

HEINTZ DEPO.
EX. 9

Responses to questions from Mr. Young.

(1) What were the duties of Mr. Berman and Mr. Spier while employed by the Department during the past five years?

As regards Mr. Berman, see attached Position Description and Performance Standards. Mr. Spier has never been an employee of the Department of the Interior.

(2) What issues, regulations or policies did Mr. Berman and Mr. Spier work on, contribute to, or assist in preparing during the past five years?

Mr. Berman's assignments are listed below:

1994

- Monitored California royalty undervaluation issue.
- Analyzed Mineral Leasing Act Common Carrier issue.
- Studied Royalty Treatment of IRS code Sec. 29 payments
- Assisted in Sec. 232 study to determine if oil imports represent a national security issue.
- Assisted in design of gas-in-kind royalty experiments.
- Reviewed export permits for crude oil.
- Analyzed energy supply options for DOE Oil & Gas Initiative.
- Developed and analyzed options for sale of Naval Oil and Oil Shale Reserves, coordinating efforts with BLM, SOL, and OMB.
- Assisted in initial planning for future national assessment of oil and gas resources to ensure timely consideration of economic issues.
- Reviewed Model bilateral investment treaty (BIT) to address the problem of the reciprocity clause in the Mineral Leasing Act.
- Analyzed Regulations and procedures to permit the export of California heavy crude oil.
- Assisted in review of European Energy Treaty.
- Participated in Benefit-cost study of export of ANS crude.
- Participated in Oil and Gas Working Group of the U.S. - Russia Business Development Committee



1995

- Assisted Interior Service Center in: business and marketing planning, cost analysis, full cost pricing, and capital budgeting.
- Analyzed financing options for Acquisition and Removal of Elwha and Glines Canyon Dams.
- Reviewed Arctic Refuge Oil Resource Valuations and Benefits Assessments.
- Analyzed Ban on ANS exports.
- Monitored issues regarding Royalty Valuation of Crude Oil.
- Reviewed results of gas-in-kind royalty experiments.
- Participated in US - Japan Energy Experts Group.
- Participated in Commerce Department US-Russia and US-Kazakhstan Business Development Committee.

1996

- Continued participation in inter-agency ANS export implementation -- analysis and preparation of final report.
- Estimated disposal value of Elk Hills.
- Monitored oil royalty undervaluation issues outside California.
- Reviewed gas royalty valuation issues.
- Supported Interior Service Center on cost allocation and cost and price analysis.

1997

- Provided technical assistance to Interior Service Center on business planning, cost accounting, cost allocation, pricing and marketing.
- Analyzed capital budgeting issues in the context of government budgeting and operations.
- Assisted Solicitor's Office in getting resolution on account balances of Indian Trust Funds, and in designing settlement approach.
- Assisted FWS by conducting a review of FERC procedures for hydropower relicensing and recent (last 3-5 years) handling of environmental mitigation proposals to develop a more effective intervention strategy.
- Performed economic and policy analyses of the implications to DOI's mission and objectives of restructuring/deregulation of the electric utility industry.

- Reviewed options for environmental mitigation to address viability concerns at the Grand Canyon.
- Assisted Solicitor's Office in getting resolution on account balances of Indian Trust Funds, and in designing settlement approach.
- Analyzed capital budgeting issues in the context of government budgeting and operations.

1998

- Analyzed Andalex's ability to supply coal to the Navajo Generating Station.
- Reviewed economic aspects of Hopi/Navajo Water Settlement, the Black Mesa Mine, the Mojave Power Plant, and options for improving visibility in Grand Canyon. Review of Oil, Gas and Coal Development Leases. In accordance with the Secretary's trust responsibility, PPA reviewed several leases negotiated by tribes to ensure that the provisions were in their best interest.
- Provided assistance for the Indian Trust Fund settlement negotiations regarding: statistical techniques for estimating trust fund account balance reconciliation error rates when basic documents are missing; formulae and procedures for calculating and preparing settlement offers; and procedures for government-to-government negotiations.

Mr. Spier has never been an employee of the Department of the Interior.

(3) Did Mr. Berman or Mr. Spier develop any research or prepare any statistics concerning oil valuation regulations? If so, describe such work.

On September 9, 1986 Mr. Berman completed preparation of a memorandum which was a "Comparison of NYMEX Futures and Refiner Posted Prices." A later version of this paper (10/28/86) was provided to the Director, Minerals Management Service by the Deputy Assistant Secretary, Policy, Budget, and Administration. This analysis contains a comparison of NYMEX average and closing prices with postings of Exxon, Cities, and Conoco based on a small sample of data. The February 12, 1987 response from the Associate

Director for Royalty Management indicated that they did not consider it of value in oil royalty valuation.

During the fall of 1996 Mr. Berman prepared a white paper entitled "Royalty Valuation of Crude Oil: Options to Posted Prices. This paper included an analysis of posted prices of several companies compared to NYMEX prices. A draft was provided to the Minerals Management Service in December 1996.

Mr. Spier has never been an employee of the Department of the Interior.