

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF COLUMBIA

ELOUISE PEPION COBELL, <u>et al.</u> ,	)	
	)	
Plaintiffs,	)	
	)	
v.	)	Case No. 1:96CV01285
	)	(Judge Lamberth)
GALE NORTON, Secretary of the Interior, <u>et al.</u> ,	)	
	)	
Defendants.	)	
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**DECLARATION OF J. STEVEN GRILES**

1. I am J. Steven Griles, the Deputy Secretary, United States Department of the Interior. In that capacity, I serve as the Chief Operating Officer of the Department.

2. As part of my official duties and responsibilities, I have overall authority and responsibility within the Department for Indian trust reform.

3. On April 18, 2002, I had requested Mr. Kieffer to meet with me and Tom Slonaker to discuss concerns about the role of the Special Trustee and my office. On April 19 a meeting was held in my office with Mr. Kieffer, and Jim Cason, Associate Deputy Secretary, Ross Swimmer, Director, Office of Indian Trust Transition, and Tom Slonaker of the Department of the Interior. Tom Thompson, Principal Deputy Special Trustee, participated by phone. Prior to the meeting, I informed the Court Monitor that I thought we should cancel the meeting in view of the reports received on April 18 by the Special Master concerning the Office of the Special Trustee. Mr. Kieffer indicated that the meeting should occur and that it was in our best interest.

4. Mr. Kieffer told us that the meeting was "ex parte" and was authorized by the Court. He said he did not want us to take notes of the meeting. I indicated that I needed to take

notes so that I could report to the Secretary. Mr. Kieffer stated that the Court was aware of the meeting and it was the only reason the meeting was occurring.

5. Mr. Kieffer said he wanted to discuss recent memoranda between the Secretary and the Special Trustee. He said there had been an effort to misrepresent the actions of the Special Trustee to the Secretary. He stated that "someone was giving her very bad advice." He talked about the Secretary's review of the oversight role of the Special Trustee and of trust management. He said again that people were providing the Secretary with bad advice and giving her wrong information. When I asked him specifically what he was talking about, he said I should refer to his sixth report which discussed the personnel who were providing the Secretary with advice on those items. When I asked him who he thought was giving the Secretary advice, the only name he gave was Edith Blackwell. I told him that I had talked with Edith Blackwell only twice – once to get historical background on what happened in the litigation some time ago and again to get an understanding of the "Mitchell I" and "Mitchell II" cases.

6. The Court Monitor told us we were not getting good legal advice, specifically on the issue of receivership. He said that our attorneys had overlooked the fact that Judge Lamberth has a good relationship with the higher courts. He stated that Judge Lamberth was a poker-playing friend with the chief justice (or chief judge) and that he would not overturn Judge Lamberth's decision.

7. Mr. Kieffer stated that, in creating the office of the Special Trustee, Congress created a conflict between the oversight role and the operational role. He told us that the Special Trustee cannot legally report to the Deputy Secretary. He said there must be an effort to develop a joint memorandum of understanding between the Deputy Secretary and the Special Trustee so

as to define the Special Trustee's role of oversight and running the trust operations. Also to assure that the Special Trustee and the Deputy Secretary in each separate role "on how each of you can support each other." The Court Monitor said that the oversight role was the primary function of the Special Trustee so that he could advise the Secretary about what to do without having any risk as to his advice being affected by whom the Special Trustee reported to.

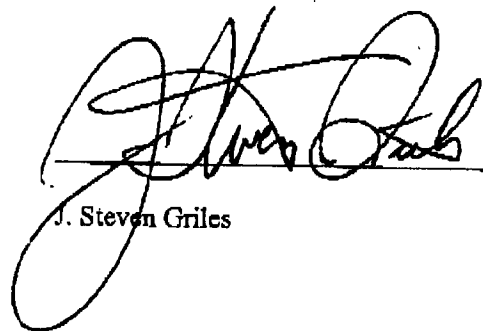
8. Mr. Kieffer expressed his conclusion that the Office of Trust funds Management was the only thing that worked. He told us that we seemed to be working from a litigation strategy rather than dealing with trust reform. He said there must be a clear line of authority for the Special Trustee.

9. Mr. Kieffer told us that he had prepared approximately 40 pages of his Seventh Report and if we thought the Special Master's recent report was hard hitting, "we hadn't seen anything yet." He then said words to the effect that unless we agree to a memorandum of understanding with the Special Trustee, he would issue his negative report.

I declare under penalty of perjury that the foregoing is true and correct.

Date:

6/4/02



J. Steven Griles