new well from a floating vessel, the operator will be required to obtain a written and signed certification from an independent third party attesting that, on or after the date of this report, a detailed physical inspection and design review of the BOP has been conducted in accordance with the Original Equipment Manufacturer specifications and that: (i) the BOP will operate as originally designed, and (ii) any modifications or upgrades to the BOP stack conducted after delivery have not compromised the design or operation of the BOP. This certification must be submitted to the Department and made publicly available. Prior to deploying the BOP, the operator must also verify that any modifications or upgrades to the BOP are approved by the Department and that documentation showing that the BOP has been maintained and inspected according to the requirements in 30 CFR 250.446(a) and other applicable standards and is on file with the Department and available for inspection.

Recommendation 2 – Order BOP Equipment Compatibility Verification for Each Floating Vessel and for Each New Well

For each new well, the Department will require, as part of a structured risk management process, the operator to obtain an independent third party verification that:

- The BOP stack is designed for the specific drilling equipment on the rig and for the specific well design including certification that the shear ram is appropriate for the drilling project.
- The BOP stack has not been compromised or damaged from previous service.
- The BOP stack will operate in the water depth in which it will be deployed.

Recommendation 3 – Develop Formal Equipment Certification Requirements

The Department will investigate new certification requirements for BOP equipment and other components of the BOP stack such as control panels, communication pods, accumulator systems, and choke and kill lines. In addition, the Department will develop a system to make BOP certifications publicly available in order to increase transparency and accountability.

B. New Safety Equipment Requirements and Operating Procedures

Recommendation 4 – New Blind Shear Ram Redundancy Requirement

The BOPs used in all floating drilling operations will be required to have two sets of blind shear rams spaced at least four feet apart (to prevent system failure if drill pipe joint or drill tool is across one set of rams during an emergency).

Recommendation 5 –Secondary Control System Requirements and Guidelines

The Department will establish clear requirements for secondary BOP control systems on all subsea BOPs and for systems that address well-control emergencies. These requirements will include:

- ROV intervention capabilities for secondary control of all subsea BOP stacks, including the ability to close all shear and pipe rams, close the choke and kill valves and unlatch the lower marine riser package (LMRP).
- Requirements for an emergency back-up BOP control system, e.g., autoshear, deadman, emergency disconnect system, and/or an acoustic activation system that is powered by a separate and independent accumulator bank with sufficient capacity to open and close one annular-type preventer and all ram-type preventers, including the blind shear ram.
- Guidelines for arming and disarming the secondary BOP control system.
- Requirements for documentation of BOP maintenance and repair (including any modifications to the BOP stack and control systems).

Recommendation 6 –New ROV Operating Capabilities

The Department will develop requirements for ROV operating capabilities including the following:

- Standardized intervention ports for all subsea BOP stacks to ensure compatibility with any available ROV.
- Visible mechanical indicator or redundant telemetry channel for BOP rams to give positive indication of proper functioning (e.g., a position indicator).
- ROV testing requirements, including subsea function testing with external hydraulic supply.
- An ROV interface with dual valves below the lowest ram on the BOP stack to allow well-killing operations.

C. New Testing Guidelines and Inspection Procedures

Recommendation 7 – Develop New Testing Requirements

The Department will develop surface and subsea testing of ROV and BOP stack capabilities. These will include:

- Surface and subsea function and pressure testing requirements to ensure full operability of all functions (emergency disconnect of the LMRP and loss of communication with the surface control pods (e.g., electric and hydraulic power)).
- Third party verification that blind-shear rams will function and are capable of shearing the drill pipe that is in use on the rig.
- ROV performance standards, including surface and subsea function testing of ROV intervention ports and ROV pumps, to ensure that the ROV can close all shear and pipe rams, close the choke and kill valves, and unlatch the LMRP.
- Protocols for function testing autoshear, deadman, emergency disconnect systems, and acoustic activation systems.
- Mandatory inspection and testing of BOP stack if any components are used in an emergency (e.g., use of pipe or casing shear rams or circulating out a well kick). This testing must involve a full pressure test of the BOP after the situation is fully controlled, with the BOP on the wellhead.

Recommendation 8 – Develop New Inspection Procedures and Reporting Requirements

- The Department will evaluate and revise the manner in which it conducts its drilling inspections. Revised drilling inspections will include the witnessing of actual tests of BOP equipment, including the new requirements and guidance that address the surface and subsea testing of ROV and BOP stack capabilities. The Department will also develop methods to increase transparency and public availability of the results of inspections as well as routine reporting. The Department will work with Congress to obtain the necessary resources to implement these recommendations.
- Within 15 days of the date of this report, all operators of floating drilling equipment will report to the Department the following: (i) BOP and well control system configuration; (ii) BOP and well control system test results, including any anomalies in testing or operation of critical BOP components; (iii) BOP and loss of well control events; and (iv) BOP and well control system downtime for the last three years of drilling operations.
- The electronic log from the BOP control system must be transmitted online to a secure location onshore and made available for inspection by the Department.

II. Procedures to Ensure Adequate Physical Barriers and Well Control Systems are in Place to Prevent Oil and Gas from Escaping into the Environment

Minimizing Risk of Uncontrolled Flow: A well creates a conduit for subsurface formations to potentially flow uncontrolled to the surface. There are multiple methods that can be utilized to minimize the risk of the occurrence of uncontrolled flow. Those methods include the installation of rigid physical barriers such as cement plugs or mechanical plugs, well casing design and securing of the casing, and well control equipment. An appropriate well safety program must account for many factors unique to the drill location and dictates the installation of plugs and casing at strategic points to maintain well control and to enable drilling to the desired depth. Current Department regulations require that well-control equipment be in place at all times during the drilling operation to mitigate against failure of a plug or casing. Other, more specific standards may be appropriate to improve physical barriers and well-control systems. Well-control procedures must be revisited for deepwater operations because of the complexity of the equipment design in deepwater and the location of the BOP stack on the seafloor. Enhanced training for rig personnel will complement new well-control requirements.

A. Well-Control Guidelines and Fluid Displacement Procedures

Recommendation 1 – Establish Deepwater Well-Control Procedure Guidelines

As expeditiously as possible, the Department will establish new requirements for deepwater well-control procedures no later than 120 days of the date of this report.

Recommendation 2 – New Fluid Displacement Procedures

Prior to displacement of kill-weight drilling fluid from the wellbore, the operator must independently verify that:

- The BOPs are closed during displacement to underbalanced fluid columns to prevent gas entry into the riser should a seal failure occur during displacement.
- Two independent barriers, including one mechanical barrier, are in place for each flow path (i.e., casing and annulus), except that a single barrier is allowable between the top of the wellhead housing and the top of the BOP.
- If the shoe track (the cement plug and check valves that remain inside the bottom of casing after cementing) is to be used as one of these barriers, it is negatively pressure tested prior to the setting of the subsequent casing barrier. A negative pressure test must also be performed prior to setting the surface plug.
- Negative pressure tests are made to a differential pressure equal to or greater than the anticipated pressure after displacement. Each casing barrier is positively tested to a pressure that exceeds the highest estimated integrity of the casing shoes below the barrier.
- Displacement of the riser and casing to fluid columns that are underbalanced to the formation pressure in the wellbore is conducted in separate operations. In both cases, BOPs must be closed on the drill string and circulation established through the choke line to isolate the riser, which is not a rated barrier. During displacement, volumes in and out must be accurately monitored.
- Drill pipe components positioned in the shear rams during displacement must be capable of being sheared by the blind-shear rams in the BOP stack.

B. Well Design and Construction

1. Requirements for Both Casing and Cementing

Recommendation 3 – New Casing and Cement Design Requirements: Two Independent Tested Barriers

Before spudding any new floating drilling operation, all well casing and cement designs must be certified by a Professional Engineer, who verifies that there will be at least two independent tested barriers, including one mechanical barrier, across each flow path during well completion and abandonment activities and that the casing design is appropriate for the purpose for which it is intended under reasonably expected wellbore conditions.

Recommendation 4 – Study Formal Personnel Training Requirements for Casing and Cementing Operations

The Department will immediately establish a technical workgroup to evaluate new training and certification requirements for rig personnel specifically related to casing and cementing operations.

2. Casing Requirements

Recommendation 5 – New Casing Installation Procedures

The Department will ensure the requirement of the following BAST practices:

- Casing hanger latching mechanisms or lock down mechanisms must be engaged at the time the casing is installed in the subsea wellhead.
- For the final casing string, the operator must verify the installation of dual mechanical barriers (e.g., dual floats or one float and a mechanical plug) in addition to cement, to prevent flow in the event of a failure in the cement.

Recommendation 6 – Develop Additional Requirements or Guidelines for Casing Installation

The Department will establish specific requirements for the following procedures and practices:

- Positive and negative test procedures and use of test results for evaluation of casing integrity.
- Use of float valves and other mechanical plugs in the final casing string or liner.

3. Cementing Requirements

Recommendation 7 – Enforce Tighter Primary Cementing Practices

- The Department will institute a rulemaking address previously identified gaps in primary cementing practices).
- The Department, with input from independent experts will determine specific cementing requirements.

Recommendation 8 – Develop Additional Requirements or Guidelines for Evaluation of Cement Integrity

The Department will immediately evaluate whether and under what circumstances the use of cement bond logs is feasible and practical and will increase safety.

Discussion of Recommendations 3-8

Recommendations 3-8 are intended to result in better well control. Requiring a Professional Engineer to review and certify the well design will add another level of review to the current well design requirements. The Department's review new training requirements for casing and cementing operations helps focus industry and rig personnel on the importance of proper casing and cementing operations. Additional operational requirements for casing installation and cementing operations will add new assurances that adequate barriers are in place before continuing on to new drilling activities. Incorporation of the new cementing standard will bring all of industry up to state-of-art cementing practices—this means less chance of a well blowout due to a poor cement job.

C. Wild-Well Intervention

Recommendation 9 – Increase Federal Government Wild-Well Intervention Capabilities

Blown out, or “wild” wells, involve the uncontrolled release of crude oil or natural gas from an oil well where pressure control systems have failed. The Federal Government must develop a plan to increase its capabilities for direct wild-well intervention to be better prepared for future emergencies, particularly in deepwater. Development of the plan should consider existing methods to stop a blowout and handle escaping wellbore fluids, including but not limited to coffer dams, highly-capable ROVs, portable hydraulic line hook-ups, and pressure-reading tools, as well as appropriate sources of funding for such capabilities.

Recommendation 10 – Study Innovative Wild-Well Intervention, Response Techniques, and Response Planning

The Department will investigate new methods to stop a blowout and handle escaping wellbore fluids. A technical workgroup will take a fresh look at how to deal with a deepwater blowout. In particular, the workgroup will evaluate new, faster ways of stopping blowouts in deepwater. The technical workgroup will also address operators' responsibility, on a regional or industry-wide basis, to develop and procure a response package for deepwater events, to include diagnostic and measurement equipment, pre-fabricated systems for deepwater oil capture, logistical and communications support, and plans and concepts of operations that can be deployed in the event of an unanticipated blowout, as well as assess and certify potential options (e.g., deepwater dispersant injection).

III. Organizational and Safety Management

A. Increased Enforcement of Existing Safety Regulations and Procedures

Enforcing Existing Regulations: Immediately following the BP Oil Spill, the MMS and the U.S. Coast Guard issued a joint Safety Alert to compel operators and drilling contractors to inspect their drilling equipment (both surface and subsea), review their procedures to ensure the safety of personnel and protection of the environment, and review all emergency shutdown and dynamic positioning procedures. Inspections began immediately to verify that all active

deepwater drilling activities complied with these recommendations and all other regulations. Following the completion of the drilling inspections, inspections of all deepwater production facilities began immediately to ensure compliance by those facilities with the regulations. Reconfirmation of adherence to this Safety Alert and all existing regulations will heighten safety awareness.

Recommendation 1 – Compliance Verification for Existing Regulations and April 30, 2010, National Safety Alert

Within 30 days of the date of this report, the Department, in conjunction with the Department of Homeland Security, verify compliance by operators with existing regulations and National Safety Alert (issued April 30, 2010), which issued the following safety recommendations to operators and drilling contractors:

- Examine all well-control equipment (both surface and subsea) currently being used to ensure that it has been properly maintained and is capable of shutting in the well during emergency operations. Ensure that the ROV hot-stabs are function-tested and are capable of actuating the BOP.
- Review all rig drilling/casing/completion practices to ensure that well-control contingencies are not compromised at any point while the BOP is installed on the wellhead.
- Review all emergency shutdown and dynamic positioning procedures that interface with emergency well control operations.
- Inspect lifesaving and firefighting equipment for compliance with Federal requirements.
- Ensure that all crew members are familiar with emergency/firefighting equipment, as well as participate in an abandon ship drill. Operators are reminded that the review of emergency equipment and drills must be conducted after each crew change out.
- Exercise emergency power equipment to ensure proper operation.
- Ensure that all personnel involved in well operations are properly trained and capable of performing their tasks under both normal drilling and emergency well-control operations.

After the 30-day compliance period, the Department will provide a public report on operator verification, including any cases of non-compliance.

B. Organizational Management

Organizational Safety Case Documentation: A safety case is a comprehensive and structured set of safety documentation to ensure the safety of a specific vessel or equipment. This documentation is essentially a body of evidence that provides a basis for determining whether a system is adequately safe for a given application in a given environment. In response to the 1988

Piper Alpha disaster in the UK, the Lord Cullen investigation and report advanced the safety case concept for offshore oil and gas operations.

The use of a formal safety case for drilling operations is an important component in regulating drilling activities in many countries. The International Association of Drilling Contractors (IADC) has developed guidelines that can be applied to any drilling unit regardless of geographic location. The use of these guidelines can assist both the operator and regulatory authorities when evaluating a drilling contractor's safety management program by providing them assurance that the program encompasses a series of best industry practices designed to minimize operating risks. The Department will undertake an evaluation of requiring the application of all or part of these guidelines to OCS oil and gas operations.

Recommendation 2 – The Department Will Adopt Safety Case Requirements for Floating Drilling Operations on the OCS

The Department will assure the adoption of appropriate safety case requirements based on IADC Health, Safety and Environmental Case Guidelines for Mobile Offshore Drilling Units (2009), which will include well construction safety assessment prior to approval of APD. This safety case must establish risk assessment and mitigation processes to manage a drilling contractor's controls related to the health, safety, and environmental aspects of their operations. In addition to the safety case, a separate bridging document will be required to connect the safety case to existing well design and construction documents. Such a proposed Well Construction Interfacing Document will include all of the elements in a conventional bridging document plus alignment of the drilling contractor's management of change (MOC) and risk assessment to the lease operator's MOC and well execution risk assessments. The use of the IADC's Health, Safety, and Environmental Case Guidelines for Mobile Offshore Drilling Units will help operators and drilling contractors demonstrate their ability to operate safely and handle the risks associated with drilling on the OCS.

C. Personnel Accountability Procedures for Operational Safety (Risk, Injury, and Spill Prevention)

Recommendation 3 – Finalize a Rule that Would Require Operators to Develop a Robust Safety and Environmental Management System for Offshore Drilling Operations

Department investigation findings and reports indicate that unsafe offshore drilling operations often result from human error. The Department is proceeding with the rulemaking process to finalize a regulation to require operators on the OCS to adopt a comprehensive, systems-based approach to safety and environmental management that incorporates best practices from around the globe. The Department believes that requiring operators to implement robust and comprehensive safety and environmental management plans could reduce the risk and number of injuries and spills during OCS activities. The Department will finalize a rule that is informed by current operational conditions in the Gulf and the events and related investigation surrounding the BP Oil Spill.

Recommendation 4 – Study Additional Safety Training and Certification Requirements

The Department will immediately establish a workgroup to investigate safety training requirements for floating drilling rig personnel and possible requirements for independent or more frequent certification and testing of personnel and safety systems.

- Establish an oil production safety program or institute similar to U.S. Nuclear Regulatory Commission (NRC) reactor safety program.
- Establish a formalized analytical methodology to assess performance of safety systems in the event of multiple component failure or excursions outside normal environmental ranges.
- Strengthen technical support to the Department and other regulatory authorities, including the resources necessary to obtain independent technical review of regulations and standards.
- Charter a longer-term technical review of BOP equipment and emergency backup system reliability.
- Review and adopt as appropriate best practices from other agencies with similar responsibility for safety regulation of technically complex systems (e.g., Federal Aviation Administration, NRC, Chemical Safety Board, and National Transportation Safety Board).

VII. CONCLUSION

The Department developed these recommendations with input and suggestions from experts from across the field and reviewed by members of the National Academy of Engineering. The Department has presented new requirements for well design, construction and operation and for the quality and sufficient redundancy of fail-safes, so as to promote better well control and ensure the efficacy of the BOPs. The Secretary of the Interior has directed the Department to develop measures to increase the frequency, thoroughness, and transparency of inspections, such as for testing of BOPs and associated back-up systems. The Secretary has also directed the Department to look at innovative ways of promoting a greater culture of safety through a new rule that would require all rig operators to develop enhanced operational, safety, and environmental management plans, which would include more extensive worker training to enable them to adapt and respond effectively to events when something unexpected happens on a drilling rig.

The Department's approach to implementing these recommendations will follow a continuum from near-term prescriptive regulations, which are required to increase immediately the margin of safety in offshore oil and gas development, to longer-term actions designed to facilitate an environment where the absolute highest standard of performance is demanded of industry. This approach puts the onus on industry to perform safely, with the Government focusing on aggressive verification and enforcement. The majority of the specific recommendations

contained in this report fall within the category of near-term prescriptive actions necessary to increase offshore energy production safety immediately.

At the same time, the Secretary has directed a fundamental restructuring of the MMS to bring greater clarity to the roles and responsibilities of the Department while strengthening oversight of the companies that develop energy in our Nation's waters. This restructuring, the latest in a series of reforms to the MMS that the Secretary began in January 2009, will establish:

- **Bureau of Ocean Energy Management:** A new bureau under the supervision of the Assistant Secretary for Land and Minerals Management that will be responsible for the sustainable development of OCS conventional and renewable energy resources, including resource evaluation, planning, and other activities related to leasing.
- **Bureau of Safety and Environmental Enforcement:** A bureau under the supervision of the Assistant Secretary for Land and Minerals Management that will be responsible for ensuring comprehensive oversight, safety, and environmental protection in all offshore energy activities.
- **Office of Natural Resources Revenue:** An office under the supervision of the Assistant Secretary for Policy, Management and Budget that will be responsible for the royalty and revenue management function including the collection and distribution of revenue, auditing and compliance, and asset management.

Another critical part of the ongoing effort to reform the MMS began in September 2009 when the Secretary asked the National Marine Board, an arm of the highly respected National Academy of Sciences, to direct an independent review of MMS's inspection program for offshore facilities. That review is on-going.

The Secretary is committed to implementing the changes recommended in this report at the same time this and other reviews are ongoing and at the same time that the Department undertakes fundamental change in its OCS oversight. The Secretary established by Secretarial Order 3298 the OCS Safety Oversight Board. The OCS Safety Oversight Board is a high-level team, led by the Assistant Secretary for Land and Minerals Management, the Assistant Secretary for Policy, Management and Budget, and the Inspector General, that reviews and oversees OCS operations to support reasoned and fact-based recommendations for potential improvements.

The success of the Department's longer-term objective of creating a more dynamic and effective regulatory environment for offshore energy production overall is very much the focus of the efforts to restructure the MMS. Specifically, the persons responsible for designing the new Bureau of Safety and Environmental Enforcement have been tasked to create a structure, operational processes, and culture that supports both the longer-term recommendations contained in this report, as well as a continuously evolving set of additional policies and practices that provide the highest assurance of safety in offshore energy operations.

As the Presidential Commission completes its review and as the Department and the U.S. Coast Guard finish the root cause investigation, the Department will know more and will respond

accordingly. The measures contained in this report will increase the safety in offshore oil and gas development, but represent only the beginning of the Department's work.

Appendix 1: Expert Consultations

The Department consulted with a wide range of experts in state and Federal governments, academic institutions, and industry and advocacy organizations. In addition, draft recommendations were peer reviewed by seven experts identified by the National Academy of Engineering.

Expert Reviewers of the National Academy of Engineering

- **Bea, Robert** holds a Bachelor of Science in Civil Engineering and a Master of Science in Engineering both from the University of Florida. Dr. Bea has done post-graduate studies at Tulane University, Rice University, Texas A&M University, Bakersfield College, University of Houston, and the Technical and Scientific University of Norway. Dr. Bea received a PhD from the University of Western Australia. He is a registered Professional Civil Engineer (retired) in Louisiana, Texas, Florida, Alaska, Washington, Oregon and California. He is a registered Professional Geotechnical Engineer (retired) in California. He is a member of the American Society of Civil Engineers, the American Society of Mechanical Engineers, and the National Academy of Engineering. Dr. Bea has 55 years of experience in engineering and management of design, construction, maintenance, operation and decommissioning engineered systems, including offshore platforms, pipelines and floating facilities. Dr. Bea has worked for the U.S. Army Corp of Engineers, Shell Oil Company, the Ocean Services Division of Woodward-Clyde Consultants, PMB Engineering – Bechtel Inc., and the University of California at Berkeley where he is currently a professor. In 2009, he was honored by the Offshore Technology Hall of Fame.
- **Brett, Ford** holds a Bachelor of Science in mechanical engineering and physics from Duke University as well as a Master of Science in Engineering from Stanford University and a Masters of Business Administration from Oklahoma State University. Mr. Brett is recognized as a leader in the area of Petroleum Project Management. He has consulted more than 25 countries in the area of petroleum project and process management. Formerly, Mr. Brett worked with Amoco Production Company where he specialized in drilling projects in the Bering Sea, North Slope of Alaska, Gulf of Mexico, offshore Trinidad and Wyoming. In 1996, Mr. Brett was nominated for the National Medal of Technology, the U.S. Government's highest technology award. Mr. Brett has been granted over 25 U.S. patents.
- **Baugh, Benton** holds a Bachelor of Science in Mechanical Engineering from the University of Houston; a Master of Science in Mechanical Engineering and PhD in Mechanical Engineering from Kennedy Western University. Additionally, Dr. Baugh graduated from the Army Machinist School. Dr. Baugh has been employed by Bowen, Camco, Cameron, Vetco, Brown Oil Tools, and Baugh Consulting Engineers. Dr. Baugh is the owner and President of Radoil, Inc., which designs and manufactures oilfield and subsea products. Dr. Baugh has received over 100 U.S. patents for his tool and solution designs, consulting and management. Dr. Baugh has over 50 years of oilfield machine design, manufacturing, management, consulting, and expert witness experience.

- **Chenevert, Martin** holds a Bachelor of Science in Petroleum Engineering from Louisiana State University as well as a Master of Science in Petroleum Engineering and a Doctor of Philosophy in Petroleum Engineering, both from the University of Texas at Austin. Dr. Chenevert has over ten years of industrial experience with Exxon Production Research and Exxon USA and over 30 years of teaching experience from Oklahoma State University, the University of Houston, and the University of Texas. Dr. Chenevert has published over 120 articles on well control, wellbore stability, rock mechanics, drilling fluids, and cementing.
- **Holand, Per** graduated from Norwegian University of Science and Technology in 1982 with a Master of Science in Mechanical Engineering. He has 18 years experience from safety and reliability engineering at SINTEF, prior to joining ExproSoft on May 1, 2001. His main work focus in SINTEF and ExproSoft has been on the reliability of drilling equipment, offshore blowout experience, subsea and well reliability analyses. Dr. Holand carried out numerous subsea BOP reliability studies on behalf of clients in Norway, Brazil, the United States, and Italy. Since 1990 he has been responsible for maintaining the SINTEF Offshore Blowout Database, which serves as the key information in connection with blowout risk analyses in the North Sea area. Dr. Holand holds a PhD (1996) in safety and reliability engineering from the Norwegian University of Science and Technology in Trondheim, Norway. His PhD was later reworked and published as a book at the Gulf Publishing Company in 1997 (Title: Offshore Blowouts, Causes and Control).
- **Juvkam-Wold, Hans** holds a Bachelor of Science, Master of Science, and a Doctor of Science in Mechanical Engineering from the Massachusetts Institute of Technology. His area of expertise is buckling of tubular in horizontal drilling, well control, Arctic and offshore drilling, and dual-gradient drilling in ultra-deep water. Dr. Juvkam-Wold is a Registered Professional Engineer in Texas. Prior to his 24 years of teaching drilling experience at the University of Texas A&M, Dr. Juvkam-Wold has 20 additional years of oil industry experience: Juvkam-Wold has served as a Consultant for the National Institute of Standards & Technology; Frontier and Offshore Technology Co.; Western Irrigation Supply House; Oil & Gas Consultants Inc.; Ocean Drilling Program; Unocal E&P. He has served as the Gulf Mineral Resources Company's Representative on the industry's advisory committee on mine shaft drilling as well as manager of technical services and section supervisor of production engineering. Dr. Juvkam-Wold joined Texas A&M in 1985 with his main area of teaching and research in drilling; he is now a Professor Emeritus of Petroleum Engineering. Dr. Juvkam-Wold holds seven drill-related U.S. patents.
- **Stancell, Arnold** holds a Doctor of Science in Chemical Engineering from the Massachusetts Institute of Technology. Dr. Stancell is the retired Vice president of Mobil Oil, Exploration and Production, and Professor Emeritus, Chemical Engineering, Georgia Tech. Dr. Stancell was awarded nine U.S. patents and was inducted into the National Academy of Engineering and received the AIChE's National Award in Chemical

Engineering Practice. He is a licensed Professional Engineer in New York and Connecticut.

Other Experts Consultations

- **Arnold, Ken** holds a Bachelor of Science in Civil Engineering from Cornell University and a Master of Science in Civil Engineering from Tulane University. Mr. Arnold is currently a registered Professional Engineer in the State of Texas, is a member of the Marine Board of the National Research Council, Society of Petroleum Engineers, the Texas Society of Professional Engineers, was elected to the National Academy of Engineers in 2005 due to his work on offshore safety and is a member of the Academy of Medicine, Engineering and Science of Texas.
- **Danenberger, Elmer “Bud”** holds a Bachelor of Science degree in Petroleum and Natural Gas Engineering and a Master’s degree in Environmental Pollution Control, both from Pennsylvania State University. After a 38-year career, Mr. Danenberger retired from the Department of the Interior’s offshore oil and gas program in January 2010. During his career, Mr. Danenberger served as a staff engineer in the Gulf of Mexico regional office, Chief of the Technical Advisory Section at the headquarters office of the U.S. Geological Survey, District Supervisor for several MMS offices, and Chief of the Engineering and Operations Division at MMS Headquarters. For the last five years of his tenure at the Department, he served as Chief, Offshore Regulating Programs with responsibilities for safety and pollution prevention research, investigations, regulations and standards, and inspection and enforcement programs.
- **Epstein, Lois** holds a Bachelor of Science in Mechanical Engineering from Massachusetts Institute of Technology and a Master of Science in Mechanical Engineering from Stanford University. Ms. Epstein is currently a licensed engineer in Maryland. Ms. Epstein is a former Senior Engineer, Cook Inlet Keeper. Ms. Epstein is the President of LNE Engineering and Policy, which provides technical and policy consultant to non-profit organizations on oil/gas issues. Ms. Epstein was a public member of the Office of Pipeline Safety Federal Advisory Committee on Hazardous Liquid Pipelines from 1995 through 2007.
- **O’Reilly, David J.** is the retired Chairman and Chief Executive Officer of Chevron Corporation. Mr. O’Reilly is a native of Dublin, Ireland, where he earned his Bachelor’s degree in Chemical Engineering from the University College, Dublin. Mr. O’Reilly started as a process engineer with Chevron Research Co in 1968 and after several decades and earning positions of increasing responsibility he was elected Senior Vice President and Chief Operating Officer of Chevron Chemical Company in 1989. Mr. O’Reilly was named Chairman and Chief Executive Office of Chevron Corporation on January 1, 2000, and he held that position until his retirement on December 31, 2009. Mr. O’Reilly is the Vice Chairman of the National Petroleum Council. He is a director of Bechtel Group, Inc., a member of The Business Council, the World Economic Forum’s International Business Council, and the American Society of Corporate Executives. He also serves on the San Francisco Symphony Board of Governors.

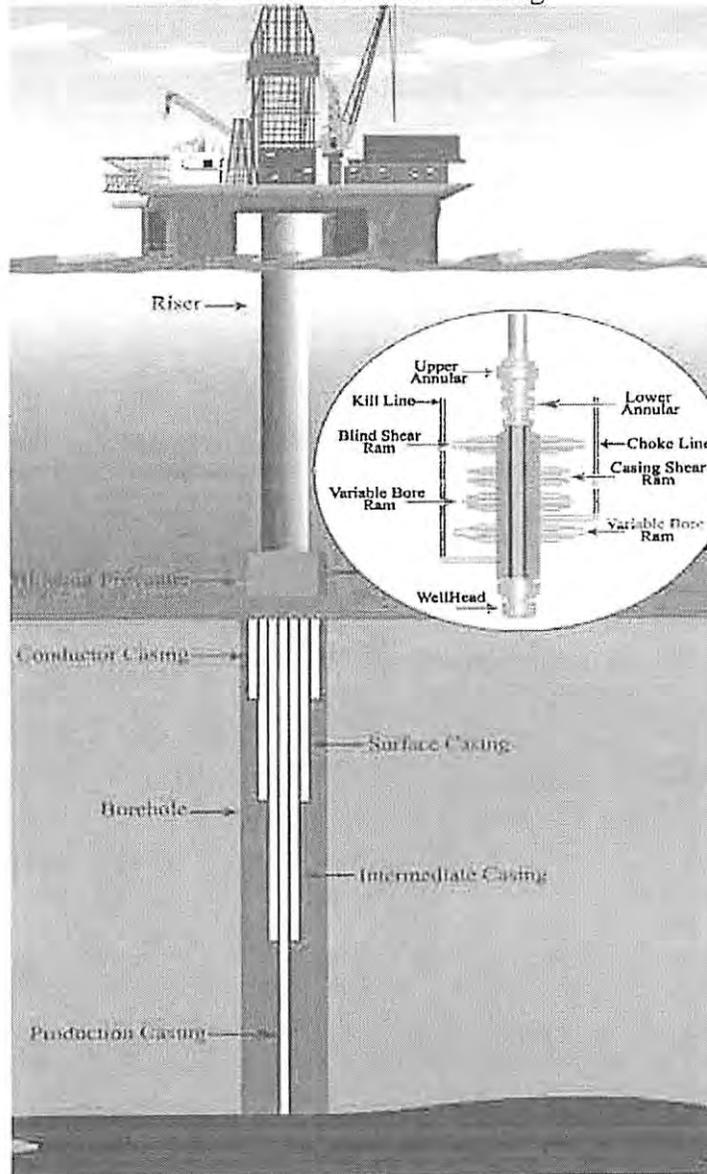
- **Regg, Jim** holds a Bachelor of Science in Petroleum and Natural Gas Engineering from Pennsylvania State University as well as a Bachelor of Art in Math/Science from Edinboro State University. Mr. Regg worked for the Minerals Management Service Field Operations for almost 20 years where his primary focus was technology assessment. Currently Mr. Regg is a Senior Petroleum Engineer for the Alaska Oil & Gas Conservation Commission where he is responsible for managing the compliance inspection program (including investigations and enforcement); well integrity and regulation development.
- **Ward, E.G. "Skip"** holds a Bachelor of Science in Mechanical Engineering from Lamar University and a Master's and Doctorate in Mechanical Engineering from the University of Houston. Dr. Ward spent 30 years with Shell Oil Co. beginning in Shell Development's E&P Research Division in 1968 as a researcher. From 1981 to 1985, he supervised the Oceanographic Engineering section. From 1985 through 1994, he managed the Offshore Engineering Research Department. In 1994, Dr. Ward became the technology manager of Shell Offshore Inc's Deepwater Division where he was responsible for a group that designed deepwater structures and developed new structural concepts and components for deepwater production systems. Dr. Ward has been a member of the American Petroleum Institute since 1976 and received API's 30+ Years of Service Recognition Award in 2006. Dr. Ward served on the Marine Board of the National Academies for nine years. Dr. Ward is currently the Associate Director of the Texas Engineering Experiment Station's Offshore Technology Research Center.
- **West, Robin** is the current Chairman, Founder, and Chief Executive Officer of PFC Energy where he advises chief executives of leading international oil and gas companies and national oil companies on corporate strategy, portfolio management, acquisitions, divestitures, and investor relations. Before founding PFC Energy in 1984, Mr. West was the Assistant Secretary of Policy, Management and Budget at the Department of the Interior from 1981 through 1983. While there, he conceived of and implemented the Outer Continental Shelf Leasing Schedule and managed the \$14 billion per year OCS budget policy. Mr. West also served as the Deputy Assistant Secretary of Defense for International Economic Affairs during the Ford Administration. Mr. West has served on several boards and commissions including a Presidential appointment to the National Advisory Committee on Oceans and Atmosphere in 1977. Mr. West is also a member of the National Petroleum Council; Director of the Magellan Petroleum Corporation; Director of Key Energy Services, Inc and Director of Cheniere Energy. He earned his Bachelor of Arts from the University of North Carolina at Chapel Hill and a Juris Doctorate from Temple University.
- **Williams, Tom** has been in the energy business for over 28 years. He is currently the Managing Director of Nautilus International LLC. Mr. Williams served as President of Maurer Technology Inc, a leading drilling research and development and engineering technology company. From 1993 through 2000, he was Business Director at Westport Technology Center, a leading upstream oil and gas research company. Mr. Williams held senior executive positions at the Departments of the Interior and Energy during the Bush

Administration from 1989 through 1993. He owned and operated an oil and gas exploration, production and consulting company prior to joining the Department of Energy. Mr. Williams is currently on the Board of Directors of Far East Energy Corporation, a public oil and gas company with operations in China; Board of Directors of Petris Technology, Inc, TerraPlatforms LLC; The Research Partnership to Restore Energy for America; The Contributor Committee Co-Chair of DeepStar Consortium; The Society of Petroleum Engineers; The Independent Petroleum Association of America; The International Association of Drilling Contractors; the American Association of Drilling Engineers. Mr. Williams' Environmentally Friendly Drilling Project was awarded the Environmental Stewardship Award by the Interstate Oil and Gas Compact Commission in May of 2010.

Appendix 2: Brief Primer on Offshore Drilling Technology and Systems

The process for an offshore oil and gas exploratory well begins by positioning a drill rig above the intended leasing tract for exploration (see Figure A1).

Figure A1
Schematic of Offshore Drilling



Source: Minerals Management Service Database, 2010.

The rig lowers drill pipe (also known as a drill string) with a drill bit attached to its end to the seafloor where it commences to drill. The borehole created by the drill is then set with casing.

At the seafloor, conductor casing is normally set to stabilize the soft sediments at the top of the borehole to ensure that continued drilling does not precipitate a borehole collapse. Once the conductor is in place, the drill rig lowers to the seafloor a marine riser (a large pipe that surrounds the drill pipe) that connects the conductor casing to the drill rig. As drilling proceeds, a blowout preventer (BOP) is lowered to the seafloor and sits atop the wellhead.

As drilling progresses with depth, additional casings (sections of pipe) that are slightly narrower in diameter than the hole created by the drill bit are inserted into the borehole and bonded into place by "cement." This process ensures that the borehole does not collapse on itself, and it isolates the borehole from any pockets of gas or water in the strata that the borehole passes through. A series of casings of equal diameter that are connected together and run down the borehole is a "string" and a string may be hundreds to thousands of feet long with a threaded connector between each 30-foot segment of casing. Deeper into the borehole, narrower casings are inserted one into the other resulting in strings of casing that are enclosed and cemented into the previous, slightly wider-diameter string of casing. The outermost casing can be up to four feet in diameter with the innermost string of casing less than six inches in diameter in some cases. The initial and final casing diameters, the types of casing, and type of cement used are determined by the profile (depth, temperature, pressure, etc.) of the well being drilled. Once the well is in production, the hydrocarbons will come to the surface through the production casing that is run down through the middle of the narrowest casing string.

During the process of drilling, drill fluid, referred to as "mud," is pumped down the drill pipe through drill bit nozzles. The mud's primary function is maintaining "well control," but it also cools the drill bit and carries the drill cuttings away from the bottom of the borehole and returns to the surface through the space (the annulus) between the drill pipe and the walls of the casing strings. To maintain well control, the pressure created by the weight of the mud in the drill pipe and annulus must be maintained equal to or greater than the pressures encountered in the borehole. Various indicators of well pressure measures allow the mud engineer on the rig to maintain the well bore fluid pressure equal to or slightly greater than the pressures from the deepest formation. This type of pressure balance is called overbalanced.

The pockets of oil, gas, or water that are encountered in porous layers during the drilling process can suddenly push the mud through the annulus with considerable pressure—what is referred to as a "kick." When a kick occurs there are various bypass mechanisms, such as diverters and BOPs, to shunt the pressure away from the well bore (diverter) or prevent the pressure from rising to the ocean surface (BOP), thereby maintaining well control. If a kick overwhelms the control mechanisms, a blowout can occur.

A BOP consists of a series of ram and annular preventers that sits atop the wellhead and connects to one of the outermost casing strings, allowing the narrower casing strings and drill pipe to be lowered down the borehole through the center of the BOP. In the event of significant loss of well control, one or more of the preventers can be activated from the drill rig. The annular preventer is typically the first to be utilized when an influx from a formation is experienced, but is not usually used with pressures above 3,500 pounds per square inch (psi). The pipe (variable bore) rams are utilized for pressures above 3,500 psi. A pipe ram and/or annular preventer will be closed around the drill pipe shutting off the upward movement of mud and pressure through

the annulus between the drill pipe and the casing string. A blind-shear ram can be used to cut through the entire drill pipe and seal the borehole. In the event that activation from the drill rig fails, BOPs may have one or more back-up means for activating the rams. Remote operated vehicles (ROVs) can trigger closure of the rams working at the BOP. Other redundant control systems include "acoustic switch" technology which can activate the BOP with an acoustic signal from the rig through the water. Another device called a "deadman" switch automatically closes rams if the BOP loses connection electronic or hydraulic communication with the drill rig for any reason.

The BOPs are a hydraulically activated device. The hydraulics are supplied by the accumulator system located on the rig through lines that run down the riser and connect to the BOP. The BOP contains control devices called pods which are blue and yellow. The hydraulic fluid is distributed by the pod to the desired components of the BOP. The communication system to the pod may either be a pilot hydraulic system or an electro-hydraulic system. The pilot hydraulic system uses hydraulic pressure to function the pod and the electro-hydraulic system uses electrical signals to communicate with the pod. All commands for the system are sent from the control panel on the rig. The subsea BOP also contains pre-charged bottles that provide hydraulic fluid to activate the BOP's auto shear or deadman devices in the event of disconnects. The BOP is also equipped with an ROV "hot stab" panel that allows the hydraulic line(s) from the accumulator system to be isolated in order for the ROV to "stab" in a separate control line and directly pump into the BOP to function the rams via a pump mounted on the ROV. The panel for the ROV to "stab" into may be capable of activating all rams or only designated ram(s).



THE SECRETARY OF THE INTERIOR
WASHINGTON

MAY 27 2010

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

On April 30, 2010, you asked me to prepare a report evaluating additional offshore oil and gas safety measures that the Department of the Interior might impose, even as on-going investigations work to identify the root causes of the BP Oil Spill disaster. You asked that I provide this report on an expedited basis so the American people can be assured that offshore oil and gas development activities can be conducted safely and that another event like the BP Oil Spill never occurs again.

In developing the recommendations included in this report, my Department consulted with a wide range of experts from industry, government, and academia. In addition, draft recommendations were reviewed by seven experts identified by the National Academies of Engineering. Although I am certain that on-going investigations of the disaster including, in particular the work of the Presidential Commission that you announced last week, will help inform, refine, and supplement these recommendations, I believe that the report provides a sound basis for making initial decisions regarding offshore oil and gas activities.

The report recommends a number of specific measures that can be taken on both a short and longer term basis to enhance the safety of offshore oil and gas activities. It notes that drilling activities conducted in the deepwater environment create increased risks and challenges. In that regard, the report focuses on two key aspects of drilling safety: (1) well design and construction and well control procedures, and (2) the blowout preventer equipment and backup control systems.

In addition to approving the important recommendations in this report, I also recommend that you impose a moratorium on all oil and gas drilling activity from floating rigs for 6 months. A moratorium would enable the Department to develop additional details regarding several of the recommendations, while also providing the Presidential Commission with an opportunity to comment upon, and potentially adjust, the recommendations as part of its comprehensive review.

I look forward to receiving your instructions in this important matter.

Respectfully,

A handwritten signature in black ink that reads "Ken Salazar".

Ken Salazar



United States Department of the Interior

OFFICE OF THE SOLICITOR
Washington, D.C. 20240

SEP 27 2010

IN REPLY REFER TO:

Memorandum

To: Harry Humbert,
Director, Program Integrity Division
Office of Inspector General

From: Arthur E. Gary 
Deputy Solicitor

Subject: Transmission of Records

I am attaching herewith paper copies of the emails and attachments from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions, and to assist him in providing them to your office. I transmitted the documents electronically via email on Friday, along with the enclosed transmittal note.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, as well in response to discovery requests in litigation. In providing this information to you in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review of these documents as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges. Please let me know if I can assist you further in this inquiry.

Attachments

Cc: Steve Black



THE DEPUTY SECRETARY OF THE INTERIOR
WASHINGTON

JUN 03 2010

Dr. Hans C. Juvkam-Wold, P.E.
Professor Emeritus
Dwight Look College of Engineering
Harold Vance Department of Petroleum Engineering
Texas A&M University
3116 TAMU - 507 Richardson Building
College Station, Texas 77843-3116

Dear Dr. Juvkam-Wold:

Thank you for your valuable assistance in connection with the preparation of the Secretary's May 27, 2010. report to the President, entitled "Increased Safety Measures for Energy Development on the Outer Continental Shelf." The Department of the Interior is working diligently to implement each of the recommendations as soon as practicable to improve the safety of offshore oil and gas development off our Nation's coasts.

As stated in the Report, each of the 22 numbered recommendations was developed after consulting with a wide range of experts in state and Federal governments, academic institutions, and industry and advocacy organizations. Given the technical nature of the Report and its recommendations, the Department asked Dr. Peter Blair of the National Academy of Engineering to identify a group of recognized academic and industry experts in the relevant fields to provide certain information to the Department related to offshore drilling safety and blowout protection equipment and to review and comment on the proposed safety recommendations to be included in the Report. We are indebted to each of you for agreeing to serve in that role and for your stated concurrence with the detailed safety recommendations contained in the Report.

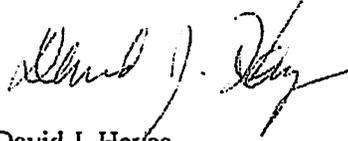
Based on the Report's recommendations and the devastating consequences of the ongoing oil spill, the Administration independently concluded that a 6-month moratorium on new deepwater offshore drilling was necessary to implement the safety recommendations included in the Report and to learn from the information and recommendations developed by the Presidential Commission and other ongoing investigations into the Deepwater Horizon incident and resulting BP oil spill.

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety equipment on subsea BOP stacks used on floating drilling rigs and the need for

better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Again, the Department is grateful for your service to the United States in this extraordinary time of crisis. Your willingness to share your expertise and time were invaluable to our development of the Report's specific safety recommendations and will help to ensure that offshore drilling can be done safely and in an environmentally responsible manner.

Sincerely,

A handwritten signature in cursive script, appearing to read "David J. Hayes".

David J. Hayes

cc: Mr. Steve Black, Counselor to the Secretary of the Interior ✓



EJGH

Because no one fights cancer alone.
www.ejgh.org/cancerca



affiliated with

MD ANDERSON
PHYSICIANS
NETWORK

Sign in to NOLA.com »
Not a member? Register Now »

Site Search

Search Local Business Listings

Search by keyword, town name, Web ID and more...

Submit

Brought to you by:



Home News Weather Sports Entertainment Living Interact Jobs Autos Real Estate Rentals Classified Ads

Top Stories



Complete Gulf of Mexico oil spill coverage



Photos: U.S. mayors tour oil spill



Video: Last day at the Legislature

Home > 2010 Gulf of Mexico Oil Spill > Breaking News

Scientists against oil drilling moratorium meet with Salazar, new MMS head

Published: Monday, June 21, 2010, 7:55 PM Updated: Monday, June 21, 2010, 8:06 PM



David Hammer, The Times-Picayune

Follow

Share this story



Story tools



In an unannounced meeting Monday morning, scientists who felt **their views were improperly used to justify a federal moratorium on deepwater oil drilling** spent an hour trying to convince Interior Secretary Ken Salazar to soften the ban.



Matthew Hinton / The Times-Picayune

A rusty coast of oil lines the shore of one of the Chandeleur Islands in May, two weeks after the Deepwater Horizon oil rig explosion.

They failed to win any immediate concessions, although Salazar said he remained committed to finding "ways to make the moratorium better" and agreed to a follow-up meeting in two weeks, said Ken Arnold of the **National Academy of Engineering**.

Share

The group of experts complained earlier this month that Salazar had consulted them on a **May 27 report** on drilling safety and then falsely implied that the scientists had agreed to a "blanket

moratorium" that they actually opposed. They said the moratorium went too far and warned that it "will have a lasting impact on the nation's economy which may be greater than that of the oil spill."

The Department of the Interior later said it didn't intend to imply that the experts had supported the moratorium. But the dispute has become more than a simple misunderstanding. **The experts' claims are a central part of a federal lawsuit in New Orleans that seeks to block the moratorium.**

Salazar was joined in the meeting Monday by **Michael Bromwich**, working his first day as the new head of the Bureau of Ocean Energy, the successor agency to the beleaguered Minerals Management Service.

Gulf of Mexico Oil Spill Response

To file a claim,
call **(800) 440-0858**
or visit
bp.com/claims

Find out more



Follow NOLA.com

What's this?



All NOLA.com Facebook & Twitter accounts »

Most Popular Stories

Commented

Recommended

2010 Gulf of Mexico Oil Spill stories with the most comments in the last 7 days.

- 191 BP adding piers to marina in which Plaquemines President Billy Nungesser has ownership share
- 139 Obama administration has drilling moratorium myopia: An editorial
- 124 White House links fall elections to GOP support of BP in oil spill crisis
- 116 Gov. Bobby Jindal chastises Coast Guard over oil spill barge stoppage
- 108 BP agrees to put \$20 billion in escrow account for Gulf oil spill

"Secretary Salazar and Michael Bromwich had a productive meeting today to discuss ongoing reforms with the members of the NAE panel and they look forward to continuing to work with them," said Kendra Barkoff, an Interior Department spokeswoman.

While pushing for an end to the moratorium, the experts called on Salazar and Bromwich to immediately implement the safety recommendations already outlined in Salazar's May 27 report, including the eight measures imposed recently on shallow-water drilling permits.

The experts also added their voices to those of Louisiana's political leaders, who have been asking for drilling to continue in the safe zones of rock and salt, stopping somewhere short of the reservoir of oil that could cause a spill if another accident were to occur.

They contend that would allow important and time-consuming work to continue while eliminating the danger of oil and natural gas getting into the well hole, which is what happened April 20 under the Deepwater Horizon rig. A bulge of gas shot up miles of pipes to the rig on the sea's surface, exploded in balls of flames, killed 11 workers and destroyed the rig, leaving oil gushing out of the seafloor.

But it's also important to note that the Deepwater Horizon hit a dangerous pocket of gas above the zone of oil a little more than a month before the fateful blowout. While such unexpected "kicks" of gas put rigs at risk whenever they drill into the earth below the sea, there's no danger of oil spilling until the drill reaches an actual oil reservoir.

Arnold said Salazar balked at any further drilling in deepwater as long as there's uncertainty about how another spill would be contained, should one occur. So far, the efforts by the government, BP and a host of private contractors to contain the 62-day-old BP spill have achieved limited success.

"We said, 'Once BP finishes with them, they're all available,'" Arnold said of the skimmers and other equipment. "Some of the things that didn't work in this case might work in the next case. We should mothball what we have."

But Salazar wants the experts to come back with more ideas on how to improve response, Arnold said.

The impact of the deepwater moratorium is expected to be massive, leading to an estimated 10,000 layoffs in Louisiana alone and the relocation of thousands of other jobs overseas. But for now, oil companies are playing a waiting game, weighing the costs and benefits of idling rigs for six months in the Gulf of Mexico or moving them to places like West Africa and Brazil.

The International Association of Drilling Contractors, which represents most of the major rig owners, put forward four arguments against the ban Monday.

First, IADC president Lee Hunt said, drilling operations tend to be riskiest when they start and when they stop, so a ban only increases the danger.

Second, he said the newest rigs with the most up-to-date technology will be the first to leave U.S. oilfields and the last to return, again leaving a riskier situation when drilling resumes.

Third, the most skilled oilfield workers will also leave if the ban persists, likely leaving the industry with a less competent work force in the Gulf region.

And fourth, Hunt said that by running production wells in the Gulf without tapping new oil finds, U.S. reserves will be drained more quickly, increasing America's reliance on foreign oil. He is concerned that will compromise national energy security while also increasing the risk of spills, which Hunt said are more common from tankers making deliveries than from well blowouts.

Some of the experts who met with Salazar and Bromwich are academics, but others, like Arnold, are firmly part of the offshore energy industry. Arnold was joined at the meeting in Washington by Massachusetts Institute of Technology engineer Arnold Stancell; Benton Baugh, president of Radoil Inc.; and Tom Williams, a former official in the Energy and Interior departments. They were joined on the telephone by Ford Brett, managing director of PetroSkills, a petroleum training program; Martin Chenevert, director of drilling research at the University of Texas; Hans



2010 MALIBU LS

Low mileage lease example for qualified lessees

\$199 for **39** plus **\$2,119**

(months) (months) Due at Signing

Includes security deposit. Mileage charge of \$.20/mile over 39,000 miles. Tax, title, license, and dealer fees extra. Your payments may vary.

[LEARN MORE](#)

See participating dealers only. Customer located in office. Cash tender only. Offer valid in: Pennsylvania for a 2010 Malibu LS with an MSRP of \$24,445. 24 month payments total \$2,119. Example for Malibu LS lease with 39,000 miles to be driven during all 39 months. MSRP, does not include taxes, license, title, dealer fees, not available in all states. Restrictions apply. See dealer for details.

2010 Gulf of Mexico Oil Spill headlines

- **Deepwater drilling moratorium criticized by owner of rig that caused Gulf oil spill** 10:03AM
- **NOAA Gulf of Mexico oil spill trajectory forecasts for Tuesday through Thursday** 6:55AM
- **Coast Guard should tap help to shift through sea of ideas for containing BP oil spill: An editorial** 6:19AM
- **Be careful cleaning up oil spill in areas where protected birds nest: An editorial** 6:04AM
- **Gulf oil spill has brides canceling beach weddings** 4:39AM

[More: 2010 Gulf of Mexico Oil Spill »](#)

Most Active Users

What's this?

Users with the most **NOLA.com** comments in the last 7 days

- | | | |
|------------|---|---------------------|
| 169 |  | muspench |
| 110 |  | Joe Barton |
| 109 |  | xman20002000 |
| 87 |  | Apockaway |
| 78 |  | KSchmill |

From Our Advertisers

[Advertise With Us »](#)

Popular Tags

What's this?

2010 legislature barack obama bobby jindal bp charlie melancon coastal restoration congress david vitter energy environment fishing grand isle jefferson mary landrieu minerals management service mitch landrieu new orleans offshore fishing oil rig explosion oil spill gulf of mexico 2010 oil spill

Juvkam-Wold, professor emeritus of petroleum engineering at Texas A&M University; and Per Holand, an expert in well blowout prevention at the Norwegian-based consulting firm ExproSoft.

hearings update
plaquemines st. bernard st.
tammany tourism

The only member of Salazar's original panel who didn't participate in Monday's meeting was University of California at Berkeley engineering professor Bob Bea, who was in New Orleans. But Bea was one of the eight who signed the initial letter complaining that their role in reviewing the Salazar report had been mischaracterized.

David Hammer can be reached at dhammer@timespicayune.com or 504.826.3322.

Related topics: [oil rig explosion](#), [oil spill](#), [oil spill gulf of mexico 2010](#)

Sponsored Links

Mom Makes \$63/Hr Online
Stay at home Mom makes \$7,100 a month! Read her story. Special Report
WallStreetGazetteNews.com

Body Systems Spa Products
Fresh Twist on Natural Skincare
www.body-systems.net

Sign the Petition
Tell Congressman Roy Blunt "No Bailout for Big Oil".
RobinCarnahan.com/NoBigOilBailout

Sponsored Links

Share this story      Story tools   

Previous story
Deepwater drilling moratorium ruling may be ready as soon as noon Tuesday

Next story
Salazar creates new agency to oversee drilling

71 Comments 



View: [Oldest first](#) | [Newest first](#)

 **Apockaway** June 21, 2010 at 4:41PM [Follow](#)

Of course they can't get the government to budge. They want to bankrupt us!

My God people, look at what they're doing! Ever move is to drive us into debt and de-industrialize us. This is all about bringing us down to form a New World Order. They're using this to destroy what we had. We were one of the few states that was relatively self reliant. Not anymore.

Not only have they wiped-out a major portion of our ability to feed ourselves, they've taken a major step into destroying the only other thing we had outside of tourism, which will also suffer from this.

The elected officials of this state need to stand-up and start immediate investigations into this so-called "accident." It's our land! For God's sake fight for it!

As far as I'm concerned this is a wanton act of terrorism committed by BP and elements within our government. That this wasn't an accident at all, but a contrived act of terror against the people of this country. The evidence screams that this is the case.

 Reply  Post new

 Inappropriate? Alert us.

 **mikeb** June 21, 2010 at 4:51PM

 Follow

I'm guessing you also think Joe DiMaggio had Kennedy killed and Rudy Giuliani planned 9/11.

 Reply  Post new

 Inappropriate? Alert us.



Apockaway June 21, 2010 at 5:02PM

 Follow

mikeb

Does your ridicule take away from the evidence?

 Reply  Post new

 Inappropriate? Alert us.



racingcajun June 21, 2010 at 4:54PM

 Follow

It would be impossible to raise the entire population of the world to our standards, much easier to bankrupt America to bring our standards down to the rest of the world.

 Reply  Post new

 Inappropriate? Alert us.



Apockaway June 21, 2010 at 5:08PM

 Follow

Bingo!

But in actuality, if managed properly, and if we lead by example, rather than heavy-handed imperialism, the rest of the world's people are ready to follow our lead. And we could together live in harmony. But it is the governments of the world that are our bane. We had what was about the best government ever devised, but no more. Its been taken over by demented sociopaths.

We can get it back, and will. but its going to take another revolution.

 Reply  Post new

 Inappropriate? Alert us.



Joe Barton June 21, 2010 at 8:43PM

 Follow

They did the same thing after valdez except the corporate media gave daddy bush a free pass on his actions.

The President usually does what other Presidents did.

 Reply  Post new

 Inappropriate? Alert us.



Rob Callonia June 21, 2010 at 9:02PM

 Follow

Important Video On Why Criminal Investigation of BP Staged Oil Spill Vital

Go To: <http://www.oilspillingulfmexico.com/criminal-investigation-of-bp-staged-oil-spill-vital/>

Take Action -- Our Country Needs OUR Help -- Not The Federal Government's Help!

 Reply  Post new

 Inappropriate? Alert us.



oracle2005 June 21, 2010 at 9:20PM

 Follow

Could it possibly be what Apex is saying is true?

A Nation's debt is it's measure of freedom for it is the shackle to slavery it imposes upon all it's subjects!

Public Debt to GDP

1988 40% 1998 36% 2008 40% 2010 90%, Budgeted 2020 90%.

Debt in 2008 \$5.8 Trillion and in 2010 \$9.2 Trillion. Increase in Debt since 2008 enough to payoff 33% of the home mortgages in the USA. Drive around knowing that in less than 2 years the debt has increased enough to payoff the mortgage on every third house and also that every other house does not pay income tax. The increase in Debt BUDGETED over the next 10 years enough to payoff every home mortgage and GIVE EVERYONE A \$7,000 BONUS!

Come on SUDAN and GREECE here we come! We are trying hard to pass you up!

"That figure would equal 90 percent of the estimated gross domestic product in 2020, up from 40 percent at the end of fiscal 2008. By comparison, America's debt-to-GDP ratio peaked at 109 percent at the end of World War II, while the ratio for economically troubled Greece hit 115 percent last year. WASHINGTON TIMES"

"That level of debt is extremely problematic, particularly given the upward debt path beyond the 10-year budget window," said Maya MacGuineas, president of the bipartisan Committee for a Responsible Federal Budget.

"The proposed budget is woefully insufficient to achieve the president's goal or the important fiscal goal of stabilizing the debt at a reasonable level in the medium and long term," Ms. MacGuineas said.

For the 2016-20 period, CBO estimates that deficits will average more than 5 percent of GDP, even while assuming the economy will be near full employment, with an average jobless rate of 5 percent during that same five-year period. WASHINGTON TIMES

"Deficits in the, let's say, 5 percent of GDP range would lead to rising debt-to-GDP ratios in a manner that would ultimately not be sustainable," Mr. Orszag, the President's OMB Director, acknowledged to reporters on March 20, 2009, two months after the administration entered office.

D. Elmendorf, CBO Director, appointed by the current Congress, - In speaking about 2009 "Federal Debt held by the public will equal about 60% of GDP by the end of this fiscal year, the highest level since the early 1950's. As a result, further large deficits and increases in the debt will raise serious economic risks."

Per the CBO the 10 year Budget Baseline Debt to GDP is projected to be 67.5% and President Obama's Budget's Debt to GDP is projected to be 90% Debt to GDP. This is the result of President Obama's Budget increasing Debt an additional \$3.8 Trillion. The \$3.8 Trillion is from increased spending from the 2010 Fiscal year above and beyond the automatic annual increases.

For reference in 1988 the Debt to GDP was 40%, in 1998 36% and 2008 40%. After WWII over 14,000,000 dropped their uniforms and many donned hardhats to rebuild Europe and Japan. Defense spending including the War is 24%, down from the post WWII 50 year average of 35%. Point is the increased spending is entitlements which do not end.

Former Tres Sec Rubin, appointed by Pres Clinton, states - "The United States faces projected 10-year federal budget deficits that seriously threaten its bond market, exchange rate, economy, and the economic future of every American worker and family. " - "The commission also found that no economy anywhere in the world had been successful with largely state-directed activities and high walls against global integration. The evidence, in other words, strongly suggests that a market-based model is still the best way forward. ", (Rubin wrote in NewsWeek, 12-29-09)

Reply Post new

Inappropriate? Alert us.



Pray4theGulf June 21, 2010 at 4:45PM

Follow

<http://Pray4theGulf.com> we need your prayers. Thanks

Reply Post new

Inappropriate? Alert us.



AlaskaGuy June 21, 2010 at 4:48PM

Follow

Keep it locked up til the oil industry (Not just BP...all of them) cleans up the mess and the oil stops flowing. That could take awhile, but that is the way its is. People are so "pro-oil" along the Gulf, that they are blind to the fact that they actually want to drill through an ongoing oil spill of thousands of barrels of day to pump more oil out of offshore wells. Maybe I am on a different planet with my logic. If you are in the industry and need work, Call BP. They have a beach near you and a bucket of sausage boom.

I support our President fully.

Reply Post new

Inappropriate? Alert us.



notatiger555 June 21, 2010 at 5:01PM

Follow

Never mind that your "logic" completely ignores unintended consequences, I'm curious to know what credentials you have that your "logic" is better than that of world experts.

"Vengeance has no foresight" - Napoleon Bonaparte

Reply Post new

Inappropriate? Alert us.



AlaskaGuy June 21, 2010 at 5:15PM

 Follow

Like "unintended consequences" such as more oil spills of this magnitude?

A. "Time-out" is called for till all the below is complete.

1. Oil gusher is plugged.
2. The Presidential Commission Investigation is complete.
3. Recommendation are implemented as law.

That could take longer than 6 months. With demand declining due to public sense of guilt in regards to the spill, the price will stay low and reserves will fill. Lifestyles will change. People will find ways to "consume" less lavishly. We don't need that much oil that badly. There are alternatives.

I like the "Green-Tea Party"

 Reply  Post new

 Inappropriate? Alert us.



nolatiger555 June 21, 2010 at 5:43PM

 Follow

I see what you're saying, but tell that to the tens of thousands that stand to loose their jobs (maybe permanently) and have to apply for unemployment aid. Screw them, right? It's their fault they chose to work in that industry. Yeah their lifestyle will change, but they'll adapt. All while spending \$1,522,254,800 (20,680,000 x \$73.61) on foreign oil that probably funds some of the most evil in this world.

Why not use more of the revenues to fund research for green energy sources?

 Reply  Post new

 Inappropriate? Alert us.



Joe Barton June 21, 2010 at 8:46PM

 Follow

cons want to keep drilling before this one even stops. bp has a bigger one that will probably blow too.

 Reply  Post new

 Inappropriate? Alert us.



oracle2005 June 21, 2010 at 9:24PM

 Follow

"exhibit a is the fact that under Obama's fiscal plans the national debt will climb to above 100% by 2015, far steeper increase than almost any other country". "America is not Greece but it is headed in that direction. The upshot wouldn't be an IMF bail out but a collapse of the dollar resulting in hyper inflation."
Search the 2010 IMF Fiscal Monitor May, 14 2010 report for their analysis of PRes Obama's 2010-2020 Budget or search an analysis of the report by Edmund Conway with the Telegraph.Co.Uk

 Reply  Post new

 Inappropriate? Alert us.

1 | 2 | 3 | 4 | 5

[Next comments »](#)

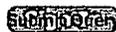
Post a comment

Sign in to NOLA.com

Username

Password

Remember me?



[I forgot my username or password »](#)

Don't have an account?

Register now for free, or sign in with any of these services:

 AIM

 Google

 OpenID

 Advance

 NOLA.com

Site Search

[Search Local Business Listings](#)

Search by keyword, town name, Web ID and more...



[Site Map](#) | [Advertise](#) | [Contact us](#)



Make us your home

- [Your Photos](#)
- [Your Videos](#)
- [Blogs](#)
- [Forums](#)
- [Travel](#)
- [Music](#)
- [Post a Job](#)
- [Post a free classified ad](#)
- [Sell your car](#)
- [Sell/Rent your Home](#)
- [Apartments & Rentals](#)
- [Claim your Business Listing for Free](#)

- [Business News](#)
- [US & World News](#)
- [Obits / Death Notices](#)
- [Live Webcams](#)
- [Pets](#)

-  [RSS](#)
Subscribe to our content (RSS)
-  [Alerts](#)
News alerts
-  [Twitter](#)
NOLA.com Twitter feed
-  [Mobile](#)
NOLA.com mobile site
-  [Mobile](#)
View mobile product offerings

 [Subscribe to The](#)

Subscribe to **The Times-Picayune** today and get incredible savings off home delivery! [Subscribe Now!](#)



Sign in to NOLA.com »
Not a member? Register Now »

Site Search

Search Local Business Listings

Search by keyword, town name, Web ID and more...

Submit



Home News Weather Sports Entertainment Living Interact Jobs Autos Real Estate Rentals Classified Ads

Top Stories



Complete Gulf of Mexico oil spill coverage



Post your own 'Toy Story 3' movie review



Share your thoughts on the 'Treme' season finale

Home > 2010 Gulf of Mexico Oil Spill > Breaking News

Experts seek to clarify their views on drilling moratorium

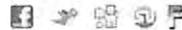
Published: Tuesday, June 08, 2010, 7:19 PM Updated: Wednesday, June 09, 2010, 11:56 AM



David Hammer, The Times-Picayune

Follow

Share this story



Story tools



Members of a panel of experts brought in to advise the Obama administration on how to address offshore drilling safety after the **Deepwater Horizon disaster** now say Interior Secretary Ken Salazar falsely implied they supported a **six-month drilling moratorium** they actually oppose.

Salazar's May 27 report to President Barack Obama said a panel of seven experts "peer reviewed" his recommendations, which included a six-month moratorium on all ongoing drilling in waters deeper than 500 feet. That prohibition took effect a few days later, but the angry panel members and some others who contributed to the Salazar report said they had only reviewed an earlier version of the Interior secretary's report that suggested a six-month moratorium only on new drilling, and then only in waters deeper than 1,000 feet.

"We broadly agree with the detailed recommendations in the report and compliment the Department of Interior for its efforts," a joint letter from the panelists to various politicians says. "However, we do not agree with the six-month blanket moratorium on floating drilling. A moratorium was added after the final review and was never agreed to by the contributors."



Pablo Martinez Monsivais/The Associated Press archive

Interior Secretary Ken Salazar

An Interior Department spokeswoman agreed that the experts had not given their blessing for a moratorium, and said the department did not mean to leave the impression they had. In fact, she said, the experts were merely asked to review 22 safety recommendations in the report.

"We didn't mean to imply that they also agreed with the moratorium on deepwater drilling," the spokeswoman, Kendra Barkoff, said. "We acknowledge that they were not asked to review or comment on the proposed moratorium and that they peer-reviewed the report on a technical basis. The moratorium on deepwater drilling is based on the need for a comprehensive review of safety in deepwater operations in light of the BP oil spill."

The experts' criticism of the moratorium and effort to distance themselves from it come as **oil production companies prepare to move mobile deepwater rigs out of the Gulf of Mexico**, threatening thousands of jobs in Louisiana that support those drilling operations with supply boats and shoreside services.

"A blanket moratorium is not the answer. It will not measurably reduce risk further and it will have a lasting impact on the nation's economy which may be greater than that of the oil spill," the letter says. "We do not believe punishing the innocent is the right thing to do."

Gulf of Mexico Oil Spill Response

To file a claim,
call **(800) 440-0858**
or visit

bp.com/claims

Find out more



Follow NOLA.com

What's this?



All NOLA.com Facebook & Twitter accounts »

Most Popular Stories

Commented

Recommended

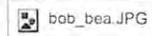
2010 Gulf of Mexico Oil Spill stories with the most comments in the last 7 days.

- 191 BP adding piers to marina in which Plaquemines President Billy Nungesser has ownership share
- 139 Obama administration has drilling moratorium myopia: An editorial
- 124 White House links fall elections to GOP support of BP in oil spill crisis
- 116 Gov. Bobby Jindal chastises Coast Guard over oil spill barge stoppage
- 108 BP agrees to put \$20 billion in escrow account for Gulf oil spill

19 [Comment](#) 0 [Recommend](#)

Share

One of the panelists who signed the letter, University of



Bob Bea is an engineering professor at the University of California at Berkeley.

California at Berkeley engineering professor Bob Bea, said in an e-mail message that a moratorium should be reserved for "unconventional, very hazardous operations" and shouldn't apply to the "majority of conventional offshore operations, (which) meet fundamental requirements for acceptable risks."

"Moratorium was not a part of the ... report we consulted-advised-reviewed," Bea wrote. "Word from DOI (Interior Department) was it was a W(hite) H(ouse) request."

The National Academy of Engineering provided seven reviewers for Salazar's safety report, and the academy's Ken Arnold, an oil and gas industry consultant, wrote a scathing cover letter Tuesday that concludes: "The Secretary should be free to recommend whatever he thinks is correct, but he should not be free to use our names to justify his political decisions."

Five of the seven reviewers signed the complaint letter: Bea; Benton Baugh, president of Radoil Inc.; Ford Brett, managing director of Petroskills; Martin Chenevert, director of drilling research for the Department of Petroleum and Geophysical Engineering at University of Texas; and Hans Juvkam-Wold, petroleum engineering professor emeritus at Texas A&M University.

Eight other industry experts were interviewed for the creation of Salazar's report. Two of them also signed the letter: E.G. "Skip" Ward, associate director of the Offshore Technology Research Center at Texas A&M University, and Tom Williams, a former undersecretary of the interior.

"We were very upset," Ward said. "We would have understood if (Salazar's report) said, 'These are good recommendations from the panel, but we have decided to declare a six-month moratorium instead.' But instead, they're kind of using our input for cover to do something that didn't have much to do with our recommendations."

The panelists said even Salazar's report clearly shows the deepwater safety record is generally strong, making the moratorium all the more puzzling.

Ward said he was optimistic to hear that the Interior Department put several new safety measures into a directive to oil companies Tuesday. Arnold said it could mean the federal government is serious about moving more quickly than six months to implement new safety requirements and lift the crippling moratorium.

But Tuesday's directive was accompanied by an Interior Department news release that emphasized that the six-month moratorium on deepwater drilling remains in place, and that meeting the new safety requirements will only allow shallow-water drilling and deepwater production activities to resume.

Arnold said he had at least hoped that deepwater production drilling could continue under the new safety guidelines, but believes it is still prohibited under the moratorium. He said he reluctantly agreed that some moratorium on exploratory drilling was necessary, but he's not sure any amount of new regulations will address what went wrong on the Deepwater Horizon.

"For six hours they were getting information that things were not right on that rig and they were continuing to rationalize that things were OK," Arnold said. "It was a group-think kind of thing, and there were a bunch of things that were on the borderline. ... When you keep adding up the mistakes, you end up in a situation where a big problem sneaks up on you. We're not going to solve that with all of these new equipment requirements."

David Hammer can be reached at dhammer@timespicayune.com or 504.826.3322.

Related topics: [oil spill gulf of mexico 2010](#)

Whitney VISA[®] is as low as 6.25% APR*

WHITNEY BANK APPLY NOW

Member FDIC. Normal Credit Criteria Apply.

2010 Gulf of Mexico Oil Spill headlines

- Deepwater drilling moratorium criticized by owner of rig that caused Gulf oil spill 10:03AM
- NOAA Gulf of Mexico oil spill trajectory forecasts for Tuesday through Thursday 6:55AM
- Coast Guard should tap help to shift through sea of ideas for containing BP oil spill: An editorial 6:19AM
- Be careful cleaning up oil spill in areas where protected birds nest: An editorial 6:04AM
- Gulf oil spill has brides canceling beach weddings 4:39AM

More: [2010 Gulf of Mexico Oil Spill](#) »

Most Active Users

What's this?

Users with the most NOLA.com comments in the last 7 days

- 169 n muspench
- 110 J E Joe Barton
- 109 x xman20002000
- 87 A Apockaway
- 78 K KSchmill

From Our Advertisers

[Advertise With Us](#) »

Popular Tags

What's this?

2010 legislature barack obama bobby jindal bp charlie melancon coastal restoration congress david vitter energy environment fishing grand isle jefferson mary landrieu minerals management service mitch landrieu new orleans offshore fishing oil rig explosion oil spill gulf of mexico 2010 oil spill

Sponsored Links

Waste Water Clarifiers

Leading supplier of industrial waster water systems
Procastproducts.com

new orleans

Get the Latest Info, Highlights, and Specs on the New KIN Phone.
www.KIN.com

Montana Land For Sale

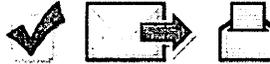
Montana & Wyoming property buy from \$575 Acre Owner Financing (oac)
www.RmtlProperties.com

Sponsored Links

Share this story



Story tools



Previous story

Amount of oil collected is nearly equal to amount that can be processed on the surface

Next story

Second Gulf oil spill releasing 'small amounts,' federal officials say

19 Comments

Feed



View: Oldest first | Newest first

 **inflationman** June 08, 2010 at 8:22PM
[Follow](#)

And there you have it. Obama's moratorium is for political reasons NOT safety.

[Reply](#) [Post new](#)

[Inappropriate? Alert us.](#)

 **governola** June 09, 2010 at 12:34PM
[Follow](#)

OH and how this is different from the previous Bush administration changing countless reports, studies and science based recommendations due to its own political and economic preferences? actually, it is completely different and for the public interest-- something the Bush adminisitation could not recognizie if it bit him on the nuts.

Salazar did the right thing here because clearly, for all the regulations and rules, companies are plenty willing to bend them, avoid them, or simply scrape by (see also: BP is constantly lying) just to move on with the business at hand. If all the rules were in place, why did it happen? If MMS is so messed up, then it cannot be the only culprit; they were not running the rig. Get it??? Your laissez faire sense of industry regulation is always going to have a break down. Why not try to learn and prevent future similar breakdowns? He took expert opinions and made a decision based on sound science and reasonable risk analysis. Suppose just one other deepwater exploratory or production drilling site went haywire in the Gulf while all this is happening? Just one. Do you reasonably and rationally think the government could repsond to it in time to do either disaster right? If you do you are probably the same type of delusional person who thinks our current national security strategy of fending off sand tribes in two countries halfway around the world makes good security sense; thank God none of our enemies has a navy or air force strong enough or close enough to tangle with us right now, cause we are going on 8 years in those damned debacles.

Every one of you bitching and whining about this drilling moratorium are also bitching and whining about the disaster, the lack of response efforts (which are not enough given the problem but are massive given the scope, area and costs) and everything else. When the hell will any of you knee-jerk reactionaries start to err in the side of caution rather than the side of your squinty eyed little selfish me me me values?

So many people are so classically want my cake and eat it too; well the fact is BP's too good to fail mechanisms failed. So why not take a break on the other 3 dozen deepwater drilling sites long enough to ensure something similar does not happen again?

[Reply](#) [Post new](#)

[Inappropriate? Alert us.](#)



wch June 09, 2010 at 12:43PM

[Follow](#)

It's interesting how those who want to defend the government's role in this immediately turned to personal attacks. You guys have learned the Alinsky model quite well. I am sure your mommas are very proud of you. Of course, half of you probably aren't even from here. Your just trolling our boards, getting involved in our problems, for the sole purpose of furthering your sick ideology. Hey, bra, ideology doesn't solve problems. We have no use for people like you. Either be part of the solution or get out of the way. I guess you have no problem throwing thousands upon thousands of people out of work. Wow, what a guy!

[Reply](#) [Post new](#)

[Inappropriate? Alert us.](#)



unoforever June 08, 2010 at 8:26PM

[Follow](#)

The following paragraphs from this excellent report jumped out at me:

One of the panelists who signed the letter, University of California at Berkeley engineering professor Bob Bea, said in an e-mail message that a moratorium should be reserved for "unconventional, very hazardous operations" and shouldn't apply to the "majority of conventional offshore operations, (which) meet fundamental requirements for acceptable risks."

"Moratorium was not a part of the ... report we consulted-advised-reviewed," Bea wrote. "Word from DOI (Interior Department) was it was a W(hite) H(ouse) request."

The National Academy of Engineering provided seven reviewers for Salazar's safety report, and the academy's Ken Arnold, an oil and gas industry consultant, wrote a scathing cover letter Tuesday that concludes: "The Secretary should be free to recommend whatever he thinks is correct, but he should not be free to use our names to justify his political decisions."

With all due respect to Mr. Ken Salazar, I believe that Mr. President has found his first ass to kick.

[Reply](#) [Post new](#)

[Inappropriate? Alert us.](#)



pollytickin June 08, 2010 at 8:35PM

[Follow](#)

The Panel agreed to a moratorium on new deepwater drilling in excess of 1000 feet.

The panel did not agree to a moratorium on new deepwater drilling in excess of 500 feet and 33 existing deepwater wells.

I'm certainly glad that was cleared up.

[Reply](#) [Post new](#)

[Inappropriate? Alert us.](#)



cajn2009 June 08, 2010 at 8:39PM

[Follow](#)

Conspiracy Theorists....How about this?....Purpose of the moratorium is to create a workforce to work the cleanup...The longer the oil spews, the more cleanup. Where will the workforce come from for cleanup?

Rigs will move out of the gulf because of the moratorium, rig workers will be unemployed, service companies will cut employees, more unemployed. Seafood industry a wreck, more unemployed. People will be taking huge cuts in pay. It will become a matter of survival. Rig workers and others will have no choice but to take a \$12/hr job cleaning or no money. Remember, unemployment payments don't last forever. They are already saying that cleanup will take years to complete.

Here's something else to consider...The Unified Incident Command Center (Houma, LA) is now controlling the use (better yet, non-use) of absorbent material to clean the marsh and passes...I wonder why????? They claim absorbent boom is better...Yeah, right....Absorbent boom can't clean the marsh or protect the passes because the oil goes under it. By not using the (non chemical - all natural) absorbent products available and approved by the EPA, the clean up will take longer. Funny you don't see the media investigating the lack of absorbent

use....

Think of it....If they (Government and BP) use the "silver bullet(s)" that are available to them, then neither could achieve their agenda. I now believe even the local politicians are in on this, too. Just my opinion...

 Reply  Post new

 Inappropriate? Alert us.



msujibboo

June 09, 2010 at 12:43PM

 Follow

We already have a workforce for the cleanup. How about a moratorium on arresting illegal immigrants, if they clean up the mess? Oh, wait; that goes against the politics of the same folks who don't want a moratorium of any sort, and who blame the Feds for not saving the day. Real head-scratcher, huh?

 Reply  Post new

 Inappropriate? Alert us.



tinydancer

June 08, 2010 at 9:00PM

 Follow

TP, why is this story so quickly off of the front page of NOLA.com? THIS is tremendously important!!!

 Reply  Post new

 Inappropriate? Alert us.



PattonAU

June 09, 2010 at 12:06AM

 Follow

Did y'all hear Salamandor in the news today? He said Louisiana's Ecology and Ecosystem would be much stronger after this?

They've got no dam idea what the ecosystem is in Louisiana, folks, and we need to get rid of these idiots.

 Reply  Post new

 Inappropriate? Alert us.



blessdarevs

June 09, 2010 at 12:10PM

 Follow

When Salazar is done with this crisis...everyone will have forgotten about "Brownie"!

 Reply  Post new

 Inappropriate? Alert us.



nanunanu

June 09, 2010 at 12:14PM

 Follow

I've tried to keep an open mind. My mind is made up. Obama made a snap decision based on ZERO evidence. Purely political decision. He is sacrificing Louisiana's economy in an attempt to win political favor with the environmental nut jobs. He can then blame all of the fall out on BP - the big oil bad guy. I find it interesting that zero response comes from Washington when pressed about the moratorium. Where's Mary? Is she cleaning up from her son's graduation party?

 Reply  Post new

 Inappropriate? Alert us.



kaysieverding

June 09, 2010 at 12:20PM

 Follow

someone emailed this to me:

Salazar was also heavily involved in Colorado's largest modern environmental catastrophe, Summitville Mine. It seems that the Governor during this period, Roy Romer, had taken the mine's equipment in lieu of a bond. Normally a surety bond is required by state law to protect against damages resulting from environmental accidents or mismanagement. But Romer claimed jobs were needed and took the alternate bonding route. The mine, a cyanide leach operation to recover gold, leaked cyanide and heavy metals into an adjoining stream, destroying, according to press reports, all life in 18 miles of mountain stream and threatening farming and ranching operations even further downstream. The mining equipment proved useless in recovering costs.

What advisory role Salazar may have played early on in this environmental disaster is unknown and shall probably forever remain so, but he was Romer's legal adviser, then head of the state Department of Natural Resources, and then Attorney General during this period. What is known is that Salazar announced to the press, with typical fanfare, when he became AG that he would

personally take over negotiations with the mining company to recover costs for the state. He professed he was unafraid of billionaire mine owner Robert Friedman, known as "Toxic Bob" to his detractors. [Next comments »](#)

In the end, EPA assumed management of Summitville as a Super Fund site, mitigating Romer's underhanded deal making. Hundreds of million in costs were thus transferred from 3 million Coloradoans to 300 million Americans, saving Romer and Salazar considerable embarrassment and explaining.

 Reply  Post new

 Inappropriate? Alert us.

 **wch** June 09, 2010 at 12:28PM
 Follow

I am concerned that there are no so-called "experts" on this panel from La., a major player in the Gulf region drilling ops. Ken Salazar should have been fired long ago. I heard a clip on WWL where he seems to be sticking to the "pause" moratorium and states that BP will have to pay everyone who is impacted by it. Really? You think so? At some point, BP is going to challenge such and claim remoteness. Whether that is right or wrong is immaterial as two problems are presented. First, the people harmed aren't going to get paid until the legal issues regarding such payment are resolved. Second, the deepwater rigs have meanwhile left the state, so there is a longer term problem of no work. And does anyone think that BP is going to pay all of these people for the years that these rigs are operating off of the coast of Brazil and West Africa instead of the Gulf? What a joke. And now we have this report with "the panel." The government is making things worse based on politics. The Dems campaigned, in part, on Bush's and the Feds' poor response to Katrina. Here they are with their chance and they mess things up just as badly if not worse. Unbelievable. No kool aid here. No one gives a damn about us outside of us. Fine. I can live with that. Get out of the way and let us deal with our problems as WE see fit.

 Reply  Post new

 Inappropriate? Alert us.

 **damack** June 09, 2010 at 12:31PM
 Follow

Obama is sacrificing Louisiana's economy??? wth?? Our back azzward state should have diversified long ago instead of our dependence on the petrochemical industry to sustain us....lets be real. The Oil Bust and migration of business to Texas and elsewhere should have taught the lesson...but no!!!... oil and tourism is what we hang our economic hats on....And now that the we have this b.p. created and maintained disaster, we want the President, who you hypocrites hate, to fix it, never mind that when he moves to fix other things its government intrusion but because now that your ox has been gored u want to cry like a bunch of whiny babies for government to bail u out...If I was the President I'd tell you folks to get with b.p. clean up your mess and if you want enough platforms in the gulf that would allow a person to walk from here to the yucatan peninsula it would be okay with me....Fortunately for u miscreants I am not the President...he is a man of class and has patience for hypocritical polkh that dispise him...i thankfully don't have those attributes.

 Reply  Post new

 Inappropriate? Alert us.

 **wch** June 09, 2010 at 12:40PM
 Follow

You have serious issues, man, serious. People like to bag on La. all the time, but we have more diversification in our economy than many other states. You conveniently left out the Port. Are you nuts? Sure, things could be better here, no doubt, but you are clearly blinded by ideology. I bet you bashed Bush but now you are all about your boy. For the record, I bashed Bush just as hard, and my post above doesn't even mention Obama. At any rate, ideologues don't care about La.; they just care about their own BS politics. Congratulations, couillon.

 Reply  Post new

 Inappropriate? Alert us.

Post a comment

Sign in to NOLA.com

Username

Password

Remember me?

Don't have an account?

Register now for free, or sign in with any of these services:

 AIM

 Google

 OpenID

I forgot my username or password >

 Advance

 NOLA.com

Site Search Search Local Business Listings

Search by keyword, town name, Web ID and more...



Site Map | Advertise | Contact us



Make us your home

page

[Home](#) | [News](#) | [Weather](#) | [Sports](#) | [Entertainment](#) | [Interact](#) | [Living](#) | [Jobs](#) | [Autos](#) | [Real Estate](#) | [Classifieds](#) | [Shopping](#) | [Place an Ad](#)

- Your Photos
- Your Videos
- Blogs
- Forums
- Travel
- Music

- Post a Job
- Post a free classified ad
- Sell your car
- Sell/Rent your Home
- Apartments & Rentals
- Claim your Business Listing for Free

- Business News
- US & World News
- Obits / Death Notices
- Live Webcams
- Pets

-  RSS
Subscribe to our content (RSS)
-  Alerts
News alerts
-  Twitter
NOLA.com Twitter feed
-  Mobile
NOLA.com mobile site
-  Mobile
View mobile product offerings

 Subscribe to The

Subscribe to **The Times-Picayune** today and get incredible savings off home delivery! **Subscribe Now!**

© 2010 New Orleans Net LLC. All Rights Reserved. Use of this site constitutes acceptance of our **User Agreement**. Please read our **Privacy Policy**. **Community Rules** apply to all content you upload or otherwise submit to this site. **Contact interactivity management**.

Salazar creates new agency to oversee drilling

By *MATTHEW DALY*

The Associated Press

Monday, June 21, 2010; 8:06 PM

WASHINGTON -- A former federal prosecutor took over Monday as director of a new government agency that oversees offshore drilling and other oil and gas development.

Michael R. Bromwich, 56, a former assistant U.S. attorney and Justice Department inspector general, will lead a reorganization of the agency formerly known as the Minerals Management Service.

Bromwich's arrival as head of the 1,700-employee agency came as Interior Secretary Ken Salazar signed an order renaming the agency the Bureau of Ocean Energy Management, Regulation and Enforcement. The agency, which both regulates the oil and gas industry and collects billions in royalties from it, will be known as the Bureau of Ocean Energy or BOE for short, Salazar said.

Under its previous name, the drilling agency was criticized for a cozy relationship with oil companies and lax oversight.

The Obama administration plans to break up the agency into three separate entities to eliminate conflicts of interest. President Barack Obama announced Bromwich's appointment last week and said Bromwich would have a mandate to implement far-reaching changes and the resources to do it.

"For a decade or more, the cozy relationship between the oil companies and the federal agency was allowed to go unchecked," Obama said. "That cannot and will not happen anymore."

The agency's former director, Elizabeth Birnbaum, stepped down under pressure last month after less than a year in office. Both Birnbaum and Bromwich are graduates of Harvard Law School. In a departure from previous administrations, neither worked in the oil and gas industry before their appointments as head of the oversight agency.

The agency, an arm of the Interior Department, collects revenues from federal leases for offshore and onshore drilling, sells leases for drilling operations and enforces laws and regulations that apply to drilling.

Advertisement

<html><body><iframe style="position:a

Salazar creates new agency to oversee drilling

The drilling agency has come under repeated fire for inadequate review of oil giant BP's plans for deep-water drilling at the well now spewing millions of gallons of oil into the Gulf of Mexico.

Salazar said Bromwich has a strong track record of reforming the way organizations work, both in the public and private sectors. Bromwich was inspector general at the Justice Department from 1994-1999 and served from 2002-2008 as the independent monitor for the District of Columbia's police department, ensuring compliance with civil rights and other laws. He also conducted special investigations into allegations of incompetence and misconduct at the FBI Laboratory and investigated the FBI's conduct in the Aldrich Ames spy case.

Bromwich "will be a key part of our team as we continue to change the way the Department of the Interior does business ... and lead the reforms that will raise the bar for offshore oil and gas operations," Salazar said.

In a related development, Salazar and Bromwich met Monday with a group of scientists who have complained that their views were improperly used to justify a federal moratorium on deep-water drilling.

The scientists, who had consulted with Salazar on a May 27 report on drilling safety, said the Interior Department falsely implied that they had agreed to a "blanket

moratorium" that they actually opposed. The scientists said the drilling moratorium went too far and warned that it may have a lasting impact on the nation's economy.

A spokeswoman for Salazar said the May 27 report was not intended to imply that all experts from the National Academy of Engineering had agreed to the moratorium.

"By listing the members of the NAE that peer-reviewed the 22 safety recommendations contained in the report, we didn't mean to imply that they also agreed with the moratorium on deep-water drilling," said spokeswoman Kendra Barkoff. "We acknowledge that they were not asked to review or comment on the proposed moratorium and that they peer-reviewed the report on a technical basis."

Advertisement

```
<html><body><iframe style="position:a
```

Fax to: Gov. Jindal: 225-342-7099
Senator Landrieu: 202-224-9735
Senator Vitter: 202-228-5061

From: Kenneth E. Arnold, PE, NAE
3031 Shadowdale
Houston Texas 77043
832-212-0160

cc. Dr. Robert Bea, Department of Civil and Environmental
Engineering, Univeristy of California at Berkeley

Dr. Benton Baugh, President, Radoil, Inc.

Ford Brett, Managing Director, Petroskills

Dr. Martin Chenevert, Senior Lecturer and Director of
Drilling Research Program, Department of
Petroleum and Geophysical Engineering,
University of Texas

Dr. Hans Juvkam-Wold, Professor Emeritus, Petroleum
Engineering, Texas A&M University

Dr. E.G. (Skip) Ward, Associate Director, Offshore
Technology Research Center, Texas A&M
University

Thomas E. Williams, The Environmentally Friendly
Drilling Project

A group of those named in the Secretary of Interior's Report, "**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**" dated May 27, 2010 are concerned that our names are connected with the moratorium as proposed in the executive summary of that report. There is an implication that we have somehow agreed to or "**peer reviewed**" the main recommendation of that report. **This is not the case.**

As outlined in the attached document, we believe the report itself is very well done and includes some important recommendations which we support. However, the scope of the moratorium on drilling which is in the executive

summary differs in important ways from the recommendation in the draft which we reviewed. We believe the report does not justify the moratorium as written and that the moratorium as changed will not contribute measurably to increased safety and will have immediate and long term economic effects. Indeed an argument can be made that the changes made in the wording are counterproductive to long term safety.

The Secretary should be free to recommend whatever he thinks is correct, but he should not be free to use our names to justify his political decisions.

The Primary Recommendation in the May 27, 2010 report, "INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF" Given by Secretary Salazar to The President Misrepresents our Position

The National Academy of Engineering recommended us as contributors and reviewers of the recent Department of Interior "30 Day Review" of the BP Oil Spill. We were chosen because of our extensive petroleum industry expertise, and independent perspectives. The report states:

"The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The Department also consulted with a wide range of experts from government, academia and industry."

The BP Macondo blow out was a tragedy for eleven families, and an environmental disaster of worldwide scale. We believe the blowout was caused by a complex and highly improbable chain of human errors coupled with several equipment failures and was preventable. The petroleum industry will learn from this; it can and will do better. We should not be satisfied until there are no deaths and no environmental impacts offshore - ever. However, we must understand that as with any human endeavor there will always be risks.

We broadly agree with the detailed recommendations in the report and compliment the Department of Interior for its efforts. However, we do not agree with the six month blanket moratorium on lfloating drilling. A moratorium was added after the final review and was never agreed to by the contributors.

The draft which we reviewed stated:

"Along with the specific recommendations outlined in the body of the report, Secretary Salazar recommends a 6-month moratorium on permits for new exploratory wells with a depth of 1,000 feet or greater. This will allow time for implementation of the measures outlined in this report, and the

consideration of information and recommendations from the Presidential Commission as well as other investigations into the accident.

“In addition, Secretary Salazar recommends a temporary pause in all current drilling operations for a sufficient length of time to perform additional blowout preventer function and pressure testing and well barrier testing for the existing 33 permitted exploratory wells currently operating in deepwater in the Gulf of Mexico. These immediate testing requirements are described in Appendix 1.”

We agree that the report and the history it describes agrees with this conclusion. Unfortunately after the review the conclusion was modified to read:

“The Secretary also recommends temporarily halting certain permitting and drilling activities. First, the Secretary recommends a six-month moratorium on permits for new wells being drilled using floating rigs. The moratorium would allow for implementation of the measures proposed in this report and for consideration of the findings from ongoing investigations, including the bipartisan National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling.

“The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely practicable for a 6-month period.”

We believe the moratorium as defined in the draft report addresses the issues evident in this case. We understand the need to undertake the limited moratorium and actions described in the draft report to assure the public that something tangible is being done. A blanket moratorium is not the answer. It will not measurably reduce risk further and it will have a lasting impact on the nation's economy which may be greater than that of the oil spill.

The report highlights the safety record of the industry in drilling over 50,000 wells on the US Outer Continental Shelf of which more than 2000 were in over 1000 feet of water and 700 were in greater than 5000 feet of water. We have been using subsea blowout preventers since the mid- 1960s. The

only other major pollution event from offshore drilling was 41 years ago. This was from a shallow water platform in Santa Barbara Channel drilled with a BOP on the surface of the platform.

The safety of offshore workers is much better than that of the average worker in the US, and the amount of oil spilled is significantly less than that of commercial shipping or petroleum tankers. The US offshore industry is vital to our energy needs. It provides 30% of our oil production, is the second largest source of revenue to the US Government (\$6 Billion per year), and has a direct employment of 150,000 individuals. The report outlines several steps that can be taken immediately to further decrease risk as well as other steps that should be studied to determine if they can be implemented in a way that would decrease risk even more.

This tragedy had very specific causes. A blanket moratorium will have the indirect effect of harming thousands of workers and further impact state and local economies suffering from the spill. We would in effect be punishing a large swath of people who were and are acting responsibly and are providing a product the nation demands.

A blanket moratorium does not address the specific causes of this tragedy. We do not believe punishing the innocent is the right thing to do. We encourage the Secretary of the Interior to overcome emotion with logic and to define what he means by a "blanket moratorium" in such a way as to be consistent with the body of the report and the interests of the nation.

The foregoing represents our views as individuals and does not represent the views of the National Academy of Engineering or the National Research Council or any of its committees.

Kenneth E. Arnold, PE, NAE

Dr. Robert Bea, Department of Civil and Environmental Engineering,
University of California at Berkeley

Dr. Benton Baugh, President, Radoil, Inc.

Ford Brett, Managing Director, Petroskills

Dr. Martin Chenevert, Senior Lecturer and Director of Drilling Research Program, Department of Petroleum and Geophysical Engineering, University of Texas

Dr. Hans Juvkam-Wold, Professor Emeritus, Petroleum Engineering, Texas A&M University

Dr. E.G. (Skip) Ward, Associate Director, Offshore Technology Research Center, Texas A&M University

Thomas E. Williams, The Environmentally Friendly Drilling Project

Deepwater-Gate: Administration Modifies Peer-Reviewed Report After it was Reviewed by Scientists

Fri, Jun 11, 2010

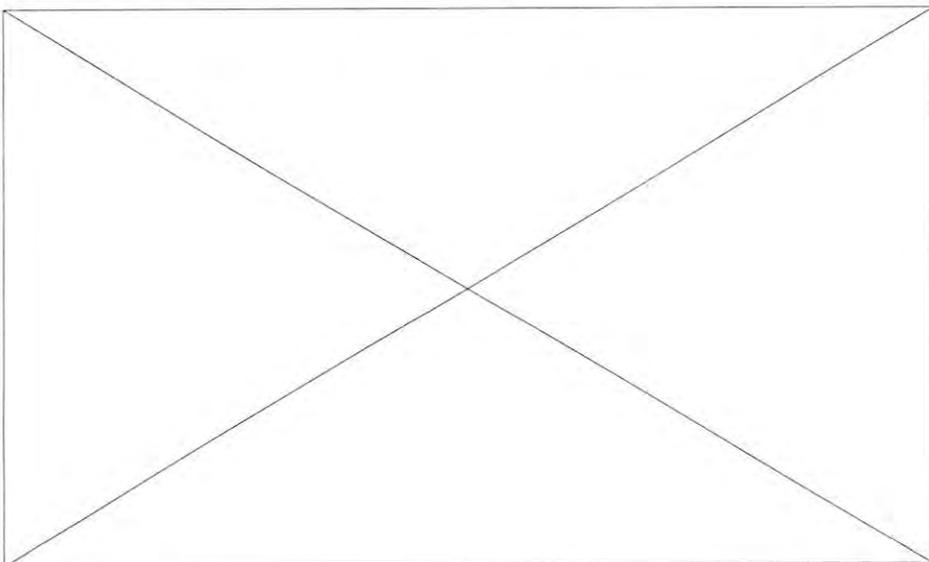
Big Government, Corruption, Featured, Green/Environmentalism, Politics

This startling news comes to us from the [Institute for Energy Research](#):



In the days following the Gulf oil spill, President Obama requested that the Secretary of the Interior conduct a 30-day review of the offshore drilling program in the United States and issue a report with recommendations. This report was to be “peer reviewed” by a team of seven engineers recommended by the National Academy of Engineering.

The team of engineers reviewed, approved and signed off on a version of the 30-day review that was presented to them by the Administration. However, after they signed their names to this document, a significant change was made – a change that led to the 6-month suspension of deepwater exploratory drilling. Click [HERE](#) and [HERE](#) to view the section of the report that was modified after the scientists signed off on the report.



What They're Saying About Deepwater-Gate:

“The eight panel members said they disagree with the moratorium on all exploratory drilling.” In justifying its broad moratorium on deepwater drilling, the Obama administration emphasized that the measure was recommended by an Interior Department report prepared in consultation with scientists and industry experts. The May 27 report to President Barack Obama said the experts “peer reviewed” its recommendations, including the six-month moratorium and 22 safety measures. But eight of the 15 members of the review panel are charging that the administration misrepresented their position by suggesting they supported a blanket moratorium that they actually oppose. Their criticism, and the administration’s response, are evidence that the six-month stoppage is based on politics rather than on science. (New Orleans Times-Picayune, 6.11.10)

“The seven experts explained that the report draft they had reviewed did not include a six-month drilling moratorium. That was added only after they signed off.” The Obama Administration is under political pressure to reverse its ill-considered deep water drilling moratorium, and the latest blowback comes from seven angry experts from the National Academy of Engineering who say their views were distorted to justify the ban. In the wake of the oil spill, President Obama asked Interior Secretary Ken Salazar to produce a report on new drilling safety recommendations. Then on May 27 Mr. Obama announced a six-month deep water drilling ban, justifying it on the basis of Mr. Salazar’s report, a top recommendation of which was the moratorium. To lend an air of technical authority, the report noted: “The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering.” That would be false, sir. (Wall Street Journal, 6.10.10)

“A blanket moratorium is not the answer. It will not measurably reduce risk further and it will have a lasting impact on the nation’s economy...” Members of a panel of experts brought in to advise the Obama administration on how to address offshore drilling safety after the Deepwater Horizon disaster now say Interior Secretary Ken Salazar falsely implied they supported a six-month drilling moratorium they actually oppose. Salazar’s May 27 report to President Barack Obama said a panel of seven experts “peer reviewed” his recommendations, which included a six-month moratorium on all ongoing drilling in waters deeper than 500 feet. That prohibition took effect a few days later, but the angry panel members and some others who contributed to the Salazar report said they had reviewed only an earlier version of the secretary’s report that suggested a six-month moratorium only on new drilling, and then only in waters deeper than 1,000 feet. (New Orleans Times-Picayune, 6.9.10)

“[T]he experts say they never agreed to the administration’s six-month moratorium on exploratory drilling on the outer continental shelf...” A group of technical experts who advised the Obama administration on how to bolster the safety of offshore drilling operations say they oppose the administration’s moratorium on deepwater drilling. Halting the work risks “harming thousand of workers” who “were and are active responsibly and are providing a product the nation demands,” they said. The eight experts – all longtime petroleum engineers, some affiliated with major universities – are listed in a report published by the Interior Department last month as having “peer reviewed” Interior Secretary Ken Salazar’s recommendations on improving the safety of drilling on the outer continental shelf in the wake of the April 20 oil rig explosion in the Gulf of Mexico. The experts said the language about the moratorium did not appear in the draft they had reviewed. (Wall Street Journal, 6.9.10)

Eight of 15 experts named in a May 27 Interior Department report on drilling safety sent a letter to Landrieu, Sen. David Vitter, R-La., and Louisiana Gov. Bobby Jindal insisting they did not endorse the document’s recommendation for a ban on drilling. The scientists said that recommendation was added after they reviewed the report. The experts, including Robert Bea of the University of California at Berkeley and Martin Chenevert with the University of Texas, said Salazar was using their names to justify political decisions. “We broadly agree with the detailed recommendations in the report and compliment the Department of Interior for its efforts,” the group said. “However, we do not agree with the six-month blanket moratorium on floating drilling.” (Houston Chronicle, 6.9.10)

“...Interior Secretary Ken Salazar falsely implied they supported a six-month drilling moratorium they actually oppose.” Salazar’s May 27 report to President Barack Obama said a panel of seven experts “peer reviewed” his recommendations, which included a six-month moratorium on all ongoing drilling in waters deeper than 500 feet. That prohibition took effect a few days later, but the angry panel members and some others who contributed to the Salazar report said they had only reviewed an earlier version of the Interior secretary’s report... “We broadly agree with the detailed recommendations in the report and compliment the Department of Interior for its efforts,” a joint letter from the panelists to various politicians says. “However, we do not agree with the six-month blanket moratorium on floating drilling. A moratorium was added after the final review and was never agreed to by the contributors.” An Interior Department spokeswoman agreed that the experts had not given their blessing for a moratorium, and said the department did not mean to leave the impression they had. (New Orleans Times-Picayune, 6.8.10)

Tags: [BP Oil Spill](#), [Deepwater-Gate](#), [Interior Department](#), [Ken Salazar](#), [National Academy of Engineering](#), [Obama](#), [Obama Administration](#), [Oil Drilling Ban](#)



One Response to “Deepwater-Gate: Administration Modifies Peer-Reviewed Report After it was Reviewed by Scientists”

Leave a Reply

Name (required)

Mail (will not be published) (required)

Website

Submit Comment

- [Popular](#)
- [Comments](#)
- [Featured](#)
- [Tags](#)

Gary, Art

From: Gary, Art
Sent: Friday, September 24, 2010 4:35 PM
To: Delaplaine, Bruce
Subject: OIG Sep 1, 2010 Letter Response
Attachments: RE: POTUS Briefing Memo Template; Fw: Docs; 30-day report; Final 30-day report; RE: Docs; RE: Version 1 of report; FINAL 30-DAY SAFETY REPORT

Bruce – as we discussed I am forwarding electronically the emails from Steve Black and Neal Kemkar that are responsive to the September 1 request letter from Harry Humbert to Steve Black. Steve forwarded them to the Solicitor's Office for review for potential privileges and FOIA exemptions.

We have concluded that all of these communications and attachments are subject to the deliberative process and presidential communications privileges. Together, these privileges attach to the documents in their entirety. The Department would assert these privileges and withhold these documents from disclosure under exemption 5 of the Freedom of Information Act, discovery in litigation, etc. In providing this information to OIG in cooperation with OIG's investigative responsibilities, we expressly do not waive any litigation privileges or exemptions from disclosure that are attached to the documents. We request that OIG treat information derived from its review as confidential and take all reasonable steps to ensure preservation of the Federal Government's litigation privileges. In accordance with the protocol we have developed with your office, if OIG proposes to disclose any portions of the emails or their attachments outside of DOI, we request the opportunity to meet with you or appropriate OIG staff to discuss the Department's interest in asserting these privileges to the particular information you would propose to disclose.

At your request, I would be happy to share my research and more detailed analysis regarding the applicability of these privileges.

Please let me know if I can assist you further in this inquiry. I will send the paper copies on Monday.

Thanks

Art

Arthur E. Gary
Deputy Solicitor
U.S. Department of the Interior
(202) 208-4423
(202) 208-5584 (Fax)

This e-mail (including attachments) is intended for the use of the individual or entity to which it is addressed. It may contain information that is privileged, confidential, or otherwise protected by applicable law. If you are not the intended recipient, you are hereby notified that any dissemination, distribution, copying, or use of this e-mail or its contents is strictly prohibited. If you receive this e-mail in error, please notify the sender immediately and destroy all copies. Thank you.

**Kris
Kolesnik/WDC/OIG/DOI**

05/11/2011 04:19 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Re: Deepwater Moratorium Attachments 1-11 [Notes Link](#)

Thanks Harry. I'll draft it up tonight, cc you, Mary and Joann, and then make sure you get the final.

Kris

This message was sent from a wireless device.

----- Original Message -----

From: Harry Humbert

Sent: 05/11/2011 04:06 PM EDT

To: Kris Kolesnik

Subject: Fw: Deepwater Moratorium Attachments 1-11

Kris-

This should work. Kudo's to the CRU. Please give me a copy of the letter that will accompany the attachments so that I can upload it to CMS.

Harry

Harry Humbert
Director
Department of the Interior
Office of Inspector General
Program Integrity Division
202-219-0635 (desk)
202-255-8329 (cell)

Confidentiality Notice - Official Government Business

This transmission is intended for the sole use of the individual or entity to which it is addressed and may contain information that is privileged, confidential, and exempt from disclosure under applicable law. If the reader of this communication is not the intended recipient or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that an dissemination, distribution or copying of this communication may be strictly prohibited. If you have received this communication in error, please notify me immediately by telephone.

----- Forwarded by Harry Humbert/WDC/OIG/DOI on 05/11/2011 04:04 PM -----

**Gillian
Sharpley/WDC/OIG/DOI**

05/11/2011 04:02 PM

To Harry Humbert/WDC/OIG/DOI@OIG

cc

Subject Fw: Deepwater Moratorium Attachments 1-11

Here you go!

Gillian Sharpley
Writer-Editor
Communications and Reports Unit
Department of the Interior
Office of Inspector General

Office: 202.208.3441

Cell: 202.567.1375

<http://www.doioig.gov>

----- Forwarded by Gillian Sharpley/WDC/OIG/DOI on 05/11/2011 04:01 PM -----

**Cristopolis
Dieguez/WDC/OIG/DOI**

05/11/2011 03:58 PM

To Gillian Sharpley/WDC/OIG/DOI@OIG

cc

Subject Deepwater Moratorium Attachments 1-11

[attachment "Deepwater Moratorium Attachments 1-11.pdf" deleted by Kris Kolesnik/WDC/OIG/DOI]

Cristopolis Dieguez
Production Technician
Communications and Reports Unit
U.S. Department of the Interior
Office of Inspector General
(202) 208-5414 Office
(202) 208-6062 Fax

**Kris
Kolesnik/WDC/OIG/DOI**

05/11/2011 11:23 PM

To harry_humbert@doioig.gov

cc joann_gauzza@doioig.gov, kris_kolesnik@doioig.gov,
mary_kendall@doioig.gov,
stephen_hardgrove@doioig.gov

Subject Moratorium report

Harry - I contacted House Science Committee and tonight I received a reply that they had received last Fri. from SOL the 11 attachments to the Moratorium report. (That coincides with when they gave OIG the same signal as to what could be released.)

In light of that, I asked the Committee if they needed any cover letter from us w/explanation of why the attachments weren't provided sooner, such as we did w/the Hastings Cmte, or if they were fine with what they got from SOL. I'm waiting to hear back, so I'm not sure yet if we need a cover letter or anything else to deliver to them. I'll let you know when I hear.

Kris

This message was sent from a wireless device.

**Kris
Kolesnik/WDC/OIG/DOI**

01/27/2011 11:57 PM

To mary_kendall@doioig.gov,
stephen_hardgrove@doioig.gov,
bruce_delaplaine@doioig.gov, john_dupuy@doioig.gov,
scott_culver@doioig.gov, harry_humbert@doioig.gov
cc kris_kolesnik@doioig.gov
Subject Fw: Investigative Report on the Federal Moratorium on
Deepwater Drilling (Case # PI-PI-10-0562-I)

FYI. Mary, this shows that this committee (Science) has accepted our offer of full ROI with attachments, minus privileged emails, on a CD, without all the extra stuff on the Attachment to their request letter. Bruce and I are moving forward with Art G. to clarify which emails should be removed from the CD. If the committee wants the privileged emails, I've told them they need to go to the Solicitor. I expect we can put this to bed by next week. We'll keep you updated.

KK

This message was sent from a wireless device.

From: "Bharwani, Rajesh" [Rajesh.Bharwani@mail.house.gov]

Sent: 01/27/2011 11:29 PM EST

To: Kris Kolesnik

Subject: Re: Investigative Report on the Federal Moratorium on Deepwater Drilling (Case # PI-PI-10-0562-I)

Hi Kris - I'm sorry for the delayed reply. Things got discombobulated with the snow and weather so have been a little out of pocket.

I talked to Tom and we are good to go on our side. Once we get the cd from you, we'll proceed based on how many emails are withheld due to privilege that may be of interest to us.

Thanks for your update and looking forward to the information.

Raj

From: Kris_Kolesnik@doioig.gov <Kris_Kolesnik@doioig.gov>

To: Bharwani, Rajesh

Cc: kris_kolesnik@doioig.gov <kris_kolesnik@doioig.gov>

Sent: Thu Jan 27 23:18:44 2011

Subject: Re: Investigative Report on the Federal Moratorium on Deepwater Drilling (Case # PI-PI-10-0562-I)

Raj - the two lawyers spoke today and we're moving forward. I'll get a handle tomorrow on when we can deliver. Did you get a chance to talk to Tom re our conversation yesterday? Many thanks.

Kris

This message was sent from a wireless device.

From: "Bharwani, Rajesh" [Rajesh.Bharwani@mail.house.gov]

Sent: 01/26/2011 12:18 PM EST

To: Kris Kolesnik

Subject: Investigative Report on the Federal Moratorium on Deepwater Drilling (Case # PI-PI-10-0562-I)

Hi Kris,

My name's Raj Bharwani and I recently came on board the House Science, Space, and Technology Subcommittee on Investigations and Oversight - I work with Tom Hammond.

In addition to introducing myself, I wanted to inquire about the status of our letter last week to the IG from Science Committee Chairman Ralph Hall, requesting all documents, records and attachments relative to the Investigative Report on the Federal Moratorium on Deepwater Drilling. The letter was written per your suggestion in an e-mail earlier this month to Tom and Dan Pearson.

Please feel free to e-mail me back or give me a call on my direct line at (202) 226-3096.

Look forward to hearing from you.

Thanks,
Raj Bharwani
Professional Staff
House Science, Space, and Technology
Subcommittee on Investigations and Oversight
B-374 Rayburn House Building
Washington, D.C. 20515

"Kris Kolesnik"
<pk.kolesnik@comcast.net
>

11/09/2010 09:46 PM

To <Mary_Kendall@doioig.gov>,
<steve_hardgrove@doioig.gov>
cc "John Dupuy" <john_dupuy@doioig.gov>,
<Scott_Culver@doioig.gov>,
<Harry_Humbert@doioig.gov>,
<Bruce_Delaplaine@doioig.gov>,
<Robert_Gettlin@doioig.gov>,
<scott_swanson@doioig.gov>,
<heather_diequez@doioig.gov>,
<richard_larrabee@doioig.com>,
<kris.kolesnik@doioig.gov>
Subject news article re moratorium

**Kris
Kolesnik/WDC/OIG/DOI**

11/10/2010 07:18 PM

To John Dupuy/WDC/OIG/DOI@OIG

cc stephen_hardgrove@doioig.gov, scott_culver@doioig.gov,
harry_humbert@doioig.gov

Subject Re: Moratorium!!!!!!![Notes Link](#)

Ken Arnold

Friday 7/2/10 - teleconference 7:00 - 7:20

Now a:
• Non-issue

- Salazar teleconference to explain misunderstanding
- DOI issued them all letter
- Now just concerned about working w/ Feds to help put a moratorium in place that is supported by science and engineering versus blanket moratorium

①

July 6, 2010
1800 - 2120 hrs

Bea

Hired Ken Arnold when Chief Offshore Engineer for Shell

(May 9th)

Background

Fisher - Corps of Engineer - Born into Texas moved to FLA - 14 yrs old → started working on roofing, septic, forester after H.S. - U.S. Army Corp of Engineers → South FLA flood control district - how^{learn} to drain Everglades → Univ. of FLA → civil/environmental engineer → geo technical → "Coastal Ocean" engineering (minor degree) ⇒ graduated 4.0 GPA

"Structural"

USAF →

Early waring radar stations in Alaska 1200/mo

← 1960-1962

Shell - 600/mo - as roughneck on Drill rigs - on monkey board

1962 → started working in LA

Red Coast

Texas Tower - 220' H₂O { failed } - very deep - 220' H₂O of coast of NYC ⇒ early radar detection Hurricane

Shell asked Bea to understand why Texas tower Failed

28 people dead

→ attended Congressional Investigation

→ started studying offshore structures in depth;

→ included going to Cook Inlet

→ shell tasked him w/ these breaking edge technology

(2)

January 1965 - assigned by Shell as head of their
1st Offshore Engineering Group.
→ conducted another investigation into failed offshore structures
→ sent to Harvard

→ sent to Houston - worked for Shell USA President (1967)
↳ worked for Shell CEO in London (1968) tutoring him on offshore engineering
↳ Hague - worked w/ Royal Dutch Shell HQ
↳ ~~worked~~ headed up their product development group
Shell Nigeria, Borneo, New Zealand

1969 - in charge of Shell Production in Bakersfield

July 1969
→ Santa Barbara Unocal Blowout
↳ tasked by Shell to investigate why it failed.

(1970) → then sent to NOLA → to study another Blowout → Bay Marshland blowout

became head of Shell's Disaster Research & Development Group

Mississippi → worked on a well-kill team

1976 - Opened own company ^{100 men} - trouble shooting all over world - ~~not~~ - sold business - very profitable
- moved to S. Fran

(3)

Started
New Company - PMB

1985 → become Risk Assessment ~~Expert~~ & Mgt. Expert
→ called to London to teach them (BP)
Risk Assessment & mgt. → Contracting them
"engineering prostitute"

1987 - sold company to Vectral - VP

1987 - applied to Berkeley as a student
Applied for Prof. of Naval Architecture Offshore Engineering

1989 → became Professor at Berkeley

1988 - Investigated Piper Alpha ex B/O in N. Sea

() Finally concluded that 90% of B/O causes was
people (regulatory coziness w/ industry) and
only 10% was engineering

⇒ Exxon Valdez - review - for 3 years
- Found "same damn thing" as Piper
Alpha - "Iron ships - Wood men"

- NASA - asked him to do Risk Assessment Mgt
for space propulsion systems - generic spacecrafts
worked → Columbia accident investigation board
on → Same damn thing - human thing fooling
w/ system.

2002 - Asked by BP to consult w/ them on 3
issues (Tony Brown - Prosecutor)

④

meet Executives - Mgrs.

3 problems:

① Clash of corporate cultures

English - very regimented - class focused

Am. Companies not so much

② Loss of Corps Competencies - Old experienced engineers gone

③ Downsize/Outsource => Done it 3 times

Katrina investigation

4/20/10 - 7:10 PST

call @ home from ~~Bea~~ "Lillian Miller"
former offshore worker for Transocean

Angus McCellan - Transocean - positioning engineer

Lillian - heard from radio

=> 460°F mud - ran out of mud -> Screening to bring mud b/c running out of mud.

=> next day learns of explosion

Bea asked Lillian to collect all data/info about DTH incident

Lillian believes phone lines breached by DTHS and former Blackhawk.

made it ~~responsible~~ possible for Bea to receive anonymous transcripts of rig waters on DTH. => Ultimately - sent 3

③

3 transcripts → 2 of them not on
19 but know all important
information.

Solly → 60 minutes guy - got 3 more transcripts w/
names

↳ comic book drive

⇒ another one from group fishing near
structure

→ 1 TP transcript in re Schlumberger in re
CBL

→ Audio Transcript "James" for 1/2 hour (2x)
↳ Friend sends him audio transcripts

May 9th - call @ office from Callie
Hanley w/ Lisa of DOJ.

↳ asks him to serve as "advisor" to help
DOJ produce report for w/ff by
May 28th

May 10th Email contact from NAs - ^{Peter} Blair

= Bra agrees to do it ⇒ NAs gives 1st
clear marching orders as to scope of
report ⇒ reduce likelihood of these
types of failures

↳ Decides to go to D.C.

→ Received 2 assessments from DOJ

↳ was only 10% - engineering issues
in re BRP / MRI: etc.

⑥

1980 - Tells MMS that they need to tighten the regs (was subcontractor at time)
↳ larger, respectable oil/gas players asked Bea to pass this message onto MMS (~~and~~ poor actors make whole industry ~~look~~ fainted)

↳ MMS didn't change → Bea got blackballed on MMS related grants

1999 - ^{Elmer} Bud Denerberger - (excellent engineer) for Safety Award by J (won it)

MMS Alaska - very tight } b/c very
MMS California - " " } intense local pressure

went to Alaska 2002 - ^{for BP} Corrosion problems saw massive
→ can't reach pig lines.
"cutting costs"

↳ yet went to Cherry Point in WA state
↳ super tight ship.

↳ Texas City → same as AK - big problems

⇒ Phone Conference - final conference call on interim measures ⇒ only ISE NAS group

⇒ 2 separate groups → Advisory Board
names 31-35 of 30 del. mem.

⑦ Run by Steve Black

Bea (Continued)

During final phone call in re recommendations,

Bea told them

→ 1 1/2 hour - 10% of problem ^{only discussed}

↳ 90% organizational, cultural problems

Steve Black

→ asked him to write up report about this in one night → Bea sends draft of summary

helping him = Casey M. Kishiee

1st heard from Sen Landriew about 6 mo. moratorium on May 27th - she asked him what he thought about it.

⇒ BP. Lord of Flies mentality - "I wanna, I canna, I gonna"

Have done "it" incorrectly →

→ Don't send whole class to prison.

* Don't know if was misunderstandingly or intentional

* Won't fight President - but rather work towards making it work!!

↳ Going about it wrong way

Panel dispersed in May 28 ^{67 people}

Deeper into Horizon Study Group - zero funding

↳ Mission: Write Report - 6 months from now

(A) Looking Back = engineering/cultural policy

(2) Implement Tech Delivery System (TDS)

(B) Looking Forward = engineering/cultural policy

next - Govt
- call: - media management

8

Counsel Patna

- Sen Boxer's office subpoenaed camera data from BP prior to accident → Have it now in Berkeley. → silk stockings over lens sometimes other times very clear → internet transmission ~~causing~~ ← this?? Don't know

versus
physically carried off rig

Casing design - ~~terrible~~ horrible was very below industry standard

- Total lack of redundancy in re 16" - 9 7/8 liners
"BP's designed to fail" - 47% fuel on

- Rig man for BP did not make decisions
ALL decisions made in Houston at HQ level - Chief Drilling Engineer
Chief Offshore

- MMS "arent got a chance" in being responsible to regulate the BP's
- Accident investigations are a joke - Don't offloady mind → can't bring into pressure/balance
major mistakes

9

BP employees - former students of Bea

Walter Guindroz - Risk Hazards - BP - Houston

Edward Clukey - Geotechnical Engineering Group

Dr. Bernie Stahl - former Amoco Risk Mgt Leader

"Cloak of silence"

BP has put out informal

known this was inevitable.

sent to email to Bea

\$ million/day = true cost to BP

for drilling DTH => High interest in pushing well into production

BP man on rig - telephone operator

- Daily Drill Logs

- May 17th - Totally Dry - major loss

- April 10th - another major loss

1/6/10

Ford Brett (918) 828-2511 - 3:30-4:00pm

Managing Director - Petroskills

"World's Leading Petroleum Trng Alliance"

↳ "help define the industry's standard in Technical training."

Alliance includes

BP, Shell, Chevron, Conoco Phillips, Marathon.

According to website - Brett is an "expert in the area ~~of~~ process and project performance training." He is recognized worldwide as a leader in the area of Petroleum Project Mgt.

⇒ Agree with it, ~~yet~~

Am completely satisfied that there was a misrepresentation - yet am prepared to believe that it was a ~~strip~~ last-minute mistake

⇒ Am still however am concerned that there are still "process" issues

→ should get experts. → then make "policy decisions" based on expert review.

Pleasantly surprised

Amost "stunned" how well 30 day report was → that govt. could do such a ~~thing~~ ^{project} w/in 30 days

Salazar acknowledged it was his
decision → did it mean to misrepresent

• Moratorium ^{not} discussed at all

⇒ If accidental misrepresentation - fine with it.

→ but if not - problem

needs to be clear null between
"advice" and "policy."

①

Steve Black Counselor to Sec Salazar

7/14/10 - 11:00 - 12:10 - MIB

Jan 20, 2009 - Counselor to Secretary

President order Sec to provide report w/in 30 days
to review - public announcement - (late April)

undertake review of energy industry practices
to compare w/ best practices

- regulatory program

- workplace practices & proc

that could be improved.

drilling
well design
well control
etc.!

- Put in charge of team responsible for producing
report

w/ with MMS engineers/experts

→ looking at: MMS Regs

Safety culture

Technical aspects

worked closely w/ WH staff - Carol Browner's
staff to put it together

• produced report of recommendations

Also worked closely w/ DOE

oversight or collaborative effort? Collaborative

②

w/ role - helping to develop relevant background info

↳ Did not change report
" " help develop report

Did assist in putting together ES.

22 recommendations → Developed exclusive at
w/ H

→ NAE asked by Powell to ID root causes of
explosion - looking for independent review.

met w/ NAE/NAS → Block asked them
to recommend peer review panel →
different than root cause investigation.

~~Peter Blair~~
w/ NAE
Peter Blair
nominated
I

NAE provided a list of names → accepted
all of them → ^{DOT} contacted each expert
- (not all 7 are members of NAE)

Also hired Ken Arnold (is a member of NAE) -
not on peer review panel (-) under a
separate agreement and

Bud Danenburger

mtgs w/ peer reviewers by phone call
Peter Blair helped facilitate → oral & written
feedback

Peer Reviewers did not develop or write
no recommendations

(3)

Monday - (5/23) - final conference call - went over draft report of them - they knew it was a Draft → not a Final

⇒ No discussion about recommendations

peer reviews were told - they knew - they were not being consulted about policy decisions.

Moratorium was a policy advice decision between President & Sec. →

Peer reviews were made on May 27.

→ Never asked about morat. → not peer review.

Drafting of Moratorium

a lot happened in last couple of hours before going to pros

- Sec. reviewed drafts before went to President

- Sec ~~felt~~ felt it was very important to have peer review
This wanted to stress how heavily DOJ relied on these Peer Reviews

This led to statement in ES. 9.

Never intended to suggest/imply they reviewed morat. recommendation.

(4) draft did go through changes w/ back & forth w/ Pres.

— Sec met w/ Pres on Wed night

(Black not in room)

↳ Decision Memo was given to Pres by Secretary prior to their meeting.

After conversation - Sec instructed Black to work w/ Joe Aday (w/ H) to finalize

language of report
Black worked w/ Spec. Asst.
Neal _____

↳ works for Carol
Browner
PhD in economics

That evening - were asked to prepare 2 draft reports exec. summaries: (1) w/ Morat, (2) w/ out Morat.

(Pres ~~was going~~ wanted to sleep on Morat, decision)

⇒ little bit of a disconnect between Black and Aday b/c neither were in room when Sec & Pres met. - not surprising though.

One Policy decision made by Pres & Sec → Black was told and he included it in Exec. Summary.

- Thought never occurred to him that ES would be taken that Peer Reviewers

③

revised 6 mo. memorandum

Browner ~~& staff~~ ^{was} ~~more~~ concerned that original draft of ES (Monday draft was not a good enough summary of recommendations & associated timetables).

Some ~~the~~ text of ES was drafted by Browner and staff overnight (Wed night)

Original ES had been edited by Browner & staff overnight

↳ sent revised draft of recommended changes \approx 2-3 am. \rightarrow reviewed

Changes and had no issues w/ changes
only added text from staff

\rightarrow created a "juxtaposition" that was not originally in the ES

\Rightarrow Never anyone's intention by DOI or WH that reviewer's review policy decision

\hookrightarrow refers ~~only~~ ^{only} to "recommendations" not "Secretary's recommendations"

\Rightarrow time did not allow for careful editing & review

Final ES was not surmamed \rightarrow Reported and original ES was surmamed, but

(6)

Final FS was not based on conversation
between Pres & Sec that night

(*) Request
Privileged

ES
↳ Congruence of cabinet member meeting
w/ Pres.

after
Release of
Rpt. ⇒

Ken Arnold contacted Black personally
to let him know concerns and that
Fax/letter was being drafted

↳ Black let Sec. know about issue

↳ Eventually letter was leaked to press

Sec ~~was~~ teleconference w/ most/all peer
reviewers in mid June → personal
meeting thereafter on a Monday
Black was not at meeting but
Neal was.

Black drafted letter that was sent out
to peer-reviewers

→ (6) no merit was in FS Black sent one
to WH before working was edited
and returned to DOJ.

Doc's → draft of Black sent to WH ???
before editing

①

~~All drafts in Admin Record in Hornbeck
case → SOL.~~

Rj

(1)

Neal Ken Kar | 3:00 - 5:30 4/15/10
April 2009 - started working for Steve Black

- Brown - Law Student - Georgetown -
- Practiced in DC as Energy Atty.
- NY litigator - environmental law firm

main part of goal - to assist
President's renewable energy agenda

- Renewed Senate letter
- Hired to help Steve
 - > after tasking given to Steve -> helped him in drafting 30 Day Report - helped w background
 - > Did not draft recommendations - too technical.

rior to Tuesday AM - saw them draft of Full Report

Participated in conference calls - peer reviews of recommendations only
 including Tuesday May 24th call
 final - 1st time they actually saw draft 30-Day Report
 * Moratorium never discussed during conference calls.

Understood that was only draft? Yes

~~Ken Kar~~

did not do initial draft of Executive Summary
 Not sure who drafted it -> but lots
 back and forth between DOI and White House
 "Joe Aldy" => part of Carol Browner's staff
 ↳ and WH did not necessarily "direct" but more
 a supply of resources.

Told Sec & Pres talked on Wed → moratorium decided.

→ wed pm thru Thurs morning → worked w/ Black on ES - and reviewed WH's edits @ 2 am. → Did not occur to him whatsoever that an objective reader would get impression peer reviewers reviewed moratorium

→ 1st learned of ^{scientists'} concern ~~when~~ when seeing the letter.

→ certainly no discussion about trying to imply such a thing.

* Attended personal meeting & conference call

↳ They ~~actually~~ put on a powerpoint ~~about~~ arguing to have the moratorium lifted
↳ hard line argument. →

There is an email trail going back & forth w/ WH

Ken Arnold

Friday 7/2/10 - telephone 7:00 - 7:20

now a:

• Non-issue

- Salazar teleconference to explain misunderstanding
- DOI issued then all letter

• Now just concerned about working w/ Feds to help put a moratorium in place that is supported by science and engineering versus blanket moratorium

①

July 6, 2010
1800-2120 hrs

Bea

Hired Ken Arnold when Chief Offshore Engineer for Shell

(May 9th)

Background

Fisher - Corps of Engineer - Born into Texas moved to FLA - 14 yrs old → started working on roofing, septic, forester
 after H.S. - U.S. Army Corp of Engineers → South FLA flood control district - how^{learn} to drain Everglades → Univ. of FLA → civil/environmental engineer → geo technical → "coastal ocean" engineering (minor degree) ⇒ graduated 4.0 GPA
 USAF → Early warning radar stations in Alaska 1200/mo

Shell - 600/mo - 1960-1962 as roughneck on Drill rigs - on monkey board

1962 → started working in LA

Feed Coots Texas Tower - 220' H₂O { failed } - very deep - 220' H₂O
 of Coast of NYC ⇒ early radar selection Hurricane

Shell asked Bea to understand why Texas tower failed 28 people dead

attended Congressional Investigation

started studying offshore structures in depth

→ included going to Cook Inlet

→ shell tasked him w/ these breaking edge technology

(2)

January 1965 - assigned by Shell as head of their
1st Offshore Engineering Group.
→ conducted another investigation into failed offshore structures
→ sent to Harvard

→ sent to Houston - worked for Shell USA
President (1967)
↳ worked for Shell CEO in London (1968)
↳ tutoring him on offshore engineering.

↳ Hugue - work of Royal Dutch Shell HQ
↳ ~~worked~~ headed up their product development group
Shell Nigeria, Borneo, New Zealand

1969 - in charge of Shell Production
in Bakersfield

July 1969
→ Santa Barbara Unocal Blowout
↳ Trusted by Shell to investigate why
it failed.

(1970) → Then sent to NOLA → To study another
Blowout → Bay Marshand blowout

became head of Shell's Disaster Research & Development Group

Mississippi → worked on a well-kill team

1976 - Opened own company - 100 men - troubleshooting all over
world - ~~etc~~ - sold business - very profitable

- moved to S. Fran

(3)

Started
New Company - PMB

1985 → become Risk Assessment ~~Expert~~ & Mgt. Expert
→ called to London to teach them (BP)
Risk Assessment & mgt. → contracting them

1987 - sold company to Vectaf - VP
"engineering prostitute"

1987 - applied to Berkeley as a student
Applied for Prof. of Naval Architecture Offshore Engineering

1989 → became Professor at Berkeley

1988 - Investigated Piper Alpha ex B/O in N. Sea

(C) Finally concluded that 90% of B/O causes was
people (regulatory coziness w/ industry) and
only 10% was engineering

⇒ Exxon Valdez - review - for 3 years
- Found "same damn thing" as Piper
Alpha - "Iron ships - Wood men"

- NASA - asked him to do Risk Assessment Mgt
for space propulsion system - generic spacecrafts
worked → Columbia accident investigation board
ON → Same damn thing - human thing feeding
FD system.

2002 - Asked by BP to consult w/ them on 3
issues (Tony Brown - President)

④

meet Executives - Mgrs.

3 problems:

① Clash of corporate cultures

English - very regimented - class focused

Am. Companies not so much

② Loss of Corps competencies - Old experienced engineers gone

③ Downsize/Outsource => Done it 3 times

Katrina investigation

4/20/10 - 7:10 PST

call @ home from ~~Bea~~ "Lillian Miller"
former offshore worker for Transocean

Angus McClellan - Transocean - positioning engineer

- heard from radio

=> 460°F mud - ran out of mud -> Screening to bring mud b/c running out of mud

=> Next day learns of explosion

Bea asked Lillian to collect all data/info about DTH incident

Lillian believes phone lines breached by DTHS and former Blackhawk.

made it ~~responsible~~ possible for Bea to receive anonymous transcripts of rig waters on DTH. => Ultimately - sent 3

③

3 transcripts → 2 of them not on
19 but know → all important
information.

Solly → 60 minutes guy - got 3 more transcripts w/
names

↳ comic-book drive

⇒ another one from group fishing near
structure

→ 1 TP transcript in re Schlumberger in re
CBL

→ Audio Transcript "James" for 1/2 hour (2x)

↳ Friend sends him audio transcripts

May 9th - call @ office from Callie
Hanley w/ Lt. Liaison of DOJ.

↳ asks him to serve as "advisor" to help
DOJ produce report for w/lt by
May 28th

May 10th Email contact from NAS - ^{Peter} Blair

= Bea agrees to do it ⇒ NAS gives 1st
clear marching orders as to scope of
report ⇒ reduce likelihood of these
types of failures

↳ Decides to go to D.C.

→ Received 2 assessments from DOJ

↳ was only 10% - engineering issues

in re BOP / CBL's, etc.

⑥

1980 - Tells MMS that they need to tighten the regs (was subcontractor at time)
↳ larger, respectable oil/gas players asked Bea to pass this message onto MMS (~~and~~ poor actors make whole industry look faint)

↳ MMS didn't change → Bea got blackballed on MMS related

grants

Elmer

1999 - Bud Duenhafer - (excellent engineer)
 Nominated for Safety Award by J (won it)

MMS Alaska - very tight
MMS California - " " "

} b/c very intense local pressure

went to Alaska 2002 - for BP
 Corrosion problems saw massive
→ can't reach pig lines.
"cutting costs"

↳ yet went to Cherry Point in WA state
↳ super tight ship.

↳ Texas City → same as AK - big problems

⇒ Phone Conference - final conference call on interim measures ⇒ only 1st NAS group

⇒ 2 separate groups → Advisory Board
pages 31-35 of 30 day report.

⑦ Run by Steve Blacke

Bea (Continued)

During final phone call in re recommendations,

Bea told them Steve Blacke

→ 1 1/2 hour - 10% ^{only discussed} of problem

↳ 90% organizational, cultural problems

Steve Blacke

→ asked him to write up report about this in one night → Bea sends draft of summary

helping him: Casey M. Kishiee

1st heard from Sen Landriew about 6 mo. moratorium on May 29th - she asked him what he thought about it.

⇒ BP. Lord of Flies mentality - "I wanna, I wanna, I gonna"

Have done "it" incorrectly → Don't send whole class to prison.

* Don't know if was misunderstandingly or intentional
* Won't fight President - but rather work towards making it work!!
Goog about it wrong way

Panel dispersed in May 28 67 people

Deepwater Horizon Study Group - zero funding
↳ Mission: Write Report - 6 months from now

- ② Implement Tech Delivery System (TDS)
 - Govt
 - media
 - environment
- ③ Looking Back = engineering - cultural policy
- ④ Looking Forward = engineering - cultural policy

8

Consol Petrus

- Sen Boxer's office subpoenaed camera data from BP prior to accident → Have it now in Berkeley. → silk stockings over lens sometimes other times very clear → → internet transmission causing this ?? Don't know

versus
physically carried off rig

Casing design - ~~terrible~~ horrible was very below industry standard

- Total lack of redundancy in re 16" - 9 7/8 liners

"BP's designed to fail" - 47% fuel on

- Rig man for BP did not make decisions ALL decisions made in Houston

at HQ level - Chief Drilling Engineer
Chief Offshore

- MMS "arent got a chance" in being responsible to regulate the BP's

- Accident investigations are a joke - Don't

- Offloading mud → can't bring into pressure/balance major mistake

9

BP employees - former students of Bea

Walter Guadroz - Risk Hazards - BP - Houston

Edward Clukey - Geotechnical Engineering Group

Dr. Bernie Stahl - former Amoco Risk Mgt Leader

"Cloak of silence"

BP has put out informal

known this was inevitable.

sent to email to Bea

* 1 million/day = true cost to BP

for drilling DTH => High intensity in putting well into production

BP man on rig - telephone operator

- Daily Drill Logs

- May 17th - Totally Dry - major loss

- April 10th - another major loss

①

Steve Black Counselor to Sec Salazar

7/14/10 - 11:00 - 12:10 - MIB

Jan 20, 2009 - Counselor to Secretary

President order Sec to provide report w/in 30 days to review - public announcement - (late April)

undertake review of existing industry practices to compare w/ best practices

- regulatory program

- workplace practices & proc

that could be improved.

drilling
well design
well control
etc.!

- Put in charge of team responsible for producing report

w/ with MMS engineers/experts

→ looking at: MMS Regs

Safety culture

Technological aspects

worked closely w/ WH staff - Carol Browner's staff to put it together

• produced report w/ recommendations

Also worked closely w/ DOE

oversight or collaborative effort? Collaborative

②

w/ role - helping to develop relevant background info

↳ Did not change report
" " help develop report

Doc assist in putting together ES.

22 recommendations → Developed exclusive of
w/ H

→ NAE asked by Provost to ID root causes of
explosion - looking for independent review.

met w/ NAE/NAE → Block asked them
to recommend peer review panel →
different than root cause investigation.

~~Peter Blair~~
w/ NAE
Peter Blair
nominated
I

NAE provided a list of names → accepted
all of them → ^{not} contacted each expert
- (not all 7 are members of NAE)

Also hired Ken Arnold (is a member of NAE) -
not on peer review panel (-) under a
separate agreement and

Bud Danenburger

Mtgs w/ peer reviewers by phone call
Peter Blair helped facilitate → oral & written
feedback

Peer Reviewers did not develop or write
recommendations

(3)

Monday - (5/23) - final conference call - went over draft report of them - they knew it was a Draft → not a Final

⇒ No discussion about recommendations

peer reviewers were told - they knew - they were not being consulted about policy decisions.

Moratorium was a policy advice decision between President & Sec. →

Peer reviews were made on May 27.

⇒ Never asked about morat. → not peer review.

Drafting of Moratorium

a lot happened in last couple of hours before going to pros

- Sec. reviewed drafts before went to President

- Sec felt it was ^{very} important to have peer review

This wanted to stress how heavily DOJ relied on these Peer Reviews

This led to statement in ES. →

Never intended to suggest/imply they reviewed morat. recommendation.

(1) draft did go through changes w/ both & feedback w/ Pres.

— Sec met w/ Pres on Wed night

(Black not in room)

↳ Decision Memo was given to Pres by Secretary prior to their meeting.

After conversation - Sec instructed Black to work w/ Joe Aday (w/ H) to finalize language of report
Black worked w/ Spec. Asst. Neal
works for Carol Browner
PhD in economics

That evening - were asked to prepare 2 draft reports exec. summaries: (1) w/ Morat.
(2) w/out Morat.

(Pres ~~was going~~ wanted to sleep on Morat. decision)

⇒ little bit of a disconnect between Black and Aday b/c neither were in room when Sec & Pres met. - not surprising though.

One Policy decision made by Pres & Sec → Black was told and he included it in Exec. Summary.

- Thought never occurred to him that ES would be taken that Peer Reviews

③

revised 6 mo. memorandum

Browner & ~~staff~~ ^{was} ~~were~~ concerned that original draft of ES (Monday draft was not a good enough summary of recommendations & associated timetables).

Some ~~the~~ text of ES was drafted by Browner and staff overnight (Wed night)

Original ES had been edited by Browner & staff overnight

↳ read revised draft w/ recommended changes \approx 2-3 am. \rightarrow Revised

changes and had no issues w/ changes
only added text for w/ft

\rightarrow created a "juxtaposition" that was not originally in the ES

\Rightarrow Never anyone's intention by DOI or WH that reviewer's revised policy decision

\hookrightarrow refers ~~only~~ ^{only} to recommendations "not Secretary recommends"

\Rightarrow some did not allow for careful editing of review

Final ES was not surmamed \rightarrow Reported and original ES was surmamed, but

12:10

(6)

Final FS was not based on conversation between Pres & Sec that night

(*) Request Privileged

ES
↳ congruence of cabinet member meeting w/ Pres.

after release of Rpt. =>

Ken Arnold contacted Black personally to let him know concerns and that Fax/Letter was being drafted

↳ Black let Sec. know about issue

→ Eventually letter was leaked to press

Sec ~~not~~ teleconference w/ most/all peer reviewers in mid June → personal meeting thereafter on a Monday
Black was not at meeting but Neal was.

Black drafted letter that was sent out to peer-reviewers

→ (6) no mark was in FS Black sent out to WH before working was edited and returned to DOJ.

Doc's → draft of Black sent to WH ??? before editing -

(7)

~~All drafts in Admin Record in Hornbeck
case → SOL.~~

RJ

7/6/10

Ford Brett (918) 828-2511

3:30-4:00pm

Managing Director - Petroskills

"World's Leading Petroleum Trng Alliance"

↳ "help define the industry's standard in Technical training."

Alliance includes

BP, Shell, Chevron, ConocoPhillips, Marathon,

According to website - Brett is an "expert in the area ~~of~~ process and project performance training." He is recognized worldwide as a leader in the area of Petroleum Project Mgt.

⇒ Agree with it, ~~yet~~

Am completely satisfied that there was a misrepresentation - yet am prepared to believe that it was a ~~strip~~ last-minute mistake

⇒ Am still however am concerned that there are still "process" issues

→ should get experts → then make "policy decisions" based on expert review.

Pleasantly surprised

Amost "stunned" how well 30 day report was → that govt. could do such a ~~good~~ ^{product} w/in 30 days

Salazar acknowledged it was his
decision → did it mean to misrepresent

• Moratorium ^{not} discussed at all

⇒ If accidental misrepresentation - fine with it.

→ but if not - problem

needs to be clear vull between
"advice" and "policy."

(1)

[Neal Kenkar | 3:00-3:30 7/15/10
April 2009 - started working for Steve Black

- Brown - Law Student - Georgetown -
- Practiced in DC as Energy Atty.
- NY litigator - environmental law firm

main part of goal - to assist
Presidents renewable energy agenda

- Reviewed Senate letter

- Here to help Steve

→ after tasking given to Steve → helped him
in drafting 30 Day Report - helped w background
→ Did not draft recommendations - too technical.

→ Participated in conference calls - peer reviews of
including Tuesday May 24th call - recommendations only
final - 1st time they actually ~~seeing~~ saw draft
* Moratorium never discussed during conference calls. 30-Day Report

prior to Tuesday
had seen then
draft of Full Report

→ Understood that was only draft? Yes

~~Kenkar~~

did not do initial draft of Executive Summary
Not sure who drafted it → but lots
back and forth between DoI and White House
"Joe Aldy" ⇒ part of Carol Browner's staff
↳ and WH did not necessarily "direct" but more
a supply of resources.

Told Sec & Pres talked on Wed → moratorium decided.

→ Wed pm thru Thurs morning → worked w/ Black on ES - and reviewed WH's edits ~ 2 am. → Did not occur to him whatsoever that an objective reader would get impression Peer reviewers reviewed moratorium

→ 1st learned of ^{scientists'} concern when seeing the letter.

→ certainly no discussion about trying to imply such a thing.

* Attended personal meeting & conference call

↙
They actually put on a powerpoint ~~about~~ arguing to have the moratorium lifted
↘ hard line argument. →

There is an enormous fracture going back & forth w/ WH



Case Notes

CCN: PI-PI-10-0562-I

Title: FEDERAL MORATORIUM ON DEEPWATER OIL DRILLING

CASE NOTES		
NOTE	ENTRY DATE	ENTRY BY
Uploaded 2 letters signed by the IG one to The Honorable Doc Hastings Chairman Committee on Natural Resources, and one to The Honorable Doug Lamborn Chairman Subcommittee for Energy and Mineral, concerning a response to a letter dated April 25, 2011, in which they requested additional documents relating to the report entitled, "Federal Moratorium on Deepwater Drilling" issued by the Office of Inspector General (DOI).	05/12/2011	Humphrey Phelps
Received Response (DOI Acct Form) from Deputy COS, Laura Davis. Document uploaded.	11/24/2010	Humphrey Phelps
File was closed as Unfounded as no Accountability Form was needed. This was done at the request of Congress.	11/12/2010	Harry Humbert
Distribution List: Unredacted versions: Secretary Deputy Secretary Executive Secretariat Solicitor, Office of the Solicitor Art Gary, Office of the Solicitor Wilma Lewis, ASLMM Bromwich, BOEMRE PI/OI File Copy Redacted Version: Congress: Vitter Scalise Hastings Lamborn John L Duncan Jr. Bill Cassidy Jason Chaffetz Paul Brown John Fleming	11/10/2010	Christopolis Dieguez
Report delivered to DOI Sec via David Hayes, Copies of report delivered to Dep Sec, Ex Sectr, Asst Sec LMM, Dir BOEMRE, Sol, & Art Gary. Several copies of Redacted Rpt delivered to the Hill. Admin Ref opened & Closed, information purposes only. All documents uploaded, case being prepared for closure.	11/09/2010	Humphrey Phelps
Discussed case with SA Larrabee.	10/28/2010	Harry Humbert
Case Review: ROI has been reviewed and edited to completion by IG Kendall. File was then provided to OGC for redaction process. Discussed with IG Kendall on 10/27. Pending completion of redaction.	10/28/2010	Harry Humbert
ROI has been reviewed by Acting IG and all suggested edits have been completed by SA Larrabee and the ROI has been resubmitted to HQ.	10/19/2010	Richard Larrabee

SA Larrabee has completed a draft ROI and submitted to PI Director Humbert.	09/29/2010	Richard Larrabee
Received a Transmission of Records document from Art Gary Dep, Solicitor. Document uploaded into system.	09/28/2010	Humphrey Phelps
SA Larrabee received the emails provided by Black in response to OIG's request. The review showed that the White House edited the DOI draft Executive Summary in a manner that led to the allegation of misrepresentation by the NAS experts; SA Larrabee has completed an IAR discussing the comparison of the DOI and White House drafts of the Executive Summary. At this juncture, SA Larrabee recommends that OIG request an interview with White House staffer Joseph Aldy to inquire about the motives behind the White House emendations, understanding that Executive Privilege may be exercised by the White House with respect to such a request. In the meantime, SA Larrabee will start completing a draft ROI to include this information.	09/27/2010	Richard Larrabee
We are currently awaiting the results of a review of emails provided by Black to Art gary. OGC Delaplaine has been involved and as of today- we still have no word. Once the issue of what is priveleged and what is not is determined, we will move forward. Both SA larrabee and I interviewed Liz Birnbaum at her residence. No new information developed.	09/24/2010	Harry Humbert
Letter to Steven Black, Counsel to the Secretary uploaded into case.	09/01/2010	Humphrey Phelps
Went back to the Secretary who advised that Mr. Black will now not be back until next Wednesday (Sep 1). I have an appointment to meet with him at 10:30 to request the information.	08/25/2010	Harry Humbert
Amy Bouchard informed that the Office of the Secretary (OS) changed routers in March 2010 and thus their emails were no longer being captured by Zantaz. In conclusion, the emails retrieved by Zantaz are incomplete because they would not contain any internal emails within the OS, or any emails they sent to the WH (or anyone else outside of the Zantaz realm, for that matter). SA Larrabee recommends that OIG needs to request all emails directly from Black and Kemkar that they sent and received during May 26 and 27, 2010 (including those that contained drafts of the ES), along with all drafts of the ES they may have in their possession, regardless of whether they were attached to those emails or not. SA Larrabee would additionally recommend that CCU be consulted in order to determine whether they have a contact with OS that would allow OIG to retrieve Black's and Kemkar's emails independently for verification purposes.	08/20/2010	Richard Larrabee
Based on discussions with IG/COS/AIGI and DAIGI and our inability to obtain Zantaz, it was decided that I would ask Black for the items desired. Went ot his office and requested that his Secretary notify me when he is available. She	08/20/2010	Harry Humbert

advised that he is out of the office until next Wed, but may come back sooner.		
Document #12 is CTS 2010-C-00192	08/18/2010	Edward Woo
After numerous discussions it was decided that zantaz would be run on Smith's account for 26 and 27 May 2010. CRS Bouchard completed this on Aug 11 and the CD was shipped to SA Larrabee this morning for review. According to CRS Bouchard- there OS is no longer being captured by Zantaz as of April of this year- but what we obtained may have been captured through NBC if that is who his account is with. There are in excess of 200 emails for both days.	08/12/2010	Harry Humbert
SA Larrabee has completed drafts of the ROI and Summary. OGC has completed their analysis of whether the facts and circumstances determined in the investigation may represent a violation of the Information Quality Act. The ROI cannot be finalized, however, until drafts of the Executive Summary have been obtained and reviewed. Counselor Steve Black said he had copies of the various drafts in his emails; yet we were directed to not obtain Black's emails, but rather try to obtain the drafts from the official Administrative Record SOL is preparing in relation to the moratorium litigation in Louisiana. According to SOL, however, they have not yet completed the Admin Record for release to the public.	07/28/2010	Richard Larrabee
Interviews of Black and Kemkar have been completed and IARs have been drated. SA Larrabee will be starting to draft the ROI forthwith. An OGC analysis of the findings of the case in relation to the Information Quality Act has also been requested. SA Larrabee will additionally be starting to draft a summary of our findings in the style of the "Kalamath case".	07/16/2010	Richard Larrabee
Black is scheduled for 11:00, 7/14/10 and Kemkar is scheduled for 3:00 on 7/15/10.	07/13/2010	Harry Humbert
PI Director Humbert has scheduled interviews with Secretary counsel Steve Black and his assistant for 7/14 and 7/15 at MIB.	07/12/2010	Richard Larrabee
Suggested Investigative Steps: Conduct zantaz review of all department personnel emails involved in drafting and reviewing the executive summary attached to the report that made the misrepresentation (for the one-week period prior to release of the executive summary) in order to help determine whether such misrepresentation was intentional or a mistake, as claimed by the department. Conduct interviews of such departmental personnel after zantaz review in order to request all available drafts of the executive summary prior to its finalization and obtain their statements as to whether the misrepresentation was a mistake or intentional. Following review of emails, drafts of the executive summary, and statements of interviewees, identify the circumstances	07/08/2010	Richard Larrabee

<p>surrounding the execution of the executive summary and present to OGC for legal review regarding potential violations, if any, of the Information Quality Act.</p>		
<p>• Conducted interviews of three peer-reviewers of the report: Arnold, Brett and Bea. o All three said that Secretary Salazar and DOI apologized to them and the other peer-reviewers for the “misunderstanding” and misrepresentation contained in the executive summary of the report suggesting that the 6-month moratorium was peer-reviewed and supported by the peer-reviewers. o All three identified a formal letter issued to each peer-reviewer by DOI, signed by David Hayes, which articulates that the 6-month moratorium was a unilateral decision made by DOI and was not peer-reviewed. o All three expressed concern that DOI was proposing the moratorium without their peer-review. They recognize the moratorium is a discretionary decision of the department/administration, yet they believe such decisions are best made after being informed by peer-review. o All interview IARs have been completed, entered into CMS and discussed with PI Director Humbert</p>	<p>07/08/2010</p>	<p>Richard Larrabee</p>
<p>SA Larrabee has telephonically interviewed two of the peer-review experts about the matter and will be conducting a personal interview of Robert Bea in New Orleans on July 6 (another peer-review expert).</p>	<p>07/06/2010</p>	<p>Richard Larrabee</p>
<p>SA Larrabee has reviewed the 30 day report, its specific recommendations, the executive summary attached to the report, and Secretary Salazar's cover letter attached to the report. SA Larrabee has additionally reviewed the letter signed by several of the scientists who "peer-reviewed" the report claiming that the executive summary to the report indicates that their findings supported the recommendation for a 6-month moratorium on deepwater wells currently being drilled in the Gulf of Mexico; however, they did not actually review and support this recommendation, but rather they would oppose such a recommendation. SA Larrabee also reviewed the June 3, 2010 letter DOI issued to one of the scientists (Juvkam-Wold) apologizing for any misunderstanding regarding the issue. Media articles surrounding the issue have also been reviewed by SA Larrabee. SA Larrabee will be discussing course of investigation with PI Director Humbert during week of June 28, 2010.</p>	<p>06/28/2010</p>	<p>Richard Larrabee</p>
<p>File open and assigned to SA Larrabee.</p>	<p>06/22/2010</p>	<p>Harry Humbert</p>

Scott Culver/WDC/OIG/DOI

07/21/2010 01:52 PM

To

Richard Larrabee/WDC/OIG/DOI@OIG

cc

Harry Humbert/WDC/OIG/DOI@OIG

Subject

Re: PI-PI-10-0562-I

thanks. I'll review it and get back with you.

Scott L. Culver
Deputy Assistant Inspector General
Office of Investigations
Office of Inspector General
1849 C Street, NW
Washington, DC 20240

202-208-6945

**Richard
Larrabee/WDC/OIG/DOI**

07/21/2010 01:50 PM

To Scott Culver/WDC/OIG/DOI@OIG

cc Harry Humbert/WDC/OIG/DOI@OIG

Subject PI-PI-10-0562-I

Scott,

Attached is a draft ROI and draft "Summary of Findings" letter to be sent to Senator Vitter and Congressman Scalise.

Kevin Laden is finalizing his legal opinion as to whether the Information Quality Act was violated, per request of the Congressional letter (it is currently with Bruce for review). I used his draft opinion to incorporate his findings into the ROI; obviously, if his final opinion changes (which he said was very unlikely), I will make the appropriate edits to the ROI.

Also, you will notice that the final section to the Details of Investigation section of the ROI is still outstanding because I am waiting to hear from SOL when I can view their Administrative Record for different drafts of the Executive Summary on-line (I've been told it will be on-line this week sometime). As you know, I was directed to not ask for Secretary Counselor Steve Black's emails that contained the

actual drafts sent to, and returned by the White House (even though he told us he had them if we wanted them).

Please call or email with any edits, comments, questions, etc.

Thanks.



ROI-Deepwater_Moratorium_07-15-10.doc Summary of Findings - PI-10-0562-1.docx

Richard J. Larrabee
Senior Special Agent
Energy Investigations Unit
U.S. Department of the Interior
Office of Inspector General
617.918.2320



**OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR**

REPORT OF INVESTIGATION

Case Title Federal Moratorium on Deepwater Drilling	Case Number PI-PI-10-0562-I
Reporting Office Program Integrity	Report Date July 21, 2010
Report Subject Closing Report of Investigation	

SYNOPSIS

On June 16, 2010 the Department of the Interior (DOI) Office of Inspector General (OIG) received a request from Senator David Vitter and Congressman Steve Scalise requesting that OIG conduct an investigation into the allegation that DOI senior officials, in an effort to help justify their decision to impose a 6-month moratorium on deepwater drilling in the Gulf of Mexico, misrepresented that the moratorium was reviewed and supported by a group of scientists and industry experts who assisted DOI in preparing a 30-day report on deepwater offshore drilling (**Attachment 1**). Their letter also requested OIG to assess whether this misrepresentation resulted in a violation of law as it relates to the Information Quality Act (IQA).

Through interviews and document reviews, we determined that the experts expressed concern the Executive Summary to the 30-day report – that contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling – was worded in a manner that implied that the experts peer reviewed and supported this policy decision, whereas they had not reviewed nor supported such a policy decision. After this concern was expressed to DOI Secretary Ken Salazar, he apologized to the peer review experts via a personal meeting and formal letter for any misunderstanding, acknowledging that the experts did not peer review the moratorium.

All DOI officials interviewed stated that it was never their intention to imply the moratorium was peer reviewed by the experts, but rather rushed editing of the Executive Summary must have resulted in this impression. After reviewing different drafts of the Executive Summary prior to its release, OIG determined that the editing that led to the misunderstanding was a result of last-minute, eleventh hour changes made during a time of give-and-take between DOI and the White House. Finally, OIG’s Office of General Counsel reviewed the facts and circumstances identified in the investigation and determined that the IQA and related policies do not directly apply to the Department’s recommendation for a moratorium.

Reporting Official/Title Senior Special Agent Richard J. Larrabee	Signature
Approving Official/Title Program Integrity Director Harry Humbert	Signature

Authentication Number: 00000000000000000000000000000000

This document is the property of the Department of the Interior, Office of Inspector General (OIG), and may contain information that is protected from disclosure by law. Distribution and reproduction of this document is not authorized without the express written permission of the OIG.

BACKGROUND

On April 20, 2010 the Deepwater Horizon deepwater drilling rig exploded in the Gulf of Mexico and caused a massive oil leak in a deepwater well being drilled by BP. In response to the explosion, the federal government declared a moratorium on deepwater drilling, which it extended for six months on May 27, 2010 in conjunction with a 30-Day Report issued by the US Department of the Interior (DOI), entitled Increased Safety Measures for Energy Development on the Outer Continental Shelf (Report) (**Attachment 2**). The Report was completed by DOI at the behest of President Barack Obama.

DETAILS OF INVESTIGATION

Steve Black is the Counselor to Secretary of the Interior Ken Salazar (**Attachment 3**). Black provided background information concerning the creation of the Report. He said that in late April 2010 President Obama directed DOI Secretary Salazar to prepare a report that would review current industry practices and standards for deepwater oil drilling and make recommendations as to how those practices and standards could be improved. Black said that Secretary Salazar placed him in charge of a team responsible for producing the Report.

Black said the Report was prepared with the help of scientists and engineers from DOI and the Department of Energy. He said that he also collaborated closely with the White House in preparing the report, specifically Carol Browner's staff.

According to Black, the President asked the National Academy of Sciences (NAS) and the National Academy of Engineers (NAE), a subdivision of NAS, to conduct a separate, distinct study to determine the root causes of the accident. When meeting with NAS and NAE, Black said that he asked them to recommend several experts in offshore drilling to peer review the recommendations that would be made in the Report he was tasked to prepare. Peter Blair of NAE subsequently provided a list of seven names and DOI contacted all seven experts and asked them for their voluntary assistance, which they all accepted. In addition to the seven NAE experts, Black said that DOI also sought peer reviewers from industry and academia to also assist in the effort to produce the recommendations in the Report, including Ken Arnold.

According to Black, Peter Blair of NAE facilitated the interactions of the peer reviewers and the meetings were held via teleconference with the peer reviewers. Black said that the peer reviewers did not draft any portions of the Report or the recommendations themselves, but rather they reviewed the recommendations and provided valuable oral and written feedback.

Black said that he held a final conference call with the peer reviewers on Tuesday, May 24, 2010 wherein they discussed a draft of the Report, not the final Report. According to Black, the peer reviewers knew that it was only a draft Report and they knew that they were not being consulted concerning "policy decisions." Black then explained that the decision to invoke the moratorium on current deepwater drilling projects was a policy decision made by Secretary Salazar and President Obama. Black further stated that there were some discussions of various parameters of a potential moratorium with the peer reviewers; however, the moratorium, as ultimately issued by DOI, was never peer reviewed by the peer reviewers.

According to Black, Secretary Salazar sent a Decision Memorandum to President Obama outlining the findings in the Report and his recommendation for a 6-month moratorium on current deepwater offshore drilling prior to meeting with the President on the evening of Wednesday, May 25, 2010. Black said that he was not a part of that meeting, and after the meeting Secretary Salazar said that the

President wanted to “sleep on [the idea of the moratorium]” overnight before making a final decision. Accordingly, Black said that Secretary Salazar instructed him and Black’s special assistant Neil Kemkar to draft two different Executive Summaries to the Report; one including the decision to invoke the moratorium and a second not including the moratorium. Black said that the next morning Secretary Salazar directed him to begin working closely with Joe Aldy of Carol Browner’s staff at the White House to draft the Executive Summary to include the moratorium.

According to Black, there was “a little disconnect” about the definitions used in the Report and the final parameters of the moratorium that was ultimately issued (e.g. the Report defined deepwater drilling as 1,000 feet versus the moratorium defining it as 500 feet); he then pointed out that neither him nor Aldy were present during the meeting between Salazar and the President.

Black said that he initially drafted the Executive Summary, which included at the behest of Salazar the mention that the recommendations contained in the report were peer reviewed by experts outside of the government. Black said that Salazar felt it was very important to have the recommendations undergo the peer review process and he wanted this stressed in the Executive Summary.

After he drafted the Executive Summary, Black sent it to Aldy and Browner’s staff at the White House. According to Black, Browner was concerned that the Executive Summary did not summarize the recommendations and the associated timetables well enough; therefore Browner’s staff drafted some of the text to be included in the Executive Summary themselves. After several iterations between him and Browner’s staff, Black said that he received a final version of the Executive Summary from the White House “around 2 or 3am” the morning it was ultimately finalized. He said that he has emails detailing the various communications between himself and the White House wherein they exchanged drafts of the Executive Summary. After receiving the final product from the White House, Black said that he reviewed the final draft and he did not have any issues with the text added by the White House.

Arnold is a professional engineer who was asked to participate in a peer review of the Report’s recommendations (**Attachment 4**). Following issuance of the Report and the concomitant Executive Summary, Arnold sent a letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, expressing concern that his name, along with other peer reviewers, was used by Secretary Salazar to justify the 6-month deepwater drilling moratorium (**Attachment 5**). The letter was co-signed by several other peer reviewers.

In the letter he faxed to Landrieu, Vitter and Jindal, Arnold stated:

A group of those named in the Secretary of Interior’s Report, “**INCREASED SAFETY MEASURES FOR ENERGY DEVELOPMENT ON THE OUTER CONTINENTAL SHELF**” dated May 27, 2010 are concerned that our names are connected with the [deepwater drilling] moratorium as proposed in the executive summary of the report. There is an implication that we have somehow agreed to or “**peer reviewed**” the main recommendation of that report. **This is not the case.** (emphasis included in original)

The material paragraphs in the executive summary Arnold and the other peer-reviewers were concerned about are the following:

The Secretary further recommends an immediate halt to drilling operations on the 33 permitted wells, not including the relief wells currently being drilled by BP, that are

currently being drilled using floating rigs in the Gulf of Mexico. Drilling operations should cease as soon as safely practicable for a 6-month period.

The recommendations contained in this report have been peer-reviewed by seven experts identified by the National Academy of Engineering. Those experts, who volunteered their time and expertise, are identified in Appendix 1. The government also consulted with a wide range of experts from government, academia and industry.

Regarding the peer reviewers' complaint that the Executive Summary misrepresented that they peer reviewed – and support and approved of – the 6-month moratorium on deepwater drilling, Black stated that it was no one's intention to imply that the peer reviewers reviewed that particular policy decision (See Attachment 2). He explained that the "recommendations" the Executive Summary were referring to when it claimed peer review were the formal recommendations contained in the body of the Report, not the moratorium. When asked about how an objective reader of the Executive Summary may readily conclude that the peer reviewers reviewed the moratorium recommendation, due to the organization of the text, Black stated again that it was not the intention of DOI or the Administration to imply this was the case. He then offered the explanation that due to the rush to complete the Report and the Executive Summary, time did not allow for careful editing and review of the Executive Summary. He then said that the Report itself and the draft Executive Summary did undergo the surnaming process, yet the final Executive Summary did not do so.

Black stressed that he believes that the communications between DOI and the White House concerning the final nature of the Executive Summary should be "privileged" because it was the product of a conversation between the President and a member of his Cabinet.

Following release of the Report and the Executive Summary, Black said he received a telephone call from Arnold. He said that Arnold told him the peer reviewers were concerned that the Executive Summary misrepresented that the peer reviewers had reviewed and supported the moratorium recommendation made by Secretary Salazar to the President. Arnold also told him at that time that the peer reviewers were in the process of drafting a letter to various members of Congress explaining their concerns (See Attachment 5). Black said that until Arnold told him about these concerns, Black had never considered the possibility that an objective reader of the Executive Summary may believe that the peer reviewers had reviewed the 6-moratorium policy decision.

Black said that he informed the Secretary about the peer reviewers concerns immediately after speaking with Arnold, yet the Secretary was very busy at that time with travel due to the oil spill crisis in the Gulf of Mexico. During this time frame, according to Black, the letter drafted by the peer reviewers had been sent to Congressional members and subsequently leaked to the media.

According to Black, Secretary Salazar directed him to draft and issue a formal letter to the concerned peer reviewers apologizing for the misunderstanding and stating that the peer reviewers did not in fact peer review and support the moratorium ultimately decided upon by DOI and the Administration (**Attachment 6**). Specifically, the letter issued by DOI to the concerned peer reviewers on June 3, 2010 stated:

By listing you as a member of the NAE panel that peer-reviewed the 22 safety recommendations contained in the Report, we did not mean to imply that you also agreed with the decision to impose a moratorium on all new deepwater drilling. We acknowledge that you were not asked to review or comment on the proposed

moratorium. The recommendation and decision were based on the Report's safety recommendations, in particular the need for new blowout preventer and other safety equipment on subsea BOP stacks used on floating drilling rigs and the need for better wild-well intervention techniques in the event of future emergencies like the BP oil spill, particularly in deepwater. We regret any misunderstanding or confusion related to the inclusion of the recommendation to impose a 6-month moratorium on all new deepwater wells in the executive summary of the final report.

Black stated that sometime in mid-June, Secretary Salazar held a teleconference call with the concerned peer reviewers and apologized for any misunderstanding resulting from the text of the Executive Summary. Secretary Salazar then had a personal meeting with the concerned peer reviewers in Washington DC the following week and apologized once again to them for the misunderstanding. Black said that he was not present at this personal meeting between Secretary Salazar and the peer reviewers, whereas his Special Assistant, Neil Kemkar was present during both the conference call and personal meeting Secretary Salazar had with the concerned peer reviewers.

According to Kemkar, after Secretary Salazar was tasked by the President to prepare the Report, he assisted his supervisor, Black, in preparing the Report by helping collect and compile the background information related to deepwater offshore drilling (**Attachment 7**). Kemkar said that he did not assist in drafting any of the recommendations in the Report because he is not an engineer and they were too technical.

According to Kemkar, he participated in the conference calls with the peer reviewers when they were asked to peer review the recommendations, including the final conference call on Tuesday, May 24, 2010. Kemkar said that he emailed the draft Report, including the draft recommendations to the peer reviewers that morning and that was the first time the peer reviewers had seen the entire Report. Kemkar echoed Black by stating that the peer reviewers understood that the Report was still only a draft and there was no discussion about the 6-month moratorium.

Kemkar said that he was tasked to assist Black in editing the Executive Summary to the Report that discussed the moratorium. According to Kemkar, he and Black eventually sent a draft of the Executive Summary to the White House for their edits, specifically to Joe Aldy of Carol Browner's staff. Kemkar confirmed Black's statement that the White House made several edits and eventually returned the Executive Summary back to DOI sometime "after 3 am" on the morning of May 27, 2010. Kemkar said that he has the emails detailing these communications with the White House, which also would include the actual drafts sent to the White House and the draft returned with their emendations.

According to Kemkar, he did review the final Executive Summary after it was returned by the White House and it never occurred to him that, based on the final text, an objective reader may believe that the peer reviewers had reviewed and supported the 6-month moratorium rather than only reviewing the formal recommendations contained in the body of the Report. Kemkar said that he first learned of the peer reviewers' concerns about this alleged misrepresentation after he returned from a short vacation when he read the letter Arnold had been sent to Governor Jindal and Senators Landrieu and Vitter. Upon reading the letter, Kemkar said that he was "jarred" by the tone of the letter inasmuch as he had believed that DOI had formed an excellent relationship with the peer reviewers during the Report writing process.

Kemkar said that he was not a part of any discussion with other DOI staff or White House staff that involved trying to imply in the Executive Summary that the peer reviewers had reviewed the 6-month

moratorium.

Arnold acknowledged that after he sent the letter to the Governor and Senators, DOI issued formal letters to each of the peer reviewers of the report apologizing for the misunderstanding (See Attachment 3). He also confirmed that Secretary Salazar conducted a teleconference with those who reviewed the report in order to apologize for any misunderstanding surrounding the representations made in the Executive Summary for the report. According to Arnold, Salazar stated that the Executive Summary was not meant to imply that the decision to invoke a 6-month moratorium on deepwater drilling was peer reviewed by Arnold and others, but rather the moratorium was an independent decision of Salazar and the current Administration.

Based upon the teleconference Salazar conducted regarding the matter, along with the letters DOI issued to the peer reviewers, Arnold said that he has accepted Salazar's explanation that the misrepresentations in the Executive Summary were a mistake rather than an intentional attempt to use the peer-reviewers' names to justify a political decision. As a result, Arnold said that he presently considers the matter a "non-issue" and he is now focusing on trying to assist DOI in instituting a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Ford Brett is the Managing Director for Petroskills, a petroleum training alliance, and was also a peer reviewer utilized by DOI in completing the Report (**Attachment 8**). Brett co-signed the letter that Arnold sent to Louisiana Governor Jindal and Senators Landrieu and Vitter, expressing concern that their names were being inappropriately used by Secretary Salazar justify a deepwater drilling moratorium.

Brett, similar to Arnold, confirmed that he received the formal letter from DOI apologizing for the misunderstanding and that Secretary Salazar held both a conference call and personal meeting to do the same. Based upon these actions by Secretary, Brett said that he has was also prepared to believe that the misrepresentation was an editing "mistake" and not intentional. Brett, however, said that he was still concerned about the "process" the government was following in pursuing the moratorium. He explained that he believes DOI should not make such a blanket decision without first seeking expert peer review, but rather DOI should seek such peer review and then make a moratorium decision based on that review.

Robert Bea is the Associate Director for the Center for Catastrophic Risk Management at the University of California, and he was also a peer reviewer recommended by NAE to assist DOI in preparing the Report (**Attachment 9**). Bea stated that he first heard of the moratorium recommended by DOI in the Executive Summary of the May 27, 2010 report when Senator Landrieu asked him about it on May 29, 2010. He said the proposed moratorium had not been discussed with the peer reviewers prior to issuance of the Report.

Similar to both Arnold and Brett, Bea confirmed that DOI issued a formal letter of apology and Secretary Salazar held a conference call and personal meeting with the concerned peer reviewers to tell them it was never the intention of DOI and the Administration to imply that the peer reviewers reviewed and approved the moratorium. Following these actions by Secretary Salazar, Bea also said that he has was prepared to believe that the misrepresentation was a "mistake" and not intentional because he always tries to believe people are telling the truth, unless proven otherwise. He explained that he simply does not know whether it was a mistake or intentional, but he was not interested in speculating one way or the other because he was now focused on trying to persuade DOI to institute a moratorium that is supported by sound science and engineering, rather than a blanket moratorium.

Bea then expressed concern that DOI is not approaching the moratorium issue the correct way inasmuch as DOI is proposing the moratorium without any input from expert peer reviewers. He mused why DOI would not peer review such an important, far-reaching decision in light of the fact that DOI had all of the other safety recommendations listed in the report undergo peer review.

According to Black, several versions of the draft Executive Summary are contained in the Administrative Record being compiled by DOI in relation to the “Hornbeck litigation” that ultimately resulted in the moratorium being overturned by the court because it was determined to be arbitrary and capricious. These drafts were obtained and contain the following:

SUBJECT(S)

Secretary of the Interior Ken Salazar

DISPOSITION

ATTACHMENTS

1. Senator Vitter and Congressman Scalise letter to OIG, dated June 16, 2010.
2. Increased Safety Measures for Energy Development on the Outer Continental Shelf report, issued by the United States Department of the Interior, dated May 27, 2010.
3. Investigative Activity Report, Interview of Black, dated July 15, 2010.
4. Investigative Activity Report, Interview of Arnold, dated July 8, 2010.
5. Letter to Louisiana Governor Bobby Jindal and Senators Mary Landrieu and David Vitter, undated.
6. Letter issued by DOI to several peer reviewers, dated June 3, 2010.
7. Investigative Activity Report, Interview of Kemkar, dated July 16, 2010.
8. Investigative Activity Report, Interview of Brett, dated July 8, 2010.
9. Investigative Activity Report, Interview of Bea, dated July 8, 2010.
- 10.
- 11.
- 12.

The Honorable David Vitter
United States Senate
Washington, DC

The Honorable Steve Scalise
United States House of Representatives
Washington, DC

Dear Senator Vitter and Congressman Scalise:

This is in response to your June 16, 2010 letter in which you requested that the Department of the Interior (DOI) Office of Inspector General (OIG) conduct an investigation into alleged inappropriate activity that may have occurred as it relates to a 30-day review the Department of the Interior utilized in justifying the 6-month oil drilling moratorium in the Gulf of Mexico. You directed our attention to recent press releases that stated “the team of engineers reviewed, approved and signed off on a version of the 30-day review that was presented to them by the Administration. However, after they signed their names to this document, a significant change was made – a change that led to the 6-month suspension of deepwater exploratory drilling.”

In your letter, you stated that in justifying its broad moratorium on deepwater drilling, senior officials emphasized that the measure was recommended by a DOI report prepared in consultation with scientists and industry experts, yet the team of scientists who assisted in preparing the 30-day report refutes this claim. Your letter then requested the OIG to identify when and how the modifications to the report occurred, and if there was any violation of law as it relates to the Information Quality Act.

In conducting our investigation, we interviewed three of the experts consulted by DOI in preparing the 30-day report, in addition to the Counselor to the Secretary of the Interior and his Special Assistant. We reviewed the 30-day report, its Executive Summary, and the letter forwarded to Governor Bobby Jindal and Senators Mary Landrieu and David Vitter by several of the peer-review experts expressing their concerns that the Executive Summary misrepresented their views regarding the moratorium. We further reviewed the Administrative Record compiled by the DOI Office of the Solicitor in relation to the litigation wherein the moratorium was successfully challenged in the United States District Court for the Eastern District of Louisiana, Hornbeck Offshore Services, L.L.C. et al. versus Kenneth Lee “Ken” Salazar et al.

As a result of our investigation, we found that the substantive body of the 30-day report that the experts assisted DOI in preparing by peer reviewing the recommendations did not possess any material modifications to the “formal recommendations.” Rather, the experts expressed concern the Executive Summary to the 30-day report – that contained a policy decision by the Secretary of the Interior to recommend a 6-month moratorium on deepwater exploratory drilling – was worded in a manner that implied that the experts peer reviewed and supported this policy decision, whereas they had not reviewed nor supported such a policy decision.

Following release of the 30-day report and its Executive Summary, the experts reached out to the Counselor to the Secretary of the Interior, Steve Black, and expressed their concerns to him,

along with sending the abovementioned letter to the Governor and congressional representatives of the State of Louisiana detailing their concerns. We determined that once the Secretary of the Interior learned of the experts' concerns, he readily held a teleconference call and personal meeting with the experts and apologized for the misunderstanding that resulted in their concerns. During these interactions, the Secretary acknowledged that the 6-month moratorium recommendation he made to the President of the United States was his own policy decision and not a recommendation that was peer reviewed by the experts. DOI also issued a formal letter to each concerned expert explaining this fact and apologizing for any misunderstanding.

Based upon our interviews with three of the experts, we determined that they have all accepted the explanation of DOI and are satisfied that the wording of the Executive Summary was an editing oversight rather than an intentional attempt to misrepresent their views.

Further, review of the different Executive Summary drafts contained in the abovementioned Administrative Record has determined that the editing that led to the misunderstanding was a result of last-minute, eleventh hour changes made during a time of give-and-take between DOI and the White House. According to Counselor to the Secretary Steve Black, DOI had no intention of implying the experts peer reviewed the policy decision to invoke the 6-month moratorium and he did not perceive the wording of the Executive Summary could give this impression when he reviewed the document prior to its final release.

Finally, we had our Office of General Counsel (OGC) review the facts and circumstances surrounding this misunderstanding – as it relates to any potential violations of the Information Quality Act – and they have determined that:

[T]he IQA and related policies do not directly apply to the Department's recommendation for a moratorium. Nevertheless, the Department may have satisfied IQA requirements by taking actions to remedy the misunderstandings. Although the OIG has not identified any clear misconduct or legal violations, the Department could have avoided the current misunderstandings by choosing to follow OMB peer review guidance and better disclosing the nature of the safety report's peer review. Such misunderstandings can undermine the Department's ability to perform its mission.
(See Attached OGC Opinion)

I hope this information puts to rest your concerns. If you have any questions, please do not hesitate to call me at _____.