

DONALD PAUL HODEL

April 30, 2007

Judge Ellen Segal Huvelle  
United States District Court for the District of Columbia  
c/o Barry M. Hartman and Brian W. Stolarz  
K&L Gates  
1601 K Street, NW  
Washington, DC 20006

Subject: J. Steven Griles

Dear Judge Huvelle:

On June 26, 2007, Steve Griles will be before you for sentencing. I hope that some of what I have to say about Steve will be useful to you in that process and allow or encourage you to be lenient in your sentencing of him.

I met Steve when I was serving President Reagan as Under Secretary of the Interior (January, 1981, to November, 1982). The position was subsequently designated by Congress and is now "Deputy Secretary". He was a young and energetic Deputy in The Office of Surface Mining. I did not work with him on a daily basis, but it was sufficient for me to gain a good impression of him as competent, honest and hard-working. In November, 1982, I left Interior for 27 months to be Secretary of Energy.

When I returned to Interior as Secretary in February, 1985, I began working with Steve in a much closer and more frequent way. Steve was Acting Assistant Secretary of the Interior for Land and Minerals. In 1985 he was nominated by the President to be Assistant Secretary of the Interior for Land and Minerals and he was confirmed by the Senate. He served in that position until the end of the Reagan Administration. Consequently, he attended with me a minimum of two staff meetings per week and multiple other meetings regarding numerous matters within the department.

I formed a high opinion of his abilities and his integrity. One incident, perhaps, can help illustrate why: One of the most controversial mandates from Congress to the Secretary of the Interior is to "develop the outer continental shelf" of the U.S. Our efforts to do so included numerous meetings over many months with members of Congress from affected areas and hearings, among other places, along the coast of California. This was a significant part of Steve's responsibilities within the department. Every attempt we made to work out a compromise of some kind which would allow environmentally safe exploration for oil offshore California was blocked.

Finally, one day in a meeting in my office with all the top staff of Interior present, I said, with some exasperation, something to the effect that maybe we should just tell the Congress that we were giving up; we'd just let them tell us when or if they were willing to allow the U.S. to find and develop what could be huge additional oil resources. What happened next I have repeated over the years with great relish, because it showed Steve's integrity and courage. He came out of his chair and, as I recall it, said loudly, "Mr. Secretary, you can't do that!!" He went on to remind everyone that this was a mandate; we were not free to just walk away, because it wouldn't be right either under the law or for America.

The room went deathly quiet. It is very seldom that a cabinet officer is told bluntly in a strong tone of voice by a subordinate that he can't do something. The staff, in shock, waited to see how I would react. I paused before reacting, and then I thanked him for being so clear and candid and accepted his advice. More importantly, I knew from that moment on that my expectation that Steve was willing to speak truth to power was right.

Steve earned the right to have great latitude in his actions as Assistant Secretary. We would set the course as a team for what we wanted to accomplish, but often the means of pursuing our goals were left substantially in his competent hands. I believe he was one of my most trusted and effective Assistant Secretaries. I do not believe he could have been such if he had behaved in a way which was inappropriate in any way, for it certainly would have come to my attention and undercut his effectiveness.

During my tenure as Secretary I would often give general advice to my staff (including Steve) at the beginning of staff meetings. One such piece of advice which I repeated as a reminder from time-to-time, was never to say or do anything, even in the privacy of your own home, that you did not want to see on the front page of *The Washington Post* with your name attached.

That recollection may have affected his behavior in another situation years later.

My wife and I moved from Washington, DC, to the mountains of Colorado (Ski Country) immediately after I left the department as Secretary, in January, 1989. Over the succeeding years, while Steve was not in government my professional relationship with Steve became friendship. He would bring his family to Summit County to ski. On occasion they stayed in our home, accepted meals, etc.

As soon as Steve re-entered the government he refused to stay with us or accept any of our generosity with regard to meals or the like. I must say that I told Steve that it was my recollection that it was allowable to stay with friends if they were friends before one became a government official. I thought that applied to Steve and his family. It was also one of those classic situations where the expectation could have been that "no one will ever know." Steve did not operate that way. He rejected my suggestion that it was OK and chose to rent lodging (at ski season prices) rather than raise even the slightest question of propriety. I was impressed by that, and I believe it is the true representation of his character as I saw it through a period, now, of approximately 25 years.

It is my understanding that his guilty plea related not to any alleged impropriety in his conduct as Deputy Secretary of the Interior but to the incompleteness of his testimony before a Senate committee. I hope that his long history of upright behavior will now stand him in good stead as you weigh the various factors affecting your decision.

Thank you for this opportunity to provide these comments.

Sincerely,

A handwritten signature in cursive script that reads "Donald Paul Hodel". The signature is written in black ink and is positioned above the printed name.

Donald Paul Hodel