



# United States Department of the Interior



MINERALS MANAGEMENT SERVICE  
Minerals Revenue Management  
P.O. Box 25165  
Denver, Colorado 80225-0165  
[www.mrm.mms.gov](http://www.mrm.mms.gov)

**JUL 18 2007**

MRM/ITC/IMG/FOIA  
Mail Stop 340A1  
MRM FOIA No. 2007-022  
MMS FOIA No. 2007-00152

Ms. Beth Daley  
Director of Investigations  
Project On Government Oversight  
666 11<sup>th</sup> Street, NW, #900  
Washington, DC 20001

Dear Ms. Daley:

This is an interim response to your March 13, 2007, Freedom of Information Act (FOIA) request, included as Enclosure 1, which has been assigned Minerals Revenue Management (MRM) FOIA No. 2007-022. Ms. Tracey Fay explained to Ms. Lisa Driskill on June 13, 2007, that the documents responsive to this FOIA are voluminous and mostly in draft format.

Enclosure 2 is a compact diskette which contains three final reports prepared by the Lukens Energy Group for the Financial Management (FM), Compliance and Asset Management (CAM), and the Royalty in Kind (RIK) groups. These reports are titled: *Risk Assessment & Design of a Performance Measurement Strategy of the MRM RIV Compliance Program*, *Debt Collection Study*, and *Assessment of the Federal Royalty-in-Kind ("RIK") Program and Development of RIK Business Plan*. Please review these and let us know if you will be interested in receiving the remaining information.

Most of the remaining responsive information is in draft format and will be heavily redacted utilizing FOIA Exemptions 2, 4, and 5. Please contact either Ms. Fay or me by August 10, 2007, to let us know if you will be interested in pursuing the remaining portion of your request. If we do not hear from you by that date we will assume you are no longer interested in the information and will close your FOIA request.

Our policy, in keeping with the spirit of FOIA, is the prompt release of records to the greatest extent possible. At the same time, we must protect the rights of individuals and the administrative processes surrounding such rights. The FOIA regulations require us to withhold information protected under FOIA exemptions when disclosure is prohibited by statute or Executive Order. We are withholding portions of the reports under Exemptions 2 and 5 of the FOIA. Deletions are marked with b-2 high and/or b-5 to indicate the withholding.



The provisions of 5 U.S.C. 552(b)(2) exempt from release information which is “predominantly internal” and its disclosure, “significantly risks circumvention of agency regulations or statutes. “Release of various categories of information . . . [have] been found likely to result in harmful circumvention. . . [such as]. . . agency audit guidelines.” We have applied this exemption to certain portions of documents which contain audit and other strategies and descriptions of our risks.

Information in the enclosed material has also been withheld under FOIA Exemption 5. We are withholding these materials because they reflect the personal opinions, recommendations or advice of staff members, as well as pre-decisional deliberations between DOI employees and others, and were used to arrive at a final agency decision. Disclosure of such material would inhibit the open and candid expression of such views in similar future deliberations, confuse the public as to the official agency position on an issue, and have a detrimental effect on our decision making process.

As the Minerals Revenue Management FOIA Officer, I am the official denying portions of your request. If you disagree with this determination, you have the right under Department of the Interior regulations at 43 C.F.R. § 2.28 (2006) to appeal to:

Department of the Interior  
Office of the Solicitor  
1849 C Street, NW, Mail Stop 6556  
Washington, DC 20240

Attn: FOIA Appeals Office

Your written appeal must be delivered to the FOIA Appeals Officer no later than 30 working days from the date of this letter. The appeal must include copies of your original request and of the initial denial. To expedite the appellate process and to ensure full consideration of your appeal, include a brief statement as to why you believe this decision is in error. Both the envelope containing the appeal and the face of the appeal itself should include the legend “FREEDOM OF INFORMATION ACT APPEAL.”

We have approved your fee waiver request based on the information provided in your FOIA request, plus the additional fee waiver justification provided March 16, 2007, for your prior FOIA requests. For future reference, in accordance with 43 C.F.R. § 2.16 (2006), we assess user fees to fulfill a FOIA request. Personnel charges cover our costs to conduct document searches and to review, identify, and delete privileged and confidential information. Other charges cover the direct costs of providing the material.

Ms. Beth Daley

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If you have any questions, please contact Ms. Fay at 303-231-3430.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory K. Kann", with a long horizontal flourish extending to the right.

Gregory K. Kann  
Freedom of Information Act Officer

Enclosures

bc: RM File (705-16)  
MMS FOIA Officer, Ginny Morgan (e.t.)  
Deborah Gibbs Tschudy (e.t.)  
Theresa Walsh Bayani (e.t.)  
Patrick Etchardt, full copy including enclosures  
CAM FOIA Coordinator, Leonard Jones (e.t.)  
FM FOIA Coordinator, Ralph Spencer (e.t.)  
RIK FOIA Coordinator, Carol Gardner, (e.t.)  
ITC Chron

LMS:MRM/ITC/IMG/FOIA:MS340A1:tfay: 07/17/07:303-231-3430:  
N:\ITC\IMG\FOIA\FOIA\Templates for the processing of a FOIA\2007 Requests &  
Responses\2007-022.doc  
Finalized: des 07/18/2007