



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Royalty Management Program
P.O. Box 25165
Denver, Colorado 80225-0165



IN REPLY REFER TO:

AD/PSO 99-023/01/02/04/05

Mail Stop 3006

MAY - 5 1999

Handwritten signature
5/5/99

X-4

Dear Mr. Schaefer:

This is an interim response to your December 17, 1998, Freedom of Information Act (FOIA) request (copy as Enclosure 1). Your request questioned whether "Crude Oil Premium Auditing" training information used at the 1997 Salt Lake City class differed from the training information used at other locations. According to a Lakewood Compliance Division individual, the same manual was used at all locations, including Salt Lake City. In a search of the Lakewood Compliance Division and the Royalty Valuation Division files, no additional files concerning STRAC briefing papers or Departmental policy/guidance papers were found from those already provided to you under FOIA 1998-118.

X-4 contains 129 pages from the "Crude Oil Premium Auditing" training manual dated June 1997. This manual is comprised of sections on crude oil, gas, and coal. Although we provided the crude oil section under FOIA 1998-118, you requested we send you the total package in our telephone conversation of April 23, 1999. Redactions of proprietary company data have been made in the gas examples section of this manual.

In our telephone conversation of April 27, 1999, you were informed that we have received approximately 200 additional documents relating to oil contract examples, oil valuation case studies, and audit approach for the crude oil portion of the manual. As discussed, these additional documents, used for training purposes, contain proprietary company data and will require redactions. The cost to provide these additional documents will be approximately \$300. You agreed to pay for the additional redacted documents and asked that we proceed.

X-4

administrative processes surrounding such rights. The FOIA regulations require us to withhold information protected under FOIA exemptions at 43 CFR § 2.13 (1997) when disclosure is prohibited by statute or Executive Order, or if sound grounds exist to apply an exemption.

RM Feb

We have determined that the company data contained in the gas examples is privileged and confidential. This information is being withheld pursuant to Exemption 4 of FOIA, which exempts from disclosure "... trade secrets and commercial or financial information obtained from a person and privileged or confidential." We have replaced the deleted information with the marking "X-4."

Our policy is to employ Exemption 4 of FOIA by withholding from public release any financial information that could jeopardize the financial standing and/or competitive position of those associated with this information. We believe that the public release of this information could jeopardize the competitive and financial standing of those parties associated with this information.

In accordance with 43 CFR § 2.20(a)(1) (1997), 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. Standard charges are:

Professional support	\$18.60/hour	Computer/mag tapes	\$25.00/each
Clerical support	\$ 9.20/hour	CD-ROM	\$ 6.00/each
Photocopies	\$.13/page	8 mm tapes	\$10.00/each
Microfiche	\$.08/page	Computer Diskettes	\$ 1.25/each
Computer (CPU) time	\$35.00/minute (\$25.00 minimum)		

Fees for overdue bills include a \$35 administrative charge plus interest at the prevailing Treasury rate.

The cost to fulfill this interim response to your request is \$123.47. We will bill you for this amount and the additional costs to fulfill the final portion of your request when the additional records are forwarded to you.

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Sincerely,

Original Signed by
Gregory K. Kann

Gregory K. Kann
Freedom of
Information Act Officer

Enclosures

bcc: RM File (705-16)
RM Chron/Lkwd
MMS FOIA Officer, MS 2200 (e.t.)
RMP FOIA Officer, MS 3006
PSO Chron, MS 3006

LMS:RMP/AD/PSO:MS3006:DOstenson:04/28/99:303-231-3719:S:\FOIA\99-023-1.doc
Finalized:dba:05/04/99