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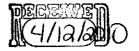
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March 25, 2010



<u>VIA CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED AND EMAIL

Mike Pool
Deputy Director, Operations
U.S. Department of the Interior
Bureau of Land Management
1849 C Street NW
Washington, DC 20240

Re:

Appeal of Decision Concerning Correction of Information in the June 11, 2009 Report to Secretary Ken Salazar Regarding the Potential Leasing of 77 Parcels in Utah ("2009 Lease Report")

Dear Mr. Pool:

Questar Exploration and Production Company ("Questar") hereby responds to your letter dated February 17, 2010 with respect to Questar's appeal and Request for Correction of Information of the 2009 Report to Secretary Ken Salazar Regarding Potential Leasing of 77 Parcels in Utah ("Request"). By letter of December 10, 2009, Questar appealed the November 19, 2009 Decision of Ronnie Levine ("Decision") on Questar's Request for Correction of Information in the 2009 Lease Report.

As explained below, the Bureau of Land Management's ("BLM") letter which is the subject of this response ("BLM Letter") is unresponsive to Questar's Request and its appeal of the Department of Interior's ("Department") Decision. Accordingly, Questar herein informs the BLM of such and seeks from the Department a response to the Request that comports with the requirements of the Information Quality Act, Public Law 106-554, Section 515 ("IQA"), and the Department's and BLM's IQA guidelines.

Department of the Interior and BLM's Decision

The BLM Letter indicates that a range of experts from different bureaus and offices within the Department considered Questar's appeal. The BLM Letter further states that:

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Questar is a party to the litigation against DOI on the withdrawal of 77 oil and gas lease parcels in Utah. If [Questar] would like to pursue the request for correction, once the on-going litigation is resolved, please contact Paulette L. Sanford...

As discussed in detail below, the BLM Letter changes nothing and merely seeks to avoid responding to the Request using a rationale that is irrelevant and inapplicable to the IQA. As a result, Questar seeks an immediate decision on its appeal concerning the Request.

Questar originally appealed the Decision because, as and for grounds for a refusal to comply with the Request, the BLM alleged that "[t]he IOA is not a mechanism for challenging policy decisions." Decision at 2. Wholly without justification, the Decision found that the Request "seek[s] to challenge agency policies and procedures...rather than the correction of information." Id. As set forth in Questar's appeal of the Decision, the Request in no manner challenges either a policy decision of the Department or any procedures regarding the December 2008 Utah BLM Oil and Gas Lease Sale, and BLM has failed to identify the particular policies or procedures Questar purportedly challenged in the Request. Questar has specifically challenged the facts and information included, and used as a basis for, the 2009 Lease Report. These facts, data and information are inaccurate and must be corrected in accordance with applicable IQA Guidelines. The BLM Letter utterly fails and refuses to address these concerns or any information contained in Questar's appeal of the Decision. The overwhelming appearance is that the Department is shirking its obligations under the IOA and thereby encouraging Ouestar to take more forceful legal efforts to challenge that avoidance and those inaccuracies. Questar's preference would be to avoid accelerating a judicial challenge and instead resolve the current impasse by the Department reasonably satisfying its statutory obligations.

Neither the IQA Nor the BLM's or Department's Implementing IQA Guidelines Contain a "Litigation Exemption"

Questar is fully aware that there does not exist, and the Department has cited no authority to establish that there is, a "litigation exemption" to the IQA and requests for corrections under the IQA. The Department's IQA Guidelines contain a listing of "Exemptions" which details the information that is not subject to those Guidelines. This list of exemptions includes: (1) press releases; (2) public filings (e.g. public comments); (3) agency-employed scientists' findings; (4) testimony and submissions to Congress; (5) inadvertent intra-agency communications; (6) correspondence with individuals; (7) records covered by other laws (e.g. FOIA); (8) archived records; and (9) information contained in adjudicative proceedings. See Department of Interior IQA Guidelines at 6-7. BLM's IQA Guidelines contain a nearly identical list of exemptions. These exemptions do not contain a prohibition against IQA corrections if or when the party requesting the correction is involved in separate litigation against the Department.

In sum, the Department's and BLM's Guidelines on IQA requests do not express or even intimate the exemption for IQA requests upon which the BLM Letter attempts to rely. There simply is no "litigation exemption" for IQA requests and neither the Department nor the BLM

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can avoid their IQA responsibilities by simply asserting that the IQA is inapplicable to requests filed by a party to separate litigation that involves the Department.

The 2009 Lease Report is Not at Issue in On-going Litigation

Moreover and importantly, the on-going litigation in Utah in which Questar is a plaintiff does not involve the 2009 Lease Report or the facts and statements contained therein. The litigation, styled *Impact Energy Resources*, *LLC v. Salazar*, Docket No. 09-cv-435 (D. Utah), challenges decisions made by the Utah BLM on or about February 6, 2009. The 2009 Lease Report, which was issued on June 11, 2009 is not part of the administrative record *designated by the Department* in the case, is not at issue in the litigation, and has absolutely no bearing on the claims of the plaintiffs iterated in the pertinent Complaint. In short, the Department's own administrative record in the case confirms that the 2009 Lease Report is not relevant to the litigation.

Thus, even assuming for the sake of argument that some sort of litigation exemption exists which permits the Department and BLM to avoid their IQA responsibilities, such hypothetical exemption would be irrelevant to the Request. While Questar is a party to separate litigation in which the Department and the BLM are defendants, that litigation has absolutely no relevance or bearing upon the information contained in the 2009 Lease Report. Taken to its logical extreme, per the BLM Letter, the Department and BLM may refuse to comply with an IQA request seeking the correction of information in a report dealing with wild horse roundups if the party seeking the correction had brought suit against either for their failure to follow environmental guidelines for issuance of a BLM right-of-way. The BLM Letter is, therefore, incorrect in its conclusion regarding the existence of an exemption applicable to Questar's appeal and must be overturned.

Conclusion

As required by the IQA and the IQA Guidelines of the Department and BLM, the Department and BLM must review and respond to the merits of the Request and must address and correct the factual inaccuracies contained in the 2009 Lease Report. There is no litigation exemption to compliance with the IQA and, as a result, any separate and unrelated litigation is inappropriate to raise as the basis for refusing to respond to the Request. Further, Questar has not sought to challenge policies or procedures of the Department.

It is time for the Department and BLM to factually and fully respond to the Request and to forego further delaying tactics aimed at ensuring that no corrections are made to the 2009 Lease Report, as demanded by the IQA. Questar would, accordingly, appreciate and hereby asks that the Department and BLM take swift and corrective actions to review and respond to the merits of Questar's appeal and to immediately thereafter address the merits of the Request.

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Please do not hesitate to contact the undersigned with any questions or concerns regarding the content hereof, Questar's appeal or the Request.

Respectfully,

BEATTY & WOZNIAK, P.C.

Robert S. Thompson A

cc: Sanjeev Bhagowalia, Chief Information Officer, Department of Interior

Ronnie Levine, Assistant Director, Information Resource Management, Bureau of Land Management

Paulette L. Sanford

Hon. Nancy Sutley, Chairman, Council on Environmental Quality

Hon. Ken Salazar, Secretary, Department of the Interior

Hon. Gary Locke, Secretary, Department of Commerce

Hon. Eric Holder, U.S. Attorney General

Hon. Cass Sunstein, Administrator (Acting), Office of Information and Regulatory Affairs

Utah BLM Acting Director Robert Abbey

Affected Members of Congress:

Senator Orrin Hatch

Senator Robert Bennett

Congressman Rob Bishop

Congressman Jim Matheson

Congressman Jason Chaffetz