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Congress of the United States
House of Representatives
Washington, DC 20515-0602

COMMITTEE ON ARMED SERVICES
SUBCOMMITTEE ON READINESS
SUBCOMMITTEE ON TERRORISM AND
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FORESTS, AND PUBLIC LANDS

<http://markudall.house.gov/HoR/Co02/home>

Honorable Nick Rahall, Jr.
Chairman
Committee on Natural Resources
1324 Longworth Building
Washington, DC 20515

Chairman Rahall:

The report of the Inspector General of the Department of the Interior, regarding the corrupt and debauched behavior of employees of the Minerals Management Service (MMS), reveals disturbing details about the absolute lack of ethical standards in a critical sector of our federal government. When an agency's employees are receiving gifts from the very oil and gas companies they are supposed to be monitoring, there is obviously a pervasively unethical culture where even the most minimal professional standards and practices are not being upheld.

The report is shocking in its detail. Employees engaged in illicit drug use and sexual encounters with the gas and oil companies' representatives, to whom they were supposed to be fairly and impartially awarding drilling contracts. Moreover, some MMS employees used their taxpayer-funded government positions to secure private sector jobs. There are also disturbing questions raised as to the potential loss of royalties – for my home state of Colorado and elsewhere across the country – as MMS employees cut favored deals with companies certainly not held at “arms length.” I would strongly urge that these allegations be more thoroughly explored. If over \$4 million was potentially lost to the Treasury from amendments to previously issued bids due to these cozy relationships, that ought to be fully accounted for and appropriate corrective action taken to make the taxpayers whole. The broadly unethical actions of these MMS employees, outlined in the Inspector General's disturbing report, should not be overlooked or swept under the rug.

I would like to formally request that the Natural Resource Committee investigate the ethical and legal violations at the Mineral Management Services' Royalty in Kind program. I am pleased that you have called a hearing on this issue for next Thursday, September 18, and I hope this will be only the beginning of the Committee's review of this unacceptable situation.

The taxpayers deserve a fuller accounting of this misconduct. There needs to be comprehensive and independent investigation that carries with it actual consequences. It is very likely criminal charges are warranted. If MMS as an agency is to recover its standing to continue to oversee some of our most critical energy programs, we must see clear accountability and change.

I look forward to your response.

Sincerely,

A handwritten signature in black ink that reads "Mark Udall". The signature is written in a cursive, flowing style with a long, sweeping tail on the final letter.

Mark E. Udall
Member of Congress