

CONYERS CRANKY OVER OIL FRAUD; DRILLS DOJ WITH LETTER

You knew this was coming, and since I simply can't stomach any more Lurch Paulson discussion today, I bring it to you. Remember Marcy's Drill, Baby, Drill post on sex, lies and oil at the Minerals Management Agency?

Clearly, John Conyers found it as titillating as we did. He wants to hear more. From McClatchy:

The chairman of the House Judiciary Committee demanded Tuesday that the attorney general provide an "immediate explanation" for a Justice Department decision that could have cost taxpayers up to \$40 million in royalties from a major oil company.

Michigan Democratic Rep. John Conyers' cited a McClatchy story Sept. 12 that detailed the department's rejection of the Colorado U.S. attorney's recommendation to intervene in a whistleblower's suit against the Kerr-McGee Corp.

In a letter to Attorney General Michael Mukasey, Conyers said charges that politics might have played a part in a decision favoring a major oil company "must be taken seriously and thoroughly investigated." Conyers said he wanted to question the officials involved in the case and that he sought access to all related records.

When Marcy last reported, the Inspector General's reports had just been released, and they sure had some juicy material in them. Since that time, IG Earl Devaney is royally pissed that the DOJ prosecuted two line level scrubs at the MMA, but refused to prosecute the big dog

managers he wanted nailed. And he let his displeasure be known:

"I would have liked a more aggressive approach, and I would have liked to have seen some other people prosecuted here," he said during a hearing before the House of Representatives' Natural Resources Committee.

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Devaney also recommended that the Justice Department prosecute RIK's former Denver office director, Gregory Smith, and the former associate director of the Minerals Revenue Management office, Lucy Dennet.

The reports accuse Smith of having sex with two subordinates and improperly accepting \$30,000 from a private company for marketing its services to oil and gas companies.

Dennet is accused of helping Mayberry create the contract he was awarded after his retirement.

The Justice Department hasn't explained why it declined to prosecute them.

But in today's McClatchy report on Conyers' letter, we learn just how mad IG Devaney really is with the DOJ:

Inspector General Earl Devaney was so displeased with the department's refusal, Conyers wrote, that he pulled his investigators off a department task force examining disgraced lobbyist Jack Abramoff's influence-peddling.

In the grand scheme of things, a pretty small act; however, a pretty telling one in these circumstances. There are a lot of people from both sides of the partisan fence that are hopping mad over this. Devaney is joined by loyal Republican US Attorney in Colorado Troy

Eid and his Civil Division Chief, Lisa Christian; Conyers is joined by Pat Leahy and Sen. Ken Salazar from Colorado.

So why did Michael Mukasey squelch this prosecution that has so many authorities across the spectrum hot under the collar? Stay tuned, this could get fun.