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Appendix I

Exhibit 1

Exhibit 1



U.S. Department of Justice

Criminal Division

Assistant Attorney General

Washington, D.C. 20530

August 19, 2009

MEMORANDUM FOR THE ATTORNEY GENERAL

THROUGH: THE DEPUTY ATTORNEY GENERAL

FROM: Lanny A. Breuer *LAB by MR*
Assistant Attorney General

SUBJECT: Recommendations of the Firearms Trafficking Working Group

PURPOSE: To obtain the approval of the Attorney General to implement the recommendations of the Firearms Trafficking Working Group.

TIMELINE: As soon as practicable.

DISCUSSION:

Introduction

This memorandum presents the recommendations of the Firearms Trafficking Working Group (the "Working Group").

During an April 2009 meeting of the Attorney General, DHS Secretary Napolitano, and Mexican Attorney General Medina Mora in Cuernavaca, Mexico, the Attorney General and the Secretary committed to form a working group in order to study steps the United States could take to curb illegal firearms trafficking from the United States to Mexico – trafficking that is facilitating much of the violent drug cartel activity in Mexico. The Attorney General tasked the Working Group with exploring and recommending proposals to enhance the U.S. government's response to this firearms trafficking threat. The review focused on four areas: (1) investigation and interdiction; (2) training; (3) prosecution; and (4) intelligence-sharing.

The Working Group's recommendations address all four of these areas. As set forth below, the Working Group recommends the formation of a multi-agency umbrella strategy group to monitor and respond to emerging threats and challenges related to illegal firearms trafficking. Some of the proposals set forth below have already been initiated, and some have already been announced publicly; an "action item" under each proposal sets forth what approvals would be necessary if each recommendation were approved. A review of existing legislation or proposed

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new legislation was outside the scope of this review and therefore is not included in the range of available recommendations.

The Working Group was led by the Criminal Division with input from several Department of Justice (DOJ) components, including the Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF), the Federal Bureau of Investigation (FBI), the National Security Division (NSD), the Drug Enforcement Administration (DEA), the Executive Office of U.S. Attorneys (EOUSA), and the Office of Legal Policy (OLP), as well as several Department of Homeland Security (DHS) components, including U.S. Immigration and Customs Enforcement (ICE), Customs and Border Protection (CBP), and the DHS Office of General Counsel.

Because these proposals impact both DOJ and DHS, and because we have developed these recommendations in coordination with each other, we recommend that any announcement regarding the Working Group's recommendations reflect that these are joint DOJ-DHS proposals.

Discussion and Recommendations

I. Interagency Southwest Border Firearms Trafficking Strategy Group

Issue: A substantial number of firearms recovered in connection with drug cartel-related violence in Mexico were purchased in and trafficked from the United States. Therefore, a coordinated, comprehensive multi-agency strategy is necessary to stem the illegal flow of firearms to Mexico. Emerging threats and vulnerabilities must be monitored and necessary federal resources must be leveraged to disrupt traffickers and dismantle their enterprises. ICE and ATF have established and implemented an Interagency Working Group (IWG) to direct their respective investigative and intelligence resources in a unified manner, both in Mexico and the United States, to more effectively combat gun trafficking and smuggling. In addition, on August 13, 2009, ICE and ATF entered into a letter of intent with the Procurador General de la Republica of Mexico (PGR) to improve intelligence-sharing and cooperation in the investigation of smuggling and trafficking of weapons and ammunition.

Recommendation: The Attorney General and Secretary of Homeland Security should form an interagency Southwest Border (SWB) firearms trafficking strategy group (the "Firearms Trafficking Strategy Group").

- **Mission:** To regularly report to the Attorney General and Secretary on the current USG enforcement strategy and efforts to meaningfully disrupt firearms trafficking to Mexico. It shall also suggest resource enhancements for short term initiatives, as well as improvements to the enforcement strategy.

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- Leadership: Co-chaired by Assistant Attorney General for the Criminal Division, ATF Director, DHS Assistant Secretary for ICE, and DHS Commissioner of Customs and Border Protection.
- Operation: Through monthly meetings, the Firearms Trafficking Strategy Group would monitor, through subgroups, all USG SWB firearms trafficking efforts. Subgroups would include: (1) investigation and interdiction; (2) training; (3) prosecution; (4) and intelligence-sharing. Subgroups would meet monthly, examine progress made in each area, and identify ways to enhance the USG enforcement strategy and make bi-monthly reports and recommendations to the Firearms Trafficking Strategy Group and ultimately to the Attorney General and Secretary of DHS.
- Participation: Subgroup participants would include CRM, ATF, FBI, EOUSA, USAOs, DEA, ICE, CBP, and potentially State, local, and tribal groups. Other agency participants could include the National Security Division, U.S. Marshals Service (USMS), State Department, and Mexico City U.S. Embassy personnel. ATF and ICE will take leading roles in the work of the Firearms Trafficking Strategy Group and its subgroups.
- Liaison with Mexico: Embassy Attachés from ICE and ATF already work closely on firearms trafficking issues with U.S. embassy personnel in Mexico and with representatives of the Mexican military, federal police, and Attorney General's office. ICE will increase its attaché program in Mexico by 21 additional agents, bringing the total number of ICE attachés to 54 by October 1, 2009. An individual from the Criminal Division should also be designated to participate with ATF and ICE in the liaison activities between the Firearms Trafficking Strategy Group and the U.S. embassy personnel in Mexico for purposes of implementing ongoing recommendations. Representatives from the State Department should also be invited to participate.

Action Item: The AG or DAG, in coordination with his counterpart at DHS, should issue a memorandum establishing the Firearms Trafficking Strategy Group under the leadership of the CRM AAG, ATF, ICE, and CBP.

II. Investigation and Interdiction

Issue: Aggressively investigating suspected illegal firearms trafficking, including straw and prohibited purchasers, and interdicting such firearms, are critical to deterring this criminal activity. Increased resources along the SWB and robust coordination among law enforcement partners are key components of this strategy.

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Recommendations:

1. To enhance investigations of suspected firearms trafficking to Mexico, DOJ and DHS should increase the federal law enforcement resources of ATF, DEA, ICE, CBP, and FBI along the SWB.

- a. CRM

- Upon request, Criminal Division Gang Unit trial attorneys are prepared to work with SWB USAOs to focus on firearms trafficking prosecutions.

Action Item: CRM AAG, in consultation with the DAG, should approve this resource shift.

- b. ATF

- The ATF will enhance staff at ATF field offices along the SWB and in Mexico. ATF will staff each office with approximately 10 new and redirected agents, industry operations investigators, and support staff. This enhancement will complement the more than 100 agents, investigators, and other personnel that ATF deployed to southern Texas for 120 days to investigate leads associated with recovered firearms and will enhance ATF efforts to combat gangs and violent crime through the Violent Crime Impact Team (VCIT) program and other initiatives. This enhanced staffing will allow ATF to increase the number of Federal Firearms Licensee (FFL) inspections along the SWB and more thoroughly investigate firearms-related border violence.

Action Item: No action required. The 100 additional agents have already been the subject of a public announcement. ATF is in the process of opening new field offices along the border and hiring new personnel using the SWB supplemental appropriation.

- c. DEA

- The DEA will add 16 new agents and two new Mobile Enforcement Teams (MET) to DEA SWB field offices. MET teams respond quickly alongside local police to identify and remove violent drug offenders from the community. These additional resources will enhance DEA's ability to focus on violent crime as well as drug and gun trafficking targets along the SWB.

Action Item: No action required. The new agents and MET Teams have already been the subject of a public announcement.

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d. FBI

- The FBI will re-program existing resources along the SWB to increase the number of agents focused on violent crime, gangs and firearms offenses. The FBI is already a contributing member at the El Paso Intelligence Center (EPIC), and it has recently increased its participation there by creating its Southwest Intelligence Group (SWIG). The SWIG will be used to coordinate information and intelligence relating to the SWB and to better disrupt ongoing violent criminal activity. The SWIG head will also serve as an Associate Deputy Director of EPIC.

Action Item: The AG or DAG, in coordination with the FBI Director, should issue a memorandum announcing the re-programming of these resources, which has not yet been made public.

e. ICE

- Simultaneous with the meetings in Cuernavaca, Mexico, ICE added 110 agents to its Border Enforcement Security Task Forces (BEST) located in Mexico and along the SWB. In addition, ICE added 25 intelligence officers in these same areas to support the BESTs. In addition, ICE added over 100 agents along the SWB to focus on violent crimes and aliens and will increase to 54 its number of attachés in Mexico by October 1, 2009.

Action Item: No action required. The new agents and intelligence officers have already been the subject of a public announcement.

f. CBP

- CBP deployed an additional 100 Border Patrol agents to the SWB.

Action Item: No action required. The new agents have already been the subject of a public announcement.

2. Augment existing task force participation and interagency cooperation.

- a. ATF has redirected resources to expand its participation at ICE's SWB Border Enforcement Security Task Forces (BEST) by designating a regular participant at each to improve information flow and ensure deconfliction. BESTs bring together state and local law enforcement officials, as well as various federal law enforcement and intelligence resources, to identify, disrupt, and dismantle criminal organizations in their region of operation.

Action Item: No action required. ATF is working with ICE to establish participation on BESTs.

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- b. ICE will designate participants to established ATF Gunrunner Task Forces in order to accomplish the same goals as set forth in subparagraph (a), above.

Action Item: No action required. ICE is working with ATF to establish participation on Gunrunner Task Forces.

- c. ICE is establishing a Vetted Arms Trafficking Unit in Mexico City, which will target transnational smuggling and firearms trafficking organizations operating in Mexico. The establishment of this unit requires the thorough background investigation by ICE of individual members, including the administration by ICE of polygraph examinations. The unit will consist of approximately 10 Mexican law enforcement agents and prosecutors, partnered with ICE agents, and it should be operational within three months. ATF will participate in this vetted unit.

Action Item: No action required. ICE is already in the process of standing up the unit, and ATF has agreed to participate. The unit has already been the subject of a public announcement.

- d. CBP will assign a Border Patrol agent to each ATF Gunrunner Task Force along the SWB and to each ICE BEST.

Action Item: No action required. ATF is working with CBP to facilitate its participation on the Gunrunner Task Forces and ICE is working with CBP to facilitate its participation in the BESTs.

- e. DHS and DOJ should establish an information-sharing protocol for grant applicants and approved grantees to ensure that resources are most efficiently flowing to State, local, and tribal law enforcement, and to avoid grant duplication.

Action Item: The AG or DAG, in coordination with his counterpart at DHS, should issue a memorandum directing such coordination.

- 3. ICE and ATF will continue to engage in high-level talks with Mexican authorities to ensure that firearms seized by Mexican law enforcement and the Mexican military are made available to all U.S. law enforcement agencies. Procedures should be established to ensure that weapons seized by the Government of Mexico, and investigative material related to seizures, are made available for inspection and tracing by ATF and ICE and that the weapons themselves are available as evidence in U.S. courts when applicable. Such discussions will also include the possibility of controlled deliveries of firearms that have been seized during southbound interceptions. The Criminal Division's Office of International Affairs will also be involved in these discussions.

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***Action Item:** No action required. ICE and ATF have developed working relationships with the Government of Mexico to coordinate and provide mutual support on the identification of seized firearms and related investigations. More generally, as reflected in the August 13, 2009, letter of intent with the PGR, ICE and ATF are committed to working closely with the Government of Mexico to improve coordination and cooperation in firearms investigations.*

III. Training

Issue: In order to address meaningfully the firearms trafficking challenge both domestically and in Mexico, Federal, State, local, and tribal law enforcement, along with Mexican law enforcement, must be properly trained to identify, disrupt, and dismantle firearms trafficking networks.

Recommendations:

1. DOJ and DHS should train foreign prosecutors and law enforcement.
 - a. The Criminal Division's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) will conduct two working-level training sessions – one on Mexico's Southern border and one on its Northern border, both scheduled for this fall. The Merida initiative will fund both training sessions. The Southern border conference will include law enforcement officers and prosecutors from Mexico and Central America while the Northern border conference will include Mexican and U.S. prosecutors and investigators. Topics will include basic firearms and explosives identification and handling; e-Trace data input; chain of custody issues; investigative interview techniques; basic investigation and prosecution of firearms cases; identifying firearms traffickers and criminal organizations that enable firearms traffickers; and border security. This course, coordinated by OPDAT, will place special emphasis on border enforcement issues, and the agenda will be developed in coordination with ATF, ICE, INL, FBI, EOUSA, CBP, and State and local officials, and the training will be conducted at least in part by representatives from those agencies.
- Action Item:** No action required. This has not been announced but is in progress.*
- b. DOJ (ATF, FBI, DEA, USMS, ICITAP, OPDAT) and DHS (ICE, CBP) are actively engaged in the INL-led Federal Police Force (SSP) training in Mexico. With U.S. and foreign assistance, the SSP is engaged in a robust

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12-week training program for 1,500 new recruits. The SSP specifically requested U.S. assistance in developing and implementing this training. DOJ and DHS are beginning the first round of training for these recruits, including courses in criminology, investigative techniques, interview techniques, surveillance, police intelligence, and trial testimony.

Action Item: No action required. This has not been announced but is in progress.

- c. With Merida funding, OPDAT will develop and coordinate a series of training programs for Mexican prosecutors and police officers on investigating and prosecuting firearms cases. Mexico is currently working in conjunction with ICE, ATF, and others to develop protocols for seizing, identifying, and storing firearms in criminal cases. The OPDAT training will include topics such as securing firearms crime scenes, identifying and storing firearms, establishing firearms protocols in Mexico and the U.S., and implementing successful prosecution models in Mexico and the U.S. This training is designed to increase the successful prosecution of firearms cases on both sides of the border by increasing the likelihood that firearms evidence seized in Mexico will be admissible in cases in either country.

Action Item: No action required. This has not been announced but is in progress.

- 2. DOJ and DHS should initiate no fewer than two training sessions that focus on training U.S. prosecutors and law enforcement, including State, local, and tribal officials.
 - a. In June 2009, ATF led a firearms prosecution training session for ATF agents and U.S. Attorneys along the SWB in Albuquerque, NM.
 - b. During the week of August 3, 2009, DOJ's Office of Legal Education (OLE), in coordination with EOUSA, ATF, CBP, and ICE, conducted firearms prosecution training for junior and mid-level AUSAs in the federal districts along the SWB, using the OLE's newly published Firearms Manual (4/09) as a guide for the course. This training, which was a hands-on trial advocacy training course for new prosecutors handling firearms cases along the SWB, taught new AUSAs (and representatives of other interested law enforcement agencies) the techniques to successfully identify, investigate, and prosecute firearms traffickers. It also included training on detecting, investigating, and prosecuting outbound smuggling cases; straw purchasers; export violations; aliens in possession of firearms cases; and other border and firearms-related offenses.

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Action Item: No action required. This event has occurred.

- c. EOUSA and ATF, in consultation with ICE and CBP, will create a briefing and training for tribal law enforcement and the Bureau of Indian Affairs (BIA) on SWB issues. This briefing/training will focus on the nature of the firearms trafficking problem specific to Indian country and the ways tribal and federal law enforcement can impact the southbound flow of firearms in this region. Tribal leaders and law enforcement should be consulted in developing the agenda for this training.

Action Item: The AG or DAG should direct EOUSA to partner with ATF, ICE, and CBP to develop and initiate this training.

- 3. DOJ should conduct joint training for U.S. and foreign prosecutors and law enforcement.
 - a. As indicated above, during the week of August 3, 2009, OLE hosted a training course at the National Advocacy Center (NAC) for U.S. and Mexican federal prosecutors to enhance their ability to successfully prosecute firearms offenses within their respective jurisdictions. The course was sponsored by Project Safe Neighborhoods (PSN) and OLE. This same training should also be brought to SWB districts to maximize participation.

Action Item: No action required. The first NAC training has occurred and it will reoccur throughout the year. The AG or DAG should consider directing that the training be expanded to SWB districts.

IV. Prosecution

Issue: While each USAO has a unique set of law enforcement challenges and each may need to employ different techniques to address firearms trafficking, the Department must establish a coordinated firearms trafficking prosecution strategy. Equally important is the need for U.S. and Mexican law enforcement officials to understand each country's firearms laws and to establish a clear protocol for collecting, analyzing, and disseminating evidence that would be admissible in cases brought in either country.

Recommendations:

- 1. Given the nexus of these districts to the international border where many illegally exported firearms cross into Mexico, the prosecution of firearms trafficking should be a southwest regional priority for the border districts (*SDTX, WDTX, DNM, DAZ, SDCA*). These districts should consider a range of options, including modifying their intake criteria if necessary, in order to ensure aggressive prosecution of individuals

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and organizations that illegally traffic in firearms. These districts should continue to support and encourage prosecution efforts related to firearms trafficking.

Action Item: *The AG or DAG, in consultation with EOUSA and the AGAC, should issue a memorandum to the five USAOs along the SWB, indicating that prosecuting firearms trafficking should be a southwest regional priority.*

2. Based upon the work done in June 2009 at ATF's Firearms Trafficking Summit in Albuquerque, NM, each SWB USAO, in consultation with ATF and other law enforcement partners, should continue to review its existing strategy to target illegal firearms trafficking in its district. In doing so, each district should ensure appropriate USAO support for, and coordination with, the efforts of the BEST and Gunrunner Task Forces. In addition, each district should consider a range of other approaches based on the specific needs and challenges of the district, including whether a new task force is needed to coordinate federal, State, local, and tribal efforts. While each district's approach to this problem may necessarily differ, in order to ensure a coordinated approach to firearms trafficking, each SWB district should appoint a representative (perhaps the existing PSN Coordinator) to the Firearms Trafficking Strategy Group. Each SWB USAO, through the appointed representative, should report to the Firearms Trafficking Strategy Group within 90 days regarding the district's comprehensive, multi-agency plan for combating firearms trafficking. The Firearms Trafficking Strategy Group will ensure effective coordination between Main Justice and the field, among USAOs around the country, and among State, local, tribal, and other federal partners.

Action Item: *The AG or DAG should include this directive in the memorandum described above.*

3. DOJ and DHS should create a working group of Mexican and U.S. prosecutors, along with representatives of ATF, FBI, DEA, and ICE, for the purpose of developing and implementing a standardized protocol for the collection and maintenance of evidence gathered in Mexico for use in U.S. and Mexican cases. This protocol will help standardize methods used to collect evidence in order to increase the likelihood that evidence gathered in Mexico and the U.S. is admissible at trial in the other country.

Action Item: *The AG or DAG should include this directive in the memorandum establishing the Firearms Trafficking Strategy Group and note the work already being done by ATF and ICE to accomplish this task. ICE seeks to announce the creation of this working group, which would be a subgroup of the Firearms Trafficking Strategy Group, in connection with meetings in Mexico during the week of August 24, 2009.*

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4. CBP should erect explicit firearms export warnings along the Mexican-American border, and ATF should revise its Form 4473 to include a clear attestation of the firearms purchaser's knowledge that exporting a firearm without a license is a federal offense. ICE has already created and posted bilingual notifications of rewards programs it has in place for information about smuggling of contraband.

Action Item: The AG or DAG should direct the ATF Director to implement this reform. In addition, a DHS counterpart should direct CBP personnel to erect firearms export warnings.

5. The "Don't Lie for the Other Guy" public relations campaign is being actively implemented along the SWB. This program seeks to reduce illegal firearms trafficking facilitated by straw purchasers. The campaign focuses on educating licensed gun dealers in identifying persons who may be straw purchasers and publicizes that anyone caught illegally purchasing a firearm for another person can face up to 10 years in prison and a \$250,000 fine.

Action Item: The ATF Director will implement a full review of this program and determine where and how it can be expanded, and what additional resources, if any, such expansion would require.

V. Intelligence Sharing

Issue: The free flow of, and access to, information and intelligence is critical to leveraging all available resources to impact illegal firearms trafficking. Information-sharing should continually be encouraged across and within federal agencies, with our partners at the State, local and tribal level, and with our Mexican counterparts.

Recommendations:

1. On June 18, 2009, DEA and ICE entered into a Memorandum of Understanding (MOU) that memorializes both agencies' commitment to information-sharing. ICE will participate fully in the OCDETF Fusion Center (OFC) and the International Organized Crime Intelligence and Operations Center. ICE will provide investigative reports, records, and subject-indexing records from open and closed investigations, including those related to weapons. In addition, ICE will provide access to data related to all seizures of money, drugs, and firearms at EPIC. On June 30, 2009, ICE and ATF signed an MOU that sets forth mutual information-sharing responsibilities.

Action Item: No action required. ICE, DEA, and ATF have signed MOUs detailing the information-sharing agreements.

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2. By the end of December 2009, ATF should finalize distribution of a Spanish language version of e-Trace to Mexican authorities, accompanied by training sessions for all relevant Mexican law enforcement entities.

Action Item: No action required. ATF has developed and implemented a timeline to ensure timely delivery of the Spanish e-Trace program.

3. DOJ and ATF should integrate Mexican firearms information into the U.S. Integrated Ballistics Identification Systems (IBIS) so that law enforcement agencies from both countries can more effectively investigate cross-border crimes. IBIS is a ballistic imaging system that is the backbone of the United States National Integrated Ballistic Information Network (NIBIN). Law enforcement agencies nationwide use ballistic imaging to establish connections between crime scenes and specific firearms used at these scenes. Currently, Mexico has 7 IBIS systems and the United States has 214 systems, with 19 of these located along the SWB. ATF is in the process of upgrading the NIBIN system to allow increased sharing of ballistics data between our countries.

Action Item: Additional funding is necessary to complete upgrades on the current system in order to implement this recommendation. Asset forfeiture fund money has helped to pay for upgrades along the SWB. ATF will develop and implement a timetable to integrate existing IBIS systems in Mexico with the NIBIN Program. Further, ATF will work with DOJ to identify a funding source for the required system upgrades for the remaining parts of the network in order to fully incorporate IBIS integration.

RECOMMENDATION: The Criminal Division recommends that the above recommendations be adopted.

APPROVE: _____

Concurring Components:
 ATF, DEA, FBI, ICE, DHS, EOUSA

DISAPPROVE: _____

Nonconcurring Components:
 None

OTHER: _____

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Exhibit 2

Exhibit 2

DEPARTMENT OF JUSTICE STRATEGY FOR COMBATING THE MEXICAN CARTELS

It is a priority of the Department of Justice to stem the growing violence and associated criminal activity perpetrated by the Mexican drug cartels, along the Southwest Border and throughout the nation. In order to maximize the efficacy of its limited resources, which are spread through numerous components of the Department, it is necessary that the Department deploy those resources pursuant to a single, coherent strategic plan.

An essential aspect of the DOJ plan must be ensuring a productive partnership with the government of Mexico, as well as with our state and local law enforcement counterparts. Equally important, we must avoid wasteful overlap and duplication with the activities of our other federal partners, particularly the law enforcement agencies at the Department of Homeland Security.

The following document sets forth the policy considerations that will guide the Department in this process.

The Strategy

The Department will implement its Strategy for Combating the Mexican Cartels under the supervision of the newly-created Southwest Border Strategy Group.

Operationally, the strategy will be executed through the proven mechanism of prosecutor-led, multi-agency task forces, using the Organized Crime Drug Enforcement Task Forces (OCDETF) Program as the primary coordinating platform. The Strategy's key objectives are to:

- Increase the safety and security of U.S. citizens throughout the United States by enforcing violations of federal law along the Southwest Border.
- Reduce the flow of narcotics and other contraband entering the United States.
- Reduce the flow of illegal weapons, ammunition, explosives, and currency exiting the United States and entering Mexico.
- Strengthen Mexico's operational capacities and enhance its law enforcement institutions.
- Increase bilateral cooperation between Mexico and the United States on fugitive capture and extradition activities.
- Increase intelligence and information sharing to achieve focused targeting of the most significant criminal organizations.

- Improve case building through interagency coordination, leveraging the expertise and authority of each investigative and prosecutorial agency.
- Maximize the effectiveness of prosecution by locating, arresting, extraditing, and trying all levels, including most importantly the leadership, of these criminal organizations, and disrupting and dismantling the organizations' domestic transportation and distribution cells.

Division of Responsibilities with DHS

Addressing the Southwest Border threat has two basic elements: policing the actual border to interdict and deter the illegal crossing of undocumented persons or contraband goods, and confronting the large criminal organizations operating simultaneously on both sides of the border.

Given its statutory mission and the resources it can bring to bear at the border, DHS clearly bears primary responsibility for the policing function. DOJ fully supports DHS in that endeavor by sharing relevant intelligence and by prosecuting the most egregious offenders DHS arrests in the course of its policing function. The Department of Justice prosecutes tens of thousands of these reactive law enforcement cases in federal court every year.

However, the root cause of the explosion of violence along the Southwest Border is the conflicts within and among a limited number of sophisticated, transnational criminal organizations. These hierarchical, Mexico-based cartels are responsible for smuggling into the United States most of our nation's illegal drug supply. While the cartels' primary business is drug trafficking, they also sponsor a panoply of other crimes that support their illegal operations. These other crimes include extortion, torture, murder, corruption of public officials, sheltering of wanted fugitives, kidnapping and human smuggling, laundering of illicit criminal proceeds through the existing financial system and through bulk cash smuggling, and the illegal acquisition, trafficking, and use of firearms and explosives.

It is in taking down these organized, multi-faceted criminal enterprises that DOJ plays the primary role and brings to bear its special expertise. DOJ's success in this endeavor assists, in turn, DHS in the performance of its policing and enforcement function, by disrupting the operations of the cartels, thereby decreasing the pressure on the border. For its part, DHS, and in particular ICE, provides invaluable assistance to the attack on these criminal organizations, by bringing to bear its unique expertise on cross-border transit of contraband.

Border policing and interdiction, and the resulting prosecutions, are key elements of the U.S. government's overall border security strategy. However, the investigation, apprehension, extradition, and prosecution of key cartel leaders and their associates, and the deprivation through forfeiture of their ill-gotten gains, is the most effective means by

which we can move past merely addressing the symptoms of our problems along the Southwest Border and attack, instead, the underlying causes.

Deployment of Resources

The Department's view – based on its decades of experience in investigating, prosecuting, and dismantling organized criminal groups, such as the Mafia, international terrorist groups, and domestic and transnational gangs – is that the best way to fight large scale criminal organizations is through intelligence-based, prosecutor-led, multi-agency task forces that blend the strengths, resources, and expertise of the complete spectrum of federal, state, local, and international investigative and prosecutorial agencies. Through their participation in such task forces, the Department's prosecutors, together with its component law enforcement agencies – DEA, ATF, FBI, and USMS – give the Department the capacity to carry out the full range of activities necessary to succeed against these organizations.

The Department has embraced a model to achieve these comprehensive goals that is proactive, in which we develop priority targets through the extensive use of intelligence. This intelligence is obtained from law enforcement sources, as well as through the careful and disciplined use of classified information from intelligence community agencies to provide unclassified leads. Sharing information, we build cases, coordinating long-term, extensive investigations to identify all the tentacles of a particular organization. Through sustained coordination of these operations, we are able to execute a coordinated enforcement action, arresting as many high-level members of the organization as possible, disrupting and dismantling the domestic transportation and distribution cells of the organization, and seizing as many of the organization's assets as possible, whether those assets be in the form of bank accounts, real property, cash, drugs, or weapons. Finally, we prosecute the leaders of the cartels and their principal facilitators, locating, arresting, and extraditing them from abroad as necessary. In this effort, we coordinate closely with our Mexican counterparts to achieve the goal: destruction or weakening of the drug cartels to the point that they no longer pose a viable threat to U.S. interests and can be dealt with by Mexican law enforcement in conjunction with a strengthened judicial system and an improved legal framework for fighting organized crime.

The principal platform for the support and oversight of these prosecutor-led, multi-agency task forces is the OCDETF Program. In most places, along the border and throughout the country, OCDETF provides an effective mechanism for law enforcement agencies from within DOJ, from elsewhere in the federal government (including DHS and Treasury), and state and local law enforcement, to combine with federal prosecutors to form a "virtual task force" for the purpose of investigating and prosecuting a particular high-value drug trafficking organization. In certain key locales, OCDETF has established actual, brick-and-mortar Co-Located Strike Forces, for the pursuit of the highest level traffickers of drugs, guns, and money. For instance, the San Diego Major Mexican Traffickers Task Force has been responsible for coordinating the U.S. government's successful efforts against the Arellano-Felix Organization. The Houston

OCDETF Strike Force has directed our most damaging blows against the Gulf Cartel. And in the first several months of its existence, the Arizona OCDETF Strike Force has been responsible for the indictment of a leader and other members of a major Mexican cartel and the seizure of over \$43 million in cartel assets.

The Department will use the OCDETF Strike Force concept to target all the organized crime activities of the drug cartels – not just those crimes directly related to the drug trade. By further leveraging and coordinating the investigative expertise and jurisdiction of law enforcement agencies outside the drug enforcement area, the Department will task the Strike Forces to disrupt and dismantle every area of the cartels' infrastructure and undermine their ability to operate successfully in any illegal activity.

On a local level, each Strike Force co-locates law enforcement resources that are supplemented by one or more on-site Assistant United States Attorneys. Retaining the current Strike Force structure, specifically the co-location and intensive and early prosecutorial involvement, ensures that the Department capitalizes upon the proven synergy of these Strike Forces to maximize the effectiveness of long-term investigations of these organizations.

In those locations where they currently exist, DOJ will make the OCDETF Co-Located Strike Forces the focal point for interagency efforts against the Mexican criminal organizations.¹ Elsewhere along the border, and throughout the nation, DOJ will seek to replicate, to the extent possible, the OCDETF Strike Force model, in particular the characteristics of interagency cooperation, information sharing, and strategic, intelligence-based targeting that have been embodied in these Strike Forces. Depending on local conditions, existing institutions, such as HIDTA task forces, Southwest Border Initiative Groups, VICIT teams, or Safe Streets Task forces may serve as the appropriate focal point for this interagency cooperation in locations that do not have OCDETF Strike Forces.

The OCDETF Strike Force is a proven law enforcement strategy with a proven history of success in combating the major drug trafficking organizations. The synergy created by co-locating the diverse expertise of federal, state, and local law enforcement agencies with prosecutors from the U.S. Attorney's Office, has had demonstrable success against major criminal organizations operating throughout the country.

Supplementing the regional operations of the Strike Forces with a comprehensive national policy and coordination body run out of the Office of the Deputy Attorney General, will give the Department a unified and comprehensive vehicle through which the United States government can disrupt the influence of the cartels. This unified and coordinated approach to law enforcement is not only the best way to use the formidable resources of the United States government, but also the most effective way to decrease the influence of these violent criminal enterprises while enhancing the public safety.

¹ OCDETF Co-Located Strike Forces are currently located in San Diego, Phoenix, El Paso, Houston (with satellites in Laredo and McAllen), Tampa, San Juan, Atlanta, New York, and Boston.

While the prosecutor-led, intelligence-driven, multi-agency task force model is a key component of the Department's Southwest Border Strategy, it will not be the only component. We must also recognize and support the important daily work performed by our investigators and prosecutors in stopping and seizing the flow of massive amounts of narcotics, firearms, and bulk cash from flowing across the border in both directions. These more reactive narcotics cases are important to the overall cartel strategy, because in the process we are seizing millions of pounds of drugs, thousands of firearms, and millions of dollars in bulk cash as they enter and exit the country. In addition, these commodity-focused cases yield significant intelligence that is then fed into the Special Operations Division (SOD), the OCDETF Fusion Center (OFC), and the El Paso Intelligence Center (EPIC) for use in supporting more proactive, intelligence-driven investigations that are designed to attack all of the cartels' diverse lines of illegal business. Therefore, the Department's Strategy for Combating the Mexican Cartels must include an assessment of the resource needs of all our components, and a plan for how they intend to achieve the stated goals of the Strategy in light of the specific cartel activity impacting their jurisdictions.

Intelligence

Law enforcement agencies must have the ability to access, link, and interpret voluminous intelligence information from as wide a community as possible. We use this shared information to identify and target the most significant organizations, so that we can achieve the greatest impact with our finite resources. We also use shared information to develop coordinated, multi-jurisdictional investigations of those high-impact targets, making sure that investigations are mutually reinforcing, without duplicating or jeopardizing other investigations targeting overlapping organizations.

Several multi-agency endeavors are particularly important to the provision of tactical intelligence and operational support in targeting the largest and most dangerous Mexican cartels.

The Attorney General's Consolidated Priority Organization Target (CPOT) List

The CPOT list of international "Most Wanted" drug kingpins will be used to help focus our critical resources on the greatest threats from the Mexican cartels. Of the 59 worldwide cartels currently on the list, 25 of them are Mexico-based.

The El Paso Intelligence Center (EPIC)

EPIC is a DEA-led multi-agency organization that provides case-specific tactical intelligence, focusing specifically on the Southwest Border. The ATF Firearms Intelligence Analysis Team is a specialized component of EPIC that serves as a central point of analysis and repository for all Southwest Border firearms-related intelligence. FBI recently created the Southwest Intelligence Group (SWG), a clearinghouse of all FBI activities involving Mexico, and it is in the process of moving that clearinghouse to

EPIC. EPIC houses the National Seizure System, which collects and maintains data on seizures of drugs, guns, and money by law enforcement agencies throughout the nation.

The Special Operations Division (SOD)

SOD is a DEA-led multi-agency coordination center that targets the communication devices the criminal organizations' leaders use to communicate with each other. SOD actively supports multi-jurisdictional, multi-national, and multi-agency electronic surveillance investigations, coordinating overlapping investigations and ensuring that tactical and operational intelligence is shared between law enforcement agencies.

The OCDETF Fusion Center (OFC)

The OFC is a comprehensive, multi-agency data center containing drug and related financial data from DEA, ATF, FBI, ICE, CBP, IRS, USMS, EPIC, USMS, the U.S. Coast Guard, the Financial Crimes Enforcement Network, the State Department's Bureau of Consular Affairs, and other key agencies. It conducts cross-agency and cross-jurisdictional integration and analyses to create comprehensive pictures of targeted organizations and to pass usable leads through SOD to participants in the field.

Current Areas of Focus

Pursuant to the principles articulated above, DOJ is pursuing initiatives in the following areas:

1. Ramping up Establishment and Use of Vetted Units in Mexico

An important aspect of case building in Mexico involves U.S. cooperation with specially vetted Mexican law enforcement units. DOJ law enforcement agents work in an advisory capacity to develop elite vetted units of Mexican federal police officers, training them to conduct law enforcement operations that lead to the discovery and seizure of drugs, guns, explosives, money, and documentary evidence to support bilateral investigations and prosecutions. The Mexican units also arrest active members of the cartels, who may eventually become either cooperating witnesses, defendants, or both. These units are essential to our operations. In order to properly leverage and support these crucial operations, the Department must expand their number, to include more drug trafficking units, a firearms trafficking unit, a money-laundering/financial unit, and a fugitive apprehension unit.

2. Continued Focus on Attacking Cartel Finances

A particular point of emphasis in recent years has been the dismantlement of the financial infrastructure of the drug trafficking organizations. These efforts have been hampered by the fact that financial cases are complex and time-consuming, and the pool of experienced financial investigators is finite. Since the curtailment of IRS involvement

in drug investigations in 2005, ATF, DEA, FBI, and USMS have hired additional financial investigators and forfeiture specialists. OCDETF has established the Financial Investigative Contractor (FIC) Program to bring additional experienced financial investigators to bear on the largest cartels, and has buttressed the analytical and document exploitation capabilities of its Co-Located Strike Forces in San Diego, Phoenix, El Paso, Houston, and Atlanta. DEA has implemented Financial Investigation Teams (FITs) in its field divisions to target the financial assets of drug traffickers. Analysts and attorneys in the U.S. Attorney's Offices and in the Department's Asset Forfeiture and Money Laundering Section have also stepped up their efforts to assist. In addition, Southwest Region federal agencies are working with state and local law enforcement agencies on an OCDETF bulk currency initiative that targets the highest level drug cartels and their transportation routes in the Southwest. These efforts must be supported and expanded.

3. Attacking the Southbound Flow of Firearms

Addressing the flow of weapons into Mexico from the United States is also a primary focus of our efforts. ATF's intelligence has shown that the prevalence of firearms and explosives trafficking into Mexico has a direct nexus to the cartels' national domestic drug distribution network. Thus, given the national scope of this issue, merely seizing firearms through interdiction will not stop firearms trafficking to Mexico. We must identify, investigate, and eliminate the sources of illegally trafficked firearms and the networks that transport them. Since 2006, Project Gumburner has been ATF's comprehensive strategy to combat firearms-related violence perpetrated by the drug cartels along the Southwest Border. Increasingly close collaboration between ATF and the efforts of the multi-agency drug task forces along the border, including, most particularly, the OCDETF co-located Strike Forces, ensures that scarce ATF resources are directed at the most important targets.

4. Increased Focus on Locating and Apprehending Fugitives



Department maintain its commitment to support and expand these international fugitive apprehension efforts.

5. Expanded Use of the Extradition Process

[REDACTED]

6. Continued Pursuit of Corrupt Public Officials Who Facilitate the Drug Trade

[REDACTED]

7. Merida

[REDACTED]



Exhibit 3

Exhibit 3

From: Newell, William D.
Sent: Tuesday, October 27, 2009 9:00 AM
To: Gillett, George T. Jr.; Cook, Nancy F.; Needles, James R.
Subject: FW: Southwest Border Strategy Group Meeting
Attachments: cartel.strategy2.wpd

Importance: High

Please read and we will discuss. I have a conference call with HQ on this.

Bill Newell
 Bureau of ATF
 Special Agent in Charge
 Phoenix Field Division
 Office - (602) [REDACTED]

From: Rowley, Raymond G.
Sent: Tuesday, October 27, 2009 8:22 AM
To: Torres, John A.; Webb, J. Dewey; Newell, William D.; Golson Sr., Michael A.; Champion, Robert R.
Subject: FW: Southwest Border Strategy Group Meeting
Importance: High

FYI. Not sure anyone forwarded this document to you. It is the Department's new strategy for combating Mexican drug cartels. A component of the strategy is the reduction of the flow of firearms from the U.S. to Mexico. You may want to take a look prior to our conference call. It is my belief that our enforcement strategies should be aligned with this DOJ strategy.

Thanks,

Ray

From: Kaplan, P. Sam
Sent: Monday, October 26, 2009 1:50 PM
To: Chait, Mark R.; McMahon, William G.; Kumor, Daniel J.; Stucko, Audrey M.; McDermond, James E.; O'Keefe, Kevin C.; Rowley, Raymond G.; Ford, Larry W.; Goddard, Valerie J.
Cc: Michalic, Vivian B.; Hoover, William J.
Subject: FW: Southwest Border Strategy Group Meeting

As discussed at staff. Please find attached the proposed DOJ Cartel Strategy, which will be run by the DAG's Southwest Border Strategy Group. Please let me know if you have any comments or questions.

From: Brinkley, Winnie [REDACTED] **On Behalf Of** Ogden, David W. (ODAG)
Sent: Friday, October 23, 2009 6:03 PM
To: Ruemmler, Kathryn (ODAG); Delery, Stuart F. (ODAG); Siskel, Edward N. (ODAG); Osuna, Juan (CIV); Torrez, Raul; Breuer, Lanny A. (CRM); Raman, Mythili (CRM); Melson, Kenneth E.; Kaplan, P. Sam; Hoover, William J.; Leonhart, Michele M. (DEA-US); Mueller, Robert S. III (FBI); Harrington, T. J. (FBI); Perkins, Kevin L. (FBI); Carlin, John (FBI); Clark, John (USMS) DIR; Fahey, Sean (USMS); Lappin, Harley G. (BOP); Dalius, William (BOP); Dodrill, D. Scott (BOP); Jarrett, Marshall (USAE0); Derden, Terry (USAE0); Nash, Stuart (ODAG); Burke, Dennis (USAAZ); Hewitt, Karen (USACAS); Fouratt, Greg (USANM); Johnson, Tim (USATXS) 7; Murphy, John E. (USATXW); Jones, Todd (USMS)

Cc: Blanco, Kenneth (CRM); Weinstein, Jason (CRM); Swartz, Bruce (CRM)
Subject: RE: Southwest Border Strategy Group Meeting

On behalf of DAG Ogden,

Earlier today you received notice from Ed Siskel of the inaugural meeting of the Southwest Border Strategy Group next Monday. One of the items that will be on the agenda for that meeting is discussion, and, if possible, adoption, of the Department's Strategy for Combating the Mexican Cartels. I am attaching hereto a draft copy of the strategy. It reflects a great deal of discussion with, and contributions from, many of your components over the past several months. The DAG asks that you come prepared with any specific suggestions or recommendations you may have related to this document.

And here is the document to attach:

<<cartel.strategy2.wpd>>

Winnie Brinkley

From: Brinkley, Winnie **On Behalf Of** Ogden, David W. (ODAG)

Sent: Thursday, October 22, 2009 6:32 PM

To: Ruemmler, Kathryn (ODAG); Delery, Stuart F. (ODAG); Siskel, Edward N. (ODAG); Osuna, Juan (CIV); Torrez, Raul; Breuer, Lanny A. (CRM); Raman, Mythili (CRM); Melson, Kenneth E. (ATF); Kaplan, P. Sam (ATF); Hoover, William J. (ATF); Leonhart, Michele M. (DEA-US); Mueller, Robert S. III (FBI); Harrington, T. J. (FBI); Perkins, Kevin L. (FBI); Carlin, John (FBI); Clark, John (USMS) DIR; Fahey, Sean (USMS); Lappin, Harley G. (BOP); Dalius, William (BOP); Dodrill, D. Scott (BOP); Jarrett, Marshall (USAEO); Derden, Terry (USAEO); Nash, Stuart (ODAG); Burke, Dennis (USAAZ); Hewitt, Karen (USACAS); Fouratt, Greg (USANM); Johnson, Tim (USATXS) 7; Murphy, John E. (USATXW); Jones, Todd (USMS)

Cc: Blanco, Kenneth (CRM); Weinstein, Jason (CRM); Swartz, Bruce (CRM)

Subject: Southwest Border Strategy Group Meeting

When: Monday, October 26, 2009 11:30 AM-12:30 PM (GMT-05:00) Eastern Time (US & Canada).

Where: Main RFK Bldg., Room [REDACTED]

Call in telephone #: (202) [REDACTED] and Pass Code #: [REDACTED]

Briefing materials in binder -- Tab #3.

Attendees: Kathryn Ruemmler, Stuart Delery, Ed Siskel, Juan Osuna, Raul Torrez, AAG Lanny Breuer/CRM, Mythili Raman/CRM

- Ken Melson, Director, ATF, Sam Kaplan, William Hoover
- Michelle Leonhart, Administrator, DEA
- Robert Mueller, Director, FBI, T.J. Harrington, Kevin Perkins, John Carlin
- John Clark, Director, USMS, Sean Fahey
- Harley Lappin, Director, BOP, William Dalius, Scott Dodrill attending on behalf of Mr. Lappin
- Marshall Jarrett, Director, EOUSA, Terry Derden
- Stuart Nash, Director, OCDETF
- Dennis Burke, U.S. Attorney, District of Arizona by telephone
- Karen Hewitt, U.S. Attorney, Southern District of California
- Greg Fouratt, U.S. Attorney, District of New Mexico
- Tim Johnson, U.S. Attorney, Southern District of Texas by telephone
- John Murphy, U.S. Attorney, Western District of Texas
- Todd Jones, Chair, Attorney General's Advisory Committee ("AGAC")

Exhibit 4

Exhibit 4

GEORGE THOMAS GILLETT

05/17/2011

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1 U.S. HOUSE OF REPRESENTATIVES
 2
 3 HOUSE COMMITTEE ON OVERSIGHT AND
 4 GOVERNMENT REFORM
 5

6 IN THE MATTER OF:)
)
 7 ATF'S PROJECT GUNRUNNER AND)
 OPERATION FAST AND FURIOUS.)
 8 _____)
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13 INTERVIEW OF GEORGE THOMAS GILLETT
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Phoenix, Arizona
 May 17, 2011
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1 this document attached outlined a conference call that
2 the DAG's office requested with all the agency heads,
3 Mr. Mueller from the FBI, Ms. Leonard from DEA,
4 Mr. Melson from ATF, and it scheduled a conference call
5 to discuss the specifics.

6 Q. And was that part of the overall Project
7 Gunrunner?

8 A. ATF's Project Gunrunner was directly affected by
9 that proposed strategy, yes, sir.

10 Q. Do you know if the U.S. Attorney's Office,
11 District of Arizona, was involved in that communication?

12 A. Yes, sir. Also requested to be included in that
13 conference call was Mr. Burke, B-u-r-k-e, who was the
14 U.S. Attorney for the District of Arizona.

15 Q. Was it your understanding that at that time DOJ
16 was looking to ATF to focus on cartels and more of an
17 organized crime level rather than straw purchasers?

18 A. Yes, sir. The content of that plan specifically
19 addressed wanting ATF not to focus on straw purchasers,
20 but to focus on cartels and larger complex conspiracy
21 type investigations.

22 Q. How did that initiative trickle down to the
23 agents in the Phoenix field office?

24 A. Well, to kind of paint the picture, there was
25 the IG reports that addressed the ineffective nature of

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1 straw purchasers. The drug enforcement for the office
2 here in Phoenix was looking to stand up an organized
3 crime drug enforcement task force strike force, OCDETF.
4 And the special agent in charge of the DEA office was
5 asking for ATF's participation in this joint
6 multi-agency strike force.

7 ATF here was not able to get any straw purchase
8 prosecutions at the time because of an interpretation of
9 the law by the U.S. Attorney's Office here in the
10 District of Arizona. So this strategy in October 2009
11 handed down by the DAG's office, actually from the
12 Phoenix perspective, was well timed and provided us with
13 direction on how to proceed in these types of firearms
14 trafficking investigations.

15 Q. And how long were you in Phoenix at this time as
16 of October '09 as the ASAC?

17 A. I arrived in early June of '08, so that would
18 have been approximately 16 months.

19 Q. And was it your experience that the prosecution
20 of straw purchasers was a challenge?

21 A. In the best terms. And the U.S. Attorney's
22 Office had issue with, in their opinion, in prosecuting
23 straw purchasers. It was the U.S. Attorney's Office's
24 position that they needed the guns for prosecutions in
25 the courtroom. And because the guns, a majority of the

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1 time, had been recovered in Mexico, the U.S. Attorney's
2 Office felt they couldn't prosecute the straw
3 purchasers, and referred to it as a corpus issue with
4 regard to the statute, the federal statute. So there
5 were virtually no straw purchase prosecutions.

6 Q. Was there any organized communication between
7 the U.S. Attorney's Office and ATF's Phoenix field
8 office about this problem or question?

9 A. Yes, sir, there was. In fact, there was a
10 number of meetings held between ASAC Needles
11 N-e-e-d-l-e-s, ATF's counsel in Phoenix, Tom Karmgard,
12 K-a-r-m-g-a-r-d, and the leadership at the
13 U.S. Attorney's Office here in Phoenix.

14 Q. Was Mr. Newell involved in those conversations?

15 A. I believe he was, yes, sir.

16 Q. But you were not?

17 A. I don't recall being involved in those meetings
18 specifically at the time. Until October 1st, the only
19 enforcement group that I oversaw in Phoenix was the
20 intelligence group, which was not involved in
21 prosecutions. So I covered the enforcement groups in
22 the southern half of Arizona, in Tucson, as well as the
23 southern half of New Mexico.

24 Q. I see. Until you learned about this meeting
25 from Mr. Needles or from Mr. Newell?

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1 A. We would have meetings, we being Mr. Needles,
2 Mr. Newell and I, regularly regard to this issue, as
3 well as Mr. Karmgard, and we disagreed with the position
4 of the U.S. Attorney's Office. But it was something
5 that Mr. Newell and Mr. Burke were working out, as well
6 as Mr. Needles and Mr. Karmgard.

7 Q. And on Mr. Burke's side, who else was involved
8 in those discussions, to your knowledge? Was Emory
9 Hurley, for example? We understand he is the AUSA that
10 has responsibility for firearms.

11 A. I believe Mr. Hurley was involved, yes. I am
12 not sure Mr. Cunningham was involved at that point. I
13 really don't recall who from their office was
14 specifically involved.

15 Q. Do you know if this dialogue with the
16 U.S. Attorney's Office led to a different approach in
17 the ATF Phoenix field office?

18 A. Yes, sir, it did. ATF was making some efforts
19 to have ATF special agents travel into Mexico or ATF
20 assistant attachés in Mexico to travel to scenes, crime
21 scenes where firearms were recovered, examine the
22 firearms, and place themselves in a position to travel
23 to Arizona to testify in the straw purchase cases.

24 That was difficult at best coordinating with the
25 government of Mexico. The system, the judicial system

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1 in Mexico is different than the United States. The
2 military is involved in seizing firearms. And the
3 firearms are almost immediately removed to military
4 bases. So actually getting to scenes and examining
5 firearms, or getting onto military installations in
6 Mexico was very, very tedious, and a delicate situation.

7 Q. So the strategy for the ATF agents here in
8 Phoenix then changed at some point after those
9 discussions with the U.S. Attorney's Office?

10 A. Yes, sir. And with all these issues coming to a
11 head, the reports and the strategy from Justice, ATF --

12 Q. And the corpus issue?

13 A. -- the corpus issue, the lack of prosecutions,
14 the straw purchasers, the focus here in Phoenix as well
15 as across the country as far as I am concerned became to
16 look at these cartels as a conspiracy, and trying to go
17 after the shot callers, if you will, within the cartel,
18 the upper echelon, instead of going after the straw
19 purchasers.

20 Q. As I understand it, in the latter half of '09,
21 some of the special agents in your office, such as Hope
22 MacAllister, began collecting information from some of
23 the area FFLs about suspected large bulk purchases from
24 suspicious persons.

25 A. Yes, sir. On October 1st of 2009, ATF

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1 So the other thing that I guess I will say with
2 regard to October is I transitioned the oversight as the
3 ASAC of this investigation to ASAC Needles in mid April.
4 So as far as the developments between then and October,
5 I believe I was just forwarded this briefing paper,
6 because Mr. Needles was unavailable at that time.

7 Q. So you don't know whether there was a change in
8 strategy to not necessarily slow down the firearms, like
9 the strategy appeared to be in January?

10 A. In October I am not sure if there was, but I am
11 not aware that the strategy ever changed significantly
12 at any point during the investigation.

13 Q. Do you know if the attempt to slow the purchases
14 of guns worked?

15 A. I believe it worked, yes, sir.

16 Q. So the strategies that were put in place in
17 January or at least referenced in the OCDETF paper, you
18 think they were successful?

19 A. Yes, sir, because [REDACTED], the owner of [REDACTED],
20 would tell these straw purchasers when the straw
21 purchasers would call the store that his shipment wasn't
22 coming in for days ahead of time, when in fact he would
23 have them in his store. So he would keep the straw
24 purchasers on the hook and say it will just be a couple
25 more days, I expect them tomorrow. That next day would

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1 A. Okay. But if he called up in the end of
2 April he didn't speak to me, because I was off from
3 April 16th. So after April 16th -- from April 16th
4 until June 2nd I was out of the office. And after that
5 I no longer had oversight of the investigation. So if
6 Mr. Gil stated that he called the end of April and spoke
7 to me and expressed concerns, that would be inaccurate,
8 because I wasn't in the office.

9 Q. Fair enough. I was representing to you it is my
10 recollection he said it was March or April.

11 A. Okay.

12 Q. So... But do you remember generally any other
13 issues being raised by the ATF folks in Mexico?

14 A. I don't. Like I said, the Mexico folks
15 generally weren't coming to talk to me. They were
16 talking to Mr. Newell.

17 Q. Okay. If you flip over to tab 20.

18 A. Yes, sir, I have it in front of me.

19 Q. It is an e-mail between Dave Voth and Brian
20 Kenrick, who was an ATF lawyer in Rockford, Illinois.

21 A. Right, yes, sir.

22 Q. As I understand the process for going up on a
23 wire, correct me if I am wrong, but ATF is going to go
24 up on a wire, a case agent would work with the
25 U.S. Attorney to put together the application?

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Exhibit 5

Exhibit 5

ATF Division Counsel Notes Relating to "Corpus Delicti" Issue in Straw Purchaser Case

In furtherance of ATF's primary investigative authority and the Southwest Border Initiative, ATF agents spend a very significant number of hours – and often place themselves in dangerous circumstances – investigating alleged straw transactions as part of firearms trafficking cases. In recent years, few of these investigations have resulted in Federal prosecutions in the District of Arizona. It is our desire to work with your office to adjust the scope of our investigations and/or our investigative procedures to provide straw purchaser cases that fall within the prosecution guidelines of your office. I am told that one common reason for declinations of straw purchaser cases has been the failure to recover the firearms which results in a lack of *corpus delicti*. None of the agents with whom I discussed this issue was able to produce a copy of the U.S. Attorney's *corpus delicti* policy or written explanation of this issue. I have, therefore, undertaken herein to informally review with you the issue of *corpus delicti* with a focus on straw purchaser and other firearm cases.

The term "*corpus delicti*" means "body of the crime" and has come to be associated with the judicial requirement that there be independent corroboration of any confession or admission. Historically, this was done to prevent convictions based on false confessions where there was in fact no crime committed or the defendant was not the perpetrator of the crime. Warszower v. United States, 312 U.S. 342, 345 (1941). Recently, with respect to ATF investigations in the District of Arizona, the "*corpus delicti*" issue has often arisen with respect to the recommended prosecution of straw purchasers where the purchased firearms have not been recovered or cannot be obtained from Mexican authorities who recovered the firearms south of the border – often in the possession of drug cartels or at the scene of violent crimes involving drug cartels.

Corpus Delicti Decisions

In 1954, the U.S. Supreme Court held that a defendant's confession must be supported by corroborating evidence in order to serve as the basis for a conviction – specifically, the prosecution must introduce independent evidence "tending to establish the trustworthiness of [a] statement" before the confession may be used as evidence of an element of the offense. Opper v. United States, 348 U.S. 84, 93 (1954). The Opper decision also established the amount of evidence necessary to corroborate the confession, i.e., "it is sufficient if the corroboration supports the essential facts admitted sufficiently to justify a jury inference of the truth."

The leading Ninth Circuit case on the *corpus delicti* issue is United States v. Lopez-Alvarez, 970 F.2d 583 (9th Cir. 1992). In that case, the Ninth Circuit articulated a two-part test to determine whether a confession has been sufficiently corroborated:

- Government must introduce sufficient evidence to establish that the criminal conduct at the core of the offense has occurred; and

- Government must introduce independent evidence tending to establish the trustworthiness of the admissions – unless the confession is, by virtue of special circumstances, inherently reliable.

The Court went on to say that the Government “no longer need introduce independent, tangible evidence supporting every element of the *corpus delicti*. Instead, the [Government] is required to support independently only the gravamen of the offense – the existence of the injury that forms the core of the offense and a link to a criminal actor – with tangible evidence.” *Id* at 591.

The Lopez-Alvarez case has been cited in numerous Ninth Circuit decisions as the seminal case relating to the *corpus delicti* issue. *See*, for example:

- Published decisions: United States v. Delgado, 545 F.3d 1195 (9th Cir. 2008); United States v. Norris, 428 F.3d 907 (9th Cir. 2005); and
- Unpublished opinions: United States v. Hernandez-Miranda, 202 Fed. Appx. 962, 2006 U.S. App. LEXIS 26466 (9th Cir. 2006); United States v. Armstrong, 166 Fed. Appx 949, 2006 U.S. App. LEXIS 3714 (9th Cir. Ariz. 2006); United States v. Southwell, 2005 U.S. App. LEXIS 29037 (9th Cir. Wash. Dec. 30, 2005) (Finding that the amount of evidence that must corroborate a confession is very low.)

In United States v. Lee, 315 F.Supp.2d 1038 (D. Ariz. 2003), the only published Arizona District Court opinion relating to the *corpus delicti* issue, the District Court – citing the Opper and Lopez-Alvarez decisions – held that circumstantial evidence of corroboration is sufficient if the corroboration supports the essential facts admitted to justify a jury inference of their truth.

Straw Purchasers

A straw purchaser may be prosecuted for making a false statement on the Form 4473 under either 18 U.S.C. § 922(a)(6) or 18 U.S.C. § 924(a)(1)(A). A transaction involving the purchase of a firearm by a straw purchaser on behalf of a prohibited or otherwise ineligible person may be prosecuted under § 922(a)(6) or § 924(a)(1)(A). If the actual purchaser is NOT prohibited or ineligible, the case should be charged under § 924(a)(1)(A). The reason is that § 922(a)(6) requires that the false statement must be material to the lawfulness of the sale of the firearm. *See United States v. Polk*, 118 F.3d 286 (5th Cir. 1997).

Many straw purchasers will confess to the offense when questioned by ATF agents. Sometimes the purchased firearms are recovered and will be available for trial, but more commonly the firearms are never recovered or are in the hands of Mexican authorities who decline to release the subject firearms. In order to prosecute the straw purchasers, under Lopez-Alvarez, ATF will need to provide corroboration to support the confession, i.e., the injury that forms the core of the offense and a link to a criminal actor.

So, under Lopez-Alvarez, what evidence will ATF need to provide to meet the corroboration requirement? It appears to me that the “core” injury and the link to the defendant would necessitate evidence of the following:

- The defendant made a written statement on the Form 4473 that he/she was the actual purchaser of the firearm(s);
- The defendant knew that the statement was false;

Corroboration of the defendant's execution of the Form 4473 can be proved by security cameras, handwriting on the Forms 4473 and/or eye-witness testimony. Corroboration of the fact that the item involved in the transaction was in fact a firearm may be proved through the security or undercover camera, transferee's commercial records, Form 4473, transferee's acquisition and disposition book, testimony of the transferee or expert testimony, and (if possible) the recovered firearm or photographs of the firearm in conjunction with the testimony of the ATF agent who has viewed and photograph the firearm in the custody of the Mexican officials.

Corroboration that the defendant lied when indicating that he/she was the actual purchaser of the firearm may be shown by security/undercover cameras and/or witness testimony showing the straw purchaser selecting the firearm, providing the purchase money, or receiving the firearm, evidence that the straw purchaser no longer has possession of the firearms, expert testimony of ATF agents that private individuals do not purchase multiples of the same firearm and/or that the firearms purchased are "weapons of choice" for the drug cartels, that the straw purchaser was financially incapable of providing the funds to purchase multiple firearms (often unemployed or under-employed individuals spending \$10,000 or more on the firearms), that the firearms were recovered in the possession of other individuals or by American/Mexican authorities, etc.

Firearms Need Not be Recovered or Produced At Trial to Prosecute

In an unpublished opinion, the Sixth Circuit affirmed convictions for conspiracy to straw purchase under 18 U.S.C §§ 922(a)(6) and possession of a firearm by a convicted felon where the firearms were not recovered or presented at trial and the jury relied on eye-witness testimony. United States v. Coleman, 178 F.3d 1296, 1999 U.S. App. LEXIS 19340 (6th Cir. 1999).

The Ninth Circuit, in an unpublished opinion, held that when a firearm is not recovered, a convicted felon's purchase and possession of a firearm may be proved by introduction of the Form 4473 and sales slip. United States v. Burke, 1992 U.S. App. LEXIS 25622 (9th Cir. 1992).

Numerous published opinions have held that the firearm need not be recovered or produced at trial – eyewitness testimony concerning the firearm is sufficient. United States v. Harris, 792 F.2d 866 (9th Cir. 1986) (armed bank robbery); Parker v. United States, 801 F.2d 1382 (D.C. Cir. 1986) (924(c)); United States v. Buggs, 904 F.2d 1070 (7th Cir. 1990) (possession of a firearm by a convicted felon and 924(c)); United States v. Castillo, 924 F.2d 1227 (2nd Cir. 1991) (924(c)); United States v. Jones, 16 F.3d 487 (2nd Cir. 1994) (possession of a firearm by a convicted felon); United States v. Brewer, 36 F.3d 266 (2nd Cir. 1994) (armed bank robbery and 924(c)); United States v. Anderson, 78 F.3d 420 (8th Cir. 1996) (possession of a firearms by a convicted felon); United States v. Beverly, 99 F.3d 570 (3rd Cir. 1996) (robbery of a postal employee and 924(c)); United States v. Hunt, 187 F.3d 1269 (11th Cir. 1999) (bank robbery and 924(c)); and United States v. Garcia-Hernandez, 530 F.3d 657 (8th Cir. 2008) (conspiracy to distribute methamphetamine and 924(c)).

Use of Photographs of Firearms Recovered in Mexico

Apparently, there has been some reluctance to use photographs taken by ATF agents of firearms recovered in Mexico and in the custody of Mexican authorities. Pursuant to Federal Rules of Evidence, Rule 901(b)(1), the witness identifying the item in a photograph (firearm) need only establish that the photograph is an accurate portrayal of the item in question. Guarni v. Ojeda, 758 F.2d 403, 408 (9th Cir. 1985). Should there be a further concern that the evidence contained in the photograph relating to the manufacturer, serial number, etc. does not meet the "best evidence rule", it should be noted that Federal Rules of Evidence, Rule 1004 permits the use of a photograph in lieu of the original "writing" if the original cannot be obtained by judicial process or procedure – as would be the case where Mexican officials refuse to release the firearm to ATF.

Please let me know if you would like to expound on any portion of these notes or if you would like to discuss. As indicated above, it is my understanding that the "corpus delicti" issue is based on policy – but I have not been able to obtain a copy of the policy. I would request a copy of the written policy on this matter. If no written policy exists, a brief summary of the policy would be most helpful to further discussions of this matter.

Thomas E. Karmgard
ATF Division Counsel (Phoenix)
(602) [REDACTED]
February 24, 2010

Exhibit 6

Exhibit 6

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SEALED

UNITED STATES DISTRICT COURT
DISTRICT OF ARIZONA

United States of America,

Plaintiff,

v.

1. Jaime Avila, Jr.,
(Counts 1, 2, 7-9)
2. Hector Rolando Carlon,
(Counts 1, 2)
3. Julio Jose Carrillo,
(Counts 1, 2, 10, 42, 43,)
4. Alfredo Celis,
(Counts 1, 2, 11, 12, 42, 52)
5. Manuel Fabian Celis-Acosta,
(Counts 1-42)
6. Jacob Wayne Chambers,
(Counts 1, 2, 13, 14)
7. Erick Avila Davila,
(Counts 1, 2, 15, 16)
8. Jonathan Earvin Fernandez,
(Counts 1, 2, 17,18)
9. Dejan Hercegovac
(Counts 1, 2, 19)
10. Kristi Gail Ireland,
(Counts 1, 2, 42, 46)

CR 11-126 PHX JAT(LOA)

INDICTMENT

VIO: 18 U.S.C. § 371
(Conspiracy)
Count 1

18 U.S.C. § 922(a)(1)(A)
(Dealing in Firearms Without a
License)
Count 2

21 U.S.C. §846
(Conspiracy to Possess Controlled
Substance with Intent to
Distribute)
Count 3

21 U.S.C. §§841(a)(1) &
841(b)(1)(D)
(Possession with Intent to
Distribute Marijuana, a Controlled
Substance)
Count 4

21 U.S.C. §§841(a)(1) &
841(b)(1)(B)(vii)
(Possession with Intent to
Distribute Marijuana, a Controlled
Substance)
Count 5

- | | |
|--|--|
| <p>11. Juan Jose Martinez-Gonzalez,
(Counts 1, 2)</p> <p>12. Jacob Anthony Montelongo,
(Counts 1, 2, 20, 21, 42, 44)</p> <p>13. Joshua David Moore,
(Counts 1, 2, 22, 23, 42, 45)</p> <p>14. Danny Cruz Morones,
(Counts 1, 2, 24, 25)</p> <p>15. Uriel Patino,
(Counts 1-6, 26-35, 42, 46-48, 50, 53)</p> <p>16. Jose Angel Polanco
(Counts 1, 2, 41)</p> <p>17. Francisco Javier Ponce,
(Counts 1, 2, 33, 34,)</p> <p>18. John William Rowland,
(Counts 3&4)</p> <p>19. Sean Christopher Steward,
(Counts 1, 2, 36-40, 42, 49, 51)</p> <p>20. Kenneth James Thompson,
(Counts 1, 2)</p> <p style="text-align: center;">Defendants.</p> | <p>18 U.S.C. §924(o)
(Conspiracy to Possess a Firearm
in Furtherance of a Drug
Trafficking Offense)
Count 6</p> <p>18 U.S.C. § 924(a)(1)(A)
(False Statements in Connection
With the Acquisition of Firearms)
Count 7 through 41</p> <p>18 U.S.C. § 1956(h)
Conspiracy to Commit Money
Laundering
Count 42</p> <p>18 U.S.C. § 1956(a)(1)(B)(i)
Money Laundering
Counts 43 through 53</p> <p>18 U.S.C. § 2
(Aid and Abet)
Counts 2, 4, 5, 7-41, 43-53</p> <p>18 U.S.C. §924(d)
21 U.S.C. §853
28 U.S.C. §2461
18 U.S.C. §982(a)(1)
(Forfeiture Allegations)</p> |
|--|--|

THE GRAND JURY CHARGES:**INTRODUCTION**

1. Drug Trafficking Organizations rely upon the use of firearms to protect their supply of drugs, supply routes, profits, and distribution territory from both law enforcement agents and threats from competing Drug Trafficking Organizations.

2. Drug Trafficking Organizations operating in Mexico represent a ready market for firearms from the United States. These Drug Trafficking Organizations prefer certain makes, models, and caliber of firearms. These "weapons of choice" are generally semi-automatic versions of military type rifles and pistols. These include the AR-15/M-16 type rifles, AK-47

1 type rifles, AK-47 type pistols (resembling AK-47 type rifles with shorter barrels and without
2 a rear stock), 9mm pistols, 5.7mm pistols, Colt .38 Super Automatic (".38 Super") caliber
3 pistols, as well as heavy .50 caliber belt-fed rifles, and .50 caliber sniper rifles.

4 3. These firearms are not available in Mexico through regular commercial retail
5 channels, but are available in the United States through licensed retail gun shops. Firearms dealt
6 illegally by firearms traffickers are commonly purchased from licensed retail gun shops.

7 4. When a firearm purchaser buys a firearm from a Federal Firearms Licensee (FFL), a
8 business licensed under Chapter 44 of Title 18, United States Code to engage in the business of
9 dealing in firearms, that buyer must fill out Bureau of Alcohol, Tobacco, Firearms, and
10 Explosives (ATF) Form 4473, Firearms Transaction Record, listing the buyer's true name,
11 current residential address, and other identifying information. The information on the Form
12 4473 makes it possible to trace a firearm back to its retail purchaser. Federal Firearms Licensees
13 are required by Chapter 44 of Title 18, United State Code, to maintain these forms in their
14 records.

15 5. In addition, Form 4473 asks the purchaser: "Are you the actual transferee/buyer of the
16 firearm(s) listed on this form? Warning: You are not the actual buyer if you are acquiring the
17 firearm(s) on behalf of another person. If you are not the actual buyer, the dealer cannot transfer
18 the firearm(s) to you. . ."

19 6. Firearms traffickers often employ a number of "straw purchasers" to buy firearms
20 from licensed gun dealers. These "straw purchasers" falsely claim on the 4473 that they are
21 buying the firearm(s) for themselves, when in fact they are purchasing on behalf of another.

22 7. Firearms traffickers commonly acquire firearms through "straw purchasers" to avoid
23 firearms being traceable back to the firearms trafficker himself. Firearms purchased in
24 furtherance of a firearms trafficking conspiracy are usually purchased in cash to further conceal
25 the true buyer and source of funds.

1 8. Firearms traffickers commonly employ multiple straw purchasers to supply them with
2 their firearms, ensuring that they have more than one source of firearms for distribution to their
3 buyers.

4 9. Only licensed firearms importers, manufacturers, or dealers may engage in the
5 business of dealing in firearms or in the course of such business may ship or transport firearms
6 in interstate or foreign commerce.

7 10. At all times relevant to this indictment, JAIME AVILA, JR., JULIO CARRILLO,
8 HECTOR ROLANDO CARLON, ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, JACOB
9 WAYNE CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN FERNANDEZ, DEJAN
10 HERCEGOVAC, KRISTI GAIL IRELAND, JUAN JOSE MARTINEZ-GONZALEZ, JACOB
11 ANTHONY MONTELONGO, JOSHUA DAVID MOORE, DANNY CRUZ MORONES, URIEL
12 PATINO, JOSE ANGEL POLANCO, FRANCISCO JAVIER PONCE, JOHN WILLIAM ROWLAND,
13 SEAN CHRISTOPHER STEWARD, and KENNETH JAMES THOMPSON are not and have never
14 been licensed under the provisions of Chapter 44 of Title 18 as firearms importers,
15 manufacturers, and dealers.

16 11. At all times relevant to this indictment, American Gunshop, Inc.; Bear Arms; Gunnet;
17 Lone Wolf Trading Company; J&G Sales; Olsen Firearms, LLC; and Scottsdale Gun Club were
18 and are each a Federal Firearms Licensee (FFL), a business licensed under the provisions of
19 Chapter 44 of Title 18, United States Code to deal in firearms.

20 **COUNT 1**

21 **CONSPIRACY**

22 (18 U.S.C. §371)

23 12. Beginning on or about September of 2009, and continuing through on or about December,
24 2010, in the District of Arizona and elsewhere, defendants JAIME AVILA, JR., JULIO CARRILLO,
25 HECTOR CARLON, ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, JACOB WAYNE
26 CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN FERNANDEZ, DEJAN
27

1 HERCEGOVAC, KRISTI GAIL IRELAND, JUAN MARTINEZ-GONZALEZ, JACOB
2 MONTELONGO, JOSHUA DAVID MOORE, DANNY MORONES, URIEL PATINO, JOSE ANGEL
3 POLANCO, FRANCISCO JAVIER PONCE, SEAN CHRISTOPHER STEWARD, and KENNETH
4 THOMPSON, did willfully, knowingly and unlawfully combine, conspire, confederate and agree
5 together and with each other and with others known and unknown to the grand jury, to commit
6 the following offenses against the United States:

7 (1) Title 18, United States Code, Section 922(a)(1)(A) (Dealing in Firearms Without a
8 License);

9 (2) Title 18, United States Code, Section 924(a)(1)(A) (Making False Statements in
10 Connection with the Acquisition of a Firearm)

11 (3) Title 18, United States Code, Section 554 (Smuggling Goods from the United States);
12

13 **MEANS AND METHODS OF THE CONSPIRACY**

14 13. The means and methods employed by defendants to effect the object of the conspiracy
15 were as follows:

16 14. Between September of 2009 and December of 2010, defendants willfully engaged in
17 the business of dealing in firearms even though none of the defendants were a licensed firearms
18 importer, manufacturer, and dealer, under the provisions of Title 18, United States Code,
19 Section 923, and in the course of such business did ship and transport firearms in interstate and
20 foreign commerce.

21 15. Between September of 2009 and through December of 2010, defendants fraudulently
22 and knowingly exported and sent firearms from the United States to Mexico contrary to the laws
23 and regulations of the United States.

24 16. Between September of 2009 and through December of 2010, defendants fraudulently
25 and knowingly received, concealed, bought, sold, and facilitated the transportation, concealment,
26 and sale of firearms prior to exportation, knowing the firearms were intended for exportation
27

1 contrary to the laws and regulations of the United States.

2 17. As part of the conspiracy the defendants acquired the firearms by purchasing them in
3 the District of Arizona from Federal Firearms Licensees (FFLs), licensed under the provisions
4 of Chapter 44 of Title 18, and operating as licensed gun shops.

5 18. As part of the conspiracy, and in the course of purchasing firearms in the District of
6 Arizona, defendants knowingly made false statements and representations with respect to
7 information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept
8 in the records of a business licensed under the provisions of Chapter 44 of Title 18, United States
9 Code, in that defendants executed ATF Forms 4473, Firearms Transaction Records, representing
10 that the defendant executing each form was the actual purchaser of the firearm(s) when in fact
11 they were buying the firearm(s) for others.

12 19. As part of the conspiracy, defendants purchased the firearms with money derived from
13 the illegal distribution of controlled substances.

14 20. As part of the conspiracy, after firearms were purchased from FFLs, they were
15 transferred to other members of the conspiracy both known and unknown to the grand jury to
16 be stored, sold, transported.

17 21. As part of the conspiracy, defendants acquired and dealt in the types of firearms for
18 which there was a ready market among the drug trafficking organizations in Mexico and the
19 United States.

20 22. As part of the conspiracy, the firearms were sold and transferred to others known and
21 unknown to the grand jury who were engaged in drug trafficking and possessed in furtherance
22 of drug trafficking.

23 23. As part of the conspiracy, members of the conspiracy both known and unknown to the
24 grand jury shipped, transported, and exported firearms from the United States to Mexico.

OVERT ACTS

24. As part, and in furtherance of the conspiracy, overt acts were committed in the District of Arizona including, but not limited to, the following:

25. On or about January 16, 2010, JAIME AVILA, Jr. purchased three AK-47 type firearms from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

26. On or about April 24, 2010, JAIME AVILA Jr. purchased two Draco AK-47 type pistols from FFL Gunnet, Peoria, Arizona, and during the course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

27. On or about June 15, 2010, JAIME AVILA Jr. purchased one Barrett .50 caliber rifle from FFL Scottsdale Gun Club, Scottsdale, Arizona, and during the course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearm.

28. On or about November 19, 2009, prior to being pulled over by police, HECTOR ROLANDO CARLON attempted to dispose of an FN Herstal 5.7mm pistol purchased on November 17, 2009, by JOSE ANGEL POLANCO.

29. On or about June 15, 2010, HECTOR ROLANDO CARLON sent a .50 caliber belt-fed rifle to manufacturer TNW for repair, which rifle had been purchased on June 7, 2010, by another. On or about August 3, 2010, HECTOR ROLANDO CARLON attempted to re-acquire this .50 caliber rifle in furtherance of the conspiracy.

30. On or about March 23, 2010, JULIO CARRILLO purchased 10 AK-47 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

31. On or about November 12, 2009, ALFREDO CELIS purchased ten AK-47 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

1 Within a month of their purchase four of these firearms were found in Mexico.

2 32. On or about January 20, 2010, ALFREDO CELIS purchased ten AK-47 type rifles
3 from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
4 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

5 33. On or about June 24, 2010, through on or about June 29, 2010, ALFREDO CELIS
6 purchased 30 AK-47 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and
7 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
8 purchaser of the firearms.

9 34. On or about June 30, 2010, ALFREDO CELIS purchased 20 AK-47 type rifles from
10 FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase
11 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

12 35. On or about July 2, 2010, in a telephone conversation with ALFREDO CELIS,
13 MANUEL FABIAN CELIS-ACOSTA directed ALFREDO CELIS to take steps to recover
14 twenty AK-47 type rifles taken by police on or about June 30, 2010.

15 36. On December 8, 2009, a male caller using a telephone number utilized by MANUEL
16 FABIAN CELIS-ACOSTA called FFL Lone Wolf Trading Company, Glendale, Arizona, to
17 inquire as to the number of AK-47 type rifles in stock. Forty-five minutes after this call, on the
18 morning of December 8, 2009, SEAN CHRISTOPHER STEWARD arrived at Lone Wolf and
19 purchased twenty AK-47 type rifles which he transported to an auto auction business in Phoenix,
20 Arizona, and loaded into another vehicle or vehicles.

21 37. On the evening of December 8, 2009, SEAN CHRISTOPHER STEWARD returned
22 to Lone Wolf Trading Company and purchased an additional twenty AK-47 type rifles. SEAN
23 CHRISTOPHER STEWARD loaded the rifles into a white Nissan Titan in which MANUEL
24 FABIAN CELIS-ACOSTA was a passenger. This vehicle was driven to CELIS ACOSTA's
25 residence where the rifles were unloaded.

1 38. On or about December 11, 2009, MANUEL FABIAN CELIS-ACOSTA made several
2 telephone calls to direct JACOB WAYNE CHAMBERS' delivery of ten AK-47 type rifles,
3 purchased by CHAMBERS, to another.

4 39. On or about May 20, 2010, MANUEL FABIAN CELIS-ACOSTA directed URIEL
5 PATINO to purchase three FN Herstal 5.7mm pistols for another person and made arrangements
6 to meet with URIEL PATINO to give him money to pay for the purchase.

7 40. On or about May 20, 2010, URIEL PATINO purchased three FN Herstal 5.7mm pistols
8 from FFL Lone Wolf Trading Company.

9 41. On or about July 19, 2010, CELIS ACOSTA loaded approximately 48 pounds of
10 marijuana into a car driven by JOHN WILLIAM ROWLAND.

11 42. On or about October 13, 2009, JACOB WAYNE CHAMBERS purchased three AK-47
12 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of
13 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
14 firearms.

15 43. On or about October 26, 2009, JACOB WAYNE CHAMBERS purchased three AK-47
16 type firearms from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course
17 of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
18 firearms.

19 44. On or about December 11, 2009, JACOB WAYNE CHAMBERS purchased ten AK-47
20 type rifles at FFL Lone Wolf Trading Company, Glendale, Arizona, on behalf of MANUEL
21 FABIAN CELIS-ACOSTA, and during the course of such purchase falsely represented on ATF
22 Form 4473 that he was the actual purchaser of the firearms.

23 45. On or about December 11, 2009, MANUEL FABIAN CELIS-ACOSTA made several
24 phone calls to direct JACOB WAYNE CHAMBERS delivery of AK-47 type rifles to another
25 member of the conspiracy.

1 46. On or about December 11, 2009, at the direction of MANUEL FABIAN CELIS-
2 ACOSTA, JACOB WAYNE CHAMBERS delivered the AK-47 type rifles to another.

3 47. On or about June 12, 2010, ERICK AVILA DAVILA purchased five Ruger 9mm
4 pistols from Lone Wolf Trading Company, and during the course of such purchase falsely
5 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

6 48. On or about July 7, 2010, ERICK AVILA DAVILA purchased one Barrett .50 caliber
7 rifle from FFL Olsen Firearms, LLC, Scottsdale, Arizona, and during the course of such purchase
8 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

9 49. On July 13, 2010, ERICK AVILA DAVILA purchased one TNW .50 caliber belt-fed
10 rifle from manufacturer TNW Firearms, Inc., through Scottsdale Gun Club, Scottsdale, Arizona,
11 and during the course of such purchase falsely represented on ATF Form 4473 that he was the
12 actual purchaser of the firearm.

13 50. On or about August 10, 2010, JONATHAN EARVIN FERNANDEZ purchased ten
14 AK-47 type rifles from Lone Wolf Trading Company, and during the course of such purchase
15 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

16 51. On or about August 19, 2010, JONATHAN EARVIN FERNANDEZ purchased nine
17 AK-47 type rifles from Lone Wolf Trading Company, and during the course of such purchase
18 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms. After
19 purchasing the firearms, FERNANDEZ and DANNY CRUZ MORONES, riding with
20 FERNANDEZ, attempted to evade agents and officers conducting surveillance.

21 52. On or about November 25, 2009, DEJAN HERCEGOVAC acquired twenty-six AK-47
22 type rifles in a series of transactions from FFL Lone Wolf Trading Company, Glendale, Arizona,
23 and during the course of such transactions falsely represented on ATF Form 4473 that he was the
24 actual purchaser of the firearms. In the course of these transactions DEJAN HERCEGOVAC
25 returned several of these rifles in exchange for others with a different type of folding stock. In
26
27
28

1 the course of these transactions, DEJAN HERCEGOVAC returned for exchange an AK-47 type
2 rifle purchased the day before, on November 24, 2009, by URIEL PATINO.

3 53. On November 25, 2009, DEJAN HERCEGOVAC delivered rifles he had purchased
4 to the residence of MANUEL FABIAN CELIS-ACOSTA and to the auto shop at 3501 West
5 Lincoln Avenue, Phoenix, Arizona.

6 54. On or about April 14, 2010, KRISTI GAIL IRELAND paid approximately \$18,000 in
7 United States Currency to Lone Wolf Trading Company as a down payment for the purchase of
8 three Barrett .50 rifles. URIEL PATINO retrieved the money for the down payment out of
9 KRISTI GAIL IRELAND's purse to pay for the rifles.

10 55. On or before November 24, 2009, JUAN JOSE MARTINEZ-GONZALEZ and URIEL
11 PATINO introduced JAIME AVILA Jr. into the conspiracy to purchase firearms.

12 56. On or about November 24, 2009, PATINO accompanied JAIME AVILA Jr. into Lone
13 Wolf Trading Company while AVILA Jr. purchased firearms for the conspiracy.

14 57. On or about July 13, 2010, JUAN JOSE MARTINEZ-GONZALEZ possessed sixty-
15 two firearms purchased by ERICK AVILA DAVILA, and others at the auto body shop at 3501
16 W. Lincoln, Phoenix, Arizona.

17 58. On or about March 23, 2010, JACOB ANTHONY MONTELONGO purchased ten
18 AK-47 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the
19 course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser
20 of the firearms.

21 59. On June 11, 2010, JACOB ANTHONY MONTELONGO purchased one Ruger 9mm
22 pistol and one Taurus 9mm pistol at FFL Lone Wolf Trading Company, Glendale, Arizona, and
23 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
24 purchaser of the firearms.

25 60. On October 31, 2009, JOSHUA DAVID MOORE purchased six AK-47 type rifles
26 from FFL J&G Sales, Prescott, Arizona, and during the course of such purchase falsely
27

1 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

2 61. On November 3, 2009, MOORE purchased two AK-47 type rifles from Lone Wolf
3 Trading Company, and during the course of such purchase falsely represented on ATF Form 4473
4 that he was the actual purchaser of the firearms.

5 62. On or about November 10, 2009, JOSHUA DAVID MOORE purchased ten AK-47
6 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of
7 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
8 firearms.

9 63. On or about November 12, 2009, JOSHUA DAVID MOORE purchased five AK-47
10 type rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of
11 such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
12 firearms.

13 64. On or about December 10, 2009, MOORE purchased 20 AK-47 type rifles at Lone
14 Wolf Trading Company, and during the course of such purchase falsely represented on ATF
15 Form 4473 that he was the actual purchaser of the firearms.

16 65. On or about March 23, 2010, JOSHUA DAVID MOORE purchased ten AK-47 type
17 rifles from Lone Wolf Trading Company, and during the course of such purchase falsely
18 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

19 66. On or about June 30, 2010, DANNY CRUZ MORONES drove ALFREDO CELIS to
20 FFL Lone Wolf Trading Company, Glendale, Arizona, where ALFREDO CELIS purchased
21 twenty AK-47 type rifles.

22 67. On or about July 2, 2010, in a telephone conversation with ALFREDO CELIS,
23 MANUEL FABIAN CELIS-ACOSTA directed ALFREDO CELIS to take steps to recover
24 twenty AK-47 type rifles seized by police on or about June 30, 2010.

25 68. On or about July 29, 2010, DANNY CRUZ MORONES purchased ten AK-47 type
26 rifles from FFL Lone Wolf Trading Company, Glendale, Arizona. On or about July 30, 2010,
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1 DANNY CRUZ MORONES purchased seven AK-47 type rifles from Lone Wolf Trading
2 Company. During the course of such purchases falsely represented on ATF Form 4473 that he
3 was the actual purchaser of the firearms.

4 69. On or about August 4, 2010, DANNY CRUZ MORONES purchased ten AK-47 type
5 rifles from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

7 70. On or about November 2, 2009, URIEL PATINO purchased four FN Herstal 5.7mm
8 pistols from FFL Scottsdale Gun Club, Scottsdale, Arizona. On or about November 23, 2009,
9 URIEL PATINO purchased one FN Herstal 5.7mm pistols from FFL Gunnet, Peoria, Arizona.
10 On or about November 27, 2009, URIEL PATINO purchased one Magnum Research Desert
11 Eagle pistol and six FN Herstal 5.7mm pistols from FFL Lone Wolf Trading Company, Glendale,
12 Arizona. On or about November 28, 2009, URIEL PATINO purchased one Magnum Research
13 Desert Eagle pistol from FFL Scottsdale Gun Club, Scottsdale, Arizona. During the course of
14 such purchases PATINO falsely represented on ATF Form 4473 that he was the actual purchaser
15 of the firearms.

16 71. On or about November 24, 2009, URIEL PATINO purchased five AK-47 type rifles
17 from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
18 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

19 72. On or about December 11, 2009, URIEL PATINO purchased twenty AK-47 type rifles
20 at FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase
21 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

22 73. On or about January 15, 2010, URIEL PATINO purchased 10 AK-47 type rifles from
23 FFL Lone Wolf Trading Company, Glendale, Arizona. On or about February 8, URIEL PATINO
24 purchased five Draco AK-47 type pistols and five AK-47 type rifles from Lone Wolf Trading
25 Company. On or about February 11, 2010, URIEL PATINO purchased three AK-47 type rifles
26 and two Draco AK-47 type pistols from Lone Wolf Trading Company. On or about February 12,

1 2010, URIEL PATINO purchased two Draco AK-47 type pistols from Lone Wolf Trading
2 Company. On or about February 13, 2010, URIEL PATINO purchases eight AK-47 type rifles
3 and two Draco AK-47 type pistols from Lone Wolf Trading Company. During the course of
4 these purchases PATINO falsely represented on ATF Form 4473 that he was the actual purchaser
5 of the firearms.

6 74. On February 20, 2010, an Isuzu Rodeo was seen on the Tohono O'odham Nation in
7 Arizona driving toward the border between the United States and Mexico. The driver abandoned
8 the vehicle but was later found by law enforcement agents. The Isuzu was loaded with forty-one
9 firearms wrapped in plastic. Thirty-seven of these firearms were AK-47 type rifles and pistols
10 purchased by URIEL PATINO between January 15, 2010, and February 13, 2010.

11 75. On or about January 30, 2010, URIEL PATINO purchased 15 AK-47 type rifles from
12 FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase
13 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

14 76. On or about March 15, 2010, URIEL PATINO purchased forty AK-47 type rifles from
15 FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase
16 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

17 77. On or about March 25, 2010, URIEL PATINO purchased twenty-six AK-47 type
18 rifles and one Colt .38 Super pistol from FFL Lone Wolf Trading Company, Glendale, Arizona,
19 and during the course of such purchase falsely represented on ATF Form 4473 that he was the
20 actual purchaser of the firearms.

21 78. On or about March 26, 2010, URIEL PATINO purchased six AK-47 type rifles and one
22 Colt .38 Super pistol from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the
23 course of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser
24 of the firearms.

25 79. On or about April 16, 2010, URIEL PATINO received three Barrett .50 caliber rifles
26 from FFL Lone Wolf Trading Company, Glendale, Arizona, that he and KRISTI GAIL
27

1 IRELAND had previously paid for on April 14, and 15, 2010. During the course of this
2 transaction, PATINO falsely represented on ATF Form 4473 that he was the actual purchaser of
3 the firearms.

4 80. On or about April 27, 2010, URIEL PATINO purchased ten FN Herstal 5.7mm pistols
5 from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

7 81. On or about May 28, 2010, URIEL PATINO received a .308 caliber rifle from FFL
8 Gunnet, Peoria, Arizona, at MANUEL FABIAN CELIS-ACOSTA's instruction, and during the
9 course of such transfer falsely represented on ATF Form 4473 that he was the actual purchaser
10 of the firearms. After receiving the rifle, URIEL PATINO spoke with MANUEL FABIAN
11 CELIS-ACOSTA by phone and MANUEL FABIAN CELIS-ACOSTA instructs URIEL
12 PATINO to deliver the rifle to MANUEL FABIAN CELIS-ACOSTA's residence.

13 82. On or about June 2, 2010, URIEL PATINO purchased ten AK-47 type rifles and one
14 Bushmaster AR-15 type rifle from FFL Lone Wolf Trading Company, Glendale, Arizona, and
15 during the course of such purchase falsely represented on ATF Form 4473 that he was the actual
16 purchaser of the firearms. On June 4, 2010, the Bushmaster rifle was found in the possession of
17 another.

18 83. On or about June 18, 2010, URIEL PATINO purchased nine FN Herstal 5.7mm pistols
19 from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
20 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

21 84. On or about June 21, 2010, URIEL PATINO purchased one Draco AK-47 type pistol
22 from FFL Bear Arms, Scottsdale, Arizona, and during the course of such purchase falsely
23 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

24 85. On or about June 22, 2010, URIEL PATINO purchased one Draco AK-47 type pistol
25 from FFL Bear Arms, Scottsdale, Arizona, and during the course of such purchase falsely
26 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

1 86. On or about July 8, 2010, URIEL PATINO purchased sixteen AK-47 type rifles from
2 FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase
3 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

4 87. On or about August 5, 2010, URIEL PATINO purchased twelve AK-47 type rifles
5 from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of such
6 purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.
7 Three days later on August 8, 2010, federal agents found all twelve of these rifles concealed in
8 a stove and a television in an attempt to smuggle them into Mexico from the United States
9 through the Lukeville, Arizona, Port of Entry.

10 88. On November 17, 2009, JOSE ANGEL POLANCO purchased one 5.7mm pistol, one
11 5.7 mm rifle, and one AK-47 type rifle from Lone Wolf Trading Company, and during the course
12 of such purchase falsely represented on ATF Form 4473 that he was the actual purchaser of the
13 firearms.

14 89. Between November 16, 2009 and November 20, 2009, JOSE ANGEL POLANCO
15 attempted to purchase firearms at the American Gunshop, Inc., in Prescott, Arizona. POLANCO
16 placed a special order for ten AK-47 type rifles from the FFL.

17 90. On or about April 30, 2010, FRANCISCO JAVIER PONCE purchased one TNW .50
18 caliber rifle from FFL Gunnet, Peoria, Arizona, and during the course of such purchase falsely
19 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

20 91. On or about July 6, 2010, MANUEL FABIAN CELIS-ACOSTA arranged the purchase
21 of firearms by URIEL PATINO for FRANCISCO JAVIER PONCE.

22 92. On or about July 6, 2010, URIEL PATINO purchased ten AK-47 type pistols from FFL
23 Lone Wolf Trading Company, Glendale, Arizona, and during the course of such purchase falsely
24 represented on ATF Form 4473 that he was the actual purchaser of the firearms. After the
25 purchase, MANUEL FABIAN CELIS-ACOSTA provided FRANCISCO JAVIER PONCE with
26 URIEL PATINO's number to facilitate the delivery of the firearms, after which FRANCISCO

1 JAVIER PONCE and URIEL PATINO meet.

2 93. On or about July 8, 2010, MANUEL FABIAN CELIS-ACOSTA and FRANCISCO
3 JAVIER PONCE spoke on the telephone and MANUEL FABIAN CELIS-ACOSTA arranged
4 an additional straw purchase for FRANCISCO JAVIER PONCE by URIEL PATINO.

5 94. On July 8, 2010, after URIEL PATINO's purchase of sixteen AK-47 type firearms
6 from Lone Wolf Trading Company, FRANCISCO JAVIER PONCE and another met with
7 URIEL PATINO and transferred firearms from URIEL PATINO's vehicle to the vehicle in which
8 FRANCISCO JAVIER PONCE was riding.

9 95. On July 19, 2010, JOHN WILLIAM ROWLAND spoke with CELIS ACOSTA about
10 coming to CELIS ACOSTA's residence to pick something up.

11 96. On July 19, 2010, JOHN WILLIAM ROWLAND followed CELIS ACOSTA from a
12 carwash to CELIS ACOSTA's residence and picked up a load of approximately forty-eight
13 pounds of marijuana.

14 97. On July 19, 2010, after picking up the marijuana, as JOHN WILLIAM ROWLAND
15 was being pulled over by police officers he phoned CELIS ACOSTA to let him know that he was
16 being pulled over.

17 98. On December 7, 2009, SEAN CHRISTOPHER STEWARD purchased ten Draco AK-
18 47 type pistols from J&G Sales in Prescott, Arizona, and during the course of such purchase
19 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

20 99. On December 8, 2009, SEAN CHRISTOPHER STEWARD purchased forty AK-47
21 type rifle from FFL Lone Wolf Trading Company, Glendale, Arizona, and during the course of
22 such purchases falsely represented on ATF Form 4473 that he was the actual purchaser of the
23 firearms. On December 9, 2009, nine of the AK-47 type rifles were found by Douglas, Arizona,
24 police officers in the course of a vehicle stop, concealed in the bumper of a car.

25 100. On December 14, 2009, SEAN CHRISTOPHER STEWARD purchased seven Draco
26 AK-47 type pistols and thirty-six AK-47 type rifles, and during the course of such purchase
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1 falsely represented on ATF Form 4473 that he was the actual purchaser of the firearms.

2 101. On December 24, 2009, SEAN CHRISTOPHER STEWARD purchased 40 AK-47 type
3 rifles from Lone Wolf Trading Company, and during the course of such purchase falsely
4 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

5 102. On January 7, 2010, SEAN CHRISTOPHER STEWARD purchased nineteen AK-47
6 type rifles from Lone Wolf Trading Company, and during the course of such purchase falsely
7 represented on ATF Form 4473 that he was the actual purchaser of the firearms.

8 103. On June 2, 2010, SEAN CHRISTOPHER STEWARD purchased ten AK-47 type rifles
9 and twenty-one pistols of various calibers, including a Taurus .45 caliber pistol, from Lone Wolf
10 Trading Company, and during the course of such purchase falsely represented on ATF Form 4473
11 that he was the actual purchaser of the firearms.

12 104. On June 23, 2010, STEWARD purchased ten AK-47 type rifles from Lone Wolf
13 Trading Company, and during the course of such purchase falsely represented on ATF Form 4473
14 that he was the actual purchaser of the firearms.

15 105. On July 12, 2010, KENNETH JAMES THOMPSON helped transfer twenty AK-47
16 type rifles purchased by another into KENNETH JAMES THOMPSON's vehicle.

17 COUNT 2

18 Dealing in Firearms without a License

19 106. Beginning on or about September, 2009, and continuing through on or about
20 December, 2010, in the District of Arizona and elsewhere, defendants JAIME AVILA, JR.,
21 HECTOR ROLANDO CARLON, JULIO CARRILLO, ALFREDO CELIS, MANUEL FABIAN CELIS-
22 ACOSTA, JACOB WAYNE CHAMBERS, ERICK AVILA DAVILA, JONATHAN EARVIN
23 FERNANDEZ, DEJAN HERCEGOVAC, KRISTI GAIL IRELAND, JUAN JOSE MARTINEZ-
24 GONZALEZ, JACOB ANTHONY MONTELONGO, JOSHUA DAVID MOORE, DANNY CRUZ
25 MORONES, URIEL PATINO, JOSE ANGEL POLANCO, FRANCISCO JAVIER PONCE, SEAN
26 CHRISTOPHER STEWARD, and KENNETH JAMES THOMPSON willfully engaged in the business
27 of dealing in firearms while such defendants were not a licensed firearms dealer under the
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1 provisions of Title 18, United States Code, Section 923.

2 All in violation of Title 18, United States Code, Sections 922(a)(1)(A), 924(a)(1)(D) and 2.

3
4 **COUNT 3**

5 **Conspiracy to Distribute Marijuana**

6 (21 U.S.C. 846)

7 107. Beginning on or about September 22, 2009, and continuing through on or about
8 December, 2010, in the District of Arizona and elsewhere, defendants, MANUEL FABIAN
9 CELIS-ACOSTA, URIEL PATINO, JOHN WILLIAM ROWLAND, and others both known and
10 unknown to the grand jury, did knowingly and intentionally combine, conspire, confederate, and
11 agree together and with other persons known and unknown to the grand jury, to knowingly and
12 intentionally possess with intent to distribute 100 kilograms or more of a mixture or substance
13 containing a detectable amount of marijuana, a Schedule I Controlled Substance, in violation of
14 Title 21, United States Code, Sections 841(a)(1) and 841(b)(1)(B)(vii).

15 All in violation of Title 21, United States Code, Section 846.

16 **COUNT 4**

17 **Possession with Intent to Distribute Marijuana**

18 (21 U.S.C. §§841(a)(1) & 841(b)(1)(D))

19 108. On or about July 19, 2010, in the District of Arizona and elsewhere, defendants,
20 MANUEL FABIAN CELIS-ACOSTA, URIEL PATINO, and JOHN WILLIAM ROWLAND,
21 and others known and unknown to the Grand Jury, did knowingly and intentionally possess with
22 intent to distribute less than 50 kilograms of a mixture or substance containing a detectable
23 amount of marijuana, a Schedule I Controlled Substance.

24 All in violation of Title 21, United States Code, Sections 841(a)(1), 841(b)(1)(D) and Title
25 18, United States Code, Section 2.

COUNT 5**Possession with Intent to Distribute Marijuana**

(21 U.S.C. §§841(a)(1) & 841(b)(1)(B)(vii))

109. On or about August 1, 2010, in the District of Arizona and elsewhere, defendants, MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, and others known and unknown to the Grand Jury, did knowingly and intentionally possess with intent to distribute 100 kilograms or more of a mixture or substance containing a detectable amount of marijuana, a Schedule I Controlled Substance.

All in violation of Title 21, United States Code, Sections 841(a)(1), 841(b)(1)(B)(vii) and Title 18, United States Code, Section 2.

COUNT 6**Conspiracy to Possess a Firearm in Furtherance of a Drug Trafficking Offense**

(18 U.S.C. §924(o))

110. The factual allegations in paragraphs 24 to 105 of the Indictment are incorporated by reference and re-alleged as though fully set forth herein.

111. On or about August 1, 2010, in the District of Arizona, defendants, MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, and others known and unknown to the Grand Jury, did knowingly, and unlawfully combine, conspire, confederate, and agree together and with each other and with others known and unknown to the grand jury, during and in relation to a drug trafficking offense as defined in Title 18, United States Code, Section 924(c)(2), that is, possession with intent to distribute marijuana, a Schedule I Controlled Substance, in violation of Title 21, United States Code, Sections 841(a)(1), to knowingly use, carry, and possess in furtherance of the drug trafficking offense, a firearm, that is, two Draco, 7.62x39mm pistols, in violation of Title 18, United States Code, Section 924(c).

All in violation of Title 18, United States Code, Section 924(o).

COUNT 7**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

112. On or about January 16, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JAIME AVILA Jr., did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JAIME AVILA Jr. executed a Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 8**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

113. On or about April 24, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JAIME AVILA Jr., did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Gunnet, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JAIME AVILA Jr. executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 9**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

114. On or about June 15, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JAIME AVILA Jr., did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Scottsdale Gun Club, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JAIME AVILA Jr. executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 10**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

115. On or about March 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JULIO CARRILLO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JULIO CARRILLO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 11**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

116. On or about January 20, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ALFREDO CELIS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ALFREDO CELIS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 12**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

117. On or about June 30, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ALFREDO CELIS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ALFREDO CELIS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 13**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

118. On or about October 26, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB WAYNE CHAMBERS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB WAYNE CHAMBERS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 14**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

119. On or about December 11, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB WAYNE CHAMBERS, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB WAYNE CHAMBERS executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 15**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

120. On or about June 12, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ERICK AVILA DAVILA, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ERICK AVILA DAVILA executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 16**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

121. On or about July 7, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and ERICK AVILA DAVILA, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Olsen Firearms, LLC, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that ERICK AVILA DAVILA executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 17**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

122. On or about August 10, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JONATHAN EARVIN FERNANDEZ, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JONATHAN EARVIN FERNANDEZ executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 18**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

123. On or about August 19, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JONATHAN EARVIN FERNANDEZ, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JONATHAN EARVIN FERNANDEZ executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 19**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

124. On or about November 25, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and DEJAN HERCEGOVAC, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that DEJAN HERCEGOVAC executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 20**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

125. On or about March 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB ANTHONY MONTELONGO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB ANTHONY MONTELONGO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 21**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

126. On or about June 11, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JACOB ANTHONY MONTELONGO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JACOB ANTHONY MONTELONGO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 22**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

127. On or about November 3, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JOSHUA DAVID MOORE, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JOSHUA DAVID MOORE executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 23**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

128. On or about March 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JOSHUA DAVID MOORE, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JOSHUA DAVID MOORE executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 24**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

129. On or about July 30, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and DANNY CRUZ MORONES, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that DANNY CRUZ MORONES executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 25**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

130. On or about July 29, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and DANNY CRUZ MORONES, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that DANNY MOROMES executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 26**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

131. On or about November 24, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 27**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

132. On or about January 15, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 28**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

133. On or about February 13, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 29**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

134. On or about April 16, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 30**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

135. On or about April 27, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 31**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

136. On or about June 2, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 32**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

137. On or about June 18, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Scottsdale Gun Club, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 33**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

138. On or about July 6, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA, FRANCISCO JAVIER PONCE, and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 34**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

139. On or about July 8, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA, FRANCISCO JAVIER PONCE, and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 35Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

140. On or about August 5, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and URIEL PATINO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that URIEL PATINO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 36Making a False Statement in Connection with the Acquisition of Firearms

(18 U.S.C. §924(a)(1)(A))

141. On or about December 8, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and SEAN CHRISTOPHER STEWARD, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that SEAN CHRISTOPHER STEWARD executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 37**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

142. On or about December 14, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and SEAN CHRISTOPHER STEWARD, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that SEAN CHRISTOPHER STEWARD executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 38**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

143. On or about December 24, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and SEAN CHRISTOPHER STEWARD, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that SEAN CHRISTOPHER STEWARD executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 39**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

144. On or about June 2, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and SEAN CHRISTOPHER STEWARD, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that SEAN CHRISTOPHER STEWARD executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 40**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

145. On or about June 23, 2010, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and SEAN CHRISTOPHER STEWARD, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that SEAN CHRISTOPHER STEWARD executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 41**Making a False Statement in Connection with the Acquisition of Firearms**

(18 U.S.C. §924(a)(1)(A))

146. On or about November 17, 2009, in the District of Arizona, defendants MANUEL FABIAN CELIS-ACOSTA and JOSE ANGEL POLANCO, did knowingly make a false statement and representation with respect to information required by the provisions of Chapter 44 of Title 18, United States Code, to be kept in the records of Lone Wolf Trading Company, a business licensed under the provisions of Chapter 44 of Title 18, United States Code, in that JOSE ANGEL POLANCO executed a Bureau of Alcohol, Tobacco, and Firearms Form 4473, Firearms Transaction Record, representing that he was the actual purchaser of the firearms listed on the form, when in fact he was purchasing the firearms on behalf of another.

In violation of Title 18, United States Code, Sections 924(a)(1)(A) and 2.

COUNT 42**Conspiracy to Commit Money Laundering**

(18 U.S.C. §1956(h))

147. The factual allegations in paragraphs 24 to 105, and 107 to 109 of the Indictment are incorporated by reference and re-alleged as though fully set forth herein.

148. Beginning on or about September 22, 2009, and continuing through on or about December, 2010, in the District of Arizona and elsewhere, defendants JULIO CARRILLO, ALFREDO CELIS, MANUEL FABIAN CELIS-ACOSTA, KRISTI GAIL IRELAND, JACOB ANTHONY MONTELONGO, JOSHUA DAVID MOORE, URIEL PATINO, and SEAN CHRISTOPHER STEWARD, did knowingly combine, conspire, confederate and agree together, to knowingly conduct and attempt to conduct financial transactions affecting interstate and foreign commerce, which in fact involved the proceeds of specified unlawful activity, that is, the conspiracy to possess and possession with intent to distribute marijuana in violation of Title 21, United States Code, Sections 846 and 841(a)(1), with the intent to

1 promote the carrying on of said specified unlawful activity, and knowing that the transactions
 2 were designed in whole and in part to conceal and disguise the nature, location, source,
 3 ownership and control of the proceeds of said specified unlawful activity, and while knowing
 4 that the property involved in the financial transactions represented the proceeds of some form
 5 of unlawful activity, in violation of Title 18, United States Code, Section 1956(a)(1)(B)(i).

6 All in violation of Title 18, United States Code, Section 1956(h).

7
 8 **COUNTS 43 through 53**

9 **Money Laundering**

10 (18 U.S.C. §§1956(a)(1)(B)(i) and 2

11 149. The factual allegations in paragraphs 24 to 105, and 107 to 109 of the Indictment are
 12 incorporated by reference and re-alleged as though fully set forth herein.

13 150. On or about the dates listed below, in the District of Arizona, and elsewhere,
 14 defendants, as set forth below, did knowingly conduct and attempt to conduct financial
 15 transactions affecting interstate and foreign commerce, as set forth below, which involved the
 16 proceeds of specified unlawful activity, that is, the possession with intent to distribute marijuana
 17 and conspiracy to possess with the intent to distribute marijuana, in violation of Title 21, United
 18 States Code, Sections 841(a)(1) and 846, knowing that the transactions were designed in whole
 19 and in part to conceal and disguise the nature, location, source, ownership and control of the
 20 proceeds of said specified unlawful activity, and while knowing that the property involved in the
 21 financial transactions represented the proceeds of some form of unlawful activity, each such
 22 instance being a separate Count of this Indictment.

23 All in violation of Title 18, United States Code, Sections 1956(a)(1)(B)(i) and 2.

24 Count	Date	Defendant(s)	Transaction
25 43	26 March 23, 2010	JULIO CARRILLO	Paid \$6000 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles

1	44	March 23, 2010	JACOB ANTHONY MONTELONGO	Paid \$6000 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles
2				
3	45	March 23, 2010	JOSHUA DAVID MOORE	Paid \$6000 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles
4				
5				
6	46	April 14, 2010	KRISTI GAIL IRELAND and URIEL PATINO	Paid \$18,000 in United States currency to Lone Wolf Trading Company as partial payment for three (3) Barrett .50 caliber rifles
7				
8	47	April 27, 2010	URIEL PATINO	Paid \$11,381 in United States currency to Lone Wolf Trading Company for ten (10) FN Herstal 5.7mm pistols
9				
10				
11	48	June 2, 2010	URIEL PATINO	Paid \$6,640 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles and one (1) .223 caliber rifle
12				
13	49	June 2, 2010	SEAN CHRISTOPHER STEWARD	Paid \$14,831 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles and twenty-one (21) pistols
14				
15				
16	50	June 18, 2010	URIEL PATINO	Paid \$10,099 in United States currency to Lone Wolf Trading Company for nine (9) FN Herstal 5.7 mm pistols
17				
18	51	June 23, 2010	SEAN CHRISTOPHER STEWARD	Paid \$5,500 in United States currency to Lone Wolf Trading Company for ten (10) AK-47 type rifles
19				
20	52	June 30, 2010	ALFREDO CELIS	Paid \$11,000 in United States currency to Lone Wolf Trading Company for twenty (20) AK-47 type rifles
21				
22				
23	53	July 8, 2010	URIEL PATINO	Paid \$8,800 in United States currency to Lone Wolf Trading Company for 16 AK-47 type rifles
24				

FORFEITURE ALLEGATIONS**Firearms Violations**

Upon conviction of the offenses in violation of Title 18, United States Code, Sections 922 and 924, set forth in Counts 1, 2, and 6 through 41, the defendants shall forfeit to the United States pursuant to Title 18, United States Code, Section 924(d) and Title 28, United States Code, Section 2461(c), any firearms and/or ammunition involved in or used in the knowing violation of the statutes set forth above.

If any of the property described above, as a result of any act or omission of the defendants:

- (1) cannot be located upon the exercise of due diligence;
- (2) has been transferred or sold to, or deposited with, a third person;
- (3) has been placed beyond the jurisdiction of the Court;
- (4) has been substantially diminished in value; or
- (5) has been commingled with other property which cannot be subdivided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to Title 21, United States Code, Section 853(p), as incorporated by Title 28, United States Code, Section 2461(c).

All pursuant to 18 U.S.C. § 924(d) and 28 U.S.C. § 2461(c).

Controlled Substances Act Violations

Upon conviction of the offenses in violation of Title 21, United States Code, set forth in Counts 3, 4, and 5, the defendants shall forfeit to the United States pursuant to Title 21, United States Code, Section 853:

- (1) any property constituting, or derived from, any proceeds obtained, directly or indirectly, as the result of such violations; and
- (2) any property used, or intended to be used, in any manner or part, to commit, or to facilitate the commission of, such violations.

1 If any of the above-described forfeitable property, as a result of any act or omission of the
2 defendants,

- 3 (1) cannot be located upon the exercise of due diligence;
- 4 (2) has been transferred or sold to, or deposited with, a third person;
- 5 (3) has been placed beyond the jurisdiction of the Court;
- 6 (4) has been substantially diminished in value; or
- 7 (5) has been commingled with other property which cannot be subdivided without
8 difficulty,

9 it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), to
10 seek forfeiture of any other property of said defendants up to the value of the above forfeitable
11 property.

12 All pursuant to Title 21, United States Code, Section 853, and Title 28, United States Code,
13 Section 2461(c).

14 **Money Laundering Violations**

15 Upon conviction of the offenses in violation of Title 18, United States Code, Section 1956, set
16 forth in Counts 42 through 53, the defendants shall forfeit to the United States, pursuant to Title
17 18, United States Code, Section 982(a)(1), any property involved in such offenses, and any
18 property traceable to such property. If any of the above-described forfeitable property, as a result
19 of any act or omission of the defendants,

- 20 (1) cannot be located upon the exercise of due diligence;
- 21 (2) has been transferred or sold to, or deposited with, a third person;
- 22 (3) has been placed beyond the jurisdiction of the Court;
- 23 (4) has been substantially diminished in value; or
- 24 (5) has been commingled with other property which cannot be subdivided without
25 difficulty,

26 it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), as
27 incorporated by Title 18, United States Code, Section 982(b)(1) and Title 28, United States Code,

1 Section 2461(c), to seek forfeiture of any other property of said defendants up to the value of the
2 above forfeitable property.

3 All pursuant to Title 18, United States Code, Section 982(a)(1), and Title 28, United States
4 Code, Section 2461(c).

5 A TRUE BILL

6
7
8 /s/
9 FOREPERSON OF THE GRAND JURY
Date: January 19, 2011

10 DENNIS K. BURKE
United States Attorney
District of Arizona

11
12 /s/

13 EMORY T. HURLEY
Assistant U.S. Attorney

Exhibit 7

Exhibit 7

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From: [REDACTED]
To: Gwinn, Laura
Subject: (no subject)
Date: Thursday, September 22, 2011 2:59:36 PM

Laura,

I spoke with the first AUSA that was on Wide Receiver. He told me the reason he chose not to prosecute it was because ATF lied to him and said that the guns were being followed/interdicted by the Mexican authorities on the other side of the border. This is also what they had told me.

The next AUSA chose not to prosecute it for the same reason.

If you were not aware of this...now you are. I'd hate to think that your integrity is flexible.

Best regards,
[REDACTED]

HOCR DOJ 006278

22

Exhibit 8

Exhibit 8

From: Tsethlikai, Serra (USAAZ)
To: Kleiner, Al (USAAZ)
Sent: 12/19/2008 12:38:07 AM
Subject: RE: Wide Receiver RC-3 deadlines

I reviewed Tom's prosecutor's memo. I don't like the case. I think it is wrong for us to allow 100s of guns to go into Mexico to drug people knowing that is where they are going.

From: Kleiner, Al (USAAZ)
Sent: Thursday, December 18, 2008 5:35 PM
To: Tsethlikai, Serra (USAAZ)
Subject: RE: Wide Receiver RC-3 deadlines

Iron River went to MDL. To the extent what RSH is talking about is Iron River-related, then we'll need to talk with Mike.

Have you gotten to review any of the reports, etc. in your part of this thing?

From: Tsethlikai, Serra (USAAZ)
Sent: Thursday, December 18, 2008 5:29 PM
To: Kleiner, Al (USAAZ)
Subject: RE: Wide Receiver RC-3 deadlines

Sure. I thought Wide Receiver went to Mike LoGalbo as such his legal assistant should be dealing with this.

From: Kleiner, Al (USAAZ)
Sent: Thursday, December 18, 2008 5:28 PM
To: Tsethlikai, Serra (USAAZ)
Cc: Heinrich, Rachel (USAAZ)
Subject: FW: Wide Receiver RC-3 deadlines

Serra - Can we meet with Rachel tomorrow regarding this?

From: Heinrich, Rachel (USAAZ)
Sent: Thursday, December 18, 2008 5:15 PM
To: Kleiner, Al (USAAZ)
Cc: Dolph, Wendy (USAAZ); Tsethlikai, Serra (USAAZ)
Subject: Wide Receiver RC-3 deadlines

Al,
 A couple of deadlines are notated on my calendar that will need to be dealt with while I am away on the Wide Receiver investigation. I'm not sure of the status of the Indictment since it has been reassigned to Serra, but I assume it's not happening before these deadlines.

RC-3




HOGW WR 005430

Exhibit 9

Exhibit 9

RC-2

From: Shappert, Gretchen (USAEO) [mailto:
Sent: Wednesday, July 22, 2009 3:05 PM
To: Trusty, James (CRM)
Subject: FW: Prosecutorial Assistance: SWB Gun Trafficking Cases

Jim:

See below. Does Laura have a resume that you care to pass along?

Also, I heard from Karen Hewitt, who is reviewing her office situation and will get back to me.

Many thanks,
 Gretchen

-----Original Message-----

From: Humetewa, Diane (USAAZ)
Sent: Wednesday, July 22, 2009 11:27 AM
To: Shappert, Gretchen (USAEO); Hewitt, Karen (USACAS); Fouratt, Greg (USANM)
Subject: RE: Prosecutorial Assistance: SWB Gun Trafficking Cases

Gretchen-it may be useful to send her resume. Thanks.

Sent from my GoodLink synchronized handheld (www.good.com)

-----Original Message-----

From: Shappert, Gretchen (USAEO)
Sent: Wednesday, July 22, 2009 09:57 AM Eastern Standard Time
To: Humetewa, Diane (USAAZ); Hewitt, Karen (USACAS); Fouratt, Greg (USANM)
Cc: Trusty, James (CRM); Smith, David L. (USAEO)
Subject: Prosecutorial Assistance: SWB Gun Trafficking Cases

Diane, Karen & Greg:

Laura Gwinn, an experienced violent crime prosecutor with the Gang Unit, has expressed an interest in assisting with the prosecution of gun trafficking cases on the SWB, either as lead or co-counsel. Her schedule is somewhat flexible and she is available to begin now, with general availability through the remainder of 2009, although she does have a capital murder trial starting in January. That trial is expected to last about 10 weeks. Once the trial is over, she would be able to return to her SWB duties.

This is part of the Department's SWB gun trafficking strategy, so Laura would be prosecuting gun trafficking cases (not simply 922(g) or 924(c) cases), whether or not the case has any gang connection.

If you believe that Laura's assistance would be of benefit to your district, please give me a call and let's discuss.

Thank-you,
Gretchen

RC-1

From: Trusty, James
Sent: Wednesday, August 12, 2009 5:32 PM
To: Gwinn, Laura; Carwile, Kevin
Subject: FW: S.W. Border Firearms Case

Good news, potentially!

See below, but Arizona has a case of gun trafficking involving 300-500 guns heading to Mexico. Don't know if there is any gang involvement or how solid the case is. It apparently involves about 4-5 targets and has a little age to it, but that may not be reflective of any problems with the case. There was apparently a little turf war between ATF and ICE, now resolved, and the assigned AUSA just got appointed magistrate. As of today, AZ has not reassigned it within their shop. Their crim chief, Robert Miskell, talked to Gretchen and is enthusiastic about our involvement. He is at RC-1.

Laura, why don't we call him together tomorrow at some point?

Kevin, weigh in if you'd rather be in the mix on calling Miskell.

Jim

From: Shappert, Gretchen (USAEO) [mailto:RC-1]
Sent: Wednesday, August 12, 2009 5:05 PM
To: Trusty, James
Subject: S.W. Border Firearms Case

Jim:

AZ has a case, Operation Wide Receiver, 300-500 guns.

ATF, with some ICE assistance.

Has not yet been indicted.

They need a prosecutor.

Give me a call at your convenience.

Gretchen C.F. Shappert
 Anti-Gang National Coordinator,
 CAGI National Gang Coordinator,
 Legal Initiatives Staff
 EOUSA
 Phone: RC-1
 BB: RC-1
 Email: RC-1

Exhibit 10

Exhibit 10

From: Small, James K.
To: Gillett, George T. Jr.
Sent: 8/3/2009 10:11:01 PM
Subject: RE: Lingerin Prosecutions

George

The only major investigation that is lingerin -

UI#/Case Title	Case Agent	AUSA	Date submitted to USAO Tucson
785085-06-0051 Wide Receiver	Bayer	Tsethlikai	2/13/2008

Here is the latest that I know about Wide Receiver. AUSA and SA are the second assigned to this case. I do not know exactly when AUSA Tsethlikai came on this case. **RC-3**

RC-3 AUSA was also pushing back w/ moral dilemma w/ the G allowing the targets to traffic 300+ firearms to Mexico. I advised AUSA that the case was investigated within ATF Trafficking guidelines and in furtherance of attempting to identify and secure evidence on targets inside Mexico receiving the firearms for the drug cartels. The case stands on its own merit and a prosecution decision should be made.

There may be other cases but I did not get any responses from the group. I will push on the SAS to pound NF and move all open investigations along to resolution (decline / prosecute).

Call if you have any questions

Jim

From: Gillett, George T. Jr.
Sent: Tuesday, July 28, 2009 1:16 PM
To: Small, James K.; Celaya, Sigberto F.
Subject: Lingerin Prosecutions

Gentlemen –

Please compile a list of those cases that have been submitted to the USAO in Tucson, and which continue to linger. In your list, please provide the Case title, Case agent, assigned AUSA, and date accepted for prosecution.

I will forward to the USAO for follow-up.

Thanks,

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 Office: **RC-1**

HOCR WR 005432

Exhibit 11

Exhibit 11

RC-1

From: Trusty, James
Sent: Wednesday, August 12, 2009 5:32 PM
To: Gwinn, Laura; Carwile, Kevin
Subject: FW: S.W. Border Firearms Case

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Gretchen C.F. Shappert
 Anti-Gang National Coordinator,
 CAGI National Gang Coordinator,
 Legal Initiatives Staff
 EOUSA
 Phone: RC-1
 BB: RC-1
 Email: RC-1

Exhibit 12

Exhibit 12

-----Original Message-----

From: Gwinn, Laura

Sent: Thursday, September 03, 2009 11:51 AM

To: Trusty, James

Subject: Tucson

I will try to pound this out before yet another disaster arises this morning. As you know it has been several weeks since I spoke to the aUSA so I am going off limited memory.

I believe the investigation of this case wrapped up about a year ago. It is an ATF led case

RC-5

. I believe the ffl has a business but was selling the guns to the targets from his house. There are tapes which I am told have been translated. Cas involves 300 to 500 guns (unclear to me why we have such a wide range; doesn't someone know exact numbers?). It is my understanding that a lot of those guns "walked". Whether some or all of that was intentional is not known. The aUSA seemed to think ATF screwed up by not having a mechanism in place to seize weapons once they crossed the border. In any event I believe a small number of the guns have been recovered in connection with police action in Mexico. I do not know if they have been traced to crimes. If you have other specific Qs I will try to answer but I think I have told you everything I know.

Sent from Blackberry

Laura Gwinn

US Dept of Justice Gang Unit

RC-1

(c)

Exhibit 13

RC-1

From: Carwile, Kevin
Sent: Wednesday, September 30, 2009 8:41 AM
To: Trusty, James
Subject: FW: gun trafficking case

P. Kevin Carwile
 Chief, Gang Unit
 Criminal Division
 U.S. Department of Justice

From: Newell, William D. [mailto:RC-1]
Sent: Wednesday, September 30, 2009 8:40 AM
To: Carwile, Kevin
Subject: Re: gun trafficking case

I was informed of this yesterday. I appreciate your interest in the case and the assistance. Please don't hesitate to contact me should you need any additional information regarding the case. Take care.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: RC-1

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Carwile, Kevin
To: Newell, William D.
Sent: Wed Sep 30 08:04:32 2009
Subject: gun trafficking case
 Bill,

FYI - as I mentioned to you in Phoenix, I had one of my attys in Tucson last week reviewing the semi-dormant ATF gun trafficking investigation being handled out of that office. After our review, we have decided to take the case and the USAO has agreed. If you have any input/suggestions re: this matter, please feel free to send me an email or give me a call at RC-1. Thanks and I look forward to seeing you again soon.

P. Kevin Carwile
 Chief, Gang Unit
 Criminal Division
 U.S. Department of Justice

Exhibit 14

Exhibit 14

From: Newell, William D.
To: Gillett, George T. Jr.
Sent: 9/26/2009 2:06:20 PM
Subject: Re: Wide Receiver Summary for Kevin Carwile

That's what I'm afraid of. I'll give him a heads-up anyway as a courtesy. I'm trying to establish a straight-forward relationship with this guy.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: RC-1 [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Gillett, George T. Jr.
To: Newell, William D.
Sent: Sat Sep 26 10:01:40 2009
Subject: Re: Wide Receiver Summary for Kevin Carwile

One of Kevin's attorney's spent most of this past week in Tucson reviewing our case. This was at the request of the USAO in Tucson that wanted an objective, fresh set of eyes to review the case..

The attorney reviewing Wide Receiver had discussions with Bayer and Maynard in person. I think (reading between the lines) when Kevin spoke with Bill McMahon and I, he asked for the executive summary to see if they were missing something. Kevin's comments were that his attorney felt the case, while not perfect, was prosecutable and straight forward.

Unless I'm missing something, if Dennis Burke doesn't already know about this, it's because Tucson didn't keep him in the loop.

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 Cell: RC-1 [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Newell, William D.
To: Gillett, George T. Jr.
Sent: Sat Sep 26 09:48:07 2009
Subject: Fw: Wide Receiver Summary for Kevin Carwile

Before I give this to Kevin today I want Dennis Burke to be aware of what we've done to try to get this case prosecuted. Can you e-mail me some bullets on the meetings we've had (quantity and date - approx), with whom at the USAO, and what was said. Thanks

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: RC-1 [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have

HQGR-WR-005441

Exhibit 15

Exhibit 15

From: Newell, William D.
Sent: Wednesday, December 02, 2009 4:01 PM
To: McMahon, William G.
Subject: Phoenix VII Firearms Trafficking Case, ref: Naco, Sonora Seizure Case of 42 AKs
Attachments: American Auto Body.pdf; Phoenix Naco Seizure Case.docx

Bill, FYI. This is a good overview of the efforts of SA Hope MacAllister and crew to date on her case which directly relates to the recent seizure in Naco, Sonora, Mexico of 42 AK-47 type firearms. This case is evolving daily and they are doing a great job keeping on top of this considering it's only 3 of them and this is not the only case they are working on. Dave Voth, the new Group VII supervisor, arrives on Monday and that will allow Hope to not have to be the acting sup anymore. I'll keep you posted as this case develops but for now we've got it handled.

[REDACTED]

From: Gillett, George T. Jr.
Sent: Wednesday, December 02, 2009 2:16 PM
To: Newell, William D.
Cc: MacAllister, Hope A.; Quinonez, Louis A.; Voth, David J.
Subject: FW: Disregard my last...for your review
Attachments: synopsis.doc; American Auto Body.pdf

Boss —

For your review.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Office: (602) [REDACTED]

From: MacAllister, Hope A.
Sent: Wednesday, December 02, 2009 12:49 PM
To: Gillett, George T. Jr.
Subject: Disregard my last...for your review

Hope MacAllister
Special Agent Phoenix Group VII
602-[REDACTED]

CHAMBERS Trafficking Case IN#785115-10- [REDACTED]

1. On or about October 31, 2009, ATF Group VII Special Agents initiated an investigation into suspected firearms trafficking by,
 - **Jacob Wayne CHAMBERS**, date of birth [REDACTED], Arizona Driver's License (AZDL) number [REDACTED], Social Security Number (SSN) [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - **Joshua David MOORE**, date of birth [REDACTED], AZDL # [REDACTED], SSN [REDACTED]
 - **Uriel PATINO**, date of birth [REDACTED], AZDL# [REDACTED], SSN [REDACTED]
 - [REDACTED]
2. On or about October 31, 2009, ATF Group VII special Agents reviewed numerous ATF Form 4473's, "Firearm Transaction Records" from Federal Firearms Licensee (FFL) [REDACTED] which documented numerous firearms purchases completed by CHAMBERS, [REDACTED], [REDACTED], and [REDACTED].
3. On November 5, 2009, ATF agents conducted a query of Arizona Motor Vehicle Department (AZMVD) records. According to these records, both [REDACTED] and [REDACTED] Arizona Driver's Licenses listed the same residence, [REDACTED], AZ [REDACTED].
4. On November 5, 2009, ATF agents queried Maricopa County Assessor's Office website. According to the web based search, [REDACTED], AZ is owned by [REDACTED].
5. On November 10, 2009, ATF S/A's observed MOORE purchase ten (10) AK-47 style rifles. ATF S/A's observed MOORE place the firearms into a Honda [REDACTED].
6. On November 16, 2009, ATF agents received information from ATF S/A [REDACTED] regarding information from a source concerning previous firearms purchases by PATINO and MOORE at FFL, [REDACTED]. According to the source, both PATINO and MOORE had previously purchased firearms from [REDACTED] on separate occasions in the company of the same unidentified Hispanic male.
7. On November 18, 2009, ATF agents received information that at approximately 0845 hours, an individual contacted FFL [REDACTED], from a telephone number previously provided by CHAMBERS during a previous firearms transaction. The caller inquired as to [REDACTED] hours of operation and inventory of AK-47 style firearms. At approximately 0901 hours, [REDACTED] arrived at [REDACTED] and purchased

INVESTIGATIVE STEPS TAKEN/INVESTIGATIVE PLAN

Investigate Steps Taken

- Grand Jury Subpoena's have been served for phone records on the originally identified six straw purchasers ([REDACTED], PATINO, CHAMBERS, [REDACTED], [REDACTED], MOORE). Agents are in the process of obtaining subpoenas for the remaining individuals.
- Agents provided the names of the original straw purchasers (above) to Financial Investigator [REDACTED] who has thus far identified several Cash Transaction Reports connected to PATINO and CHAMBERS.
- Agents have conducted general background checks on all suspects, identified vehicles and residences
- DEA Quick Check on the originally identified six straw purchasers, some have been preliminarily linked to DEA investigations.
- Surveillance conducted on several purchases identifying a stash residence and involved business.
- Received ATF Form 4473's and 3310.4 for all known purchases.
- Received all known video of purchases from FFLs.
- Took custody of a "side folder" AK-47 style rifle as evidence. The firearm was returned to an FFL by HERCEGOVAC to be traded for an "under folder" he had purchased earlier in the day. The actual returned AK-47 rifle was previously purchased by straw purchaser PATINO on a previous date.
- Working relationship established with FFL's [REDACTED], [REDACTED], [REDACTED] and [REDACTED] notifying ATF of suspect purchases/orders
- All known purchased firearms have been entered into ATF Suspect Gun database
- Working with AUSA Emory HURLEY for Grand Jury Subpoenas and future pen registers
- Obtained ICE point of contact, [REDACTED]

Investigative Plan

- Identify main target from additional surveillance, and analysis of phone toll records by ATF IRS [REDACTED]
- Based on intelligence analysis on phone tolls, obtain pen register(s)
- Additional financial investigation on all involved suspects
- Have requested pole cameras for both the stash house and business
- Identify any further Co-Conspirators
- Obtain further information regarding the connection to identified DEA investigations
- Confirm residence listed on 4473's are current and accurate
- Agents will be requesting a detailed financial background from [REDACTED] on all the additional identified participants as well as a spreadsheet of total money paid for the purchase of firearms by each purchaser.

Exhibit 16

Exhibit 16

LAW ENFORCEMENT SENSITIVE

OPERATION: THE FAST AND THE FURIOUS

A. BACKGROUND / FACTS ABOUT THE INVESTIGATION

1. BASIS FOR INITIATING THIS CASE – The states of Texas, California, Arizona and New Mexico supply 75% of all firearms illegally trafficked into the Republic of Mexico. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has identified the Phoenix, Arizona area as being one of the top five metropolitan areas where firearms and ammunition are obtained for this purpose. Furthermore, a majority of all Consolidate Priority Organized Target (CPOT) related investigations originate in the Southwest Organized Crime Drug Enforcement Task Force (OCDETF) region due to its proximity to the international border between the United States of America and the Republic of Mexico (Mexico). Major Mexican Drug Trafficking Organizations (DTO) are heavily represented on the CPOT list as posing a serious drug threat to the United States (U.S.).

The drug violence in Mexico has escalated with the expansion of the cartels' arsenals. The cartels are presently purchasing high caliber rifles, and anti-tank weapons. In addition to the rise in the number of killings, from 6,252 in 2008, to 7,025 through October 2009, the violence has escalated in other important ways that are more difficult to measure. Mexican drug violence is just as brutal as ever. Beheadings have now become a regular occurrence, with one of the most noteworthy incidents being the 11 mutilated bodies of alleged drug dealers found in Caborca, Sonora in July 2009.

In October 2009, ATF Phoenix Field Division (PFD) Phoenix Group VII Strike Force initiated investigations involving approximately five possible straw purchasers of firearms pursuant to ATF's Southwest Border/Operation Gunrunner Initiative. ATF Special Agents (Agents) received information from a Source of Information (SOI) that Jacob CHAMBERS, [REDACTED] and [REDACTED] had purchased numerous AK-47 style rifles from the same Glendale, AZ, Federal Firearms Licensee (FFL) during the same approximate time period. ATF agents also received information that a subject identified as Uriel PATINO had purchased numerous AK-47 style rifles and pistols during a short time frame from two FFL's including the FFL utilized by the above mentioned purchasers.

In November 2009, ATF agents identified additional straw purchasers Joshua MOORE, [REDACTED] Dejan HERCEGOVAC, Jaime AVILA, Jr., [REDACTED] and Jose POLANCO, through the SOI, FFL record checks, and surveillance operations. During the surveillance operations, ATF agents identified a Glendale, AZ, residence owned by a member of the CELIS-ACOSTA family, and a Phoenix automotive business that are being utilized as firearm drop locations. On November 20, 2009, some of the firearms purchased by the identified straw purchasers were recovered in a Naco, Sonora, Mexico seizure including firearms with a short time to crime. [REDACTED] and [REDACTED] were identified as additional straw purchasers from the Naco, Sonora, Mexico firearms seizure.

In December 2009, ATF agents also contacted an Internal Revenue Service (IRS) Special Agent in reference to initiating a financial crime investigation. Alfredo CELIS, [REDACTED] [REDACTED] [REDACTED] were also identified as straw

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purchasers in December. On December 8, 2009, the SOI received a telephone call from a telephone number identified from Caller ID as belonging to Manuel Celis inquiring about AK-47 style firearms. On the same date, ATF agents identified additional straw purchaser Sean STEWARD through the SOI. During the subsequent surveillance operation, a traffic stop was initiated on a vehicle occupied by STEWARD. The occupants of the vehicle were identified as STEWARD, Manuel CELIS-ACOSTA and [REDACTED]. On December 9, 2009, nine firearms purchased by STEWARD on December 8, 2009, were recovered by Douglas, Arizona PD. The firearms were traced by an ICE SAC Phoenix agent on December 10, 2009. ATF agents contacted the Phoenix ICE agents in reference to the seizure.

In December 2009, ATF agents also learned that the investigation had a direct link to OCDETF Operation FLACO FEO under Special Operation Division (SOD) Operation [REDACTED] (DEA MN [REDACTED]). In April 2009, the Drug Enforcement Administration (DEA) Phoenix Field Division (PFD) and the Special Investigations Unit of the Glendale Police Department (GPD) initiated an investigation that targeted Phoenix-based narcotics distribution cells responsible for coordinating large scale shipments of cocaine and marijuana from Mexico into the Arizona before being distributed throughout the United States. Based on Confidential Source (CS) information, DEA investigators determined that [REDACTED] manages a large scale cocaine-trafficking organization based in Phoenix.

In December 2004 and January 2005, [REDACTED] was intercepted orchestrating large scale marijuana transactions with [REDACTED]. [REDACTED] was arrested and served three years in prison after pleading guilty to transportation of marijuana for sale. Approximately three years later, [REDACTED] resurfaced in another DEA PFD investigation named Operation [REDACTED], a joint investigation conducted by the DEA, Immigration and Customs Enforcement (ICE), Phoenix Police Department (PPD), Department of Public Safety (DPS), and Border Patrol (BP). Operation [REDACTED] targeted the [REDACTED] Drug Trafficking Organization (DTO) and resulted in 39 arrests, 60 indictments, and the seizure of \$769,472 U.S. currency, 11 pounds of methamphetamine, 13,246 pounds of marijuana, 28 vehicles, and 25 weapons. Information gathered through surveillance and intercepted calls indicated that [REDACTED] and his associates were utilizing a sophisticated transportation network to traffic large bulk shipments of marijuana from Mexico to Phoenix, Arizona. During the investigation, investigators identified [REDACTED] as being an associate of the [REDACTED] DTO. [REDACTED] was arrested subsequent to a vehicle stop where approximately 20 pounds of marijuana was seized from the vehicle [REDACTED] was driving. Information gathered in the investigation indicated that [REDACTED] was responsible for facilitating the remittance of large sums of bulk proceeds from Phoenix to Mexico.

In Operation FLACO FEO, surveillance operations and Financial Crimes Enforcement Network (FINCEN) inquiries identified several Phoenix businesses and locations that investigators believe are being utilized to launder narcotics proceeds generated from the sale of cocaine in Michigan and other unidentified locations outside the state of Arizona. On May 11, 2009, GPD investigators determined from surveillance and CS information that [REDACTED] was involved in the coordination of transportation of bulk currency from Detroit, Michigan to Phoenix, Arizona. DEA and GPD investigators were able to identify a tractor trailer driven by [REDACTED]. A traffic stop on the tractor trailer and subsequent search of the vehicle resulted in

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the seizure of approximately \$1.3 million in U.S Currency. The money had been concealed in the sleeping compartment of the vehicle. Based on CS information and information gathered through a post-arrest interview with [REDACTED] picked up the money in Detroit, Michigan. [REDACTED] stated that he was directed by an unidentified individual (believed to be [REDACTED]) to leave the semi-truck in a parking lot where it would be picked up by a third party. [REDACTED] stated that he waited in a restaurant while an unknown individual drove the semi-truck away, loaded the drug proceeds, and returned the truck to the parking lot. [REDACTED] drove the tractor trailer to Arizona where it was subsequently stopped by law enforcement. [REDACTED] was detained and released pending indictment at a later date.

In May 2009, DEA and GPD initiated a state Title-III investigation targeting [REDACTED] [REDACTED] and [REDACTED] who have been identified as high-level leaders or associates within this drug trafficking organization. [REDACTED] is an RPOT believed to control drug trafficking operations at the Lukeville Port of Entry along the Arizona – Mexico border. PFD agents believe that they are responsible for the importation of multi-kilogram quantities of cocaine and marijuana into the United States, and the remittance of bulk narcotics proceeds back into Mexico.

During a Deconfliction meeting with DEA on December 15, 2009, the Operation FLACO FEO case agents advised that numerous telephone calls had been intercepted involving [REDACTED] aka [REDACTED] and the Phoenix DEA/GPD Operation FLACO FEO targets. [REDACTED] is believed to be in [REDACTED], Mexico, and has been intercepted orchestrating different amounts of US currency being illegally brought into the US for the purpose of purchasing firearms via the Phoenix DEA/GPD Operation FLACO FEO targets. Those targets were intercepted making arrangements with telephone numbers utilized by CELIS-ACOSTA, CHAMBERS and STEWARD to obtain the firearms for [REDACTED]. On December 21, 2009, an intercepted telephone call between CELIS-ACOSTA and an Operation FLACO FEO target revealed that firearms recently purchased in Phoenix were going to be driven to El Paso, TX and trafficked into Mexico.

ATF agents believe that a Phoenix-based firearm trafficking group is actively purchasing firearms through straw purchasers using bulk narcotics proceeds. The firearms are then being trafficked into Mexico using non-factory compartments in various vehicles through various Ports of Entry (POE's) in Arizona and Texas.

Since the ATF case was initiated, ATF agents have identified approximately seventeen straw purchasers who have purchased a large amount of AK-47 style rifles and pistols from various FFL's in the Phoenix Metropolitan area and Prescott, AZ, since September 2009. There have been four firearms seizures in Arizona that were purchased by the identified straw purchasers including the above mentioned Douglas, AZ seizure. There have been two firearms seizures in El Paso, Texas, on January 13, 2010, involving firearms purchased by STEWARD. There have been five firearms seizures in Mexico involving firearms purchased by identified straw purchasers including the above mentioned Naco Seizure; a November 25, 2009, Agua Prieta, Sonora, seizure; a December 9, 2009, Mexicali, Baja California, seizure that yielded a seizure of over \$2 million dollars in US Currency, firearms, cocaine and methamphetamine from inside a

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warehouse; a December 18, 2009, seizure in Tijuana, Baja California; and a January 8, 2010, Tijuana, Baja California, seizure.

In January 2010, ATF agents received court authorization to install five Pen Registers on telephone numbers utilized by CELIS-ACOSTA, MOORE, STEWARD, PATINO, and CHAMBERS. Investigators anticipate the initiation of a Title-III targeting [REDACTED] CELIS-ACOSTA and the straw purchasers.

The focus of the proposed investigation will be on [REDACTED] Manuel CELIS-ACOSTA, Jacob CHAMBERS, [REDACTED] Uriel PATINO, Joshua MOORE, [REDACTED] Dejan HERCEGOVAC, Jaime AVILA, Jr., [REDACTED] Jose POLANCO, [REDACTED] Sean STEWARD, [REDACTED] Alfredo CELIS, [REDACTED] as well as [REDACTED] and [REDACTED] who have been identified as high-level leaders or associates within the drug trafficking organization. [REDACTED] is a Regional Priority Organized Target (RPOT) believed to control drug trafficking operations at the Lukeville Port of Entry along the Arizona – Mexico border.

2. CPOT AND RPOT LINK - Link to [REDACTED]

[REDACTED] and CELIS-ACOSTA are believed to be supplying firearms to the [REDACTED] DTO, a documented RPOT, and the BELTRAN-LEYVA organization, a documented CPOT. As described above, [REDACTED] aka [REDACTED] was a primary target of Operation [REDACTED] in which [REDACTED] was involved. [REDACTED] is the cocaine source of supply for [REDACTED] and his DTO associates. Based on intercepted calls and information gathered in OPERATION FLACO FEO, investigators believe that [REDACTED] is responsible for coordinating the transportation of drug proceeds from Arizona to Mexico for the [REDACTED] DTO. Investigators determined that the narcotics proceeds were being channeled through [REDACTED] in Mexico.

3. IMPACT OF DISMANTLING/DISRUPTING THE [REDACTED] DTO – Dismantling the firearms trafficking organization supplying the [REDACTED] DTO would have a impact and significantly disrupt the [REDACTED] DTO by incarcerating high level members of the organization and causing a disruption to the flow of drugs into the US, and firearms and drug proceeds back to Mexico. In particular, this investigation has the potential to significantly reduce the illegal trafficking of firearms and narcotics proceeds through Phoenix, Arizona. Anticipated seizures of firearms, cash and assets will cause a significant disruption in leadership as those traffickers held responsible will have to be replaced by other associates.

4. TARGETED ORGANIZATION

- a) Name: [REDACTED]
- b) Geographic Scope: Arizona, Mexico.
- c) Number of Participants: Unknown at this time.
- d) Criminal Activities: The trafficking of firearms into Mexico and the importation and distribution of controlled substances from Mexico to and throughout the US.

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- e) Type and Quantity of drugs: Multi-kilogram quantities of cocaine and multi-ton quantities of marijuana.
- f) Drug Trafficking Methods: Couriers are used to bring controlled substances from Mexico into and throughout the US. Stash houses located in Phoenix, Arizona are used until the drugs are ready to be moved throughout the US. Vehicles (some equipped with concealed compartments) including semi-trucks with cover loads are used to transport drugs.
- g) Money Laundering Methods: Bulk currency is transported from the United States into Mexico. Investigators believe that the proceeds are invested in businesses and assets, some of which are legitimate and others which are used to launder drug proceeds.

5. PRINCIPAL TARGETS OF INVESTIGATION AND THEIR ROLES

- a) [REDACTED] aka [REDACTED]: Mexico supplier of bulk narcotic proceeds to Phoenix targets of firearms trafficking organization.
- b) Manuel CELIS-ACOSTA: Receives firearms from straw purchasers and provides firearms to [REDACTED]
- c) Jacob CHAMBERS – Straw Purchaser
- d) Sean STEWARD - Straw Purchaser
- e) Uriel PATINO - Straw Purchaser
- f) Joshua MOORE – Straw Purchaser
- g) [REDACTED] – Straw Purchaser
- h) [REDACTED] – Straw Purchaser
- i) [REDACTED] Straw Purchaser
- j) Jaime A VILA, Jr. – Straw Purchaser
- k) Jose POLANCO – Straw Purchaser
- l) Alfredo CELIS – Straw Purchaser
- m) [REDACTED] Phoenix-based cell head and facilitator between Mexican SOS and Distribution Cells for marijuana and cocaine. [REDACTED] is believed to distribute cocaine supplied by [REDACTED] to Michigan and other locations outside the state of Arizona. Investigators also believe that [REDACTED] is responsible for coordinating the remittance of narcotics proceeds back to [REDACTED] in Mexico.
- n) [REDACTED] aka [REDACTED]: [REDACTED] is an established RPOT who is responsible for transporting cocaine and marijuana across the US – Arizona border at the Lukeville Point of Entry. Based on information gathered in this investigation, once the narcotics have reached Phoenix, Arizona, custody of the drugs are transferred to [REDACTED] and other drug trafficking cells for distribution to locations outside the state of Arizona.

6. CONNECTION TO TERRORIST GROUPS, NATIONAL GANGS, AND / OR ORGANIZED CRIMINAL GROUPS - To date the investigation has not established any connections between the [REDACTED] DTO and any terrorist organizations, national gangs or other organized criminal groups.

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7. EXTENT OF PUBLIC CORRUPTION - The investigation has not identified any links to public corruption within the United States.

B. INVESTIGATIVE TECHNIQUES AND GOALS

1. OVERALL GOALS OF THE INVESTIGATION - The direct goal of this investigation is to identify and arrest members of the [REDACTED] DTO as well as seize assets owned by the DTO. Based upon the amount of drugs this organization distributes in the US, it is anticipated that the investigation will continue to expand to other parts of the US and enable law enforcement operations in multiple jurisdictions. In addition to the [REDACTED] DTO, this investigation is intended to identify and expand to the hierarchy within the Mexico-based drug trafficking organization that directs the [REDACTED] DTO. This organization reaches across the U.S. and into Mexico. This investigation will seek to assist foreign offices in their investigations. Agents anticipate the GPS satellite tracking surveillance on various compartment vehicles and the assistance of El Paso Intelligence Center (EPIC) Command Center to be a tremendous asset. Their assistance will assist in identifying members of the [REDACTED] [REDACTED] DTO operating in various cities in Arizona. As these individuals become known to the investigation, other investigative tools will be used to further identify the individuals.

2. ADDITIONAL INVESTIGATIVE TECHNIQUES – Agents intend to use a variety of investigative techniques, including: Title-IIIs, Pen Registers, surveillance, EPIC Watch, surveillance cameras, GPS satellite tracking surveillance, administrative and Grand Jury subpoenas, public and law enforcement database historical searches and FINCEN requests. Due to the scope of the investigation, it is anticipated that the agents will use intelligence they obtain to assist other jurisdictions to begin their own investigation of firearms and drug trafficking which flows across the Mexico/Arizona or Mexico/Texas border and ultimately is distributed in their jurisdiction. Additionally, ATF intends to pass information and Title-III leads to ATF offices in Texas and other state and local law enforcement offices to enable those agencies to develop their own investigations.

To date, the financial investigative techniques have been critical to the identification of businesses, residences, bank accounts, and money laundering methods utilized by the [REDACTED] DTO. As this investigation progresses, agents will continue to utilize FINCEN inquiries, witness debriefings, commercial database inquiries, mail covers, and Suspicious Activity Reports (SAR) reviews to identify business fronts and other assets acquired through illicit activity.

3. POTENTIAL ASSET SEIZURES – ATF and ICE will be the lead agencies for this ODETF investigation but will share in the process of seizures with IRS, in conjunction with their policy and procedures. Several businesses have also been identified as possible assets for seizures. Investigators anticipate identifying additional bank accounts, businesses, and corporations utilized by CELIS-ACOSTA to launder firearms trafficking proceeds. ATF, ICE and IRS anticipates seizing all assets that are identified as proceeds from, or used to facilitate, firearm trafficking.

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4. CONNECTIONS WITH OTHER INVESTIGATIONS – ATF and ICE agents in this investigation are sharing information with investigators from Operation FLACO FEO (DEA [REDACTED]), an active T-III investigation. Firearms purchased by Uriel PATINO were recovered in Nogales, Arizona (ATF IN #785065-10-[REDACTED]). Firearms purchased by straw purchaser Sean STEWARD were recovered in El Paso, Texas (ATF IN #781035-10-[REDACTED]) and Douglas, Arizona (Douglas PD report [REDACTED]). Two additional firearms were also recovered in El Paso, Texas, by Customs and Border Protection (CBP). It is expected that this investigation will divulge both domestic and international firearms trafficking connections. As a result, it is foreseeable that other divisions will have opportunities to investigate facets of this organization and related illegal drug organizations and the ultimate dismantlement of [REDACTED] [REDACTED] DTO, RPOT [REDACTED] DTO and CPOT BELTRAN-LEYVA.

5. OCDETF FUSION CENTER –ATF has utilized the OCDETF Fusion Center and received product from the OCDETF Fusion Center.

C. MANPOWER/RESOURCE REQUIREMENTS

1. INVESTIGATIVE RESPONSIBILITIES - This investigation is a joint investigation involving ATF and ICE with additional support from IRS and DEA. ATF Group VII OCDETF Strike Force and ICE SAC Phoenix Border Enforcement Security Task Force (BEST) are the primary Federal investigative agencies. IRS will provide financial investigative support. DEA and PPD personnel will provide investigative and intelligence support, and surveillance assistance.

2. ANTICIPATED FUNDING REQUIREMENTS – The investigation is comprised of Special Agents from ATF, ICE, IRS, and DEA. It is anticipated that this investigation will require intensive and extensive surveillance, monitoring of court authorized Title-III wire interceptions and pen registers, processing of large amounts of evidence and the frequent use of technical equipment. Additional funding may be required to pay for anticipated travel by agents to other Field Divisions, Country Offices, and jurisdictions to coordinate the investigation. Additional funding will also be required to pay for Local Overtime and possible travel.

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Organized Crime Drug Enforcement Task Forces

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THE FAST AND THE FURIOUS

Operation Name

Case Attorney:	Name: AUSA Emory Hurley	Agency: USAO	Telephone: 602- [REDACTED]	Email: Emory.Hurley@[REDACTED]
Case Agents(s):	Hope MacAllister	ATF	602- [REDACTED]	Hope.MacAllister@[REDACTED]
	Tonya English	ATF	602- [REDACTED]	Tonya.English@[REDACTED]

**LAW
ENFORCEMENT
SENSITIVE**



The attached information must be protected and not released to unauthorized individuals.

Investigation Initiation Form
Organized Crime
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(Assigned by AUSA Coordinator)

Federal Judicial District Initiating this Investigation: District of Arizona

Special Operations Division (SOD) Coordination: Yes ☒ No ☐ (Note: Coordination refers to those multi-jurisdictional operations where SOD is actively coordinating with the field to provide guidance and oversight. SOD Funding of electronic surveillance does not, by itself, constitute coordination.)

If yes: SOD Staff Coordinator [REDACTED] SOD Operation Name TO BE DETERMINED

Have you received any product from the OCDETF Fusion Center regarding this case? (other than the initial Rapid Enforcement Review) Yes ☒ No ☐

Did the OCDETF Fusion Center assist you with asset seizures for this case? Yes ☐ No ☒

HIDTA Participation: Yes ☐ No ☒ HIFCA Participation: Yes ☐ No ☒

I. Targeted Organization (N/A if name of organization is unknown)

Name: BELTRAN-LEYVA Operation (Code) Name: The Fast and the Furious

II. Prospective Defendants (If more than thirty, attach "Prospective Defendants Supplement" (OCDETF Form S-3))

Name (last, first, middle initial)	Non-U.S. Citizen (indicate with an X)	Alien Registration Number	DOB	SSN	FBI #	Leadership Role (indicate with an x)
1) [REDACTED]	<input checked="" type="checkbox"/>					<input checked="" type="checkbox"/>
2) CELIS-ACOSTA, Manuel Fabian	<input type="checkbox"/>		[REDACTED]	[REDACTED]	[REDACTED]	<input checked="" type="checkbox"/>
3) [REDACTED]	<input type="checkbox"/>			- -		<input checked="" type="checkbox"/>
4) AVILA Jr., Jaime	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input type="checkbox"/>
5) CELIS, Alfredo NMN	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input type="checkbox"/>
6) CHAMBERS, Jacob Wayne	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input checked="" type="checkbox"/>
7) MOORE, Joshua David	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input checked="" type="checkbox"/>
8) PATINO, Uriel NMN	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input checked="" type="checkbox"/>
9) STEWARD, Sean Christopher	<input type="checkbox"/>		[REDACTED]	[REDACTED]	[REDACTED]	<input checked="" type="checkbox"/>
10) HERCEGOVAC, Dejan NMN	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input type="checkbox"/>
11) [REDACTED]	<input type="checkbox"/>		[REDACTED]	[REDACTED]		<input type="checkbox"/>
12) [REDACTED]	<input type="checkbox"/>		[REDACTED]	[REDACTED]	[REDACTED]	<input type="checkbox"/>
13)	<input type="checkbox"/>					<input type="checkbox"/>
14)	<input type="checkbox"/>					<input type="checkbox"/>
15)	<input type="checkbox"/>					<input type="checkbox"/>
16)	<input type="checkbox"/>					<input type="checkbox"/>
17)	<input type="checkbox"/>					<input type="checkbox"/>
18)	<input type="checkbox"/>					<input type="checkbox"/>
19)	<input type="checkbox"/>					<input type="checkbox"/>
20)	<input type="checkbox"/>					<input type="checkbox"/>
21)	<input type="checkbox"/>					<input type="checkbox"/>
22)	<input type="checkbox"/>					<input type="checkbox"/>
23)	<input type="checkbox"/>					<input type="checkbox"/>
24)	<input type="checkbox"/>					<input type="checkbox"/>
25)	<input type="checkbox"/>					<input type="checkbox"/>
26)	<input type="checkbox"/>					<input type="checkbox"/>
27)	<input type="checkbox"/>					<input type="checkbox"/>
28)	<input type="checkbox"/>					<input type="checkbox"/>
29)	<input type="checkbox"/>					<input type="checkbox"/>
30)	<input type="checkbox"/>					<input type="checkbox"/>

FORM USA-244/Oct 09

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(Assigned by AUSA Coordinator)

III. Agency Involvement Check all boxes which apply and enter personnel commitment and agency case numbers, if available.
Note: Agency case numbers for Federal agencies must be submitted by the time of the first Interim Report
(that is, within six months of the initiation of the OCDETF investigation.)

Agency	# of Full Time Personnel	# of Part Time Personnel	Agency Case Number	Associated Agency Case Number(s)
<input checked="" type="checkbox"/> ATF	6	4	785115-10- [REDACTED]	785065-10- [REDACTED] 781035-10- [REDACTED]
<input checked="" type="checkbox"/> DEA - GDEP #		1		[REDACTED]
<input type="checkbox"/> FBI				
<input checked="" type="checkbox"/> ICE	1			[REDACTED]
<input checked="" type="checkbox"/> IRS		1		
<input checked="" type="checkbox"/> USAO		1		USAO [REDACTED]
<input type="checkbox"/> USCG				
<input type="checkbox"/> USMS				
<input type="checkbox"/> Other (Federal) (List Agencies)				
<input type="checkbox"/>				
<input checked="" type="checkbox"/> State/Local Investigators (List Agencies)				
<input checked="" type="checkbox"/> Phoenix Police Department (Gun Squad)		5		
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/> State/Local Prosecutors (List Agencies)				
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/> Foreign Law Enforcement (List Agencies)				
<input type="checkbox"/>				
<input type="checkbox"/>				
<input type="checkbox"/>				

Does this investigation anticipate requesting State and Local Overtime Funding?

☒ Yes ☐ No

If yes, please indicate funding source

☒ DOJ ☐ Treasury ☐ Other _____

If yes, please indicate an **estimated** amount for the current fiscal year. (Note-State and Local Overtime Funding must still be submitted through the separate appropriate process for approval.)

\$20,000.00

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(Assigned by AUSA Coordinator)

Appendix I: Exhibits

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(Assigned by AUSA Coordinator)

VI. Investigative Techniques Used to Date Supervised by your District: (check all that apply)**General Investigative Techniques**

- ☐ Drug Purchase/Reverse
☐ Controlled Delivery
☐ Undercover
☒ Informant
☐ T-III/Wiretap
 ☐ Federal
 ☐ State
 ☐ Foreign
☐ Roving Title III
☒ Other Electronic Surveillance
☒ Toll Analysis
☒ Pen Register/Trap and Trace
☒ MLAT/Request to Foreign Gov't
☒ Investigative Grand Jury
☐ Wall-off
☒ Search Warrant
☐ Administrative Subpoena
☐ Immigration Benefits (i.e., S-Visa)
☐ Immigration Admin/Crim Action
☐ Witness Protection
☐ Other (Specify)

Financial Investigative Techniques

Note: A financial investigation must have been commenced prior to submission of this form.
Check all that apply:

Corroborated information received from a witness/informant related to the organization:

- ☒ Assets and proceeds
☒ Methods of moving/laundrying proceeds

Conducted followup on financial leads uncovered through:

- ☒ Commercial database checks
☒ Public sources of information (bankruptcy, divorce records, articles of inc., deeds, mortgages)
☐ Mail Cover
☐ Trash Search
☐ Search Warrant
☒ Reviews of SAR's, CTR's, CMIR, etc.
☐ Request to FinCEN for foreign bank information
☐ Ex parte Tax Order
☒ OCDETF Fusion Center Report

Conducted analysis of financial information:

- ☒ Received through subpoena to credit agencies, banks and other financial institutions
☐ Relating to wire transfers, money order purchases, or other financial information

Methods Used:

- ☐ Net Worth Analysis
☐ Asset Tracing
☐ Financial/Money Laundering undercover operation
☐ Other _____

Which agency is conducting the financial investigation? (check one primary agency only)

- ☒ IRS ☐ DEA
☐ ICE ☐ USAO
☐ FBI ☐ Other _____

Are you being assisted by the:

- ☐ DEA FIT Team ☐ USAO Financial Analyst
☐ OCDETF FIC Squad ☐ Strike Force Financial Analyst

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(Assigned by AUSA Coordinator)

VII. REQUIRED DATABASE CHECKLIST FOR OCDETF IIF

Name of Agent Hope MacAllister /Tonya English
Agency ATF
Telephone Number 602- /602-
OCDETF Operation Name The Fast and the Furious
Judicial District District of Arizona

REQUIRED DATABASE CHECKS

DATABASE	DATE REQUESTED	DATE COMPLETED
EPIC MDBQ DATABASE	01/22/2010	
EPIC - IRS (Special Request) or FinCEN GATEWAY	01/22/2010	
EPIC- USMS (Special Request)	01/22/2010	
USSS (Special Request)	01/22/2010	
EPIC - ATF (Special Request)	01/22/2010	
EPIC - DEA Drug X (Special Request)	01/22/2010	
EPIC - ICE/AIU (Special Request)	01/22/2010	
OCDETF Fusion Center	01/13/2010	

OPTIONAL DATABASE CHECKS

While not required for OCDETF approval, please provide information, if checks were completed.

DATABASE	DATE COMPLETED
Choicepoint	
Lexis-Nexis	
Dun & Bradstreet	
INFO-USA	
Thompson Bank Directory	

VIII. SPECIAL OPERATIONS DIVISION (SOD) WORKSHEET

Date Prepared: (MM/DD/YYYY)

01/20/2010

Prepared By: Special Agent Tonya English Agency: ATF Telephone: 602-

Current SOD Coordination: Yes ☒ No ☐

(If Yes) SOD Operation Name:

Communication Devices previously submitted to SOD: Yes ☒ No ☐

(If Yes, answer the following)

Submitted By: Special Agent Tonya English Agency: ATF Telephone: 602-

Date Submitted to SOD: (MM/DD/YYYY)
01/21/2010

COMMUNICATIONS DEVICES

(NOT Previously Submitted to SOD)

Type of Device (Designate by letter)

(A) Cell Phone (B) Hard-line (C) Pager (D) Calling Card
(E) Satellite (F) FAX (G) E-mail (H) Other

NAME of TARGET	Type	Number (with area code)	Type	Number (with area code)	Type	Number (with area code)

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(Assigned by AUSA Coordinator)

IX. Narrative Summary (Number all pages, include investigation number and mark "Law Enforcement Sensitive")

Answer all questions below thoroughly, but concisely.

A. BACKGROUND/FACTS ABOUT THE CASE

1. What is the basis for initiating this case?
2. If the target organization is linked to, or has the potential to link to, a CPOT or RPOT, explain the available evidence to substantiate the connection.
3. How would disruption or dismantlement of this organization impact the CPOT or RPOT?
4. Provide the following information about the targeted organization:
 - a) Name
 - b) Geographic scope. (Note: the organization should operate in multiple districts and/or have a link to a nationwide or international drug trafficking organization.)
 - c) Number of participants.
 - d) Criminal activities involved (i.e., money laundering, drug production, transportation and/or distribution, drug related violence, public corruption, tax fraud, etc.).
 - e) Type and quantity of drugs involved and estimated annual supply capacity of the organization.
 - f) Describe drug trafficking methods.
 - g) Describe money laundering methods including a summary of the results of the financial investigation to date.
5. Identify the principal targets and their roles in the organization (i.e., organization head, supplier, transporter, broker, financier, distributor, enforcer, etc.).
6. Explain any connections to terrorist organizations, national gangs or other organized criminal groups.
7. What is the nature and extent of public corruption, if any?

B. INVESTIGATIVE TECHNIQUES AND GOALS

1. What are the overall goals and objectives of this investigation?
2. List: (a) planned financial investigative steps; and (b) planned investigative techniques beyond those listed in Part VI, above.
3. What is the potential for asset seizures? Describe these assets and list the properties and/or the names of businesses subject to potential seizure, and identify the relationship of the properties to the target(s) or criminal activities.
4. What, if any, connection does this case have to other investigations, districts or regions? What contact has been made with those other jurisdictions?
5. What, if any, assistance has the OCDETF Fusion Center provided to this investigation that has substantially contributed to investigative/prosecution efforts? Please be specific about any results from the OCDETF Fusion Center's support (e.g. identification of additional assets and/or associates, additional charges in indictment, etc.).

C. PERSONNEL/RESOURCE REQUIREMENTS

1. Explain the investigative responsibilities of each agency participating in this investigation.

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(Assigned by AUSA Coordinator)

X. Approvals

Initiating District

PRINT NAME **INITIAL** **DATE**
U.S. Attorney or Designee

SAC or Designee

ATF _____
DEA _____
FBI _____
ICE _____
IRS _____
USCG _____
USMS _____
Other _____

Regional Coordination Group

AUSA Coordinator Signature:

Date _____

ATF _____ Date _____
DEA _____ Date _____
FBI _____ Date _____
ICE _____ Date _____
IRS _____ Date _____
USCG _____ Date _____
USMS _____ Date _____
Other _____ Date _____

If an agency disagrees with this proposal, which has been approved by majority vote, please indicate below and attach a dissenting statement.

Dissenting Agency: _____

To be completed by the Regional Coordination Group:

Was this investigation generated as a result of an approved OCDETF Strategic Initiative?

Yes ☐ No ☐

If yes, identify the initiative number:

S	I						
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If this case is connected to an RPOT in another region, please identify region: _____

OCDETF Executive Office


Reviewed/Computer Entry:

Initials _____ Date _____

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Exhibit 17

Exhibit 17

 **From:** Voth, David J. <[REDACTED]>
Sent: Monday, November 9, 2009 11:28 AM
To: MacAllister, Hope A. [REDACTED] Medina, Jose L.
Subject: New case requires action, maybe Joe...?
Attach: Doc1.docx

Hope,

Sorry I don't mean to interfere when I am not even in the State of Arizona yet but this one screams actions...!

- 23 year old Hispanic male
- Lives in Phoenix; buying guns at [REDACTED] [REDACTED] has an in-house policy to always get a phone number plus they should have a corporate contact to get information without risking getting burned by FFL
- In the month of November 2009 (9 days) he has purchased eleven (11) FN 5.7, one (1) 7.62, and one (1) .40 caliber = total 13 guns (12 of which are high profile guns for DTO.)
- Let's get something going on this guy, no surveillance or other enforcement action, but let's start looking into phone numbers, border crossings, method of payment especially if credit card or check...etc.

If it looks good I will send down a "go-by" for a pen register we used up here on our current SWB trafficker turned T-III.

Thanks, sorry for micro managing but I can't help myself when I see this kind of activity.

 Voth

Exhibit 18

Exhibit 18

MINTZ LEVIN

Paul E. Pelletier | 202 434 7490 | [REDACTED]@mintz.com

701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
202-434-7300
202-434-7400 fax
www.mintz.com

September 21, 2011

Committee on Oversight and Government Reform
2157 Rayburn House Office Building
Washington, D.C. 20515-614

Dear Sir/Madam:

Enclosed please find the Supplemental Statement of Special Agent William Newell, supplementing and clarifying his testimony before the Committee on July 26, 2011. Please feel free to contact me if you have any questions.

Very truly yours,

Paul E. Pelletier (mg)

Paul E. Pelletier

cc: Steve Castor (w/enclosures)
Chief Counsel, Investigations
Committee on Oversight and Government Reform

Susanne Sachsman Grooms (w/enclosures)
Chief Counsel, Democratic Staff
Committee on Oversight and Government Reform

cc: Bill Newell (w/enclosures)

5450230v.2

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

BOSTON | WASHINGTON | NEW YORK | STAMFORD | LOS ANGELES | PALO ALTO | SAN DIEGO | LONDON

**Supplemental Statement of William D. Newell,
Former Special Agent in Charge of the Phoenix Field Division
Bureau of Alcohol, Tobacco, Firearms and Explosives, To Testimony
Given Before the United States House of Representatives
Committee on Oversight and Government Reform
On July 26, 2011**

I am William D. Newell of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF). I testified before the Committee on Oversight and Government Reform on July 26, 2011. After taking time to reflect and review my testimony from the hearing on July 26, 2011, I realize I could have given clearer, more complete and more direct responses to some questions. It was not my intention to give answers that lacked the clarity everyone on the panel deserved from a federal law enforcement agent in my position. It is not an excuse but a reality that the pressure I have been under over the last several months has been nothing like I have ever experienced; this inquiry and the way it has been handled has taken a physical toll on my family, me and the dedicated men and women who continue to pursue the goals of this investigation. The format of the hearing also was not conducive to providing answers which include the depth and breadth necessary for a full understanding of the underlying facts. As a consequence and in retrospect, some of my answers could have been more detailed and clearer. I would therefore like to take this opportunity to expound upon and clarify some of these answers through this supplemental statement in hopes that you will be better able to evaluate the principal goals underlying the Fast and Furious investigation for the purpose of assisting the inquiry.

Ranking Member Cummings asked whether the errors in Fast and Furious relating to ATF's inability to seize guns during the investigation were errors of omission or errors

of commission. To be clear, any errors were unintentional errors of omission and are rooted in the laws we have at our disposal in attempting to address this type of illegal activity, the inherent risks posed by the nature of these investigations and the rapid progression of this investigation, which I will attempt to summarize below.

As I stated in my opening statement at the hearing, throughout the course of this investigation we attempted to be innovative in tracking and seizing firearms purchased by the suspected “straw” buyers while simultaneously being engaged in a strategic effort to identify the decision makers, the financiers and an ever expanding network of “straw” purchasers of the firearms in order to ultimately disrupt the entire criminal organization. Ensuring the safety of the citizens of the United States and, concomitantly the citizens of Mexico, underlied the fabric of all of our law enforcement decisions in this investigation. To be clear, the main objective of the Fast and Furious investigation was to find a way to *eliminate* the flow of firearms to Mexico by this criminal organization. As such, those searching for the secret or hidden “high level” authorization to “permit guns to flow south,” an objective antithetical to our OCDETF investigation, ultimately will remain unsatisfied. Upon reflection and review, my efforts in the hearing to expound upon the bases and practical application of the law enforcement goals lacked a completeness which was difficult for me to effectuate in that forum.

The Inception of the Investigation

The operational phase of this ATF investigation was formally initiated by the case agents on November 16, 2009 under the title “Jacob Chambers, et al.” At that time, approximately seven (7) suspects had been identified as possibly being engaged in concerted firearms trafficking. During the next seven weeks, diligent ATF field agents

aggressively investigated these individuals, leading to the identification of other suspected “straw” purchasers and numerous firearms purchases that occurred both before and after the ATF investigation opened. The agents also conducted numerous queries of law enforcement databases which identified a potential link between these suspected firearms traffickers and a Phoenix area drug trafficking ring with ties to a Mexican drug trafficking organization. During this time there was active coordination, discussion, and assessment of the investigative information, strategy, and progress with the U.S. Attorney’s Office (USAO). Based on the limited information and evidence up to this point in the investigation regarding the suspected illegal trafficking activity, the organization, its members, and the methods, routes and suspects by which firearms had been diverted from lawful commerce, including some recovered in the U.S. and Mexico, additional investigation was required. The investigation, which initially focused on a few suspected “straw” purchasers, quickly ballooned to an expansive and expanding firearms trafficking network. It was believed that it was important to adopt an investigative plan to terminate this organization’s ability to traffic in firearms.

It is well established that many firearms trafficking organizations operating in the Southwest Border states are sophisticated transnational criminal enterprises involving multiple layers of criminal operators, including fungible “straw” purchasers. These purchasers have no prohibitive criminal history, and if arrested, generally refuse to cooperate and, indeed, have little ability to assist law enforcement in furthering the investigation through cooperation due to the insular design of the organization. They also have little incentive to cooperate based on the obvious prosecutive challenges and the nominal sentencing guidelines associated with the falsification of information required on

federal firearms transaction forms. Another disincentive for cooperation is the significant and well-founded fear of violent physical retaliation by the Mexican drug cartels. Thus, the premature arrest of “straw” purchasers prior to the identification and arrest of the organizers and financiers of the enterprise would have permitted the unabated trafficking of guns, as, in addition to potentially fatally exposing the investigation, the arrested “straw” purchasers would have been quickly replaced by new purchasers, unknown to law enforcement. Moreover, even if the USAO would have authorized the piecemeal arrest and prosecution of individual suspected “straw” purchasers, I am certain such arrests would literally have empowered the organization to continue to operate and illegally traffic firearms in virtual anonymity, undetectable to law enforcement and frustrating ATF’s ability to staunch the flow of guns by charging all of the organization’s members.^{1/}

As I stated at the hearing, with 20/20 hindsight I now see that I should have conducted more frequent assessments during the course of the investigation in order to determine whether our surveillance and seizure efforts were effective in those instances where we had advance knowledge of an attempt by a suspected member of the firearms trafficking organization to purchase weapons. This was not an intentional omission of either myself or the agents who were doing their level best under trying and difficult circumstances while seeking to effectuate these, and other, legitimate law enforcement objectives: (1) the desire to establish to the satisfaction of the USAO that the suspects were indeed unlawful “straw” purchasers^{2/} and members of the criminal enterprise; (2) to

^{1/} Experience dictates that decisions about arrest and seizure are best made by agents on the scene in accordance with the law and in consultation with their supervisors and federal prosecutors.

^{2/} It is my understanding that to lodge criminal charges against “straw” purchasers in the District of Arizona we must be able to produce for federal prosecutors sufficient evidence to establish beyond a

identify the breadth, scope and methodologies of the criminal enterprise; and (3) to seize firearms and arrest the criminally culpable members of the organization when lawfully permitted to do so.

Although we suspected that this organization was in the business of purchasing firearms for a Phoenix area drug trafficking ring with ties to a Mexican drug trafficking organization, we did not stand idly by and watch more than 2000 guns be transported to Mexico. When ATF had advance notice that a suspected “straw” purchaser would be purchasing guns,^{3/} the agents used available resources to track, surveil and seize the guns as permitted under existing laws and policies of ATF and the USAO.^{4/} ATF also, contrary to insinuations at the hearing, used a wide variety of well-established law enforcement investigative techniques during the investigation in an effort to identify the participants, locations, vehicles, financing and operating methods, to interdict and seize firearms, and to gather the evidence necessary to support a successful federal prosecution in the District of Arizona. In fact, new and innovative techniques were used during the course of this investigation in an effort to track the movement of firearms as well as seize them lawfully, including the use of Federal civil forfeiture warrants for firearms. ATF

reasonable doubt that the person suspected of “straw” purchasing a firearm intended to falsify the ATF F 4473 Firearms Transaction Record. A confession absent supporting evidence that the “straw” purchaser was buying guns for another does not rise to the level of proof beyond a reasonable doubt in this District. Furthermore, each substantive “straw” purchase violation must be proved with independent evidence related solely to that transaction; evidence of similar past behavior, to my understanding, will not be sufficient to support a prosecution in this District.

^{3/} For example, we did not receive notification that an FFL had sold 3 firearms to Jaime Avila on January 16, 2010 until three days later - - January 19, 2010. As such, ATF agents could not have surveilled the purchase, storage and/or transportation of those firearms. Two (2) of those firearms were later found on the scene of Agent Terry’s murder.

^{4/} It is frequently the practice in these types of trafficking rings for the weapons to change hands several times before ultimate transfer across the border, with guns occasionally being stored at stash houses, sometimes for weeks and months at a time, and comingled with guns acquired from other purchasers. Recoveries related to this case in the U.S. and Mexico indicate that this was indeed the practice of this organization.

also, contrary to other insinuations at the hearing, conducted numerous interviews with suspected “straw” purchasers throughout the course of the investigation, but gained minimal information and cooperation during these interviews as to their culpability and the structure of the criminal organization. Furthermore, during the investigation ATF also attempted to insert an experienced undercover agent into the organization in a proactive attempt to gain valuable insight and evidence as to the inner workings, means and methods of this criminal enterprise. This undercover attempt, which was well-planned by dedicated and experienced agents, ultimately was not successful. As such, Fast and Furious was not an ATF undercover operation but a proactive investigation using the previously noted law enforcement techniques. I want to further reiterate, in most instances we did not have advance notice of the firearms purchases by suspected members of the organization.

We also routinely shared information regarding this investigation with the ATF Country Office in Mexico, other ATF field divisions along the Southwest Border, ATF HQ, and our Mexican counterparts including the PGR Representative stationed in the ATF Phoenix Field division office.^{5/}

At the time ATF Phoenix Field Division opened this investigation in November of 2009, Phoenix ATF agents believed that suspects in this criminal enterprise had acquired more than 300 firearms. Though we did not know its scope or all of the players in the

^{5/} As part of “Project Gunrunner” ATF instituted a bi-weekly Southwest Border Briefing Paper which provides a wide ATF audience with information of active investigations, training efforts, and other Gunrunner related matters. Beginning in early December, 2009, when this investigation was then titled “Jacob Chambers, et al”, this report began providing bi-weekly updates on the investigation, including, *inter alia*, the number of guns purchased by the organization, investigative techniques being used, coordination with other law enforcement agencies, and the recovery of firearms in the U.S. and Mexico, to Darren Gil, the ATF Mexico Attaché, and to Carlos Canino, the Deputy Attaché. Mr. Gil would have continued to receive these bi-weekly Briefing Papers until his removal from that post in the Fall of 2010. Accordingly, I cannot reconcile Mr. Gil’s statement to the Committee that Operation Fast and Furious “was kept secret from [him] and his colleagues.”

enterprise, on November 20, 2009,^{6/} we learned that there had been a seizure in Naco, Sonora, Mexico of 42 firearms, of which 37 ultimately^{7/} were traced to the criminal enterprise we were investigating. At that time, Group VII of the ATF Phoenix Field Division had only three (3) agents, yet they continued to build an investigation into this previously unknown yet burgeoning firearms trafficking criminal enterprise. On December 8, 2009, ATF agents learned that one of the suspected “straw” purchasers, Sean Steward, had sought to purchase 20 AK-47 type rifles at a Federal Firearms Licensee (FFL) in the Phoenix area. ATF agents surveilled Steward’s eventual purchase of the 20 firearms at approximately 9:00 pm that evening. An ensuing traffic stop was conducted and Steward maintained to the law enforcement officers at the scene that he had purchased the guns and that they indeed belonged to him. Because Steward was not prohibited by law from purchasing or possessing the firearms, our agents on scene believed there did not exist lawful authority to seize the weapons despite their strong suspicions.^{8/} On December 21, 2009, a Phoenix Police Department Gun Squad officer made contact with suspect Jose Polanco who had purchased 3 pistols on November 17, 2009. In answer to questions regarding one of the pistols which had been seized from a convicted felon in Phoenix on November 19, 2009, Polanco specifically denied having

^{6/} As stated previously, “straw” purchasers are fungible; therefore, many of the “straw” purchasers we had identified as members of the organization at the inception of the investigation were no longer being used by the organization when the investigation received OCDETF approval.

^{7/} At the time of the seizure agents did not know that all 37 guns were linked to the organization they were investigating. Over the next several months, as ATF Phoenix continued to develop intelligence and work leads in the case, the case agents were able to connect those guns to several different suspected “straw” purchasers they believed were linked to the organization.

^{8/} Despite the clarity of 20/20 hindsight so fervently expressed by several Committee members and ATF witnesses at the July 26, 2011 hearing, the determination on the ground at that time was not unwarranted.

purchased the weapon for another individual and claimed he purchased it for himself but then decided to sell it.^{9/}

In a January 5, 2010, meeting at the United States Attorney's Office, it is my understanding that a determination was made that the legally sufficient evidence required to make arrests, seize firearms, and successfully prosecute the suspected violations had not yet been obtained. Over the next several weeks ATF continued to collect evidence to support an OCDETF^{10/} investigation into this enterprise that we now believed was organized, prolific and supplying firearms to a Phoenix area drug trafficking ring with ties to a Mexican drug trafficking organization.^{11/} By the time the United States Attorney's Office and the ATF Phoenix Field Division submitted the OCDETF paperwork to the OCDETF Regional Program Office in Houston, Texas in mid-January, the agents believed they had linked approximately 950 previously purchased guns to the Fast and Furious criminal enterprise.^{12/} On February 5, 2010 we were notified by the Houston Regional OCDETF Office that the Fast and Furious investigation had received OCDETF approval.

^{9/} In my experience, "straw" purchasers routinely deny the facts necessary to establish that they are indeed "straw" purchasers necessitating the collection of admissible evidence satisfactory to the USAO before charges can be filed. In this regard, Mr. Gil's testimony at the July 26, 2011 hearing that confessions are obtained "99.9%" of the time does not square with my experience or with the events in this case.

^{10/} At this time we had hoped that an OCDETF approved operation would provide funding that would allow for additional agents to be detailed to the group to assist in conducting surveillance and enhance other investigative techniques necessary to achieve the objectives of the investigation.

^{11/} To illustrate the herculean efforts of the 3 agents assigned to Group VII, during the first 6 weeks of their investigation the agents prepared and submitted more than 55 reports of investigation which recorded their early efforts to determine the scope of the criminal enterprise. This volume of investigative effort was unprecedented in my experience.

^{12/} Because there is no central registry of all firearms purchases, there is no way for ATF to immediately identify where, when and how many firearms purchases have been made by a person of interest, not even for those purchases made at federally licensed firearms dealers (FFLs). Therefore "linking" previously purchased firearms to suspects in a firearms trafficking organization involves, but is not limited to, agents reviewing and analyzing information of "after the fact" sales including: reported multiple sales forms, reviewing firearms transaction records at FFLs, information from cooperating individuals, surveillances, lawful interdictions and/or firearms traces by ATF and other law enforcement agencies. It should be noted that evidence of previously purchased firearms by suspects in this investigation is still being uncovered.

The Post-OCDETF Phase

Throughout the OCDETF phase of the investigation we continued to utilize the previously mentioned and well-established law enforcement investigative techniques to assist the agents in determining the size, scope and methods of the criminal enterprise as well as to obtain sufficient evidence to arrest and prosecute the culpable individuals and seize the firearms when we believed we lawfully could do so.^{13/} From the time of the inception of the Fast and Furious OCDETF phase of the investigation until the conclusion of the operational phase of the investigation at the end of July, 2010, ATF was able to surveil the purchase of approximately 300 firearms by people suspected of acting as “straw” purchasers for the criminal organization. ATF was able to proactively and lawfully seize approximately 60 of those firearms. For example, on February 13, 2010, ATF agents, because they had advance notice of a pending gun purchase from an FFL, obtained a court order to place a tracking device in the stock of one of the firearms that Uriel Patino purchased later that day. On February 20, 2010, ATF agents were able to track the firearms to the Tohono O’Odham Indian Nation in Arizona heading presumably toward Mexico. Upon coordination with the United States Border Patrol, a vehicle believed to be carrying the firearms was spotted near the border with Mexico. The vehicle was found to be loaded with forty-one (41) AK-47 type firearms wrapped in plastic. Thirty-seven of these firearms were subsequently determined to have been purchased by Uriel Patino between January 15, 2010 and February 13, 2010.^{14/} The

^{13/} To be clear, and contrary to statements made at the hearing, I am aware of only one instance in this investigation where ATF agents were prevented from confronting a suspect. In that instance, on April 27, 2010, it is my understanding that, due largely to considerations of agent safety, agents were prevented from stopping a vehicle to confront a suspect.

^{14/} Patino purchased the 37 firearms in the following manner: 10 firearms purchased on January 15, 2010; 10 firearms purchased on February 8, 2010; 5 firearms purchased on February 11, 2010; 2 firearms purchased on February 12, 2010; and 10 firearms purchased on February 13, 2010.

driver of the vehicle, unknown to ATF at that time, was placed under arrest and the firearms seized. Over the next several months agents were able to surveil Patino's purchase of approximately 200 firearms of which they were able to proactively and lawfully seize only 21.^{15/} It should be noted that, to date, ATF has seized a total of 231 firearms in this investigation.^{16/}

Using ATF and OCDETF resources we detailed several out-of-town agents to assist with surveillance during the period of March 14 to May 3, 2010. These agents often worked seven days a week and logged more than 4,000 hours of surveillance. From early May to mid-August the Phoenix Field Division was tasked with deploying the second Gunrunner Impact Team (GRIT) initiative which involved detailing approximately 85 ATF personnel of different job series from across the country to assist with the numerous firearms trafficking investigations being conducted by the Phoenix Field Division at that time. This included detailing 10 agents to Group VII to assist with firearms trafficking investigations including Fast and Furious. During this time period Phoenix Group VII personnel also continued to conduct numerous surveillances in support of this investigation.^{17/} During this period, to my knowledge not a single agent

¹⁵ At the time, the policy of the United States Attorney's Office for the District of Arizona as understood by me was that ATF did not have lawful authority to seize firearms being transferred between two non-prohibited persons absent articulable and specific proof that the transfer in question was in and of itself unlawful.

^{16/} As articulated earlier, in consultation with the United States Attorney's Office for the District of Arizona, ATF made every effort during this investigation to lawfully interdict and seize firearms. In that vein we used many law enforcement tools including trackers, visual surveillances, interviews, search warrants and electronic intercepts.

¹⁷ It should be emphasized, that even with the detailees and the additional manpower available during the GRIT operation, the field agents could not maintain surveillance on every "suspected" resident, suspected "straw" purchaser or dealer premises of interest on an uninterrupted, 24/7 basis. We utilized our human resources, other assets and tools as effectively and efficiently as possible. The agents in the field must be permitted to make judgments as to how to best proceed, particularly when they were dealing with approximately 50 suspected "straw" purchasers and other suspects.

was instructed to decline to make a seizure or interdict firearms when he or she could do so lawfully and safely.

As I stated at the hearing and previously in this supplemental statement I realize that with more regular assessments I could have articulated to my staff the need to be proactive in ascertaining the quantity of guns being purchased that we were not able to intercept and more urgently articulating to the USAO the need to address in some way these now clear facts. These are the unintentional *omissions* for which I am, in retrospect, responsible as the then SAC of ATF in Phoenix.

Also, Ranking Member Cumming's statement that Director Melson was not aware of the "so called 'gun walking' [allegations] until they were reported publically" and that "they stayed in-house down there" assumes that allegations of "gun walking" were *actually* raised in Phoenix by the whistleblowers during the operational phase of the investigation. As I stated in my interview with Committee staff and also at the hearing on July 26, 2011, I am unaware of any concerns of alleged "gun walking" raised by the whistleblowers during the operational phase of the investigation until they were being reported publically in or about February 2011.¹⁸ To me, the stark absence of contemporaneous documents voicing concerns to supervisors over "guns walking," establishes quite convincingly that concerns over alleged "gun walking" were not raised with the appropriate supervisors in the Phoenix Field Division during the operational phase of this investigation. Finally, there exists a well-established process within ATF in which employees can contact the Internal Affairs Division or Office of the Ombudsman

^{18/} I have reviewed the statements made by the whistleblowers to this Committee and it is my belief that many of the assertions in these statements are untrue. Certainly the immediate supervisor at the time as well as the lead case agent of the Fast and Furious investigation would have personal knowledge as to the veracity of most of those assertions.

to report activity they believe needs to be addressed immediately or when they believe their concerns are not being addressed in the field by the appropriate supervisors. To the best of my knowledge, at no time during the operational phase of the Fast and Furious investigation did any of the whistleblowers contact the Internal Affairs Division or Office of the Ombudsman with concerns regarding the investigation.

Pursuant to Title 28 United States Code, Section 1746, I declare under the penalty of perjury that the forgoing is true and correct.



William D. Newell

Executed this 20th of September, 2011.

Exhibit 19

[REDACTED] - Of interest

Page 1 of 1

(2)

Of interest

1 message

Fri, Jun 11, 2010 at 6:55 PM

To: "Voth, David J." <[REDACTED]>

David,

[REDACTED] was in today and purchased a firearm from us.

A couple of weeks ago you had requested a purchase history on him, so I thought I would bring this to your attention. I have copies of the 4473, sales receipt, his drivers license and CCW for you.

I did try to contact agent Jose Medina who we typically call when a person who may be of interest is in the store. He did not answer.

Would you like for me to hold these documents for you, or shall I try to reach agent Medina and fax them to him?

--

Thank you,

[REDACTED]
General Manager
[REDACTED]

This transmission is intended for the sole use of the individual or entity to whom it is addressed, and may contain information that is for official use only. DOD and/or Law Enforcement sensitive, privileged, confidential and/or exempt from disclosure under applicable law. You are hereby notified that any dissemination, distribution or duplication of this transmission by someone other than the intended addressee or its designated agent is strictly prohibited. If your receipt of this transmission is in error, please reply to the sender of this transmission.

[REDACTED] - Fwd: Project Gunrunner

Page 1 of 2

(2)

Fwd: Project Gunrunner

2 messages

Tue, Jun 15, 2010 at 9:30 AM

----- Forwarded message -----

From: [REDACTED]
Date: Mon, Jun 14, 2010 at 3:35 PM
Subject: Project Gunrunner
To: Jose Medina <[REDACTED]>

Hello Agent Medina just wanted to confirm i have the correct email address and that Jaime Avila will be in today for a .50 Barrett 20".

[REDACTED]

[REDACTED]

Tue, Jun 15, 2010 at 3:59 PM

To: "Medina, Jose L." <[REDACTED]>
Cc: [REDACTED]

I sent them yesterday. I will send them again, also I just wanted to confirm that Jaime Avila Jr purchased a Barrett .50 20" and all the paperwork was faxed this morning.

On Tue, Jun 15, 2010 at 10:38 AM, Medina, Jose L. [REDACTED] wrote:

Can you send those receipts for Celis and Steward from June 8, 2010?

From: [REDACTED]
Sent: Monday, June 14, 2010 3:35 PM
To: Medina, Jose L.
Subject: Project Gunrunner

Hello Agent Medina just wanted to confirm i have the correct email address and that Jaime Avila will be in

[REDACTED] - Fwd: Project Gunrunner

Page 2 of 2

(3)

today for a .50 Barrett 20".

***** NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

[Quoted text hidden]

Exhibit 20

Exhibit 20

RC-1

From: Morrissey, Mike (USAAZ)
Sent: Friday, November 20, 2009 12:47 PM
To: Hurley, Emory (USAAZ)
Subject: RE: Request w. short response time

Can I get a one or two paragraph synopsis of RC-2 - I was rushing before and I want to make sure I get it. And is it your case, Kathys', or what?

From: Hurley, Emory (USAAZ)
Sent: Friday, November 20, 2009 8:31 AM
To: Morrissey, Mike (USAAZ)
Subject: RE: Request w. short response time

RC-2

RC-2

RC-2

ATF S/A Hope Mac Allister is working on a trafficking case involving multiple straw purchasers (hub and spokes conspiracy). This case is just starting out and she will be looking for GJ subps. and pen&trap orders next.

RC-2

RC-2

Thank you ,
Emory

From: Morrissey, Mike (USAAZ)
Sent: Thursday, November 19, 2009 5:49 PM
To: Hurley, Emory (USAAZ)
Subject: FW: Request w. short response time

Sorry – oops, I sent this to the wrong Hurley. Can you try to respond by 9:30 or so tomorrow? Thanks. Mike

From: Morrissey, Mike (USAAZ)
Sent: Thursday, November 19, 2009 4:11 PM

Exhibit 21

Exhibit 21

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone:(800) [REDACTED] Fax:(800) [REDACTED]

Print Date: [REDACTED]



FIREARMS TRACE SUMMARY

Trace Number: T20090344359

Request Date: November 24, 2009

Completion Date: November 30, 2009

ALEX KRUTHAUP
 OFFICE OF STRATEGIC INTEL.

WASHINGTON, DC 20226

PHONE: (202) [REDACTED] Ext:

FAX (202) [REDACTED]

Badge No:

Investigation No: 164020-10-[REDACTED]

INFORMATION CENTER COMBATTING

MEXICO

Badge No:

Investigation No:

FIREARM INFORMATION

Manufacturer: ROMARM/CUGIR

Model: DRACO

Caliber: 762

Serial Number: DR-3389-09

Type: PISTOL

Country: ROMANIA

Importer: CENTURY ARMS INC (CAI),

ST

Obliterated:

Identifying Marks:

STAIN:

Gang Name:

RECOVERY INFORMATION

Recovery Date: 11/20/2009

Time to Crime: 14 days

ADRIANA DE NACO, SO

MEXICO

Possessor: VERONICA ALVAREZ TOSCANO

DOB: [REDACTED]

POB: DELAND, FL UNITED STATES

PURCHASER INFORMATION

Purchase Date: 11/03/2009

URIEL NMN PATINO

PHOENIX, AZ 85037

DOB: [REDACTED]

POB: PHOENIX, AZ UNITED STATES

Race: HISPANIC

Height: ft in

Sex: Male

Weight: lbs

ID 1: AZ DRIVER'S LICENSE: [REDACTED]

ID 2: : REMOVED

Contact the local ATF office for additional information.

ADMINISTRATIVE INFORMATION

PREVIA: [REDACTED]

DEALER INFORMATION

FFL: [REDACTED]

GLENDALE, AZ 85302

Phone: (623) [REDACTED]

Ext:

Ship-To-Date:

SUMMARY OF RESULTS

THE DESCRIBED FIREARM WAS DETERMINED TO HAVE BEEN SOLD AS PART OF A MULTIPLE HANDGUN SALE AND REPORTED TO ATF BY A FEDERAL FIREARMS LICENSEE (FFL). THE TRANSACTION DATE NOTED IN THIS TRACE SUMMARY IS THE DATE THE MULTIPLE SALE WAS GENERATED BY THE FFL AND MAY NOT REPRESENT THE ACTUAL TRANSACTION DATE OF THE TRACED FIREARM. TO VERIFY THE ACTUAL TRANSACTION DATE OF THE TRACED FIREARM, PLEASE CONTACT THE FFL.

The information in this report must be validated prior to use in any criminal proceedings.

Trace: T20090344359
 FOR OFFICIAL USE ONLY

Exhibit 22

Exhibit 22

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**

Phone:(800) [REDACTED] Fax:(800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20090001687

Entered Date: November 13, 2009

JOSE MEDINA
PHOENIX FD GROUP VII
[REDACTED]
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10 [REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name: [REDACTED]

Address: [REDACTED]
GLENDALE, AZ 85302

Phone: (623) [REDACTED] Ext:

FFL Number: [REDACTED]

Invoice #:

INDIVIDUAL INFORMATION

Name: URIEL PATINO

Address: [REDACTED]
PHOENIX, AZ 85037

DOB: 08/24/1986 Race: HISPANIC Sex: Male

Height: Weight: Date: 11/06/2009

ID 1: AZ DRIVER'S LICENSE #: [REDACTED]

ID 2: #: [REDACTED]

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 3

Manufacturer	Model	Caliber	Serial Number	Type	Importer
F.N. (FN HERSTAL)	FIVE-SEVEN	57	386195756	PISTOL	UNKNOWN IMPORTER
ROMARM/CUGIR	DRACO	762	DR-3389-09	PISTOL	UNKNOWN IMPORTER
ROMARM/CUGIR	DRACO	762	DR-3374-09	PISTOL	UNKNOWN IMPORTER

Suspect Gun: S20090001687

FOR OFFICIAL USE ONLY

Exhibit 23

Exhibit 23

From: Newell, William D.
 Sent: Tuesday, November 24, 2009 2:27:52 PM
 To: Burke, Dennis (USAAZ)
 Subject: RE: Gun seizure in Agua Prieta, Sonora

Attachments: TARJETA INFORMATIVA SONORA NACO 42 ARMAS 20 NOV 09.doc

10-4, at Naco - not Agua Prieta (that's where the seizure was taken). Mexican Customs canine alerted to the vehicle. Here's the PGR's preliminary report on the incident. Appears to be a brother and sister. We have an Special Agent/Border Liaison down there now verifying all the info. The original firearms information was wrong so the traces are pending.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

-----Original Message-----

From: Burke, Dennis (USAAZ) [REDACTED]
 Sent: Tuesday, November 24, 2009 11:59 AM
 To: Newell, William D.
 Subject: RE: Gun seizure in Agua Prieta, Sonora

Wow, frickin-A.

They were already across the Border heading south?

-----Original Message-----

From: Newell, William D. (ATF)
 Sent: Tuesday, November 24, 2009 10:25 AM
 To: Burke, Dennis (USAAZ)
 Subject: Gun seizure in Agua Prieta, Sonora

Just making sure you're aware of this large gun seizure this past Friday in Agua Prieta, Sonora. Woman and juvenile (15) from Florida. Mexican Canine (trained by ATF!) alerted to vehicle due to presence of firearms and ammunition. ICE and ATF in Mexico are coord interviewing the woman. We are tracing the firearms to see what we can do with the info in terms of violations, most likely to be filed in Florida - if appropriate. FYI.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) [REDACTED]

HOGRAF - 002344

Exhibit 24

Exhibit 24

----- Original Message -----

From: Newell, William D.

To: Gillett, George T. Jr.

Sent: Tue Nov 24 11:51:20 2009

Subject: FW: Gun seizure in Agua Prieta, Sonora

I know you're off but I don't want to cut you out of the loop on this since this seizure has the potential of being a "hot" issue in many ways. Please verify asap what the status of Bernie responding is and let me know. Thanks.

Bill Newell

Special Agent in Charge

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - [REDACTED]

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-----Original Message-----

From: McMahon, William G.

Sent: Tuesday, November 24, 2009 9:48 AM

To: Newell, William D.

Subject: RE: Gun seizure in Agua Prieta, Sonora

Bill,

Were you able to get one of your people down there on this seizure? I understand ICE is all over this and the info we have up here on the serial numbers is wrong. Thanks,

Bill

-----Original Message-----

From: Newell, William D.

Sent: Tuesday, November 24, 2009 11:35 AM

To: McMahon, William G.; Martin, Steve K.

Subject: Gun seizure in Agua Prieta, Sonora

Friday's Agua Prieta, Sonora (across from Douglas, AZ) gun seizure. 45 semi-auto rifles, mags, ammo, etc. Woman and juvenile from Florida. Mexican Customs dog alerted. Curious to see if it was one of our dogs.

Bill Newell

Special Agent in Charge

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - [REDACTED]

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HOCR ATF - 002023

Exhibit 25

Exhibit 25

Management Log for Case: 785115-10-████

Case Title: CHAMBERS, Jacob, et al

████
████
████

Log Date	Log Type	Mgmt Log Text
10/31/2009	INVESTIGATIVE ACTIVIT	ATF S/A MacAllister received numerous 4473's from ██████" regarding multiple sales of AK-47 type firearms
11/04/2009	INVESTIGATIVE ACTIVIT	English/Medina - Rvwd 4473's rcvd prior week. Also rcvd 4473 via fax ref purchase by Patino on 11/02/09. Also notified of multiple purchase by Patino @ ██████ and ██████ Initiated background checks (N-Force, DL/DL photo, DES, Triple III, PACE, Accurant, Assessor, Veh reg, OLL/E-Trace, TECS) on Patino, ██████, ██████ and ██████ based on purchases @FFL ██████ #4926
11/05/2009	INVESTIGATIVE ACTIVIT	Background check on PATINO (DL/photo, Triple III, vehicle reg's, Assessor). Background checks on all subjects completed. #4926
11/07/2009	INVESTIGATIVE ACTIVIT	Moore - 4473 ref 6 f/a purchase rcvd from ██████ via fax. #4926
11/09/2009	INVESTIGATIVE ACTIVIT	DES on Patino, ██████, ██████ and ██████ rcvd back. #4926
11/10/2009	INVESTIGATIVE ACTIVIT	English/Medina obtained 4473/sales receipt from ██████ ref 11/06/09 6 f/a purchase by Moore. Obs. Moore in store purchas. 10 addtl f/a's, ██████ Related 11/10/09 4473 fxd to office. #4926
11/12/2009	INVESTIGATIVE ACTIVIT	Background check on Moore (DL/photo, Triple III, veh reg, Assessor, TECS, OLL/E-Trace, DES). Rcvd Accurant and checks back on Vil, Cham, Wyl, Patino, and ██████ #4926
11/13/2009	INVESTIGATIVE ACTIVIT	Rcvd 4473's from 10 f/a purchase @ ██████ by Moore on 11/11/09 from SA ██████ Rcvd PACE checks back. #4926
11/13/2009	ADMINISTRATIVE ACTIV	Received video surveillance from ██████ of Uriel PATINO purchasing firearms on 11/02/2009 and 11/05/2009.
11/16/2009	INVESTIGATIVE ACTIVIT	SA MacAllister submitted #'s to PhxFIG ref subscriber info for toll records. Sent names to AFSPB ██████ ref Fincen checks. Medina sent military request ref Moore. Submitted 26 f/a's purchased by Moore to SGP, SG4818. Patino's f/a's submitted to SGP. Rcvd info from SA ██████ that Moore and Patino were in ██████ accompanied by same h/m during their f/a transactions. #4926
11/17/2009	INVESTIGATIVE ACTIVIT	Sent/rcvd DES for Moore. Rcvd Accurant on Moore and submitted 6 f/a's purchased at ██████ to SGP. Req. PACE name check on Moore. Rcvd 4473's from ██████ ref f/a purchase by Polanco. #4926
11/18/2009	ADMINISTRATIVE ACTIV	Case #785115-10-████ opened on Patino on 11-10-09. Moore added on 11-16-09. Through surveillance determined purchasers also related to case #785115-10-████ Case closed per AGS MacAllister. Patino and Moore's info. added to case #785115-10-████ #4926
11/18/2009	INVESTIGATIVE ACTIVIT	Surveillance on purchaser ██████ Moore's veh observed with ██████'s veh. Believed to have dropped off f/a's @ ██████ Also rcvd confirmation ref Moore and Patino's SGP submissions. #4926
11/19/2009	AUSA/DA CONTACT	Spoke with AUSA Hurley on 11/18/2009, regarding phone tolls for individuals.
11/19/2009	AUSA/DA CONTACT	Received approval from AUSA Hurley on 11/19/2009 for submission of Subpeona requests
11/19/2009	INVESTIGATIVE ACTIVIT	Rcvd info that Patino was at ██████ buying FN's. Left prior to ATF agents. Rcvd 4473's from ██████ ref ██████ making 10 AK-47 purchase. #4926
11/20/2009	INVESTIGATIVE ACTIVIT	SA MacAllister rcvd 4473 via fax ref purchases @ ██████ by ██████ Chambers, and ██████ #4926
11/23/2009	INVESTIGATIVE ACTIVIT	Rvwd 10 f/a purchase @ ██████ by Moore on 11/22/09 (Fxd to office on same date). Confirmed s/n's with ██████. 10 f/a's added to SGP. #4926
11/23/2009	AUSA/DA CONTACT	Sent ██████ subpeona requests to AUSA Hurley via e-mail
11/24/2009	DIVISION REVIEW	SAC Newell file review. Recent Multiple Sales info relayed to IRS Zicha with understanding that they were related to this case.
11/24/2009	INVESTIGATIVE ACTIVIT	Chambers, Patino and Avilla bought f/a's from ██████. Obtained 4473's. Attempted to conduct surveillance but subjects left loc prior to agents arrival. Obtained add. of auto shop, ██████ Checked Patino's 4473 address but no vehs @loc. Rcvd corrected 4473 from ██████ ref 11/22/09 deal via fax. #4926
11/24/2009	INTER AGENCY CONTAI	Contacted b. GS ██████ Adv. several multi le purchasers identified b. SAC and passed information on. Subjects Patino and ██████ were on list. #4926

Management Log for Case: 785115-10 [REDACTED]

Case Title: CHAMBERS, Jacob, et al

[REDACTED]
[REDACTED]

Log Date	Log Type	Mgmt Log Text
11/25/2009	INVESTIGATIVE ACTIVIT	Surveillance on 11-25-09 on purchaser Hercegovac. Drove to [REDACTED] Id as f/a drop off house. Observed Moore, Hercegovac, Polanco, Henderson's vehs @ loc. Also observed h/m driver in [REDACTED] make f/a drop at [REDACTED] Hercegovac, Moore and h/m dropped off weapons @ [REDACTED] #4926 Suspect guns submitted for Nov. 24th purchases and all other prior known purchases SA MacAllister rcvd 4473 from [REDACTED] for [REDACTED]
11/25/2009	AUSA/DA CONTACT	[REDACTED] Avila, [REDACTED] Chambers, [REDACTED] Hercegovac, [REDACTED] Ireland, Moore, Patino, Polanco, [REDACTED] and [REDACTED] entered into TECS. Rcvd Accurrit for [REDACTED] Avila, [REDACTED] Polanco, and Hercegovac from IA [REDACTED] #4926 Spoke with AUSA Hurley regarding [REDACTED] Subpeonas. [REDACTED]
11/25/2009	INVESTIGATIVE ACTIVIT	Provided suspect names to [REDACTED] met with him on 11/23/2009, he provided S/A MacAllister with several CTR's. Advised he will provide S/A MacAllister with a contact for the financial institution for further information regarding these transactions
11/25/2009	STATE/LOCAL OVERTIM	Apprvd by ASAC Needles. Surveillance assistance Det. [REDACTED] 1500-1900 (4 hrs total) on November 25, 2009
11/25/2009	INTER AGENCY CONTAI	***F/A Recover in Mexico*** Notified b. SGP [REDACTED] of f/a recovered in MX related to Patino a. rox. 9. Also contacted b. ATF [REDACTED] ref the recoveries. Ex. lained art of active case. AGS MacAllister also s. oke with L. Leadmon ref the case. Addtl purchasers identified: [REDACTED] and [REDACTED] #4926
11/27/2009	AUSA/DA CONTACT	Received subpoena from AUSA requested new letters to receive data electronically
11/27/2009	INVESTIGATIVE ACTIVIT	DES info sent/rvd for [REDACTED] Avila, [REDACTED] Polanco, Hercegovac. Background checks on [REDACTED] and [REDACTED] Placed in TECS. Submitted to SGP Moore 11/27/09 purchase and Polanco 11/17/2009 purchase. SA's MacAllister and English obtained 4473's for Patino, Moore, Hercegovac and 2 other possibly related subjects. Observed Partino in [REDACTED] making a purchase.#4926
11/27/2009	SUBPOENA SERVED	[REDACTED] Subpeonas served for Patino, [REDACTED] and Moore
11/27/2009	FIELD SUPPORT - GENE	Requested (2) pole cameras from DOO [REDACTED]
11/28/2009	FIELD SUPPORT - GENE	Submitted request to IRS Zicha for additional
11/28/2009	INVESTIGATIVE ACTIVIT	Addtl. Moore purchased submitted to SGP. Obtained trace info of some of the MX recoveries. #4926
11/30/2009	INVESTIGATIVE ACTIVIT	DES info sent/rvd for IRELAND, Kristi. Rcvd fax of 4473 from [REDACTED] ref Moore 11/30/09 purchase. F/a's submitted to SGP. #4926
11/30/2009	INTER AGENCY CONTAI	Rcvd SGP spreadsheet. Notified SGP of corrections and added addtl. f/a's. #4926
12/01/2009	INVESTIGATIVE ACTIVIT	Medina [REDACTED] obtained 4473/sales receipt from [REDACTED] ref 12/01/2009 f/a purchase by MOORE. MOORE purchased 9 AK 47 type rifles on this date. MOORE loaded the rifles in a white [REDACTED]. SGP sent Moore's 11/30 and 12/01 f/a's. #4926 Background check on ACOSTA DL photo, Crim Hist, Triple III
12/02/2009	INTER AGENCY CONTAI	S. oke to ICE A ent Ed Hamel re ardin case on 11/30/2009. Agent Hamel agreed to assist as the ICE point of contact for the case
12/02/2009	INTER AGENCY CONTAI	Partici ated in a conference call on 11/30/2009 with RAC Cela a ATF S/As Bernie Arellano and Crei hton Brandt DHS S/As ASAC, Scott Brown James Cobb, Juan Mariscal, Rana Saoud, Carlos Cruz and Yovani Sandoval, USMS Luis Norie a re ardin the Mexico recover, relatin to this case. All the DHS artic ants a reed not to ursue furhter leads on this case without notif in S/A Macallister who rovided her cell hone and office contact numbers. Accordin to information rovided b S/A Saoud durin this meeting, suspect [REDACTED] gave a statment to Mexican officials but nothing was provided to US officials.
12/02/2009	DIVISION REVIEW	ASAC File Review. G. Gillett

Management Log for Case: 785115-10- [REDACTED]

Case Title: CHAMBERS, Jacob, et al

[REDACTED]
[REDACTED]

Log Date	Log Type	Mgmt Log Text
12/02/2009	FIELD SUPPORT - GENE	Pole cameras aproved on 11/29/2009 provided TEO [REDACTED] with addresses on 12/1/2009
12/02/2009	DIVISION REVIEW	SAC Newell file review. Briefing Paper fwd to HQ.
12/02/2009	INVESTIGATIVE ACTIVIT	Received video surveillance from [REDACTED] of Uriel PATINO purchasing firearms on 11/19/2009. PATINO was accompanied by Kristi IRELAND. SA Medina received/reviewed the ATF Form 4473 from [REDACTED] dated 11/20/2009 indicating Uriel PATINO purchased one firearm.
12/03/2009	AUSA/DA CONTACT	E-mailed second group of subpoena request for additional phone tolls to AUSA Hurley
12/04/2009	STATE/LOCAL OVERTIM	PPF Officer [REDACTED] #7525 3.5 hours overtime on 12/3/2009 surveillance, PPD [REDACTED] #6617, 2.5 hours OT surveillance
12/04/2009	INVESTIGATIVE ACTIVIT	[REDACTED] addressess entered into madcap ninja along with names of recent straw purchasers
12/04/2009	INVESTIGATIVE ACTIVIT	Surveillance on 12-03-2009 on purchaser MOORE, Joshua from [REDACTED] Glendale, AZ to [REDACTED] Phoenix, AZ. There MOORE transferred the rifles he purchased from [REDACTED] to a [REDACTED]. The [REDACTED] was also surveilled.
12/08/2009	INVESTIGATIVE ACTIVIT	DES rsent/rcvd for [REDACTED] [REDACTED] Celis, Steward and [REDACTED] #4926
12/08/2009	INVESTIGATIVE ACTIVIT	Surveillance on purchaser Steward. Drop off of f/a's at [REDACTED] #4926
12/08/2009	INTER AGENCY CONTAI	SA English contacted by IOI [REDACTED] ref susp. purchase by Moore on 11/20/09 at [REDACTED] Prescott, AZ. Spoke with owner [REDACTED] via phone [REDACTED] Moore purchased 10 AK-47's on 11/20/09 and wanted to purchase 10 more. Polanco also came into location and attempted to purchase 10 f/a's.
12/09/2009	INVESTIGATIVE ACTIVIT	Reviewed 4473 from [REDACTED] in which STEWARD purchased 40 firearms. ROI completed.
12/10/2009	FIELD SUPPORT - GENE	Pole Camera operational on December 7, 2009, on [REDACTED]
12/10/2009	INVESTIGATIVE ACTIVIT	Surv on Moore and Patino after f/a transactions at [REDACTED] 4473's obtained. F/a purchased submitted to SGP. Picked up subpoenas from AUSA's office [REDACTED] #4926
12/11/2009	STATE/LOCAL OVERTIM	On 12/7/2009, TFO Olson used 4 hrs of overtime for surveillance at [REDACTED] TFO [REDACTED] used 5.5 hrs of overtime TFO [REDACTED] used 4 hrs of overtime
12/11/2009	DIVISION REVIEW	SAC Newell file review.
12/11/2009	STATE/LOCAL OVERTIM	On 12/3/2009, TFO [REDACTED] used 3.5 hrs overtime for surv at [REDACTED] TFO [REDACTED] used 2.5 hrs overtime for surveillance
12/11/2009	STATE/LOCAL OVERTIM	On 12/8/2009, the following TFO used overtime for surv at [REDACTED] with ATF. TFO [REDACTED] 4.5 hrs TFO [REDACTED] 8 hrs Sgt [REDACTED] 4 hrs TFO [REDACTED] 8 hrs
12/11/2009	STATE/LOCAL OVERTIM	On 12/9/2009, the following TFO used overtime for surv a [REDACTED] TFO [REDACTED] 6 hrs TFO [REDACTED] 3 hrs
12/11/2009	STATE/LOCAL OVERTIM	On 12/10/2009, TFO [REDACTED] entered file stops on all subjects involved in case.
12/11/2009	STATE/LOCAL OVERTIM	On 12/11/2009, TFO [REDACTED] used 2 hrs overtime to enter file stops in PPD computer for S/A McAllister
12/11/2009	INVESTIGATIVE ACTIVIT	Received seized evidence from Nogales Police Department. Evidence possessed by [REDACTED]
12/11/2009	INVESTIGATIVE ACTIVIT	Rcvd fax from [REDACTED] ref purchase by Alfredo Celis and Steward. Rcvd faxed invoice for Moore's 11/20 purchase at [REDACTED] Surv. conducted on Chambers and Patino after f/a purchases. 4473's obtained. Chambers, Patino Steward, Moore and Celis purchases sent to SGP. #4926
12/12/2009	INVESTIGATIVE ACTIVIT	F/a purchases by Avila, Steward, and Patino. 4473's obtained and f/a's sent to SGP. #4296
12/14/2009	INVESTIGATIVE ACTIVIT	STEWARD 4473 from [REDACTED] for firearms purchases on 12/7/2009 and 12/08/2009.

Exhibit 26

Exhibit 26

From: Voth, David J.
Sent: Friday, January 28, 2011 5:48 PM
To: Needles, James R.
Subject: FW: draft memo
Attachments: Memo DKB Avila Purchases.wpd

Jim,

This document was drafted/typed by Emory to be submitted to Dennis Burke. Emory came over to my office this morning and we worked on this together. Please review and let me know what you think.

Thanks,

Dave

From: Hurley, Emory (USAAZ) [REDACTED]
Sent: Friday, January 28, 2011 2:58 PM
To: Voth, David J.; MacAllister, Hope A.
Subject: draft memo

<<Memo DKB Avila Purchases.wpd>>

Here is the draft of the memo from this morning.

Thank you for all of your help.

United States Attorney's Office
District of Arizona



Memorandum

To: Dennis K. Burke
From: Emory Hurley
Subject: Jaime Avila, Jr.
Date: January 28, 2011

The two AK-47 type rifles associated with the U.S. Border Patrol shooting, specifically two ROMARM WASR-10 7.62x39 mm rifles, Serial Numbers 1971CZ3775 and 1983AH3977 were purchased by Jaime Avila, Jr. (AVILA) on Friday, January 16, 2010, along with a third ROMARM WASR-10 7.62x39 mm rifle, Serial Number 1979IS1530. The three rifles were purchased in a single transaction from Federal Firearms Licensee (FFL) [REDACTED]. ATF was not notified of this purchase until Monday, January 19, 2010, when ATF received the ATF Form 4473 documenting AVILA's purchase of three AK-47 type rifles on January 16, 2010. These were forwarded to ATF by the FFL and the purchase is documented in **ATF ROI #67**.

Jaime AVILA, Jr.'s first known firearms purchase occurred on November 24, 2009, at FFL [REDACTED]. On that day he was in the company of another Fast and Furious suspect, Uriel PATINO. On November 24, 2009, AVILA purchased five (5) FN Herstal Five-Seven pistols, and PATINO purchased five (5) AK-47 type rifles. On the ATF Form 4473, AVILA listed his address as [REDACTED] Road, Phoenix, Arizona, [REDACTED]. At the time of the purchase, AVILA and PATINO were traveling in a 2000 Isuzu Rodeo registered to [REDACTED] Phoenix, Arizona [REDACTED]. This is documented in **ATF ROI # 12**. As of this date, the five (5) FN pistols purchased by AVILA on November 24, 2009, have not been recovered.

On November 25, 2009, ATF entered AVILA in the ATF case management system as a suspect in the investigation. This event does not result in the creation of an ROI.

On December 12, 2009, AVILA purchased five (5) ROMARM WASR-10 AK-47 type rifles from FFL [REDACTED]. ATF was notified of this purchase on December 12, 2009 when agents received the ATF Form 4473 recording the purchase. This is documented in **ATF ROI # 46**. As of this date, these five AK-47 type rifles have not been recovered.

On December 17, 2009, this AUSA, ATF Group Supervisor David Voth, and ATF Special Agent Hope MacAllister met with [REDACTED] the owner of FFL [REDACTED]. [REDACTED] had been providing information to ATF on large firearms purchases, including large purchases of (only) long guns which do not trigger any multiple purchase reporting requirements. This information was being provided voluntarily and without compensation from ATF. [REDACTED] had expressed concerns about the cooperation he was providing and whether he was endangering himself or implicating himself in a criminal investigation.

[REDACTED] was advised by the agents and this AUSA that they could not tell him who he could or could not sell to and that they could not instruct him to make a sale in violation of the law or to refuse to make a lawful sale. He was advised by the agents that as an FFL he has to comply with all of the statutes and regulations that govern the sale and transfer of firearms and cannot sell firearms unless the required

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January 28, 2011
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paperwork and background check were completed. As long as the required forms were properly filled out and the FFL did not know or have a reason to know that the firearms were part of a straw purchase or intended to be used in a crime, that he could complete the transfer. [REDACTED] was also told by the agents and this AUSA that the information he provided to ATF regarding large firearms transactions, particularly sales involving only long guns, was very important and useful to ongoing ATF investigations.

During this meeting, ATF agents also described additional information that [REDACTED] or his employees might receive from purchasers which would not necessarily be required by the provisions of Chapter 44 of Title 18 to be kept in his records, but which would prove useful to ATF. This information included phone numbers or other contact information as well as license plate numbers and vehicle descriptions. As of the date of this meeting, [REDACTED] was already providing this type of information to ATF and continued to do so throughout the course of the investigation.

On January 9, 2010, AVILA purchased three (3) FN Herstal Five-Seven pistols from FFL [REDACTED]. [REDACTED] ATF was not advised of this purchase by the FFL, however, on January 14, 2010, these firearms were entered into the suspect gun database by ATF Phoenix. These firearms were discovered by law enforcement on January 14, 2010, in Columbus, New Mexico, but were not traced and were returned to person carrying them. ATF Phoenix was not notified of this law enforcement contact until May 17, 2010. **ATF ROI #254.**

On January 14, 2010, in Columbus, New Mexico, (a border town), U.S. Border Patrol agents pulled over a vehicle driven by [REDACTED] with passenger [REDACTED], due to suspicious driving behavior. In the vehicle they found three AK-47 type rifles purchased by Uriel Patino, three FN Herstal Five-Seven pistols purchased by AVILA on January 9, 2010, from FFL [REDACTED], and two Ruger pistols purchased by another. U.S. Border Patrol agents did not observe any other criminal conduct and so returned the firearms to the occupants of the vehicle. They did not trace any of the firearms. ATF Phoenix was notified of the observation of the firearms on May 17, 2010, after ATF Las Cruces forwarded information in connection with a firearms trafficking investigation in New Mexico involving [REDACTED] and others. **The investigation of [REDACTED] is still on going, [REDACTED] and must be viewed as close-hold.**

On January 16, 2010, AVILA purchased the three ROMARM WASR-10 AK-47 type rifles, Serial Numbers **1971CZ3775** and **1983AH3977** as well as 1979IS1530. As detailed above, ATF was not notified of this purchase until January 19, 2010. This notification came only through the cooperation of the FFL as this long gun only purchase would not trigger any affirmative reporting requirements. **ATF ROI #67.**

On December 15, 2010, Jaime AVILA, Jr, was arrested for using a false address on the ATF Form 4473 on June 15, 2010. A complaint was filed on December 16, 2010, and he was indicted on January 11, 2011, for making false statements in connection with the acquisition of a firearm. On January 19, 2011, he was indicted as part of the overall Fast and Furious conspiracy.

Agents were able to determine that when AVILA purchased firearms on June 15, 2010, that he no longer lived at the [REDACTED] address listed on the ATF Form 4473 and his drivers license. His

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Memo to DKB
January 28, 2011
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drivers license was changed in August of 2010, to reflect a different address. In the course of his post arrest interview in December 2010, he admitted that he had not lived at the [REDACTED] for two or three years. However, earlier in the investigation, agents had no reason to believe that this was not his address because his drivers license and the registration to the car that he was driving came back to the [REDACTED] address. **See ATF ROI #12.**

On March 1, 2010, Jaime AVILA, Jr., purchased one FN Herstal Five-Seven pistol from [REDACTED] in a single-firearm transaction. On or about March 3, 2010, this pistol was recovered by Phoenix Police in connection with a drug house in Phoenix. This was the first actual recovery of a firearm purchased by AVILA. **ATF ROI #107 and 156.**

HOCR ATF - 002351

Exhibit 27

Exhibit 27

From: Burke, Dennis (USAAZ)
To: Hurley, Emory (USAAZ)
t: Wed Nov 25 15:39:54 2009
ject: FW: Friday's Naco gun seizure

Thoughts?

From: Newell, William D. (ATF)
Sent: Wednesday, November 25, 2009 12:37 PM
To: Burke, Dennis (USAAZ); Hurley, Emory (USAAZ)
Subject: Friday's Naco gun seizure

Due to traces "pinging" off our Suspect Gun system we just discovered Friday's 42 gun seizure in Naco directly links to an ongoing ATF Phoenix case by SA Hope MacAllister, OCDETF Strike Force. We are advising ICE to stand down on their current proactive activity in Arizona in order not to compromise our case. We are meeting with them on Monday to discuss.

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

Cell **RC-1**

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Exhibit 28

Exhibit 28

From: Burke, Dennis (USAAZ)
To: Hurley, Emory (USAAZ)
t: Wed Nov 25 15:39:54 2009
ject: FW: Friday's Naco gun seizure

Thoughts?

From: Newell, William D. (ATF)
Sent: Wednesday, November 25, 2009 12:37 PM
To: Burke, Dennis (USAAZ); Hurley, Emory (USAAZ)
Subject: Friday's Naco gun seizure

Due to traces "pinging" off our Suspect Gun system we just discovered Friday's 42 gun seizure in Naco directly links to an ongoing ATF Phoenix case by SA Hope MacAllister, OCDETF Strike Force. We are advising ICE to stand down on their current proactive activity in Arizona in order not to compromise our case. We are meeting with them on Monday to discuss.

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

Cell RC-1

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Exhibit 29

Exhibit 29

From: Hoover, William J.
 Sent: Wednesday, December 09, 2009 10:10:22 AM
 To: Chait, Mark R.
 CC: McMahon, William G.
 Subject: RE: Gun seizure in Agua Prieta, Sonora

No worries. I can't find it if you did. It's not like you had anything else going on in that "sleepy hollow" we call Field Op's!!!!!!

William J. Hoover
 Assistant Director
 [REDACTED]

-----Original Message-----

From: Chait, Mark R.
 Sent: Wednesday, December 09, 2009 10:08 AM
 To: Hoover, William J.
 Cc: McMahon, William G.
 Subject: Fw: Gun seizure in Agua Prieta, Sonora

I thought I sent this to you, if not I apologize. Phoenix was already on two of the straws and have an ocdef case open prior to the event.

-----Original Message-----

To: Bill Newell
 To: Daniel Kumor
 Cc: Bill McMahon
 Subject: Re: Gun seizure in Agua Prieta, Sonora
 Sent: Nov 25, 2009 3:51 PM

Thank you

-----Original Message-----

From: Bill Newell
 To: Mark Chait
 To: Daniel Kumor
 Cc: Bill McMahon
 Subject: Re: Gun seizure in Agua Prieta, Sonora
 Sent: Nov 25, 2009 3:49 PM

On it, it's part of an active Phoenix case belonging to SA Hope MacAllister, OCDEF Strike Force.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 [REDACTED]

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----- Original Message -----

From: Chait, Mark R.
 To: Newell, William D.; Kumor, Daniel J.
 Cc: McMahon, William G.
 Sent: Wed Nov 25 15:38:22 2009
 Subject: FW: Gun seizure in Agua Prieta, Sonora

I just heard from OSII regarding IN #163030-10-0006 ([REDACTED]) that 20 more semi-auto 7.62 Draco pistols were tied to this recovery on two multiple sales with a time to crime of 1 day. In light of how hot this info is I just wanted to make sure we put a all resources on this and get a solid interview with the transporter. Thx

Mark R. Chait
Acting Assistant Director
Field Operations
[REDACTED]

-----Original Message-----

From: McMahon, William G.
Sent: Tuesday, November 24, 2009 2:47 PM
To: Chait, Mark R.
Subject: FW: Gun seizure in Agua Prieta, Sonora

fyi

William G. McMahon
Deputy Assistant Director (West)
Office of Field Operations
[REDACTED] [REDACTED] [REDACTED]

-----Original Message-----

From: Newell, William D.
Sent: Tuesday, November 24, 2009 11:35 AM
To: McMahon,

-----Original Message Truncated-----

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Breuer, Lanny A. [REDACTED]
Sent: Sunday, December 06, 2009 10:33 PM
To: Melson, Kenneth E.; Chait, Mark R.
Subject: Re: Weapons seizures in Mexico

Ken, Absolutely. Will do. See you soon. Lanny

From: Melson, Kenneth E. <[REDACTED]>
To: Breuer, Lanny A.; Chait, Mark R. <[REDACTED]>
Sent: Sun Dec 06 18:04:57 2009
Subject: Re: Weapons seizures in Mexico

Lanny: this is exiting. Have the trial attorney contact Mark Chait who is the AD for Field Operations. I have cc'd him on this email. Look forward to talking with you soon. Ken

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Breuer, Lanny A.
To: Melson, Kenneth E.
Cc: Siskel, Edward N. (ODAG) (SMO) ; Hoover, William J.; Weinstein, Jason ; Rosen, Paul ; Raman, Mythili ; Fagell, Steven
Sent: Fri Dec 04 10:17:46 2009
Subject: RE: Weapons seizures in Mexico

Ken,

We think this is a terrific idea and a great way to approach the investigations of these seizures. Our Gang Unit will be assigning an attorney to help you coordinate this effort. Please let us know who will be the POC at ATF on this, and we'll have the Gang Unit folks reach out to that person. I would love to see you to discuss this further and other issues or common interest. I hope you are well.

Best,

Lanny

From: Melson, Kenneth E. [REDACTED]
Sent: Thursday, December 03, 2009 5:46 PM
To: Breuer, Lanny A.
Cc: Siskel, Edward N. (ODAG) (SMO); Hoover, William J.
Subject: Weapons seizures in Mexico

Lanny: We have decided to take a little different approach with regard to seizures of multiple weapons in Mexico. Assuming the guns are traced, instead of working each trace almost independently of the other traces from the seizure, I want to coordinate and monitor the work on all of them collectively as if the seizure was one case. Using the traces as intelligence, and compiling the information from each trace investigation, we can connect the purchases, identify the traffickers and use more serious charges against them. The intelligence analysis and linking of trace data and investigation results will be done at HQ out of our intelligence directorate. I would like to see if you have any interest in assigning a criminal division attorney to work with that group to develop multi-division/district cases and perhaps go to the district with the best venue to indict the case. The level of activity will depend on the number of Mexican seizures, and whether they will trace the guns, or allow us to do it. We do seem to be making progress with our Mexican partners. We are currently working on a case with SSP which might lead us to the first joint arrest in Mexico of a person connect to US arms trafficking. We should meet again just to catch up on where we are in our gun trafficking issues and we could talk about the above idea as well. Let me know what you think. Thanks. Ken.

HOCR ATF - 001985

Exhibit 30

Exhibit 30

From: Gillett, George T. Jr.
Sent: Tuesday, December 01, 2009 12:11 PM
To: Newell, William D.
CC: Needles, James R.; MacAllister, Hope A.; Carranza, Teresa A.; Simpson, Kevin; Quinonez, Louis A.
Subject: RE: FOTOS DE NUMERO DE SERIE ARMAS SONORA (segunda parte)

This will be done by Noon on Wednesday.

From: Newell, William D.
Sent: Monday, November 30, 2009 8:18 AM
To: Gillett, George T. Jr.
Cc: Needles, James R.
Subject: Fw: FOTOS DE NUMERO DE SERIE ARMAS SONORA (segunda parte)

Due to the high-profile nature of this event and all the info/intel out there I want the FIG and Grp 7 to put together an analysis of the case to date with a chart showing the known or potential links between suspects, straws, etc and an investigative plan of action - one involving ICE. (Jim, today let's discuss your conversation with Matt Allen on Wed.) I will then fwd to HQ. Thank you

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Leadmon, Lorren D.
To: Newell, William D.; Gillett, George T. Jr.; Needles, James R.; MacAllister, Hope A.
Cc: O'Keefe, Kevin C.; Bass, William F.; Clark, Terrence L.; Surotchak, Frank J.; Martin, Steve K.
Sent: Sun Nov 29 14:47:03 2009
Subject: RE: FOTOS DE NUMERO DE SERIE ARMAS SONORA (segunda parte)

Mr. Newell- In addition to the below names, Jose Polanco is an additional purchaser that came back. It is the Phoenix case file. The case file was been 6E'd on Friday, so I don't know if you or your agents are aware of the following additional information:

[REDACTED] in this Seizure event was previously traced under [REDACTED]. The purchaser was [REDACTED]. It was recovered from him at his home by the Maricopa PD.

ALL FIREARMS AND OTHER INFORMATION IS ON FILE IN THE SEIZURE EVENT FILE IN NFORCE AND YOUR CASE AGENTS HAVE BEEN GIVEN ACCESS.

From: Leadmon, Lorren D.
Sent: Friday, November 27, 2009 12:22 PM
To: Newell, William D.
Cc: O'Keefe, Kevin C.; Bass, William F.; Clark, Terrence L.; Surotchak, Frank J.
Subject: RE: FOTOS DE NUMERO DE SERIE ARMAS SONORA (segunda parte)

Mr. Newell- THANKS SO MUCH FOR THE PHOTOS. There are additional purchasers in this seizure event that were not in the Phoenix case investigation file. I informed SA MacAllister of [REDACTED] (with [REDACTED] multiple sales) and [REDACTED] and she added them to her file on Wednesday. [REDACTED], [REDACTED], [REDACTED] and [REDACTED] are additional purchasers with low TTC and other FFL locations. Your case agent called the tracing center to have the

Exhibit 31

Exhibit 31

RC-1

From: Burke, Dennis (USAAZ)
Sent: Tuesday, December 01, 2009 2:08 PM
To: Hurley, Emory (USAAZ)
Subject: Re: Friday's Naco gun seizure

Excellent, excellent and excellent.
 Whatever you need to keep this moving forward, let me know.

Thx.

From: Hurley, Emory (USAAZ)
To: Burke, Dennis (USAAZ)
Sent: Tue Dec 01 13:15:17 2009
Subject: RE: Friday's Naco gun seizure

We have a file open and RC-3 to start linking the conspirators together. ATF has requested a specific ICE agent, Ed Hamel (who was at last week's meeting) be assigned to the case. Ed is the case agent in Theresa Rassas' trafficking case and understands how to build a trafficking case. Hope MacAllister believes there may be as many as RC-5 straw buyers involved in this conspiracy. They will need to each be identified through traces and/or phone records. She also needs to identify the trafficker for whom they are buying and develop evidence to prove the connection to the buyers. Mike and I spoke with Hope and ASAC Jim Needles yesterday at ATF about the case and some of the 9th Cir. hurdles we have to overcome. We have assured her that we will work with her to find creative ways to come the *corpus delicti* challenges that accompany these straw purchasing cases.

The odds are that this will be a hub-and-spokes conspiracy and we will need to indict and secure the cooperation of the straw buyers before we are able to indict the trafficker(s). This case is one of Hope's priority cases right now.

From: Burke, Dennis (USAAZ)
Sent: Tuesday, December 01, 2009 10:59 AM
To: Hurley, Emory (USAAZ)
Subject: FW: Friday's Naco gun seizure

Where are we w/ this one?

From: Newell, William D. (ATF)
Sent: Wednesday, November 25, 2009 12:37 PM
To: Burke, Dennis (USAAZ); Hurley, Emory (USAAZ)
Subject: Friday's Naco gun seizure

Due to traces "pinging" off our Suspect Gun system we just discovered Friday's 42 gun seizure in Naco directly links to an ongoing ATF Phoenix case by SA Hope MacAllister, OCDETF Strike Force. We are advising ICE to stand down on their current proactive activity in Arizona in order not to compromise our case. We are meeting with them on Monday to discuss.

P: Will Newell
 Special Agent in Charge
 Phoenix Field Division (AZ and NM)
 Cell: RC-1

Exhibit 32

Exhibit 32

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**



Phone: [REDACTED] Fax: [REDACTED]

Print Date: [REDACTED]

SUSPECT GUN SUMMARY

Suspect Gun Number: S20090001811

Entered Date: December 17, 2009

PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: SEAN CHRISTOPHER STEWARD

Address:

PHOENIX, AZ 85008

DOB:

Race: WHITE

Sex: Male

Height:

Weight:

Date: 12/13/2009

ID 1: AZ DRIVER'S LICENSE #:

ID 2:

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 11

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	GP WASR-10	762	1975FO4574	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1965NO2723	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1969CE2190	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1971CP4810	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-5151-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-4933-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-4837-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-4170-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20090001811

FOR OFFICIAL USE ONLY

ROMARM/CUGIR	DRACO	762	DR-5238-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-5147-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	DRACO	762	DR-4886-09	PISTOL	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Controlled
Unclassified Information

Suspect Gun: S20090001811

FOR OFFICIAL USE ONLY



Exhibit 33

Exhibit 33

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Investigation

Title of Investigation: AMBERS, Jacob, et al	Investigation Number: 785115-10 [REDACTED]	Report Number: 36
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SUMMARY OF EVENT: On December 8, 2009, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Special Agents (SA's) T. English, H. MacAllister, J. Dodson, J. Medina, A. Bogle, Group Supervisor (GS) D. Voth, ATF Task Force Officers (TFO's) Phoenix Police Department (PPD) Detectives [REDACTED] and [REDACTED] PPD Sgt. [REDACTED], PPD Officer [REDACTED], [REDACTED] and [REDACTED] conducted surveillance involving Sean STEWARD (W/M, [REDACTED]).

NARRATIVE:

- On December 7, 2009, at approximately 1145 hours, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Special Agent (SA) MacAllister received information from a source of information (SOI) that a subject later identified as Sean STEWARD (W/M, [REDACTED]) was in Federal Firearms Licensee (FFL) [REDACTED], Glendale, AZ, FFL # [REDACTED] inquiring about purchasing twenty (20) AK-47 style rifles. STEWARD advised he needed to leave to get his money to pay for the rifles but STEWARD would return later in the day.
- On the same date, SA Medina received information that a call was received by FFL [REDACTED] employees who identified the caller as Joshua MOORE. MOORE called and inquired about the twenty (20) AK-47 style rifles in inventory.
- On the same date, between approximately 1230 hours to 2000 hours, ATF SA's English, J. Dodson, J. Medina, S. Hager, J. Schmidt, A. Bogle, Group Supervisor (GS) Voth, and ATF Task Force Officers (TFO's) Phoenix Police Department (PPD) Detectives (Dets.) [REDACTED] on began surveillance in the area of FFL [REDACTED]. Neither STEWARD nor MOORE were observed at FFL [REDACTED] during this time.
- On December 8, 2009, at approximately 0830 hours, ATF SA MacAllister drove by [REDACTED] W. [REDACTED] Glendale, AZ 85303. SA MacAllister observed a Nissan vehicle displaying AZ LP [REDACTED]. A query of AZMVD records by SA English revealed the registered owner of the [REDACTED] QXG bearing AZ LP [REDACTED] is [REDACTED], [REDACTED], Glendale, AZ 85303.
- At approximately 0845 hours, SA MacAllister drove by PATINO's listed address on PATINO's Driver's License and the ATF Forms 4473's, [REDACTED], Phoenix, AZ 85037. SA MacAllister checked the location and advised the residence was vacant.

Prepared by: Tonya A. English	Title: Special Agent, Phoenix VII Field Office	Signature:	Date:
Authorized by: David J. Voth	Title: Group Supervisor, Phoenix VII Field Office	Signature:	Date:
Second level reviewer (optional): William D. Newell	Title: Special Agent in Charge, Phoenix Field Division	Signature:	Date:

Title of Investigation: CHAMBERS, Jacob, et al	Investigation Number: 785115-10-████████	Report Number: 36
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6. At approximately 0905 hours, ATF SA MacAllister arrived at FFL ██████████. SA MacAllister received information from a SOI that at approximately 0916 hours, a telephone call was received by FFL ██████████ employees in reference to the number of AK-47 style rifles in inventory. The Caller ID revealed the telephone call came from telephone number (623) ██████████, listed owner Manuel Celis. Based on December 3, 2009, Accurant checks, this telephone number is associated with ██████████ Phoenix, Arizona, a previously identified involved residence.
7. At approximately 0949 hours, SA MacAllister observed a white male in a green army jacket, and green and black knit cap arrive at FFL ██████████ and ask to speak with FFL ██████████ owner ██████████. A store employee advised the male, later identified as Sean STEWARD (W/M, ██████████), that ██████████ would return in twenty minutes. STEWARD left the business and got into the driver seat of a red and black 4 door sedan parked near the business. STEWARD remained parked at the location waiting for ██████████ to return.
8. At approximately 1000 hours, a FFL ██████████ employee spoke with STEWARD in reference to the price discussed on December 7, 2009, for the AK-47 style rifles. STEWARD went back inside FFL ██████████ to begin the paperwork to purchase the twenty (20) AK-47 style rifles in inventory.
9. At approximately 1005 hours, ATF SA's English, Dodson, Medina, Bogle, GS Voth, PPD Det. ██████████ and PPD Officer ██████████ began surveillance in the area of FFL ██████████. SA English observed several vehicles in the parking lot of the strip mall where the business is located. SA MacAllister advised that a red 4 door vehicle parked near FFL ██████████ was STEWARD's vehicle. SA English observed a red 4 door Mitsubishi sedan displaying AZ LP ██████████ parked near FFL ██████████. The Mitsubishi had a black trunk and a large red spoiler extending from the trunk. A query of AZMVD records by IA ██████████ revealed the registered owners of the ██████████ bearing AZ LP ██████████, are Sean STEWARD and ██████████ of ██████████ E ██████████ Phoenix, AZ 85008.
10. At approximately 1059 hours, United Parcel Services (UPS) delivered twenty (20) additional AK-47 style rifles to FFL ██████████. STEWARD observed the delivery and advised that he would return later in the day to purchase all twenty (20) of the rifles. STEWARD provided contact telephone number (602) ██████████.
11. At approximately 1113 hours, STEWARD left the location without any firearms. SA English observed STEWARD get into STEWARD's red and black Mitsubishi Evo and drive southbound through the parking lot. STEWARD continued southbound across ██████████ and pulled into the Sonic parking lot located on the south side of ██████████. SA's English and Dodson observed STEWARD at a drive-thru order stand waiting. SA English observed STEWARD receive his food before STEWARD crossed back over ██████████ into the strip mall parking lot on the northbound side of ██████████, and parked in front of FFL ██████████ at approximately 1120 hours.
12. SA MacAllister received information that a telephone call was received at approximately 1122 hours by FFL ██████████ employees in reference to AK-47 style rifles with synthetic stocks in inventory. The Caller ID revealed the telephone call came from telephone number (602) ██████████, listed owner ██████████. It is unknown if ██████████ is related at this time.
13. At approximately 1134 hours, SA English observed STEWARD exit his vehicle and begin walking back and forth outside of FFL ██████████ while talking on a cell phone.
14. At approximately 1206 hours, SA English observed STEWARD and several FFL ██████████ employees carrying out brown cardboard rifle boxes to STEWARD's vehicle. SA English observed the employees making

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back and forth trips into the FFL business while STEWARD loaded all of the rifle boxes into the rear passenger compartment of STEWARD's red Mitsubishi Evo. (Please see ROI #35 for further firearm transaction details).

15. At approximately 1209 hours, SA English observed STEWARD on his cell phone again. At approximately 1210 hours, SA English observed STEWARD get into the driver seat of the red Mitsubishi and travel southbound initially through the parking lot before traveling eastbound while still on the cell phone. SA English observed STEWARD turn southbound onto [REDACTED], before turning eastbound onto [REDACTED]. GS Voth, SA's English, Medina and Bogle followed the vehicle eastbound on [REDACTED]. STEWARD began traveling at a high rate of speed and weaving in and out of traffic lanes. Because of this, ATF agents became separated from STEWARD and lost sight of STEWARD's vehicle eastbound just east of the intersection [REDACTED] and [REDACTED]. ATF agents were aware that a previous purchaser had purchased firearms and immediately traveled to an automotive shop in the area [REDACTED] and dropped off firearms. ATF agents began checking southbound lanes of Interstate I-17 from [REDACTED] for STEWARD's red Mitsubishi Evo.
16. At approximately 1225 hours, SA English observed a red Mitsubishi Evo with a large red spoiler and black trunk displaying AZ LP [REDACTED] traveling southbound just south of [REDACTED] on Interstate I-17. SA English recognized the vehicle as STEWARD's vehicle. SA English continued surveillance on the red Mitsubishi Evo. SA English observed STEWARD exit [REDACTED] from Interstate I-17. STEWARD began traveling westbound in the [REDACTED]. SA's English, Medina, and GS Voth observed STEWARD turn southbound into a parking lot in the [REDACTED]. Several minutes later, SA Medina observed STEWARD parked at a gas pump at the [REDACTED], Phoenix, AZ 85009.
17. At approximately 1229 hours, SA's Medina and Bogle observed STEWARD's red Mitsubishi parked facing south at a gas pump on the west side of a row. A tan [REDACTED] and white [REDACTED] were parked facing south at the gas pumps on the east side of the same row. Medina and Bogle observed approximately five to six Hispanic and white males meeting with STEWARD and a Hispanic male in an orange shirt in the middle of the row in the parking lot of the QT. SA Medina observed the male in an orange shirt standing next to the open rear driver side door of STEWARD's Mitsubishi looking into the rear passenger compartment area. The other males were standing nearby also looking into the rear passenger compartment area of STEWARD's Mitsubishi. After talking for several minutes, SA English observed the Hispanic and white males get into the white [REDACTED] and the tan [REDACTED] before both vehicles left eastbound on [REDACTED]. SA Bogle further identified the white [REDACTED] as displaying AZ LP [REDACTED]. A query of AZMVD records by SA English revealed the registered owners of the [REDACTED] pickup are [REDACTED] and [REDACTED] of [REDACTED], Phoenix, AZ 85051. The [REDACTED] was further identified by SA English as displaying AZ LP [REDACTED] based on surveillance photos of the meeting at the QT taken by SA Medina. A Query of AZMVD records by SA English revealed the registered owner of the [REDACTED] as [REDACTED], [REDACTED], Phoenix, AZ 85037.
18. SA's English observed the Hispanic male in the orange shirt get into the front passenger seat of STEWARD's vehicle and STEWARD get into the driver's seat. At approximately 1238 hours, STEWARD then left the location southbound on [REDACTED].
19. SA's English and Bogle continued following STEWARD's vehicle. STEWARD traveled south on [REDACTED], before turning east onto [REDACTED]. STEWARD then turned southbound onto Interstate I-17. STEWARD traveled southbound on Interstate I-17 and then exited [REDACTED]. STEWARD began traveling eastbound on [REDACTED] before STEWARD turned southbound onto [REDACTED].

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[REDACTED]. STEWARD began traveling southbound on [REDACTED]. STEWARD turned westbound onto [REDACTED]. STEWARD then turned southbound into [REDACTED], Phoenix, Arizona.

20. SA's English and Bogle observed STEWARD, the unidentified Hispanic male in the orange shirt and another unidentified short Hispanic male wearing sunglasses standing next to STEWARD's Mitsubishi talking. SA Bogle observed the short Hispanic male wearing sunglasses on a cell phone.
21. GS Voth further described the short Hispanic male as wearing a green hat, sunglasses and a blue shirt. GS Voth then observed STEWARD and the Hispanic male in a blue shirt standing next to a red newer model [REDACTED]. GS Voth observed STEWARD shake hands with an unidentified front seat passenger in the red [REDACTED]. GS Voth observed the trunk of STEWARD's red and black Mitsubishi open. GS Voth observed several subjects removing cardboard boxes from the Mitsubishi and placing them in the cargo area of the red [REDACTED]. Several minutes later, SA Medina observed a red newer model [REDACTED] exiting from the [REDACTED] parking lot that turned eastbound onto [REDACTED]. SA Medina further described the red [REDACTED] as having a [REDACTED] emblem on the rear windshield. GS Voth observed the Hispanic male in the blue shirt standing near the gate for approximately twenty minutes after that.
22. SA Bogle then observed a tan newer model [REDACTED] being driven by a Hispanic male stop facing westbound in the parking lot in front of STEWARD's vehicle. SA Bogle observed the rear passenger sliding door open and the short Hispanic male wearing sunglasses in the blue shirt going in and out of the van. After several minutes, SA Bogle observed the [REDACTED] van's sliding door close and the van began traveling westbound through the parking lot before turning northbound. At approximately 1255 hours, SA's Bogle and Medina observed the tan [REDACTED] van turn and began traveling westbound on [REDACTED]. Several minutes later, SA Bogle observed STEWARD's vehicle also leaving from the parking lot. SA English observed STEWARD's vehicle eastbound in the [REDACTED].
23. At approximately 1315 hours, SA Medina observed what he believed to be the same newer model tan [REDACTED] parked at [REDACTED], which is a previously identified involved business. SA Medina further identified the tan GMC van as displaying AZ LP [REDACTED]. A Query of AZMVD records by SA English revealed the registered owner of the [REDACTED] as [REDACTED], [REDACTED] Phoenix, AZ 85024.
24. On the same date, at approximately 1305 hours, SA MacAllister received information that STEWARD had called FFL [REDACTED] and advised STEWARD was going to return to FFL [REDACTED] to purchase the additional twenty (20) AK-47 style rifles later in the day.
25. On the same date, on or about 1500 hours ATF SA's H. MacAllister, T. English, J. Medina, J. Dodson, A. Bogle, and GS D. Voth, along with Phoenix Police Department (PPD) Officers [REDACTED] PPD Sgt. [REDACTED] conducted surveillance in the area [REDACTED], Glendale, Arizona.
26. At approximately 1910 hours, SA MacAllister received information that STEWARD was coming from Flagstaff, AZ passing Sunset Point, and would be arriving late to purchase the rifles. At approximately 1952 hours, SA MacAllister received information that STEWARD would be arriving in approximately twenty-five minutes.

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27. At approximately 2015 hours, GS Voth observed STEWARD's previously identified red and black 2003 Mitsubishi, Arizona license plate [REDACTED], pull into the parking lot of [REDACTED] Avenue and park in a space southwest of FFL [REDACTED]. Upon STEWARD's arrival, a white [REDACTED] pick-up truck bearing Arizona license plate [REDACTED], and a maroon [REDACTED] parked next to STEWARD's vehicle. GS Voth watched as six to seven males exited all three vehicles and met with another male.
28. At approximately 2024 hours, PPD Det. [REDACTED] observed one of the males display a notebook to the other subjects. At approximately 2027 hours, SA MacAllister received information STEWARD would be arriving to purchase the firearms in five minutes. At approximately 2037 hours, SA Medina observed a red [REDACTED] park near the subjects. SA Medina watched as a Hispanic male walked from the area of the [REDACTED] and got into the white [REDACTED]. A short time later both the red Mitsubishi and red [REDACTED] left the area headed west on [REDACTED]. Upon heading west on [REDACTED], PPD Dets. [REDACTED] followed the [REDACTED] and further identified the license plate as [REDACTED]. A query of Arizona Motor Vehicle Department by SA English revealed the registered owner of the [REDACTED] as [REDACTED], [REDACTED], [REDACTED], Glendale, AZ 85301.
29. At approximately 2042 hours, SA Medina observed three males walk into FFL [REDACTED]. A short time later, SA MacAllister received information that STEWARD was purchasing (20) AK-47 style rifles at FFL [REDACTED] accompanied by two Hispanic males. At approximately 2046 hours, SA Medina observed two subjects exit the store. SA Medina watched the two subjects get into the [REDACTED] and park the truck east of the store. SA Medina and PPD Det. [REDACTED] watched the two Hispanic males move boxes from the bed of the truck to the rear passenger area of the vehicle and then return to the front of FFL [REDACTED] and back into a parking space in close proximity to the front door of the business.
30. At approximately 2105 hours, SA Medina observed all three subjects begin carrying the firearms out of the store and loading them into the bed of the truck. All three subjects got into the vehicle and drove through the parking lot heading west on [REDACTED]. ATF agents and PPD Detectives continued surveillance on the white [REDACTED].
31. At approximately 2115 hours, PPD Det. [REDACTED] advised the white [REDACTED] was pulling farther away from him. Det. [REDACTED] was traveling 50 miles per hour (mph) in a posted 40 mph zone on [REDACTED]. PPD Officers [REDACTED] # [REDACTED] and [REDACTED] # [REDACTED] conducted a vehicle stop on the truck for traveling in excess of the posted speed limit of 40 mph. During the stop, PPD Officers [REDACTED] and [REDACTED] identified the subjects inside the vehicle. The driver was identified as [REDACTED] (date of birth [REDACTED]) of [REDACTED] Phoenix, Arizona. The rear passenger was identified as Sean Christopher STEWARD (date of birth [REDACTED]) of [REDACTED] # [REDACTED], Phoenix, Arizona. The front seat passenger was identified as Manuel Celis ACOSTA (date of birth [REDACTED]) of [REDACTED] # [REDACTED], Phoenix, Arizona. While on-scene, Officers [REDACTED] and [REDACTED] observed the firearms in the bed of the truck and asked the subjects about the firearms. STEWARD advised he had purchased the firearms and they belonged to him. No traffic citations were issued.
32. At approximately 2126 hours, SA English began surveillance at [REDACTED], a previously identified involved residence and observed the red Mitsubishi belonging to STEWARD and a silver sedan with a spoiler parked on the street northbound in front of the residence. SA English also observed a red pick-up truck displaying AZ LP [REDACTED], a red [REDACTED], a silver truck and a tan SUV parked at the location. SA English further identified the Arizona LP on the tan SUV as [REDACTED]. This was the same vehicle observed at the [REDACTED] earlier in the day by surveillance units.

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33. After the vehicle stop was concluded, PPD Officer [REDACTED] continued surveillance on the Nissan truck. Officer [REDACTED] observed the Nissan truck travel south on [REDACTED] until it turned west on [REDACTED], continued South on [REDACTED], and arrived at [REDACTED], Phoenix, Arizona.
34. At approximately 2141 hours, SA English watched the Nissan truck back into the driveway and the subjects get out and unload items from the bed of the truck. At 2144 hours, SA English watched the Mitsubishi belonging to STEWARD and the white [REDACTED] leave the residence. A short time later, SA MacAllister saw both vehicles park at the [REDACTED] gas station located on the northeast corner of [REDACTED]. The occupants of both vehicles got out of their vehicles and were talking to each other for approximately five minutes. All the subjects then left the area in the aforementioned vehicles.
35. This case is ongoing and will continue.

Exhibit 34

Exhibit 34

From: Voth, David J.
Sent: Thursday, December 10, 2009 7:40 PM
To: Sonnendecker, Mark
Subject: RE: DEA clearance

Yeah good times, no looking for cases they slap you right in the face...

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 5:39 PM
To: Voth, David J.
Subject: Re: DEA clearance

Wow...sounds like fun! I look forward to getting there.

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From: Voth, David J.
To: Sonnendecker, Mark
Sent: Thu Dec 10 19:37:42 2009
Subject: RE: DEA clearance

Crazy dude, we were out late every night, and our current group has purchased 90 guns that we know of this week alone. On Tuesday we followed a guy who purchased 40 AK-47s, 9 of them were already recovered near the border in Douglas, AZ on Wednesday night...24 hours!

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 5:25 PM
To: Voth, David J.
Subject: RE: DEA clearance

Roger that. The form w/ my info is attached.

How is the first week treating you?

Mark Sonnendecker
Special Agent
Bureau of Alcohol, Tobacco, Firearms, and Explosives
Los Angeles Field Division, Glendale Group 1

From: Voth, David J.
Sent: Thursday, December 10, 2009 4:24 PM
To: Sonnendecker, Mark
Subject: RE: DEA clearance

Me please, I am sending them all in together...

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 4:43 PM
To: Voth, David J.
Subject: RE: DEA clearance

HOGRAF - 002277

Do you want it sent to you or should I follow the instructions and send to PSB Verifications?

Thanks.

Mark Sonnendecker
Special Agent
Bureau of Alcohol, Tobacco, Firearms, and Explosives
Los Angeles Field Division, Glendale Group 1
[REDACTED]

From: Voth, David J.
Sent: Thursday, December 10, 2009 3:39 PM
To: Alt, Lawrence M.; Sonnendecker, Mark
Subject: DEA clearance

Gentlemen,

Please complete and return this form as we will be co-located with DEA at the OCDETF Strikeforce and need this processed.

Thanks,

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

HOGRA TF - 002278

Exhibit 35

Exhibit 35

From: Gillett, George T. Jr.
Sent: Tuesday, December 08, 2009 11:48 AM
To: Voth, David J.
Subject: Fw: Conference
Categories: F&F, ISSA, IG

Fyi -

I hope all this was discussed with Sig. If not, please keep this between us and we can discuss tonight.

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 [REDACTED] [REDACTED]

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----- Original Message -----

From: Celaya, Sigberto F.
 To: Gillett, George T. Jr.
 Sent: Tue Dec 08 11:37:48 2009
 Subject: RE: Conference

They have a case open that they are wanting to make an OCDETF case out of. I support their effort. I would only recommend that some action is taken in attempts to slow down the purchasing and exportation of the firearms and ammunition. Our agents have now been involved in two incidents that have had major seizures relating to their case. We are being told that they have documented over 300 firearms being purchased by this group. Our investigative efforts reflect that the suspect in this recent seizure is responsible for purchasing over \$25,000 of ammunition. Only \$10,000 worth of ammo was seized.

-----Original Message-----

From: Gillett, George T. Jr.
 Sent: Tuesday, December 08, 2009 9:24 AM
 To: Celaya, Sigberto F.
 Subject: Re: Conference

Thank you. What did you both decide?

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 [REDACTED] [REDACTED]

From: Gillett, George T. Jr.
Sent: Friday, December 04, 2009 10:46 AM
To: Knapp, Joshua G.
Cc: Newell, William D.; Voth, David J.
Subject: SA Hope MacAllister

Categories: F&F

Hello Josh –

Hope MacAllister is scheduled to attend medic tactical re-cert next week in El Paso, TX.

She is the case agent on a southbound firearms trafficking investigation that is being closely monitored by DAD McMahon (FO) and DAD Martin (OSII). We are anticipating significant investigative movement in the next 5-10 days and need Hope to be in Phoenix to coordinate the investigation.

Could she please be excused from re-cert and rescheduled to the March training to satisfy the re-cert requirement?

Thank you, and please contact me if you have any questions.

Exhibit 36

Exhibit 36

From: Gillett, George T. Jr.
Sent: Sunday, December 13, 2009 1:24 PM
To: Newell, William D.
Subject: Re: Hope's case status?

At least 17 of the guns recently recovered in TJ are from Hope's purchasers.

The OCDETF proposal was drafted yesterday.

Total purchased last week (including yesterday) were approximately 175.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Cell: [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Newell, William D.
To: Gillett, George T. Jr.
Sent: Sun Dec 13 13:14:35 2009
Subject: Hope's case status?

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)
Cell: [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

Exhibit 37

Exhibit 37

ANDREW P. THOMAS
MARICOPA COUNTY ATTORNEY

William Moore
Deputy County Attorney
Bar ID#: [REDACTED]

Phoenix, AZ 85003

Telephone: [REDACTED]

MCAO Firm # 000320000
Attorney for Plaintiff

MICHAEL K. JEANES, CLERK
BY *J. Chino* DEP
FILED

09 DEC 18 AM 9:12

DR 081107023-Buckeye Police Department
ESTRELLA MOUNTAIN JUSTICE COURT

CA2009027094

IN THE SUPERIOR COURT OF THE STATE OF ARIZONA

COUNTY OF MARICOPA, RCC-Downtown

THE STATE OF ARIZONA

Plaintiff,

vs.

JACOB WAYNE CHAMBERS ✓

SOUNTHONE ANTHONY NICKOLAS

EDWIN IVAN GUERRERO

Defendants

CR. 2009-177644-003 DT

DIRECT COMPLAINT

COUNT 1: BURGLARY IN THE SECOND
DEGREE, A CLASS 3 FELONY(JACOB WAYNE
CHAMBERS, EDWIN IVAN GUERRERO AND
SOUNTHONE ANTHONY NICKOLAS)

COUNT 2: TRAFFICKING IN STOLEN PROPERTY,
SECOND DEGREE, A CLASS 3 FELONY(JACOB
WAYNE CHAMBERS)

The complainant herein personally appears and, being duly sworn, complains on information
and belief against JACOB WAYNE CHAMBERS, SOUNTHONE ANTHONY NICKOLAS and EDWIN IVAN
GUERRERO, charging that in Maricopa County, Arizona:

DCO

COUNT 1:

JACOB WAYNE CHAMBERS, EDWIN IVAN GUERRERO and SOUNTHONE ANTHONY NICKOLAS, on or about the 7th day of November, 2008, with the intent to commit a theft or a felony therein, entered or remained unlawfully in or on the residential structure of JOSE MANUEL CASTILLO and/or VALERIA CASTILLO, located at 5697 South 237th Drive, Buckeye, AZ, in violation of A.R.S. §§ 13-1507, 13-1501, 13-301, 13-302, 13-303, 13-304, 13-701, 13-702, 13-702.01, and 13-801.

COUNT 2:

JACOB WAYNE CHAMBERS, on or between the 7th day of November, 2008 and the 20th day of November, 2008, recklessly trafficked in the property of JOSE MANUEL CASTILLO and/or VALERIA CASTILLO, to-wit: a chain saw and a generator that had been stolen, in violation of A.R.S. §§ 13-2301, 13-2307, 13-701, 13-702, 13-702.01, and 13-801.

[Signature]
/s/ William Moore
Deputy County Attorney

It is requested that a SUMMONS be issued.

It is requested that Defendant appear for fingerprints and photograph.

[Signature] D. Anco 3636
Complainant

Agency: Buckeye Police Department

Subscribed and sworn upon information and belief this 17th day of December, 2009

WM:mat/AO

DCO

2

Exhibit 38

Exhibit 38

Michael K. Jeanes, Clerk of Court
 *** Filed ***
 09/03/2010 8:00 AM

SUPERIOR COURT OF ARIZONA
 MARICOPA COUNTY

CR2009-177644-003 DT

09/01/2010

HONORABLE MICHAEL D. JONES

CLERK OF THE COURT
 J. Field
 Deputy

STATE OF ARIZONA

BRADLEY FRANCIS PERRY

v.

JACOB WAYNE CHAMBERS (003)
 DOB: 07/11/1990

GARY L ROHLWING

APO-SENTENCINGS-CCC
 APPEALS-CCC
 DISPOSITION CLERK-CSC
 RFR
 VICTIM SERVICES DIV-CA-CCC

SUSPENSION OF SENTENCE - PROBATION GRANTED

8:54 a.m.

State's Attorney:	Paula Dixon on behalf of Bradley Perry
Defendant's Attorney:	Gary Rohlwing
Defendant:	Present
Court Reporter:	Judie Bryant

Count(s) 2: WAIVER OF TRIAL: The Defendant knowingly, intelligently and voluntarily waived all pertinent constitutional and appellate rights and entered a plea of guilty.

IT IS THE JUDGMENT of the Court Defendant is guilty of the following:

OFFENSE: Count 2 (as amended): Theft
 Class 6 Felony
 A.R.S. § 13-1801, 1802, 701, 702, 702.01, 801
 Date of Offense: 11/07/2008

Docket Code 109

Form R109B-04

Page 1

SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

CR2009-177644-003 DT

09/01/2010

Non Dangerous - Non Repetitive

IT IS ORDERED suspending imposition of sentence and, under the supervision of the Adult Probation Department (APD), placing the defendant on probation for:

Count 2 Probation Term: Two years

To begin 09/01/2010.

Conditions of probation include the following:

Condition 16 - Restitution, Fines, and Fees:

PROBATION SERVICE FEE: Count 2 - \$65.00 per month, beginning 10/01/2010.

ASSESSMENTS:

Count 2: PROBATION SURCHARGE: \$20.00.

All amounts payable through the Clerk of the Superior Court.

The Court retains jurisdiction for any future restitution hearings.

Condition 17 - Not consume or drink any substance containing alcohol.

Condition 18 - Not have any contact with the victim(s) whatsoever, unless approved in writing by the Adult Probation Department.

Condition 24 - Participate and cooperate in any counseling or assistance as directed by the APD as noted in the Uniform Conditions of Supervised Probation.

IT IS ORDERED granting the Motion To Dismiss the following: Count 1, allegation of 702.02 multiple offenses not committed on the same occasion.

IT IS FURTHER ORDERED that Defendant must submit to DNA testing for law enforcement identification purposes and pay the applicable fee for the cost of that testing in accordance with A.R.S. § 13-610.

9:01 a.m. Matter concludes.

Docket Code 109

Form R109B-04

Page 2

SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

CR2009-177644-003 DT

09/01/2010

This case is eFiling eligible: <http://www.clerkofcourt.maricopa.gov/efiling/default.asp>

Docket Code 109

Form R109B-04

Page 3

SUPERIOR COURT OF ARIZONA
MARICOPA COUNTY

CR2009-177644-003 DT

09/01/2010

Defendant's right index fingerprint is permanently affixed to this sentencing order in open court.

/s/ HONORABLE MICHAEL D. JONES
JUDGE OF THE SUPERIOR COURT

(right index fingerprint)

Docket Code 109

Form R109B-04

Page 4

Exhibit 39

Exhibit 39

Page 1 of 1

[REDACTED]

From: MacAllister, Hope A. <Hope.A.MacAlliste[REDACTED]>

To: [REDACTED]

Subject:

Date: 11/28/2009 4:52:58 PM

When all this calms down can you run these numbers? Thanks [REDACTED]-7063 [REDACTED]
0475 [REDACTED]-5589 [REDACTED]-7368 [REDACTED]-7595 [REDACTED]-0495 [REDACTED]-0308 [REDACTED]-0467
[REDACTED]-0308 [REDACTED]-4429 [REDACTED]-3237 [REDACTED]-7777 Hope MacAllister Special
Agent Phoenix Group VII [REDACTED]

Exhibit 40

Exhibit 40

[REDACTED]

From: [REDACTED]
Sent: Monday, December 14, 2009 6:12 PM
To: [REDACTED]
Subject: RE: Wire Schedule

Still pending. They may do a payment tonight, but likely tomorrow. We checked with ATF and they have the gun source and the courier identified. They have a pole cam on the gun source's house. We scheduled a meeting tomorrow with the case agent to make sure we don't inadvertently step on each other. We have enough to get them up on the gun source and courier's phones. Hopefully, that will be the route they want to take.

[REDACTED]

Exhibit 41

Exhibit 41

785115-10- [REDACTED] ROI 50

Deconfliction Meeting with DEA Personnel on December 15, 2009

20091217

Open

OTHER (NON-EXPLOSIVE/FIRE)

1

963626

Deconfliction Meeting with DEA Personnel on December 15, 2009

20091217

SUMMARY OF EVENT: DECONFLICTION MEETING WITH DRUG ENFORCEMENT ADMINISTRATION - On December 15, 2009, Bureau of Alcohol, Tobacco, Firearms, and Explosives (ATF) Special Agents (S/As) T. English, H. MacAllister and Group Supervisor (G/S) D. Voth met with U.S. Department of Justice Drug Enforcement Administration (DEA) personnel at the DEA office, [REDACTED] Phoenix, AZ [REDACTED], in reference to ATF's Jacob Chambers; et al case (ATF IN #785115-10- [REDACTED] and DEA's [REDACTED] case (DEA IN # [REDACTED]). NARRATIVE: On or about November 23, 2009, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Special Agent (S/A) MacAllister submitted six telephone numbers to U.S. Department of Justice Drug Enforcement Administration (DEA) S/A [REDACTED] for Deconfliction. The telephone numbers belonged to identified possible straw purchasers in the Jacob Chambers; et al case, ATF IN #785115-10- [REDACTED]. On December 14, 2009, ATF S/As English and MacAllister were contacted by DEA S/As [REDACTED] and [REDACTED] in reference to the telephone numbers submitted. S/As English and MacAllister were advised Jacob CHAMBERS telephone number was related to an ongoing DEA investigation [REDACTED] Case Agents DEA S/A [REDACTED] and DEA TFO [REDACTED]. On the same date, S/A English spoke via the telephone with DEA Intelligence Analyst (I/A) [REDACTED] and Case Agent [REDACTED]. S/A English determined that the DEA investigation was related to the ongoing ATF Jacob Chambers; et al case. Arrangements were made for a meeting between ATF and DEA personnel involved in both investigations on the following day. On December 15, 2009, ATF Group Supervisor (G/S) Voth, and ATF S/As English and MacAllister met with DEA personnel including G/S [REDACTED] S/A [REDACTED] DEA TFO Soto and I/A Smith at the DEA office, [REDACTED] Phoenix, AZ [REDACTED]. Representatives from both agencies were de-briefed in reference to both agencies respective investigations. Both agencies agreed to continue to deconflict and communicate with each other regarding their respective investigations. This case is ongoing and will continue.

1

Exhibit 42

Exhibit 42

[REDACTED]

From: [REDACTED]
 Sent: Wednesday, December 16, 2009 9:14 AM
 To: [REDACTED]
 Subject: Re: Tuesday Night Wire Update

They should just use our case# - they need the drug nexus.

[REDACTED]

From: [REDACTED]
 To: [REDACTED]
 Sent: Wed Dec 16 11:12:37 2009
 Subject: RE: Tuesday Night Wire Update

Yeah, that was the impression I got from their ATF GS. They seem excited to work up the case and one of the case agents seems pretty sharp. They are going to OCDETF the case and work with us if a gun load moves. They said that the best way is to try to stop the load as it goes across into Mexico which adds in a whole bunch of charges. They said that they have experience coordinating outbound inspections and have taken gun loads off in the past that way. They mentioned that a wall-off results in basically nothing. Because no one is a prohibited possessor, there aren't any good charges to stick to anyone, even if a confession is made by the driver. She said that the AUSA typically will not charge anyone and probation is the typical sentence. On the plus side, we have the conspiracy through the wire which will help significantly with charging down the road.

From: [REDACTED]
 Sent: Wednesday, December 16, 2009 8:09 AM
 To: [REDACTED]
 Subject: Re: Tuesday Night Wire Update

[REDACTED] said ATF wants to write for phones.

[REDACTED]

From: [REDACTED]
 To: [REDACTED]
 Cc: [REDACTED]
 Sent: Wed Dec 16 00:50:29 2009
 Subject: Tuesday Night Wire Update

Pretty quiet on the phones this evening. According to calls, [REDACTED] may be turning himself in to law enforcement. I'm assuming it is for his warrant in Texas regarding his role in harboring a fugitive. As a result, [REDACTED] may begin speaking directly to [REDACTED] the dispatcher in Nuevo Leon. We'll see how this unfolds once [REDACTED] listens to the calls.

From: [REDACTED]
 Sent: Monday, December 28, 2009 10:50 AM
 To: [REDACTED]
 Subject: Update: [REDACTED]

Between when I left on the 22 and my return on the 26 there were over 2000 calls.

[REDACTED] is content with waiting until after the New Year comes in for shipments to arrive and start working. There were about 2000 pounds in Mcallen Texas ready to go out and they put it off until after the 25th. When I checked the calls on the 26th indications were that there were now 8000 pounds available. On the 26th they spoke about the shipments headed out to Detroit this Monday. Don't know if we missed that or not because of the power outage in the area and then the fire issue in the building. (hey at least I didn't get stuck in the elevator this time).

[REDACTED] has been talking about a having a dirty Border Guard on this side discribed as an older white guy. He isn't speaking directly to him but through others. He has advised [REDACTED] in Mexico and [REDACTED] about this Guard and hopes to get things going after the first of the year. On the 22nd Luis was hoping to send out what was at the [REDACTED] house to [REDACTED] in Detroit about 300 pounds left but the transportation didn't work out. Calls last night indicated that there are about 300 or so left.

There was a call from an unknown possibly the same guy on anther phone that lived up by [REDACTED] and his ource brought in a ton (weed). [REDACTED] inquired if [REDACTED] could move 20 kilos of cocaine .nat were at the border ready to cross. [REDACTED] stated that he didn't have the funds right now.

[REDACTED] in Detroit indicated that he sent another address to [REDACTED] via text for the flatbed or Box trucks to arrive. Will check the text to see if we captured it. [REDACTED] has also been in touch (on antoher phone) with [REDACTED] in Mexico and that his product will be crossing after the first of the year to [REDACTED] in Phx. [REDACTED] indicates that those shipments will be 5000 pound quantities. [REDACTED] also provides heroin at times as well.

[REDACTED] delivered the 32 assault rifles to El Paso and were sold and he returned and ordered another 37 assault rifles to be going out in the next few days. ATF has been notified and they say that their CS indicated the same thing. [REDACTED] went to the horse races on Saturday and lost his phone and now acquired a new one which we are not up on.

This morning 28th calls indicated that [REDACTED] and [REDACTED] were out of town and it appears that they are in Orange California. Unknown why they are there but we know that [REDACTED] (guy from [REDACTED]) is there as well.

[REDACTED] left over the Christmas holidays to [REDACTED] with family and upon returning spoke to a Jamaican male "[REDACTED]" who is in New York about other Jamaicans. She has been indicating that she wants to rent two houses one to live in and another for work since her current house on [REDACTED] will be expiring at the end of the month.

Now that the power is back on in the building and waiting for voicebox to come back on line soon I hope, I'll try and catch up on what occurred yesterday. If there is anything new I'll send another update out.

Exhibit 43

Exhibit 43

LAW OFFICES

STEIN, MITCHELL & MUSE L.L.P.

1100 CONNECTICUT AVE., N.W., STE. 1100

WASHINGTON, D. C. 20036

GLENN A. MITCHELL
 JACOB A. STEIN
 GERARD E. MITCHELL
 ROBERT F. MUSE
 DAVID U. FIERST
 RICHARD A. BUSSEY
 ROBERT L. BREDHOFF
 CHRISTOPHER H. MITCHELL
 ANDREW M. BEATO
 LAURIE A. AMELL
 DENIS C. MITCHELL
 ARI S. CASPER
 JOSHUA A. LEVY
 JULIE L. MITCHELL
 KERRIE C. DENT

OF COUNSEL
 RONALD KOVNER

TELEPHONE: (202) 737-7777
 TELECOPIER: (202) 296-8312
 www.SteinMitchell.com

March 14, 2012

via Hand Delivery

Rep. Darrell E. Issa
 Chairman
 House Committee on Oversight & Government Reform
 512 Ford House Office Building
 Washington, DC 20510

Senator Charles E. Grassley
 Ranking Member
 Senate Committee on the Judiciary
 135 Hart Senate Office Building
 Washington, DC 20510

Re: Fast & Furious Investigation

Dear Chairman Issa and Senator Grassley:

On June 14, 2011, you publicly released a joint staff report that made many inaccurate and harmful statements about my client, ATF Phoenix Group VII Supervisor David Voth,¹ without having first interviewed him. The report mischaracterized documents he authored, and it included false and injurious allegations about statements he did not make and actions he did not take. Despite your failure to interview GS Voth before you released the report, you redacted many people's names from the report, but not GS Voth's. This astonishing lack of due process severely prejudiced my client.

¹ Joint Staff Report, Prepared for Rep. Darrell E. Issa, Chairman U.S. House of Rep. Comm. on Oversight & Government Reform, & Sen. Charles E. Grassley, Ranking Member, U.S. Sen. Comm. on Judiciary, "The Department of Justice's Operation Fast and Furious: Accounts of ATF Agents," June 14, 2011 (hereinafter "June 14 Joint Staff Report"). Although he is no longer the Group VII Supervisor, this letter will refer to him as "GS Voth."

Rep. Darrell E. Issa
 Senator Charles E. Grassley
 Page 2 of 27

STEIN, MITCHELL & MUSE

The day after you released this report, Ranking Member Elijah E. Cummings alerted you to the patently unfair conduct of this investigation, at the House Oversight and Government Reform Committee (“the Committee”) hearing:

This weekend, Chairman Issa stated on national television that this committee’s investigation and these hearings are not about finding the facts. He said – and I quote – “This is not a discovery process of what happened. We know what happened,” end of quote.

With all due respect, I strongly disagree. We do not know all the facts. We still have much to learn in this ongoing investigation, and we should not rush to judgment.²

By that point, Ranking Member Cummings’ comments were too late, as you already had released the June 14 report. You did not miss a beat, marched on with the hearing, and continued the rush to judgment about GS Voth and Fast & Furious, without conducting a thorough investigation.³

Two weeks *after* you released the report, congressional staff interviewed my client. GS Voth provided testimony that directly refuted the inaccurate and harmful statements included in the June 14 congressional staff report. He also explained how the report and other witnesses mischaracterized documents cited in the report. But you have never corrected the record, despite your subsequent release of additional staff reports on this investigation, your countless media appearances, and your numerous opportunities at subsequent hearings.

I am therefore requesting that Chairman Issa, Senator Grassley, and the House Committee on Oversight & Government Reform (“the Committee”) correct the record. Through this letter, I am transmitting additional documents and additional testimony from GS Voth, which – in addition to the congressional testimony from GS Voth already before you – belie the false statements made in the June 14 report and in other staff reports.

² “Operation Fast and Furious: Reckless Decisions, Tragic Outcomes,” U.S. House of Representatives, Committee on Oversight & Government Reform, 112th Cong., June 15, 2011 (hereinafter “June 15 Congressional Hearing”) at 4 (testimony of Ranking Member Cummings).

³ Likewise, ATF Headquarters has not interviewed my client to help the ATF respond to the many parallel investigations into Fast & Furious. ATF Headquarters continues to respond to Congress and others about this investigation without the benefit of my client’s first-hand understanding of the matter.

Rep. Darrell E. Issa
 Senator Charles E. Grassley
 Page 3 of 27

STEIN, MITCHELL & MUSE

I. Special Agents Dodson, Casa, and Alt Did Not Complain to GS Voth about Operation Fast & Furious' Underlying Strategy or Tactics.

Contrary to their testimony before Congress, Special Agents Dodson, Casa, and Alt did not express any concern to GS Voth about the underlying strategy or tactics for Operation Fast & Furious. As this Section of the letter will demonstrate through documents and testimony:

- These agents used e-mail to complain about a great many things, but never once used it to complain about the investigative steps used in Fast & Furious or so-called “gunwalking.”
- Among their petty disputes were SA Dodson’s and Casa’s complaints to GS Voth that they did not want to work in the wire room on nights and weekends. Indeed, it was *those* complaints GS Voth was addressing in his March 12, 2010, “schism” e-mail.
- At the height of hypocrisy, contrary to complaining about “gunwalking,” SA Dodson proposed that he provide firearms to a suspected firearms trafficker in the Fernandez case, and, *over the objections of GS Voth*, personally provided those firearms to the suspected firearms trafficker and then failed to control the delivery.

A. SA Dodson, Casa, and Alt Used E-Mail to Complain about Petty Matters, But Never Once Used E-mail to Complain about Firearms Interdiction.

There is no evidence of SA Dodson, SA Casa, or SA Alt complaining to GS Voth about gunwalking or the tactics used in Fast & Furious, although they had plenty of experience using e-mail and other written correspondence to complain to GS Voth about many far more meaningless matters. Salient examples of these e-mails are enclosed.⁴

In one such example, SA Alt used e-mail to complain about his laptop and his purple cell phone. SA Alt e-mailed GS Voth, the ATF Ombudsman, and others at length to complain about his purple cell phone.⁵ The ATF Chief Technical Support Officer, copied on the e-mail, advised that such complaints in the future be directed to him. The ATF Ombudsman, however, wrote SA Alt and the others on the e-mail to say: “*With all due respect, every ATF employee has a right to*

⁴ See, e.g., e-mail from SA Dodson to GS Voth, Mar. 22, 2010 (complaining to GS Voth about his admonishment that SA Dodson should timely generate ROIs); e-mail from SA Dodson to GS Voth, June 4, 2010 (quibbling about the time within which he was supposed to process cash that was seized); letter from SA Alt posted anonymously on GS Voth’s door, Aug. 11, 2010 (disrespecting SA Hope MacAllister); e-mail from SA Dodson to GS Voth, Jun 8, 2010 (balking at opportunity attend complex T-III training); e-mail from SA Casa to GS Voth, June 8, 2010 (rejecting the same opportunity and replying “I have allergic reactions to T-IIIs that included hives, nausea, headaches, etc”), at Tab 1.

⁵ See e-mail from SA Alt to I. Koroma, D. Baynes, GS Voth, and M. Ketels, Apr. 8, 2010, at Tab 2.

Rep. Darrell E. Issa
 Senator Charles E. Grassley
 Page 4 of 27

STEIN, MITCHELL & MUSE

contact the Ombudsman's office and they do not need permission to do so."⁶ Thus, SA Alt knew to e-mail the ATF Ombudsman and GS Voth to complain about his purple cell phone, but never e-mailed them about "gunwalking" or the actual investigative methods used in *Fast & Furious*.⁷

As GS Voth informed your staff at his interview, these agents did not complain to him about "gunwalking" or the actual investigative steps taken in *Fast & Furious* at all. Their congressional testimony to the contrary is false.

B. The "Schism" Was Not about "Gunwalking," But Was about Staffing the Wire Room.

The single document these agents rely on to show they complained about "gunwalking" has nothing at all to do with "gunwalking" and was not authored by any of them. The June 14 staff report relied on the false testimony of Special Agents Casa and Dodson to mischaracterize GS Voth's so-called "schism" e-mail of March 12, 2010. Special Agents Casa and Dodson, and the June 14 report, falsely claimed that the "schism" in the Group VII office concerned two groups of agents opposing and supporting a strategy to let guns "walk."⁸ The agents' testimony is false. The "schism" solely referred to complaints from Special Agents Dodson and Casa about the schedule that GS Voth was putting together for staffing the wire room; the rest of the group did not complain.⁹ Special Agents Dodson and Casa had complained to GS Voth that they did not want to sit in the wire room, in particular, on nights and weekends and manufactured rumors about favoritism toward certain agents' scheduling. GS Voth said as much in his interview with congressional staff:

⁶ See e-mail from M. Ketels to L. Alt et al., Apr. 9, 2010, at Tab 2.

⁷ In addition to using e-mail, these agents also orally complained to GS Voth about lesser matters. They were vocal and were prone to making mountains out of a molehill, especially SA Casa, who, on August 13, 2010, dropped a loud battery of expletives on GS Voth, after GS Voth relayed a directive from the ASAC to SA Casa that he would not be working the Group II storefront. SA Casa said he could not believe that he had been taken off the storefront. As SA Casa flew off the handle, GS Voth calmly remained even and said he would ask the ASAC to confirm the directive. The ASAC confirmed it, which GS Voth relayed a second time to SA Casa, who once more fired off an expletive-filled tirade at GS Voth. SA Casa told GS Voth he would be filing a grievance, and GS Voth told SA Casa that he would not stand in his way. The ASAC, GS Voth, SA Dodson, and SA Casa then met in person to discuss the matter, and SA Dodson informed SA Casa that the Group II agent did in fact say that they did not need SA Casa because of a concern that too many unmarked police cars and agents, even if undercover, in front of the storefront would give it away. See GS Voth Declaration at ¶ 17, at Tab 3.

⁸ See June 14 Joint Staff Report at 22-24 & 27 (testimony of SA Casa and SA Dodson).

⁹ See Voth Declaration at ¶ 1, at Tab 3.

Rep. Darrell E. Issa
 Senator Charles E. Grassley
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STEIN, MITCHELL & MUSE

Q: So what is your reaction to this [“schism”] email and the way that people have pointed to this and said this is evidence that corroborates the testimony of agents?

A: I don’t think it corroborates it at all. The purpose of this email, and the reason this email was sent, is it’s dated March 12th, the wire was going up on March 15th, and a lot of people were concerned about their scheduling on the wire and if they were on surveillance or if they were in the wire room, if they were working Saturday, if they were working at night, if they were working Sunday, when was their day off, why were they on this assignment, so and so had that assignment.... There’[re] a lot of things going on, and it could be an exciting time if people would pull together [to] contribute. And, instead, they’re worried about why is so and so on this schedule, and I’m in the wire room. Why am I not on surveillance? I have more seniority or something than her or whatever. *It was strictly about the wire and working of the wire and the scheduling of the wire. It wasn’t about the way the case was being worked.*¹⁰

The plain language of the e-mail establishes that the “schism” refers to a misperception of inequitable working conditions by certain agents and not a fight about the investigative strategy or methods. In addition, other documents show that in the days leading up to March 12, 2010, GS Voth was working on the schedule to staff the wire room.¹¹ A year later, SA Casa confirmed the nature of the dispute in an e-mail: “And as far as favoritism, just one example, I recall last year in re to the [Fast & Furious investigation], certain individuals were excused from assignments like this in order to address the admin side of T-IIIs.”¹²

“[P]etty arguing, rumors or other adolescent behavior,” in the March 12, 2010, e-mail, refers directly to complaints lodged by Special Agents Casa and Dodson, who did not want to sit in the wire room. For example, at the eleventh hour as GS Voth was assembling the schedule for the wire room, SA Dodson called GS Voth about a “rumor” that co-case agent SA Tonya English was influencing the wire-room schedule, when in fact she was merely helping GS Voth input data into the schedule – a time-consuming and tedious process.

¹⁰ See Congressional Staff Interview of GS Voth, June 30 and July 1, 2011.

¹¹ See emails at Tab 4.

¹² See e-mail from SA Casa to GS Voth, Mar. 16, 2011, at Tab 5.

C. The Exception Proves the Rule: The Fernandez Case

As further contemporaneous evidence that SA Dodson and SA Casa had not raised concerns about any perceptions of gunwalking in 2010, one need look no further than to their proposal, support, and execution of the sole instance when anyone at Group VII provided firearms to a suspected firearms trafficker with no intention of recovering them: the Isaias Fernandez case.

The Fernandez case had *nothing* to do with the Fast & Furious case. Fernandez was initiated by SA Dodson, who proposed that guns “walk” and then let them “walk.” Congressional staff learned the same from GS Voth in his congressional staff interview. In this case, *over GS Voth’s objection*, SA Dodson knowingly provided six AK Draco pistols to Fernandez, whom the ATF suspected was exporting the firearms to Mexico.¹³ Neither SA Dodson, SA Casa, nor SA Styers maintained surveillance on those six firearms. SA Dodson took personal leave the very same week that he personally provided the six firearms to Fernandez.¹⁴ Yet there have been no hearings on this case and no mention of it in any congressional report.

SA Dodson initiated an investigation of Fernandez in April 2010. After reviewing the Fernandez case on the N-FORCE system, GS Voth e-mailed SA Dodson, on May 19, 2010, instructing SA Dodson (a) to generate the draft reports on the case, and (b) to follow the ATF and USAO rules regarding electronic surveillance.¹⁵ To this point, there was no mention to GS Voth of a desire not to interdict guns in the hands of Fernandez. Unbeknownst to GS Voth when the events occurred, SA Dodson already had staged two straw purchases via *his* confidential informant who had provided firearms to Fernandez on May 8 and May 11, and yet SA Dodson made no effort to interdict those weapons after Fernandez acquired them, and made no effort to conduct surveillance on Fernandez to determine where the firearms were going.¹⁶

On the day after GS Voth e-mailed SA Dodson about the Fernandez case, SA Dodson spoke with AUSA Hurley for the first time about the case. AUSA Hurley e-mailed SA Dodson to inform him that (a) he should have been contacted to approve the electronic surveillance

¹³ SA Dodson also staged two straw purchases via *his* confidential informant who provided additional firearms to Fernandez. See ENFORCE Management Log for the Fernandez case, at Tab 6.

¹⁴ Cf. ENFORCE Management Log for the Fernandez Case (noting that SA Dodson took leave from June 3 – 7, 2010), at Tab 6; *with* Fernandez ROI # 7 (indicating that SA Dodson provided Fernandez with six Draco pistols on June 1, 2010), at Tab 10.

¹⁵ See e-mail from GS Voth to SA Dodson, May 19, 2010, at Tab 7.

¹⁶ See Fernandez ROIs #4 & #5 at Tab 8.

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before SA Dodson conducted it; and (b) AUSA Hurley would not be able to approve letting firearms “walk” without first briefing the U.S. Attorney and the USAO Criminal Chief. The N-Force Management Log for the Fernandez case does not indicate that such approval or briefing occurred.¹⁷

Before responding to GS Voth’s e-mail, SA Dodson – on May 23 – made contact with Fernandez, but did not provide him with firearms.¹⁸

The next day, May 24, SA Dodson replied to GS Voth’s e-mail.¹⁹ SA Dodson spent the day editing his response with SA Alt.²⁰ In it, SA Dodson informed GS Voth that contact had been made with Fernandez; that an additional agent on the case would be helpful; that AUSA Hurley authorized the past electronic surveillance “ex post facto”; and that AUSA Hurley would not be able to approve “letting firearms ‘walk’ in furtherance of [SA Dodson’s] investigation without first briefing the US Attorney and Criminal Chief.”²¹ SA Dodson’s e-mail was the first time that GS Voth became aware of SA Dodson’s intention to let firearms “walk” in Fernandez or, for that matter, in any other case.

GS Voth objected to the proposal because SA Dodson was proposing that he provide firearms to a suspected firearms trafficker.²² GS Voth told SA Dodson the same and then called ASAC James Needles because GS Voth – as he informed ASAC Needles – was uncomfortable with SA Dodson’s proposal to provide firearms to a suspected firearms trafficker and would not approve it.²³ ASAC Needles told GS Voth to send him something in writing for ASAC Needles to evaluate.²⁴ GS Voth complied and forwarded SA Dodson’s proposal to ASAC Needles, who approved it.²⁵ Before he approved the plan, ASAC Needles met with SA Dodson, SA Alt, and SA Styers;²⁶ GS Voth was not a party to those discussions.²⁷

¹⁷ See ENFORCE Management Log for the Fernandez case, at Tab 6.

¹⁸ See *id.*; e-mail from SA Dodson to GS Voth, May 24, 2010, at Tab 7.

¹⁹ See e-mail from SA Dodson to GS Voth, May 24, 2010, at Tab 7.

²⁰ See e-mails between SA Dodson and SA Alt, May 24, 2010, at Tab 9.

²¹ See e-mail from SA Dodson to GS Voth, May 24, 2010, at Tab 7.

²² See Voth Declaration at ¶ 2, at Tab 3.

²³ See *id.*

²⁴ See *id.*

²⁵ See *id.*

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SA Dodson's full-throated attempts to promote his own personal "gunwalking" in the Fernandez case sharply contradict his testimony before congressional staff, quoted in the June 14 report, that when surveillance of a firearms is taking place, agents "don't get to go home."²⁸ The six firearms that SA Dodson personally provided to Isaias Fernandez have not been recovered, and SA Dodson did precious little to recover them or to build a criminal case against Fernandez.

The stunning irony of this case was completely lost on Senator Grassley, who sent a letter to the Department of Justice on March 3, 2011, and attached to it ROIs from the *Fernandez* case to show that guns walked in *Fast & Furious*.²⁹ This was no small error by Senator Grassley. His inclusion of those documents served as the cornerstone for this congressional investigation's fundamental criticism of *Fast & Furious*.

II. In Operation Fast & Furious, the ATF Group VII Agents Did Not Walk Guns – They Did Not Avoid the Interdiction of Firearms When They Lawfully Could Have Seized Them.

Each of your staff reports inaccurately states that, in *Fast & Furious*, ATF agents *purposefully* did not interdict guns in an effort to watch them enter Mexico, in order to identify other members of a criminal network and build a bigger case against them.³⁰ GS Voth explained in his congressional staff interview that this premise was inaccurate. Documents support the same. You nevertheless have failed to correct the record, and I urge you to do so.

²⁶ See Fernandez ROI #7, at Tab 10.

²⁷ See Voth Declaration at ¶ 2, at Tab 3.

²⁸ See June 14 Joint Staff Report at 13 (emphasis in original).

²⁹ Letter from Senator Grassley to Attorney General Holder and ATF Acting Director Melson, Mar. 3, 2011, at 1 n.2 & Attachment 2, at Tab 11.

³⁰ See June 14 Joint Staff Report at 28 ("Allowing guns to fall into the hands of the DTOs was the Operation's central goal.") & 34 ("As all of the accounts from numerous ATF agents demonstrate, ATF intentionally and knowingly walked guns."); Joint Staff Report, "The Department of Justice's Operation Fast and Furious: Fueling Cartel Violence," prepared for Chairman Issa and Senator Grassley, July 26, 2011, at 4 ("Operation Fast and Furious made unprecedented use of a dangerous investigative technique known as 'gunwalking.' Rather than intervene and seize the illegally purchased firearms, ATF's Phoenix Field Division allowed known straw purchasers to walk away with the guns, over and over again.") (hereinafter "June 26 Joint Staff Report"); Majority Staff Memorandum, Feb. 1, 2012, at 1 (finding that "ATF purposefully failed to...interdict guns").

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Agents did not make seizures and arrests because the USAO informed the agents they lacked probable cause. Thus, according to the prosecutor, the agents lacked sufficient evidence that the firearms were illegally purchased, and it would have been *unlawful* for the agents to seize them. As GS Voth told your staff, an agent can disagree with a federal prosecutor about probable cause (and GS Voth did), but the agent ultimately must adhere to the prosecutor's counsel.³¹ Doing otherwise would be unlawful (and likely would expose the agent to personal liability). Under those circumstances, non-interdiction by the agents is not gunwalking, according to your own definition of the term.

GS Voth frequently complained to and commiserated with the SAC, the ASAC, and the other Group Supervisors in ATF Phoenix about the unnecessarily restrictive legal counsel provided by the USAO, but frequently was told that Arizona was different. For example, the upshot of some of those complaints was a memorandum that ATF Phoenix Legal Counsel sent to the USAO on February 24, 2010, urging the USAO to reconsider its understanding and application of the *corpus delicti* doctrine because the USAO's current use of the doctrine was weakening the agents' ability to make cases.³² This letter encloses additional evidence of

³¹ Minority Staff Report at 34-35 (quoting GS Voth); In his interview with congressional staff, GS Voth informed them that SA Hope MacAllister, the lead agent for Fast & Furious, coordinated with AUSA Emory Hurley, the lead prosecutor for Fast & Furious, multiple times a day, on nights, and on weekends; and that SA Tonya English also spoke with AUSA Hurley about Fast & Furious. Those communications resulted in the following pointed exchange during GS Voth's interview:

Q: So it's your understanding that as part of Fast & Furious, agents weren't forgoing making arrests where probable cause existed or interdicting weapons where sufficient legal authority existed you know when they had the authority to do so in order to facilitate this larger mission?

A: No, I don't think that agents in Fast & Furious were forgoing taking action when probable cause existed. We consulted with the US Attorney's Office. And if we disagree I guess we disagree. But if the US Attorney's Office says we don't have probable cause, I think that puts us in a tricky situation to take action independent especially if that is contradictory to their opinion....

Q: As part of Fast & Furious?

A: Yeah, as part of Fast & Furious. And certainly the judge is capable of determining probable cause. And on two occasions the judge did not think we had probable cause.... *And I think if [judges and AUSAs] say there's not probable cause... I've never been told that I supersede their decision.*

See Congressional Staff Interview of GS Voth, June 30 – July 1, 2011 (emphasis added).

³² See memorandum from ATF Legal Counsel T. Kamgard to USAO, Feb. 24, 2010, at Tab 12.

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restrictive legal counsel from the USAO for the District of Arizona, which made it impossible for agents to make seizures and arrests in Fast & Furious.³³

In Fast & Furious, the agents certainly had no plan to avoid interdiction of firearms, so that they would be followed into Mexico. See, for example, the following e-mails:

- In *April 2010*, GS Voth exchanged e-mails with SA Andrew Hilt, Project Officer, Technical Operations Branch, about the use of trackers. SA Hilt indicated to me that the tracker might not work in Mexico, to which I replied: "I appreciate the concern but if everything works and goes according to plan we will intercept the firearm at or near the border. *We have no plans on letting any firearms (with or without a tracker) cross from the U.S. into Mexico.*"³⁴
- Later, in *August 2010*, GS Voth addressed a question from an agent outside of Phoenix as to whether Group VII was "letting these guns walk" and explained that they frequently could not interdict firearms because the USAO informed agents that they lacked probable cause.³⁵
- A day later, AUSA Hurley, the lead prosecutor assigned to Fast & Furious, wrote to the U.S. Attorney, Dennis Burke, that "ATF-Phoenix agents 'have not purposely let guns walk.'" ³⁶ As to Fast & Furious, AUSA Hurley was correct.

GS Voth informed congressional staff in his interview that up until June 2010, the USAO advised the agents that they lacked probable cause to make firearms seizures. When that legal counsel changed in June 2010, the agents made firearms seizures. Indeed, as the next section of this letter will show, the USAO's legal counsel up until that point severely circumscribed the ability of the agents to interdict firearms and make arrests in Fast & Furious. It was the communication of those high legal standards that precluded the agents from making seizures and arrests. Testimony that the agents planned on intentionally balking at interdiction is false.

³³ See, e.g., e-mail from Patrick Cunningham to William Newell, James Needles, Dennis Burke, Ann Scheel, Rachel Hernandez, Mike Morrissey, Emory Hurley, and Kristen Kelly, Mar. 6, 2011 (emphasis added), at Tab 15

³⁴ E-mail from GS Voth to A. Hilt, Apr. 23, 2010, at Tab 13 (emphasis added).

³⁵ E-mail from GS Voth to F. Arredondo, at Aug. 15, 2010, at Tab 14.

³⁶ See Minority Staff Report at 38 & 58.

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III. The USAO Established the Legal Standard for Making Seizures and Arrests.

When assisting the Justice Department's response to requests for information from Congress on Fast & Furious, Patrick Cunningham, Chief of the Criminal Division, for the U.S. Attorney's Office for the District of Arizona during Fast & Furious – *via* e-mail on March 6, 2011 – reiterated the advice that Group VII ATF agents received in real time from his office. For example:

Neither the USAO nor ATF was engaged in an effort “to let guns flow to straw buyers” or to “walk” guns that could have been seized under any lawful theory with available facts to prove the theory.

The guns flow FROM straw buyers and until agents observe illegal conduct they cannot treat them as anything other than ordinary buyers. At the time of transfer of the firearms from the FFL to the straw purchaser based upon the facts available to the FFL at the time of the sale, *the sales to the “straw purchasers” are lawful*; and seizure of the weapons in the hands of those purchasers without evidence of criminality would violate the United States Constitution and would be an unlawful seizure and deprivation of property rights without cause. (Fourth and Fifth Amendments).

In these investigations, there may come a point over the course of an investigation where ATF believes, though it is well short of proof beyond a reasonable doubt required in criminal cases, that they can prove that a particular person only buys guns for the purpose of illegal trafficking. However, seizure of the guns at that point may not be legal because purchasing multiple long guns in Arizona is lawful, transferring them to another is lawful and even sale or barter of the guns to another is lawful unless the United States can prove by clear and convincing evidence that the firearm is intended to be used to commit a crime. (18 USC 924(d)).³⁷

Mr. Cunningham continued:

How is it that a person becomes a suspect in a straw purchase investigation? If they are buying multiple handguns, it could be because of multiple sales reports to

³⁷ E-mail from Patrick Cunningham to William Newell, James Needles, Dennis Burke, Ann Scheel, Rachel Hernandez, Mike Morrissey, Emory Hurley, and Kristen Kelly, Mar. 6, 2011 (emphasis added), at Tab 15.

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ATF, notifying the bureau that a suspect is buying large quantities of handguns. If they are buying only long guns, they may not become a suspect until guns they have purchased can be traced after being recovered at a crime scene, or an FFL voluntarily notifies ATF of an unusually large purchase. But a multiple purchase by itself, or the recovery of a firearm at a crime scene does not establish that the original buyer of the gun is an “unlawful straw purchaser.” If it did, then when a person buys a gun and then decides they don’t shoot it well, or it recoils too much, or they really can’t afford the ammunition, and sells it, out of the paper, or a gun show, or to a friend, if the next owner of the gun commits a crime with it, the original purchaser would become a suspect as an “unlawful straw purchaser” and a suspect in a gun trafficking case.

And your question presupposes that ATF agents should never let mere suspects possess a firearm. Your question seems to presume that once ATF identifies a suspect, they can treat that suspect as though they were a “prohibited person”, never again allowed to possess a firearm, regardless of the fact that they have not been convicted of a crime. If this were the case, ATF could stop any person they label a suspect and take any gun they have away from them. This means that if you (1) bought two 5.7 mm pistols because you wanted one for the home and one for the office, or (2) bought three AR type rifles for you and your two sons to target shoot, or (3) you sold one of your guns to your brother in law, who resold it to a co-worker who took it into Mexico and got caught with it, then you are an “unlawful straw purchaser” suspect and the next time you buy a gun, with your own money, for a hunting trip, ATF should take it away from you.³⁸

Likewise, Mr. Cunningham’s recapitulation of the USAO’s legal counsel regarding the seizure of weapons confirms the limitations placed on the ATF agents:

The full array of rights available to indicted defendants is also available to those persons suspected of committing gun crimes, and the government cannot violate legitimate gun owners rights by prematurely seizing their guns.... There seems to be some misconception on the part of the press and members of congress that the minute that ATF suspects that someone is a straw purchaser, agents can arrest that person and seize all of their guns. As explained above, that seizure would be

³⁸ E-mail from P. Cunningham, Mar. 6, 2011, at Tab 15.

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unlawful, and ATF may only seize when a lawful basis for seizure can be proven under the US Constitution and statutes passed by Congress.³⁹

Although this e-mail was sent in March 2011, it cannot be seen as self-serving and should be fully credited as an accurate representation of the contemporaneous rules of the road given to and relied upon by the agents in the Fast & Furious investigation. Examples of such contemporaneous advice, consistent with Mr. Cunningham's e-mail, are included and annotated in this letter. As this letter demonstrates, the ATF Phoenix Group VII agents and their supervisor creatively worked to build evidence to meet the high legal thresholds established in Arizona and to explore alternate legal theories to make lawful seizures of firearms and arrests. In June and July 2010, when the USAO finally authorized agents to make seizures and arrests, they did. Group VII should not be blamed for failing to make seizures and arrests, when objective evidence establishes they were prevented from doing so by the USAO.⁴⁰

As soon as GS Voth arrived into Phoenix, in December 2009, AUSA Hurley told him that the agents lacked sufficient evidence to indict the straw purchasers and their recruiter, Manuel Celis-Acosta, whom agents already had identified. Mr. Celis-Acosta and his straw purchasers would be the target of the investigation, and AUSA Hurley agreed that a wire would be the best law enforcement tool to obtain the evidence to support indictments of them. AUSA Hurley also informed GS Voth that the agents lacked probable cause to seize firearms purchased by the network. GS Voth disagreed with AUSA Hurley about the legal counsel, but ultimately had no choice but to follow it.⁴¹ That said, there was no strategic decision to forgo firearms-seizures in favor of electronic intercepts; rather, the intercepts were needed to provide the missing elements for AUSA Hurley's determination of probable cause.

³⁹ E-mail from P. Cunningham, Mar. 6, 2011, at Tab 15.

⁴⁰ Notwithstanding the limitations placed on the Group VII agents, they seized 373 firearms in 2010, a five-fold increase over the number of firearms seized in the previous year by the previous Southwest Border firearms trafficking group in ATF-Phoenix. *See* Tab 16. As a result of the congressional investigation, however, firearms seizures by Group VII plummeted to 51 in 2011 (only 20 of which were seized after the CBS News report on March 3, 2011). *See* Tab 16.

⁴¹ *See* GS Voth Declaration at ¶ 15, at Tab 3. Although your staff memorandum indicated that DEA officials informed congressional staff that ATF agents could have arrested Celis-Acosta in December 2009, *see* Majority Staff Memorandum, Feb. 1, 2012, at 3, AUSA Hurley, the lead prosecutor on the case, disagreed and told the agents they lacked probable cause to arrest him. Your staff memorandum's conclusion that "ATF wanted to get its own federal wiretaps and create its own big case" is not correct. *Id.* DEA did not want ATF to piggyback on its wire, which was going to expire in the near future, and that is the reason why ATF went up on its own wire. Further, the DEA wire turned out to be illegal. All of the indictments resulting from it were thrown out.

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The high legal standard communicated to the agents by the prosecutor for Fast & Furious was no different from what he communicated to them *in other cases, where the network was not a target. For example:*

The [redacted] Case:⁴² In an e-mail to an ATF agent in Texas, in August 2010, GS Voth wrote the following: “Two weeks ago we stopped a suspect after he purchased a TNW 50 caliber belt-fed rifle for over \$10,000.00. We conducted a field interview and after calling the AUSA he said we did not have sufficient PC to take the firearm so our suspect drove home with said firearm in his car.”⁴³ The AUSA was Emory Hurley. An ROI from this case also shows that AUSA Hurley informed the ATF agents on August 3, 2010, that they lacked evidence to support probable cause for the seizure of the firearm.⁴⁴

Civil Asset Forfeiture: Even after the Group VII agents had come down off the Fast & Furious wire, they remained frustrated with the USAO Criminal Division’s restrictive legal counsel. Consequently, in August 2010, GS Voth began working with Civil AUSA Reid Pixler to use the civil asset forfeiture theory to seize firearms.

Neither GS Voth nor the Group VII agents balked at making seizures or arrests, when they lawfully could do so. For too long, however, the agents were advised by the USAO that seizures and arrests would be considered unlawful. But following that legal counsel is far different from the insinuation created in your staff memorandum that the ATF “purposefully failed” to seize firearms.⁴⁵

IV. The ATF Did Not Purposefully Fail to Interdict Firearms.

Your February 1 staff memorandum’s finding that ATF “purposefully failed to confront straw purchasers and interdict guns,” is incorrect because the agents in Fast & Furious did not plan to avoid arrests and seizures or sublimate those objectives “to the lofty goal of dismantling the entire organization.”⁴⁶ Rather, the agents did not make seizures when the USAO precluded

⁴² Although this case was discussed at GS Voth’s interview with congressional staff, in the presence of Department of Justice attorneys who did not object to discussion about the case, we, in an abundance of caution, are not disclosing the name of this investigation’s target because he has not been indicted.

⁴³ See e-mail from GS Voth to F. Arredondo, Aug. 15, 2010, at Tab 14.

⁴⁴ See [redacted] ROI #5, at Tab 17.

⁴⁵ Majority Staff Memorandum, Feb. 1, 2012, at 1.

⁴⁶ Majority Staff Memorandum, Feb. 1, 2012, at 1.

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them from doing so. Once the prosecutors authorized such law enforcement action in June and July 2010, the agents made seizures. Inasmuch as the agents did not regularly “confront” suspected straw purchasers, it was not the result of the USAO’s interpretation of probable cause; however, it was the agents’ experience that such stops were not productive, particularly without the leverage to threaten arrest or seizure. For example, when at the direction of ATF agents, local law enforcement agents stopped suspected straw purchaser, Sean Steward, he lied and denied. He yielded no helpful evidence.⁴⁷

V. In Addition to the High Legal Standards of the USAO, GS Voth and the Agents Contended with Many Other Obstacles.

Neither the DOJ/ATF strategy memoranda nor the DOJ Southwest Border meetings in the fall of 2009 provided any warnings to GS Voth about a variety of challenges that would stand in the way of making seizures and cases. For example:

No OCDETF Prosecutor: The USAO did not assign an OCDETF prosecutor to Fast & Furious, even though it was an OCDETF case. Instead, AUSA Emory Hurley, who had never worked on an OCDETF case and had never applied for a wire, led the case.

Slow Pace of the USAO: The USAO took six or seven months to indict the case, after ATF had provided the prosecutors with all of the evidence they needed to indict.

Insufficient Coordination from DEA, FBI, and ICE: DEA and the FBI were not fully forthcoming with information, contrary to what they apparently have informed the Committee.⁴⁸ Early on in the case, an ICE agent deliberately precluded ATF agents from interviewing one of ATF’s suspects.⁴⁹

⁴⁷ See Chambers, ROI #36, Dec. 8, 2009, at Tab 26.

⁴⁸ At the December 15, 2009, de-conflict meeting between DEA and ATF, DEA agents did not inform ATF that DEA agents had captured evidence of calls between Manuel Marquez and the Miramontes brothers. DEA did, however, inform the FBI of that link, but neither the DEA nor the FBI informed the ATF of that link. GS Voth had informed congressional staff of the same in his interview with them, but your staff memorandum erroneously did not mention his testimony on that point. Cf. Majority Staff Memorandum, Feb. 1, 2012, at 2 (“ATF Group Supervisor David Voth and the case agents attended a December 15, 2009 meeting in which DEA shared with ATF the information they had thus far acquired on the ringleader, Manuel Celis-Acosta.”) (citing DEA ROI 50). Congressional staff did not ask GS Voth about DEA ROI 50. Likewise, the majority staff memorandum quotes from a December 16, 2009, internal DEA e-mail, about which congressional staff did not ask GS Voth. The e-mail apparently stated that ATF, at the December 15 de-confliction meeting, “said the best way is to try to stop the load as it goes across into Mexico which adds a whole bunch of charges.” Majority Staff Memorandum, Feb. 1, 2012, at 2-3. No one from ATF said that at the December 15 meeting. See GS Voth Declaration at ¶ 18, at Tab 3. Only days after the de-confliction meeting, while GS Voth was out of the state, the DEA obtained specific evidence of firearms

Denials of Search Warrants: On two separate occasions, federal judges in Arizona denied applications for search warrants. Prior to coming to Phoenix, GS Voth had applied for well over 100 or more search warrants and had only one of them denied by a judge in that time. He was therefore well aware of the sort of the evidence that should support a search warrant and was surprised when the Arizona federal magistrate judge denied each of these two warrant applications.⁵⁰

1. In the spring of 2010, Group VII sought a search warrant for a MySpace page on the Internet that posted photographs of firearms, including a photo of suspected recruiter of straw purchasers, Manuel Celis-Acosta, with firearms in what appeared to be his living room.⁵¹ AUSA Hurley approved the application for the search warrant, and SA MacAllister presented it to the judge, who denied it.⁵²
2. In August 2010, Group VII sought search warrants for two locations – 7557 W. Rose Lane and 4950 W. Bethany Home Road Lot #45, which were both addresses for Hector Carlon, who was tied to the purchase of a .50 caliber firearm and was suspected at the time of being a mid-level member of the firearms trafficking organization under investigation.⁵³ AUSA Emory Hurley approved the applications for the search warrants, and SA MacAllister presented the applications to the judge, who denied them.⁵⁴

trafficking, but did not share it with ATF when the information was actionable. *See* GS Voth Declaration at ¶ 19, at Tab 3.

⁴⁹ On December 9, 2009, the Douglas Police Department notified ICE of a vehicle the police had stopped. Firearms were found inside the vehicle. ATF Group VII agents earlier had entered those firearms into the Suspect Gun Database. They were purchased by suspects in the Jacob Chambers case (which later became the Fast & Furious case). ICE Agent Ed Hamel and ATF Agent Hope MacAllister agreed that they would jointly interview the driver of the vehicle, but ICE Agent Hamel unilaterally broke the agreement and interviewed the driver himself thereby depriving ATF of an opportunity to learn more about the firearms and the network they were investigating. For that reason, ICE removed Agent Hamel from work on Fast & Furious. *See* GS Voth Declaration at ¶ 20, at Tab 3.

⁵⁰ *See* Voth Declaration at ¶ 3, at Tab 3.

⁵¹ *See* Voth Declaration at ¶ 4, at Tab 3.

⁵² *See id.* *See* photograph at Tab 18.

⁵³ *See* e-mails from GS Voth to ASAC Needles, Aug. 5, 2010, at Tab 19.

⁵⁴ *See* Voth Declaration at ¶ 5, at Tab 4.

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Months without Funding: For two months before he arrived in Phoenix (e.g., in October and November 2009), GS Voth asked ATF for Group VII funding, but it did not come until April 2010.⁵⁵ Without such funding, Group VII agents went without its own long guns or electronic surveillance equipment (e.g., vehicle trackers, recording devices, binoculars, night vision, video cameras).⁵⁶ In that period without funding, GS Voth scrambled to obtain loaner long guns, so his agents would not be armed merely with handguns when confronting suspects possessing upwards of 20 AK-47s.⁵⁷ Group VII managed to obtain a total of five long guns in mid-February 2010; four of them were on loan from another group.⁵⁸ While GS Voth pushed for his group's funding, the ATF Technical Operations Branch shared GS Voth's frustration on March 9, 2010: "Do you know are you the only one that was not provided equipment in Phoenix?"⁵⁹

Small Team: When GS Voth arrived in Phoenix, there were four agents in Group VII. One was a rookie, a GS-7, and one had just arrived from out of town, SA John Dodson. Over the next four months, Group VII would grow to only seven agents, four of whom were new to Phoenix, which created serious challenges when the agents were conducting on-the-ground surveillance on streets that were foreign to them, but not to the suspects. Only one of the agents previously worked on a wire.

⁵⁵ See, e.g., e-mail from M. Collins to M. Vidoli & J. Newman, Oct. 6, 2009; e-mail from GS Voth to M. Collins, Oct. 6, 2009; e-mail from GS Voth to SA MacAllister, Oct. 9, 2009; e-mail from ASAC Gillett to SAC Newell, Oct. 8, 2009; e-mail from GS Voth to M. Collins, Nov. 10, 2009, at Tab 20.

⁵⁶ See e-mail from GS Voth to M. Collins, Mar. 22, 2010, at Tab 21.

⁵⁷ See, e.g., e-mail from GS Voth to S. Tanabe, Feb. 22, 2010, at Tab 22.

⁵⁸ See e-mail from GS Voth to Group VII, Feb. 18, 2010, at Tab 23.

⁵⁹ See e-mail from M. Collins to GS Voth, Mar. 9, 2010, at Tab 24. GS Voth continued to push for resources. See e-mail from GS Voth to P. Harvey, Mar. 22, 2010 ("Group VII needs everything") (responding to e-mail from Paul Harvey, ATF Phoenix Field Division Technical Surveillance Specialist, who said, "I sure know that [G]roup VII needs the equipment. Group VII never received any ES gear and needs the full compliment as outlined in the Group"), at Tab 25.

VI. Group VII Responsibly Used Law Enforcement Techniques to Gather Evidence That Would Help Them Meet the USAO's High Legal Standards.

Before interviewing my client, your staff report of June 14, 2010, incorrectly and outrageously found that "ATF could have interdicted thousands of guns that were being trafficked in Mexico, yet chose to do nothing."⁶⁰ GS Voth informed the congressional staff of the many law enforcement techniques – in addition to the seeking of Title III authority, search warrants, and funding for the group (mentioned earlier) – that he and his agents employed to help gather evidence.

Toward the early inception of this case, in December 2009, the USAO informed GS Voth and others at ATF Phoenix that they lacked evidence to support bring Celis-Acosta and his network of straw purchasers to justice, despite the known purchase over 100 firearms by this network. On that basis, the USAO advised ATF its agents would need to gather more specific evidence of criminal activity (*e.g.*, transfers of firearms to prohibited persons), so that firearms could be seized and members of the network (including but not limited to straw purchasers) could be arrested, indicted, and convicted. Once agents had identified a network of straw purchasers, the prosecutor agreed that the case was appropriate for OCDETF funding, and that Title III authority for a wiretap would be the best way of gathering evidence of specific intent.

In addition to the application for OCDETF funding and Title III authority for wiretaps, Group VII also employed a number of law enforcement tools to make seizures and build cases against the individuals, such as:

- Pen Registers: Prior to GS Voth's arrival in Phoenix, the ATF agents there were not using pen registers. Under GS Voth, Group VII initiated 16 court-ordered pen registers. He taught SA McAllister, Casa, and Alt how to use them. GS Voth's introduction of this law enforcement tool permitted Group VII to connect individuals through evidence of phone calls made to different numbers.
- Pole Cameras: Under GS Voth's leadership, Group VII set up pole cameras at *inter alia* Celis-Acosta's house. At one point, encouraged by the prospect of this law enforcement innovation, ATF Director Melson asked to get up on the pole cameras with the agents.
- 4473s: FFLs are required to maintain completed Form 4473s on site for 25 years. They are not required to provide copies of those forms to law enforcement in real time. In Fast

⁶⁰ June 14 Joint Staff Report at 9 (relying on testimony of SA Dodson).

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& Furious, however, ATF agents asked FFLs to provide them with the Form 4473s completed by suspected straw purchasers.

- Suspect Gun Database: Agents would enter the serial numbers from the Form 4473s into the Suspect Gun Database, so that Group VII and agents in the United States and Mexico could have faster access to information and more information about the firearms, which likely would have been sold with or without the ATF.

GS Voth and the *Fast & Furious* agents did not – as SA Dodson testified before Congress – “do nothing;” to the contrary, they deployed extraordinary police work to meet nearly impossible legal standards set by the USAO. For example, Group VII’s approach to straw purchaser Uriel Patino establishes that Group VII was forced to search for new legal avenues and evidence to support seizures and arrests due to the restrictive legal counsel provided by the USAO.

GS Voth began focusing on Mr. Patino in November 2009, a month before he even arrived in Arizona as the ATF Phoenix Group VII Supervisor. While still in Minnesota, GS Voth was reviewing multiple sales reports and identified Mr. Patino, who at the time (*i.e.*, Nov. 9, 2009), had purchased 13 firearms. Then, GS Voth knew nothing more than the fact that Mr. Patino had purchased the 13 firearms from Cabela’s in Glendale, Arizona; lived in Phoenix; and was then a 23-year old Hispanic male.⁶¹ Based on that information and the counsel he previously had received from the USAO in Minnesota, that evidence would not have been sufficient to support probable cause to seize the 13 firearms or arrest Mr. Patino at that time.⁶² Nevertheless, GS Voth e-mailed SA MacAllister and SA Medina in ATF Phoenix Group VII to inform them that “this one screams for actions” and recommended they “start looking into phone numbers, border crossings, method of payment especially if credit card or check...etc” to build more evidence, so that the ATF could later take lawful enforcement action.⁶³

One prime example of the follow-up police work that SA MacAllister performed with respect to Mr. Patino was the discovery that he was on food stamps. Indeed, the only reason anyone in law enforcement today knows Mr. Patino was receiving food stamps is because SA MacAllister dug through his trash to locate gun receipts and found evidence that he was on food

⁶¹ See e-mail from GS Voth to SA MacAllister and SA Medina, Nov. 9, 2009, at Tab 27.

⁶² See Voth Declaration at ¶ 7, at Tab 3.

⁶³ See e-mail from GS Voth to SA MacAllister and SA Medina, Nov. 9, 2009, at Tab 27.

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stamps.⁶⁴ Upon receiving that information, SA MacAllister discussed it with Mr. Hurley at the USAO, who concluded that evidence was not sufficient to seize weapons or arrest Mr. Patino.⁶⁵

Group VII did not stop there. Instead, in March 2010, GS Voth asked SA Randy Parker of the US Department of Agriculture Office of Inspector General to investigate whether Mr. Patino's \$300,000 purchase of firearms would constitute evidence of "Food Stamp Fraud."⁶⁶ GS Voth made a similar inquiry of state attorneys in Maricopa County, Arizona, in June 2010.⁶⁷ Unfortunately, the responses proved impractical.

But neither SA MacAllister nor GS Voth can be accused of being deliberately indifferent to Mr. Patino for any reason, let alone to make sure that Mr. Patino would not know about the ATF's investigation of him and the others suspected of being involved in the firearms trafficking network. GS Voth's overtures to the USDA OIG and to the state attorneys show that the advice from the USAO was that the agents lacked the necessary probable cause to make seizures and arrests. Indeed, were Mr. Patino to be indicted on food stamp fraud charges, he would have become aware that the ATF discovered the food-stamp evidence and thus that the ATF was investigating him.

When the USAO finally concluded that probable cause existed to seize certain firearms purchased by Mr. Patino, agents did in fact seize them.⁶⁸

⁶⁴ See Voth Declaration at ¶ 8, at Tab 3.

⁶⁵ See *id.*

⁶⁶ See e-mail from GS Voth to R. Parker, Mar. 30, 2010, attached at Tab 28.

⁶⁷ See e-mail from GS Voth to A. Roby & M. McKessy, attached at Tab 29.

⁶⁸ See Voth Declaration at ¶ 9, at Tab 3. Another example of GS Voth working to overcome the hurdles established by the USAO came in subsequent straw purchaser investigation. In that case, Group VII identified a suspected straw purchaser, who had purchased 10 AK-47s. The USAO advised GS Voth not to arrest the straw purchaser because the evidence likely would not support a conviction that would come with any meaningful jail time. GS Voth became aware of a case in Texas, where a federal judge sentenced an individual for 37 months upon a purchase of 13 firearms. GS Voth informed Mike Morrissey, Section Chief, National & Border Security, for the District of Arizona USAO, of the sentencing result in the Texas case. Mr. Morrissey advised that GS Voth reach out to the AUSA in Texas who handled the case. GS Voth did that and e-mailed Mr. Morrissey regarding the call. Through the e-mail, GS Voth provided Mr. Morrissey with the name and phone number for the AUSA in Texas, as well as a detailed discussion of how the sentencing enhancements were counted for the defendant. See e-mail from GS Voth to M. Morrissey, Jan. 7, 2011, at Tab 30. Upon receipt of the e-mail, Mr. Morrissey informed GS Voth that a court in Arizona would treat some of the calculations in Texas as double-counting and renewed his advice not to arrest the alleged straw purchaser. See Voth Declaration at ¶ 10, at Tab 3.

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VII. ATF Group VII Agents Provided the USAO with Evidence to Support Fast & Furious Indictments in July 2010, But the USAO Finalized Them Only after Border Patrol Agent Brian Terry Was Killed.

On June 8, 2010, SA Mark Sonnendecker e-mailed a memorandum to AUSA Hurley with a lengthy memorandum, outlining overt acts to support the indictments of over 25 individuals.⁶⁹ As early as July 19, 2010, GS Voth sent an e-mail to AUSA Hurley requesting to speak with him about the “Indictment Phase.”⁷⁰ This also is consistent with the “Exit Strategy” that GS Voth provided to ATF Headquarters in late April 2010 laying out a 90-day time table.

By the end of July 2010, the agents provided the USAO with enough evidence to support the indictments of over 20 people. By August 2, 2010, the agents terminated the wiretap in Fast and Furious. Thereafter on a monthly basis, GS Voth would call AUSA Hurley to ask whether the indictments had been drafted and approved. Frustrated the indictments had not been filed in October 2010, GS Voth asked the ASAC to ask Mr. Cunningham, the Criminal Chief for the USAO, about the status of the indictments. The ASAC told GS Voth that the ASAC and Mr. Cunningham spoke, and that Mr. Cunningham said the indictments would be filed soon.⁷¹

Despite the evidence generated by Group VII in June and July 2010, it would not be until after Border Agent Brian Terry was killed in December 2010 that the USAO filed the indictments. The USAO indicted only 20 people. From Day One of the case, AUSA Hurley made it known that he could indict only 20 people at a time, contrary to GS Voth’s experience with other prosecutors, who had indicted far more than 20 people at a time.⁷² Indeed, by October 2010, the agents had amassed evidence to support the indictments of 60 people.

Shortly after the indictments were filed in January 2011, an ATF agent in Houston e-mailed GS Voth for assistance because the agents in Houston were in the indictment phase of a gun-trafficking case, and they had not seen many successful indictments “in our area.”⁷³

⁶⁹ See e-mail from SA Sonnendecker to AUSA Hurley, June 8, 2010, at Tab 31.

⁷⁰ E-mail from GS Voth to AUSA Hurley, Jul. 19, 2010, at Tab 32.

⁷¹ See Voth Declaration at ¶ 13, at Tab 3. By this time, agents had amassed evidence to support indictments for over 60 people. See *id.* at ¶ 13(b), at Tab 3. Your February 1, 2012, staff memorandum incorrectly identified the network as including only 40 straw purchasers. See Majority Staff Memorandum, Feb. 1, 2012, at 2.

⁷² See Voth Declaration at ¶ 13(c), at Tab 3. That was at odds with GS Voth’s past experience with federal prosecutors, who in some cases had indicted well over 20 people. See Voth Declaration at ¶ 13(c), at Tab 3.

⁷³ See e-mail from SA McDonald to GS Voth, Jan. 31, 2011, at Tab 33.

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VIII. GS Voth Coordinated with ATF Personnel in Mexico.

Some of the findings made in your staff's July 26 report are incorrect and require further examination. For example, the report incorrectly stated: "ATF personnel in Arizona denied ATF personnel in Mexico access to crucial information about the case, even though the operation directly involved their job duties and affected their host country."⁷⁴ Contrary to the foregoing statement in the report (and other similar statements in it), e-mails show countless examples of ATF Phoenix agents and officials working with ATF personnel in Mexico to make sure they had access to information about firearms in real-time.⁷⁵ Indeed, Darren Gil, ATF Attaché to Mexico during *Fast & Furious*, testified to Congress that "[his] analyst didn't have access to the trace data in E-Trace,"⁷⁶ but e-mails show that ATF officials in the U.S. were working in real time to provide Attaché Gil's analyst, Denis Fasciani, with the trace data he sought.⁷⁷

Documents also show that contrary to the testimony of ATF officials, Darren Gil and Carlos Canino, GS Voth was in frequent contact with them, as well as other ATF officials in Mexico, about the *Fast & Furious* case. For example, GS Voth drafted the Southwest Border reports twice a month and which were then circulated to a number of officials, including Gil, Canino, and other ATF officials in Mexico. Those reports revealed the increasing volume of firearms purchased by the suspects under investigation and kept people apprised of how the case was progressing.

IX. The Agents Outrageously Mischaracterized GS Voth's April 2, 2010 E-mail to AUSA Emory Hurley and ASAC George Gillett.

Inaccurate as it is offensive, your staff's June 14 report credited SA Dodson's distortion of GS Voth's reaction to the increasing violence and deaths in Mexico as "jovial, if not giddy."⁷⁸ SA Dodson manufactured this testimony about an e-mail that GS Voth sent to AUSA Hurley and ASAC Gillett on April 2, 2010.⁷⁹ SA Dodson and your staff report could not be any more

⁷⁴ July 26 Joint Staff Report at 4.

⁷⁵ See, e.g., e-mail from L. Leadmon to A. Rojas *et al.*, Jan. 13, 2010; e-mail thread between GS Voth and A. Hernandez, ATF Assistant Country Attache, Tijuana Field Office, Feb. 16, 2010, at Tab 34; see, e.g., e-mails at Tab 35.

⁷⁶ July 26 Joint Staff Report at 30.

⁷⁷ See, e.g., e-mails at Tab 35.

⁷⁸ June 14 Joint Staff Report at 35-38.

⁷⁹ See *id.*

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wrong.⁸⁰ Of course, you released the June 14 report to the public two weeks before your staff had given GS Voth the opportunity to comment on this insulting and false charge. This blatant lack of due process prejudiced my client.⁸¹

X. Contrary to the June 14 Report and the False Testimony of the Agents, GS Voth Did Not Retaliate against Them.

The June 14 report incorrectly stated that “[s]upervisors ignored complaints and retaliated against agents who did complain by transferring them out of ATF Phoenix Group VII.”⁸² As already has been addressed, these agents did not complain to GS Voth about “gunwalking” or the actual investigative steps taken in *Fast & Furious* in the first place. *See supra* at Section I. Further, GS Voth took no adverse action against the agents, including but not limited to the fact that he did not decide to transfer any of them out of Group VII.

A. Documents Show That SA Dodson Knowingly Made False Statements to Congress about the Reason for His Transfer out of ATF Phoenix Group VII.

In the June 14 report, SA Dodson knowingly made the following the false statement to Congress: “why I am no longer in Group 7, is because I addressed it with, or primarily with those on the other side of the schism.”⁸³

The foregoing statement is false. SA Dodson did not complain to GS Voth about *Fast & Furious* or gunwalking (*indeed*, in *Fernandez*, SA Dodson promoted gunwalking over GS Voth’s objection), and the very suggestion that GS Voth transferred SA Dodson out of Group VII is incorrect. Documents show that no one forced SA Dodson to work outside of Group VII. Early

⁸⁰ The context missing from your June 14 report as to this e-mail is as follows. Just days after the agents had begun their first wiretap of Celis-Acosta’s phone on March 15, 2010, he discarded his phone. That forced the agents and the USAO to seek Title III authority to wiretap Celis-Acosta’s new phone(s). GS Voth therefore sent this e-mail on April 2, 2010, to impress upon AUSA Hurley and ASAC Gillett the need to push people within the ATF and the Justice Department more broadly (*e.g.*, OEO) to work quickly and effectively, so that the agents could get back up on the wire. *See* e-mail from GS Voth to AUSA Hurley & ASAC Gillett, Apr. 2, 2010, at Tab 37. Any suggestion to the contrary is untrue and demeans GS Voth.

⁸¹ In the Federal Tort Claims Act action brought by the family of Brian Terry, the claimants cite to your staff report’s reliance on SA Dodson’s fictitious portrayal of both GS Voth’s April 2, 2010, e-mail and GS Voth’s reaction to the increasing deaths and violence in Mexico. *See Terry et al. v. ATF*, Form 95 Notice of Claim at 28-30, Feb. 1, 2012.

⁸² *See* June 14 Joint Staff Report at 27.

⁸³ *See* June 14 Joint Staff Report at 27.

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on, SA Dodson sought to leave Group VII.⁸⁴ He volunteered to assist Group II at its supervisor's request⁸⁵ and later sought to leave Group VII for Group IV and the Joint Terrorism Task Force ("JTTF"), which he joined in October 2010.⁸⁶ SA Dodson asked for and received support from GS Voth with respect to each of these transitions. Rather than grieve about the move or indicate that he viewed them as punitive, SA Dodson was excited and happy about the transfer opportunities.

B. ATF Transferred SA Alt Because of a Specific Need for an ENFORCE-Certified Agent.

In September 2010, ASAC Needles informed GS Voth that SA Alt was one of the few ENFORCE-certified ATF agents in Phoenix, and the last review of the Phoenix subdivision revealed several ENFORCE deficiencies. On that basis, ASAC Needles said he decided to assign SA Alt as a senior operations officer at the ATF Phoenix headquarters to look at the ENFORCE discrepancies there. That was the first that GS Voth had heard of anyone at ATF seeking to move SA Alt into that position or into any other position outside of Group VII.⁸⁷

Conclusion

The release of the June 14 report and its progeny severely prejudiced this investigation, GS Voth, and the parallel proceedings at the Department of Justice regarding this matter, such as the Office of Inspector General investigation into Fast & Furious and the Office of Special Counsel investigation into the agents' false and unsupported claims of retaliation against them. As part of those inquiries and your own, GS Voth has spent over six days answering questions and refuting the inaccurate and prejudicial allegations made in your staff report of June 14, as

⁸⁴ SA Dodson expressed an interest in volunteering to work outside of Group VII as early February 2010, when he asked GS Voth for an assignment in Mexico. See e-mail from GS Voth to ASAC Gillett & SA Dodson, Feb. 18, 2010 ("SA John Dodson [is] interested in having his name submitted for the following TDY to Mexico."), at Tab 39. SA Dodson renewed that request in April 2010 and again in August 2010. See e-mail from SA Dodson to GS Voth, Apr. 29, 2010; e-mail from SA Dodson to GS Voth, Aug. 10, 2010; e-mail from GS Voth to SA Dodson, Aug. 10, 2010, at Tab 39.

⁸⁵ See e-mail from M. Ratliff to GS Voth, Jul. 14, 2010; e-mail from GS Voth to M. Ratliff, Jul. 14, 2010; e-mail from M. Ratliff to GS Voth, Jul. 27, 2010 (copying B. Iber and SA Dodson); e-mail from M. Ratliff to GS Voth, Jul. 27, 2010; e-mail from SA Dodson to GS Voth, Aug. 10, 2010; e-mail from GS Voth to SA Dodson, Aug. 10, 2010; e-mails between SA Dodson to GS Voth, Aug. 12, 2010; e-mail from GS Voth to E. Curry, Aug. 31, 2010, at Tab 40.

⁸⁶ See e-mail from GS Voth to G. Gillett, Sept. 1, 2010; e-mail from SA Dodson to GS Voth, Sept. 1, 2010; e-mail from GS Voth to J. Needles, Sept. 2, 2010; e-mail from J. Needles to GS Voth, Sept. 2, 2010; e-mail from M. Ratliff to GS Voth, Sept. 3, 2010; e-mail from M. Briggs, Oct. 1, 2010 (attaching an organizational chart), at Tab 41.

⁸⁷ See GS Voth Declaration at ¶ 21, at Tab 3.

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well as the statements made in your staff's subsequent reports. You continue to have an opportunity to correct the record, and we urge you to do so.

You also have an opportunity to refer the testimony of Special Agents Dodson, Casa, and Alt to the Justice Department for a criminal investigation. Their intentionally false testimony has done real harm to this investigation and to my client's safety, health, livelihood, and career, and he is owed *at a minimum* a corrected record. GS Voth is a U.S. Marine and was the 2009 ATF Agent of the Year for the entire country,⁸⁸ and yet following the March 3, 2011, airing of the CBS News broadcast on Operation Fast & Furious, his life has been turned upside down. Two days later, intruders broke into GS Voth's house,⁸⁹ and he received threatening e-mails.⁹⁰ "ATF insiders" and others created such a risk to the personal safety of GS Voth and his family that ATF intelligence issued a detailed memorandum concluding that there were "CRITICAL" and "MEDIUM" threats to GS Voth and his family.⁹¹ Vindictive bloggers posted the name of GS Voth's wife and their home address on-line.⁹² In the fallout of the congressional investigation, ATF transferred GS Voth to Washington, DC, forcing their family to sell their house for a six-figure loss and relocate their children to new schools in the middle of the year. The Terry family also has quoted from and relied on your publicly released staff reports' mischaracterizations of GS Voth's e-mails in their Federal Tort Claims Act Notice of Claim.⁹³ These consequential outcomes would not have occurred, but for the false information provided to CBS News and the Congress by three agents working in Group VII, in 2010: Special Agents John Dodson, Olindo "Lee" Casa, and Larry Alt.

Justice should not be blind to the wrong or to the injury. The family of Officer Brian Terry is owed the truth and not a version of it that is skewed to meet the political agenda of elected officials whatever it might be.

⁸⁸ See, e.g., e-mail from R. Hedgepeth to GS Voth, June 18, 2009 (notifying GS Voth that he has been selected to receive the "Outstanding Non-Supervisory LE Employee of the Year" award and the "Distinguished Service Medal"), at Tab 38.

⁸⁹ See Letter from D. Roth to K. Melson, Apr. 20, 2011 (attaching Memorandum from Chief, ATF Office of Operations Security to SAC, ATF Phoenix Field Division re Risk Assessment for Group Supervisor David J. Voth, at 6), at Tab 42.

⁹⁰ See, e.g., e-mail from M. Porter to D. Voth, Mar. 5, 2011, at Tab 43; see also ATF Risk Assessment for GS Voth, at 1, at Tab 42.

⁹¹ See also ATF Risk Assessment for GS Voth, at 2, 3 & 6, at Tab 42.

⁹² See e-mail from AUSA D. Pimsner to GS Voth, Apr. 28, 2011, at Tab 36.

⁹³ *Terry et al. v. ATF*, Form 95 Notice of Claim at 28-30, Feb. 1, 2012.

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We hope this submission helps place into context the conduct of these agents in Fast & Furious. GS Voth and the agents who actually pursued Fast & Furious worked *in good faith* to interdict firearms and bring criminals to justice, despite all manners of obstacles, including but not limited to the nation's weak firearms trafficking laws; the USAO's weak interpretation of them; a reticent judiciary in Arizona; a lack of funding for Group VII; insufficient cooperation from DEA, FBI, and ICE; and unhelpful delays within the USAO and the Department of Justice.

The legal standards communicated by the USAO to the agents were unnecessarily high and immediately should be revised. Given that agents must be bound by the legal counsel they receive from the USAO, they worked hard to gather evidence to meet the USAO's high legal standards. When lacking the authority from the prosecutor to arrest an individual, agents had little leverage to persuade an individual to talk at a *Terry* stop. That was the experience of the agents in Phoenix, and it begged for the introduction of additional law enforcement tools to make cases. Although more knock-and-talks could have been employed, despite their lack of historical success in Arizona, the absence of them is no proof that agents willfully were balking at interdiction; quite the contrary.

Seizure statistics tell the story. In 2010, Group VII seized 373 firearms – by contrast, the previous Southwest Border firearms trafficking group in ATF-Phoenix seized only 72 firearms in 2009, and ATF-Phoenix Group VII seized a mere 51 in 2011: only 20 of which were seized after the airing of the March 3, 2011 CBS News story about Fast & Furious.

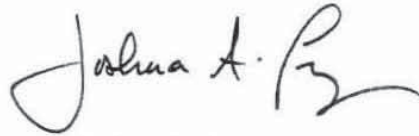
That firearms seizures have plummeted since this congressional investigation began is no surprise. In the meantime, the drug cartels and firearms traffickers remain at large, and the [REDACTED], which has sold more guns recovered in Mexico for the past *seven years*, long before Fast & Furious ever began, continues to sell the same kinds of deadly firearms by the dozens. It is not alone.

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Consequently, as much damage as you have caused to my client, you have weakened the criminal justice system's attempt to help protect innocent Americans and Mexicans from the drug cartel's conspiracy to purchase, deliver, and use some of the deadliest firearms to protect their dope. The facts simply do not support the savaging of the hard working case agents and their supervisor by your staff's reports.

Sincerely,

A handwritten signature in black ink, appearing to read "Joshua A. Levy". The signature is fluid and cursive, with a large initial "J" and a stylized "L" at the end.

Joshua A. Levy

Enclosures

cc: Rep. Elijah E. Cummings
Ranking Member, U.S. House of Representatives

Senator Patrick J. Leahy
Chairman, U.S. Senate Judiciary Committee

Declaration

1. My name is David Voth. I served as Group Supervisor for ATF Phoenix Group VII, beginning on December 6, 2009. Group VII went up on the wire on March 15, 2010. The week prior, I was working in the evenings to schedule which agents would be staffing the wire room on different shifts. It was a detail-intensive, but mission-critical process. During that time, SA Dodson and SA Casa complained that they should not be in the wire room.
 - SA Dodson said he wanted to be out doing surveillance rather than sit in the wire room, and SA Casa protested that senior agents should not be in the wire room; only GS-7's. I explained that I needed them, along with the other agents that were not working the case, to staff the wire room. We only had one GS-7 and furthermore we needed senior agents in the wire room because of their unique experience and expertise. As a senior agent, I sat in the wire room in Minnesota, which was populated by many other senior agents.
 - A rumor circulated that SA MacAllister and SA English was telling me how to schedule surveillance and manning on the wire. That rumor was false. On March 11 or 12, 2010, SA John Dodson called me and asked me whether SA English was telling me whom to schedule for the wire room at certain times. I explained that SA English was inputting the data, while I was scheduling the agents – nothing more. SA Dodson added that he should be doing surveillance and should not be in the wire room. I told him that everyone needs to pull their weight and contribute.

SA Dodson and SA Casa were putting themselves over the mission. That is why I sent the e-mail late that Friday, March 12, 2010, informing the group that we needed to rally together. The schism and the pettiness in that e-mail referred to these complaints from SA Dodson and SA Casa, and they – more than anyone – knew that. It had nothing to do with gunwalking.

2. When I received an e-mail from SA John Dodson on May 24, 2010, with his proposal regarding the Fernandez case, I was not comfortable with his proposal because he wanted me to authorize him to provide firearms to a suspected firearms trafficker. I objected to it. I then called the ASAC, James Needles, to let him know that I was uncomfortable with SA Dodson's proposal and would not approve it. ASAC Needles was brief on the phone with me and told me that I should send him something in writing for him to evaluate. On May 27, 2010, I complied and forward SA Dodson's proposal, which ASAC Needles approved.

Before he approved the plan, ASAC Needles met with SA Dodson, SA Alt, and SA Styers, but I did not participate in those discussions.

- a. SA Dodson's May 24, 2010, e-mail to me was the first time that I became aware of SA Dodson's intention to let firearms "walk" in Fernandez or any other case.
3. Before I came to Phoenix, I applied for 100 or more search warrants and had only one of them denied by a judge. I was therefore quite familiar with the quantum and quality of evidence that should support a search warrant and was surprised when the two Group VII search warrant applications were denied by the Arizona judiciary.
4. The first of these denied search warrants came in the spring of 2010, when Group VII sought a search warrant for a MySpace page on the Internet that posted photographs of firearms, including a photo of Manuel Celis-Acosta with firearms in what appeared to be his living room. AUSA Emory Hurley approved the application for the search warrant. But it was denied.
5. The second of these denied search warrants came in August 2010. Group VII sought search warrants for two locations – 7557 W. Rose Lane and 4950 W. Bethany Home Road Lot #45, which were both addresses for Hector Carlon, who was tied to the purchase of a .50 caliber firearm. AUSA Emory Hurley approved the applications for the search warrants. When SA MacAllister presented them to the judge, they were denied.
6. In Fast & Furious, SA Hope MacAllister routinely spoke with AUSA Emory Hurley about the operation and whether there was enough evidence to support probable cause, such that the agents could seize firearms and arrest individuals.
7. I first became aware of Uriel Patino in November 2009, while I was still in Minnesota. I understood – based on the legal counsel I had received from US Attorneys in Minnesota on previous cases – that the purchase of 13 firearms, without more, would not be enough evidence to support probable cause to seize the firearms or arrest Mr. Patino. At that time, I did not know anything about Mr. Patino's financial situation.
8. In November 2009, weeks before I began working in Phoenix, I e-mailed SA MacAllister to encourage her to open an investigation with respect to Mr. Patino. She did. As part of that investigation, SA MacAllister dug through his trash to

locate receipts from firearm purchases. During that process, she found receipts indicating he was on food stamps. SA MacAllister was advised by AUSA Hurley that such evidence was not sufficient to support probable cause to seize firearms and arrest Mr. Patino. Thereafter, I explored other legal avenues to take enforcement action against Mr. Patino by contacting the USDA OIG and the state attorney's office in Maricopa County.

9. When the USAO finally concluded that probable cause existed to seize certain firearms purchased by Mr. Patino, agents went out to seize them.
10. Group VII identified a suspected straw purchaser, who had purchased 10 AK-47s. The USAO advised me not to arrest the straw purchaser because the evidence likely would not support a conviction that would come with any meaningful jail time. I became aware of a case in Texas, where a federal judge sentenced an individual for 37 months upon a purchase of 13 firearms. I informed Mike Morrissey, Section Chief, National & Border Security, for the District of Arizona USAO, of the sentencing result in the Texas case. Mr. Morrissey advised me to reach out to the AUSA in Texas who handled the case. I did that and e-mailed Mr. Morrissey regarding the call. Through the e-mail, I provided Mr. Morrissey with the name and phone number for the AUSA in Texas, as well as a detailed discussion of how the sentencing enhancements were counted for the defendant. Upon receipt of the e-mail, Mr. Morrissey informed me that a court in Arizona would treat some of the calculations in Texas as double-counting and renewed his advice not to arrest the alleged straw purchaser.
11. Since the criminal AUSA's were not permitting ATF agents to make firearms seizures based on the evidence that had been gathered, I explored the option of civil asset seizure and forfeiture with civil AUSA Reid Pixler. At an all hands meeting of the ATF-Phoenix Field Division, AUSA Pixler made a presentation on the general use of civil asset forfeiture. He did not discuss the use of this tool with respect to the seizure of firearms. After the presentation, I approached AUSA Pixler and asked if civil asset forfeiture could be used to seize firearms. AUSA Pixler said it could. Shortly thereafter, AUSA Rood criticized this approach and strongly admonished that it not be used.
12. In 2009, there was one OCDETF case initiated by ATF, and it was initiated by SA MacAllister, in ATF Phoenix Group VII. In 2010, there were four OCDETF cases initiated by ATF, and all of them came out of Phoenix Group VII. In 2011, there

was one OCDETF case initiated by ATF, and it was initiated by SA MacAllister in Phoenix Group VII.

13. After July 2010, on a monthly basis, I would call AUSA Hurley to ask whether the indictments had been drafted and approved. Frustrated the indictments had not been finalized in October 2010, I asked the ASAC to ask Mr. Cunningham, the Criminal Chief for the USAO, about the status of the indictments. The ASAC told me that the ASAC and Mr. Cunningham spoke, and that Mr. Cunningham said the indictments would be filed soon.
 - a. From July 2010 on, when I asked AUSA Hurley when the indictments would be finalized, he never once indicated that he needed additional evidence or paperwork from me. Nor did he use that as an excuse as to why the indictments were not finalized. Rather, I would hear from AUSA Hurley that the USAO needed information from the IRS on a money laundering component to the indictments.
 - b. Even though we had provided enough evidence to the USAO to indict over 20 people by the end of July 2010, agents continued to gather evidence, as is customary for many cases. By October 2010, agents had gathered enough evidence to support the indictments for over 60 people.
 - c. The USAO indicted only 20 people in Fast & Furious. From early on in the case, AUSA Hurley informed me that he would indict no more than 20 people at a time. That was at odds with my experience. In Minnesota, while I was serving there as an ATF agent, federal prosecutors had indicted well over 20 people at once, in my cases.
14. Several agents have told me that, as a result of the congressional investigation, they are less inclined to go after the firearms traffickers out of a concern for their jobs and careers.
15. Early in the case (December 2009/January 2010), AUSA Hurley agreed that Mr. Celis-Acosta and his straw purchasers would be the targets of the investigation, and AUSA Hurley confirmed to me that a wire would be the best law enforcement tool to obtain the evidence to support indictments of *them*, in addition to whatever evidence might emerge on others in the network. AUSA Hurley also informed me that the agents lacked probable causes to seize firearms purchased by the network. I disagreed with AUSA Hurley about the legal counsel, but the agents

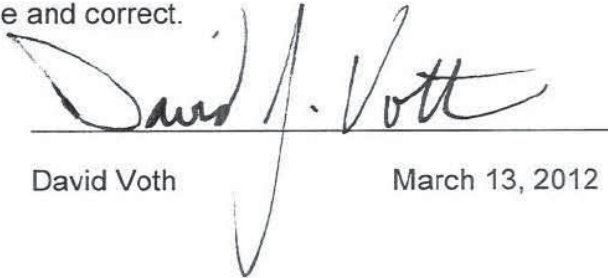
and I ultimately had no choice but to follow it. AUSA Hurley's counsel did not change in Fast & Furious until June 2010.

16. I had frequent meetings with the ASAC and, to a lesser extent, the SAC about Fast & Furious. But Ray Rowley, who was assigned to lead the Southwest Border operations for ATF, never once met with me.
17. On August 13, 2010, SA Casa dropped a loud battery of expletives on me, after I relayed a directive from the ASAC to SA Casa that he would not be working the Group II storefront. SA Casa said he could not believe that he had been taken off the storefront. As SA Casa flew off the handle, I remained even and said I would ask the ASAC to confirm the directive. The ASAC confirmed it, which I relayed a second time to SA Casa, who once more fired off an expletive-filled tirade at me. SA Casa told me he would be filing a grievance, and I told SA Casa that I would not stand in his way. The ASAC, SA Dodson, SA Casa, and I then met in person to discuss the matter, and SA Dodson informed SA Casa that the Group II agent did in fact say that they did not need SA Casa because of a concern that too many unmarked police cars and agents, even if undercover, in front of the storefront would give it away.
18. At the December 15, 2009, de-confliction meeting with the DEA, no one said "the best way is to try to stop the load as it goes across into Mexico which adds a whole bunch of charges." We did not try to get firearms into Mexico, so that seizures could be made there. Just the opposite, our goal was to lawfully seize weapons before they ever get to Mexico.
19. Just days after the December 15, 2009, de-confliction meeting with DEA, the DEA obtained specific evidence of firearms trafficking, but did not share it with ATF when the information was actionable. I was out of the office in Minnesota with my family, from December 19, 2009, to December 27, 2009.
20. On December 9, 2009, the Douglas Police Department notified ICE of a vehicle the police had stopped. Firearms were found inside the vehicle. ATF Group VII agents earlier had entered those firearms into the Suspect Gun Database. They were purchased by suspects in the Jacob Chambers case (which later became the Fast & Furious case). ICE Agent Ed Hamel and ATF Agent Hope MacAllister agreed that they would jointly interview the driver of the vehicle, but ICE Agent Hamel unilaterally broke the agreement and interviewed the driver himself thereby depriving ATF of an opportunity to learn more about the firearms and the

network they were investigating. For that reason, ICE removed Agent Hamel from work on Fast & Furious.

21. In September 2010, ASAC Needles informed me that SA Alt was one of the few ENFORCE-certified ATF agents in Phoenix, and the last review of the Phoenix subdivision revealed several ENFORCE deficiencies. On that basis, ASAC Needles said he decided to assign SA Alt as a senior operations officer at the ATF Phoenix headquarters to look at the ENFORCE discrepancies there. That was the first that I had heard of anyone at ATF seeking to move SA Alt into that position or into any other position outside of Group VII.

22. I swear that the foregoing is true and correct.



David Voth

March 13, 2012

Exhibit 44

Exhibit 44

Management Log for Case: 785115-10

Case Title: CHAMBERS, Jacob, et al

[illegible]

Exhibit 45

Exhibit 45

[REDACTED]

From: Voth, David J. [REDACTED]
Sent: Thursday, January 14, 2010 11:24 AM
To: [REDACTED]
Subject: RE: Calls

Nope meeting is still on! I can just go to the Strike Force and pick up the calls/info from [REDACTED] if that is OK?

From: [REDACTED]
Sent: Thursday, January 14, 2010 11:12 AM
To: Voth, David J.
Subject: RE: Calls

I work out of an offsite at [REDACTED], so I'm not downtown that often.

I'm supposed to be at a meeting regarding this case tomorrow AM, unless it's off.

[REDACTED]

-----Original Message-----

From: Voth, David J. [mailto:[REDACTED]]
Sent: Thursday, January 14, 2010 11:06 AM
To: [REDACTED]
Subject: RE: Calls

Not a problem at all, we would have the same problem receiving a large file on our end anyway. I can run over and pick it up. Any chance as a Supervisor to get out of the office...maybe meet you?

From: [REDACTED]
Sent: Thursday, January 14, 2010 11:04 AM
To: Voth, David J.
Subject: Calls

David-

[REDACTED] been trying to email all the call summaries and transcripts, but there are over one hundred calls. It also sounds like [REDACTED] talked with Tonya today and she wanted the audio as well, which greatly increases the file size.

[REDACTED] can burn everything onto a CD, but Tonya's going to need to pick it up from DEA whenever she gets a moment. Our email system can't send the large audio files, unless they're sent them one at a time.

If you've got any questions, please give me a call when you get a chance. See you tomorrow.

[REDACTED]
[REDACTED]
[REDACTED]

Exhibit 46

Exhibit 46

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 01/17/2010

On 01/17/2010, FBI Special Agent [REDACTED] of the Las Cruces Resident Agency, reviewed two packets of telephone call logs pertaining to a Drug Enforcement Administration Title III investigation on [REDACTED], of Phoenix, Arizona, target telephone number 602-[REDACTED], DEA case number [REDACTED].

One set of call logs contained pertinent calls between [REDACTED] and [REDACTED], aka: "[REDACTED]". The second set of call logs contain pertinent calls between [REDACTED] and [REDACTED], aka: "[REDACTED]". [REDACTED] and [REDACTED] are the subjects of a joint FBI/DEA investigation in Southern New Mexico under FBI files [REDACTED], [REDACTED] and DEA file [REDACTED].

SA [REDACTED] made the following observations and notes, based on a review of the DEA call logs.

The following telephone call summaries pertain to conversations between [REDACTED] and [REDACTED], aka: [REDACTED].	
CALL	NOTES
104	[REDACTED] uses a courier in McAllen, Texas.
237	[REDACTED] asked [REDACTED] for 200 packs of marijuana; moving product via semi trucks.
278	References made to the "[REDACTED]". Can [REDACTED] send the "[REDACTED]"? [REDACTED] may be source of supply.(?)
299	[REDACTED] has load cars ready with drivers to pick-up.
312	Discussed how load is in semi trailer and how load is packaged on truck. Hidden compartment referred to as "nest". References made to an "accountant" and a subject named "[REDACTED]". [REDACTED]'s brother in law's lady went to Denver. [REDACTED]'s brother in law had to pick kids up in Denver instead of California.

Investigation on 01/17/2010 at Las Cruces, NM

File # [REDACTED] Date dictated 01/17/2010

by SA [REDACTED]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

Continuation of FD-302 of DEA Title III Call Summary Log . On 01/17/2010 . Page 2

332	Load has not arrived. [REDACTED] asked [REDACTED] if third party had device capable of loading 1,500. Discussed how to package load among legit items such as candy and shoes.
338	Unload at a ranch instead of a warehouse so people don't find out.
459	Driver near Chandler, wants to unload at warehouse because company won't let him at ranch.
460	Truck driver is white. [REDACTED] will call owner of company. Owner is a friend of [REDACTED]. Owner's name is [REDACTED] and he is trustworthy. Load should arrive soon.
477	Driver from El Paso not coming to Phoenix. [REDACTED] and [REDACTED] disagree. [REDACTED] shows [REDACTED] respect, but angry at [REDACTED]. [REDACTED] says [REDACTED]'s comments were untrue.
503	[REDACTED] and [REDACTED] working things out - may be over lost load. Lady in El Paso is now broke. Discuss \$20,000-\$30,000, giving money to lady; vehicles to [REDACTED] if he needs them. [REDACTED] says things are tough in [REDACTED]. [REDACTED] will send vehicles to [REDACTED] after Christmas. [REDACTED] will bring the vehicles.
505	[REDACTED] didn't like that things went bad on first attempt. [REDACTED] will help the lady out; he know's she's struggling. [REDACTED] offered to give [REDACTED] a house in [REDACTED]. [REDACTED] owns 14 houses in [REDACTED] that he rents out. He could give [REDACTED] 2 houses. They are worth 1.5 million pesos. [REDACTED] has a house in [REDACTED] that is about to sell and a big house in [REDACTED] that is also for sale. [REDACTED] is sending money to [REDACTED] and company. Can send vehicles too. Things will be very busy in the New Year - with 10 per week. [REDACTED] can wire [REDACTED] money via Wells Fargo, Bank of America, Chase, or Western Union. Female named "[REDACTED]" is in background with [REDACTED].
508	[REDACTED] will wire money to [REDACTED] via Wells Fargo.
519	Wired money to [REDACTED] at Wells Fargo, account number [REDACTED], listed as [REDACTED] [REDACTED]. [REDACTED] heard in background reading account number to [REDACTED] who repeats it to [REDACTED]. [REDACTED] will wire money.

Continuation of FD-302 of DEA Title III Call Summary Log, On 01/17/2010, Page 3

541	████ said █████ is very famous and █████ is with █████ from █████ and █████ was sending his regards. █████ is getting a new phone. █████ has niece and sister in law in █████. █████ and █████ discussed large load is ready to move and the New Year would be very busy.
676	Conversation about █████ and his friend Acosta, reference firearms. █████ had lots of orders for the firearms and would send 3-horse trailer to pick up additional.
684	████ needs the █████ to run two load vehicles per day. █████ said limo guy would be ready after the first of the year. █████ met with █████'s source of supply they call "20-20". █████ said 10,000 pounds there and wanted to get 2 cars out of the shop per day. Discussed two types of product, one being a whole different kind of deal. Discussed guy at packing plant who has locations near █████ and █████ would be ready to go after first of year. █████ mentioned keeping money in a safe. Uses it to bet on race horses.
709	Discussed \$21,000 horse bet. █████ taking car of lady with three kids. Husband arrested with 18 kilos of cocaine. █████ helping family due to arrest.
710	████ a good race horse. █████ and █████ share horse. █████ in █████ owns the horse. █████ knows █████.
----	-----
	The following telephone call summaries pertain to conversations between █████ and █████, aka: "████".
118	Wait til Monday because they were 2000 and the loads had just arrived.
121	Discussed travel to Denver and California. References made to "████" and "████".
196	████ said guys in McAllen wanted to buy 100-200 pounds. Mark them down for 100-200.
205	████ and "████" are ready, but can't get a hold of the driver. █████ told █████ to hold.
206	Negotiating price for product.

[REDACTED]

Continuation of FD-302 of DEA Title III Call Summary Log . On 01/17/2010 , Page 4

210	[REDACTED] asked [REDACTED] if the 300 was really good. Third party said it was from [REDACTED]. The 300 is really good. Give [REDACTED], aka: "[REDACTED]", the money. If things go well, start sending material 5,000-10,000 weekly.
266-267	Discuss departure of [REDACTED] guys. [REDACTED] told [REDACTED] to call his guy's at [REDACTED].
285	[REDACTED] said fifth party wants 100. Third part wants 80-100. Tell driver's [REDACTED] only authorized 80-100.
341	Source of supply doesn't have meat (product) until after Christmas. [REDACTED] has some product there for him. Truck would arrive at 7pm and take whatever product was there.
381	[REDACTED] asked if [REDACTED] was coming back with money.
385	Third party will take product. More is here now. [REDACTED] asked [REDACTED] if the thing for tonight was for sure.
749	Third party left money. Discussed sending money via courier. The guys [REDACTED] had there were ready to start working hard at the beginning of the year. [REDACTED] tells [REDACTED] to put some effort into it. [REDACTED] acknowledged. [REDACTED]'s guy Acosta is coming over. Acosta is source of supply for guns.
1136	[REDACTED] asked [REDACTED] about the toys (guns). [REDACTED] has 32 Romanian assault rifles, with folding stocks - new in the box. "1 buck each" (\$1000).
1137	[REDACTED] has third party interested in the guns. Wants them transported to El Paso. [REDACTED] will wire the money in the morning. Set up transport of guns in trailer.
1139	[REDACTED] has guy who will transport guns to [REDACTED] in El Paso. \$1300 each gun. Acosta and [REDACTED]'s cousin will bring the guns. Sending them in morning. [REDACTED] will wire money via Western Union right now.
1148	Does [REDACTED] want more guns? [REDACTED] waiting for a call back. [REDACTED] can send 2 pesos under a couple names.
1221	More conversation regarding the guns and wire transfer. The guns are ready to go via transport. [REDACTED] will fly to El Paso and get there at the same time.
1227	[REDACTED] sending \$500 or \$800 via western Union.

Continuation of FD-302 of DEA Title III Call Summary Log . On 01/17/2010 , Page 5

1265	Third party about to make a deposit, but too many requirements to deposit money gram. [REDACTED] can send 2,3,4 or even 5. Whatever [REDACTED] needed. Guns are coming with Acosta in 3 or 4 cars.
1287	[REDACTED] waiting on "[REDACTED]". [REDACTED] has appointment with lawyer at 2:00 pm. [REDACTED] coming to El Paso via plane. One hour flight from Phoenix. Guns en route. Acosta doesn't want to be asked to take the guns into Juarez.
1305	Arrange payment through Bank of America.
1310	[REDACTED] sending \$2200 for guns to Bank of America account # [REDACTED] to [REDACTED].
1337	[REDACTED] said the girl, [REDACTED], was at the bank. [REDACTED] said he is in line, wait 5 minutes.
1339	[REDACTED] said third parties last name was [REDACTED], [REDACTED].
1340	[REDACTED] gave [REDACTED] his number, [REDACTED]. [REDACTED] said the guy, Acosta had [REDACTED] name MANUEL ACOSTA. Said [REDACTED] was his name. (?)
1388	[REDACTED] missed flight and will catch later one. Acosta and the vehicles are en route. [REDACTED] talked to them.
1412	[REDACTED] and [REDACTED] update status of travel. Plan to leave Acosta and the guys behind so [REDACTED] and [REDACTED] can go look at the guns.
1414	[REDACTED] said Acosta was an hour and a half away.
1509	[REDACTED] asked how it went. [REDACTED] said it went well and he was doing the last trip. [REDACTED] said he had just arrived and all was well. [REDACTED] asked if [REDACTED] had talked to his [REDACTED] and [REDACTED] said he had.
1514	[REDACTED] is going to El Paso to see [REDACTED]. Flying into El Paso airport.
1644	[REDACTED] is at the ranch with [REDACTED] and [REDACTED]. [REDACTED] and [REDACTED] talk. [REDACTED] then gets on phone with [REDACTED] and said he was [REDACTED]'s [REDACTED]. [REDACTED] gets back on line and he and [REDACTED] discuss the price and availability of .50 caliber rifles. The rifles sell for 11.5 and can be shipped to [REDACTED]. [REDACTED] has a really good direct hook up.

FD-302a (Rev. 10-6-95)

[REDACTED]

Continuation of FD-302 of DEA Title III Call Summary Log, On 01/17/2010, Page 6

1657	[REDACTED] and [REDACTED] discuss the price and availability of the .50 caliber rifles. They can be sent to [REDACTED]. Further discussion about the amount of profit they will make on the rifles.
1912	[REDACTED] asked if his [REDACTED] [REDACTED] had arrived. Yes he has.
1948	[REDACTED] dropped his phone. Threw away the chips. Needs [REDACTED] phone number.
2002	[REDACTED] and [REDACTED] will arrive at 2:30 pm. [REDACTED] will pick them up at the airport.
2017	[REDACTED] calling saying he and [REDACTED] arrived. Looking for [REDACTED] and company. They find each other.

A copy of the DEA telephone call summary logs were downloaded onto a CD and placed in an FD-340 to be stored in the 1A section of this file.

Exhibit 47

Exhibit 47

From: Simpson, Kevin
Sent: Friday, December 18, 2009 3:16 PM
To: Voth, David J.
Subject: RE: Phoenix Group VII biweekly update 12-18-09

Dave,

Thank you for getting back to me so quickly.

Did this group purchase over 5000 firearms or should it be 500 firearm or am I not reading your description correctly?

Please let me know. Thanks.

785115-10-0004, Jacob Chambers et al: This case is a large scale conspiracy of over a fifteen interconnected straw purchasers. Thus far in the investigation (September through present) **the group has purchased over 5000 firearms**; most of which are the AK-47 variant 7.62 assault rifles and or the F.N. Herstal 5.7 mm pistols. Of those **500 firearms purchased** by the group approximately 50 have been recovered in Mexico or near the Mexican Border (the serial numbers are continually being updated and changed thus affecting the trace results) with a short time-to-crime; some as little as one day.

Kevin Simpson, Intelligence Officer
 Phoenix FIG
 U.S. Department of Justice - ATF
 201 E. Washington Street - Suite 940
 Phoenix, Arizona 85004-2428

From: Voth, David J.
Sent: Friday, December 18, 2009 11:21 AM
To: Simpson, Kevin; Gillett, George T. Jr.
Subject: Phoenix Group VII biweekly update 12-18-09

Exhibit 48

Exhibit 48

05/18/2011

1

1 U.S. HOUSE OF REPRESENTATIVES
 2
 3 HOUSE COMMITTEE ON OVERSIGHT AND
 4 GOVERNMENT REFORM
 5

6 IN THE MATTER OF:)
)
 7 ATF'S PROJECT GUNRUNNER AND)
 OPERATION FAST AND FURIOUS.)
 8 _____)
 9

10

11

12

13

INTERVIEW OF [REDACTED]

14

Phoenix, Arizona
 May 18, 2011

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19

20

ARIZONA REPORTING SERVICE, INC.
 Court Reporting

21

22

P [REDACTED] 1

23

By: [REDACTED]

Prepared for:

24

ter
 Certificate No. 50658

25

MR. STEPHEN CASTOR
 Attorney at Law

ARIZONA REPORTING SERVICE, INC.

www. [REDACTED]

(602) [REDACTED]

Phoenix, AZ

05/18/2011

2

1	INDEX TO EXAMINATIONS	
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ARIZONA REPORTING SERVICE, INC.

www. [REDACTED]

(602) [REDACTED]

Phoenix, AZ

05/18/2011

18

1 Gunrunner, we, I, as an owner of the gun store and an
2 FFL dealer, have always cooperated and informed the
3 Phoenix field office of the Bureau of Alcohol, Tobacco,
4 Firearms, and Explosives of any sales involving either
5 large numbers of military type gray weapons or handguns,
6 anything of this nature. And this is above and beyond.
7 We have always cooperated.

8 In fact, I made reference to this this year in a
9 statement dated February 1st, which applies to those
10 individuals I feel that do uphold the law and don't use
11 it as a political hidden agenda. But that's beside the
12 point.

13 To continue, these purchases, once I was
14 notified by Hope MacAllister directly, she asked me to
15 notify her via cell number, which is (602) [REDACTED]. I
16 know it by heart. I asked her at that time why, what is
17 up. Her answer to me is well, you can expect to see an
18 increase of purchases of AK-47 type rifles. This, of
19 course, is not a surprise. We do carry them as part of
20 our inventory, as a lot of other stores do. When I say
21 carry, I don't stock normally more than, say, six or
22 eight in any given time normally.

23 What occurred immediately, within five days,
24 four to five days, of my conversation with Agent
25 MacAllister in which she is giving me a heads-up to

ARIZONA REPORTING SERVICE, INC.
www.[REDACTED]

(602) [REDACTED]
Phoenix, AZ

[REDACTED] 05/18/2011

20

1 Getting back to it, Agent MacAllister nor any
2 other agent identified the cash, recorded serial
3 numbers, didn't photograph it. No drug sniffing dog was
4 brought in by the Phoenix Police Department, which they
5 do, by the way, maintain a logbook of when those dogs
6 are used. That didn't happen until much later in the
7 declining months of 2010, in which I was instructed
8 personally by Agent MacAllister and representatives from
9 ATF to set this cash aside in a plastic bag in which the
10 narcotics dogs could take an assessment of it to
11 determine if there were narcotics somehow on the money.

12 Now, getting back to, say, approximately
13 October, November of 2009, I had my meeting, once again
14 at my request, what I believe was going to be David Voth
15 and Hope MacAllister. Emory Hurley introduced himself.
16 He was introduced to me, rather, by the two ATF agents.
17 And in my office, I voiced my concerns over several
18 subjects, one of which primarily was the amount of
19 weapons that were being purchased at my store.

20 Now, it is important to note that I had never
21 before seen an instance in my 20 years of doing business
22 where we would see purchases go from, say, zero to 50
23 quite literally overnight, within a matter of days being
24 notified by ATF. And particularly with the cash
25 involved at this juncture, I expressed my concern to

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www.[REDACTED]

(602) [REDACTED]
Phoenix, AZ

05/18/2011

21

1 what I believe was the head of the meeting, which would
2 be Emory Hurley. He's the Assistant United States
3 Attorney, who was also identified to me by the agents as
4 the prosecuting attorney of these cases they were
5 beginning to get into.

6 Emory Hurley began in an exculpatory manner
7 saying towards me that my help has been demonstrative
8 and beyond belief that I would help them in a just
9 cause. Demonstrative was the exact term Assistant
10 U.S. Attorney Hurley used. I decided to simply ask what
11 was on my mind, and that is how long is this case going
12 to continue; number two, do I still keep bringing these
13 weapons into my store, because, number three, apparently
14 word is getting out on the street from your targets that
15 all of a sudden now I am attracting a lot of other
16 individual buyers respect not just the targets but I am
17 getting a lot of peripheral activity.

18 In other words, we have females coming in;
19 Caucasian; Hispanic; Black, African American. It really
20 didn't matter. Everybody seemed to be coming in and
21 starting to purchase one, two, three. But the initial
22 targets that ATF was focused on at that time would be
23 Jacob Chambers and Sean Stewart. They focused their
24 attention primarily on them.

25 What I found strange was that they would use

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www. [REDACTED]

(602) [REDACTED]
Phoenix, AZ

05/18/2011

22

1 money, they would come right in and without a care in
2 the world make purchases as if nobody was watching them.
3 It was just uncanny. I didn't understand it. It made
4 no sense. I have never seen this before. And trust me,
5 I am quite literally familiar, being 20 years in this
6 business, of how these things go. This followed not a
7 predictable ordinary pattern whatsoever. And I voiced
8 these concerns to all three of the individuals at that
9 December 17th meeting in 2009.

10 I was instructed in that meeting in no uncertain
11 terms by the agents and the Assistant United States
12 Attorney himself to continue to stock these weapons,
13 second, to keep working and inform the Phoenix field
14 office and their agents and keep them apprised of all
15 developments with regard to these types of purchases.

16 Now, what you must understand, I never suspected
17 at that point that there was a problem with this. I
18 trusted ATF, as I always have. They are my regulatory
19 agency who licenses me, audits me, oversees me. And
20 these are federal agents. And also that this is a
21 United States Assistant U.S. Attorney here in Phoenix.
22 So I had no reason to doubt or suspect anything in
23 comparison to what we now know. So I went along with
24 this.

25 And all the way through this going into year

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1 Q. The ATF agents?

2 A. That is correct, Agent Dodson being one of them
3 that I experienced myself.

4 Q. Who from ATF first invited you to have a camera
5 put in the store?

6 A. Hope MacAllister.

7 Q. And you believe that happened in late spring of
8 2010?

9 A. Yes.

10 Q. And did she have to make a sales pitch to you on
11 that?

12 A. No. She emphasized the importance of my
13 cooperation, that it was leading to so many different
14 areas, that my help was so, you know, monumental that it
15 would be so helpful if they were able to do that, which
16 led me to believe that I was doing what I was supposed
17 to do, cooperate under the guidelines of the license.
18 So I said sure, put it in.

19 Q. Was it your understanding they were watching the
20 camera so they could surveil some of these straw
21 purchase suspects?

22 A. That is the purpose they told me, yes.

23 Q. Was it your understanding they were going to
24 interdict these weapons shortly after?

25 A. Absolutely. I was assured all the way through

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1 this program that they would be stopped before they
2 would ever harm anyone or get below the border.

3 Q. So ATF made affirmative representations to you
4 that these weapons would be interdicted?

5 A. The entire time.

6 Q. Did they make any representations to you that
7 other FFLs were participating in a similar type of
8 arrangement?

9 A. They did.

10 Q. Did they give you the names of those FFLs?

11 A. [REDACTED] was one them in Prescott. I do not
12 recall any others, but they said there were others.

13 Q. Do you know if any other FFLs had cameras in
14 their store?

15 A. I was not told.

16 Q. Did you ever have any conversations with any
17 other area FFLs about this?

18 A. No, I did not.

19 Q. Were you told not to by ATF?

20 A. Yes. I was told somewhere along the line that,
21 the exact verbiage I can't recall, something like we
22 need to keep this quiet, something along those lines. I
23 cannot be specific, though. That was my understanding.

24 Q. When the indictment came out in January 2011,
25 were you surprised to have your name all over that?

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Exhibit 49

Exhibit 49

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COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: DAVID VOTH

Thursday, June 30, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247 Rayburn

House Office Building, commencing at 10:05 a.m.

Appearances:

For the HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

CARLTON DAVIS, COUNSEL

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

JESSICA LAUX, COUNSEL

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

JUSTIN KIM, MINORITY PROFESSIONAL STAFF

For the SENATE COMMITTEE ON THE JUDICIARY:

JASON PARIS, CHIEF COUNSEL FOR OVERSIGHT AND NOMINATIONS

CHAN PARK, SENIOR COUNSEL

JASON A. FOSTER, CHIEF INVESTIGATIVE COUNSEL

TRISTAN LEAVITT, MINORITY STAFF

BRIAN M. DOWNEY, MINORITY INVESTIGATOR

ROB DONOVAN, MINORITY STAFF

For the DEPARTMENT OF JUSTICE:

MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS

For MR. VOTH:

GREG SERRES, DEPUTY CHIEF COUNSEL, ATF

I think, historically, they had opted, to some extent, to take the cases to the State court in just kind of like a fraud-type statute. It had nothing to do with firearms specifically. It's just the fact that you -- I guess it would be like a nonsufficient check really. You know, it was a fraud-type count. I know they have gone that route specifically because of not getting where they thought they wanted to get with firearms prosecutions with regards to straw-purchase cases.

Q Okay.

A And so I think there was a general sense of that frustration. And I'm quite certain Mr. Newell was aware of it. He had been there the longest, and he had talked about some of the hurdles of working in Phoenix and how we were trying to get past some of these things and move forward.

Q I think I'm at the end of my time, but I have a couple more questions.

So when you raised that concern, what came down?

A Well, I know there was -- one of the issues was this corpus delecti issue, as the U.S. Attorney's Office calls it. And I know Mr. Karmgard prepared a corpus delecti kind of briefing, where he cited some caselaw and stuff, and sent that over to the U.S. Attorney's Office and had some discussion with them on, kind of, the ATF position on that.

You know, the position of corpus delecti is that if the gun goes to Mexico and is recovered in Mexico, it kind of never happened, because we can't use that in court. It would be hearsay or whatever for a criminal prosecution. And so they believed, correctly or incorrectly,

wasn't a strategic initiative, and this case she did had different defendants. I mean, just some real general facts, nothing specific that I remember.

Q But you knew at that time that you were talking to her that [REDACTED] was a cooperating FFL in this case, Fast and Furious -- what became the Fast and Furious case.

A Yes.

Q So you mentioned a December 17 meeting. Are you aware of -- let's back up a second before we get to that. Are you aware of an October or November 2009 meeting that other agents may have had with [REDACTED]?

A No. I was not in Phoenix at that time period.

Q Right. I understand you wouldn't have firsthand knowledge, but do you have any secondhand knowledge? Were you aware of a meeting that occurred in that time frame that included Mr. Emory Hurley, the assistant U.S. attorney?

A No, I am not aware.

Q Are you aware of any meetings that Emory Hurley may have attended at [REDACTED] office at any time?

A Just the one that I was at on December 17.

Q So that took place at [REDACTED] office?

A Yes. It is a little office in the back of the gun shop.

Q Can you tell us about that meeting?

A Yes. We went in. It was Emory Hurley and another AUSA who I don't remember and who is no longer an AUSA; it was a female. It

was Hope, it was Emory, it was me, it was [REDACTED]. We went into his office and told him that we can't tell him who to sell guns to, we can't tell him not to sell guns to people, that it is his business and he needs to follow his business practice and his business license. But in the event that somebody called, let's say, from a phone number prior to picking up guns, if he could provide us that phone number off his caller ID, that that would be helpful. He didn't have the video surveillance in his store that he owned or maintains. We talked about putting one in, an ATF one that we would monitor. We talked about if there are any license plates he could get, that would be helpful. We just generally talked about cooperation.

Q Why was Emory Hurley at that meeting?

A He is an AUSA. We wanted to make sure that we were following the letter of the law and not asking him to do anything illegal, and also not violating anybody's civil liberties by denying their right to firearms. So he is a person with legal -- I guess you would call it legal expertise for lack of anything better I guess. He certainly seemed like a logical choice. He was involved in the investigation. He was aware of the cooperation of the FFL in the investigation.

Q So how many other times did you have assistant U.S. attorneys go and talk to cooperating FFLs?

A Just this occasion, and the occasion when we went to meet with [REDACTED] at [REDACTED].

Q So those two occasions and this case. How about any other cases?

A I don't think I was involved in any other cases.

Q Why not?

A I didn't really have firearms trafficking cases going on in my previous role at the ATF. And we weren't really seeing the same problem, so we didn't have the same need to cooperate with FFLs like that.

Q What was the problem? You said you didn't see the same problem. What was the problem?

A Well, the large volume of guns being purchased. In St. Paul, Minneapolis, I mean, if someone buys one High Point or three High Points, they don't buy the same volume of firearms that we see in Phoenix.

Q So Mr. Hurley got involved in the meeting on December 17 for what purpose?

A I thought I answered that; to make sure that we weren't denying anybody's civil liberties or their Second Amendment right. And we also weren't doing the opposite of that and asking him to do illegal sales.

Q Who suggested that Emory Hurley come to the meeting?

A I don't know.

Q So it wasn't your idea?

A I don't think so. It was just, hey, we are going to have a meeting with [REDACTED], Emory is coming.

Q Was it Mr. Hurley's idea?

A I don't know.

Q Did [REDACTED] request to meet with Mr. Hurley?

A I don't know. I guess I didn't question who --

Q Who told you Mr. Hurley was going to be there?

A I think Hope. I think she said we are going to have this meeting Thursday -- whatever the day of the week -- and we are going to go talk to [REDACTED], and Emory is going to be there. And I didn't think twice I guess.

Q So did [REDACTED] express any concerns at the meeting about his cooperation?

A No.

Q Did he ask any questions?

A No. He just asked like logical questions about phone numbers or license plates or the camera, where the camera would be and stuff like that.

Q So he just asked sort of practical, logistical kinds of questions?

A Yes.

Q He did not raise any concerns about the numbers of guns that he was selling to folks who were known to the ATF to be suspected straw purchasers?

A Not that I remember.

Q You say not that you remember. Could he have said that and you have forgotten?

A I suppose. I can't remember. I remember our meeting was whether or not he was doing anything illegal, follow the letter of the

RPTS

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A__ When they determined that the two guns found at the scene were purchased by Jaime Avila I got a phone call from ASAC George Gillett, and he said that he wanted Mr. Avila arrested 15 minutes ago, expressing to me a sense of urgency.

I contacted Emory Hurley personally, relayed that information to him. There was initially a little bit of what I guess I would characterize as maybe reluctance in that he was concerned about charging the entire case and if this would compromise the entire case by revealing all the other -- through discovery -- all the other reports and wiretaps and all that stuff.

And I suggested, if possible, we could find a kind of stand-alone reason to charge him if that would suffice to satisfy his concern.

He asked me what I was thinking, and I expressed that if we could try to do what would generally be characterized as a residency check, if we could determine he didn't live at the residence he listed on the 4473, if he would be agreeable to charging that kind of stand-alone violation for purposes of satisfying the direction that I got to arrest Mr. Avila.

He said he was open to that idea, and so I sent a couple of agents out to the address that he had been using on the 4473s, which, without knowing the exact numbers, I'm genuinely thinking I have the right address, [REDACTED] Lane or something like that.

When agents went out, they made contact at [REDACTED] Lane.

The current occupants of the House stated that they purchased the house at some sort of maybe auction or sheriff's auction or something generally in April of 2010, and this is now December of 2010.

And you know the things that go along with the residency check: Do you know Jaime Avila? No. Show him a photo. No, I don't know that guy. Does he live here? No, he doesn't live here. These kind of questions or statements.

Went back to Mr. Hurley and said we had done the residency check and that Mr. Avila had, at the very least, not lived there since April, maybe before, maybe not, but at the very least since April.

So he said to find the latest gun purchased after April, and we submitted a complaint for that. And that was a June purchase or maybe a couple June purchases that were maybe close in time in June. And so we prepared a complaint, and we arrested Mr. Avila, and I think the complaint is in the court record or something.

Q And he was apprehended relatively quickly?

A I think that night, whatever that night was.

Q So there was a reluctance, we understand, before Avila's arrest to not arrest the suspects in the case because Mr. Hurley didn't think there was enough evidence to do an arrest or to do an indictment?

A On the entire case or on Mr. Avila?

Q Just on all the defendants.

I mean, there's a couple ways to do this. You could have done each one separately as soon as you found information on each particular defendant --

say that I don't recollect being told or telling people that it was under their pay grade or this continual, as you expressed, dissatisfaction or whatever.

Mr. Castor. This is Exhibit 7.

[Voth Exhibit No. 7
was marked for identification.]

BY MR. FOSTER:

Q So you're familiar with this email that's referred to as the schism email by a lot of folks?

A Yes.

Q So what is your reaction to this email and the way that people have pointed to this and said this is evidence that corroborates the testimony of the agents?

A I don't think it corroborates it at all. The purpose of this email and the reason this email was sent is it's dated March 12th, the wire was going up on March 15th, and a lot of people were concerned about their scheduling on the wire and if they were on surveillance or if they were in the wire room, if they were working Saturday, if they were working at night, if they were working Sunday, when was their day off, why were they on this assignment, so and so had that assignment.

And I don't know maybe if you view it from a different light. You know, what I'm talking about. It's an exciting opportunity to use the biggest tool in our law enforcement toolbox. That's the wiretap. And that, you know, it's the domestic -- it's the pinnacle of domestic U.S. law enforcement techniques. That's the wiretap. After this the

toolbox is empty. That's the wiretap.

And, you know, I understand that maybe it wasn't the best email. You know, the fact that it's fine -- and what I meant by fine is, it's a complex investigation, it's a wiretap, it's dynamic, it's complex. There's a lot of things going on, and it could be an exciting time if people would pull together and contribute. And, instead, they're worried about why is so and so on this schedule, and I'm in the wire room? Why am I not on surveillance? I have more seniority or something than her or whatever.

It was strictly about the wire and the working of the wire and the scheduling of the wire. It wasn't about the way the case was being worked.

Q So, prior to this, you never had any discussions with any of these agents about whether or not your definition of walking guns or their definition of walking guns was correct or any kind of concerns about walking guns?

A No. The only even close discussion to the word walking guns that I remember was Mr. Dodson's case, and I don't know if I can talk about it. I think it's the Isaiah Fernandez or Hernandez case. I can tell you the case number. The name is either Fernandez or Hernandez. But it is 785115-10-██████.

I mean, that was the only, you know, time that --

Mr. Park. I'm sorry, could you repeat that?

Mr. Voth. I'm sorry, sir. 785115-10-██████. That's the case number.

they express them to me or amongst themselves and express them to the case agent or express them to --

Q Well, did any of them express a concern to you that they were being prohibited from using what they believed were lawful authorities to interdict guns?

A No, I don't have a recollection of that.

Q So after this email we understand that there was a meeting as a follow-up somewhat to this email that Mr. Gillett attended?

A Yeah. I think, as I read the dating of this, it's saying there's a Monday meeting. And this was sent on a Friday, so I think there's a Monday meeting, and that's the meeting Mr. Gillett attended.

Q And what do you recall about that meeting?

A Talking about, you know, pulling together and working this case and that, you know, we got a lot going and we need to work together and we're going to have people coming into town and we just all need to work together.

Q And Mr. Gillett didn't say anything at that meeting about you guys don't know what walking guns is, I'll tell you what walking guns is, or something to that effect?

A I don't have a specific recollection of that.

Q Do you have a general recollection of that or something similar to it?

A No. I've seen other people say that, but I don't have a recollection of that.

Q Okay. And so all these people that are saying all these

Celis-Acosta is not going to stop his activity. They would simply replace Mr. Patino.

And if Mr. Patino is replaced, the firearms are still being purchased and still being trafficked to the same source, but we're now unaware of who that source is, and we need now to re-identify the new straw purchaser and how they fit in the organization.

Q So is it your understanding that arresting Uriel Patino at that point in time, April 2010, would have hindered your ability to take down the network of straw purchasers?

A That was a discussion we had with the U.S. attorney and amongst ourselves, and that was the general consensus, that taking him down wouldn't have brought the organization to an end or to a close.

Q And that conclusion is based on the fact that straw purchasers are easily replaceable?

A Yes.

Q And that the violations for straw purchasing aren't significant enough to flip defendants in order to go up the chain.

A Correct.

Q Now, I think we've spoken about the large number of firearms that were involved in this case and that were purchased as part of Operation Fast and Furious?

A Yes.

Q And, as a result of those purchases, did you notice a spike in violence across the border?

A I don't know. I know from that one email that, you know,

Operation Fast and Furious from crossing the border into Mexico.

A I believe so, yes.

Q Now, I believe you mentioned that the case began to wind down in July and August of 2010?

A Well, I don't know if the case began to wind down. We made the decision to not go after another wire, to take the evidence we had amassed thus far and charge the people that we could charge thus far with the crimes and the charges we thought we had at that time.

We still had the loftier goal of going after, you know, the cartels or the DTO in Mexico. We hadn't got there at that time, but we made the decision not to go further. And that was essentially the, kind of, end date or end time of the investigation.

Q Why did you make that decision at that point in time?

A Because we were having so much trouble with the phones and the flipping of phones and maybe the inability to get a roving wire or something. We felt the only way to get the evidence needed to charge somebody in Mexico or in a DTO with them being in Mexico and not hands-on buying guns and transporting guns by having straws buy the guns and having, I guess just for easy safety, mules transport the guns, that to get evidence on the person actually doing it we would have to have their word, their intercepted communication directing these activities. We hadn't gotten there.

We thought we had certainly made a good effort at getting there, but the phone issue was basically overwhelming: the delays, maybe through OEO or the U.S. Attorney's Office or whatever; missing the line

we wanted to be on maybe by days or hours; being up on some lines but not necessarily getting the communication we had hoped to get; and that, you know, there has to be an end. You know, I had written an exit strategy that said 90 days. This is almost exactly 90 days, from the end of April to early August -- maybe it is 100 days.

But it seemed we had given it a good try and gotten where we had gotten. And, certainly, we were going to charge people. Maybe not the ultimate goal that we had started with. But in knowing what we know now, I think maybe there are still some options open for that.

Q And at that point in August, the case went to the U.S. Attorney's Office to perfect an indictment?

A Correct.

Q And you indicated that that process didn't happen as quickly as you anticipated it would?

A Correct.

Q Can you describe any reasons that you were given from the U.S. Attorney's Office for why that didn't happen in the time frame that you expected it to?

A Not really. It was just kind of this delay, that, well, we are perfecting the indictment, we are perfecting our evidence, you know, we'll indict in September. And then, you know, well, I'm still waiting on, you know, maybe some figures from the IRS on the money portion, and, you know, when we get those new numbers, we'll indict in October.

And it got to the point where I kind of backed off because I was

Exhibit 50

Exhibit 50

From: Voth, David J.
Sent: Thursday, December 17, 2009 1:37 PM
To: Gillett, George T. Jr.
Subject: RE:

Not yet...?

From: Gillett, George T. Jr.
Sent: Thursday, December 17, 2009 11:28 AM
To: Newell, William D.
Cc: Voth, David J.
Subject:

Bill-

OSII has not yet finished a link diagram on this investigation. Therefore, there is no "chart" in existence diagramming this investigation. Lorren Leadmon and crew are currently working on such a link-diagram chart, but it is not yet complete. Mr. Leadmon did have a power point that gave an overview of the case and that has been forwarded to GS Voth. However, that power point is about 1 week old, so the info is already a bit dated. GS Voth and Mr. Leadmon are speaking on a regular basis, so the lines of communication are now the equivalent of the proverbial fire hose. During one of their conversations, Lorren told Voth that Ray Rowley received a briefing on the investigation this week and mentioned the possibility of needing to shut the investigation down due to the large number of guns that have already been trafficked. Therefore, I spoke with Ray Rowley today and explained that even though the identified straw-purchasers bought approximately 175 guns last week alone, we have slowed down the FFL on future purchases and are obtaining intelligence directly related to this investigation from RC-3 [REDACTED]. Ray did express some concern regarding the total number of guns that have been purchased by this straw-purchase scheme. I cautioned Ray on not doing any type of informal calculations on purchase numbers as that likely will result in double counting of firearms (counting purchased guns as well as recovered guns). I have also advised that we will slow the purchasers down as much as possible, but we have not identified the network yet. The result will be that the responsible conspirators will have new straw-purchasers operational before we complete the booking paperwork. I have asked Ray to consider me his direct point of contact on any future questions and/or concerns and I will do the same with him. I have also spoken with Kevin O'Keefe today and maintain those lines of communication.

As for plans to proceed, I have asked Mr. Voth to begin preparing a white paper that outlines progress to date as well as a plans for proceeding with the investigation. I know that he wants to take the information from the RC-3 [REDACTED]. RC-3 [REDACTED] I have also asked Mr. Voth to prepare a list of resources that HQ can provide (personnel and equipment) to support this investigation. I will keep you posted as things arise.

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 RC-1 [REDACTED]

HOCR ATF - 002491

Exhibit 51

Exhibit 51

From: Gillett, George T. Jr.
Sent: Thursday, December 17, 2009 1:39 PM
To: Voth, David J.
Subject: RE:

Categories: [REDACTED]

Anticipatory mi amigo. Let me know when "the eagle is in the nest."

Below is an excerpt from ATF Order 3310.4B

Please see 148 (a)(1) and (2).

148. "WEAPONS TRANSFERS".

- a. Considerations. During the course of illegal firearms trafficking investigations, special agents may become aware of, observe, or encounter situations where an individual(s) will take delivery of firearms, or transfer firearm(s) to others. In these instances, the special agent may exercise the following options:
 - (1) In cases where probable cause exists to believe a violation of law has occurred and the special agent determines there is a need to intervene in the weapons transfer (e.g., the recipient of the firearms is a known felon; it is known the firearms will be used in crime of violence), the special agent shall do so but should place concerns for public safety and the safety of the involved special agents as the primary determining factor in exercising this option.
 - (2) In other cases, immediate intervention may not be needed or desirable, and the special agent may choose to allow the transfer of firearms to take place in order to further an investigation and allow for the identification of additional coconspirators who would have continued to operate and illegally traffic firearms in the future, potentially producing more armed crime.
- b. Alternative Intervention Methods. In the event it is determined by the special agent that a weapons transfer should not take place, the special agent may consider alternative methods of intervention other than arrest and/or search warrants that will prevent the culmination of the weapons transfer but allow the investigation to continue undetected. These alternative methods are considered to be a course of action that must be approved by the RAC/GS or SAC as previously noted. These alternative interventions may include, but are not limited to:
 - (1) A traffic stop (supported by probable cause to search or supported by a traffic violation allowing for plain view observations) by a State or local marked law enforcement vehicle that would culminate in the discovery and retention of the firearms. This would prevent the weapons transfer from fully occurring and may in turn produce new investigative leads. Should

the occupants of the vehicle be new/unknown participants in the organization under investigation, they may be fully identified which in turn will yield additional information for followup investigation. Should the occupants of the vehicle be known participants in the investigation, requesting telephone tolls for these individuals (or if a Penn Register/T-III interception order is in use) for the period shortly after the traffic stop may show calls and yield identifying information relating to the intended receivers of the firearms.

- (2) If the firearms are being shipped out of the United States via a common carrier via checked luggage or freight, the firearms may be seized/or recovered by the special agents, in coordination with the U.S. Customs Service under border search authority, without detection by the traffickers. This would prevent the weapons transfer from fully occurring and may in turn produce new investigative leads. The investigation may then continue with the traffickers led to believe the shipment of firearms was stolen in transit. Requesting telephone tolls for these individuals (or if a Penn Register/T-III interception order is in use) for the period shortly after the recovery of the firearms may show calls and yield identifying information relating to the intended receivers of the firearms.
- (3) If the firearms are being shipped via the U.S. mail, coordination with the U.S. postal inspectors will assist the special agents in recovery of the firearms without detection by the traffickers. This would prevent the weapons transfer from fully occurring and may in turn produce new investigative leads. The investigation may then continue with the traffickers led to believe the shipment of firearms was stolen in transit. Requesting telephone tolls for these individuals (or if a Penn Register/T-III interception order is in use) for the period shortly after the recovery of the firearms may show calls and yield identifying information relating to the intended receivers of the firearms.
- (4) If the special agent chooses to arrest the individual(s) with the firearm(s), the possibility exists that a debriefing of this individual will yield other members of the organization, or the individual(s) will agree to participate in a controlled delivery of the firearm(s) to the original intended receivers.

From: Voth, David J.
Sent: Thursday, December 17, 2009 11:37 AM
To: Gillett, George T. Jr.
Subject: RE:

Not yet...?

From: Gillett, George T. Jr.
Sent: Thursday, December 17, 2009 11:28 AM
To: Newell, William D.
Cc: Voth, David J.
Subject:

Exhibit 52

Exhibit 52

1

ALDERSON REPORTING COMPANY

████████████████████

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: KENNETH MELSON

Monday, July 4, 2001

Washington, D.C.

The interview in the above matter was held in Room

2154, Rayburn House Office Building, commencing at 10:15
a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

JESSICA LAUX, COUNSEL

CARLTON DAVIS, OFFICE OF CHAIRMAN ISSA

SCOTT LINDSAY, MINORITY COUNSEL

JUSTIN S. KIM, MINORITY COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

For the SENATE JUDICIARY COMMITTEE MINORITY STAFF:

JASON FOSTER, CHIEF INVESTIGATIVE COUNSEL

BRIAN DOWNEY, INVESTIGATOR, OFFICE OF SENATOR GRASSLEY

For the WITNESS:

RICHARD CULLEN, ESQ.

McGUIRE WOODS, LLP

██████████

██████████

Richmond, VA 23219-4030

one of our Texas divisions, was going back home. So they asked me to do that, and at the same time, they moved Marshall Jarrett from the head of OPR over to EOUSA.

I took over the helm at ATF at a time in which there was significant controversy and inability, I think, to run itself as a business. And therefore, when I got there, I began to institute a number of changes proactively to make sure that ATF could run as efficiently and effectively as it could be. It was very stove-piped at the time with its various directorates. They weren't communicating with each other or among each other and decisions were being made that were contrary to decisions being made in other parts of the directorate. So I reformatted our entire structure, and moved our SES individuals around to put them in the best seat with respect to those directorates.

We did things that were unprecedented, such as bringing in a subject matter expert for the chief information officer instead of using an 1811, which is a law enforcement officer out of the ranks. I appointed a non-1811 subject matter expert for our office of management, and we are now interviewing for a person to head our newly formed human resources and professional development

illegal side, the more we get pushed back from the industry side, and it's challenged in that way, yes, in enforcing the laws.

Q Have you received positive feedback from Department management about your initiatives within ATF.

A I guess I would --

Q Is there a recognition.

A -- I guess I would have to say not necessarily, because I don't know that they are necessarily aware of the things we have done. We meet monthly with the Deputy Attorney General, the DAG, and we try to explain some of those things to them. I'm not sure they're interested in that type of perhaps minutia in an organization like ours.

Q You have made clear to -- I guess you have worked for three DAGs now, is that fair to say? Mr. Ogden, Mr. Grindler --

A Three DAGs in this Administration, yes.

Q And Mr. Cole. Did you brief Mr. Ogden, Mr. Grindler and Mr. Cole about the various --

A Yes.

Q -- management initiatives.

A Yes. And perhaps not all at one time, because some

of them were seriatim. So --

Q In the course of explaining that, you have received some feedback that that was the type of management that they were looking for.

A I received no feedback that it was not. They acknowledged what I did, but didn't opine on it too much.

Q What is ATF's reporting relationship with the DAG? Are there regular meetings that you have.

A Yes. The DAG is my direct supervisor. And so we have a person on -- in ODAG, the Office of the Deputy Attorney General who is assigned to our portfolio, and that is the person with whom we have the most direct contact in trying to develop initiatives or getting things approved, personnel issues or demand letter 3, or whatever it is.

But in addition to that, we have a monthly meeting with the DAG, which is usually a half an hour to 45 minutes, and we brief him on the issues that are coming to the top at ATF. Oftentimes the cases that we are doing that are significant, or the issues that we may have on the regulatory side, like the Airsoft gun issue and others, so that they were not caught by surprise if an issue pops out in the press.

firsthand knowledge of someone speaking with Faith Burton, but we were in touch.

Q So you received a letter from Senator Grassley, put your head together with Mr. Hoover and Mr. Chait and you were getting ready to go brief Senator Grassley.

A Well, we weren't getting ready, we were floating the idea and asking them to allow us to do that. We have had good relationships with our members of Congress, and we have done a lot of briefings on various ATF initiatives and so forth, and this was nothing other than that.

The pushback from the Department was that it pertained to an ongoing criminal case, and certainly concerns about releasing information on an ongoing criminal case is a serious concern and has to be treated with sensitivity, but we thought that we could go over and brief him. I don't know that he would have needed to know exact names, dates and places of transactions, but to understand the scope of Fast and Furious and what it was and so forth would have ameliorated the response that Congress has come out with.

Q And what was the feedback that you received from OLA or the DAG's office.

A The feedback is the same feedback that was

encompassed by Senator Grassley and others, and it is a longstanding policy at the Department of Justice that we don't talk about ongoing cases for a number of reasons that were set forth in previous memos from the Office of Legal Counsel and Attorneys General concerning the Department's interaction with Congress.

This case is a little different, because you are actually investigating looking at an investigation, as opposed to looking at subject matters which might tangentially impact an investigation. This was about an investigation itself and you can hardly investigate or discuss that without getting into some issues that impact the case.

Q I will represent to you that the Department came and briefed our staff in May.

A Yes. And that was in May. And in conjunction with ATF. Matt Axelrod.

Q Mr. Hoover and Mr. Axelrod came in, and it was a sense by then that this was a case that perhaps warranted some congressional oversight. I think the terminology shared with us was that maybe there is a there there. And I wonder if you recall at what point the Justice Department

realized that indeed this was a matter worthy of congressional interest.

A Well, I don't know that I can say precisely when they thought it was of congressional interest. I might characterize it, and I hope I'm not going too far abroad, but I think they were doing more damage control than anything.

My view is that the whole matter of the Department's response in this case was a disaster. That as a result, it came to fruition that the committee staff had to be more aggressive and assertive in attempting to get information from the Department, and as a result, there was more adverse publicity towards ATF than was warranted if we had cooperated from the very beginning. And a lot of what they did was damage control after a while. Their position on things changed weekly and it was hard for us to catch up on it, but it was very clear that they were running the show.

Mr. Castor. I'm going to mark an Exhibit.

[Exhibit No. 1 was for identification.]

BY MR. CASTOR:

Q Exhibit number 1 is marked, it's a letter dated February 4 from the Justice Department Assistant Attorney

ROIs and everything, but missed the smoking guns.

I decided to have confidence that we've looked at everything, that I would read them all. So sitting on the plane, reading the wiretap affidavit and one of the wiretap affidavits -- in fact, I think more than one, there was a statement in there prepared by the agents -- the AUSA and reviewed by the Criminal Division that suggested there was probable cause to believe that straw purchasers were taking guns across the border.

Because they set out in the affidavit the various -- the various border crossings of the straw purchasers. These were not observed border crossings. ATF did not know they were crossing the border ahead of time. These were from CBP's, the Custom and Border Protection database. We could go back and see when people go and come north because there is no southbound transactional record.

But it was apparent to me that they were suggesting that there was probable cause to believe that this information -- that these straw purchasers were taking guns across the border. So while on the plane, I drafted an e-mail to our people, and said, you know, you better back off, you better back off this statement, because -- the statement

in this letter, this February 4th letter to Senator Grassley, because I don't believe we can say that in light of the information that our agent was swearing to before a federal district court judge to get the wiretap.

There was also some conversation -- I tried to find the e-mail last night from home, but I couldn't access it. What I had printed out didn't seem to have printed out completely, but I think there was also conversation with Matt in that regarding -- because there was something I would say, well, look at page X, Y, and Z. But that was well after this fact right here.

With respect to the second sentence, "ATF makes every effort to interdict weapons." Of course, that is what our mission is in ATF, is to interdict weapons. And while in Fast and Furious, there were ways that they could have slowed down the number of guns being purchased or perhaps dissuaded straw purchasers to purchase weapons, they, I think -- and I think the people who drafted this would have thought that under the investigative strategy, they did try to interdict weapons, even though they didn't take them between the store and a defendant's home, they knew they went to the home, but had, according to the U.S. Attorney,

apparently had some view as to what they could present to their court to get a conviction and what couldn't be presented to their court.

So this case was done very -- was investigated closely with the U.S. Attorney's office. Remember we have David Voth who became a supervisor and entered on duty in Phoenix on December 6, 2009. He is an inexperienced agent. MacAllister is a relatively new agent. I am sure that they were influenced by the direction they were given both by the ASAC George Gillett and by the U.S. Attorney's office. Nevertheless, they should have had perhaps other views as to the propriety of what they were doing. But it is a multi-agency investigation.

Mr. Castor. Okay. I think I am about 7 minutes over here. So we will --

Mr. Melson. I have until 9:15. That's when the fireworks start.

Mr. Lindsay. Let's take a short break and return on the record.

[Recess is taken at 11:28 a.m.]

BY MR. LINDSAY:

Q Okay. It is 11:37 a.m. and we are back on the

entirety on that.

I think early on, if there had been an awareness of not just the number of guns, but the number of guns that a single person purchased, and that we were watching the guns being purchased by them, I think we would have taken a different approach on it, and would have approached Patino and at the risk of putting the investigation in danger at least stopped his multiple purchases that continued on and on and on for a significant period of time.

It -- you know, that would have to have been a judgment made at the time, if we were alerted to it, but nevertheless that was a judgment made by the Phoenix supervisors and the U.S. Attorney's office, that this should continue in that vein because we didn't have sufficient evidence to prosecute those individuals at the time. And that's a legal decision. That's a lawyer's decision, a prosecutor's decision. It's not a street agent's decision to tell the U.S. Attorney when we've got enough for a case. I know they oftentimes have opinions on it, but the final arbiter of that decision is made by the U.S. Attorney.

Does that answer your question.

Q Sure. It's a start. So let's explore that a

This is an issue that I have been attacking for several years, and that is how old our orders are, some still referencing Treasury and other places, and I've told my SES staff that it's going to be reflected on their performance ratings this year if not every single one of those orders aren't up to date and reviewed.

So we have changed the way we supervise major cases from the way it was before, where it was just if major case funds were being expended, then apparently field ops would look at it, now we are coming up with a guideline as to when a case is a case that needs to have more direct headquarters supervision, and more headquarters awareness of these cases, so that we can stop some of this stuff if there is an errant approach to investigations.

In addition, we are trying to develop a policy with respect to when we let guns go to a purchaser, and what the different types of situations are. We had the Southwest border SACs and intel people in, I think it was just last week -- it may have been the week before -- I lose track of time, for the purpose of reviewing our strategy and tactics in these cases. We have come up with a delineation of when guns are to leave our custody and control, or to be

Q When did you first become aware of operation Fast and Furious, previously named the Jacob Chambers case.

A Well, that's hard to say, because it could have come up in conversation at any point in time, but there was a briefing on the Fast and Furious case on December 9, 2009. That's when our office -- our OSII which is the intelligence branch put together a briefing for us on the -- primarily the seizures that were occurring in Mexico, somewhat unclear to us was that many of the seizures had weapons coming from Fast and Furious.

But I had e-mailed Lanny Breuer, on December 6, 2009, the day that Voth came on the job in Mexico -- I mean, in Phoenix, and asked him to come over and be briefed on some of these cases, so that perhaps his people, his prosecutors could help us develop a case. Because this is my view, we have got all these seizures across the border, and in each of these seizures, there are guns from different sources in the United States. So there's got to be some connection. If you have three different seizures and Fast and Furious is here and here and John Doe is here and here and there, there's got to be some connection with these people.

So we ought to be developing a multi-division, multi-

U.S. Attorney district case on all this. Get the intel from all these seizures, bring it together, develop the case and take it down. So I obviously couldn't do it, so I wanted Lanny Breuer to do it. Lanny Breuer became very active in the Southwest border plans and implementation. He worked on the Merida initiative, with the four pillars of the Merida initiative. We briefed him on what we were doing in Mexico. We have briefed him on Fast and Furious. So he was a partner with us in a lot of what we were doing along the Southwest border as well as in Mexico.

And there were one or two times that he and I went down there together. So on that date that I mentioned previously in December 6 -- I should remember that, it's a significant date for me -- I e-mailed him and on December 9, I had the first briefing on Fast and Furious. And these were primarily, though, surrounding the Douglas, what we call the Douglas seizure.

Then on December 17th, there was a briefing again by our intel section on the Reynoso seizure and the Phoenix Fast and Furious case. Now, this was just December 17, so it was early in the investigation. But Kevin Carlisle, who is the supervisor in the Criminal Division, I think he was

in charge of gang cases, I think -- I'm not 100 percent sure and Joe Cooley who was one of the trial attorneys came over to be briefed on it as well, in anticipation of them working this whole spectrum of seizures that were across the border.

Q So at that time, with respect to Fast and Furious only, what did you understand the strategy to be? This is December of 2009.

A Well, it wasn't so much what we understood as a strategy. Because I don't believe -- and you know, this is a long time ago -- that the purpose of it was the strategy as much as the linking of various seizures in Mexico to the gun trafficking groups in the U.S.

So there was not a discussion, I don't recall, that talked about how the case was going to be investigated -- Fast and Furious in particular with respect to, were guns going to be observed being purchased and so forth. As I said, this was early on.

Nevertheless, we had the participation of the Criminal Division in that briefing, and what I hoped to be in that whole case. In fact, they did send a prosecutor to Phoenix who worked on other ATF gun cases concurrently with what was going on in Fast and Furious. And as you recall, the press

get out, and they worked, I assume with the U.S. Attorneys, on a strategy to get out.

Q How regularly did you receive briefings that touched upon Fast and Furious following December of 2009.

A Well, the -- I received -- I think there were maybe -- let me check. I think there were maybe two briefings that I received on Fast and Furious. The one was in December 17, and one was in December 9. And then on March 11, there was an abbreviated briefing. That's when Voth came up and had a meeting and briefed Chait, Hoover, McMahon, and our Southwest border guru by the name of Rowley. So there were three times I was briefed generally on Fast and Furious.

After it got into July or so and the exit strategy had been completed, almost every Monday when we had our staff meetings, I asked Chait what's the status of the case? Now it's the end of August, now it's the beginning of September, now it's the middle of September. They told us they were going to get an indictment. Now it's November and now it's December. And it keeps getting pushed. I offered to send our own lawyers out there to get this case indicted. In fact, I offered to go out and do the indictment myself.

So I asked the IG to look at the interagency sharing of information. One of the things we had asked the Department to help us with in 2009 and part of 2010 was to promote our entrance into the intelligence community, the ICE, and we thought that was very important because there is information that we are missing, whether it be based upon information from national security assets or information received, what they call behind the wall or behind the curtain down in Mexico City at our embassy. We are excluded from a lot of that, and we thought our participation in that would benefit not only ATF and gun trafficking, but also our information would help the ICE.

That wasn't going very far and it wasn't promoted sufficiently to get us in. We finally withdrew our request because with the budget crunch, we couldn't afford to put the personnel into the shop that we would have to create to manage the information that would come from the ICE. I think if we had been in it, and we had known and therefore had access to the information that perhaps other agencies had, we could have either shut the operation down because we know already who the end game is, or we could have dramatically facilitated reaching that goal and then

information they give them. I just don't have any -- and remember also that there's a different perhaps chain of communication, because they deal so much with national security cases and national security assets that whatever information might have been obtained in that case may have gone up through the national security division.

Q Okay.

A So I don't know what it was and I don't know whether they ever briefed the intelligence committee in Congress on what they were doing.

Q It would seem to us that at whatever point in time that deportation and reentry into the United States happens would have been an ideal time to loop ATF into this network, and this network's relationship to the firearms trafficking folks?

A It would have made it unnecessary to continue the case.

Q When you communicated that information, you said you communicated it to the DAG's office and also to the IG. Was that roughly around the same time period? When was it roughly, was it after our hearing or was it before.

A No, when we first notified ODAG.

Q -- as to how McMahon got the affidavit.

A I would assume that the authority to authorize these types of things should be pushed down to the DAD because everything can't come up to Chait, and certainly Hoover can't handle another thing. I mean, he is just overwhelmed with things that are going on in the agency. So whether -- so I wouldn't be surprised either if it should stay at the DAD level unless there is something extraordinary about it that raises a question that you need the Assistant Director's approval on.

Q Okay. And then the Exhibit 10 was just the exhibit that referenced Voth and that had to go through the DAG's office.

A Well, and let me say this. Again, I don't know of any provision that requires these to go to the DAG. I wouldn't be surprised if Voth who is a new supervisor, hadn't been involved in this process before, got the DAG confused with the AAG, which would be the Assistant Attorney General for the Criminal Division. So, if he is saying that, I would make sure first that he understands the difference between the DAG and the AAG. Because I still don't think that's the normal process, but I may be wrong.

watch Patino buy guns and take 'em to his home, and we have the resources to watch it, or we had a tracker in one of the guns as we did in the Tohono O'odham Reservation case, and we discovered that device was moving and we were able to track Patino going to El Paso and we saw him put those or deliver those guns to a stash house in El Paso.

Well, we made the next leap. We now know not only who is purchasing the guns but who is the keeper of the weapons for purposes of getting ready to take them across the border. Because see what they do, and what they are doing in the stash house, is they brought the guns to the stash house in El Paso and they wait for an opportunity to take them over the border. They look where CBP is doing southbound checks and when things all seem to be in the clear, then they move them south.

So knowing where that stash house is is incredibly important for purposes of determining how the guns are getting to Mexico, which is probably even more important than finding out who's purchasing the weapons. But being able to then identify that stash house and keeping it under surveillance, we can determine that there are more people involved in taking guns to that stash house than just

Exhibit 53

From: Newell, William D.
Sent: Friday, December 18, 2009 5:35 PM
To: Martin, Steve K.
Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

Amen brother. George Gillett had to have a long talk with one Mr. Ray Rowley yesterday because we heard he was one of the "hand wringers" on this deal and asking why we weren't shutting this deal down now. I had Gillett call him and "counsel" him on why we weren't going to do that and if he had anymore concerns to contact us directly and not worry so much about those things he has absolutely no control over, or say in for that matter. By the way isn't he the head of the SWB Group??

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

From: Martin, Steve K.
Sent: Friday, December 18, 2009 3:32 PM
To: Newell, William D.
Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

Great stuff—aiming for those cartels! It is painful trying to get the powers to be to see that the target is the top in the cartel and not the straw purchase urchin (whose brain should be sucked dry for intel). Good luck and let us know how we can help.
 Steve

From: Newell, William D.
Sent: Friday, December 18, 2009 5:29 PM
To: Martin, Steve K.
Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

10-4, they are on stand-by.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

From: Martin, Steve K.
Sent: Friday, December 18, 2009 3:29 PM
To: Newell, William D.
Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

Sweet! RC-3

From: Newell, William D.

HOCR ATF - 002395

Sent: Friday, December 18, 2009 5:25 PM

To: Martin, Steve K.

Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

RC-3

RC-3 We will be taking RC-3 it RC-3

RC-3 to the cooperating FFL today and not giving him too much info other than if these guys come back, which they will, that he needs RC-3 and call us immediately to begin monitoring.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)

RC-1

From: Martin, Steve K.

Sent: Friday, December 18, 2009 3:23 PM

To: Newell, William D.

Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

I will. Outstanding on the tracking device!! RC-3 ?

From: Newell, William D.

Sent: Friday, December 18, 2009 5:20 PM

To: Martin, Steve K.

Subject: Re: New academic book on Mexican law enforcement touches on Firearms Trafficking

No but I'm hoping you'll buy it for me. Also, we have a tracking device RC-3

RC-3

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)

RC-1

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Martin, Steve K.

To: Newell, William D.

Sent: Fri Dec 18 17:16:55 2009

Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

You got the book?

From: Newell, William D.

Sent: Friday, December 18, 2009 5:09 PM

To: Hagerty, Paul C.; Carroll, Timothy J.; Wicks, Joseph F.; Rowley, Raymond G.; Gil, Darren D.; Laufer, Kristen E; O'Keefe, Kevin C.; Martin, Steve K.; Mokos, Joseph P.; Torres, John A.; Kruthaupt, Alex J.; Canino, Carlos A.; Phoenix, Alfredo A.

HOGRA ATF - 002396

Subject: RE: New academic book on Mexican law enforcement touches on Firearms Trafficking

Dr. Shirk was the guy who testified before a House approps committee this year along with El Paso DEA SAC Joe Arabit, Phoenix Mayor Phil Gordon, and I in relation to SWB violence. Interesting guy, for an academic.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
RC-1

From: Hagerty, Paul C.

Sent: Friday, December 18, 2009 12:14 PM

To: Carroll, Timothy J.; Wicks, Joseph F.; Rowley, Raymond G.; Gil, Darren D.; Lauffer, Kristen E; O'Keefe, Kevin C.; Martin, Steve K.; Mokos, Joseph P.; Newell, William D.; Torres, John A.; Kruthaupt, Alex J.; Canino, Carlos A.; Phoenix, Alfredo A.

Subject: New academic book on Mexican law enforcement touches on Firearms Trafficking

Gentlemen:

The Trans-Border Institute at the University of San Diego announced a new book (copyright 2010) – The **Police and Public Security in Mexico** - website <http://www.justiceinmexico.org/resources/publications.php>

Starting on page 15, of the attached "preview" of the new books introduction it addresses Firearms Trafficking

Members of this Trans-Border Institute include many senior advisors in both the US and Mexico governments.

This book may be something that other parties may be quoting from in future meetings, like they do with any new GAO and CRS reports. I have not seen the entire book yet and can only offer the attached preview.

VR,

Paul

HOCR ATF - 002397

Exhibit 54

Exhibit 54

**Phoenix Field Division
Phoenix Group VII (SWB Group)
Briefing Paper on: 785115-10-0004**

Background

1. This investigation has currently identified more than [REDACTED] individual connected straw purchasers. More suspects are being identified as the scope of the investigation expands. The straw-purchase suspects currently identified are associated with one another through [REDACTED]

[REDACTED] To date (September 2009 – present) this group has purchased in excess of 650 firearms (mainly AK-47 variants) for which they have paid cash totaling more than \$350,000.00.

2. To date there have been five (5) notable seizure events connected with this group, and approximately 53 firearms originally purchased by this group have been recovered. Three of these seizures have been in the Country of Mexico, one recovery in Douglas, AZ, and one recovery in Nogales, AZ. The U.S. recoveries were both believed to be destined for Mexico.
3. The seizures referenced above were not from any member of the targeted group of straw purchasers identified in this investigation. Rather, they were from Hispanic individuals (both male and female) whose association with our target group is currently unknown.

[REDACTED] straw-purchase suspects delivering recently purchased firearms to Hispanic males. Two such transactions were observed to take place at auto shops/auto auctions.

4. At one of the Mexico seizures there were 45 firearms recovered in addition to 500 kilograms of cocaine, 85 pounds of methamphetamine, and over \$2,000,000.00 in U.S. currency. Of the 45 firearms recovered, 14 of those firearms (all AK-47 variants) were originally purchased by this target group. Our investigation has not produced any indication of drug trafficking or financial resources consistent with the seizures listed above.

5. [REDACTED]

6. To date, five (5) applications for Pen Register Devices have been forwarded for review to the office of the United States Attorney in the District of Arizona. Once approval is received, these Pen Registers will be activated [REDACTED]

HOCR ATF - 001144

7. There have been three (3) recorded telephone calls since January 4, 2010, between the most prolific suspected straw-purchaser and the Federally Licensed Firearms Dealer ([REDACTED]). These conversations have been to schedule a future purchase of AK-47 variant rifles. The anticipated purchase is approximately forty (40) rifles.
8. On January 5, 2010, ASAC Gillett, GS Voth, and case agent SA MacAllister met with AUSA Emory Hurley, who is the lead, federal prosecutor on this matter. ~~Investigative~~ and prosecution strategies were discussed and a determination was made that there was minimal evidence at this time to support any type of prosecution; therefore, additional firearms purchases should be monitored and additional evidence continued to be gathered. This investigation was briefed to United States Attorney Dennis Burke, who concurs with the assessment of his line prosecutors and fully supports the continuation of this investigation.
9. [REDACTED]
be delivered during the next purchase of firearms by the suspects in this investigation. The [REDACTED] will be monitored through the resources at the El Paso Intelligence Center (EPIC) and the weapon(s) will be interdicted prior to their crossing of the Mexican border.
10. A joint strategy/de-confliction meeting is planned for Friday, January 15, 2010, with representatives from ICE, DEA, and ATF. This investigation, as well as other ongoing investigations, will be briefed to all present.

Investigative Techniques Used to Date

11. To date in this investigation we have utilized numerous proactive, advanced investigative techniques:
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]
 - [REDACTED]

HOCR ATF - 001145

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

Strategy

12. This investigation is currently being conducted in conjunction with the Phoenix DEA OCEDEF strike force. ATF Phoenix VII is the lead investigating enforcement group. A formal OCEDEF proposal is completed and will be presented on January 26, 2009, in furtherance of this investigation. It is unknown at this time what connection exists between these straw-purchasers and the drug trafficking organizations (DTOs) of Mexico.
13. Currently our strategy is to allow the transfer of firearms to continue to take place in order to further the investigation and allow for the identification of additional coconspirators who would continue to operate and illegally traffic firearms to Mexican DTOs which are perpetrating armed violence along the Southwest Border. This all in compliance with ATF 3310.4(b) 148(a)(2).
14. [REDACTED]

Exhibit 55

Exhibit 55

From: Gillett, George T. Jr.
Sent: Friday, January 08, 2010 4:05 PM
To: Newell, William D.
Cc: Voth, David J.
Subject: Briefing Paper
Attachments: briefing paper II (3).docx

Bill –

Status BP on the ongoing trafficking investigation.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Office: [REDACTED]

Exhibit 56

Exhibit 56

From: Newell, William D.
Sent: Tuesday, October 19, 2010 9:33 AM
To: McMahon, William G.
Subject: RE: Fast and Furious case
Attachments: Operation FAST AND FURIOUS.DOCX; Wide Receiver.docx

Will do. This is what I sent two weeks ago. As you can see the USAO has pushed the indictment date back to December 7, saying they need this time to "prepare". I have a meeting scheduled with Dennis to discuss but they aren't budging so there's not much we can do. I will get a more detailed document to you today. Also, the Tucson Wide Receiver case (prosecuted by the detailed Main Justice AUSA) is also on hold until the Fast and Furious case goes to indictment since they are connected.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: McMahon, William G.
Sent: Tuesday, October 19, 2010 6:19 AM
To: Newell, William D.
Subject: Fw: Fast and Furious case

Bill,

I know you sent me something the other day but could you update an overview with answers to Mark's questions below?

Thanks,

Bill

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From: Chait, Mark R.
To: McMahon, William G.
Sent: Tue Oct 19 08:52:14 2010
Subject: Fast and Furious case

Bill – can we get an update on this indictment and potential arrests (when and how many defendants etc.). The DD would like to put a place holder on his schedule to be in Phoenix for some media etc. at the right time. Thanks

Mark R. Chait
 Assistant Director
 Field Operations
 [REDACTED]

HOCR ATF - 002106

From: Newell, William D.
Sent: Tuesday, January 05, 2010 6:24 PM
To: McMahon, William G.
Subject: Mtng with USAO, re: Phoenix "Fast and Furious" case

Met with the USAO today on the status of this case. They want us to proceed with [REDACTED] before conducting any overt investigative activity. [REDACTED]

[REDACTED] They agree that right now we have very little to prosecute on especially considering the issues with prosecuting straw purchasers in this State and 9th Circuit. Even though I don't like it I have to agree and we are doing everything possible to slow these guys down. I need help though, in the form of detailees to conduct surveillance. I was hoping to wait until the GRIT but this case has progressed so fast, much quicker than any other case we've been involved with, that I need bodies asap. If it's OK with you I'll start reaching out to non-SWB SACs tomorrow to feel them out about letting us have some bodies to assist with surveillance. We are coordinating with ICE, they have a former ATF IOI now an ICE SA assigned to this case with us. It's a Strike Force case so we are also coordinating with ICE and DEA through the Strike Force coordination process.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
[REDACTED]

HOCR ATF - 002107

Exhibit 57

Exhibit 57

RC-1

to: Burke, Dennis (USAAZ)
cc: Thursday, January 07, 2010 5:08 PM
from: Morrissey, Mike (USAAZ)
cc: Lodge, Joe (USAAZ); Hurley, Emory (USAAZ)
Subject: RE: heads up on gun trafficking case

Hold out for bigger. Let me know whenever and w/ whomever I need to weigh-in.

From: Morrissey, Mike (USAAZ)
Sent: Tuesday, January 05, 2010 5:13 PM
To: Burke, Dennis (USAAZ)
Cc: Lodge, Joe (USAAZ); Hurley, Emory (USAAZ)
Subject: heads up on gun trafficking case

Dennis – Joe Lodge has been briefed on this but wanted to get you a memo for your review. Bottom line – we have a promising guns to Mexico case (some weapons already seized and accounted for), local ATF is on board with our strategy but ATF headquarters may want to do a smaller straw purchaser case. We should hold out for the bigger case, try to get a wire, and if it fails, we can always do the straw buyers. Emory's memo references that this is the "Naco, Mexico seizure case" -- you may have seen photos of that a few months ago. << File: Emory trafficking case.wpd >>



United States Attorney's Office
District of Arizona

Memorandum

To: Mike Morrissey
From: Emory Hurley
Subject: Manuel Celis Acosta Trafficking Investigation
Date: January 5, 2010

Today I met with ATF regarding their investigation centered around Manuel Celis Acosta, suspected of trafficking firearms to Mexico. He is the center of a hub-and-spokes conspiracy involving [REDACTED] or more straw purchasers. Based upon inspection of 4473s, the case involves more than 600 firearms purchased to date. There have been recoveries of approximately 100 firearms in both the US and Mexico, including a seizure of nine firearms in Douglas, Arizona, and the Naco seizure of forty-one AK variants.

We have reviewed the available evidence thus far and agree that we do not have any chargeable offenses against any of the players. In the past, ATF agents have investigated cases similar to this by confronting the straw purchasers and hoping for an admission that might lead to charges. This carries a substantial risk of letting the members of the conspiracy know that they are the subject of an investigation and not gain any useful admissions from the straw buyer. In the last couple of years, straw buyers appear to be well coached in how to avoid answering question about firearms questions. Even when the straw buyers make admissions and can be prosecuted, they are easily replaced by new straw buyers and the flow of guns remains unabated.

In this case, ATF has discovered that the central target of their investigation is linked to a state wire case being run out of the DEA wire room. They have reviewed a number of "dirty" calls from the Celis Acosta regarding gun trafficking and believe that they could pursue a federal T-III. They are also pursuing pole cams and other surveillance. It is believed that the guns are beings stored at a number of locations, including an auto-body shop. We currently have RC-3 [REDACTED] to link the various players in this investigation.

ATF believes that there may be pressure from ATF headquarters to immediately contact identifiable straw purchasers just to see if this develops any indictable cases and to stem the flow of guns. Local ATF favors pursuing a wire and surveillance to build a case against the leader of the organization. If a case cannot be developed against the hub of the conspiracy, he will be able to replace the spokes as needed and continue to traffic firearms. I am familiar with the difficulties of building a case only upon the interviews of a few straw purchasers and have seen many such investigations falter at the first interview. I concur with Local ATF's decision to pursue a longer term investigation to target the leader of the conspiracy.

Please let me know if you need additional information on this matter. Thank you.

HOCR USAO 002961

Exhibit 58

Exhibit 58

From: Newell, William D.
Sent: Friday, January 08, 2010 6:45 PM
To: McMahon, William G.
Subject: Fast and Furious Briefing Paper
Attachments: Fast and Furious Briefing Paper.docx

FYI.

Forgot to mention in the GRIT proposal the need for a detailed TOO. Our TOO is currently burning himself out. As you may have heard during the summer's home invasion initiative he is a top notch TOO but he is killing himself with all the cases we have going on, including this one, the Yuma grenade case, several OCDETF cases, VCIT cases, and on and on. If you could include a request for a detailed TOO in your conversation with Mark and Billy about our GRIT proposal I'd appreciate it. Thank you Senor, have a good weekend.

HOCR ATF - 001914

Exhibit 59

BRIEFING PAPER

**Phoenix Field Division
Phoenix Group VII (Gunrunner/Strike Force)
785115-10-0004
January 8, 2010**

Background

1. This investigation has currently identified more than 20 individual connected straw purchasers. More suspects are being identified as the scope of the investigation expands.

[REDACTED]

To date (September 2009 – present) this group has purchased in excess of 650 firearms (mainly AK-47 variants) for which they have paid cash totaling more than \$350,000.00.

2. To date there have been five (5) notable seizure events connected with this group, and approximately 53 firearms originally purchased by this group have been recovered. Three of these seizures have been in the Country of Mexico, one recovery in Douglas, AZ, and one recovery in Nogales, AZ. The U.S. recoveries were both believed to be destined for Mexico. It should be noted however that there has been one seizure in the Phoenix area related to the ongoing DEA narcotics trafficking investigation.
3. The seizures referenced above were not from any member of the targeted group of straw purchasers identified in this investigation. Rather, they were from Hispanic individuals (both male and female) whose association with our target group is currently unknown. This is consistent with what ATF agents have observed thus far during surveillance: straw-purchase suspects delivering recently purchased firearms to Hispanic males. Two such transactions were observed to take place at auto shops/auto auctions.
4. At one of the Mexico seizures there were 45 firearms recovered in addition to 500 kilograms of cocaine, 85 pounds of methamphetamine, and over \$2,000,000.00 in U.S. currency. Of the 45 firearms recovered, 14 of those firearms (all AK-47 variants) were originally purchased by this target group. Our investigation has not produced any indication of drug trafficking or financial resources consistent with the seizures listed above.

5. [REDACTED]

HOCR ATF - 001915

[REDACTED] This is being coordinated out the Phoenix OCDETF Strike Force, of which Phoenix Group VII is a full-time member.

6. [REDACTED]

7. [REDACTED]

8. On January 5, 2010, ASAC Gillett, GS Voth, and case agent SA MacAllister met with AUSA Emory Hurley, who is the lead federal prosecutor on this matter. Investigative and prosecution strategies were discussed and a determination was made that there was minimal evidence at this time to support any type of prosecution; therefore, additional firearms purchases should be monitored and additional evidence continued to be gathered. This investigation was briefed to United States Attorney Dennis Burke, who concurs with the assessment of his line prosecutors and fully supports the continuation of this investigation. Furthermore, Phoenix Special Agent in Charge Newell has repeatedly met with USA Burke regarding the on-going status of this investigation and both are in full agreement with the current investigative strategy.

9. [REDACTED]

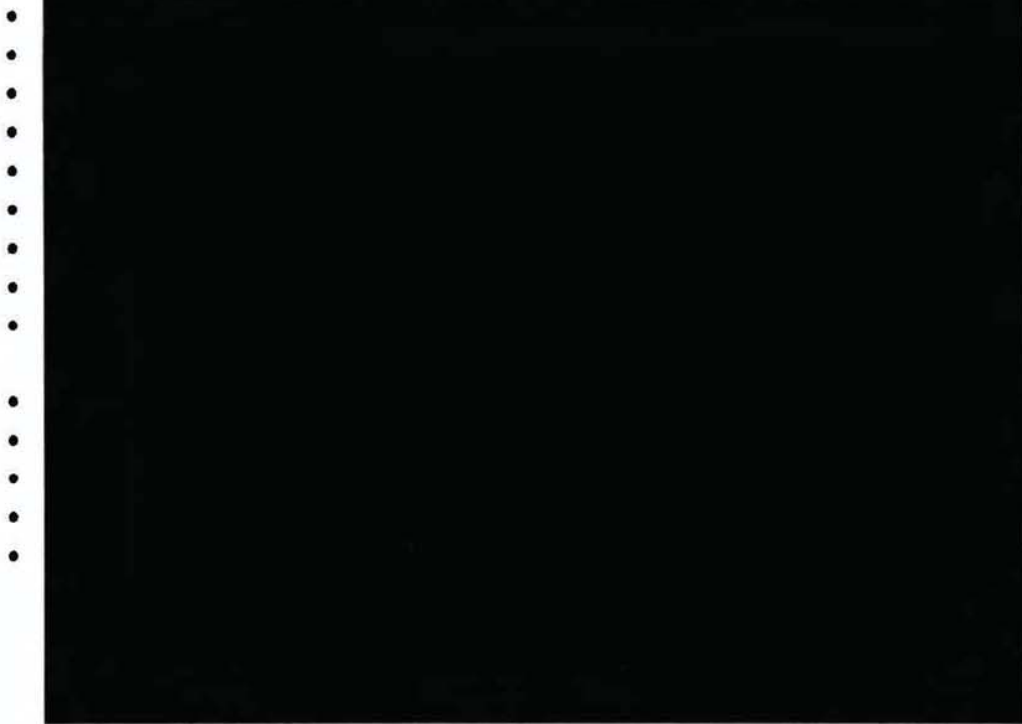
10. A joint strategy/deconfliction meeting is planned for Friday, January 15, 2010, with representatives from ICE, DEA, and ATF. This investigation, as well as other ongoing investigations, will be briefed to all present. It should be noted that deconfliction in the OCDETF Strike Force is not the issue, rather there are several Arizona ICE offices involved in this investigation due to the location of the firearms seizures and coordination between the various ICE offices has been problematic. Even though ICE has a group at

HOCR ATF - 001916

the OCDETF Strike Force the other ICE offices in Arizona are under different ASACs and that has created a coordination issue amongst all parties involved. Phoenix SAC Newell has previously requested that ICE coordinate all their investigative activity out of the OCDETF Strike Force, of which ICE is a member, in order to eliminate the requirement of the ATF Strike Force to try to coordinate with several different ICE offices. This will be discussed at the January 15 meeting.

Investigative Techniques a/o Efforts Used to Date

11. To date in this investigation we have utilized numerous proactive, advanced investigative techniques:



Investigative Strategy

12. This investigation is currently being conducted in conjunction with the Phoenix DEA OCDETF strike force. ATF Phoenix VII is the lead investigating enforcement group in the firearms trafficking portion of this investigation. A formal OCDETF proposal is completed and will be presented on January 26, 2009, in furtherance of this investigation. It is unknown at this time what direct connection exists between these straw-purchasers and the drug trafficking organizations (DTOs) of Mexico.

HOCR ATF - 001917

13. Currently our strategy is to allow the transfer of firearms to continue to take place, albeit at a much slower pace, in order to further the investigation and allow for the identification of additional co-conspirators who would continue to operate and illegally traffic firearms to Mexican DTOs which are perpetrating armed violence along the Southwest Border. This all in compliance with ATF 3310.4(b) 148(a)(2). It should be noted that since early December efforts to "slow down" the pace of these firearms purchases have succeeded and will continue but not to the detriment of the larger goal of the investigation. It should also be noted that the pace of firearms procurement by this straw purchasing group from late September to early December, 2009 defied the "normal" pace of procurement by other firearms trafficking groups investigated by this and other field divisions. This "blitz" was extremely out of the ordinary and created a situation where measures had to be enacted in order to slow this pace down in order to perfect a criminal case.
14. The ultimate goal is to [REDACTED] identify and prosecute all co-conspirators of the DTO to include the 20 identified straw purchasers, the facilitators of the distribution cell centered here in Phoenix, the transportation cells taking firearms South, and ultimately to develop and provide prosecutable information to our Mexican law enforcement counterparts for actions. It should be noted that DEA has specifically requested, at the ASAC and SAC level, that ATF continue this investigative strategy in order to not adversely impact their on-going narcotics trafficking investigation, which to date has identified direct ties between their [REDACTED] targets and the Sinaloa DTO.

Exhibit 60

Exhibit 60

From: Aarthun, Stefanie J [mailto:stefanie.aarthun@ice.dhs.gov]
Sent: Tuesday, October 18, 2011 5:36 PM
To: Leavitt, Tristan (Judiciary-Rep)
Cc: Henry, Kerne [mailto:kerne.henry@ice.dhs.gov]; Foster, Jason (Judiciary-Rep); Paris, Jeremy (Judiciary-Dem);
 Susanna, Grooms [mailto:susanna.grooms@ice.dhs.gov]; Alfred, Kimonia
Subject: Operation Fast & Furious

Tristan,

Our apologies for the delay. Please find the answer to your question below:

Question: Has ATF ever asked ICE to halt an investigation because a gun is traced back to Operation Fast and Furious?

Answer: Yes. On two occasions – one in November 2009 and one in December 2009 – ICE ceased investigations into weapons cases in response to a request by ATF. These requests were made due to the possibility that the ICE investigations would conflict with an ongoing ATF investigation. ICE later learned that the ATF investigation in question was Operation Fast and Furious.

In January 2010, after ICE was asked to halt the two investigations, ICE requested a meeting with an ATF Assistant Special Agent in Charge (ASAC) and the Assistant US Attorney (AUSA) responsible for prosecution of the ATF cases. At this meeting, the AUSA and ATF ASAC determined that the ATF investigations would take priority and asked ICE not to interfere with the ATF investigation. Further, the ATF ASAC and the AUSA requested that ICE coordinate with ATF before taking any enforcement actions against targets that may be associated with the ongoing ATF investigation. The ATF ASAC and the AUSA explained that such coordination was necessary to ensure that ATF's investigative efforts would not be damaged.

Please let us know if you have any other questions.

Thanks,
 Stefanie

Stefanie Aarthun
 Office of Congressional Relations

U.S. Immigration and Customs Enforcement

202. [REDACTED] (office) 202. [REDACTED] cell)

[REDACTED]

Exhibit 61

Exhibit 61

From: Newell, William D.
Sent: Thursday, January 14, 2010 11:41 AM
To: Gil, Darren D.
CC: Kumor, Daniel J.; Booth, David S. (IAO); Canino, Carlos A.; Gillett, George T. Jr.; Voth, David J.; Chillcott, Dewey C.; Kullman, William F.
Subject: RE: Naco, Sonora seizure

Agreed. I didn't even mention the fact that following the Agua Prieta, Arizona seizure -- a seizure by Agua Prieta PD by the way that they forwarded to ICE since we don't have an office close, the local ICE office tried to [REDACTED] We made them aware we were 100% against this [REDACTED]

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: Gil, Darren D.
Sent: Thursday, January 14, 2010 9:37 AM
To: Newell, William D.
Cc: Kumor, Daniel J.; Booth, David S. (IAO); Canino, Carlos A.; Gillett, George T. Jr.; Voth, David J.; Chillcott, Dewey C.; Kullman, William F.
Subject: RE: Naco, Sonora seizure

Bill,

I agree with your assessment.

We have grenade conflicts as well here in Mexico.

I have addressed this issue repeatedly with ICE, the DCM and the AMBO.

I have run out of options ref ICE

This is an issue for 99 NY Ave.

If it can't be resolved there then it won't be resolved here,

d

Darren D. Gil
 ATF Attache-Mexico
 [REDACTED]

A good president, wrote 19th century historian Henry Adams, "resembles the commander of a ship at sea. He must have a helm to grasp, a course to steer, a port to seek."

From: Newell, William D.
Sent: Thursday, January 14, 2010 10:22 AM
To: Gil, Darren D.
Cc: Kumor, Daniel J.; Booth, David S. (IAO); Canino, Carlos A.; Gillett, George T. Jr.; Voth, David J.
Subject: Re: Naco, Sonora seizure

Carlos is correct, we have asked ICE several times to stand down on the Naco case because they were briefed here that this seizure ties into a much bigger ATF case which relates directly to a Phoenix DEA case [REDACTED]

[REDACTED] We are meeting with the various Arizona ICE POCs tomorrow in our office in Phoenix to discuss. Problem has been that ICE has several domestic offices and their Mexico office involved and they aren't coordinating and are expecting us to deconflict with each individual ICE office. We aren't going to do that especially when just in Arizona there are 3 different ASACs and 2 Deputy SACs involved. I have made it clear with the SAC that this is an ATF ODETF Strike Force case out of the Phoenix based Strike Force. ICE has a group at the Phoenix Strike Force and we have repeatedly requested that their case (which is only based on our trace info) be coordinated with the ATF Strike Force group in order to have one deconfliction and coordination spot. Our recent requests to make this one-stop shop coordination happen have been met with "well, that's another office's case....". We will make this request again tomorrow. The other issue is our use of Suspect Guns. They don't like the fact that our tracing system will not provide them results of traces conducted by ICE in Mexico of guns we entered into Suspect Guns because we know they tie directly into our case. Question - why is ICE in Mexico still tracing guns without the knowledge of ATF Mexico or CENAPI? They aren't using the previously agreed upon CENAPI ORI. We have explained to them repeatedly the need to do this and also the reasons we enter guns into Suspect Guns. They think this an attempt to do an "end around" on them - not true, they just don't understand our system or how we conduct firearms trafficking investigations. Last time I checked this was our expertise.

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

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From: Gil, Darren D.
To: Newell, William D.
Cc: Kumor, Daniel J.; Booth, David S. (IAO); Canino, Carlos A.
Sent: Thu Jan 14 10:41:18 2010
Subject: FW: Naco, Sonora seizure
Bill,

You can read the train and see that that may be some confusion?

I am forwarding just as an FYI in case you need to de conflict with ICE

Take care

d

Darren D. Gil
ATF Attache-Mexico

[REDACTED]

A good president, wrote 19th century historian Henry Adams, "resembles the commander of a ship at sea. He must have a helm to grasp, a course to steer, a port to seek."

From: Canino, Carlos A.
Sent: Wednesday, January 13, 2010 9:21 PM
To: Gil, Darren D.
Subject: Re: Naco, Sonora seizure

I don't think this info is correct. ATF phx asked ICE to stand down reference Naco case

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From: Gil, Darren D.
To: Canino, Carlos A.; Chillcott, Dewey C.
Sent: Wed Jan 13 22:09:50 2010
Subject: Fw: Naco, Sonora seizure

HOCR ATF - 001963

Fyi
D

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From: Rojas, Alice M
To: Leadmon, Lorren D.
Cc: O'Keefe, Kevin C.; Bass, William F.; Gil, Darren D.; Fasciani, Dennis C.; Kumor, Daniel J.; Voth, David J.; Gillett, George T. Jr.; MacAllister, Hope A.
Sent: Wed Jan 13 19:35:53 2010
Subject: RE: Naco, Sonora seizure
 Hi Lorren,

I was operating on incomplete information before. It appears there is a joint ATF/ICE case being worked by BEST Phoenix (PX03BB10PX001) related to the ACOSTA Smuggling Organization. This case was just opened yesterday so when I ran queries yesterday I was not aware there was an open ICE case.

In terms of the deconfliction meeting, probably your agents in Phoenix would be in the best position to respond as the meeting will be held at ATF Phoenix. My understanding is that there will be representatives from ICE Douglas, ICE Phoenix, AIA Hermosillo and ATF Phoenix to presumably discuss this trafficking case. The only information I have is that it relates to the 11/20/2009 seizure in Naco, Sonora, MX. I don't believe it has anything to do with the ICE/ATF agents recently in Hermosillo related to that Miami investigation.

AIA Hermosillo received information from GoM contacts related to the 11/25/2009 Agua Prieta seizure. I forwarded whatever information I had to Alex earlier today. Of the traces I ran, two have been sent out within the last two days to the field for possible follow-up. [REDACTED] has close ties to two closed ICE Douglas investigations and appears to be involved in alien and possibly narcotics smuggling across the Naco, AZ POE. The information has been provided to BEST Phoenix and ICE Douglas for follow-up investigation. Another trace tied back to a recent purchase near Seattle. That was sent to SAC Seattle with a recommendation to coordinate with the local ATF office for any possible purchaser interview.

You can reach me at [REDACTED] though I can only speak to the above. If you are looking for other information, I can try to find you the appropriate POC.

From: Leadmon, Lorren D. [REDACTED]
Sent: Wednesday, January 13, 2010 5:15 PM
To: Rojas, Alice M
Cc: O'Keefe, Kevin C.; Bass, William F.; Gil, Darren D.; Fasciani, Dennis C.; Kumor, Daniel J.; Voth, David J.; Gillett, George T. Jr.; MacAllister, Hope A.
Subject: FW: Naco, Sonora seizure

ALICE- The below seizure event immediately came back to a major active ATF trafficking case involving a very, very, very large amount of firearms. Alex ran the traces for the ATF Mexico Country Office for this seizure event. There are several other seizure events linked to the case. Our case has links to a major ongoing DEA OCDETF case. The ATF Phoenix case agents have been coordinating their efforts with DEA Phoenix and we have been working with our agent assigned to DEA SOD. I am coordinating the ATF HQ support with the Mexico Country Office, Phoenix and DEA SOD. The case agents in Phoenix have been in contact with ICE in reference to the Naco, Sonora seizure and a seizure in Douglas. Our agents in the Mexico Country Office are coordinating with ICE & DEA personnel at the Embassy. After the seizure, I received the a report routed by ATF Mexico Country Office from your Assistant Attaché in Hermosillo of an interview with [REDACTED]. Are there any other reports available? . Are you saying that ICE is running an investigation parallel to that relates to this case? Do you have a connection to 11/25/2009 Agua Prieta seizure, because it is connected to the Phoenix case? An ATF Mexico Country Office agent assigned to Juarez was just in Hermosillo along with an ATF agent assigned to Miami in reference to ATF Operation Safeguard/Project Exodus. They met with DEA & ICE agents and your Assistant Attaché. Does this have anything to do with the Friday meeting to deconflict?

Please call me or furnish me a contact number so we can coordinate our efforts and exchange information.

From: Kruthaupt, Alex J.
Sent: Wednesday, January 13, 2010 2:27 PM
To: Rojas, Alice M
Cc: Leadmon, Lorren D.; Lauffer, Kristen E
Subject: RE: Naco, Sonora seizure

Alice,

Lorren is responding to your earlier request. However, I can give you the info on the .50 Cal.. Upper is a beowulf .50 cal and the lower is a

Exhibit 62

Exhibit 62

From: Voth, David J.
Sent: Thursday, December 10, 2009 7:40 PM
To: Sonnendecker, Mark
Subject: RE: DEA clearance

Yeah good times, no looking for cases they slap you right in the face...

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 5:39 PM
To: Voth, David J.
Subject: Re: DEA clearance

Wow...sounds like fun! I look forward to getting there.

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From: Voth, David J.
To: Sonnendecker, Mark
Sent: Thu Dec 10 19:37:42 2009
Subject: RE: DEA clearance

Crazy dude, we were out late every night, and our current group has purchased 90 guns that we know of this week alone. On Tuesday we followed a guy who purchased 40 AK-47s, 9 of them were already recovered near the border in Douglas, AZ on Wednesday night...24 hours!

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 5:25 PM
To: Voth, David J.
Subject: RE: DEA clearance

Roger that. The form w/ my info is attached.

How is the first week treating you?

Mark Sonnendecker
Special Agent
Bureau of Alcohol, Tobacco, Firearms, and Explosives
Los Angeles Field Division, Glendale Group 1

From: Voth, David J.
Sent: Thursday, December 10, 2009 4:24 PM
To: Sonnendecker, Mark
Subject: RE: DEA clearance

Me please, I am sending them all in together...

From: Sonnendecker, Mark
Sent: Thursday, December 10, 2009 4:43 PM
To: Voth, David J.
Subject: RE: DEA clearance

HOCR ATF - 002277

Do you want it sent to you or should I follow the instructions and send to PSB Verifications?

Thanks.

Mark Sonnendecker
Special Agent
Bureau of Alcohol, Tobacco, Firearms, and Explosives
Los Angeles Field Division, Glendale Group 1
[REDACTED]

From: Voth, David J.
Sent: Thursday, December 10, 2009 3:39 PM
To: Alt, Lawrence M.; Sonnendecker, Mark
Subject: DEA clearance

Gentlemen,

Please complete and return this form as we will be co-located with DEA at the OCDETF Strikeforce and need this processed.

Thanks,

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

HOGRA TF - 002278

Exhibit 63

Exhibit 63

[illegible]

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Page 2 of 3

Exhibit 64

Exhibit 64

From: Newell, William D.
Sent: Thursday, January 14, 2010 7:52 PM
To: McMahon, William G.
Subject: Latest in Phoenix "Fast and Furious" F/As trafficking case

Yesterday El Paso PD hit a "stash house" on information that it had dope/money/guns, etc. They found 40 AK-47s from our "Fast and Furious" case that were in Suspect Guns and were purchased by our most prolific purchaser – Christopher Sean Steward. CPB also busted a guy trying to cross into Mexico with two of "our" AK-47s from the same case and purchaser. As I said they were all purchased by our main straw purchaser, Chris Steward. [REDACTED]

[REDACTED] He's now buying FN pistols because he just turned 21. [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

[REDACTED] Our two offices are talking and we are trying to get all the info on the "stash house" since our main guy Acosta has family ties to El Paso. We believe this house may have been used as a way station for guns from the Phoenix area before attempting to cross them into Mexico. We are also coordinating with El Paso CPB to get all the info on the person they busted trying to cross the two into Mexico. We are working this "fast and furious", good news being we got another 42 off the street and can keep our case going. Hopefully the big bosses realize we are doing everything possible to prevent guns going into Mexico while at the same time trying to put together a phenomenal case. Good news too is now we have another Federal venue should the office here decide to punt. [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]
 [REDACTED]

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 Office - [REDACTED]

159	12/24/2009	Thurs	[REDACTED]	1974FI3139	Romarm/Cugir	GP WASR	7.62	Rifle
160	12/24/2009		[REDACTED]	1966PR3333	Romarm/Cugir	GP WASR	7.62	Rifle
161	12/24/2009		[REDACTED]	1985SBH4935	Romarm/Cugir	GP WASR	7.62	Rifle
162	12/24/2009		[REDACTED]	1966RS4632	Romarm/Cugir	GP WASR	7.62	Rifle
163	12/24/2009		[REDACTED]	1966PR1262	Romarm/Cugir	GP WASR	7.62	Rifle
164	12/24/2009		[REDACTED]	AB205147	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
165	12/24/2009		[REDACTED]	AB204847	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
166	12/24/2009		[REDACTED]	AB202708	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
167	12/24/2009		[REDACTED]	AB203499	CENTURY ARMS	M70AB2	7.62	Rifle

					INTL.			
168	12/24/2009			AB202876	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
169	12/24/2009			AB203056	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
170	12/24/2009			AB203461	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
171	12/24/2009			AB203177	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
172	12/24/2009			AB203188	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
173	12/24/2009			AB205205	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
174	12/24/2009			AB202791	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
175	12/24/2009			AB204842	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
176	12/24/2009			AB203076	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
177	12/24/2009			AB205095	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
178	12/24/2009			AB203640	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
179	12/24/2009			AB203466	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
180	12/24/2009			AB202714	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
181	12/24/2009			AB203219	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
182	12/24/2009			AB202686	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
183	12/24/2009			AB203362	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
184	12/24/2009			AB203113	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
185	12/24/2009			AB203071	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
186	12/24/2009			AB203051	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
187	12/24/2009			AB202901	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
188	12/24/2009			AB202776	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
189	12/24/2009			AB203578	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
190	12/24/2009			AB202803	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
191	12/24/2009			AB203564	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
192	12/24/2009			AB202849	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
193	12/24/2009			AB205059	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
194	12/24/2009			AB205114	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
195	12/24/2009			AB202864	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
196	12/24/2009			AB203090	CENTURY ARMS	M70AB2	7.62	Rifle

					INTL.			
197	12/24/2009		[REDACTED]	AB204841	CENTURY ARMS INTL.	M70AB2	7.62	Rifle
198	12/24/2009		[REDACTED]	AB203015	CENTURY ARMS INTL.	M70AB2	7.62	Rifle

From: Henderson, Frank J.

Sent: Thursday, January 14, 2010 5:12 PM

To: Williams, Curtis D.; Flores, Oscar B.; English, Tonya A.; Leadmon, Lorren D.; Voth, David J.

Cc: O'Keefe, Kevin C.

Subject: s/ns for last night

The case agents from El Paso and Phoenix are already talking. I went to the AUSA's office and looked over the affidavit for the 2 AKs at the Port. Right now, they are charging the driver w/ 1001-False Statements.

Here are the serial number for last night's seizure:

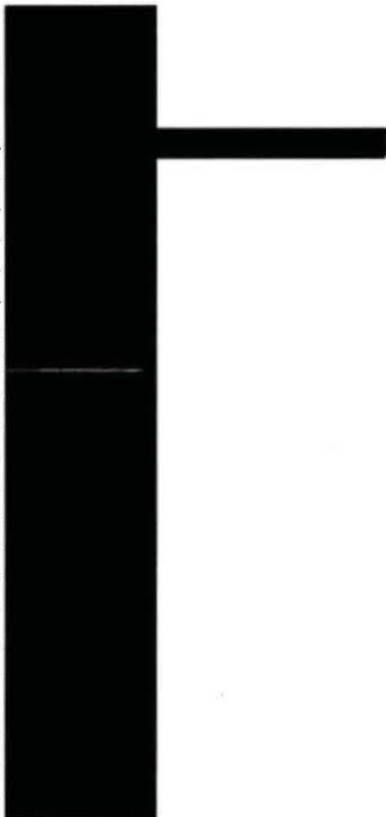
RomArm, GP/WASR 10/63:

- 1.
- 2.
- 3.
- 4.
- 5.



Century Arms, Model M70AB2:

- 6.
- 7.
- 8.
- 9.
- 10.
- 11.
- 12.
- 13.
- 14.
- 15.
- 16.
- 17.
- 18.
- 19.
- 20.
- 21.
- 22.
- 23.
- 24.
- 25.
- 26.
- 27.
- 28.
- 29.
- 30.
- 31.



32.
33.
34.
35.
36.
37.
38.
39.
40.



Frank Henderson
ATF EPIC Branch Chief
Office: 
Fax: 

Exhibit 65

Exhibit 65

From: [Alfred, Kimonia](#)
To: [Foster, Jason \(Judiciary-Rep\)](#)
Cc: [Leavitt, Tristan \(Judiciary-Rep\)](#); [Jonathan Meyer](#); [Jennifer Johnston](#); [Baronof, Kim](#)
Subject: Re: Doc for 2nd Round
Date: Tuesday, October 25, 2011 3:12:41 PM

Jason:

Thanks for your question on this. To the best of our knowledge, both documents are accurate. When the Border Patrol stopped the two individuals in question, it ran database searches on the individuals and weapons, including a National Crime Information Center ("NCIC") search on the weapons' serial numbers. That is typical Border Patrol practice for such situations. At the time, the Border Patrol Agents did not run an eTrace search as the Border Patrol had limited access to eTrace and an eTrace would only be pursued by a Border Patrol intelligence officer as a follow-up in certain situations, conditions which were not present in this case.

While we have no independent knowledge regarding the DOJ memo you shared with us, we suspect that the statement "[t]hey did not trace any of the firearms" refers to eTrace or some other tracing procedure ATF/DOJ uses with weapons. Therefore, our statement that "CBP conducted database searches on ... the weapons" is accurate, and likely does not contradict DOJ's statement.

Thank you,
 Kim Alfred

----- Original Message -----

From: Foster, Jason (Judiciary-Rep) [REDACTED]
 Sent: Wednesday, October 19, 2011 11:18 AM
 To: 'Kim Baronof' [REDACTED]
 Subject: Re: Doc for 2nd Round

Trying to reconcile the marked portion with your previous answers indicating CBP *did* check databases for the serial numbers.

 Sent using BlackBerry

----- Original Message -----

From: Baronof, Kim [REDACTED]
 Sent: Wednesday, October 19, 2011 11:02 AM
 To: Foster, Jason (Judiciary-Rep)
 Cc: Leavitt, Tristan (Judiciary-Rep)
 Subject: Re: Doc for 2nd Round

Thanks Jason.

----- Original Message -----

From: Foster, Jason (Judiciary-Rep) [REDACTED]
 Sent: Wednesday, October 19, 2011 10:53 AM
 To: 'Kim Baronof' [REDACTED]
 Cc: Leavitt, Tristan (Judiciary-Rep) [REDACTED]
 Subject: Doc for 2nd Round

Attached is the document I sent you back on July 15 related to our questions about a CBP stop of Fast and Furious suspects. Senator Grassley may reference it in his second round. I also have a hard copy for you.

Sent using BlackBerry

Kimonia Alfred
US Department of Homeland Security
Office of Legislative Affairs
(202) [REDACTED] (office)
(202) [REDACTED] (office)
(202) [REDACTED] (blackberry)

Exhibit 66

Exhibit 66

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000059 Entered Date: January 14, 2010

PHOENIX FD GROUP VII
201 E WASHINGTON ST STE 940
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10 [REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name: [REDACTED]

Address:

GLENDAL, AZ 85302

Phone: (623) [REDACTED] Ext:

FFL Number: 98602353

Invoice #:

INDIVIDUAL INFORMATION

Name: NAIME NMMA VELA JR

Address:

PHOENIX, AZ 85035

DOB: [REDACTED]

Race: HISPAN
IC

Sex: Male

Height:

Weight:

Date: 01/09/2010

ID 1: AZ DRIVER'S LICENSE #:

ID 2:

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 3

Manufacturer	Model	Caliber	Serial Number	Type	Importer
F.N. (FN HERSTAL)	FIVE-SEVEN	57	386203502	PISTOL	FNH USA LLC, FREDERICKSBURG VA
F.N. (FN HERSTAL)	FIVE-SEVEN	57	386203509	PISTOL	FNH USA LLC, FREDERICKSBURG VA
F.N. (FN HERSTAL)	FIVE-SEVEN	57	386206115	PISTOL	FNH USA LLC, FREDERICKSBURG VA

Suspect Gun: S20100000059
FOR OFFICIAL USE ONLY

Page 1 of 1

Exhibit 67

Exhibit 67

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**



Phone: [REDACTED] Fax: [REDACTED]

Print Date: [REDACTED]

SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000088

Entered Date: January 19, 2010

PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: JAIME AVILA JR

Address:

PHOENIX, AZ 85035

DOB:

Race: HISPAN
IC

Sex: Male

Height:

Weight:

Date: 01/16/2010

ID 1:

#:

ID 2:

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 3

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	WASR-10	762	1983AH3977	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1979IS1530	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1971CZ3775	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100000088

FOR OFFICIAL USE ONLY

Exhibit 68

Exhibit 68

From:
To: McMahon, William G.
Subject: FW: OCDETF Proposal
Attachments: The Fast and The Furious.doc; The Fast and The Furious narrative.doc

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
[REDACTED]

From: Gillett, George T. Jr.
Sent: Tuesday, January 26, 2010 11:26 AM
To: Newell, William D.
Subject: FW: OCDETF Proposal

Bill –

Hope MacAllister and Tonya English's OCDETF proposal was unanimously passed today at the USAO. This investigation is currently engaging [REDACTED]. Hope is working on the [REDACTED]. We'll coordinate with ATF Counsel and the USAO regarding review of the [REDACTED]. Purchases have significantly slowed for now as the "straws" are waiting for a significant cash infusion to make some "large" purchases, whatever those might be.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
[REDACTED]

HOGR ATF - 002217

Exhibit 69

Exhibit 69

RC-1

From: Voth, David J. (ATF)
Sent: Friday, February 05, 2010 5:20 PM
To: Hurley, Emory (USAAZ)
Subject: FW: OCDETF Operation The Fast and The Furious

Here you go...!

From: Gee, Chong (USATXS) RC-1
Sent: Friday, February 05, 2010 8:26 AM
To: English, Tonya A.; MacAllister, Hope A.
Cc: Voth, David J.
Subject: OCDETF Operation The Fast and The Furious

Good morning Hope/Tonya

Congratulations on your approval of the sponsored OCDETF investigation, Operation The Fast and The Furious. The number assigned by the SW Regional Committee is **SWAZP0496**. Please contact me in regards to any funding need you may have including state/local overtime.

Also, it is imperative that your time working on this investigation is reported accurately. All manpower, including other participating S/As, expended in this case must be coded to project code C1C in the WEB T&A. When completing your T&A, referencing to OCDETF, click on the work "New" in the lower left corner of your T&A Data Sheet. Under required fund for Accounting Selector, place 03 (700R) Reim; put your organization code in and C1C (OCDETF) under project. The rest is self explanatory and click on continue.

Thank you for your participation in the OCDETF Program. I am available to assist you in any way possible throughout this investigation.

Take care.

SA Chong Gee

ATF OCDETF Coordinator

Southwest Region

USAO- RC-1

CELL RC-1

Exhibit 70

Exhibit 70

[REDACTED]

From: English, Tonya A. [REDACTED]@usdoj.gov]
Sent: Wednesday, January 27, 2010 1:31 PM
To: [REDACTED]
Subject: Ref Wire tap affidavit and order

Hey [REDACTED]

Would it be possible to receive a copy of the wire tap affidavit and order that relates to Manuel Acosta please? Just let me know.

Thanks,

Tonya

[REDACTED]

Exhibit 71

Exhibit 71

[REDACTED]

From: Newell, William D.
Sent: Friday, February 05, 2010 2:00 PM
To: Gillett, George T. Jr.
Subject: FW: Phoenix "Fast and Furious" OCDETF Strike Force F/As Traff - TIII Affidavit Memo
Attachments: 20100205134642944.pdf

FYI

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - (602) [REDACTED]

-----Original Message-----

From: Newell, William D.
Sent: Friday, February 05, 2010 1:59 PM
To: McMahon, William G.
Cc: Vidoli, Marino F.
Subject: Phoenix "Fast and Furious" OCDETF Strike Force F/As Traff - TIII Affidavit Memo

Attached is the cover memo requesting authorization to conduct a T-III intercept on the main suspect in our on-going OCDETF Strike Force firearms trafficking case out of Phoenix entitled "The Fast and Furious", OCDETF SWB# SWAZP0496. I could not scan the actual affidavit due to its size so I am FedExing that to you along with the original memo.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - (602) [REDACTED]



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

201 E Washington St., Suite 940, Phoenix, AZ

February 5, 2010

www.atf.gov

785115: DJV
3264

MEMORANDUM TO: Deputy Assistant Director - West
Field Operations

THRU: Special Agent in Charge
Phoenix Field Division

APPROVED
2/5/10

FROM: Group Supervisor
Phoenix Group VII

SUBJECT: Request for authorization to seek Title III intercept of telephonic
communications.

This memorandum serves to request authorization to initiate a Title III cellular telephone intercept per ATF Order 3530.2, Electronic Surveillance Procedures. The case involved is ATF investigation 785115-10- [REDACTED] which is a Southwest Border Firearms Trafficking Investigation providing firearms to Mexican Drug Cartels. This is an approved Organized Crime Drug Enforcement Task Force investigation; OCDETF # SWAZP0496.

The attached affidavit is being prepared in cooperation with the United States Attorney's Office, who will vet this version through the DOJ Office of Enforcement Operations (OEO). Once the affidavit has been approved by Justice they will seek the ATF Agency approval memorandum to complete the approval process.

BACKGROUND AND SCOPE OF INVESTIGATION

The states of Texas, California, Arizona and New Mexico supply 75% of all firearms illegally trafficked into the Republic of Mexico. The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) has identified the Phoenix, Arizona area as being one of the top five metropolitan areas where firearms and ammunition are obtained for this purpose. The drug violence in Mexico has escalated with the expansion of the cartels' arsenals.

In October 2009, ATF Phoenix Field Division (PFD) Phoenix Group VII Strike Force initiated investigations involving approximately five possible straw purchasers of firearms pursuant to ATF's Southwest Border/Operation Gunrunner Initiative. ATF Special Agents (Agents) received information from a Source of Information (SOI) that Jacob CHAMBERS, [REDACTED], [REDACTED], and

[REDACTED] had purchased numerous AK-47 style rifles from the same Glendale, AZ, Federal Firearms Licensee (FFL) during the same approximate time period. ATF agents also received information that a subject identified as Uriel PATINO had purchased numerous AK-47 style rifles and pistols during a short time frame from two FFL's including the FFL utilized by the above mentioned purchasers.

In November 2009, ATF agents identified additional straw purchasers Joshua MOORE, [REDACTED], Dejan HERCEGOVAC, Jaime AVILA, Jr., [REDACTED], and [REDACTED], through the SOI, FFL record checks, and surveillance operations. During the surveillance operations, ATF agents identified a Glendale, AZ, residence owned by a member of the CELIS-ACOSTA family, and a Phoenix automotive business that are being utilized as firearm drop locations. On November 20, 2009, some of the firearms purchased by the identified straw purchasers were recovered in a Naco, Sonora, Mexico seizure including firearms with a short time to crime. [REDACTED] and [REDACTED] were identified as additional straw purchasers from the Naco, Sonora, Mexico firearms seizure.

In December 2009, [REDACTED] were also identified as straw purchasers in December. On December 8, 2009, the SOI received a telephone call from a telephone number identified from Caller ID as belonging to Manuel Celis inquiring about AK-47 style firearms. On the same date, ATF agents identified additional straw purchaser Sean STEWARD through the SOI. During the subsequent surveillance operation, a traffic stop was initiated on a vehicle occupied by STEWARD. The occupants of the vehicle were identified as STEWARD, Manuel CELIS-ACOSTA and [REDACTED]. On December 9, 2009, nine firearms purchased by STEWARD on December 8, 2009, were recovered by Douglas, Arizona PD. The firearms were traced by an ICE SAC Phoenix agent on December 10, 2009. ATF agents contacted the Phoenix ICE agents in reference to the seizure.

During a Deconfliction meeting with DEA on December 15, 2009, the DEA Operation FLACO FEO case agents advised that numerous telephone calls had been intercepted involving FNU LNU aka [REDACTED] and the Phoenix DEA/GPD Operation FLACO FEO targets. [REDACTED] is believed to be in [REDACTED], Mexico, and has been intercepted orchestrating different amounts of US currency being illegally brought into the US for the purpose of purchasing firearms via the Phoenix DEA/GPD Operation FLACO FEO targets. Those targets were intercepted making arrangements with telephone numbers utilized by CELIS-ACOSTA, CHAMBERS and STEWARD to obtain the firearms for [REDACTED]. On December 21, 2009, an intercepted telephone call between CELIS-ACOSTA and an Operation FLACO FEO target revealed that firearms recently purchased in Phoenix were going to be driven to El Paso, TX and trafficked into Mexico.

ATF agents believe that a Phoenix-based firearm trafficking group is actively purchasing firearms through straw purchasers using bulk narcotics proceeds. The firearms are then being trafficked into Mexico using non-factory compartments in various vehicles through various Ports of Entry (POE's) in Arizona and Texas.

Since the ATF case was initiated, ATF agents have identified approximately seventeen straw purchasers who have purchased a large amount of AK-47 style rifles and pistols from various FFL's in the Phoenix Metropolitan area and Prescott, AZ, since September 2009. There have been four firearms seizures in Arizona that were purchased by the identified straw purchasers including the above mentioned Douglas, AZ seizure. There have been two firearms seizures in El Paso, Texas, on January 13, 2010, involving firearms purchased by STEWARD. There have been five firearms seizures in Mexico involving firearms purchased by identified straw purchasers including the above mentioned Naco Seizure; a November 25, 2009, Agua Prieta, Sonora, seizure; a December 9, 2009, Mexicali, Baja California,

seizure that yielded a seizure of over \$2 million dollars in US Currency, firearms, cocaine and methamphetamine from inside a warehouse; a December 18, 2009, seizure in Tijuana, Baja California; and a January 8, 2010, Tijuana, Baja California, seizure.

NAMES AND BACKGROUND OF PROSPECTIVE SUBJECTS

1. Manuel Fabian CELIS-ACOSTA - Date of Birth: [REDACTED]
 Arizona Driver's License Number: [REDACTED]
 Social Security Number: [REDACTED]
 Alien Registration Number [REDACTED] (Permanent Resident Alien)
 ADDRESS: [REDACTED], Phoenix, Arizona 85037
 Alternate Address: [REDACTED] Phoenix, Arizona 85033
2. [REDACTED]
 [REDACTED]
 Security [REDACTED]
 [REDACTED]
3. [REDACTED]
 [REDACTED]
 Security [REDACTED]
 [REDACTED]
4. [REDACTED] LNU: Date of Birth: Unknown
 ADDRESS: Agua Prieta, Sonora, Mexico
 Mexican National
5. Uriel PATINO - Date of Birth: [REDACTED]
 Arizona Driver's License: [REDACTED]
 Social Security Number: [REDACTED]
 United States Citizen
 ADDRESS: [REDACTED], Phoenix, Arizona 85035
6. Sean Christopher STEWARD - Date of Birth: [REDACTED]
 Arizona Driver's License Number: [REDACTED]
 Social Security Number: [REDACTED]
 United states Citizen
 ADDRESS: [REDACTED], Phoenix, Arizona, 85008
7. Jacob Wayne CHAMBERS - Date of Birth: [REDACTED]
 Arizona Driver's License: [REDACTED]
 Social Security Number: [REDACTED]
 United States Citizen
 ADDRESS: [REDACTED], Buckeye, Arizona, 85326

SUPERVISING UNITED STATES ATTORNEYS/AGENTS/OFFICERS

1. Assistant United States Attorney Emory Hurley
2. ATF Special Agent Hope MacAllister
3. ATF Special Agent Tonya English

CERTIFICATION

The normal investigative procedures characteristic of those utilized in this type of criminal case and outlined in this section have proven insufficient to develop evidence that all parties associated with the target organization along with the scope of their involvement have been identified. These procedures have been tried and failed, appear unlikely to succeed if tried, and in certain circumstances are too dangerous to employ. They have failed to identify all significant members of the organization all of the co-conspirators transporting the firearms, and all of the co-conspirators distributing the firearms once in Mexico. It is unlikely that this information will be obtained without the interception of the wire communications over the *Target Telephone 1*.

It is our belief that the interception of wire communication is the only investigative technique that has a reasonable likeliness to success in securing evidence needed to prove beyond a reasonable doubt that the target subjects and other not yet identified are acting as part of a firearms trafficking organization, are engaged in the straw purchase of firearms, and are engaged in the possession and distribution of firearms to Mexican Drug Cartels and are supplying these firearms in furtherance of drug trafficking crimes, and the laundering of monetary proceeds.

The following investigative techniques, including the use of physical surveillance, pen analysis, and interviewing, have all provided valuable information to the investigators. They however have not provided investigators information relating to the organization as a whole and as such have hindered the investigators ability to successfully ascertain each of the participant's level of involvement within the conspiracy.

SUBSCRIBER TELEPHONE LINE

The focus of this investigation is the firearm trafficking organization of the target subjects. It is believed that conversations of the aforementioned persons and others yet to be identified are likely to be overheard through the interception of wire communications over target cellular telephone bearing the number [REDACTED], *Target Telephone 1*. *Target Telephone 1*, [REDACTED] is a T-Mobile cellular telephone, with International Mobile Subscriber Identifier (IMSI) [REDACTED], subscribed to and utilized by Manuel CELIS.

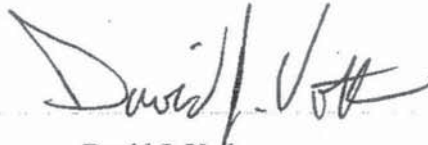
LOCATIONS

Residence of Manuel CELIS: [REDACTED] Phoenix, AZ, 85033.

DURATION

This application to intercept wire communications is for a period of thirty (30) days. It is believed that the facts stated above establish that the target subjects are engaged in a continuing criminal enterprise and that the evidence sought will be intercepted on a continual basis following the first of the particular communications that are the object of this request. Therefore, it is requested that interception not

automatically terminate upon the first interception of wire communications determined to be relevant to the firearm offenses set forth above but be allowed to continue until the full scope of the enterprise is developed, including the identities of all participants, their places and methods of operation and the various activities in which they are engaged in furtherance of the enterprise or for thirty (30) days, whichever comes first. The thirty (30) days will be measured from either the day on which investigators or law enforcement officers first begin to conduct an interception under the Court's Order or ten (10) days after the Order is issued, whichever is earlier.



David J. Voth

Attachment: Affidavit of ATF Special Agent Hope MacAllister seeking T-III Order Authorizing Interception of Audio Communication.

Exhibit 72

Exhibit 72

RC-1

From: Burke, Dennis (USAAZ)
Sent: Thursday, February 18, 2010 3:52 PM
To: Hurley, Emory (USAAZ)
Subject: RE: Manuel Celis Acosta Trafficking Investigation

Helpful. Thanks. Fingers crossed.

From: Hurley, Emory (USAAZ)
Sent: Thursday, February 18, 2010 1:40 PM
To: Burke, Dennis (USAAZ)
Subject: RE: Manuel Celis Acosta Trafficking Investigation

RC-3

The latest development in the case is that one player in this investigation was picked up last night in connection with another case (Parecki's), with \$100,000+ and two pounds of meth. Now we have to cross our fingers and hope that our main target RC-3 as a reaction to this arrest.

From: Burke, Dennis (USAAZ)
Sent: Wednesday, February 17, 2010 6:18 PM
To: Hurley, Emory (USAAZ)
Cc: Morrissey, Mike (USAAZ)
Subject: RE: Manuel Celis Acosta Trafficking Investigation

Thanks. Very helpful.

RC-3

From: Hurley, Emory (USAAZ)
Sent: Tuesday, February 16, 2010 4:36 PM
To: Burke, Dennis (USAAZ)
Cc: Morrissey, Mike (USAAZ)
Subject: RE: Manuel Celis Acosta Trafficking Investigation

An AK variant with a GPS device [RC-3] was sold to a conspirator and will be tracked until the battery goes dead. Right now the device has only gone so far as Avondale.

RC-3

RC-3

Emory

From: Burke, Dennis (USAAZ)
Sent: Tuesday, February 16, 2010 4:03 PM
To: Hurley, Emory (USAAZ)
Cc: Morrissey, Mike (USAAZ)
Subject: Manuel Celis Acosta Trafficking Investigation

Any movement on this guy by ATF?

Dennis K. Burke
United States Attorney
District of Arizona
40 N. Central Avenue, Suite [RC-1]
Phoenix, AZ 85004
Ph: [RC-1]
Fx: [REDACTED]

RC-1

From: Newell, William D. (ATF)
 Sent: Monday, February 22, 2010 10:18 AM
 To: Burke, Dennis (USAAZ)
 Subject: RE: [REDACTED] 50 caliber rifle

10-4, it's part of the "Fast and Furious" OCEETF Strike Force case we are hoping to be up on a Federal T-III soon. This group is up to approx 800 "weapons of choice" mainly AK-47s, FN 5.7 pistols, etc. Emory is fully up to speed on it but if you want a more in-depth briefing we can do that over here at your earliest convenience. We have the charts showing the trafficking hierarchy, links due to purchases, phone tolls, intel from surveillance, etc.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - RC-1

-----Original Message-----

From: Burke, Dennis (USAAZ) RC-1
 Sent: Monday, February 22, 2010 8:13 AM
 To: Newell, William D.
 Cc: Hurley, Emory (USAAZ)
 Subject: RE: [REDACTED] .50 caliber rifle

What happened last Saturday w/ the 42 AK-47s? Do we have that case?

-----Original Message-----

From: Newell, William D. (ATF)
 Sent: Monday, February 22, 2010 7:34 AM
 To: Burke, Dennis (USAAZ)
 Cc: Hurley, Emory (USAAZ)
 Subject: TNW .50 caliber rifle

This is was seizure two weeks ago in Baja Norte, Mexico. In the picture ATF SA Jose Wall is inspecting the TNW, .50 caliber rifle. If you recall two years ago we seized 42 "weapons of choice" out of a storage locker in Yuma following a Phoenix gun show operation. Also seized was approx 500 rounds of linked .50 caliber ammo. All were headed to Mexico and all are still in our ATF vaults here in Phoenix. RC-5

RC-5

[REDACTED] Since then several .50 caliber rifles have been seized in Mexico but not the one purchased in Kingman - not yet. So every time a [REDACTED] .50 caliber rifle is seized in Mexico we immediately dispatch an agent to verify the information. TNW Firearms Inc., is based in Oregon. See more at [REDACTED]

One of the [REDACTED] .50 caliber rifles seized was the one in April, 2009 in Sonora from the Iltan Leyva DTO (see second photo attachment). The pictures of this gun, mounted in the back of a pickup behind a man-made shooting platform, fed the rumor mill on the internet and the media of the people who believe that this gun, and many more like it, come from the Central/South American black market or are "stolen" from the Mexican military. Not true at

least not in this case and from what we see on a daily basis - including the 42 AK-47 rifles we seized this past Saturday west of Tucson and a mile from the border. The Casa Grande Border Patrol folks assisted us in an outstanding manner with this. The two cars carrying these firearms were about to cross into Mexico. This is from the ATF "Fast and Furious" DETF case. The suspects stopped at an address in Tucson before heading south and as it turns out this residence is a main target residence in our "Wide Receiver" OCDETF case out of Tucson.

Bill Newell

Special Agent in Charge

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - RC-1

RC-1

From: Hurley, Emory (USAAZ)
Sent: Monday, February 22, 2010 4:13 PM
To: Cunningham, Patrick (USAAZ)
Cc: Morrissey, Mike (USAAZ)
Subject: FW: TNW .50 caliber rifle

Pat,

Bill Newell's email below regarding a seizure of 42 (now I understand it to be 41) AK-47s is linked to the Fast and Furious ODETF case in which we are drafting a wire application. The AKs were being driven by people not yet identified as major targets and may just be mules for the gun traffickers. We had a GPS device inside one of the rifles and the shipment was going to be interdicted during and out-bound inspection. The drivers apparently saw the out-bound secondary inspection going on and turned around. The agent did not have much specific information about the stop and seizure of the firearms, but is optimistic that there was a pretext stop so the drivers and the traffickers are not too hinked up. Drivers were not arrested, one is showing willingness to be interviewed and/or cooperate.

I can further brief you and Dennis at your convenience.

Thank you
 Emory

-----Original Message-----

From: Burke, Dennis (USAAZ)
Sent: Monday, February 22, 2010 9:24 AM
To: Hurley, Emory (USAAZ)
Subject: RE: TNW .50 caliber rifle

Talk to Cunningham. I would like a briefing from you and him on Fast and Furious when I get back to Phoenix.
 Thanks.

This is great stuff!

-----Original Message-----

From: Hurley, Emory (USAAZ)
Sent: Monday, February 22, 2010 8:57 AM
To: Burke, Dennis (USAAZ)
Subject: RE: TNW .50 caliber rifle

I have a call in to the case agent. I have not yet heard about the 42 AKs, but if they are linked to Fast and Furious, or Wide Receiver, then the case is ours. I will let you know as soon as I know more.

-----Original Message-----

From: Burke, Dennis (USAAZ)
Sent: Monday, February 22, 2010 8:13 AM
To: Newell, William D. (ATF)

Exhibit 73

Exhibit 73

From: Newell, William D.
Sent: Monday, February 22, 2010 11:56 AM
To: Voth, David J.; Gillett, George T. Jr.
Subject: RE: FYI photo from this weekend...

Mr. Gillett sent it to me yesterday but thank you. Also, I talked to the USA this morning about this case and advised him of the seizure and link to the Tucson OCDETF case. He was taken aback by some of the facts I informed him about (including the fact that we are up to approx 800 guns) so I am setting up a briefing for him (alone no USAO "posse") about this case and several other cases I feel his is being mislead about. Should be within the next couple of weeks so be prepared. Thanks.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
Office - [REDACTED]

From: Voth, David J.
Sent: Monday, February 22, 2010 9:53 AM
To: Gillett, George T. Jr.; Newell, William D.
Subject: FYI photo from this weekend...

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 74

Exhibit 74

RC-1

From: Burke, Dennis (USAAZ)
 To: Monday, February 22, 2010 6:33 PM
 Hernandez, Norma (USAAZ)
 Subject: FW: [REDACTED] .50 caliber rifle
 Attachments: IMG00026-20100210-1431.jpg; 3297430.jpg

Need a briefing on this from Emory, Mike Morrissey and Pat Cunningham. Soon as we can.
 Thx.

-----Original Message-----

From: Newell, William D. (ATF)
 Sent: Monday, February 22, 2010 7:34 AM
 To: Burke, Dennis (USAAZ)
 Cc: Hurley, Emory (USAAZ)
 Subject: TNW .50 caliber rifle

This is was seizure two weeks ago in Baja Norte, Mexico. In the picture ATF SA Jose Wall is inspecting the [REDACTED] .50 caliber rifle. If you recall two years ago we seized 42 "weapons of choice" out of a storage locker in Yuma following a Phoenix gun show operation. Also seized was approx 500 rounds of linked .50 caliber ammo. All were headed to Mexico and all are still in our ATF vaults here in Phoenix. RC-5

RC-5

[REDACTED] Since then several [REDACTED] .50 caliber rifles have been seized in Mexico but not the one purchased in Kingman - not yet. So every time a [REDACTED] .50 caliber rifle is seized in Mexico we immediately dispatch an agent to verify the information. [REDACTED]

One of the [REDACTED] .50 caliber rifles seized was the one in April, 2009 in Sonora from the Beltran Leyva DTO (see second photo attachment). The pictures of this gun, mounted in the back of a pickup behind a man-made shooting platform, fed the rumor mill on the internet and the media of the people who believe that this gun, and many more like it, come from the Central/South American black market or are "stolen" from the Mexican military. Not true at least not in this case and from what we see on a daily basis - including the 42 AK-47 rifles we seized this past Saturday west of Tucson and a mile from the border. The Casa Grande Border Patrol folks assisted us in an outstanding manner with this. The two cars carrying these firearms were about to cross into Mexico. This is from the ATF "Fast and Furious" OCDETF case. The suspects stopped at an address in Tucson before heading south and as it turns out this residence is a main target residence in our "Wide Receiver" OCDETF case out of Tucson.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) Phoenix Field Division (Arizona and New Mexico) Office - RC-1

Exhibit 75

Exhibit 75

RC-1

From: Hornbuckle, Patrick (USAAZ)
nt: Friday, February 26, 2010 1:21 PM
To: Burke, Dennis (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Subject: RE: 73 weapons of Navojoa Son.

Will do

From: Burke, Dennis (USAAZ)
Sent: Friday, February 26, 2010 10:58 AM
To: Hornbuckle, Patrick (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Subject: Fw: 73 weapons of Navojoa Son.

Find out if ATF is going back to Robert Anglen on this at some pt. Thx.

From: Burke, Dennis (USAAZ)
To: Newell, William D. (ATF); Hurley, Emory (USAAZ)
Sent: Fri Feb 26 12:55:40 2010
Subject: Re: 73 weapons of Navojoa Son.

Wow! Thx.

From: Newell, William D. (ATF)
To: Burke, Dennis (USAAZ); Hurley, Emory (USAAZ)
Sent: Fri Feb 26 11:30:18 2010
Subject: FW: 73 weapons of Navojoa Son.

Big firearms seizure in Sonora yesterday. Look at how many of the AR-15s (including several from [REDACTED]) have had their serial numbers obliterated. Word's gotten around about serial numbers, something we expect and why we have a very active serial number restoration training program. Also, we are going through these firearms right now but I can guarantee you a good number of these are from our "Fast and Furious" OCDETF Strike Force case.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 Office - RC-1 [REDACTED]

From: Ordonez, Carlos F.
Sent: Friday, February 26, 2010 9:00 AM
To: Newell, William D.

Exhibit 76

Exhibit 76

From: Newell, William D.
 Sent: Friday, October 29, 2010 1:22:00 PM
 To: McMahon, William G.
 Subject: Fw: Fast and Furi.

FYI - before I left Orlando I asked Jim to verify what I told you and Mark earlier was correct, that being the purchases have slowed significantly. Several reasons for this main one being [REDACTED] (Acosta) is in some trouble with the Glendale PD [REDACTED]

[REDACTED] Also, we have been very successful over the past several months in seizing guns before they head south by quickly responding to calls from cooperating FFLs as well as "flagging" our known straw purchasers via NICS.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Needles, James R.
 To: Newell, William D.
 Sent: Fri Oct 29 12:46:19 2010
 Subject: RE: Fast and Furi.

Of the [REDACTED] individuals we know of who are supplying firearms to the organization, in the last 30 days one individual (Patino) purchased 5 firearms which we immediately seized, that was on Oct. 8. We have flagged these individuals in NICS and are notified if they make a purchase.

-----Original Message-----

From: Newell, William D.
 Sent: Friday, October 29, 2010 4:46 AM
 To: Needles, James R.
 Subject: Fw: Fast and Furi.

Get with Voth since you're together and give me a status on firearms purchase activity over the past 30 days of the suspects in this case. An e-mail will suffice.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Chait, Mark R.
 To: Newell, William D.
 Cc: McMahon, William G.
 Sent: Fri Oct 29 07:39:08 2010
 Subject: Re: Fast and Furi.

I'm concerned that we are not shutting down the activity waiting on an indictment. Thanks
 Mark R. Chait
 Assistant Director

HOCR ATF - 001912

Field Operations

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Newell, William D.
 To: Chait, Mark R.
 Cc: McMahon, William G.
 Sent: Fri Oct 29 07:29:16 2010
 Subject: Re: Fast and Furi.

No, they pushed it to December 7. I was supposed to meet with the USA this coming week to discuss the delay but he canceled due to an "unexpected" DC trip. I'm going to call him today.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Chait, Mark R.
 To: Newell, William D.
 Cc: McMahon, William G.
 Sent: Fri Oct 29 07:27:17 2010
 Subject: Fast and Furi.

Any news on a quicker indictment?
 Mark R. Chait
 Assistant Director
 Field Operations

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

HOGRAF - 001913

Exhibit 77

Exhibit 77

From: Voth, David J.
Sent: Monday, March 01, 2010 9:00 AM
To: Phoe-Group VII
Subject: keeping up with Patino

Patino, Uriel	2/24/2010	19:36	986013012L02353 Sale of a Long Gun
Tatino, Uriel	2/25/2010	18:14	986013012L02353 Sale of a Long Gun
Patino, Uriel	2/26/2010	17:11	986013012L02353 Sale of a Long Gun
Patino, Uriel	2/27/2010	16:38	986013012L02353 Sale of a Handgun
Patino, Uriel	2/27/2010	17:34	986013102J01053 Sale of a Handgun

I know people were off on Friday due to working the Gun Show on Saturday (thanks) but we need to make sure we stay up to date on Patino's firearms purchases; he bought on Wednesday, Thursday, Friday, and twice on Saturday.

David Voth
 Group Supervisor
 Phoenix Group VII
 602- [REDACTED]

Exhibit 78

Exhibit 78

[REDACTED]

From: Voth, David J.
Sent: Thursday, March 11, 2010 9:11 AM
To: Phoe-Group VII
Subject: FW: another hit
Attachments: AZ SWB Tracking.xlsx

Patino bought handgun at hand gun At [REDACTED] last night @ 6:30ish. You probably know this but if not FYI...

From: [REDACTED]
Sent: Thursday, March 11, 2010 5:36 AM
To: Voth, David J.
Subject: another hit

David,
Here is the updated list. Patino again.

Eric M. Moore
ATF NICS Liaison Specialist

[REDACTED] phone
[REDACTED] fax
[REDACTED] cell

Exhibit 79

Exhibit 79

From: Voth, David J.
Sent: Tuesday, March 16, 2010 9:03 AM
To: Phoe-Group VII
Subject: FW: Investigations

Patino, Montelongo, and Celis all bought guns on 03/15/2010...

From: [REDACTED] [eo.gov](mailto:[REDACTED]@eo.gov)
Sent: Tuesday, March 16, 2010 8:15 AM
To: Voth, David J.
Subject: Investigations

David,

Here are three more (all from the same FFL):

Name: Uriel Patino
DOB: [REDACTED]
SS# [REDACTED]
Create Date: 3/15/2010
Time: 4:29 PM Eastern Time
Type: Long gun
NTN: 1JPP-0LY

Name: Jacob Montelongo
DOB: [REDACTED]
SS# [REDACTED]
Create Date: 3/15/2010
Time: 7:23 PM Eastern Time
Type: Handgun
NTN: 1JPT-GSH

Name: Alfredo Celis
DOB: [REDACTED]
SS# not provided
Create Date: 3/15/2010
Time: 4:59 PM Eastern Time
Type: Long gun
NTN: 1JPP-LWW

FFL Number (RDS key): [REDACTED]
FFL Name: [REDACTED]
Address: [REDACTED]
 Glendale, AZ 85302

Let me know if you need anything else.

Thanks,
Marc


Marc Chamberlain
NICS Liaison Specialist
FBI NICS Section


Exhibit 80

Exhibit 80

304- [REDACTED] phn
 304- [REDACTED] fax

From: Voth, David J. [REDACTED]
Sent: Thursday, March 25, 2010 13:55
To: eric.m.moore@[REDACTED]
Subject: Updating the NICS watch list for our case

Eric,

We appreciate all the work you have done on this case and it has proven very helpful. After receiving your NICS watch list the other day we queried our end and found few minor discrepancies. The ones highlighted below in yellow are on your list but with slightly different DOB or SSN. This is the correct information here.

Celis, Alfredo; [REDACTED]; [REDACTED] (Correct SS# [REDACTED])
 Chambers, Jacob; [REDACTED]; [REDACTED] (Correct SS# [REDACTED])
 [REDACTED]; [REDACTED]; [REDACTED] (Correct DOB [REDACTED])
 Moore, Joshua; [REDACTED]; [REDACTED] (Correct SS# [REDACTED])

Can we add the individuals listed below to the NICS watch list for our investigation? They are continually recruiting new Straw Purchasers and other are obviously falling off. These individuals have purchased firearms recently with our crew (Patino, Moore, etc) and have been connected through surveillance and Pen Register data.

[REDACTED]
 [REDACTED]
 [REDACTED]

Thanks again for all your help,

David Voth
 Group Supervisor
 Phoenix Group VII
 602- [REDACTED]

Exhibit 81

Exhibit 81

From: Voth, David J.
Sent: Monday, May 24, 2010 1:06 PM
To: MacAllister, Hope A.; English, Tonya A.; Sonnendecker, Mark
Subject: FW: Investigations
Attachments: Voth Tracking.xlsx

RC-5	Avila, Jaime	5/21/2010	19:00	RC-5	Sale of a Handgun
	Montelongo, Jacob	5/21/2010	21:11		Sale of a Long Gun
	Patino, Uriel	5/22/2010	19:45		Sale of a Long Gun
	Patino, Uriel	5/22/2010	20:25		Sale of a Handgun and Long Gun

Wouldn't be great if we were up on RC-3 ...anyway 4 transactions, the only one I knew of was Montelongo.

From: Chamberlain RC-1
Sent: Monday, May 24, 2010 10:02 AM
To: Voth, David J.
Subject: Investigations

David,

There were four more transactions over the weekend. The updated spreadsheet is attached. Let me know if you need anything else.

Thanks,
 Marc

Marc Chamberlain
 NICS Liaison Specialist
 FBI NICS Section

RC-1

HOCR ATF - 002691

Exhibit 82

Exhibit 82

From: Voth, David J.
Sent: Thursday, February 25, 2010 6:59 PM
To: Newell, William D.; Gillett, George T. Jr.
Subject: Going to DC?

Gentlemen;

I have unofficially been informed that while in the DC area next week to attend the DEA SOD meeting I will be asked to stay a day extra to go to ATF HQ and attend a briefing to Mr. Hoover (and others obviously) regarding our current case. I am sure you are aware but I just thought I would make sure.

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 83

Exhibit 83

From: Leadmon, Lorren D.

Sent: Friday, March 05, 2010 5:40 PM

To: Chait, Mark R.; McMahon, William G.; Martin, Steve K.; Newell, William D.; Champion, Robert R.; Torres, John A.; Webb, J. Dewey; Gillett, George T. Jr.; Needles, James R.; Golson Sr., Michael A.; Chisholm, Kenneth L.; Elder, Robert W.; Anglin, Karl G.; Shaefer, Christopher C.; Kumor, Daniel J.; Rowley, Raymond G.; Quinonez, Louis A.; Dwyer, Daniel J.; Cole-Bigelow, Delmaria; Bohan, Rich G.

CC: Martin, Steve K.; O'Keefe, Kevin C.; Bass, William F.; Feingold, Edward D.

Subject: FW: Presentation Slides and Case synopsis document

Attachments: Timeline for briefing 030410.docx; PHX presentation (final) draft presented on 030510.pdf

Attached is the timeline briefing handout and a PDF of the powerpoint presentation from today's briefing on Operation - The Fast and The Furious

LORREN D. LEADMON

TEAM LEADER

Field Intelligence Support Team - Southwest Border
Bureau of Alcohol, Tobacco, Firearms and Explosives
Intelligence Operations Specialist



HOCR ATF - 002091

Exhibit 84

Exhibit 84

OPERATION THE FAST AND THE FURIOUS



HOCR DOJ 002819

Note: Two pages have been withheld from this seven page document because they included sensitive investigative details and information about targets/subjects.

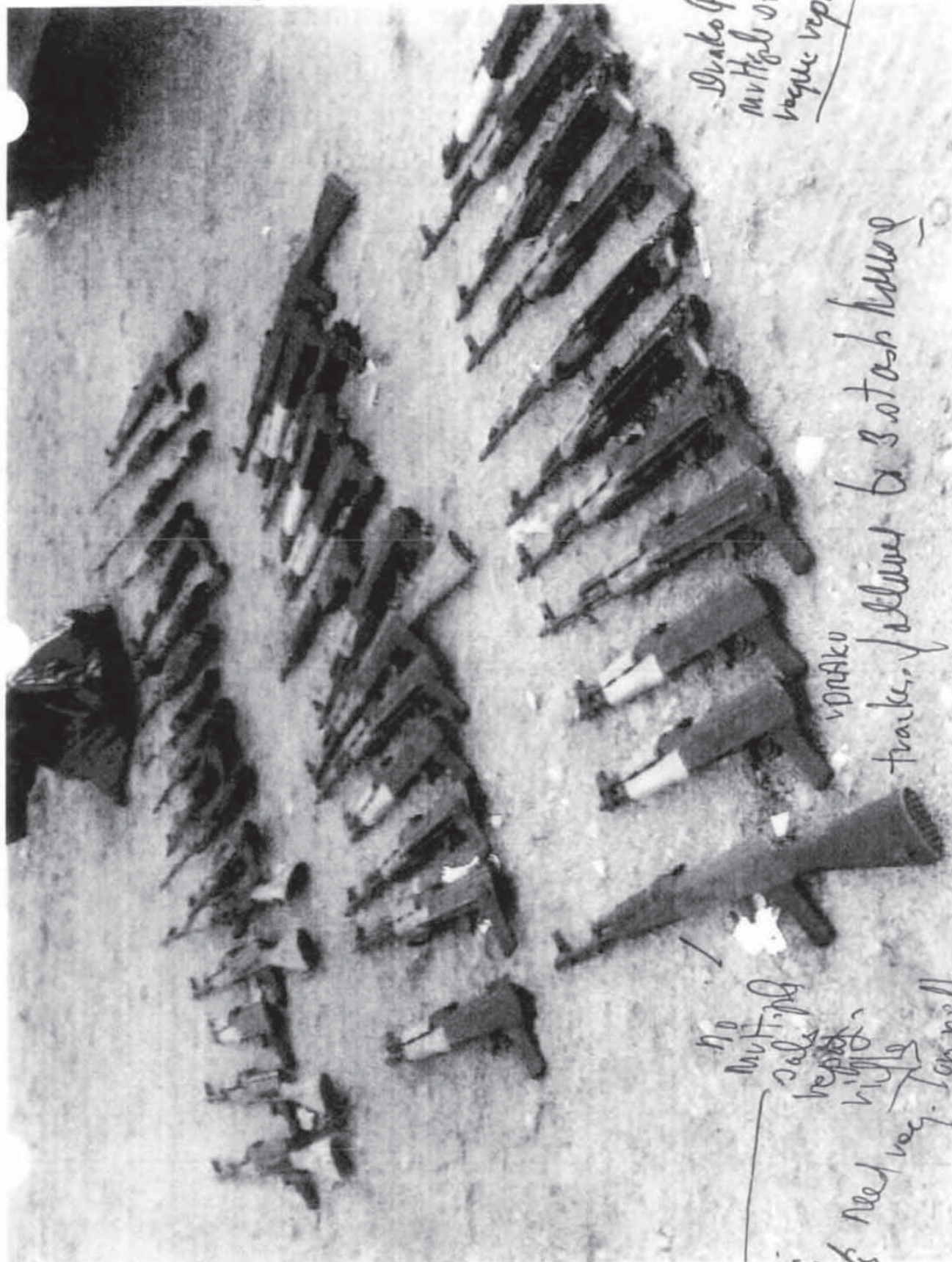
**Total Firearms
Purchased as of
Feb 27, 2010
785115-10-0004**

Patino	Uriel	313
Steward	Sean	241
Moore	Joshua	116
Chambers	Jacob	68
Celis	Alfredo	55
Herregovac	Dejan	30
RC-4		
Montelongo	Jacob	18
Avila Jr	Jamie	17
RC-4		
Polanco	Jose	3
RC-4		
Celis-Acosta	Manuel	1
RC-4		
TOTAL		1026

HOCR DOJ 002820

**Total Cost of
Firearms
Purchased as of
Feb 27, 2010
785115-10-0004**

Fast and Furious: The Anatomy of a Failed Operation



Drake (pink)
mvt H&L only
vague reports

tracks, followed by 3 o'clock house

HOCR DOJ002823

Exhibit 85

Exhibit 85

From: Gillett, George T. Jr.
Sent: Friday, March 12, 2010 10:54 AM
To: Newell, William D.
Subject: FW: Director's questions

Please see the changes...

From: Voth, David J.
Sent: Thursday, March 11, 2010 11:50 AM
To: Gillett, George T. Jr.
Subject: Director's questions

George,

Here are the answers to what I understand the Director's questions to be. More detail can be provided upon request, I thought it best to start brief.

1. IP Address for Pole Cameras; [REDACTED] User id: [REDACTED] password: [REDACTED] This must be monitored from a stand-alone computer as ATF Network bandwidth does not permit continuous monitoring.
2. Money Transfers: FINCEN, CTRs, SARs, Western Union, Arizona Department of Economic Security, ATF Special Investigator John Delfrari, IRS-CID Linda Wallace, [REDACTED] etc.
3. Mail covers – negative. In my experience this is a huge waste of time and resources for limited or no return.
[REDACTED]
4. How many seizure have been reviewed by our Mexlco agents; to the best of my knowledge – three (3).
5. Nogales Seizure regarding [REDACTED]; there are a couple ROIs in N-Force, one from Tucson who initially responded to this incident, and one from us when it was determined to be part of our case. But in summary;
[REDACTED]

I hope this is what you are looking for, please advise if you need/want more.

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 86

Exhibit 86

ATF Monthly Meeting
with the Acting Deputy Attorney General
Friday, March 12, 2010

AGENDA

RC-2

1.

2.

3.

4.

Phoenix Case - Update on a significant firearms trafficking case

RC-2

5.

6.

7.

HOCR DOJ 002817

ATF Monthly Meeting

3/12/10

RC-2

RC-2

3. Operation The FastPreviousDraftslong vibs. multiple
sale issues

RC-2

seizure in Mexico
take to predicate
to see in US
link to cartel

COCAINE STRIKE FORCE

Primary - Phoenix WFO

①

HOCR DOJ 002818

OPERATION THE FAST AND THE FURIOUS



HOCR DOJ 002819

Note: Two pages have been withheld from this seven page document because they included sensitive investigative details and information about targets/subjects.

**Total Firearms
Purchased as of
Feb 27, 2010
785115-10-0004**

Patino	Uriel	313
Steward	Sean	241
Moore	Joshua	116
Chambers	Jacob	68
Celis	Alfredo	55
Herregovac	Dejan	30
RC-4		
Montelongo	Jacob	18
Avila Jr	Jamie	17
RC-4		
Polanco	Jose	3
RC-4		
Celis-Acosta	Manuel	1
RC-4		
TOTAL		1026

HOCR DOJ 002820

**Total Cost of
Firearms
Purchased as of
Feb 27, 2010
785115-10-0004**

Fast and Furious: The Anatomy of a Failed Operation

Appendix I: Exhibits

Exhibit 87

Exhibit 87

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: GARY G. GRINDLER

Wednesday, December 14, 2011

Washington, D.C.

The interview in the above matter was held in 2247, commencing
at 10:00 a.m.

Appearances:

For the HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, MAJORITY CHIEF COUNSEL, INVESTIGATIONS

HENRY J. KERNER, MAJORITY SENIOR COUNSEL

CARLTON DAVIS, COUNSEL TO THE CHAIRMAN

SCOTT LINDSAY, MINORITY COUNSEL

CARLOS URIARTE, MINORITY COUNSEL

For the SENATE COMMITTEE ON THE JUDICIARY:

JASON A. FOSTER, CHIEF INVESTIGATIVE COUNSEL

TRISTAN L. LEAVITT, INVESTIGATIVE COUNSEL

ROB DONOVAN, COUNSEL

BRIAN M. DOWNEY, INVESTIGATOR

For U.S. DEPARTMENT OF JUSTICE:

DAN ROLLINS, DEPARTMENT OF JUSTICE

STEVEN F. REICH, ASSOCIATE DEPUTY ATTORNEY GENERAL

M. FAITH BURTON, SPECIAL COUNSEL, OFFICE OF LEGISLATIVE AFFAIRS

A That's correct. They're selecting items that they want to discuss with me.

Q Just generally speaking, over the course of 2010, how often would discussions of specific cases come up in those monthly meetings versus general discussions of policy issues or management issues other things of that nature?

A It just varied. There have been discussions about investigations and it just varies month to month.

Q What issues did you expect ATF to bring to your attention as opposed to handle themselves? What issues would arise, generally speaking, to the level of ATF needing to bring those matters to the Deputy Attorney General's attention?

A Well, part of it is their judgment about whether they think that there are problems or success stories that they want to talk to me about. There are other issues that have been reoccurring that reflect decisions that have to be made by the Deputy Attorney General's office. If there's a decision that they don't have authority to make, where I would, then I would expect them, of course, to bring them up to me so I would get grounding in what that decision is. And there are -- I mean, it's just a variety of administrative and other issues that arise from time to time.

Q I would like to turn your attention back to Exhibit 1, which was the briefing paper provided by ATF at the March 12, 2010, meeting, along with an agenda, your notes, and the notes of an unidentified third person appended at the end.

On the first page, with the agenda, did you ask ATF to bring up the Phoenix case -- Update on a Significant Firearms Trafficking Case -- or was that introduced on the agenda by ATF, to your knowledge?

A I did not ask them. To my knowledge, they put it on the agenda.

Q And to the best of your recollection, who else attended this meeting?

A My recollection is -- Acting Director Melson and Billy Hoover attended, I believe, all of the monthly meetings. Sometimes they would bring someone else. So there may have been someone else at this meeting. I just don't recall. From my office I believe Ed Siskel and Mark Michalic were there. It's possible that Lisa Monaco was there, my principal deputy, but I just don't recall.

Q And you previously stated that the total meeting, roughly, to the best of your recollection, may have lasted 45 minutes, or at least that would have been typical?

A That's typical. That's what it is scheduled for.

Q And to the best of your recollection, if there were seven agenda items listed for that day, how long was the discussion of the Fast and Furious case?

A I just don't know. It would just be an estimate on my part.

Q So you don't have any -- what do you recall about what they briefed you at that time about Fast and Furious?

A As I said before, I really don't have a recollection beyond what's set forth in my notes and in the PowerPoint itself.

Exhibit 88

Exhibit 88

RC-1

From: Morrissey, Mike (USAAZ)
Sent: Wednesday, March 10, 2010 8:42 PM
To: Hurley, Emory (USAAZ)
Subject: FW: Celis-Acosta, RC-3

You've made the US Attorney happy. Read the chain below.

From: Burke, Dennis (USAAZ)
Sent: Wednesday, March 10, 2010 6:35 PM
To: Morrissey, Mike (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Subject: Re: Celis-Acosta, RC-3

Frickin' love it!!

From: Morrissey, Mike (USAAZ)
To: Burke, Dennis (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Sent: Wed Mar 10 20:34:24 2010
Subject: FW: Celis-Acosta, RC-3

RC-3

RC-3 Good job by Emory – a T-3 in a gun case is unusual, and aggressive. Hopefully we'll do it more in the future, but Emory is the trailblazer.

From: Hurley, Emory (USAAZ)
Sent: Wednesday, March 10, 2010 5:58 PM
To: Morrissey, Mike (USAAZ)
Subject: FW: Celis-Acosta, RC-3

Now we are just waiting on ATF.

RC-3

Exhibit 89

Exhibit 89

From: Voth, David J. <djvoth@[REDACTED]>
Sent: Thursday, March 11, 2010 3:20 PM
To: Quinn, Brent <[REDACTED]@atf.gov>
Subject: RE: Phoenix VII wire

It really is first come first serve. Because of the building access issues with the DEA wire room it will be manned by Group VII agents. Therefore what is left is 5 day shifts, 5 nights shifts on surveillance. I am attempting to split the weekends so everyone has to work one of the two days that way no one get screwed too hard and everybody gets screwed a little bit...I guess I am open to the possibility if someone works the entire weekend they could have the entire next weekend off...?

From: Quinn, Brent
Sent: Thursday, March 11, 2010 1:14 PM
To: Voth, David J.
Subject: RE: Phoenix VII wire

I guess, you're not going to give the out of towners the crappy shifts are you?

Brent Quinn
Resident Agent in Charge
Las Cruces I Field Office
Bureau of Alcohol, Tobacco, Firearms and Explosives
 (575) [REDACTED] - Office
 (575) [REDACTED] - Fax
 (575) [REDACTED] - Cell



From: Voth, David J.
Sent: Thursday, March 11, 2010 1:13 PM
To: Quinn, Brent
Subject: RE: Phoenix VII wire

He must want day shift, mon-fri...?

From: Quinn, Brent
Sent: Thursday, March 11, 2010 12:55 PM
To: Voth, David J.
Subject: RE: Phoenix VII wire

King-man said in that case he'll see you tomorrow. ☺

Brent Quinn
Resident Agent in Charge
Las Cruces I Field Office
Bureau of Alcohol, Tobacco, Firearms and Explosives

(575) [REDACTED] - Office
 (575) [REDACTED] - Fax
 (575) [REDACTED] - Cell



From: Voth, David J.
Sent: Thursday, March 11, 2010 12:53 PM
To: Quinn, Brent
Subject: RE: Phoenix VII wire

That would be ideal. In some respect it will be first come first pick with regard to shifts. They are all surveillance shifts but days/nights/weekends etc...Also we need to have minimization meeting with everyone involved which we are planning for Monday morning...

From: Quinn, Brent
Sent: Thursday, March 11, 2010 12:25 PM
To: Voth, David J.
Subject: RE: Phoenix VII wire

Travelling 03/14?

Brent Quinn
 Resident Agent in Charge
 Las Cruces I Field Office
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 (575) [REDACTED] - Office
 (575) [REDACTED] - Fax
 (575) [REDACTED] - Cell



From: Voth, David J.
Sent: Thursday, March 11, 2010 11:50 AM
To: Quinn, Brent
Subject: RE: Phoenix VII wire

Copy that, thank you sir!

From: Quinn, Brent
Sent: Thursday, March 11, 2010 11:26 AM
To: Voth, David J.
Subject: Re: Phoenix VII wire

Dennis King

Brent Quinn - RAC
ATF Las Cruces Field Office
575 [REDACTED] - Cell
575 [REDACTED] - Office
575 [REDACTED] - Fax

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From: Voth, David J.
To: Quinn, Brent
Cc: Gillett, George T. Jr.
Sent: Thu Mar 11 13:13:01 2010
Subject: RE: Phoenix VII wire
Brent,

It was my understanding that Mr. Gillett intended for each group to forward a name; thus two names from Las Cruces. Sorry for any confusion on your end or my end...?

Thanks,

Dave

From: Quinn, Brent
Sent: Thursday, March 11, 2010 10:22 AM
To: Voth, David J.
Subject: FW: Phoenix VII wire

As I understand it, ARAC Jorgensen forwarded David Tabullo's name to cover the below listed requirement for Las Cruces. Thanks.

Brent Quinn
Resident Agent in Charge
Las Cruces I Field Office
Bureau of Alcohol, Tobacco, Firearms and Explosives
(575) [REDACTED] - Office
(575) [REDACTED] - Fax
(575) [REDACTED] - Cell



From: Gillett, George T. Jr.
Sent: Thursday, March 11, 2010 9:56 AM
To: Forcelli, Peter; Ratliff, Mark D.; Palmer, Douglas R.; Arellano, Bernardo; Nallin, Michael T.; Quinn, Brent; Jorgensen, Karl A.; Gonzales, Jake A.
Cc: Newell, William D.; Needles, James R.; Voth, David J.; Simpson, Kevin; Perez, Carmelo

Subject: Phoenix VII wire

Gentlemen –

Phoenix VII is going to be activating a T-III intercept beginning Monday, March 15, 2010. I will need to have one (1) special agent nominee from each of the Phoenix groups, one (1) special agent nominee from Albuquerque and Las Cruces groups, and two (2) special agent nominees from each of the Tucson groups. The actual intercept will be handled at the Phoenix DEA office by contract monitors supported by special agents and Intel personnel. However, special agents will be required for surveillance and any enforcement operations.

Special agents will be required for two (2) week rotations to support this T-III intercept beginning at 9:00 AM, Monday, March 15, 2010.

Please forward the names to Group Supervisor David Voth by close of business today, March 11, 2010.

If you have any questions regarding the personnel issues, please contact me. If you have questions regarding the assignments, please contact GS Voth.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Office: (602) [REDACTED]

Exhibit 90

Exhibit 90

Voth, David J.

From: Voth, David J.
Sent: Friday, March 12, 2010 7:34 PM
To: Phoe-Group VII
Subject: Monday Morning Meeting, Strike force 9:30am

To all;

It has been brought to my attention that there may be a schism developing amongst the group. This is the time we all need to pull together not drift apart. We are all entitled to our respective (albeit different) opinions however we all need to get along and realize that we have a mission to accomplish.

I am thrilled and proud that our Group is the first ATF Southwest Border Group in the country [REDACTED]. On that note I thank everyone for their efforts thus far and applaud the results we have achieved in a short amount of time.

Whether you care or not people of rank and authority at HQ are paying close attention to this case and they also believe we (Phoenix Group VII) are doing what they envisioned the Southwest Border Groups doing. It may sound cheesy but we are "The tip of the ATF spear" when it comes to Southwest Border Firearms Trafficking.

We need to resolve our issues at this meeting. I will be damned if this case is going to suffer due to petty arguing, rumors or other adolescent behavior.

I don't know what all the issues are but we are all adults, we are all professionals, and we have a exciting opportunity to use the biggest tool in our law enforcement tool box. If you don't think this is fun you're in the wrong line of work - period! This is the pinnacle of domestic U.S. law enforcement techniques. After this the tool box is empty. Maybe the Maricopa County Jail is hiring detention officers and you can get paid \$30,000 (instead of \$100,000) to serve lunch to inmates all day.

One last point is that we have many of our brother and sister ATF agents coming into town to assist us on this case. We have to put our best effort forward and lead by example. No one wants to leave their families behind or leave their case work behind to come help someone who does even appreciate their sacrifice.

We need to get over this bump in the road once and for all and get on with the mission at hand. This can be the most fun you have with ATF, the only one limiting the amount of fun we have is you!

David Voth
 Group Supervisor
 Phoenix Group VII
 [REDACTED]

Exhibit 91

Exhibit 91

From: Voth, David J.
Sent: Sunday, March 14, 2010 11:02 PM
To: Phoe-Group VII
Subject: Lots of good work

To all,

I read a lot of good reports tonight on individuals who purchased firearms that have been recovered in Mexico. I must insist that we not forget to run those numbers through DEA! You never know when/where one of these numbers is going to pop up and then our straw purchasers are suddenly related to a Cartel or DTO which is exactly where we want to be.

Good job by all, keep it up, thanks!

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

HOGRA TF - 001681

Exhibit 92

Exhibit 92

LAWRENCE ALT

04/27/2011

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1 U.S. HOUSE OF REPRESENTATIVES
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3 HOUSE COMMITTEE ON OVERSIGHT AND
4 GOVERNMENT REFORM
5

6 IN THE MATTER OF:)
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8 ATF'S PROJECT GUNRUNNER AND)
OPERATION FAST AND FURIOUS.)
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INTERVIEW OF LAWRENCE ALT

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Phoenix, Arizona
April 27, 2011

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LAWRENCE ALT

04/27/2011

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LAWRENCE ALT

04/27/2011

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1 I don't know verbatim the content of the e-mail,
2 I didn't memorize it, but in general it refers to there
3 is a schism, which I interpreted as being some division
4 within the group, people weren't getting along. There
5 was going to be a meeting on Monday. There was a
6 reference to if people didn't like what they were doing,
7 they could, I guess, go work somewhere else. And I
8 think the content is public knowledge, but I don't want
9 to get into quoting it.

10 I contacted David Voth after I read the e-mail
11 and basically said, you know, what is going on, what is
12 the story here. He essentially said I didn't
13 necessarily need to be present for the meeting, but I
14 could be if I wanted to. And I indicated that no, I
15 was, I was coming in as what I believe to be the most
16 senior grade 13 in the room and any group, and that I
17 wanted to see what was going on. So I came into, I
18 guess, the meeting on Monday morning.

19 Q. And what are your recollections as you sit here
20 today of that meeting?

21 A. There was clearly a division in the group. It
22 started the conversation. The meeting was initiated by
23 Dave Voth. And I am not going to quote him, but the
24 context of the conversation was, you know, we need to
25 fix this, we have people coming in from various parts of

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LAWRENCE ALT

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1 office, did you find out anything else about tactics
2 that were going on in the field or --

3 A. Not initially. One of the things that did
4 happen -- and I need to go back to them. I would like
5 to go back to the meeting if I can.

6 Q. Of course.

7 A. One of the things that happened at that meeting
8 was there was a conversation, I guess this would be
9 tactics in the field. Conversation went on to talk
10 about there was an accusation that Lee Casa and John
11 Dodson were in a, quote, beating, I think it was beating
12 up of the FFLs with their badges, beating them up with
13 badges. And it is an expression. You know, maybe they
14 were.

15 In the course, the schism was revolving around
16 the idea of strategies, how you approach the firearms
17 licensee. And John and Lee had approached apparently a
18 firearms licensee prior to getting there and I guess
19 exercised their authority to some degree to gain some
20 compliance of federal firearms licensee. And there was
21 some pushback from, I guess, Hope McAllister and Tanya
22 English in that regard.

23 And that's what I witnessed in the schism
24 meeting. So I guess it would go to strategy in the
25 field.

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Exhibit 93

Exhibit 93

JOHN DODSON

04/26/2011

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1 U.S. HOUSE OF REPRESENTATIVES
2
3 HOUSE COMMITTEE ON OVERSIGHT AND
4 GOVERNMENT REFORM
5

6 IN THE MATTER OF:)
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8 ATF'S PROJECT GUNRUNNER AND)
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INTERVIEW OF JOHN DODSON

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Phoenix, Arizona
April 26, 2011

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JOHN DODSON

04/26/2011

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JOHN DODSON

04/26/2011

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1 So now to get to your question, when we voiced
2 our concerns to Group Supervisor Voth, originally it
3 started as when I would talk to Voth myself, Casa would
4 talk to Voth. Then we would talk to him together. It
5 came to the point where Casa and I, and I am not sure if
6 Alt was in the group yet at this point or not, but we
7 went to him formally, hey, this is -- we have problems
8 with this, this is going to end bad, we need to do
9 something about it.

10 Then we get an e-mail that George -- there is
11 going to be a meeting. Assistant Special Agent in
12 Charge George Gillett is coming down, George Gillett
13 comes into the Group 7 office and tells us essentially
14 we better stand down with our complaints, that we didn't
15 know what the definition of walking guns was, we weren't
16 familiar with the Phoenix way of doing things, that all
17 of this was sanctioned and we just needed to essentially
18 shut up and get in line. That's not a quote, but that's
19 the feel of the meeting, so...

20 Q. Do you remember approximately when that
21 occurred?

22 A. It was right after we went to the Group 7
23 building, so it had to be late February, early
24 March 2010.

25 Q. Okay.

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JOHN DODSON

04/26/2011

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1 A. So when you already have the ASAC come down and
2 tell you shut up, we are not going to listen to your
3 complaints, there is -- it is kind of hard to reapproach
4 him with the same complaint.

5 Q. And you talked about -- you used the word
6 schism, which obviously comes up in some e-mails that
7 have been publicized. Were there any -- as we have
8 discussed it here, it was special agent in charge, the
9 assistant special agent in charge, the group supervisor,
10 and two lead case agents on one side of the schism, and
11 on the other side of the schism it was the special
12 agents like yourself.

13 Were there any other special agents that were
14 similarly situated to yourself, to Special Agent Alt, to
15 Special Agent Medina, that were on the side of the
16 schism that thought that what --

17 A. Yes, sir. I have yet to speak to a rank and
18 file enforcement agent that is of the same mind-set as
19 the individuals you just named, McAllister up to Newell.

20 Q. Can you recollect a time when you were
21 conducting surveillance on an FFL and you saw firearms
22 being loaded into a car when you said to your colleague
23 we got to go, we got to go seize this now, I understand
24 the direction we have been given, but this is bad stuff,
25 these are bad people, we need to go just --

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JOHN DODSON

04/26/2011

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1 suspect beats you in a foot chase and he gets away, you
2 didn't let him walk, you just lost the chase. So that's
3 what walking is.

4 When ASAC George Gillett came down to our
5 office, he really didn't -- and this happened a lot in
6 Phoenix, is that most of our concerns or questions
7 weren't addressed directly. The attitude and the
8 mentality was that they didn't need to be addressed. We
9 just needed to do what we were told.

10 And so when ASAC Gillett came down, we were told
11 you don't know what walking is, we are not walking guns.
12 And that's pretty much the extent of the debate, because
13 in Phoenix there is very little debating one of the
14 ASACs or the SAC. So it was, you know, a declaration,
15 you don't know what walking guns is, we are not walking
16 guns, this is all okay.

17 Q. There wasn't any explanation provided by ASAC
18 Gillett as to what he specifically meant?

19 A. Not that I recall, no, sir. And if you talk to
20 many people in Phoenix you are probably going to see
21 that as a common theme, that there is very little
22 explanations offered.

23 Q. Now, when Mr. Castor was asking you questions, I
24 believe you made reference to approximately 2,000 guns
25 entering Mexico. Do you recall that?

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1 of the picture right now, so the guy -- or girl -- the
2 person you're up on the T-III on, he has some explaining
3 to do. He owes somebody some money, he needs to explain
4 why somebody isn't where they are supposed to be when
5 they are supposed to be there. He needs to explain to
6 somebody why this happened and when. All right? Tickle
7 the wire.

8 That's why you -- it is just a tool. It is not
9 the end all, be all. You can't go up on a wire and sit
10 back and push the TiVo button and have your case solved
11 for you. You need to be out there and do those bread
12 and butter things that as cops, as case agents, as law
13 enforcement, we have to do. All right?

14 I got dinged on my evaluation because it said I
15 was too adherent to those old staples of law
16 enforcement, like surveillance, undercover, informant,
17 things like that. And my argument is I will take that
18 lump with pride, because those staples are staples for a
19 reason, they work. It is what we do. It is how you
20 investigate crimes.

21 Q. So was it your impression from your
22 conversations with Mr. Voth or Ms. McAllister or others
23 there when you, when you got here in Phoenix that they
24 took the other view, that they -- that the goal that
25 they were working toward was to get the T-III and they

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1 Directive 3310.4, and that the relevant part of it is
2 Section 148 sub (a)(2). I am just going to read that
3 into the record.

4 In other cases immediate intervention may not be
5 needed or desirable, and the special agent may choose to
6 allow the transfer of firearms to take place in order to
7 further an investigation and allow for the
8 identification of additional co-conspirators who would
9 have continued to operate and illegally traffic firearms
10 in the future, potentially producing more armed crime.

11 Is that the order that you were referring to
12 earlier that you said you are familiar with?

13 A. Yes, sir.

14 Q. And just so we are clear on what your
15 understanding of the order was, and we can all obtain it
16 and read it and have our own understanding of it, but
17 what were you taught about what that means?

18 A. That that implies when the straw purchaser makes
19 the purchase at the counter, you don't have to land on
20 them right there at the counter or as soon as he walks
21 out the door, that it is okay to allow it to happen, to
22 allow him to go with that gun under your surveillance to
23 the ultimate purchaser of it or whom he is delivering it
24 to, or if he is taking it to a gang or a stash house or
25 whomever, it is okay to allow it to happen, to go there,

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JOHN DODSON

04/26/2011

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1 to be delivered. But you don't get to go home. You get
2 the gun, is my understanding, what I have been taught
3 and how in every other ATF office not only that I have
4 been in but that I have gone like TDY to work at that
5 that policy is implemented.

6 Q. So, in other words, your understanding is that
7 there is a temporal or time limitation on how long it
8 can be allowed to continue on its course without you
9 intervening.

10 A. I think it is not so much time as it is
11 availability of eyes on. Like if I get an agent that's
12 on the house and we know that gun is on the house,
13 that's still okay. You know, even if it is overnight,
14 on to the next night, the gun and bad guy are still
15 there. We are just waiting on the guy he is supposed to
16 deliver it to to come by and pick it up.

17 Q. Well, the beginning of it said in other cases
18 immediate intervention may not be needed or desirable.

19 A. Correct.

20 Q. So are you saying that, in other words,
21 intervention, that doesn't mean no intervention ever?

22 A. Correct.

23 Q. Just the intervention doesn't have to happen
24 right now, but intervention does need to occur, that's
25 your understanding?

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JOHN DODSON

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1 A. Yes, sir, that it is not as soon as the FFL
2 hands the straw purchaser the gun, that's it, you can't
3 let him leave the store with it.

4 Q. It is not a license to forego intervention at
5 all?

6 A. Correct.

7 MR. FOSTER: That's all I have.

8

9 FURTHER EXAMINATION

10 BY MR. CASTOR:

11 Q. Would it surprise you -- I mentioned a little
12 bit before if confidential witnesses call us up, call
13 our whistle blower hotline, reach out with us, we want
14 to work with them, obtain any information they have and
15 we keep their, the fact that they reached out to us
16 anonymous. Obviously it is hard to use too much
17 information without sharing documents with our
18 colleagues in the minority. But would it surprise you
19 if other special agents that worked in Group 7 were
20 interested in communicating with the committee staff and
21 interested in cooperating with our investigation?

22 A. No, sir, not at all.

23 Q. And would it surprise you if some of those
24 people who are interested in cooperating with the
25 committee staff, want to be part of the investigation,

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JOHN DODSON

04/26/2011

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1 communication that you had with him?

2 A. Not at this time. I don't want to make any
3 decision for him.

4 Q. Okay.

5 A. You know what I mean?

6 Q. Would it surprise you if some of these FFLs were
7 interested in cooperating with Congress?

8 A. No, sir. No, that would not surprise me.

9 Q. And would it surprise you if some of these FFLs
10 were interested in receiving a subpoena from Congress to
11 facilitate their cooperation?

12 A. No, sir, that wouldn't surprise me at all.

13 Q. And speaking very generally, not about any
14 specific FFL, but do you know whether any FFL has an
15 interest in cooperating with Congress?

16 A. Yes, sir, I do.

17 Q. One of the items discussed in the CBS news piece
18 related to somebody in management, and by management I
19 mean whether it is the group supervisor or Mr. Gillett
20 used the terminology scramble some eggs.

21 A. Yes, sir.

22 Q. If you are going to make an omelette you have
23 got to scramble some eggs. Do you remember the context
24 of that?

25 A. Yes, sir. It was -- there was a prevailing

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1 attitude amongst the group and outside of the group in
2 the ATF chain of command, and that was the attitude.
3 And although there were several times where that saying,
4 that metaphor was used, I can't give you a specific date
5 and time that it, you know, to quote it, that it was
6 used.

7 However, I had heard that, you know, sentiment
8 from Special Agent English, Special Agent McAllister,
9 and Special Agent Voth. And the time referenced in the
10 interview was, I want to say, in May as the GRIT team or
11 gunrunner initiative team was coming out. I was having
12 a conversation with Special Agent McAllister about the
13 case in which the conversation ended with me asking her
14 are you prepared to go to a border agent's funeral over
15 this or a Cochise County deputy's over this, because
16 that's going to happen. And the sentiment that was
17 given back to me by both her, the group supervisor, was
18 that, or along the lines of, if you are going to make an
19 omelette, you need to scramble some eggs.

20 Q. Along those lines, when did you find out that
21 Agent Terry was killed?

22 A. I found out December 16th, 2010.

23 Q. And what can you tell us about your
24 recollections of receiving that information? Again, not
25 getting into any specific investigation.

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Exhibit 94

Exhibit 94

OLINDO JAMES CASA

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INTERVIEW OF OLINDO JAMES CASA

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OLINDO JAMES CASA

04/28/2011

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1 interactions with my group supervisor 14 and I have some
2 limited interactions with my ASAC who is GS 15. Above
3 that it is above my rank and chain of authority, so I
4 couldn't really say above that level.

5 Q. Fair enough.

6 A. So I am sorry, I just want to clarify that.

7 Q. In the schism e-mail are you able to identify
8 who was on each side of the schism?

9 A. Oh, yes.

10 Q. And who was that?

11 A. Larry, is it okay if I name names?

12 MR. BERGER: That's okay. I am all right with
13 that.

14 THE WITNESS: Okay. Myself, Larry Alt, John
15 Dodson and, to a lesser degree, Jose Medina. He was
16 outspoken against it, too, but he was in training and he
17 was in -- he is probationary. So the senior agents
18 advised him to share his thoughts with us because we
19 would be afraid based on the schism e-mail. It wouldn't
20 be beyond Dave Voth to fire him or remove him from duty.
21 It would be very easy for a probationary employee to be
22 removed.

23 On the other hand, the people that didn't
24 subscribe to how Larry, John, and I thought would be, of
25 course, the author of that e-mail, David Voth; the case

1 agent, Hope McAllister; the co-case agent, Tanya
2 English. And there was another individual and he was
3 more neutral, he tried not to take sides, and that would
4 be Mark Sonnendecker. He didn't really take a side
5 either way.

6 BY MR. CASTOR:

7 Q. There was another e-mail from Mr. Voth dated
8 April 2nd, 2010 that was also in the same piece, and he
9 referenced the number of deaths in Mexico. Do you
10 recollect that e-mail?

11 A. Sure.

12 Q. And he said there was 958 killed in March 2010?

13 A. Uh-huh.

14 Q. 937 in January 2010?

15 A. Uh-huh.

16 Q. And then the numbers were increasing?

17 A. Of course.

18 Q. And do you know if he was trying to tie, you
19 know, the decisions to let the guns get into the hands
20 of the straw purchasers to this violence in Mexico?

21 A. Again, I don't want to speculate what Dave
22 thought or didn't think, but I would say it doesn't take
23 a rocket scientist to see the correlation going on. The
24 more straw purchasers buying the guns, the more violent
25 it got.

OLINDO JAMES CASA

04/28/2011

41

1 Q. And is it fair to say that, you know, the folks
2 on your side of the schism wanted to do everything they
3 could to interdict these weapons so they wouldn't get
4 any farther down the street than they have to?

5 A. Yes, sir. We were all sick to death when we
6 realized that -- when we realized what was going on or
7 when we saw what was going on by the trends. We were
8 all just, yes, we were all distraught.

9 Q. And these guns that the suspicious folks were
10 obtaining, AK-47s, AK-47 variants, you know, Barrett .50
11 calibers, can you think of any other types of weapons
12 that were typically in the mix here?

13 A. Oh, yes. The cop killers, that's the nickname
14 for the FN Five-seven. It will go through a vest, go
15 through a plate in the vest. They are a pistol. It is
16 a hot round. It is -- they call it the cop killer. I
17 can't think of the Mexican name for it, but there is a
18 Spanish -- yes, it is a hot weapon.

19 The Colt El Jefe, it is a .38 caliber revolver.
20 There is a Bushmaster, also a cheaper -- it is a cheaper
21 version of the Barrett. It is about five grand as
22 opposed to ten and it is a .50 caliber. Those
23 .50 calibers are very awesome destructive weapons, as
24 well as AK, the Dracos. Draco is an AK-47 pistol.

25 Q. And you witnessed weapons of this type --

ARIZONA REPORTING SERVICE, INC.

(602)

www.

Phoenix, AZ

Exhibit 95

Exhibit 95



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

www.atf.gov

February 3, 2011

MEMORANDUM TO: Special Agent in Charge
Dallas Field Division

THRU: Resident Agent in Charge ^{TL}
Lubbock Field Office 2-3-2011

FROM: Gary M. Styers
Special Agent
Lubbock Field Office

SUBJECT: Contact with Congressional Investigators

On February 2, 2011, at approximately 1500 hours, ATF Special Agent Gary Styers was contacted telephonically by Robert Donovan and Brian Downey, representing United States Senator Chuck Grassley and the Senate Judiciary Committee. Downey and Donovan after identifying themselves asked Special Agent Styers if he would be willing to answer some questions regarding the time Special Agent Styers spent on a detail to the Phoenix Field Division, Phoenix Group VII Office. Special Agent Styers said he would be willing to answer questions to the best of his knowledge.

Special Agent Styers was asked if he was familiar with the large firearms trafficking case in Phoenix Group VII and Special Agent Styers said he was. Downey and Donovan asked if Special Agent Styers knew the name of the case and he responded that it was "Fast and Furious". Downey and Donovan then asked if Special Agent Styers knew who the case agent was and Special Agent Styers said it was Special Agent Hope McAllister. Special Agent Styers was also asked who the supervisor of the group was and Special Agent Styers said it was Group Supervisor David Voth. Downey and Donovan also asked who helped Special Agent McAllister, Special Agent Styers said that Special Agent McAllister had a Co-Case Agent from Immigration and Customs Enforcement (ICE) as well as an agent from Group VII. Downey and Donovan asked who was the Agent from ICE and Special Agent Styers told them it was Lane France.

Downey and Donovan asked Special Agent Styers if he knew what the agents were assigned to do on the investigation. Special Agent Styers explained that a group of agents were assigned to the case and that since the case was in the stage of an active wiretap, some agents were working within the group and

others were working at various functions related to the wire. Special Agent Styers further said that he did not specifically know the role of each individual agent.

Downey and Donovan inquired as to the role that Special Agent Styers had in this case and Special Agent Styers advised that he had assisted with some surveillance operations with the case. Special Agent Styers was asked to describe the operations and relayed that one of the operations was a suspected transaction that was to occur at a gas station and detailed agents were asked to cover the transaction. While positioning to observe the suspects, Special Agent Styers and other detailed agents were told by Special Agent McAllister that agents were too close and would burn the operation. Special Agent McAllister told all the agents to leave the immediate area. While the agents were repositioning, the transaction between the suspects took place and the vehicle that took possession of the firearms eventually left the area without agents following it.

Downey and Donovan asked Special Agent Styers if he ever saw guns actually go into Mexico. Special Agent Styers said he did not see any firearms cross the border to Mexico. They also asked if Special Agent Styers had worked with any agencies in Mexico, Special Agent Styers relayed that he had not, but had knowledge that other agents within Group VII spoke of communication with other ATF Special Agents assigned in Mexico.

Downey and Donovan then asked if Special Agent Styers had any knowledge that Federal Firearms Licensees (FFLs) were reporting suspected straw purchasers. Special Agent Styers explained that FFLs were indeed reporting such situations and that Special Agent Styers had numerous contacts with FFLs in the Phoenix area and had also worked inside of an FFL in an undercover capacity, while an individual attempted a large scale straw purchase. Special Agent Styers told Downey and Donovan that in speaking with the FFL holder and owner of the gun shop, he told Special Agent Styers that he had asked ATF to install cameras inside his shop and to have an undercover agent inside on a more regular basis.

Downey and Donovan inquired as to what the procedures were and who handled the calls from the FFLs when they reported such suspected transactions. Special Agent Styers told them that he had no knowledge of any special procedures. If the FFLs called during normal business hours, Special Agent Styers assumed that, if they called the office number, their call was handled by the Group Supervisor. Special Agent Styers also told Downey and Donovan that if the FFLs were calling individual agents within the group, he had no direct knowledge of those calls and what the ATF response was to those reports. However, Special Agent Styers did tell Downey and Donovan that he had heard from within the group that FFLs were calling case agents.

With regards to statistics and reporting, Downey and Donovan, questioned Special Agent Styers as to whether he had any knowledge of "padding of statistics or inconsistent reporting". Special Agent Styers advised them that he had no knowledge of a wide scale effort to skew statistics. However, Special Agent Styers relayed that he did question the Group Supervisor as to why he wanted Special Agent Styers to trace firearms that had not been recovered. Special Agent Styers was assigned to the investigation and provided the ATF Form 4473s, the Firearms Transaction Record, and told to trace said firearms. Special Agent Styers asked as to why, when ATF has the Suspect Gun Database, which is designed for such firearms that have yet to be recovered by law enforcement. Group Supervisor Voth said he wanted them traced so that if someone else traced the firearms, they would know the firearms were connected to the case Special Agent Styers was assigned. Special Agent Styers relayed that even though he disagreed with the requested procedures, he follow the request of Group Supervisor Voth. Special Agent Styers also informed Donovan and Downey that he asked several agents also assigned to Group VII if they had to submit similar firearms traces and they replied that they in fact also were told to trace all firearms in a similar fashion.

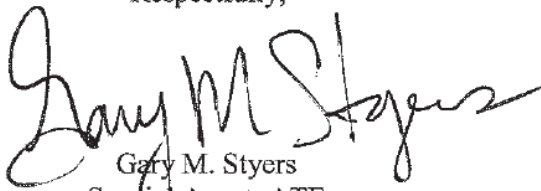
Special Agent Styers was then asked about his general impression of the Fast and Furious case. Special Agent Styers stated that the case had systematically divided and isolated agents from the group. The case agent had solicited the advice of numerous experienced agents, including Special Agent Styers, regarding how to conduct and end the wiretap operations and case overall. Special Agent Styers gave the case agent his honest opinion and advice since Special Agent Styers had worked two wiretap investigations in his career. Special Agent Styers felt that his advice and opinions, as well as other agents' advice and opinions were widely disregarded. Along with other agents within the group, Special Agent Styers explained that he was no longer asked to assist with Fast and Furious and concentrated on his assigned cases and provided necessary assistance to fellow agents within the detail and group.

Downey and Donovan asked Special Agent Styers what he felt was incorrect about the way the Fast and Furious case was conducted. Special Agent Styers explained that first and foremost, it is unheard of to have an active wiretap investigation without full time dedicated surveillance units on the ground. Special Agent Styers relayed that no agents in the group were assigned to surveillance on the Fast and Furious case. Special Agent Styers said that other agencies or task force officers may have been used to conduct surveillance and respond to calls of FFLs, but it seemed that either the case agent or Group Supervisor would poll the office for agents who were available to respond at short notice.

Secondly, Special Agent Styers said that it appeared odd to have a majority of ATF Agents working on a wiretap investigation, who had never worked such a case. Especially, when numerous, permanent Group VII agents and detailers had previous wiretap experience.

Special Agent Styers was provided with contact information for Downey and Donovan and the conversation was ended. Special Agent Styers contacted the Lubbock Resident Agent in Charge, Jim Luera at 1545 hours after the conversation with Downey and Donovan ended, to inform him of the contact. Special Agent Styers was later asked to document the conversation herein and attempted to do so to the fullest extent possible.

Respectfully,



Gary M. Styers
Special Agent, ATF

Exhibit 96

Exhibit 96

From: Voth, David J.
Sent: Friday, March 19, 2010 10:47 PM
To: Gillett, George T. Jr.
Subject: The week in review

George,

The following is a approximate update of this weeks activities in review. If I have omitted something it is due to the busy schedule not intentional;

[REDACTED]

Since 03/15/2010 our targets have purchased 105 firearms from local FFLs. This includes 3 Barrett .50 caliber rifles. On one occasion surveillance followed Patino and Moore from [REDACTED] to [REDACTED] to Acosta's location; [REDACTED] At Acosta's location firearms were transferred into 3 separate waiting vehicles. Additional firearms were observed being transported to [REDACTED], Phoenix, AZ (previously unidentified address.) The tracker confirmed that Patino drove to our previously identified auto business after purchasing a Barrett . 50 caliber rifle.

[REDACTED]

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 97

Exhibit 97

Phoenix Group VII (OCDETF Strike Force)

RC-2



785115-10-0004, Jacob Chambers et al: This is an approved ATF OCDETF investigation (# SWAZP0496) that is a large scale conspiracy of RC-5 interconnected straw purchasers. Thus far in the investigation (September through present) the group has purchased over 1,100 firearms; most of which are the AK-47 variant 7.62 assault rifles and or the F.N. Herstal 5.7 mm pistols, to include approximately 5 Barrett .50 caliber rifles. For these firearms they have paid over \$700,000.00 in cash. Of those firearms purchased by the group approximately 150 have been recovered in Mexico or near the Mexican Border (the serial numbers are continually being updated and changed thus affecting the trace results) with a short time-to-crime; some as little as one day. New straw purchasers are continually being identified as part of this investigation.

RC-3



RC-3



ATF Phoenix Field Division and ATF Denver Field Division have brought in out of town agents to assist in this ongoing investigation.

HOCR ATF - 002795

Exhibit 98

Exhibit 98

[REDACTED]

From: Voth, David J.
Sent: Sunday, March 28, 2010 2:31 PM
To: Kenrick, Brian C.; Karmgard, Thomas E.
Cc: Gillett, George T. Jr.; Hall, Diane C.
Subject: PATINO TIII Affidavit revised 3-26-2010
Attachments: PATINO TIII Affidavit revised 3-26-2010.docx

Brian,

This affidavit for T-III audio intercept is for the two (2) lines (T-Mobile & Boost utilizing the Sprint/Nextel push to talk (PTT) network) for Uriel Patino. We have provided this affidavit to our local AUSA Emory Hurley and we are hopeful he will submit it up the chain to OEO this upcoming week (Monday/Tuesday?) Patino is a "Lieutenant" in the Manuel Celis-Acosta firearms trafficking organization. We believe Patino orchestrates the purchase of firearms here in Phoenix and provides them to other members of the cell for smuggling south to Mexico at the direction of Celis-Acosta.

Thanks for your help and consideration in this mater,

David Voth
Group Supervisor
Phoenix Group VII
602- [REDACTED]

Exhibit 99

Exhibit 99

From: Kenrick, Brian C.
Sent: Wednesday, March 31, 2010 5:45 AM
To: Voth, David J.
Cc: Gillett, George T. Jr.; Hall, Diane C.; Karmgard, Thomas E.; Lee, Patria M.; Orlow, Barry S.
Subject: RE: PATINO TIII Affidavit revised 3-26-2010

David – every time I read this case I am amazed at the amount of firearms we are talking about, an incredible case. I have a couple of comments below but my biggest concern is the length and my recommendation is one that could only help you speed things along. OEO is currently swamped with T3 applications and as you know they need to read each affidavit a couple times (and so does the DAG) before approval. This affidavit could be cut down drastically merely by incorporating the prior affidavits facts through a FN saying something to the effect of “Affidavit dated XXXXXX which was used as the basis for the Order signed by Judge XXX on XXXXXX is incorporated by reference and attached.” I would then recommend removing the following paragraphs which you do not need to get the pc for these two phones: 21-27,48-66, 76-108. This would remove at least 25 pages which has already been made part of the underlying pc and reviewed through the first affidavit. It will also make OEO and the Judge much happier.

For specific comments I do not have much, but here it is...

Caption We list 3 identifiers for TT3, I have been advised that OEO will only accept 2 identifiers per device, I would remove the UFMI
 P4 Same comment, remove UFMI
 P34 You may want to note PATINO does not have an FFL (assuming a check was done) since this affidavit primarily deals with him, or remove this paragraph as it was already in the last affidavit.
 P74 I would update this purchase # through March for PATINO
 P124 I do not see a paragraph anywhere showing we received a court order for the pen on TT3, I would put it here or before paragraph 143
 P182 Need to include updated ELSUR check date and need to include these new numbers and any new potential interceptees

Great job on the necessity section, very specific in regards to PATINO.

I will be on travel status until Friday morning, if you need anything just call my cell. Let us know when our comments are addressed and when you hear back from OEO so we may provide our approval letter. I would seriously consider making it shorter for your benefit, thanks David.

Brian C. Kenrick
 Senior Attorney (Field Operations & Information)
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 United States Department of Justice
 ATF Rockford Satellite Office

Rockford, IL 61114

Phone: (815) [REDACTED]

Cell: (202) [REDACTED]

Fax: (815) [REDACTED]

[REDACTED].gov

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Exhibit 100

Exhibit 100

From: Voth, David J.
Sent: Friday, April 02, 2010 1:31 PM
To: Hurley, Emory (USAAZ); Gillett, George T. Jr.
Cc: Phoe-Group VII
Subject: No pressure but perhaps an increased sense of urgency...

MEXICO STATS

958 killed in March 2010 (Most violent month since 2005)

937 killed in January 2010

842 killed in December 2009

SINALOA - MARCH STATISTICS

187 murders in March, including 11 policemen

I hope this e-mail is well received in that it is not intended to imply anything other than that the violence in Mexico is severe and without being dramatic we have a sense of urgency with regards to this investigation. Our subjects purchased 359 firearms during the month of March alone, to include numerous Barrett .50 caliber rifles. I believe we are righteous in our plan to dismantle this entire organization and to rush in to arrest any one person without taking in to account the entire scope of the conspiracy would be ill advised to the overall good of the mission. I acknowledge that we are all in agreement that to do so properly requires patience and planning. In the event however that there is anything we can do to facilitate a timely response or turnaround by others we should communicate our sense of urgency with regard to this matter.

Thanks for everyone's continued support in this endeavor,

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 101

Exhibit 101

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 1

DR NUMBER: 2010 00481598

REPORT DATE: 20100402 TIME: 0911

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER(S): [REDACTED]

UNIT: [REDACTED]

PREMISES: STREET/ROADWAY/ALLEY VEHICLE

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

PHOTOGRAPHS TAKEN: YES BY: [REDACTED]

RELATED REPORT(S): 2010 00481598B 0000 0000

REPORT DISPOSITION: FIELD CLEARED BY ARREST OVER AGE 18: YES

**** SUSPECT INFORMATION ****

ARRESTED PERSON-02:

*** SENT TO PROSECUTOR OFFICE ***

NAME: ACOSTA, MANUEL CELIS

SPEAKING: ENGLISH

SUSPECTED OF USING: NOT APPLICABLE

RACE: [REDACTED] SEX: M AGE: DOB: HT: WT:
HAIR: [REDACTED] EYES: SSN:
OLN: [REDACTED] AZ R&I:
LEVEL OF FORCE : NOT DICTATED OR WRITTEN

EMOTIONAL CONDITIONS: UNCOOPERATIVE

ARREST:

DATE: 040210 TIME: 0239

DAY: FRI GRID: BG19

LOC: [REDACTED]

PHOENIX AZ

PHX.P.D. BOOKING NO: 201004020290

RIGHTS ADVISED: YES TIME: 0251 OFFICER: [REDACTED]

ARRESTED PERSON-03:

*** SENT TO PROSECUTOR OFFICE ***

NAME: [REDACTED]

SPEAKING: ENGLISH

SUSPECTED OF USING: NOT APPLICABLE

2010 00481598

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 2

DR NUMBER: 2010 00481598

RACE: [REDACTED] SEX: M AGE: DOB: HT: WT:
 HAIR: EYES: SSN:
 OLN: AZ R&I:
 LEVEL OF FORCE : RESTRAINT, JOINT LOCKS, PRESSURE PTS, OR CUFFS

EMOTIONAL CONDITIONS: UNCOOPERATIVE

ARREST:

DATE: 040210 TIME: 0239 DAY: FRI GRID: BG19
 LOC: [REDACTED] ROAD PHOENIX AZ
 PHX.P.D. BOOKING NO: 201004020310
 CLD PRINTS: COURT-DATE: 041510 TIME: 1000
 CLD NO: 000139688551 STATUTE: ARS 13-3102A2 CLASS: 1M

RIGHTS ADVISED: YES TIME: 0257 OFFICER: [REDACTED]

CLOTHING DESC & MISC:
 DICTATED RES ADDR:

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ON 040210, AT APPROXIMATELY 0239 HOURS, AP2 MANUEL ACOSTA AND AP3 [REDACTED] WERE ARRESTED NEAR [REDACTED] ROAD AFTER A TRAFFIC STOP REVEALED ONE CONCEALED HANDGUN, ONE PLAINVIEW HANDGUN AND A SMALL CLEAR PLASTIC BAGGIE CONTAINING A WHITE POWDERY SUBSTANCE BELIEVED TO BE COCAINE. AP3 WAS ARRESTED FOR MISCONDUCT WITH WEAPON, UNDER CITATION NUMBER 13968855, CLASS ONE MISDEMEANOR, AND AP2 WAS ARRESTED FOR POSSESSION OF NARCOTICS, CLASS FOUR FELONY. AP2 WAS READ [REDACTED] CONSTITUTIONAL RIGHTS AT 0251 HOURS AND STATED "YES SIR" WHEN ASKED IF [REDACTED] UNDERSTOOD [REDACTED] RIGHTS, AND AP3 WAS READ [REDACTED] CONSTITUTIONAL RIGHTS AT 0257 HOURS, AND STATED "YES SIR" WHEN ASKED IF [REDACTED] UNDERSTOOD [REDACTED] RIGHTS. BOTH SUBJECTS WERE BOOKED INTO 4TH AVENUE JAIL FOR THE ABOVE CHARGES.

ON 040210, AT APPROXIMATELY 0238 HOURS, OFFICER [REDACTED] AND I WERE DRIVING NORTHBOUND ON [REDACTED] AVENUE APPROACHING [REDACTED]. AS I WAS DRIVING THE VEHICLE, I HAD IMMEDIATELY OBSERVED A BLUE VEHICLE TRAVELING SOUTHBOUND WITHOUT HEADLIGHTS ON. AS THE VEHICLE PROCEEDED TO TURN EAST ONTO [REDACTED], I FOLLOWED CLOSELY BEHIND. SECONDS LATER, I OBSERVED A SILVER GUN BEING THROWN OUT THE PASSENGER SIDE OF THE VEHICLE CLOSEST TO THE CURBSIDE. I COULD NOT MAKE OUT ANY DESCRIPTION OF THE OCCUPANT THAT THREW THE HANDGUN; HOWEVER, DID RECOGNIZE IT COME OUT THE VEHICLE'S RIGHT SIDE. I THEN INITIATED MY LIGHTS AND SIRENS AS OFFICER [REDACTED] CALLED OVER THE RADIO FOR MORE UNITS AND THAT THE SUBJECTS IN THE VEHICLE HAD THROWN A GUN OUT THE WINDOW.

AS THE VEHICLE CAME TO A SLOW STOP NEAR [REDACTED] ROAD, I IMMEDIATELY GAVE VERBAL COMMANDS TO HAVE ALL THE PASSENGERS KEEP THEIR HANDS UP AND OUT OF THE WINDOW. AS SEVERAL OTHER OFFICERS ARRIVED ON SCENE TO ASSIST, I CONTINUED TO KEEP SECURITY.

2010 00481598

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 3

DR NUMBER: 2010 00481598

OFFICER [REDACTED] ADVISED THAT HE HAD PLACED BOTH AP1 [REDACTED] AND AP3 INTO CUSTODY; AND THAT PRIOR TO BEING READ THEIR RIGHTS AND ON HIS OWN FREEWILL, AP1 HAD ADVISED THAT THERE WERE THREE GUNS AND TWO PEOPLE STILL IN THE VEHICLE. IT SHOULD BE KNOWN THAT AP1 WAS THE FIRST OCCUPANT TO BE REMOVED FROM THE VEHICLE; AND AS OFFICER [REDACTED] TOOK AP3 INTO CUSTODY AND ASKED WHO WAS IN THE CAR, AP3 STATED OF [REDACTED] OWN FREEWILL THAT NO ONE WAS IN THE VEHICLE AND THAT THE GUN LOCATED UNDER HIS SEAT BELONGED TO [REDACTED] IT SHOULD BE KNOWN THAT AP3 WAS SEATED IN THE RIGHT REAR PASSENGER SIDE OF THE VEHICLE.

I THEN READ AP2 [REDACTED] CONSTITUTIONAL RIGHTS AT 0251 HOURS, AND [REDACTED] STATED "YES SIR" WHEN ASKED IF [REDACTED] UNDERSTOOD [REDACTED] RIGHTS. I THEN READ AP1 [REDACTED] CONSTITUTIONAL RIGHTS AT 0252 HOURS, AND [REDACTED] STATED "YES SIR" WHEN ASKED IF [REDACTED] UNDERSTOOD HIS RIGHTS, HOWEVER, ALSO STATED THAT [REDACTED] WANTED [REDACTED] LAWYER PRESENT AND ADVISED THAT [REDACTED] HAD [REDACTED] LAWYER'S PHONE NUMBER IN [REDACTED] PANTS POCKET. I THEN READ AP3 [REDACTED] CONSTITUTIONAL RIGHTS AT 0257 HOURS, AND [REDACTED] AS WELL STATED "YES SIR" WHEN ASKED IF [REDACTED] UNDERSTOOD RIGHTS.

OFFICER [REDACTED] THEN TOOK AP1 TO THE SIDE WHERE [REDACTED] HAD TESTED FOR IMPAIRMENT OF ALCOHOL; AND FOR FURTHER INFORMATION REGARDING THE TESTING AND PROCESSING PROCEDURES, PLEASE REFER TO OFFICER [REDACTED] AND OFFICER [REDACTED] SUPPLEMENTAL REPORTS AND ALL OTHER RELATED REPORTS.

OFFICER [REDACTED] THEN TOOK CUSTODY OF THE SILVER HANDGUN WHICH WAS STOLEN OUT OF THE PASSENGER WINDOW WHERE HE WAITED FOR ADDITIONAL PHOTOGRAPHS TO BE TAKEN BEFORE PLACING THE GUN IN AN EVIDENCE BAGGIE UTILIZING A NEW PAIR OF LATEX GLOVES. OFFICER [REDACTED] ADVISED THAT [REDACTED] DID NOT LOCATE ANY ROUNDS IN THE MAGAZINE OR CHAMBER; HOWEVER, THE CHARGING HAMMER OF THE WEAPON WAS COCKED BACK. THE GUN WAS A SILVER COLT 38 CALIBER LOCATED IN THE BIKE LANE OF THE EASTBOUND TRAFFIC IN FRONT OF RESIDENCE [REDACTED] ROAD.

AFTER OFFICER [REDACTED] COMPLETED [REDACTED] DIGITAL PHOTOGRAPHS OF THE VEHICLE TO INCLUDE A SILVER HANDGUN LODGED IN BETWEEN THE DRIVER'S SEAT AND THE CENTER CONSOLE WITH THE HANDLE EMERGING IN PLAINVIEW, OFFICER [REDACTED] ALSO TOOK PHOTOS OF A BLACK SEMIAUTOMATIC GLOCK HANDGUN LOCATED UNDER THE BACK RIGHT SEAT OF THE TRUCK, AS WELL AS PHOTOS WERE ALSO TAKEN OF SEVERAL EMPTY CASINGS SCATTERED ALL THROUGHOUT THE FRONT OF THE VEHICLE WITH THE MAJORITY OF THE CASINGS LOCATED IN THE DRIVER'S SIDE OF THE VEHICLE. I THEN TOOK CUSTODY OF EACH OF THE GUNS BY UTILIZING DIFFERENT PAIRS OF GLOVES WHILE PLACING EACH OF THEM INTO ITS INDIVIDUAL PROPERTY BAG, AS WELL AS COLLECTING ALL CASINGS. DURING INVENTORY SEARCH OF THE VEHICLE, A SMALL CLEAR PLASTIC BAG CONTAINING A WHITE POWDERY SUBSTANCE BELIEVED TO BE COCAINE WAS LOCATED IN A BLACK CUP WHICH HAD ITS LID ON ALSO WHICH WAS LOCATED IN THE OPEN CENTER CONSOLE WITHIN ARMS REACH OF BOTH THE DRIVER, AP1, AND FRONT PASSENGER, AP2. THE SUBSTANCE WAS LATER FIELD TESTED POSITIVE FOR COCAINE BY MYSELF, WHOM IS A CERTIFIED CONTROLLED SUBSTANCE OFFICER WITH THE CITY OF PHOENIX. FOR FURTHER INFORMATION, PLEASE REFER TO SUPPLEMENTAL REPORT.

THE BLUE 2003 CHEVY PICKUP TRUCK WAS THEN TOWED BY [REDACTED] TOWING FOR

2010 00481598

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 4

DR NUMBER: 2010 00481598

VIOLATION OF ARS 28-3511C. A CELL PHONE WHICH WAS NOT CLAIMED BY ANY OF THE PASSENGERS LOCATED INSIDE THE VEHICLE WAS ALSO IMPOUNDED AS FOUND PROPERTY BY OFFICER [REDACTED]

ALL THREE SUBJECTS WERE THEN TRANSPORTED BACK TO MARYVALE PRECINCT FOR FURTHER QUESTIONING. EACH OCCUPANT WAS TRANSPORTED SEPARATELY TO KEEP THE INTEGRITY OF STORIES.

OFFICER BROOKS # [REDACTED] THEN TOOK CUSTODY OF ALL FIREARMS AND CASINGS AND CONTINUED TO IMPOUND ALL ITEMS AT MARYVALE PRECINCT. FOR FURTHER INFORMATION, PLEASE REFER TO HIS SUPPLEMENTAL REPORT.

OFFICER CHAVEZ # [REDACTED] THEN SPOKE TO AP1 CONCERNING THE INCIDENT. AP2 ADVISED THAT [REDACTED] WANTED TO SPEAK WITH [REDACTED] LAWYER. NO FURTHER QUESTIONS WERE ASKED.

I THEN TOOK AP3 TO THE SIDE AND ASKED IF [REDACTED] KNEW WHO HAD FIRED THE ROUNDS OFF IN THE VEHICLE AND WHO HAD THROWN THE GUN OUT OF THE FRONT WINDOW, AS WELL AS WHOSE COCAINE WAS LOCATED IN THE OPEN CENTER CONSOLE. AP3 WAS STILL HEAVILY INTOXICATED AND DENIED ALL KNOWLEDGE OF THE GUNS, DRUGS AND SHOTS FIRED. AP3 DID ADMIT TO HAVING HIS BLACK HANDGUN; HOWEVER, [REDACTED] STATED [REDACTED] HAD BELIEVED [REDACTED] HAD LEFT IT IN THE FRONT PASSENGER SEAT POCKET; AND WHEN THEY WERE GETTING PULLED OVER BY THE POLICE, AP3 HAD STATED [REDACTED] REACHED INTO THE POCKET AND TRIED TO PULL IT OUT; HOWEVER, IT WAS NOT WHERE [REDACTED] HAD LEFT IT AND INSTEAD PULLED OUT HIS BLACK PLASTIC HOLSTER. AP3 STATED THAT [REDACTED] WAS TOO DRUNK AND DID NOT REMEMBER ANYTHING THAT WAS GOING ON AT THE TIME.

AP2 WAS ARRESTED FOR POSSESSION OF NARCOTICS, VIOLATION OF ARS 13-3408A1, CLASS FOUR FELONY, AND BOOKED INTO 4TH AVENUE JAIL UNDER BOOKING NUMBER PHX 201004020290. AP3 WAS ALSO ARRESTED FOR MISCONDUCT WITH WEAPONS, VIOLATION OF ARS 13-3102A2, CLASS ONE MISDEMEANOR, AND ISSUED CITATION NUMBER 13968855, AS WELL AS BOOKED INTO 4TH AVENUE JAIL UNDER BOOKING NUMBER PHX 201004020310.

THAT'S CONCLUDES MY INVOLVEMENT IN THIS INVESTIGATION. FOR FURTHER INFORMATION, PLEASE REFER TO ALL OTHER REPORTS AND SUPPLEMENTAL REPORTS.

PAGE A4091/9363/040210/1232/1189/VW 43187
DICTATED ON 040210/0910/1

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598

1

REPORT DATE: 20100402 TIME: 0900

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

PROSECUTION DESIRED: YES

SUSPECT[S]: BOOKED

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

PREMISES: STREET/ROADWAY/ALLEY

OCCUPIED: YES

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** SUSPECT INFORMATION ****

ARRESTED PERSON-01:

NAME: [REDACTED]

SPEAKING: ENGLISH

SUSPECTED OF USING: ALCOHOL

RACE: [REDACTED] SEX: M AGE: DOB: HT: WT:
HAIR: EYES: SSN:
OLN: R&I: PACE
LEVEL OF FORCE : RESTRAINT, JOINT LOCKS, PRESSURE PTS, OR CUFFS

ARREST:

DATE: 040210 TIME: 0239
LOC: [REDACTED] ROAD
PHX.P.D. BOOKING NO: 201004020320

DAY: FRI GRID: BG19
PHOENIX AZ

RIGHTS ADVISED: YES TIME: 0252 OFFICER: [REDACTED]

CLOTHING DESC & MISC:
DRIVERS LICENSE SUSPENDED

**** VICTIM INFORMATION ****

VICTIM -01:

NAME: STATE OF ARIZONIA

INSTITUTION TYPE: SOCIETY/PUBLIC

VICTIM OF:
DUI - COMPLETED

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 00481598

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**** SUSPECT VEHICLE ****

VEHICLE NUMBER: 01 INVOLVED PERSON: AP-01 [REDACTED]

VEHICLE YEAR: 03 MAKE: CHEV MODEL: SILVERADO STYLE: PK
VIN: OAN:
COLOR: TOP/SOLID-BLU

LICENSE PLATE: [REDACTED] STATE: AZ TYPE: TK YEAR: 12

FURTHER DESC.: IMP/030800 ARS 28-3511C

**** NARRATIVE ****

SERIAL NUMBER: 8921

ON 04-02-10 AT APPROXIMATELY 0239 HOURS, OFFICER [REDACTED] 9363 AND I WERE RIDING AS A TWO MAN IN A FULLY MARKED PATROL CAR CONDUCTING ROUTINE PATROL IN THE AREA OF [REDACTED] AVENUE AND [REDACTED] RD.

AS OFFICER [REDACTED] AND I WERE HEADING NORTHBOUND ON [REDACTED] APPROACHING [REDACTED], WE OBSERVED A BLUE CHEVY PICKUP DRIVING SOUTHBOUND ON [REDACTED] AVENUE APPROACHING [REDACTED] WITH THE FRONT HEADLIGHTS OFF. I THEN OBSERVED THE VEHICLE MAKE A SHARP LEFT TURN ONTO [REDACTED] FROM [REDACTED] AVENUE.

OFFICER [REDACTED] AND I FOLLOWED THE VEHICLE WHERE WE IMMEDIATELY NOTICED A SILVER HANDGUN GET TOSSED THROUGH THE FRONT PASSENGER WINDOW, AS THE VEHICLE CONTINUED EASTBOUND ON OSBORN ROAD.

OFFICER [REDACTED] ACTIVATED OUR LIGHTS AND SIRENS, AND WE CONDUCTED A HIGH RISK TRAFFIC STOP. I ADVISED DISPATCH FOR MORE UNITS TO ASSIST. AIR 4 ARRIVED QUICKLY ON SCENE AND ASSISTED WITH THE TRAFFIC STOP UPON WITH OTHER UNITS.

THE DRIVER, LATER KNOWN AS API [REDACTED], WITH DATE OF BIRTH OF [REDACTED] WAS TAKEN INTO CUSTODY WITH NO FURTHER INCIDENT. [REDACTED] ADVISED OFFICERS ON SCENE THAT THERE WERE 2 MORE MALE SUBJECTS INSIDE THE VEHICLE WITH A TOTAL OF 3 HANDGUNS.

THE TWO REMAINING PASSENGERS WERE CALLED OUT OF THE VEHICLE AND TAKEN INTO CUSTODY. UPON CONTACT WITH THE VEHICLE, I OBSERVED IN PLAIN VIEW A SILVER AND GOLD HANDGUN THAT WAS LOCATED IN-BETWEEN THE CENTER CONSOLE AND THE DRIVER SEAT WITH THE HAMMER COCKED BACK. AS I LOOKED INSIDE THE VEHICLE, I NOTICED MULTIPLE SHELL CASINGS ON THE PASSENGER SEAT AND THE FLOORBOARD OF THE DRIVER SIDE AND PASSENGER SIDE. OFFICER [REDACTED] FOUND A SMALL CLEAR PLASTIC BAGGIE CONTAINING WHITE POWDERY SUBSTANCE, BELIEVED TO BE COCAINE.

OFFICER [REDACTED] ADVISED ME THAT THE SECOND HANDGUN WAS TUCKED IN THE BACK PASSENGER SEAT, WHICH WAS IN PLAIN VIEW, AFTER THE CAB DOOR WAS OPENED. I OBSERVED A BLACK 9MM GLOCK HANDGUN UNDERNEATH THE BACK

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

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DR NUMBER: 2010 00481598

1

PASSENGER SEAT.

OFFICER [REDACTED] FOUND THE THIRD HAND GUN WHICH WAS ON THE SOUTH SIDE CURB ON OSBORN ROAD. OFFICER [REDACTED] STOOD BY UNTIL DIGITAL PHOTOGRAPHS WERE CONDUCTED. THE HANDGUN WAS COLLECTED INTO A PLASTIC BAG.

OFFICER [REDACTED] TOOK DIGITAL PHOTOGRAPHS OF TWO HANDGUNS INSIDE THE VEHICLE, INCLUDING ALL THE SHELL CASINGS THAT WERE FOUND. OFFICER [REDACTED] TOOK CUSTODY OF ALL THE HANDGUNS AND SHELL CASING FOUND, INCLUDING THE SMALL PLASTIC BAGGIE WITH A WHITE POWDERY SUBSTANCE. PLEASE SEE OFFICER [REDACTED] ORIGINAL REPORT FOR FURTHER INFORMATION.

THE BLUE CHEVY PICKUP WAS IMPOUNDED BY SHAMROCK TOWING FOR 28-3511C, AFTER IT WAS DETERMINED THAT THE DRIVER WAS FOUND TO BE DRIVING, WHILE INTOXICATED.

ALL THREE SUBJECTS WERE LATER TRANSPORTED TO MARYVALE PRECINCT FOR PROCESSING AND BOOKING.

UPON ARRIVAL, I CONDUCTED AN INTERVIEW WITH MANUEL CELIS WITH DATE OF BIRTH OF [REDACTED] I READ MANUEL HIS MIRANDA AT 0423 WHERE HE STATED, "YES," IN UNDERSTANDING HIS RIGHT BUT REFUSED TO TALK TO ME WITHOUT A LAWYER PRESENT. THAT CONCLUDED MY INTERVIEW WITH MANUEL.

OFFICER [REDACTED] PROCESSED AP1 [REDACTED] WITH THE DUI AND COMPLETED A BLOOD DRAW, WHICH WAS LATER IMPOUNDED. PLEASE SEE OFFICER [REDACTED] SUPPLEMENT FOR FURTHER INFORMATION ON THE BLOOD DRAW AND INTERVIEW.

AP1 [REDACTED] WAS FOUND TO HAVE A PREVIOUS FELONY IN HIS PACE RECORD AND WAS CHARGED WITH PROHIBITED POSSESSOR, AGGRAVATED DUI/ SUSPENDED LICENSE, POSSESSION OF DANGEROUS DRUGS/NARCOTICS.

AP2 MANUEL ACOSTA WAS CHARGED WITH POSSESSION OF DANGEROUS DRUGS/NARCOTICS.

AP3 [REDACTED] WAS CHARGED WITH MISCONDUCT WITH A WEAPON.

ALL THREE SUBJECTS WERE BOOKED INTO 4TH AVENUE JAIL.

PLEASE SEE ALL ADDED SUPPLEMENTS AND ORIGINAL REPORT FOR FURTHER INFORMATION.

PACE [REDACTED] 8921/040210/0951/608/LIVE/1
NARRATIVE EMAILED

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

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Continued.

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PHOENIX POLICE DEPARTMENT REPORT

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PAGE NUMBER: 4

DR NUMBER: 2010 00481598 1

END OF REPORT

DR NO: 2010 00481598 001

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 2

REPORT DATE: 20100402 TIME: 0710

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: 000000

DATE: 000000

SEARCH WARRANT INVOLVED:

0001 PKG 001 CODE:EI UK00
ITEM: ACZG BRAND: CLT MODEL: 38 SUPRA COLOR:
SIZE: 38 QUANTITY: 0000 SERIAL/ACCT/ID: 38SS04394
DESCRIPTION: SILVER COLT HANDGUN

0002 PKG 000 CODE:EI UK00
ITEM: YAMMUNI BRAND: MODEL: MAGAZINE COLOR: SIL
DESCRIPTION: SILVER MAGAZINE THAT GOES TO THE COLT 38 SUPRA

0003 PKG 003 CODE:EI UK00
ITEM: ACZG BRAND: TAU MODEL: COLOR:
SIZE: 9 QUANTITY: 0000 SERIAL/ACCT/ID: TYG0S679
DESCRIPTION: 9MM TAURUS

0004 PKG 004 CODE:EI UK00
ITEM: YAMMUNI BRAND: MODEL: MAGAZINE COLOR: BLK
DESCRIPTION: BLACK MAGAZINE THAT GOES TO THE TAURUS

0005 PKG 005 CODE:EI UK00
ITEM: ACZG BRAND: GLC MODEL: COLOR:
SIZE: 9 QUANTITY: 0000 SERIAL/ACCT/ID: 9LW694
DESCRIPTION: GLOCK

0006 PKG 006 CODE:EI UK00
ITEM: YAMMUNI BRAND: MODEL: MAGAZINE COLOR: BLK
DESCRIPTION: GOES TO 9MM GLOCK

0007 PKG 007 CODE:EI UK00
ITEM: EHOLSTE BRAND: MODEL: COLOR: BLK
DESCRIPTION: NO DESCRIPTION DICTATED

0008 PKG 008 CODE:EI UK00
ITEM: YCASING BRAND: MODEL: COLOR: SIL

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

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SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 00481598

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SIZE: 9 QUANTITY: 0014 SERIAL/ACCT/ID:
DESCRIPTION: NO DESCRIPTION DICTATED

**** NARRATIVE ****

SERIAL NUMBER: 9418

THIS SUPPLEMENT WAS ORIGINATED TO IMPOUND THE THREE GUNS, THE THREE
MAGAZINES AND THE BLACK HOLSTER, ALONG WITH THE 14 CASINGS THAT WERE FOUND
IN THE BLUE CHEVROLET PICKUP AT THE VEHICLE STOP ON [REDACTED] AVENUE AND
OSBORN. ALL THE EVIDENCE WAS IMPOUNDED INTO MARYVALE PRECINCT AT 6180 W.
ENCANTO.

THERE IS NO FURTHER INFORMATION AT THIS TIME.

PAGE [REDACTED]/9418/040610/1653/71/VW 43175
DICTATED ON 040210/0714/3

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES: 3902153

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 002

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 3

REPORT DATE: 20100408 TIME: 0728

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

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= *** REQUEST FOR LAB ANALYSIS ***
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CURRENT DR IS: 2010 00481598 003 BIOLOGICAL EVID (BLOOD,SEMEN,TISSUE): N
NAM: ACOSAT MANUEL
NAM:
LOCATION: 004200 W OSBORN RD OFF:MIW JAILED: Y
OFCR REQ OF ANALYSIS (LAST,FIRST,MIDDLE) FIRM NAME USE BUS. DATE OCC:040210 TIME:0239
VIC: DATE REQ:040810 TIME:0700
BUS: STATE DUI RELATED:N

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INVOICE	ITEM #	SFX	TYPE	TYPE OF REQUEST
0003902153	0001		ACZG	LATENT PRINT
0003902153	0002		YAMMUNI	LATENT PRINT
0003902153	0003		ACZG	LATENT PRINT FIREARMS
0003902153	0004		YAMMUNI	LATENT PRINT
0003902153	0005		ACZG	LATENT PRINT FIREARMS
0003902153	0006		YAMMUNI	LATENT PRINT
0003902153	0008		YCASING	FIREARMS

BLOOD DRAWN BY:
LOC OF DRAWING:1.DATE/TIME DRAW:000000 / 0000
2.DATE/TIME DRAW:000000 / 0000

**** NARRATIVE ****

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 00481598 3

SERIAL NUMBER: [REDACTED]

SWAB GUNS AND MAGAZINES FOR DNA THEN PRESERVE

FINGERPRINT GUN AND MAGAZINES

COMPARE GUNS TO SHELL CASINGS

ENTER INTO NIBIN

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 003

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598

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REPORT DATE: 20100409 TIME: 0953

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ON 4/9/2010, THIS SUPPLEMENT IS TO CLARIFY THE EVENTS OF WHAT HAPPEN.

AP1 IS [REDACTED]
AP2 IS MANUEL CELIS ACOSTA
AP3 IS [REDACTED]

WHEN [REDACTED] (DRIVER) WAS ORIGINALLY REMOVED FROM THE VEHICLE, [REDACTED] STATED THAT THERE WERE THREE GUNS AND TWO OTHER SUBJECTS INSIDE THE VEHICLE.

THE SILVER HANDGUN (ITEM #1) WAS THE GUN THROWN FROM THE VEHICLE.

THE 9MM TAURUS HANDGUN (ITEM #3) WAS THE GUN BETWEEN THE DRIVER SEAT AND CONSOLE IN PLAIN VIEW, NOT CONCEALED.

THE GLOCK HANDGUN (ITEM #5) WAS CONCEALED UNDER THE REAR SEAT, WHERE JULIO CARRILLO WAS SITTING. CARRILLO WAS ISSUED A CLD FOR CARRYING A CONCEALED WEAPON.

AFTER MIRANDA RIGHTS WERE GIVEN TO [REDACTED] AND MANUEL CELIS ACOSTA, THEY INVOKED AND DID NOT WANT TO TALK TO THE POLICE.

[REDACTED] DENIED ANY KNOWLEDGE OF THE OTHER WEAPONS OR DRUGS INSIDE THE VEHICLE. [REDACTED] THOUGHT [REDACTED] HAD PUT HIS GUN IN THE FRONT SEAT PASSENGER POCKET AND WHEN [REDACTED] WAS BEING PULLED OVER BY THE POLICE, [REDACTED] REACHED INTO THE POCKET AND IT WAS NOT THERE.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED] DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 004

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 5

REPORT DATE: 20100412 TIME: 1449

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED] [REDACTED] UNIT: V46

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: 000000

DATE: 000000

SEARCH WARRANT INVOLVED:

0001 PKG 000 CODE:IE UK00

ITEM: OTELEPH BRAND: MOTORO MODEL:

COLOR: BLK

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: IMPOUNDED CELL PHONE AS EVIDENCE FROM FOUND
PROPERTY INVOICE

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES: 3903859

DR ENTERED BY : [REDACTED] DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 005

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 6

REPORT DATE: 20100402 TIME: 0502

TYPE OF REPORT: MISCONDUCT WITH WEAPONS

OFFENSE: 415W

LOCATION: 004200 [REDACTED] ROAD
[REDACTED] AV JUST EAST ON [REDACTED] RD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

PREMISES: STREET/ROADWAY/ALLEY VEHICLE

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

PHOTOGRAPHS TAKEN: YES BY: [REDACTED]

SCENE PROCESSED FOR LATENTS: NO BY:

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ON 04-02-2010 AT 0239 HOURS OFC [REDACTED] AND I WERE DRIVING NORTH BOUND ON AV NEAR [REDACTED] ROAD WHEN WE OBSERVED A BLUE TRUCK WITH ARIZONA PLATES [REDACTED] DRIVING SOUTH BOUND TURNING EAST ONTO [REDACTED] WITH ITS HEAD LIGHTS OFF. A HANDGUN WAS SEEN BEING THROWN OUT OF THE WINDOW AND A TRAFFIC STOP WAS CONDUCTED. IT WAS REVEALED THAT THE DRIVER HAD BEEN DRINKING AND TWO HANDGUNS WERE FOUND IN THE VEHICLE. PRIOR TO THE VEHICLE BEING TOWED A SMALL CLEAR BAG WITH WHITE POWDERY SUBSTANCE WAS LOCATED IN A BLACK CUP FOUND IN THE CENTER CONSOLE IN BETWEEN THE DRIVER AND THE FRONT PASSENGER.

ON 04-02-2010 AT 0239 HOURS THE WHITE POWDERY SUBSTANCE FIELD TESTED POSITIVE TO COCAINE.

I CERTIFY THAT I HAVE SUCCESSFULLY COMPLETED THE TRAINING FROM THE PHOENIX POLICE DEPARTMENT CRIME LABORATORY IN THE USE AND INTERPRETATION OF CHEMICAL FIELD TESTS FOR CONTROLLED SUBSTANCES. I AM A SWORN OFFICER WITH THE PHOENIX POLICE DEPARTMENT AND WILL BE AVAILABLE TO TESTIFY IN A COURT OF LAW AS TO MY FINDINGS IN THE CASE.

THE MARIJUANA WAS IMPOUNDED AT MARYVALE PRECINCT.

ALL ARRESTED PERSONS WERE BOOKED FOR CHARGES TO INCLUDE POSSESSION OF COCAINE CLASS 4 FELONY VIOLATION OF ARS 13-3408 A1. THIS SUPPLEMENT WAS REPLICATED FROM REPORT 2010 00 841598, SUPPLEMENT #1. THE CORRECT REPORT NUMBER IS 2010 00481598.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

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PHOENIX POLICE DEPARTMENT REPORT

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SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 00481598 6

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 006

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598

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REPORT DATE: 20100422 TIME: 1233

TYPE OF REPORT: MISCONDUCT WITH WEAPONS

OFFENSE: 415W

LOCATION: 004200 [REDACTED] ROAD

BEAT: 0822 GRID: BG19

[REDACTED] AV JUST EAST ON [REDACTED] RD

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

....

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 007

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 8

REPORT DATE: 20110804 TIME: 0618

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: C23

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ORIGINATING DR: 201000481598 003

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.

ANALYST: [REDACTED]

FRICTION RIDGE DETAIL WAS PRESERVED AND RETAINED IN THE MIDEO IMAGING DA
TABASE FOR ITEM 3902153-0001 (HANDGUN). IF A LATENT PRINT COMPARATIVE ANAL
YSIS IS REQUIRED, AND KNOWN PRINTS OF THE SUBJECT ARE AVAILABLE, PLEASE SU
BMIT A LATENT PRINT COMPARATIVE REQUEST VIA PACE.NO FRICTION RIDGE DETAIL WAS PRESERVED FOR ITEMS 3902153-0002 (GUN MAGAZIN
E), 0003 (HANDGUN), 0004 (GUN MAGAZINE), 0005 (HANDGUN), AND 0006 (GUN MAG
AZINE).THE FOLLOWING ITEMS HAVE BEEN PRESERVED FOR POSSIBLE DNA ANALYSIS AND WILL
BE CONSUMED DURING DNA ANALYSIS: 3902153-0001.01 (SWABS FROM HANDGUN), 00
02.01 (SWABS FROM GUN MAGAZINE), 0003.01 (SWABS FROM HANDGUN), 0004.01 (SW
ABS FROM GUN MAGAZINE), 0005.01 (SWABS FROM HANDGUN), AND 0006.01 (SWABS F
ROM GUN MAGAZINE). IF DNA ANALYSIS IS REQUESTED, PLEASE CONTACT THE FOREN
SIC BIOLOGY SECTION AT 602-262-6197.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 008

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598

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REPORT DATE: 20111007 TIME: 1402

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: A5193

ORIGINATING DR: 201000481598 003

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.ANALYST: [REDACTED]
3902153-0001 THE DIGITAL IMAGING MANAGEMENT SYSTEM CONTAINS 4 PHOTOS FROM
THIS ITEM.AN EVALUATION FOR AFIS QUALITY HAS BEEN CONDUCTED. NO LATENTS WERE ENTERED
D INTO AZAFIS.AN EVALUATION FOR COMPARATIVE QUALITY WAS NOT CONDUCTED; IF A COMPARATIVE
ANALYSIS IS NEEDED, A "REQUEST FOR LATENT PRINT COMPARISON" MUST BE SUBMITTED.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 009

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 00481598 10

REPORT DATE: 20111008 TIME: 1402

TYPE OF REPORT: MISCONDUCT WITH WEAPON

OFFENSE: 415W

LOCATION: [REDACTED] AVENUE
[REDACTED] ROAD

BEAT: 0822 GRID: BG19

DATE/TIME OF OCCURRENCE: FRI 040210 0239

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: 5565

INVOICE #: 3902153
ITEM #: 1
WEAPON MAKE: COLT
WEAPON MODEL: UNKNOWN
CALIBER: 22
AMMO USED: REMINGTON
TEST FIRED BY: 6889

THE LISTED WEAPON WAS RELEASED FROM THE PHOENIX POLICE DEPARTMENT (PPD) PROPERTY MANAGEMENT BUREAU (PMB) FOR TESTFIRING PURPOSES. ON 9/01/2011 IT WAS TRANSPORTED TO THE ALFA RANGE. THE WEAPON WAS TEST FIRED AND THE CASINGS COLLECTED; THE FIREARM WAS RETURNED TO PMB AND RE-IMPOUNDED.

ON 9/24/11 THE TESTFIRED CASINGS WERE REMOVED FROM THE LOCKER AND EXAMINED. ONE CASING WAS PREPARED AND ENTERED INTO THE IBIS BRASSTRAX SYSTEM BY 5565.

AFTER ENTRY, THE ENVELOPE WAS TAPED CLOSED AND THE ENTRY DATE & SERIAL NUMBER OF THE PERSON WHO MADE THE ENTRY WAS PLACED ON THE TAPE. THE TEST FIRED CASINGS WERE PLACED IN THE SECURE NIBIN STORAGE ROOM AT PMB.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 00481598 010

Exhibit 102

Exhibit 102

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**



Phone: [REDACTED] Fax: [REDACTED]

Print Date: [REDACTED]

SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000409

Entered Date: March 30, 2010

PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: URIEL PATINO

Address: [REDACTED]
PHOENIX, AZ 85035

DOB: [REDACTED] Race: HISPANIC Sex: Male

Height: [REDACTED] Weight: [REDACTED] Date: 03/27/2010

ID 1: [REDACTED] #:

ID 2: [REDACTED] #:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 1

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	GP WASR-10	762	1974DR3572	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100000409

FOR OFFICIAL USE ONLY

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**

Phone: [REDACTED] Fax: [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000408

Entered Date: March 30, 2010

TONYA ENGLISH
PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: URIEL PATINO

Address: [REDACTED]
PHOENIX, AZ 85035

DOB: [REDACTED] Race: HISPANIC Sex: Male

Height: [REDACTED] Weight: [REDACTED] Date: 03/26/2010

ID 1: [REDACTED] #:

ID 2: [REDACTED] #:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 7

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	GP WASR-10	762	1974DN3689	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1974DP3289	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1977DX2024	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1970DA4242	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	1971DC4545	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	GP WASR-10	762	AG-2516-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
COLT	GOVERNMENT	38	38SS04394	PISTOL	

Suspect Gun: S20100000408

FOR OFFICIAL USE ONLY

Exhibit 103

Exhibit 103

RC-1

n: Hurley, Emory (USAAZ)
d: Friday, April 09, 2010 7:11 PM
to: Koehler, Joe (USAAZ)

ATF/DEA/ICE Wire investigation

Case involves more than RC-5 straw buyers and hundreds of firearms. RC-3

RC-3 Case involves firearms recoveries in other districts. This case sucks up a tremendous amount of AUSA time consulting with agents, RC-3 AUSA and ATF have brought in IRS to develop financial crimes.

RC-2

RC-2

Exhibit 104

Exhibit 104

[REDACTED]
[REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: JAMES NEEDLES

Friday, November 4, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 9:10 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

SCOTT LINDSAY, MINORITY COUNSEL

JUSTIN KIM, MINORITY COUNSEL

JASON FOSTER, CHIEF INVESTIGATIVE COUNSEL, COMMITTEE ON THE JUDICIARY,
UNITED STATES SENATE

TRISTAN LEAVITT, OFFICE OF SENATOR GRASSLEY

MAGGIE WHITNEY, SENIOR INVESTIGATIVE COUNSEL, SENATE JUDICIARY
COMMITTEE

For the WITNESS:

BRIAN WATSON, ESQ.

Schiff Hardin

233 South Wacker Drive,

Suite 6600

Chicago, Illinois 60606

MATTHEW CROWL, ESQ.

Schiff Hardin

233 South Wacker Drive,

Suite 6600

Chicago, Illinois 60606

in charge?

A It was in September of '07.

Q When did you take over responsibility for Dave Voth's group with this case, the Operation Fast and Furious case?

A I believe it was the first week of June, I believe it was about June 6th of 2010.

Q Of 2010? And prior to that Mr. Gillett had been the ASAC with responsibility?

A Yes, sir. Yes.

Q And what was your understanding of the case prior to June 6th? I mean, were you involved with any meetings? Did you have an awareness of what the plan was?

A No, I wasn't involved in any meetings on the case. I knew it was a firearms trafficking case, guns being purchased in the Phoenix area going to -- purchased by straw purchasers, presumably going to other individuals who may have been transporting them to Mexico for cartel members.

Q And certainly by June, you were aware that these guns were indeed showing up in Mexico --

A Absolutely.

Q -- with relatively short time to crimes?

A Yes.

Q And did you have a sense when the case began back in, I think some of, you know, Hope started logging some of the possible suspects in August of 2009. Did you have a sense back in the late summer, fall

Exhibit 105

Exhibit 105



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Office of the Director

1813123 ET

MAR 26 2010

Washington, DC 20226

RECEIVED
DEPT OF JUSTICE
EXECUTIVE SECRETARIAT

2010 MAR 26 PM 5:06

MEMORANDUM FOR THE ATTORNEY GENERAL

THROUGH: THE DEPUTY ATTORNEY GENERAL

FROM: Kenneth Melson
Deputy Director, Bureau of Alcohol, Tobacco, Firearms and
Explosives

SUBJECT: Issuing demand letters to Federal firearms licensees (FFLs) in selected states requiring them to submit multiple sales information concerning certain types of rifles.

PURPOSE: Obtain concurrence for ATF to issue demand letters to FFLs requiring multiple sales information for certain rifles as a pilot project.

TIMETABLE: Concurrence is requested as soon as possible.

SYNOPSIS: ATF proposes a pilot project to issue demand letters to all FFLs in selected states requiring them to provide ATF with a report of multiple sales or other dispositions whenever the FFL sells or otherwise disposes of two or more rifles within any five consecutive business days with the following characteristics: (a) semi-automatic; (b) a caliber greater than .22; and (c) the ability to accept a detachable magazine. These reports would be submitted to ATF for a one-year period.

DISCUSSION:

ATF trace data, investigative experience and Mexican law enforcement officials indicate that a large number of certain types of rifles are being used in violent crimes in Mexico. These rifles typically include semi-automatic AR-15 variants with detachable magazines. Successful trace data from recovered rifles show they primarily come from the United States, and that many have been sold by Federal firearms licensees.

Memorandum for the Attorney General

Page 2

Subject: Issuing demand letters to Federal firearms licensees (FFLs) requiring multiple sales information concerning certain types of rifles

It is proposed that ATF issue demand letters to all FFLs in the top twelve source states¹ for firearms recovered in Mexico requiring the FFLs to provide ATF with an immediate report of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of two or more rifles within any five consecutive business days exhibiting the following characteristics: (a) semi-automatic; (b) a caliber greater than .22; and (c) the ability to accept a detachable magazine. This pilot program would require the reports to be submitted to ATF for a one-year period.

The Gun Control Act of 1968 (GCA) at 18 U.S.C. § 923(g)(3)(A) requires licensees to submit multiple sales reports to ATF for handguns, but not rifles or shotguns. However, ATF has authority under 18 U.S.C. § 923(d)(5) to issue demand letters to licensees requiring them to submit "on a form specified by the Attorney General, for periods and at the times specified in such letter, all record information required to be kept by this chapter or such lesser record information as the Attorney General in such letter may specify." ATF has used this "demand letter" authority to require two groups of FFLs to submit to ATF certain firearm information in their required records: licensees who failed to respond to trace requests (Demand Letter 1) and licensees who had transferred ten or more secondhand firearms that were recovered in a crime ("time-to-crime") within a three-year period of the sale (Demand Letter 2). Demand Letter 1 required submission of the make, model, type, serial number, and caliber / gauge, and the purchaser's names, addresses, and federal firearms license numbers (if applicable). Demand Letter 2 included only descriptions of the firearms.

Licensees unsuccessfully challenged ATF's use of its demand letter authority in court. *RSM v. Buckles*, 254 F.3d 61 (4th Cir. 2001) upheld ATF's issuance of Demand Letter 1, and *Blaustein & Reich v. Buckles*, 365 F.3d 281 (4th Cir. 2004), and *J&G Sales v. Truscott*, 473 F.3d 1043 (9th Cir. 2007), upheld ATF's issuance of Demand Letter 2. In these cases, the petitioners alleged that ATF exceeded its authority because federal law, 18 U.S.C. § 926(a), and ATF's appropriations restrictions, otherwise prohibit ATF from consolidating or maintaining a registry of firearms record information. The courts disagreed with the petitioners and upheld ATF's use of the demand letters. The courts explained, however, that ATF's demand letter authority was not a limitless delegation of authority to ATF to request record information. The courts declined to specify the precise limits, but noted that the information requested in those demand letters was directed to a small number of licensees, was narrowly tailored in scope, and stemmed from reasoned decision-making. However, one court cautioned that "Congress intended to prohibit a large-scale enterprise to consolidate and centralize a substantial amount of FFL record information." *Blaustein*, 365 F.3d at 289 n.16.

The multiple-sales-reporting requirement would provide law enforcement with extremely valuable investigative information. These reports would give ATF real-time leads for the

¹ The top twelve source states for firearms seized in Mexico during CY 2009 and traced to firearms licensees in the U.S. are: Texas, California, Arizona, New Mexico, Florida, Colorado, Oklahoma, Illinois, Nevada, North Carolina, Georgia, and Washington.

Memorandum for the Attorney General

Page 3

Subject: Issuing demand letters to Federal firearms licensees (FFLs) requiring multiple sales information concerning certain types of rifles

investigation of gun trafficking. ATF's experience in the source states proves that multiple purchases of the described rifles are strong indicators of firearms trafficking to Mexico. By obtaining information about these multiple sales, ATF increases the likelihood of uncovering and disrupting trafficking schemes before the firearms make their way into Mexico.

The following cases involving the multiple sale of rifles illustrate the potential benefit of ATF collecting information regarding firearms trafficking using the demand letter program. ATF believes these cases represent a very small portion of the overall trafficking activity of these firearms that is occurring, and that multiple sales reports of the specified rifles will enable ATF to uncover more illegal activity and develop better intelligence about trafficking patterns:

- **Phoenix Field Division:** On or about November 1, 2009, individuals in the Phoenix, Arizona area began to illegally purchase firearms, firearm magazines and/or ammunition to be transported to Mexico. Case agents identified 25 individuals that purchased in excess of 1130 firearms in the Phoenix area with over-the-counter cash transactions. Twenty-two of these individuals purchased firearms that were recovered in Mexico in the possession of drug traffickers affiliated with the Sinaloa Cartel. Over 50 firearms purchased by two of these individuals were recovered in stash locations or during a crossing along the border in Arizona and Texas and were destined for delivery to DTO's in Mexico. There was an extremely short time span, ranging from one (1) day to less than a month, between all the purchases of all these firearms and the recoveries. The majority of the firearms were purchased at a FFL involving transactions of five to ten rifles at a time.
- **McAllen Field Office:** The target of this investigation purchased several hundred pistols, rifles and lower receivers. Scores of these firearms were recovered in Mexico. The majority of the target's purchases were rifles and lower receivers acquired through multiple sale transactions. Of these, the target purchased mostly lower receivers (which are designated firearms by law) and upper receivers. He combined the receivers and parts kits to make complete rifles. The target was in turn selling the firearms at gun shows and other secondary market venues.
- **Las Cruces Field Office:** The target of this investigation purchased 19 AK47 rifles through multiple sale transactions. The investigation shows that the firearms are being transported to El Paso Texas for entry into Mexico.
- **Phoenix Field Division:** In this case, three rifles were recovered in Mexico and traced to the target of this investigation. At this point, it has been determined that the target has purchased five rifles. There were two multiple sale transactions of two rifles from two FFLs.
- **McAllen Field Office:** In this case, the target purchased 69 firearms. He acquired 50 rifles through multiple sale purchases. Sixteen of these rifles were recovered and traced.

Memorandum for the Attorney General

Page 4

Subject: Issuing demand letters to Federal firearms licensees (FFLs) requiring multiple sales information concerning certain types of rifles

- McAllen Field Office: The target of this investigation purchased a rifle that was recovered in Mexico. To date, he has been identified as purchasing seven rifles, several of which were purchased in multiple sale transactions of two (2) rifles.
- Corpus Christi Field Office: The targets of this investigation are purchasing rifles and handguns for a drug trafficking organization in Mexico. The targets are purchasing several of the rifles through multiple sale transactions of two or more rifles.

In addition to the real-time intelligence the multiple sales forms provide, many of these reports would be for secondhand sales of the specified rifles. Firearms sold in secondhand sales cannot be traced from the manufacturer to the secondhand purchaser. Traces of firearms typically end after new firearms are manufactured and sold by licensees to their first retail purchasers. Multiple sales reports concerning secondhand sales of qualifying rifles by retail dealers would allow ATF to trace those firearms from secondhand retail dealers to purchasers because ATF would be able to search the multiple sales records, as it does with multiple sales records for handguns.

Although ATF clearly has authority to issue demand letters for FFL record information, there may be litigation risks in requiring these reports. The demand letters would be limited to all FFLs in the top twelve source states, and would be further limited to a one-year pilot program and to certain types of rifles. Nevertheless, there is a possibility, however unlikely, that a court could rule that the proposed demand letter would constitute "a large-scale enterprise to consolidate and centralize a substantial amount of FFL record information."

Also, as can be expected, there may be resistance from the firearms industry to any increased reporting requirement. They would argue that the requirement would impose too great a burden on FFLs who, among other obligations, already have the burden of reporting multiple sales of handguns (particularly when multiple employees handle such transactions), and responding to trace requests.

ATF believes that the benefit to law enforcement and the enhanced ability to trace these firearms to combat violence along the Southwest Border are worth the litigation risks and the displeasure of the firearms industry. Moreover, ATF may be able to refine the scope of the letter in the future based on the information learned in response to the initial demand letter.

Memorandum for the Attorney General
 Subject: Issuing demand letters to Federal firearms licensees (FFLs)
 requiring multiple sales information concerning certain types of rifles

Page 5

RECOMMENDATION:

That you concur in ATF's issuance of a demand letter to all FFLs in twelve selected states, requiring them to provide ATF with reports of multiple sales or other dispositions whenever the licensee sells or otherwise disposes of two or more rifles within any five consecutive business days with the following characteristics: (a) semi-automatic; (b) a caliber greater than .22; and (c) the ability to accept a detachable magazine. These reports would be submitted to ATF for a one-year period.

APPROVE: _____

Concurring Components:

OLP _____
 OLC _____

DISAPPROVE: _____

Nonconcurring Components:

None

OTHER: _____

Exhibit 106

Exhibit 106

[REDACTED]

From: [REDACTED]
Sent: Wednesday, March 31, 2010 9:05 AM
To: 'Hope', MacAllister@ [REDACTED]; 'Mark', Sonnendecker@ [REDACTED]
Cc: 'Marjorie', Zicha@ [REDACTED]
Subject: FW: [REDACTED] De-confliction Notice 1113035 03/30/2010 [REDACTED]

Hits from Tolls from [REDACTED]
[REDACTED]

From: [REDACTED]
Sent: Wednesday, March 31, 2010 7:37 AM
To: [REDACTED]
Subject: RE: [REDACTED] De-confliction Notice 1113035 03/30/2010 [REDACTED]

[REDACTED]

I am working a joint investigation with FBI here in Las Cruces. We are looking at two brother, [REDACTED]. We have attempted to go up on their phones since we started this investigation in December but they keep getting new phones frequently. Both [REDACTED] were in contact with [REDACTED] out in Phoenix and we think they may have received weapons from Acosta as well. We are currently up on a pen on [REDACTED] and [REDACTED] and we are in the final stages on a roving T-III on [REDACTED]

My case number is [REDACTED] and the case is in OCDETF under [REDACTED]

Let me know if you need anything else on our end.
[REDACTED]

-----Original Message-----

From: [REDACTED]
Sent: Tuesday, March 30, 2010 10:22 AM
To: [REDACTED]
Cc: Sonnendecker, Mark; Zicha, Marjorie L.
Subject: RE: [REDACTED] De-confliction Notice 1113035 03/30/2010 [REDACTED]

I am working a joint Strike Force case with ATF on a weapons trafficking crew operating out of Phoenix and El Paso. We are currently up on a T-III on [REDACTED], Manuel CELIS-Acosta's cell phone. We are about to spin up on [REDACTED] utilized by [REDACTED] and [REDACTED], also used by [REDACTED] is a straw purchaser who has bought over 300 weapons for CELIS-Acosta. Any info you have on the [REDACTED] crossovers would be helpful.

[REDACTED]

From: [REDACTED]
Sent: Tuesday, March 30, 2010 9:05 AM

[REDACTED]

Exhibit 107

Exhibit 107

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 03/26/2010

On March 26, 2010, FBI Special Agent (SA) [REDACTED] and Las Cruces-Dona Ana Metro Narcotics Agent [REDACTED] met with Operation HEAD SHOT Confidential Source #3 (CS #3), FBI CHS file [REDACTED].

CS #3 identified "[REDACTED]" as [REDACTED], via [REDACTED]'s Texas driver's license photo.

CS #3 identified [REDACTED]'s "[REDACTED]" as [REDACTED], via [REDACTED]'s I-94 photo.

SA [REDACTED] and Agent [REDACTED] res drove CS #3 to the area of [REDACTED], New Mexico. From there, CS #3 directed SA [REDACTED] and Agent [REDACTED] to a two-story residence located at [REDACTED], New Mexico. CS #3 pointed to the residence and identified it as the stash house CS #3 had previously described to SA [REDACTED] and Agent [REDACTED]. CS #3 had visited the stash house in mid-January 2010 with [REDACTED] (aka: "[REDACTED]") and [REDACTED] (aka: "[REDACTED]"). CS #3 provided SA [REDACTED] with a sketch of the interior of the residence, to include the closet area where CS #3 observed 20-30 military style assault rifles behind a false wall.

While driving by the residence, SA [REDACTED] observed a green [REDACTED] license plate [REDACTED], parked in the driveway. The license plate returned to a [REDACTED] VIN [REDACTED], registered to [REDACTED], Mexico.

CS #3 indicated CS #3 had previously seen [REDACTED]'s brother, "[REDACTED]" ([REDACTED]) drive the [REDACTED].

SA [REDACTED] took photographs of the residence and [REDACTED]. SA [REDACTED]'s photographs, CS #3's sketch, and the photographs used to identify [REDACTED] and [REDACTED] were placed in a FD-340 and stored in the 1A section of the file.

Investigation on 03/26/2010 at [REDACTED], NM

File # [REDACTED] Date dictated 03/26/2010

by SA [REDACTED]

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

Exhibit 108

Exhibit 108

Law Enforcement Sensitive

Organized Crime Drug Enforcement Task Forces Final Report

OCDETF Case # SW-NM- [REDACTED]

HEAD SHOT

Operation Name

Case Attorney(s)

[REDACTED]

Telephone:

575 [REDACTED]

Email:

[REDACTED]

Case Agent(s)

[REDACTED]

FBI

575 [REDACTED]

DEA

575 [REDACTED]

IRS

575 [REDACTED]

[REDACTED]

* Be sure to update attorney/agent information

Date of Submission of this Report: _____

Law
Enforcement
Sensitive



The attached information must be protected and not
released to unauthorized individuals

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Investigation No. SW-NM- [REDACTED]

Sponsoring Agency Case Number(s): FBI [REDACTED]

DEA [REDACTED]

IRS [REDACTED]

G-DEP: [REDACTED]

Include G-DEP for DEA Cases

Instructions

The Final Report captures the results of OCDETF investigations. A Final Report must be filed for all investigations within sixty (60) days from the date on which the case is either closed or placed in "Fugitive Only" status. A pre-populated Final Report with the information reported to the OCDETF MIS should be used to file this report. It is the responsibility of the case AUSAs and agents to review the information carefully in the pre-populated report to ensure that, once completed, the Final Report fully and accurately reflects the totality of the investigation and the results achieved. Please add any missing information and strike through any incorrect information. If any questions in this Report require additional explanation or discussion, please provide as part of the Narrative Section.

Date investigation was approved as OCDETF: 03/18/2010

OCDETF Operation Name: HEAD SHOT

Status of investigation: ☐ Fugitive only ☒ Closed☐ SOD-coordinated investigation: SOD Operation Name: _____☒ Did you receive an intelligence product from the OCDETF Fusion Center regarding this case?
(other than the initial RER that is generated at the time of submission of the IIF):☐ Did the OCDETF Fusion Center assist you with asset seizures for this case?HIDTA Participation ☒ Yes ☐ NoHIFCA Participation ☐ Yes ☒ NoWas this investigation initiated by an OCDETF Co-located Task Force/Strike Force? ☒ Yes ☐ No if yes, check all that apply:

☐ New York ☐ Houston ☐ Florida/Panama Express ☐ Puerto Rico/Caribbean Corridor ☐ Atlanta
☐ Boston ☐ San Diego/MMTTF ☐ Phoenix ☒ El Paso

Was this investigation linked to an OCDETF Co-located Task Force/Strike Force? ☒ Yes ☐ No if yes, check all that apply:

☐ New York ☐ Houston ☐ Florida/Panama Express ☐ Puerto Rico/Caribbean Corridor ☐ Atlanta
☐ Boston ☐ San Diego/MMTTF ☒ Phoenix ☒ El Paso

Did this case involve coordinated, simultaneous operational/prosecutorial activity: (please check all that apply)

☒ Internationally?

Specify country(ies): Mexico

☒ Multiple OCDETF Regions?

Specify region(s): SW, WC

☒ Multiple States?

Specify state(s): AZ, CO, NM, NV, TX

☒ Multiple judicial districts?

Specify district(s): AZ, CO, MN, NV, TXW

☐ None of the above applies?

Related OCDETF Case Numbers: SW-AZ [REDACTED], SW-TXW [REDACTED]

List all USAO #s assigned: [REDACTED]

Results Achieved

Latest take down date for the investigation: Aug 18, 2010

(Date of last significant enforcement activity is necessary to permit evaluation of results achieved.)

The organization was: (Check one)

☒ Dismantled: destroying the organization's leadership, financial base and supply network such that the organization is incapable of operating and/or reconstituting itself.

If dismantled, has another organization filled the void?

☐ Yes ☒ Not at this time ☐ No information☐ Disrupted: impeding the normal and effective operation of the targeted organization, as indicated by changes in organizational leadership and/or changes in methods of operation, including, for example financing, trafficking patterns, communications of drug production.

If disrupted, has the organization resumed operations?

☐ Yes ☐ Not at this time ☐ No information☐ Not Dismantled or Disrupted as a result of this investigation.

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Investigation No. SW-NM [REDACTED]

If the organization has not been dismantled or its operations have not been significantly disrupted by this investigation, indicate the circumstances that prevented disruption/dismantlement of this organization (check all that apply):

- ☐ Command and control cell is outside the jurisdiction of U.S. law enforcement agencies
☐ Principal members of this organization are federal fugitives
☐ Inadequate/insufficient evidence
☐ Death/disappearance of witness(es)
☐ Unreliable informant/information
☐ Adverse judicial/jury decision
☐ Lack of cooperation from foreign government
☐ Non-extradictable fugitive
☐ Insufficient resources to effectively conduct the investigation (explain) _____
☐ Lack of cooperation from agency/district/region (explain) _____
☐ Other (explain) _____

OCDETF SUMMARY CASE DATA (Check all that apply and strike through any incorrect information)

What investigative techniques were used during this investigation?

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Drug Purchase/Reverse | <input type="checkbox"/> Roving Title III | <input checked="" type="checkbox"/> Search Warrant |
| <input checked="" type="checkbox"/> Controlled Delivery | <input checked="" type="checkbox"/> Other Electronic Surveillance | <input checked="" type="checkbox"/> Administrative Subpoena |
| <input checked="" type="checkbox"/> Undercover | <input checked="" type="checkbox"/> Toll Analysis | <input checked="" type="checkbox"/> Immigration Benefits (i.e., S-Visa) |
| <input checked="" type="checkbox"/> Informant | <input checked="" type="checkbox"/> Pen Register/Trap and Trace | <input type="checkbox"/> Immigration Admin/Crim Action |
| <input checked="" type="checkbox"/> Title III | <input type="checkbox"/> MLAT/Request to Foreign Gov't | <input type="checkbox"/> Witness Protection |
| <input checked="" type="checkbox"/> Federal | <input checked="" type="checkbox"/> Investigative Grand Jury | <input type="checkbox"/> Other (specify) _____ |
| <input type="checkbox"/> State | <input checked="" type="checkbox"/> Wall-off | |
| <input type="checkbox"/> Foreign | | |

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Investigation No. SW-NM [REDACTED]

OCDETF SUMMARY CASE DATA (Check all that apply and strike through any incorrect information)Investigation resulted in the conviction of a defendant on a financial charge: ☐ Yes ☒ No

If no, please explain:

Investigation did not produce sufficient evidence that any of the targets engaged in money laundering

Corroborated information received from a witness/informant related to the organization's:

- ☒ Assets and proceeds
☒ Methods of moving/laundrying proceeds

Conducted follow-up on financial leads uncovered through:

- ☒ Commercial database checks
☒ Public sources review (i.e.; bankruptcy filings, divorce proceedings, articles of incorporation, deeds, mortgages)
☐ Mail cover
☐ Trash search
☐ Search warrant
☒ Reviews of SAR's, CTR's, CMIR, etc.
☐ Request to FinCEN for foreign bank information
☐ Ex Parte Tax Order
☒ OCDETF Fusion Center Report (other than RER)

Conducted analysis of financial information:

- ☒ Received through subpoena to credit agencies, banks and other financial institutions
☒ Relating to wire transfers, money order purchases, or other financial information

Methods Used:

- ☐ Net Worth Analysis
☒ Asset Tracing
☐ Financial Money Laundering undercover operation
☒ Other (specify) WIRE TRANSFER BY CS-2

Which agency is conducting the financial investigation? (check one primary agency only)

- ☒ IRS ☐ ICE ☐ FBI ☐ DEA ☐ USAO ☐ Other _____

Are you being assisted by the:

- ☐ DEA FIT Team ☐ OCDETF FIC Squad ☐ USAO Financial Analyst ☐ Strike Force Financial Analyst

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Investigation No. SW-NM- [REDACTED]

ORGANIZATION DESCRIPTION

Connections

(Explain in Narrative Summary)

☒ Linked to CPOT (Specify target name)

[REDACTED]

[REDACTED]

☐ Linked to RPOT (Specify target name)☐ Terrorist Organization (Identify)☐ National Gang (Identify):☒ Other Organized Crime Group (Identify):

[REDACTED]

☐ Linked to Indian Country☐ The investigation revealed that a previously reported connection is not valid: (Specify category, for example "CPOT", and target name)

Not connected to:

Primary Activity of the Organization in Your Area

(check one primary activity only)

☒ Source of Supply☐ Internet Pharmacy☐ Transportation☐ Distribution☐ Clandestine Manufacture☐ Precursor Supplier/Broker☐ Money Laundering☐ Other

Other Drug Activity of the Organization

(check all that apply)

☒ Source of Supply☐ Internet Pharmacy☒ Transportation☒ Distribution☐ Clandestine Manufacture☐ Precursor Supplier/Broker☒ Money Laundering☐ Other

Related Criminal Activities

(check all that apply)

☐ Alien Smuggling☒ Other Violence☒ Other Immigration Violation☐ Identity Theft☐ Criminal Tax Violation☐ Fraud☒ Firearms/Weapons Violation☐ Material Support to Terrorist Group☒ Public Corruption☒ Fugitive Investigation☐ Murder☐ Environmental

OPERATION OF THE ORGANIZATION

(Check all that apply, including subcategories, and strike through any incorrect information)

Trafficking Methods

☒ Transportation☒ Land☒ Commercial Trucking☒ Personal Vehicle☐ Rental Vehicle/Van☐ Other (Specify)☐ Sea☐ Commercial Vessel☐ Cargo☐ Personal Vessel☐ Other (Specify)☒ Air☐ Commercial Airline☒ Personal Aircraft☐ Other (Specify)☐ Courier☐ Internal/Body Carrier☐ Luggage☐ Other (Specify)☒ Concealment - Specify:

FALSE COMPARTMENTS

☐ Employs Juveniles☐ Employs Corrupt Officials

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OCDETF Final Report

OCDETF Investigation No. SW-NM- [REDACTED]

Money Laundering Methods

☒ Bulk Cash Smuggling☒ Land☐ Sea☐ Air☐ Check Cashers☒ Money Orders/Travelers Checks☐ Money Remitter Businesses☐ Purchasing Goods for Export☐ Black Market Peso Exchange☐ Smurfing Activity☒ Wire Transfer (i.e. electronic bank transfers)☒ Business Fronts☐ Stored Value Card☒ Casinos☒ Property Investments☐ Mobile Payment System☐ Trade Based Money Laundering☐ Other Legitimate Investments (Specify)☒ Other (Specify) HORSE RACING/HORSE OWNERSHIP

Unusual Communication Methods to Avoid Interception

☐ Satellite Phones☐ Radio frequency (i.e.; Nextel "Direct Connect")☐ Uses encryption☒ Uses Internet☐ Uses Pin to Pin Blackberry Function☐ Other (specify):

Counter Measures Against Law Enforcement

☐ Witness Tampering☐ Obstruction of Justice☒ Counter-surveillance☐ Test Loads/Shipments☐ Other (Specify):

COORDINATION WITH OTHER DISTRICTS/COUNTRIES

Did this investigation generate leads that led to significant enforcement activity in another district(s)? ☐ Yes ☒ No

If yes, what district(s)?

If information from your investigation generated another OCDETF case, provide OCDETF case number(s)

What results were achieved in the related case(s)?

☐ Defendant(s) charged in another district☐ Assets seized and/or forfeited in another district☐ Wiretap initiated in other district☐ OtherAs part of your investigation, did you make a strategic decision to charge targets of the investigation in another federal judicial district? ☐ Yes ☒ No

If yes, identify district in which defendants were charged

How many defendants were charged in that district as a result of your investigation?

How many leadership-level defendants were charged?

Were any defendants charged in a state/local jurisdiction as a result of this investigation? ☐ Yes ☒ NoWere any defendants charged in a foreign country as a result of this investigation? ☐ Yes ☒ No

International Aspects

☐ Fugitive Defendant returned to U.S. via extradition (specify country)☐ Fugitive Defendant returned to U.S. via Deportation/Expulsion (specify country)☐ Fugitive Defendant returned to U.S. via approved "lure" operation☐ Defendant remains fugitive - Extradition/Deportation requested (specify country)☐ Defendant remains fugitive - Extradition/Deportation not requested (specify country/location)☐ Defendant remains fugitive - Extradition denied (specify country/location)☐ Overseas evidence obtained - Via MLAT (specify country)☐ Overseas evidence obtained - Via Letter Rogatory (specify country)☐ Overseas evidence sought but not obtained - Via MLAT (specify country)☐ Overseas evidence sought but not obtained - Via Letter Rogatory (specify country)

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OCDETF Final Report

OCDETF Investigation No. SW-NM [REDACTED]

CAPACITY AND SEIZURE INFORMATION FOR DRUGS, WEAPONS AND CURRENCY

Provide final estimates and seizure amounts based upon all information developed during the course of the investigation.

Drug(s)	Total Quantity Moved on Annual Basis (reliable estimate based on corroborated CI information, intel, T-II intercepts, etc.)	Total Amount Seized (include related or "walled-off" federal/state/local seizures)
<input checked="" type="checkbox"/> Cocaine (in KG)	KG	0.170.80 ^{KG}
<input type="checkbox"/> Crack Cocaine (in KG)	KG	KG
<input type="checkbox"/> Heroin (in KG)	KG	KG
<input type="checkbox"/> South American	KG	KG
<input type="checkbox"/> Southeast Asian	KG	KG
<input type="checkbox"/> Southwest Asian	KG	KG
<input type="checkbox"/> Black Tar	KG	KG
<input type="checkbox"/> Other	KG	KG
<input type="checkbox"/> Other Opiates (in G)	G	G
<input type="checkbox"/> LSD (in G)	G	G
<input checked="" type="checkbox"/> Marijuana (in KG)	KG	KG
<input type="checkbox"/> Grown Domestically	KG	KG
<input type="checkbox"/> Indoor	KG	KG
<input type="checkbox"/> Public Land	KG	KG
<input checked="" type="checkbox"/> Grown Abroad	250.00 KG	KG
<input type="checkbox"/> Hashish (in KG)	KG	KG
<input type="checkbox"/> Methamphetamine/Amphetamine (in KG)	KG	KG
<input type="checkbox"/> Produced Domestically	KG	KG
<input type="checkbox"/> Produced Abroad	KG	KG
<input type="checkbox"/> MDMA (in G)	G	G
<input type="checkbox"/> GHB/GBL (in G)	G	G
<input type="checkbox"/> Other Designer Drug		
<input type="checkbox"/> Steroids (in unit dosages equivalent to 10 cc vials)		
<input type="checkbox"/> Pseudoephedrine (in G)	G	G
<input type="checkbox"/> Other Precursor		
<input type="checkbox"/> OxyContin (in G)	G	G
<input type="checkbox"/> Other Prescription (G)	G	G
<input type="checkbox"/> Other Drug (in)		
<input checked="" type="checkbox"/> No Drugs Charged		

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OCDETF Investigation No. SW-NM [REDACTED]

Weapons Involved	For Gun Smuggling Operations: Total Number of Weapons Moved On Annual Basis (reliable estimate based on corroborated CI Information, Intel, T-III Intercepts, etc.)	Total Weapons Seized/Forfeited (include related or "walled-off" federal/state/local seizures)		
		Identified	Seized	Forfeited
<input checked="" type="checkbox"/> Guns		1	1	
<input type="checkbox"/> Other				

Amount of Currency Laundered on Annual Basis
(reliable estimate based on corroborated CI Information, Intel,
T-III Intercepts, etc.)
(\$) 165,000

Domestic Assets: Identified, Seized and/or Forfeited to date from the organization. (Include all related or "walled-off" federal/state/local administrative, civil and criminal) (Net Equity Value is the value of the property/enterprise minus all liens.)

	Identified (Total Estimated Value)	Seized (Total Net Equity Value)	Forfeited (Total Net Equity Value)
Cash/Monetary	(\$)	(\$)	(\$)
Real/Personal Property	(\$) 2,232,617	(\$)	(\$)
Business/Commercial Enterprise	(\$)	(\$)	(\$)

Foreign Assets: Identified and/or Seized to date from the organization. (Net Equity Value is the value of the property/enterprise minus all liens.)

	Identified (Total Estimated Value)	Seized (Total Net Equity Value)
Cash/Monetary	(\$)	(\$)
Real/Personal Property	(\$)	(\$)
Business/Commercial Enterprise	(\$)	(\$)

If assets have been identified or seized in a foreign country, please list country (ies):

Defendants: Indicate number of defendants that fall within each category.

Note: To correct MIS data provided in this chart, you must submit an updated Indictment/Information Form(s) and/or updated D&S form(s).

	Organization Leaders	Defendants w/ Financial Charges	Non-Leadership Role	Defendants w/ Financial Charges
Defendants Charged (By Indictment and/or Information)	1	0	0	0
Defendants Convicted	1	0	0	0
Defendants Sentenced	1	0	0	0
Average Sentence (months) *	0	0	0	0
Life Sentence	0	0	0	0
Death penalty	0	0	0	0
Fugitives	0	0	0	0
Defendants Dismissed on All Charges	0	0	0	0

* Note: Average calculated does not include any "Life" sentences.

State and Local Funding from FY 2009 to present: (Populated from State and Local Database)

	Regular Hours	Overtime Hours	Total Payments (\$)
FY 2011			
FY 2010			
FY 2009 to Date			

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Investigation No. SW-NM [REDACTED]

Judicial Process

Did this investigation result in a trial? ☐ Yes ☒ No

If yes, how many trials: _____

If yes, total aggregate weeks in trial: _____

NARRATIVE SUMMARY OF INVESTIGATIVE EFFORTS AND RESULTS ACHIEVED

Attach a concise narrative summary (three to four pages) of the investigative efforts and results attributable to this case. Do not write in the space below. The narrative summary must include the following:

1. What was the significance of this organization's drug/money laundering activities in your district and/or region?
2. What was the impact, if any, of this investigation/prosecution within your district/region or within the area where the organization was operating? (i.e., did it result in a change in the quality of life in the region, a change in drug price, a reduction in the overall drug threat, etc.)
3. What was the impact, if any, of this investigation/prosecution in other regions nationally and/or internationally? (i.e., did it affect drug availability, distribution/transportation networks, methods of operation, etc.)
4. What impact, if any, did this investigation/prosecution have on the way this organization operated? (i.e., did it move geographically? change methods of transportation?, etc.)
5. Detail any unique methods by which the organization operated (i.e., new method of money laundering, innovative drug transportation scheme) and any innovative investigative or prosecution techniques used (i.e., new electronic surveillance, innovative use of statute, etc.)
6. Please identify the agency or agencies that made the most significant contribution to this investigation and explain that contribution.
7. If this investigation is CPOT - or RPOT - linked, how did disruption or dismantlement of this organization impact the CPOT or RPOT?
8. If you have identified this investigation as CPOT - or RPOT - linked for the first time in this Final Report, explain the available evidence to substantiate the connection.
9. If this Report identifies this investigation, for the first time, as connected to a terrorist organization, national gang or another organized criminal group, please explain the connection.
10. What assistance, if any, did this investigation/prosecution receive from the OCDETF Fusion Center that has not previously been reported? Please be specific about any results from the OCDETF Fusion Center's assistance (e.g. identification of additional assets and/or associates, additional charges in indictment, etc.).

AGENCY PARTICIPATION

Please confirm all agencies that participated (personnel, resources, or intelligence) during this investigation and provide agency case numbers for each.

☐ ATF☒ DEA☒ FBI☐ ICE☐ Other Federal agencies (specify) _____☒ State/Local Prosecutors (specify) _____☒ State/Local Investigators (specify) _____☐ Foreign Government/Law Enforcement (specify) _____☒ IRS☐ USCG☐ USMS

NEW MEXICO DISTRICT ATTORNEY'S OFFICE

LAS CRUCES-DONA ANA METRO NARCOTICS AGENCY

NEW MEXICO STATE POLICE

CHAVES COUNTY METRO NARCOTICS TASK FORCE

Law Enforcement Sensitive

OCDETF Final Report

OCDETF Case # SW-NM- [REDACTED]

FINAL REPORT PREPARATION AND REVIEW

This report is to be completed by the AUSA prosecuting the case together with the lead Agent(s) for this OCDETF investigation. The Lead Task Force Attorney, Case AUSA and the Case Agent(s) should review this Report and sign below. The Report also should be submitted to, and reviewed by, the AUSA Regional Coordinator and the sponsoring agency's Regional Coordinator.

[REDACTED] *Lead TF Attorney* *Printed Name*

Date

3-8-2011

[REDACTED] *Case Attorney*

Printed Name

Date

3-04-2011

[REDACTED] *Case Agent*

Printed Name

Agency

Date

FBI

03/04/2011

[REDACTED] *Case Agent*

Printed Name

Agency

Date

DEA

3/4/2011

[REDACTED] *AUSA Regional COO*

Printed Name

Date

[REDACTED] *Sponsoring Agency Reg. Coordinator* Printed Name

Agency

Date

All agency case numbers have been forwarded for entry into CATs:

Initials (LTFA) _____ Date _____

The District Coordination Committee members from agencies other than those signing above as sponsors of the OCDETF investigation should review this Report and sign below. However, please submit this form immediately upon completion; do not wait for District Coordination Committee review and signatures.

- ☐ ATF _____ ☐ IRS _____
- ☐ DEA _____ ☐ USCG _____
- ☐ FBI _____ ☐ USMS _____
- ☐ ICE _____

To be completed by Regional Coordination Group:

Was this investigation generated as a result of a strategic initiative identified in the region's Strategic Plan or otherwise developed by the region?

☐ Yes ☐ No

If yes, identify initiative number: _____

If this case is connected to a RPOT in another region, please identify region: _____

LAW ENFORCEMENT SENSITIVE

**NARRATIVE SUMMARY OF INVESTIGATIVE EFFORTS
AND RESULTS ACHIEVED:
Operation Head Shot - Final Report**

1. SIGNIFICANCE OF ORGANIZATION'S DRUG/MONEY LAUNDERING ACTIVITIES IN DISTRICT/REGION

Operation Head Shot revealed that the [REDACTED] Drug Trafficking Organization (DTO) was a southern New Mexico-based marijuana and cocaine distribution cell with ties to larger Mexico-based narcotics organizations headed by [REDACTED] (the [REDACTED] Cartel), and [REDACTED] (the [REDACTED] Cartel), respectfully. [REDACTED], aka: [REDACTED], Operation Head Shot revealed that [REDACTED] and the [REDACTED] DTO were integrally involved in the distribution of marijuana and cocaine from southern New Mexico to points throughout the United States. Agents also believe that [REDACTED] and the [REDACTED] DTO were involved in money laundering, but the investigation produced insufficient evidence to prosecute [REDACTED] or any other [REDACTED] DTO associates for money laundering.

2. IMPACT, IF ANY, OF THIS INVESTIGATION/PROSECUTION WITHIN OUR DISTRICT/REGION OR WITHIN THE AREA WHERE THE ORGANIZATION WAS OPERATING

The dismantlement of the [REDACTED] DTO eliminated an experienced and savvy drug-cartel distribution cell in southern New Mexico and west Texas. The wider significance of Operation Head Shot is unclear at this time.

On August 18, 2010, FBI agents approached [REDACTED] to solicit his cooperation. [REDACTED] agreed to, and did, travel with FBI to New Mexico on August 18, 2010. Thereafter, FBI and DEA agents debriefed [REDACTED] at length about his drug-related activities in the United States and Mexico, as well as his knowledge of, *inter alia*, the [REDACTED] Cartel. On [REDACTED], [REDACTED] pled guilty in the District of New Mexico to a one-count information charging a violation of 18 U.S.C. §§ 922(g)(5), 924(a)(2), that being Alien in Possession of a Firearm. [REDACTED]'s arrest and prosecution has dismantled the [REDACTED] DTO, as [REDACTED] was the [REDACTED] DTO's undisputed leader and organizer. Since [REDACTED] began cooperating with the FBI, [REDACTED] has provided significant information about drug trafficking activity where the [REDACTED] DTO formerly operated (namely, in the El Paso, Texas, area, southern New Mexico, and Albuquerque, New Mexico).

3. IMPACT, IF ANY, OF THIS INVESTIGATION/PROSECUTION IN OTHER REGIONS NATIONALLY OR INTERNATIONALLY

As noted above, [REDACTED]'s arrest and prosecution has dismantled the [REDACTED] DTO. Since [REDACTED] began cooperating with the FBI, the vast majority of the information he has provided pertains to [REDACTED] Cartel members' whereabouts and operations in the Republic of Mexico. Operation Head Shot's FBI and DEA case agents have promptly and systematically transmitted intelligence [REDACTED] has provided with FBI and DEA personnel in Mexico, as well as with DEA's Special Operations Division (SOD). To date, these efforts have proven successful, with

LAW ENFORCEMENT SENSITIVE

1 of 2

LAW ENFORCEMENT SENSITIVE

several operations undertaken in Mexico based on [REDACTED]'s information. Operation Head Shot has had no known impact on any other prosecution.

4. IMPACT OF INVESTIGATION/PROSECUTION ON THE WAY THE ORGANIZATION OPERATED

As noted above, [REDACTED]'s arrest and prosecution has dismantled the [REDACTED] DTO. [REDACTED] was the [REDACTED] DTO's undisputed leader and organizer.

5. UNIQUE METHODS BY WHICH THE ORGANIZATION OPERATED AND INNOVATIVE INVESTIGATIVE OR PROSECUTION TECHNIQUES USED

Among other techniques, Operation Head Shot employed [REDACTED] at critical junctures in the investigation to identify [REDACTED] DTO targets' [REDACTED]. The court orders Operation Head Shot obtained for [REDACTED] were the first such orders ever issued in the District of New Mexico.

6. AGENCY/AGENCIES THAT MADE THE MOST SIGNIFICANT CONTRIBUTION TO THIS INVESTIGATION.

The Federal Bureau of Investigation (FBI) and Drug Enforcement Administration (DEA) were the two agencies that made the most significant contribution to this investigation. Operation Head Shot was truly a joint investigation.

7. INVESTIGATION'S IMPACT ON CPOTs.

Operation Head Shot is linked to two CPOTs: [REDACTED], and [REDACTED]. While this investigation dismantled one drug distribution cell, which has ties to both CPOTs, its impact on the CPOTs themselves is unclear.

8. EVIDENCE AVAILABLE TO SUBSTANTIATE INVESTIGATION'S CONNECTION TO CPOT IDENTIFIED FOR FIRST TIME IN THE FINAL REPORT.

[REDACTED] has advised the United States that he has ties to the [REDACTED] Cartel. This CPOT link is noted for the first time in this Final Report. In addition to providing specific information about identified members of the [REDACTED] Cartel, [REDACTED]'s phone records substantiate this CPOT connection.

9. Not applicable.

10. Not applicable.

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2 of 2

Exhibit 109

Exhibit 109

RC-1

From: Cooley, Joseph
Sent: Friday, January 15, 2010 12:03 PM
To: O'Keefe, Kevin C. (ATF)
Subject: Re: Mexican Firearms Trafficking

Thanks

Joseph A. Cooley

Gang Unit, DOJ

Cell RC-1

This message is via my blackberry. Please excuse any typos.

From: O'Keefe, Kevin C. <RC-1>
To: Cooley, Joseph
Sent: Fri Jan 15 11:35:44 2010
Subject: RE: Mexican Firearms Trafficking
 Most definitely, and my apologies, but later today I will have the other info I owe you on the case #5, assigned agents and locations.

Kevin O'Keefe
 Chief, Criminal Intel Div

RC-1

From: Cooley, Joseph [mailto:RC-1]
Sent: Friday, January 15, 2010 11:30 AM
To: O'Keefe, Kevin C.
Subject: Re: Mexican Firearms Trafficking

Kevin,

I am going to Houston the early part of the week of 1-25. I will be doing trial prep with LE including agents from ATF. If possible, I would like to also get acquainted with those working on the firearms trafficking involving the Mexican seizures. Can you reach out to those agents and give them a heads up?

Joseph A. Cooley

Gang Unit, DOJ

Cell RC-1

This message is via my blackberry. Please excuse any typos.

From: O'Keefe, Kevin C. <RC-1>
To: Cooley, Joseph
Sent: Mon Jan 11 16:52:43 2010
Subject: RE: Mexican Firearms Trafficking
 Joe – sorry the delay in getting back to you. I have briefly discussed the below with Ray Rowley, and here are some quick statuses:

1. My folks in Intel will have the case agents/office locations for all the open cases listed in the large link analysis shortly
2. Our case management system does not allow for a search on the court docket numbers, so we will have to get that from the specific field agents
3. Ray will go thru operations and get copies of the blue jackets on the cases recommended to the USAO for prosecution; but just FYI, these are only hardcopy – they are not transmitted electronically (sorry)

Quite honestly, we here in ATF HQ are still trying to hash out a viable enforcement strategy to target the DTOs, and more specifically Sinaloa and Gulf/Zetas. We will keep you apprised of any developments. RC-5

RC-5

The

Arizona case continues to progress – info coming in from the investigation, a DEA wire that intersects a common player, and from the intel community (at the classified level). An AUSA is on board; I will get the name for you shortly.

Safe travels.

Kevin O'Keefe
Chief, Criminal Intel Div

RC-1

From: Cooley, Joseph [mailto:RC-1]
Sent: Friday, January 08, 2010 5:57 PM
To: O'Keefe, Kevin C.
Cc: Rowley, Raymond G.
Subject: Mexican Firearms Trafficking

Kevin,

I want to follow-up on our telephone conversation on Monday afternoon. Kevin Carwile and I spoke with Anthony Garcia in the U.S. Embassy in Mexico yesterday. During our discussion, we brought up the issue with the firearms recoveries and the procedures the Mexican authorities use to document the seizures. We also mentioned the DEA and other agencies in country will need to collect as much information as possible regarding firearms seizures. Tony was very encouraging that the various U.S. agencies will be cooperative. However, he did suggest that the individual case agents in the U.S. may present a problem with the exchange of information. We will address those issues when then arise. Finally, Tony is going to see what information has been obtained from the U.S. citizen that was arrested during the firearms seizure connected with the AZ straw purchases.

From my review of the material you provided me during our meeting, I see that the AZ straw purchases may very well work as one case. The TX straw purchases are obviously much more complex. As I suggested in our telephone conversation, I will need some additional information from ATF that I have listed below:

- 1) The names of the ATF case agents for all of the open cases;
- 2) The names of the ATF case agents and judicial docket numbers for the six convicted defendants related to the TX-related seizures; and
- 3) Copies of the blue jackets (electronic version preferable) for cases that have been referred to the USAOs.

I would like to start with initially focusing on the AZ case. Clearly this is more of a pro-active investigation. I would like to contact that case agent(s) as soon as possible.

As I stated during our meeting, I believe connecting these firearm purchases and seizures with drug trafficking could provide tremendous leverage on our targets. That being said, I will insist that any defendant, cooperating or otherwise, plead to firearms violations in addition to any other potential charges. I realized that I gave "short shrift" to potential tax charges during our meeting. The problem with tax charges is that they are driven by the value of the unreported income. Typically in these cases the criminal exposure for tax evasion violations would not be that significant. In addition, any tax charges require prior approval from the DOJ Tax Division. This would add substantial delays in charging our targets. However, I do believe that IRS assistance would be very useful in tracking the money and would likely lead to money laundering charges. We certainly would consider tax evasion violations if IRS finds that such charges were essential for a successful prosecution.

I will be in TX for the next two weeks getting ready for a trial that starts next month. I will have access to my emails and computer files.

Again, I want to thank you and the others for their time. I am looking forward to working with ATF to address this serious increase in firearms trafficking. Let me know if there is anything you need from me.

Joseph A. Cooley
Trial Attorney
Gang Unit

Exhibit 110

Exhibit 110

From: Voth, David J.
 Sent: Monday, December 07, 2009 12:37:53 PM
 To: Gillett, George T. Jr.
 Subject: RE: How's your first day?

10-4

-----Original Message-----

From: Gillett, George T. Jr.
 Sent: Monday, December 07, 2009 11:37 AM
 To: Voth, David J.
 Subject: Re: How's your first day?

Ummmm. I'll fill you in tonight. It's high side info.

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 [REDACTED]

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----- Original Message -----

From: Voth, David J.
 To: Gillett, George T. Jr.
 Sent: Mon Dec 07 12:33:57 2009
 Subject: RE: How's your first day?

Should be clear for football. I think Hope said [REDACTED] FFL #1 was getting a shipment of 7.62s on Wednesday so they anticipate surveillance... On that note Hope mentioned some info from SOD regarding a December 17th exportation of the stash of guns from here (Glendale) across the border. Is there a point of contact @ SOD or someone I can talk to regarding this information?

Thanks

-----Original Message-----

From: Gillett, George T. Jr.
 Sent: Monday, December 07, 2009 11:28 AM
 To: Voth, David J.
 Subject: Re: How's your first day?

Are you up for going out to Monday Night Football or does your group have something going tonight?

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 [REDACTED]

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HOCRAFP-002273

transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Voth, David J.
To: Gillett, George T. Jr.
Sent: Mon Dec 07 12:25:10 2009
Subject: RE: How's your first day?

So far so good! Thanks

-----Original Message-----

From: Gillett, George T. Jr.
Sent: Monday, December 07, 2009 11:25 AM
To: Voth, David J.
Subject: How's your first day?

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
[REDACTED]

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HOCR ATF - 002274

Exhibit 111

Exhibit 111

RC-1

Subject: Arizona Gun Trafficking Investigation
Location: OAAG Criminal (2107)
Start: Mon 4/19/2010 2:45 PM
End: Mon 4/19/2010 3:15 PM
Recurrence: (none)
Meeting Status: Meeting organizer
Organizer: Breuer, Lanny A.
Required Attendees: Raman, Mythili; Fagell, Steven; Weinstein, Jason; Pope, Amy; Trusty, James; Carwile, Kevin

Participants: Lanny Breuer; Mythili Raman; Steve Fagell; Jason Weinstein; Amy Pope; Jim Trusty; Kevin Carwile

RC-1

From: Carwile, Kevin
Sent: Monday, April 19, 2010 6:42 PM
To: Trusty, James
Subject: Re: How did the

No problem. See you around noon.

----- Original Message -----

From: Trusty, James
To: Carwile, Kevin
Sent: Mon Apr 19 18:40:08 2010
Subject: Re: How did the

Went fine. You know how he is. Wants us to meet with Ken and Billy at some point so they know the bad stuff that could come out. I'm going to come in late tomorrow - probably near noon -- work from home in the am and then work til around 6.

----- Original Message -----

From: Carwile, Kevin
To: Trusty, James
Sent: Mon Apr 19 18:23:42 2010
Subject: How did the

Meeting go with lanny?

RC-1

From: Hoover, William J. RC-1
Sent: Tuesday, April 20, 2010 7:38 AM
To: Weinstein, Jason
Subject: RE: Calendar invite

Thank you Jason. Look forward to meeting with you! Will probably bring Larry Ford from our PGA.

William J. Hoover
 Executive Assistant Director
 O) RC-1

-----Original Message-----

From: Weinstein, Jason RC-1
Sent: Tuesday, April 20, 2010 7:36 AM
To: Hoover, William J.
Subject: Calendar invite

Billy,

You and Ken will be receiving an invite for a meeting with Lanny, me, and some others next week on a soon-to-be-charged gun trafficking case we're doing with ATF in Tucson. (Your code name is Operation Wide Receiver.) The reason we wanted to meet with you before charging is that the case has 2 aspects that could create media challenges and we wanted to talk through them first. Happy to fill you in by phone whenever convenient. When you get the invite, feel free to include someone from your PIO (and anyone else you want).

Best,

Jason

Jason M. Weinstein
 Deputy Assistant Attorney General
 Criminal Division
 U.S. Department of Justice
 950 Pennsylvania Avenue, NW
 Washington, D.C. 20530
 Office: RC-1
 Cell: RC-1


Exhibit 112

Exhibit 112

From: Lowrey, Stuart L.
Sent: Tuesday, June 01, 2010 1:01:30 PM
To: Rowley, Raymond G.
CC: Chait, Mark R.; McMahon, William G.
Subject: RE: Response -- Negative / Request for Supplemental Documentation / ATF O 3310."Firearm Transfer" / ? - Supervisory Approval Requirement

Ray --

I think we should address this item with the immediate work ahead that we've discussed (and are meeting on today). I wasn't in the El Paso conversations, but I assume the student SAs were referring to allowing firearm transfers, between individuals or between FFLs and individuals, to occur without LE interference in furtherance of a trafficking type investigation. The question you raised before was what volume of firearms is acceptable to allow to "walk" before we intervene, 5, 10, 50? Also, my read of your comments does not imply that we are, with only field level approval, authorizing "prop" firearms to walk ... Good idea - let's discuss later today. Thanks

Stuart L. Lowrey
 Chief, Firearms Operations Division
 ATF HQ - Room 6.S.129


From: Rowley, Raymond G.
Sent: Tuesday, June 01, 2010 11:45 AM
To: Chait, Mark R.; McMahon, William G.
Cc: Lowrey, Stuart L.
Subject: FW: Response -- Negative / Request for Supplemental Documentation / ATF O 3310."Firearm Transfer" / ? - Supervisory Approval Requirement

This is what we've come up with regarding the transfers of firearms during the course of an investigation. This issue came up during the recent firearms trafficking seminar I attended in El Paso. Specifically, it appears that agents in the field are of the opinion that they can transfer or permit the transfer of firearms to further an investigation without HQ knowledge or approval. The language below would seem to support that position. Given that our Firearms Enforcement Order has not been updated for 21 years and much has changed during the intervening period I recommend that we develop policy to address this issue immediately, followed by an effort to update the Order.

Ray

From: Molek, Theresa C.
Sent: Tuesday, April 27, 2010 6:03 PM
To: Rowley, Raymond G.

HOCR ATF - 002077

Subject: Response -- Negative / Request for Supplemental Documentation / ATF O 3310."Firearm Transfer" / ? - Supervisory Approval Requirement

From: Carr, Mary Ann
Sent: Tuesday, April 27, 2010 11:49 AM
To: Molek, Theresa C.
Subject: RE: Request for Supplemental Documentation / ATF O 3310."Firearm Transfer" / ? - Supervisory Approval Requirement

Hi Theresa ... sorry for the delay. I've checked several resources, including our PD&E Shared Drive, which is an archive of old policy memos, broadcast messages, e-mails, and other miscellaneous documents and items and have not been able to find any supplemental policy regarding weapons transfer. It seems the information in ATF O 3310.4B is the only policy that exist.

Let me know if I can be of further assistance.

*Program Analyst Mary Ann Carr
 Policy Development and Evaluation Branch
 Field Management Staff, Office of Field Operations
 99 New York Avenue, NE, [REDACTED]
 Washington, DC 20226
 [REDACTED]*

I am who I am because of who we all are!

From: Molek, Theresa C.
Sent: Tuesday, April 20, 2010 4:14 PM
To: Carr, Mary Ann
Cc: Lowrey, Stuart L.
Subject: Request for Supplemental Documentation / ATF O 3310."Firearm Transfer" / ? - Supervisory Approval Requirement

REQUEST FOR SUPPLEMENTAL DOCUMENTATION RE ATF O 3310.48 "WEAPONS TRANSFER" AND SUPERVISORY APPROVAL REQUIREMENT

Per discussion this date, requesting supplemental documentation, if any, issued by HQ and/or Field Divisions reflecting the requirement of supervisory/SAC approval for "Weapons Transfers," which is not addressed in ATF O 3310.48.

Thank you for your time and assistance.

HOCR ATF - 002078

“WEAPONS TRANSFER”

ATF O 3310.48 Firearms Enforcement Program cites that a special agent “may choose to allow the transfer of firearms to take place in order to further an investigation and allow for the identification of additional coconspirators who would have continued to operate and illegally traffic firearms in the future, potentially producing more armed crime.”

Comment: Order reflects no procedural notation regarding supervisory approval; sole discretionary practice by investigative personnel

Reference: ATF O 3310.4B Firearms Enforcement Program, p. 113

Extract: 148. “Weapons Transfers”

- a. Considerations. During the course of illegal firearms trafficking investigations, special agents may become aware of, observe, or encounter situations where an individual(s) will take delivery of firearms, or transfer firearm(s) to others. In these instances, the special agent may exercise the following options:
 - (1) In cases where probable cause exists to believe a violation of law has occurred and the special agent determines there is a need to intervene in the weapons transfer (e.g., the recipient of the firearms is a known felon; it is known the firearms will be used in crime of violence), the special agent shall do so but should place concerns for public safety and the safety of the involved special agents as the primary determining factor in exercising this option.
 - (2) In other cases, immediate intervention may not be needed or desirable, and the **special agent may choose to allow the transfer of firearms to take place in order to further an investigation and allow for the identification of additional coconspirators who would have continued to operate and illegally traffic firearms in the future, potentially producing more armed crime.**

Document:

<< File: ATF O 3310.4B Firearms Enforcement Program.doc >>

Exhibit 113

Exhibit 113

Let me know a few good blocks of time and I'll set it up

Jason M. Weinstein
Deputy Assistant Attorney General
Criminal Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Office: RC-1 [REDACTED]
Cell: RC-1 [REDACTED]

From: Hoover, William J. <RC-1 [REDACTED]>
To: Weinstein, Jason
Sent: Mon Apr 26 10:58:51 2010
Subject: Re: Unrelated to this call...

Absolutely! Let me know when.
William J. Hoover
Assistant Director
Bureau of ATF

(C) RC-1 [REDACTED]
(C) [REDACTED]

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----- Original Message -----
From: Weinstein, Jason <RC-1 [REDACTED]>
To: Hoover, William J.
Sent: Mon Apr 26 10:55:36 2010
Subject: Unrelated to this call...

...do you have time this week to talk about that tricky gun traff. case in AZ?

Jason M. Weinstein
Deputy Assistant Attorney General
Criminal Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Office: RC-1 [REDACTED]
Cell: RC-1 [REDACTED]

Exhibit 114

Exhibit 114

RC-1

From: Walker, Anjanette
 Sent: Tuesday, April 27, 2010 8:37 AM
 To: Weinstein, Jason
 Subject: FW: "Operation Wide Receiver"

Jason, looks like you can proceed with the meeting without Mark Chait. See below.

-----Original Message-----

From: Hoover, William J. [mailto:RC-1]
 Sent: Tuesday, April 27, 2010 5:52 AM
 To: Walker, Anjanette
 Subject: RE: "Operation Wide Receiver"

Anjanette,

Mark Chait is out of town most of the week. We can hold the meeting without him.

Billy

William J. Hoover
 Executive Assistant Director
 O) RC-1

-----Original Message-----

From: Walker, Anjanette [mailto:RC-1]
 Sent: Monday, April 26, 2010 4:33 PM
 To: Walker, Anjanette; Carwile, Kevin; Trusty, James; Hoover, William J.; Chait, Mark R.
 Cc: Coleman, Betty
 Subject: RE: "Operation Wide Receiver"

I have two responses for this meeting as follows:

James Trusty and William Hoover are available for Wednesday at 11am.
 Kevin is on travel and we are still awaiting to hear from Mark.
 Hopefully, you will receive a firm date and time tomorrow after receiving everyone's response.

Thanks
 Anjanette

-----Original Message-----

From: Walker, Anjanette
 Sent: Monday, April 26, 2010 2:41 PM
 To: Carwile, Kevin; Trusty, James; Hoover, William J. (ATF); Chait, Mark R. (ATF)
 Cc: 'Betty.Coleman'
 Subject: "Operation Wide Receiver"
 Importance: High

Good afternoon All,

Jason asked me to schedule this meeting one day this week, please let me

know if the following dates and times are convenient for everyone.

Tuesday (1:30pm - 5:00pm)

Wednesday (11:00am - 12:00pm)

Thursday (10:00am - 12noon)

Friday (10:00am or 3:00pm - 5:00pm)

Thanks

Anjanette Walker

Office of Assistant Attorney General

Criminal Division

RC-1 [REDACTED] (office)
[REDACTED] (fax)

Exhibit 115

Exhibit 115

RC-1

From: Trusty, James
Sent: Wednesday, April 28, 2010 9:15 AM
To: Weinstein, Jason
Subject: RE: Wide Receiver ATF mtg

Sounds good

From: Weinstein, Jason
Sent: Wednesday, April 28, 2010 9:13 AM
To: Trusty, James
Subject: Wide Receiver ATF mtg

If ok with you, I figured you could do for Billy what you did for Lanny in terms of describing the case and the issues, and then we can spend the rest of the time talking messaging.

Jason M. Weinstein
Deputy Assistant Attorney General
Criminal Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Office: RC-1
Cell: RC-1

Exhibit 116

Exhibit 116

- * May 12 - 2 or 3 defendants
indictment 2006-01; 183 guns sold in
first conspiracy, 9R15's in bulk
vast majority of guns not recovered
- * 2nd conspiracy - same people but
bigger mix of weapons 200 some
purchased - 50 recovered - 5 in Mexico -
Feb 07; 10 defendants
- * gun trafficking, illegal aliens, straw purchase,
some overlap w/ investigation
- * Fast and Furious,

HOCR DOJ 006989

Exhibit 117

Exhibit 117

RC-1

From: Weinstein, Jason
Sent: Friday, April 30, 2010 7:03 PM
To: Breuer, Lanny A.
Subject: Re: Operation Wide Receiver

As you'll recall from Jim's briefing, ATF let a bunch of guns walk in effort to get upstream conspirators but only got straws, and didn't recover many guns. Some were recovered in MX after being used in crimes. Billy, Jim, Laura, Alisa and I all think the best way to announce the case without highlighting the negative part of the story and risking embarrassing ATF is as part of Deliverance.

Jason M. Weinstein
 Deputy Assistant Attorney General
 Criminal Division
 U.S. Department of Justice
 950 Pennsylvania Avenue, NW
 Washington, D.C. 20530
 Office: RC-1
 Cell: RC-1

----- Original Message -----

From: Breuer, Lanny A.
To: Weinstein, Jason
Sent: Fri Apr 30 18:39:45 2010
Subject: Re: Operation Wide Receiver

Anything I should know about thos?

----- Original Message -----

From: Weinstein, Jason
To: Breuer, Lanny A.; Raman, Mythili; Fagell, Steven
Sent: Wed Apr 28 18:59:27 2010
Subject: Operation Wide Receiver

Jim T and I met with Billy Hoover and with Laura and Alisa to talk about this gun trafficking case with the issues about the guns being allowed to walk for investigative purposes. Can fill you in tomorrow in more detail but we all think the best move is to indict both Wide Receiver I and Wide Receiver II under seal and then unseal as part of Project Deliverance, where focus will be on aggregate seizures and not on particulars of any one indictment.

Jason M. Weinstein
 Deputy Assistant Attorney General
 Criminal Division
 U.S. Department of Justice
 950 Pennsylvania Avenue, NW

Exhibit 118

Exhibit 118

From: Chait, Mark R.
To: McMahon, William G.
Sent: 4/28/2010 7:49:13 PM
Subject: Re: Past Due Time Cards

Ok thanks
Mark R. Chait
Assistant Director
Field Operations

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From: McMahon, William G.
To: Chait, Mark R.
Sent: Wed Apr 28 15:45:51 2010
Subject: Re: Past Due Time Cards

With the Director it when fine. We brief the House Members tomorrow morning.

The briefing with DOJ on Wide Receiver went ok. I will brief you tomorrow on the details. Some surprises but nothing terrible.

I am at a doctors appointment right now.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

RC-2



HOCR WR 005455

Exhibit 119

Exhibit 119

RPTS [REDACTED]—

DCMN [REDACTED]—

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: JASON WEINSTEIN

Tuesday, January 10, 2012

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 10:06 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEPHEN CASTOR, CHIEF COUNSEL, INVESTIGATIONS

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

HENRY J. KERNER, SENIOR INVESTIGATIVE COUNSEL

CARLTON DAVIS, COUNSEL

KATE DUNBAR, STAFF ASSISTANT

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

M. SCOTT LINDSAY, MINORITY COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

CARLOS URIARTE, MINORITY STAFF

For the SENATE COMMITTEE ON THE JUDICIARY:

MAGGIE WHITNEY, SENIOR INVESTIGATIVE COUNSEL

MATT VIRKSTIS, COUNSEL

JASON FOSTER, MINORITY CHIEF INVESTIGATIVE COUNSEL

TRISTAN LEAVITT, MINORITY COUNSEL

BRIAN M. DOWNEY, MINORITY INVESTIGATOR

ROB DONOVAN, MINORITY STAFF

PATRICK BAILEY, MINORITY STAFF

For the U.S. DEPARTMENT OF JUSTICE:

STEVEN F. REICH, ASSOCIATE DEPUTY ATTORNEY GENERAL

M. FAITH BURTON, SPECIAL COUNSEL, OFFICE OF LEGISLATIVE AFFAIRS

strengthening our relationship with Mexico has been recognized repeatedly by officials on both sides of the border.

Given this level of commitment and given this record of accomplishment, it cannot reasonably be suggested that I or any other officials in this Criminal Division could have knowingly tolerated any situation in which guns were allowed to walk to Mexico, thereby endangering not only the citizens of both countries but also all that we have worked to accomplish with Mexico over the past 3 years.

Now let me turn briefly to the prosecution of the case known as Wide Receiver.

As part of the Criminal Division's efforts to assist in the fight against gun trafficking along the Southwest border, in the summer of 2009 the Criminal Division offered a gang unit prosecutor to help the border U.S. Attorney's Office prosecute gun-trafficking cases. And as a result of that effort in the fall of 2009 one of our prosecutors was assigned to a case we now know as Wide Receiver, which is a case that had been investigated in 2006 and 2007 in the prior administration that had then set uncharged by the U.S. Attorney's Office in Arizona for about 2 years.

To be clear, the case was investigated by ATF and the Arizona U.S. Attorney's Office and not by this Criminal Division. But when prosecutors in the gang unit reviewed the case in the fall of 2009 and decided to prosecute it they learned in the process that guns had walked in that case back in '06 and '07.

It was in the spring of 2010 when I personally learned about the

gun-walking that had taken place during the investigative phase of Wide Receiver back in '06 and '07. I was stunned by those tactics which were unlike anything I had encountered in my career as a prosecutor; and, although the tactics had been used years earlier, I was sufficiently troubled by them that I raised them with Mr. Breuer and at his direction with top officials at ATF. I made clear to ATF my concerns about the tactics, and I was satisfied that ATF leadership shared those concerns and viewed those tactics as unacceptable.

The Criminal Division's bottom-line assessment with respect to Wide Receiver was that although the guns should never have been allowed to walk in '06 and '07 we should not compound that error by allowing the gun traffickers to walk as well. So we decided to go forward and prosecute the case, notwithstanding any embarrassment it might cause for ATF.

Had embarrassment to ATF been an overriding concern we could simply have let the case continue to lie dormant as it had for 2 years, but that's not what we did. We chose to move forward, notwithstanding the inappropriate investigative tactics that had been used earlier because those tactics did not affect the integrity of the evidence and because prosecuting the case was simply the right thing to do.

Turning now to allegations of gun-walking in Fast and Furious.

I want to be clear that I did not know at any time during the investigation of Fast and Furious that guns had walked during that investigation. I first heard of possible gun-walking in Fast and Furious when the whistleblower allegations were made public in early

If the Office of Enforcement Operations decides that the wiretap is legally sufficient and meets the statutory requirements, they will prepare a summary memo of the affidavit for higher level review. And they will send the memo and the supporting documentation to our front office where it will be assigned to whichever deputy AG is next available, with the goal of getting these reviewed as efficiently as possible. There are thousands of wiretaps every year. We want to get them reviewed and out to the field if they're approved so they can be used.

So my role is to review the wires that come in. They come to me when it's my turn in the rotation to review them.

Q And did you review wiretap applications in Operation Fast and Furious?

A I reviewed what I believe to be three of the wiretaps in Fast and Furious, in what I now know to be Fast and Furious.

Q Did those -- did you review the wiretaps themselves or the cover memo prepared by your staff?

Mr. Reich. Before we get into what you did in Fast and Furious, would you mind asking as just a predicate what his general practice is?

BY MR. LINDSAY:

Q Yeah, what is your general practice?

A My general practice, which I understand to be consistent with the way DAGs have done this across administrations, is to review the summary memo in the first instance and to go to the affidavit only if

Exhibit 120

Exhibit 120

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: WILLIAM MCMAHON

Tuesday, June 28, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247 Rayburn
House Office Building, commencing at 10:05 a.m.

Appearances:

For the HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

CARLTON DAVIS, COUNSEL

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

For the SENATE COMMITTEE ON THE JUDICIARY:

JASON A. FOSTER, CHIEF INVESTIGATIVE COUNSEL

BRIAN M. DOWNEY, INVESTIGATOR

ROB DONOVAN, SENATOR GRASSLEY'S OFFICE

JUSTIN KIM, MINORITY STAFF

WILLIAM MILES, MINORITY PROFESSIONAL STAFF

For the DEPARTMENT OF JUSTICE:

MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS

For MR. MCMAHON:

GREG SERRES, DEPUTY CHIEF COUNSEL, ATF

Q Not legally, the person, the transferee is not legally allowed to buy the weapon --

A Correct.

Q Then you would certainly find a problem with that?

A Absolutely.

Q All right. When did you first become aware of allegations that gun walking might have occurred in the Fast and Furious case?

A Shortly after a takedown in January of 2011.

Ms. Grooms. I'm sorry, I was confused by the question. I thought the witness said that he hadn't thought that the gun walking had occurred.

Mr. Davis. Well, the allegations. I asked him about the allegation.

Ms. Grooms. Sorry? I misheard you.

BY MR. DAVIS:

Q So shortly after the takedown in January 2011?

A [Nods.]

Q How did that come to your attention?

A I think there was some media reports or blog reports that that sort of thing were on our news clippings that we get every day.

Q So you weren't aware of that before January 25 or the press conference or --

A Correct.

Q Around that time. Okay.

Did you do anything in your capacities as Deputy Assistant

Director to investigate those allegations?

A Investigate, I mean I have talked to the individuals involved and tried to figure out where this was all coming from.

Q Who were those individuals that were involved at that point?

A Usually it was just Bill Newell.

Q Bill Newell?

A Right.

Q So Bill Newell had an allegation that gun walking occurred? Is that what I'm understanding?

A No. When I read these reports I would talk to Bill and say what are they talking about here? And we just had a discussion about that, that you know, it was not true and that sort of thing.

Q But you didn't go and reach out to the actual agents who were making these reports?

A There were no agents identified until a month or two later.

Q And what did Mr. Newell relate to you about these allegations that gun walking had occurred?

A That they were untrue.

Q And what was his basis for the claim that they were untrue?

A That his knowledge of the case, the way that this case was investigated, all of that.

Q What is your current understanding of ATF's policy regarding gun interdiction?

A Our policy on gun interdiction?

Q Yes. Well, I'm sure you are familiar with section

being recorded as happening.

Q Describe for me a little bit your relationship with Bill Newell?

A I was his first line supervisor for I believe the 3 years that I have been in this position until just recently. We have day-to-day conversations about the ongoing activities in Phoenix. I have traveled to Phoenix a number of times, he has traveled to D.C., so a working relationship. I was his first line supervisor for those 3 years.

Q So day-to-day conversations about what is happening in Phoenix?

A Uh-huh.

Q Did you talk once a day, twice a day, three times a day?

A It varied. There were some days we spoke three, four times a day and I know that because Bill would call, sorry for going over my limit of one call a day type of thing. He would say things like that. But there were times that I wouldn't speak to him for a couple of days.

Q Why was he calling so frequently?

A Just to keep me updated what was going on. I have seven SACs. Some I don't hear from quite as often. I have to usually reach out to them. And then I have others that will call me quite a bit more. I have a SAC that probably calls me five times a day. Bill was kind of in the middle.

Q We have heard some testimony that he had a tendency to over

report to you, always wanting to keep you in the loop about what was going on in Phoenix?

A Bill was pretty good at that, yeah.

Q That was not necessarily just phone calls but written product, whether it is briefing points or memorandum or things like that?

A That's correct.

Q So as a result, you probably had a pretty good idea of what was going on in Phoenix?

A I did.

Q How often did you talk to folks below Bill Newell's level whether it is the ASACs or whether it is any of the group supervisors in Phoenix?

A Hardly at all. If I was in town, I would maybe talk to them then. There was never really any phone conversations, maybe a couple of phone calls with Jim Needles. I had a little bit more of a personal relationship with him. He used to work with me when I was the SAC in New York. We actually went to the academy together so.

Q How often did you see Mr. Newell in person?

A During the year, I would probably see Bill, four, five times a year. I would make some trips out there, he would be in D.C. We would be in joint conversations together.

Q And was your interaction with him, either in D.C. or in Phoenix, average, below average, above average compared to other SACs under your purview?

A Average.

Q Just about average?

A Yeah.

Q So your trips to Phoenix, how frequently did you go out to Phoenix?

A I would go out to Phoenix probably two or three times a year. I would probably go to other divisions about the same, some a little less, some a little more.

Q Okay. So the information that Mr. Newell gave you on your daily telephone calls or your three or four times daily telephone calls, what did you do with that information? What was your sort of pattern or practice of using this stuff that he told you?

A Mostly I would just either report it up or just give him advice on how to handle things or thank him for telling me what he told me.

Q And what types of, would you ever go above Mr. Chait's level to Mr. Hoover or Mr. Melson based on certain things that Mr. Newell was telling you?

A Not directly, no. There would be times that we would be together and I would relay information but that wouldn't go directly to --

Q To Mr. Chait?

A Unless Mark Chait wasn't there and then I was either acting, or yeah, if I was acting then I would go directly to Billy -- Mr. Hoover. Sorry.

Q If you were acting --

A In Mark's position.

Q So if, for example, Mr. Newell called and said hey, we got a problem with gun walking in Phoenix, that would go great straight to Mr. Chait and then you would just leave it at that?

A If that happened, yes. I would bring it to Mr. Chait's attention. And I'm sure we would have a meeting after that.

Q Sure. Okay. So it was from your perspective very chain of command oriented, your reporting?

A I'm very chain of command, absolutely.

Q Okay, when did you first find out about the Fast and Furious investigation?

A It was probably the end of '08, either November or December of '08.

Q All right, and what was the context that you found out about the investigation? How did that occur?

A It was just I believe a conversation between Bill and I about this very good firearms trafficking case that they had ongoing out of our brand-new strike force group.

Mr. Castor. That was '09, correct?

Mr. McMahon. I'm sorry, '09. I'm in '11. Two years ago. I apologize. I got my position in '08.

BY MR. DAVIS:

Q So you just said there was very good firearms trafficking case?

Mr. Davis. I have Exhibit 3.

[McMahon Exhibit No. 3
was marked for identification.]

BY MR. DAVIS:

Q Read it if you want. I affectionately refer to this as the Ray Rowley memo.

So the Ray Rowley memo here, very clearly, Mr. Rowley was expressing concern about the number of weapons going on in this investigation very early on, December 17, 2009, then you see up here an email at the top from Mr. Newell, I will address Ray's concerns with McMahon. Did Mr. Newell ever address these concerns with you?

A I believe we did speak about Ray's involvement in this case.

Q Okay. Can you describe some more about that conversation with Mr. Newell?

A Sure. It was some concerns that Ray was dictating things from headquarters to the field which was not his job. I agreed. I said I would speak to Ray. That is about what I remember from this.

Q Okay so Mr. Newell was not concerned about Mr. Rowley's actual concerns about the number of guns, but he was rather concerned that headquarters was interfering with his little operation down in Phoenix?

A Well, that position in headquarters. He will never have a concern with me interfering with a case, but that position in headquarters, absolutely.

Q So he never expressed to you Mr. Rowley's actual concern

A Absolutely, we had an offer from the Criminal Division, the gang unit, to provide us U.S. attorneys to prosecute individual cases. We normally don't get one attorney assigned to one case at any time, and we had this opportunity in this case and so we wanted to make sure we took advantage of that. We may have also talked about cases out of the Houston field division as well, because I know we have had meetings like that. And historically, we had someone from the Criminal Division assigned to a case out of Tucson which helped us an awful lot because we weren't getting the aggressive prosecution that we thought we needed on the case. So to assign someone from main Justice directly to one case is kind of a big deal.

Q Let alone two people from main Justice being assigned directly to one case?

A I don't think Kevin was going to be assigned to any case. Kevin was a supervisor of the gang unit.

Q Okay. Okay. And again, just to reiterate, I just want to make sure I am hearing you clearly, you don't ever recall Dan Kumor expressing concerns about this case to you? It doesn't have to be in this meeting, just over a period of months.

A Oh, I mean, yeah, we have talked about it, at some point during the case, about the number of guns ending up in Mexico, Dan would usually express his concern from the concern he was getting from his people in Mexico.

Q And what concern was that?

A That there was a large number of guns being recovered in

Mexico.

Q And what was your response to that?

A My response to --

Q To Mr. Kumor's concern.

A That it is our concern as well. We are working this investigation the best we can to take down this group of individuals and stop them from putting the guns in Mexico.

Q Did you ever coordinate with anybody under Mr. Kumor about in Mexico what was going on?

A Did I ever coordinate with people in Mexico?

Q Did you ever talk to anybody in Mexico, ATF or Mexican government, about this particular case?

A I'm sure at some point I did. I had business in Mexico City as well.

Q Who did you meet with down in Mexico City?

A Our people in the attache office.

Q Who specifically?

A Well at the time when I first took the position, the attache was Davey Aguilar. And then Davey was removed, and we had an acting attache down there, Chilicot was his name. And then, eventually we put Darren Gil as the attache. And then Darren was removed, and Carlos Canino has been acting attache for a while.

Q I believe Mr. Gil and Mr. Canino, I think they were the acting attaches during the case?

A Darren was actually the attache and Carlos was the --

RPTS [REDACTED]

DCMN [REDACTED]

[11:04 a.m.]

Q Was this concern addressed to people above Mr. Chait, Mr. Hoover, and Mr. Nelson?

A I don't know.

Q Did you ever address these concerns about the large number of weapons?

A To people above -- outside the agency?

Q Sure. Certainly they were well aware of the large number of weapons that were being trafficked in this case?

A Who was?

Q I mean, Mr. Hoover, Mr. Nelson --

A Oh, absolutely.

Q So the concerns that were going on, were those being discussed?

A Absolutely. Oh, absolutely.

Q And what -- what I guess operational safeguards were in place to ensure that the guns weren't going to go to Mexico, weren't going to end up at crime scenes in Mexico? What safeguards were in place?

A Well, I mean, every individual in this case was put into the tech system. So if they ever had a border crossing that would be checked, if ICE -- if CBP was doing the check southbound.

All the guns that we suspected being purchased by this group were

put into our suspect gun database. We were obtaining a wiretap to help us identify when and if people are buying weapons and who is orchestrating that. So all of those safeguards and all of those techniques were put in place during this investigation.

Q So if you had a hunch that one of these straw purchasers who is buying a lot of weapons, one of the many, if you had a hunch they were connected specifically to the Sinaloa cartel, which you mentioned earlier, again, what would you do to make sure that the weapons that he buys are not actually given to the Sinaloa cartel?

A What would I do?

Q Well, what would be done normally? What was not done in this case? And as the Deputy Assistant Director for the Western Field Operations, you know that this is occurring over and over and over again. So what steps did you take to make sure that, for example, Uriel Patino and other suspects in this case do not continue to buy weapons, do not continue to illegally transfer them to prohibited third parties, and they did continue to end up in Mexico?

A Sure. Again, when you have a large group of people buying a large number of weapons, that is an issue. So there is constant communication between me -- what are we doing to slow this down? What are we -- what is our endgame? What is our plan? That is the direction I give.

I mean, I don't ever, in this position, dictate how someone conducts an investigation. That is not what this position is. My position is to monitor, to support, to provide assistance to the people

under my position.

Q You knew that this was happening over and over and over again. They still kept coming in and buying weapons --

A I knew a large --

Q They kept ending up in Mexico. They kept being transferred to prohibited third parties. And, in your position, you just sat there and you didn't do anything because it wasn't your job to say anything?

A I knew a large group of people were buying a large number of weapons. I never really got into the specifics of how many people, what days they were buying guns, when we found out that they bought a gun. I just knew we identified a large group of people that were buying a large number of guns.

Q So you weren't into the specifics, even though a month after this investigation started you ordered the link analysis, just to link everybody up. That sounds pretty specific.

A A link analysis so we can brief Criminal Division attorneys so that hopefully we can get them to like this case and want to prosecute.

Q So the strategy here was not to actually facilitate the transfer of firearms?

A Absolutely not.

Mr. Castor. Let me ask one question.

EXAMINATION

BY MR. CASTOR:

Q What is a large number of people?

A Trafficking cases, yes, that, is infrequent. But we have wiretaps going all across the country.

Mr. Castor. Carlton, sorry.

BY MR. DAVIS:

Q How many wiretaps were there in this case?

A I believe we applied for -- I think we used seven after -- I think we applied for nine.

Q Seven. So there were seven wiretaps and you never bothered to read any of them?

A Absolutely not. And there was no way I could. Some of these wiretaps would be up for, like, 2 days; and then we would be applying for another one.

Q But you never bothered to read any of the applications --

A I knew that --

Q -- rich in detail?

A I knew that we were applying for wires and that was what was important for me.

Q Whose job is it to read the applications, if it is not yours?

A Counsel, main Justice. I mean, there is quite a few levels.

Q Why are you even in the chain of command if you're just going to pass on your work to the level above you?

A That level is not above me. The Counsel and main Justice, the people that review wiretaps, that is what they do for a living.

Q Put out a memo for a wiretap application, isn't that your job to sign off on that?

A No, I never signed off on a memo for a wiretap application.
Mr. Davis. All right. I am going to introduce Exhibit 4 here.
Hopefully, we can come to an agreement on what exactly occurred.
Here is Exhibit 4. I will give you the original. That is for
you.

[McMahon Exhibit No. 4
was marked for identification.]

BY MR. DAVIS:

Q So this is dated February 5, 2010, a memorandum to Deputy
Assistant Director, Westfield Operations. I assume that is you?

A That is. That is my title.

Q Through the Special Agent in Charge, Phoenix Field Division,
from Group Supervisor, Phoenix Group 7.

Subject: Request for Authorization to Seek Title 3 Intercept of
Telephonic Communications.

So this is a memo to you requesting authorization to seek Title
3 intercept. There is some good detail in here. Not as strong detail
as the actual wiretap applications themselves. Are you saying that
you never read this, that you just approved it and sent it up to the
next level?

A If I -- if I -- if I had read this, I would have signed it
and dated it. I don't believe I have ever read this.

Q You don't believe you have ever read this. So what is the
point of even sending it to you then?

A I'm not sure if it was sent to me.

Q Memorandum to Deputy Assistant Director. This isn't you sending it on to somebody else. It is somebody sending it to you.

A Correct.

Q That's right. So do you sign everything that comes in your in box?

A I do.

Q Do you sign it immediately?

A Do I sign it immediately? I sign it when I review it.

Q You sign it when you review it.

A Then I would put "approved".

Q Okay. So, just to be clear, you never -- you've never seen this document before?

A Not that I recall, no.

Q Okay.

Mr. Foster. Feel free to take some time to review it, just to make sure.

Mr. McMahon. Sure.

Some of the facts in here I am familiar with, but, again, this memo does not -- I don't recall seeing this memo. I don't recall ever signing a memo of request for authorization to seek Title 3s in any of my divisions.

BY MR. DAVIS:

Q How does the Title 3 process work? Walk me through. If I'm Bill Newell, how do I get a Title 3 approved?

A Well, he doesn't.

Q If I am David Voth, how do I get a Title 3 approved?

A The case agent usually would be the one that prepares an affidavit with an assistant U.S. attorney. Then it gets reviewed by ATF counsel, and then it goes over to main Justice. For the life of me, I can't remember the unit in main Justice.

OEO. Thank you.

They are the approvers in this. Then it goes back to the U.S. Attorney's Office, and then they present it to a judge.

Q Okay. Just a last question before I hand over the questioning.

The first sentence here, "this memorandum serves to request authorization" -- the memorandum is to you -- "to initiate a Title 3 cellular telephone intercept." So if you never approved this, if you never saw it in the memorandum request authorization, how was this authorized?

A By a judge signing the order. I mean, that's how wiretaps work.

Q Mr. Voth can't simply sign it in -- sign it by himself and submit a wiretap application to a Federal judge.

A No. It has to go through the process I just described.

Q It seems as though you're a part of the process here.

A Not the process I described, no.

Mr. Davis. That's it.

EXAMINATION

BY MR. FOSTER:

licensee.

Q What about stocking the weapon? Does ATF get involved with the FFLs, telling them that they should stock more weapons in order to assist the flow of the gun traffic -- I guess the gun purchasers coming to that particular FFL?

A Stocking, no. An ATF should not be doing that, no.

Q And did you authorize agents to instruct FFLs to continue to stock or to sell these weapons?

A No.

Q And it is your understanding at this point that that didn't occur?

A Yes.

Q And that is your understanding from talking to SAC Newell?

A Sure. This has never come up, the fact that we told anyone to stock weapons or anything like that. That has never come up.

Q That is a new allegation for you?

A Absolutely.

Q Okay. Did you review the OCDEF application?

A No, I did not. I reviewed it subsequent to all of this coming about, but, no, not before. It is not something that comes up to my level.

Q So where -- I guess where does the review of an OCDEF application end?

A It is at that OCDEF -- there is a committee in that district and that is where the review is done, right there. There would be a

member from the U.S. Attorney's Office, each of the agencies. They will have a rep, those cases get presented and reviewed and approved or not approved.

Q I guess my question is within ATF.

A Within ATF? It should -- I'm not even sure if it would get to the SAC level. It could be as low as the first-line supervisor, maybe the ASCA. I'm not sure.

Q So if -- would you have gotten copied on the OCDETF application?

A No. I may have gotten a copy at some point. I just don't know when. I don't know if it was during the investigation or after, just -- I'm sure -- I know there was a conversation with Bill about, oh, the case got OCDETF approval; we are going to get OCDETF funding. There were those kind of conversations.

I'm not sure I got the actual application at that point. I know I have a copy of the application. It is an unsigned copy. So I just don't know when I got that.

Q What kind of paper would you have gotten about Fast and Furious, the case from SAC Newell?

A Sure. I think he provided a couple of briefing papers, more so near the end of the case than during. And most of the time we talked on the phone.

Q And in the briefing papers that you got, was there anything that you found concerning within them?

A Nothing concerning, other than the fact that we again had

this large group of people buying a large number of weapons and the numbers were concerning, something that we needed to keep an eye on. What are we doing? What is our endgame? You know, that sort of thing.

Q But those briefing papers didn't say anything in them about cutting short of the surveillance?

A No.

Q Or not moving forward with the case in instances when they had the opportunity to do so?

A No.

Q And certainly nothing about instructing FFLs to sell weapons?

A No.

Ms. Grooms. Let us look at one of those.

I will mark this as Exhibit 5.

[McMahon Exhibit No. 5

was marked for identification.]

Ms. Grooms. A briefing paper dated January 5th.

Mr. Serres. January 8th?

Ms. Grooms. I am sorry. January 8th.

Mr. Serres. Okay. Thanks.

[Discussion held off the record.]

BY MS. GROOMS:

Q Do you recall having seen this briefing paper in January?

A Of?

Q 2010.

A A couple of months ago. Not January of 2010, no.

Q So you didn't receive this briefing paper in January of 2010?

A Not this briefing paper, no.

Q But you received other briefing papers?

A I did.

Q That were in the same format or --

A Not really, no. The briefing papers I received were much shorter. I think the first one was only, like, three pages. But a little bit different format. There were more headings.

Q So I want to call your attention to Paragraph 13:

Currently, our strategy is to allow the transfer of firearms to continue to take place albeit at a much slower pace in order to further the investigation and allow for the identification of additional co-conspirators who would continue to operate and illegally traffic guns to Mexican DTOs which are perpetrating armed violence along the southwest border.

So I understand that you couldn't recall having seen this memo, but do you recall whether this statement was in other memos that you saw?

A No, this statement was not in any of the briefing papers I ever received.

Q And was that your understanding of what was occurring? And I guess if you could give me your understanding, reading this now, of what this means, because I think we've had some controversy to that and then your understanding of what you thought was occurring.

and yes, I have a meeting with him next week, we are going to discuss it. So it was just constant little things causing more delays.

Q And did you ever personally get involved?

A Not above -- not other than with Bill, just following up with Bill, what he was doing.

Q Did you all discuss internally raising up the issues with main Justice?

A I believe it was, yeah. And I know -- I shouldn't say that. I don't believe we did -- I know I didn't bring it up to anybody in main Justice. People above me knew about these delays and they may have, I'm not sure. And I know that there may have been times of -- passing in the hallway I would see Dennis Burke and say hello and how are we dealing with that case, just kind of remind him that it is something that is important to all of us. But I was never involved in any discussion about -- a personal discussion about what is going on here other than with Bill Newell.

Ms. Grooms. Let's talk about the exit strategy. Let me mark this Exhibit 9.

[McMahon Exhibit No. 9

was marked for identification.]

BY MS. GROOMS:

Q Actually, before we talk about this Exhibit 9, I just want to follow up on what we were just discussing.

You said that you had concerns while you were waiting for the indictment, that the sale of these weapons was ongoing or that the

purchase of these weapons, transporting them to Mexico was ongoing and yet when you guys knew about the purchase of those weapons, you all were stopping that. So was your concern that they were purchasing it in ways that -- was your concern that they were purchasing it in ways that you didn't know about or --

A No, my concern was that we had enough to arrest these individuals and we can't allow them to continue making these purchases that we know are illegal at that point because we have indictable suspects at that point. That is the concern. We have made our case against these individuals, it is time to shut them down.

Q I guess did you have any concerns that they were going to FFLs that you weren't in contact with or other places or --

A Well, we had some techniques that they were using at that point that were allowing us to know if they were making purchases. But I was worried we were continuing to allow them to do something that we knew at this point we had indictable defendants or subjects.

Q So back to Exhibit 9. Is that a copy of the exit strategy that you were talking about?

A It is. It is redacted, but it is.

Q And from the email chain that is on the front of it, it appears that this was from around April 27th and then you emailed it to Mr. Chait on May 3rd.

RPTS [REDACTED]

DCMN [REDACTED]

A Correct.

Q What was the conversations around the creation of this exit strategy?

A In April, again, what is going on? We were getting briefed on this, and we saw that this large group of people is getting a larger and larger number of weapons. So we needed to know what, formally know, in writing, what Phoenix field division had plans for this. So that is when Mark actually asked me to ask to get an exit strategy from Phoenix. Phoenix provided that in April, and then I passed it on to Mark in May.

Q So who are you having these conversations with, you were having them with Mr. Chait?

A Mr. Chait, there were other people in these briefings at that point. Again, it is a collective group of people that the had concerns about what is our end game. We were always talking about the end game, what we were doing to shut this case down. And, again, most of that was verbally between Bill and I, but we needed to have them formalize something in a written document. So that is when I requested this exit strategy.

Q Who else was included in those conversations?

A Oh, it could have gone up to the acting director, the deputy

seen this before, I think you said several times. Is that right?

A Which?

Q Number 4.

A That's correct. To the best of my recollection, I don't remember seeing this.

Mr. Davis. Okay. I have Exhibit 11 right here.

[McMahon Exhibit No. 11
was marked for identification.]

BY MR. DAVIS:

Q So this is actually the email that was attached to Exhibit 4, the memo, from Mr. Newell to you on Friday, February 5th, 1:59 p.m. And I will give you a second to look at it really quickly.

A Okay.

Q Okay. First question is, who is Marino Vidoli?

A He is the chief of our Special Operations Division.

Q Okay. This email was sent to you from Mr. Newell, talking about how attached is the memo requesting the authorization, which is Exhibit 4. He also said that he could not scan the actual affidavit due to its size, that he was FedExing that to you, along with the original memo.

A Okay.

Q So I presume, based on your testimony, you never received that FedEx package. Is that right?

A Not that I recall.

Q So how many FedEx packages get delivered to your office on

a daily, weekly, monthly basis that you don't even see? Especially ones that you are aware that they are going to show up?

A Well, most of the times, the secretaries open up the FedEx packaging and then put, like, a pink envelope in my box.

Q Okay.

A So I don't know how many things come in on --

Q So the secretary probably did it, put the pink envelope in your box for this one?

A I don't know. I don't recall seeing this memo.

Q Okay. And even though Mr. Newell clearly sent it to you on a Friday afternoon, you never asked about the memo or the affidavit that he was sending?

A Correct.

Q Okay.

Mr. Foster. How frequently did Mr. Newell send you FedEx packages?

Mr. McMahon. Very infrequently.

Well, I shouldn't say that, because a lot of times travel vouchers and things like that may come in FedEx. But I'm not sure. Again, the secretary takes -- our mail system is a little antiquated, to say the least. If you mail something to our address, it goes to this processing center and gets irradiated, and it takes about 3 weeks to get to us, and it comes all yellow and crispy. So a lot of people FedEx other documents, like travel vouchers and credit card receipts and things like that.

But, you know, I don't actually get a FedEx. The secretary gets the FedEx. And then it is broken down from there and then passed out to whoever needs to sign things.

BY MR. DAVIS:

Q I guess I'm having a hard time understanding. I mean, you testified earlier that bringing in the DOJ attorney on a case for ATF is fairly rare. That is what Mr. Carlisle and Mr. Cooley did in this case; that is fairly rare.

A Well, we --

Q You mentioned that, you know, firearms trafficking, T3s, in ATF are extremely rare.

A Uh-huh.

Q You are Mr. Newell's direct supervisor. He sent you a FedEx package with the firearms trafficking T3 memo and affidavit, sent you an email, sent you a FedEx package. You said you had never seen it before today.

I'm just having a hard time reconciling all those facts. I'm hoping you can help me out with that.

A I said, first of all, that I don't recall ever seeing this. I'm not saying I didn't receive it. I don't recall seeing this.

Q That is what you are saying now. I believe --

A That is what I said the first time you asked me. I don't recall ever seeing that memo.

Q Okay.

A I forgot the first part of your question.

going to go ahead and complete the transaction.

Then I want to turn your attention to the following page. And this is where it gets a little tricky, in my view. This is an email from FFL 2 notifying Voth that their annual check is occurring, and they were requesting extensive documentation. And so FFL 2 tells Voth about this. And over the course of the next couple pages, Voth confirms that, you know, he essentially can help FFL 2 out with this, you know, with their regulatory -- on the regulatory side of things.

So the concern here is, if FFL 2 doesn't go through with the transaction it discussed with Voth, they might be worried about getting jammed up on the regulatory side of things. You can see here with these emails that there was a discussion about the regulatory side of things, and it looks like Voth hooked him up.

Is that concerning to you?

A Very much. Very much.

Q Okay. And so you were unaware that that type of thing was going on?

A I was. I was.

Q Mr. Newell didn't tell you about that type of thing?

A No.

Q And do you know if Mr. Newell knew about it, now, after the fact?

A No, I don't know.

Q Okay. Is this the first you're learning of this type of

thing?

A First I'm learning of this, yes.

Q Okay. So this is a problem.

A Absolutely.

Q Okay.

A We have to keep that balance. We license the industry. That is our job. And then we also conduct criminal investigations. They can't bleed into one another.

Q And it is our understanding, too, that Hope MacAllister was doing the same thing with another FFL, [REDACTED FFL 1]; that she was calling on the phone, notifying the proprietor of [REDACTED FFL 1], "Such and such a guy is come in to buy such and such weapons," and they essentially worked out a way to make sure the weapons changed hands to the suspect. And that is a problem?

A It is.

Q Okay.

A The only time that I know that that was happening and I agreed with the technique was when we were actually -- when we put a tracker on one of the weapons. I mean, that, to me, is perfectly fine, when you garner the cooperation of the FFL to help facilitate this transfer so that we can actually track weapons.

But I don't see that happening with these emails here. I don't think that happened in these cases, and that is concerning. But, as I said, there are times when I think it is helpful to do these things.

Q So if you knew a particular suspect was coming in to by 20

focus some of the prosecution resources on this case.

Q As I understand it, there was some frustration that the T3s weren't moving fast enough?

A Absolutely.

Q That, you know, Emory Hurley, the AUSA, wasn't processing them?

A Well, no. What came to me was the fact that OEO was -- there was a big delay with OEO.

Q Okay.

A And so, then that is when myself -- we were at a meeting with Jason Weinstein, and we brought it up to him after the meeting. And then he fixed it like that. He assigned it someone to just this case, and, sure enough, things started turning around much quicker.

Q And you had similar frustrations with getting the indictments out the door?

A Absolutely. Yeah.

Q And you had wanted them in July, right?

A We wanted them as soon as they could get them, is what it came down to.

Q And why did you want them as soon as possible?

A Well, it was time to take this case down. It was time to, you know, round everybody up and --

Q Because you didn't want them buying any more guns.

A Well, it was also, we wanted to show everybody what great work we have done. And that was key. There was a lot of discussion

about that. You know, can we take it down right around the end of GRIT, because then we could have a bigger press conference.

Q But, really, at the end of the day, you didn't want any more guns to be on the street.

A Oh, absolutely. That's why we were arresting all these people. I mean, that is what our job is.

Q So you wanted to lock up Patino in July.

A I wanted to shut down this organization once we could shut down the whole organization as soon as possible.

Q Because you didn't want any more firearms to go out the door.

A Absolutely. I mean, that's our ultimate goal. We want to stop guns from going into Mexico from the U.S. And that's why we conduct this investigation.

Q And by that time, you knew that these guns that Patino were buying and his associates in this network were making their way to Mexico.

A Absolutely. And that --

Q Every day that the case wasn't shut down, every day that an indictment didn't occur, more guns had the prospect of being sold and subsequently moving to Mexico.

A Sure. But guns are going to be recovered in Mexico for years to come. As I said, they have a long, long shelf life. They are being recovered in Phoenix, too. I mean, that is what is going on. So the quicker we can shut this group of people down and shut down this network, the better for everybody, absolutely.

Exhibit 121

Exhibit 121

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: WILLIAM J. HOOVER

Thursday, July 21, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 10:00 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

HENRY J. KERNER, COUNSEL

CARLTON DAVIS, COUNSEL

JUSTIN KIM, COUNSEL

GREGORY PROSEUS, INTERN, OFFICE OF THE CHAIRMAN

KRISTY MCNAMARA, OFFICE OF THE CHAIRMAN

SCOTT LINDSAY, MINORITY COUNSEL

For SENATE COMMITTEE ON THE JUDICIARY:

MAGGIE WHITNEY, SENIOR INVESTIGATIVE COUNSEL

JASON A. FOSTER, MINORITY CHIEF INVESTIGATIVE COUNSEL

BRIAN M. DOWNEY, MINORITY INVESTIGATOR

ROB DONOVAN, MINORITY STAFF

For MR. HOOVER:

GREG SERRES, ASSOCIATE CHIEF COUNSEL, ALCOHOL, TOBACCO AND FIREARMS

MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS, U.S.

DEPARTMENT OF JUSTICE

Q And if you could tell us what led to that request?

A We received a pretty detailed briefing in March, I don't remember the specific date, I'm going to say it's after the 15th of March, about the investigation, about the number of firearms purchased by individuals.

Q Is that from Mr. Voth?

A No. That would have been by our Intel division in the headquarters. I believe Mr. Voth came in sometime in early March and gave a briefing, but I do not recall being at that briefing. I know my name appears on a list of folks, but I don't recall attending that. The briefing that I received is going to be somewhere around the -- sometime late March. During that briefing I was, you know, just jotting some notes. And I was concerned about the number of firearms that were being purchased in this investigation, and I decided that it was time for us to have an exit strategy and I asked for an exit strategy. It was a conversation that was occurring between Mark Chait, Bill McMahon and myself. And I asked for the exit strategy 30, 60, 90 days, and I wanted to be able to shut this investigation down.

Q And by shutting the investigation down, you were interested in cutting off the sales of weapons to the suspects, correct?

A That's correct.

Q And you were worried, is it fair to say, that these guns were possibly going to be getting away and getting into Mexico and showing up at crime scenes?

A I was concerned not only that that would occur in Mexico,

but also in the United States.

Q And at that time did you request, in addition to the exit strategy, did you request any specific actions on the part of the Phoenix folks to make sure these guns didn't get out of their control?

A I did not specifically request that. I allowed field operations to run that investigation. I did not make any specific request. Obviously, that's a concern anytime firearms get out of our control. And that's a little -- the control piece to that is a little -- we never really had control in some cases because, you know, we did not provide them the weapons, they were purchasing these at gun stores. And that's -- I'm not sure about the verbiage.

Q Are you talking about the verbiage of gun walking?

A Gun walking and control; that we have control in our ability to be able to stop some of these individuals that were purchasing those weapons.

Q What's your definition of gun walking? I know different ATF folks have different views.

A I believe I probably explained it to the committee in --

Q In May?

A -- in May when we did our review. Gun walking in my opinion is much like in the narcotics trafficking case where we provide firearms and somebody would leave the scene with something that we have provided to them, whether it's firearms or narcotics or whatever the contraband is. That's what I believe was firearms walking.

Q What term do you give when ATF is conducting a surveillance

in, or maybe Mr. McMahon didn't think these facts are alarming?

A You know, I can't speak to what Bill McMahon did. He may very well have looped Mr. Chait in on some of those items. I don't know. You have to ask them about that. They are certainly not going to feel the need to come up and brief me on all of the specific investigations that go on throughout the Bureau. And I trust their judgment to be able to make calls concerning these types of events. That's why they're in positions that they're in.

Q After you asked for the exit strategy in March of 2010, what did you do to ensure that that was going to be implemented?

A We have staff meetings twice a week. I would continually ask. If I would see Mr. McMahon I would say, hey, Bill, you know, we're developing the exit strategy, and he would tell me that Phoenix is working on it. And I would continually ask questions about how the case was progressing. I knew that they were also into a title 3 stage and that they were obtaining information from that. And I would just ask questions when I would see Mr. Chait or Mr. McMahon.

Q Did you get involved with the title 3 applications at all, did they get sent to you?

A No, sir.

Q Have you since read them?

A I have read some of them. I have not read all of them, yes.

Q And when did you read them?

A Probably March or April time frame, something like that, I'm guessing, of this year, 2011.

are just gathering information and intelligence from them. They don't even know they are giving it to you.

Q Just basic-level street work for a special agent?

A That's correct.

Q A natural part of almost every investigation, I assume?

A Yes, sir.

Q Did anyone ever tell you as a part of the briefings on Fast and Furious that they were not employing that basic tactic?

A No, sir, I did not get that as part of a briefing.

Q So did you understand in the course of 2010 that that was not being employed?

A No, sir, but I was -- I knew that we had made some seizures of firearms that we believed to be headed south or destined for the border.

I also knew that there were firearms that were being recovered in Mexico; did not know how those were moving. And I understood it to be the case that we were trying to determine how they were moving those firearms. Did we know, you know, we were trying to find out the information of when we knew about the sale, what we knew about the sale, and those kinds of questions.

That's, kind of, the things that led up to the briefing I received in March that called for me to ask for the exit strategy.

Q In March of 2010?

A March of 2010, that calls for me to ask for that exit strategy, that I want a 30-, 60-, 90-day plan to end this investigation.

I also knew that I was bringing that to bear at a very difficult time because they had just started the Title 3 wiretaps. And I am sure that most people in here know the amount of manpower and significant pressure that brings about on an investigation, because you not only have many to staff the wire room and ensure you are doing proper minimization, but you also have to staff surveillance units on the ground. You continue to have to respond to FFLs if they call or if they are sending you 4473s. It just adds to the demands on everybody in that investigation to be able to move forward.

But I also knew that we were discussing, as I answered a question before, that we were talking about a significant number of firearms, and I didn't feel comfortable with that. And I wanted us to have an exit strategy that allowed us to get to a point and we were going to wrap this investigation up, whether we were able to move up the chain or not.

Q And I want to talk about the exit strategy in detail. But, first, in March 2010, when you called for the exit strategy, did you understand, did you have any understanding that ATF Phoenix Field Division Group VII was not employing basic investigative tactics as a part of this investigation, a part of Fast and Furious?

A I don't recall having any information at that time that we were not looking at the major players in that investigation and maybe going to them and trying to flip them or otherwise utilize that information.

Q If Dave Voth or ASAC Gillett or SAC Newell or Mr. McMahon,

Mr. Chait had ever come in and told you, you know, 6 months in to this investigation, 700, 800, 1,200 firearms being sold already but we have never talked to a suspect, would that have raised questions in your mind?

A I think it just depends on the level of involvement of that suspect.

If you've got straw purchasers -- and there were many in this investigation -- and I think these investigations or investigations in general, especially when they go OCDETF, they hang titles on these cases, and I think that sometimes it's a challenge to hang titles on these. But whoever hung the title on this Fast and Furious because of this OCDETF proposal, I believe it was originally done because the original group of straw purchasers were members of a car club.

But I think, very quickly, early on, they found out that these guys were also buying firearms fast and furiously in that, from what I've learned, November-December-January timeframe. But they were in -- the normal trafficking group in an ATF firearms-trafficking investigation, you are talking about six or less, maybe seven, eight, or less straw purchasers involved with this group to be able to purchase these firearms and ultimately move them to wherever they are going.

In this case, went from being called the Jacob Chambers case, with 6 or 7 defendants, to rather quickly growing to 20 defendants and into an OCDETF proposal that ends up having a moniker hung on it like "Fast and Furious." And for lack of a better term, it exploded with the number of straw purchasers and the amount of information that our Group

VII and that strike force was getting. And I believe, for a bit, they were overwhelmed with all the information that was flowing and coming in, and they were trying to wrap their arms around all that information.

And I don't think anybody envisioned the Jacob Chambers case, when it was initiated, I don't think they envisioned Fast and Furious and us sitting where we are sitting today.

Q In March, you called for an exit strategy.

A Yes, sir.

Q Walk me through that, will you? What specifically triggered your belief that the case had gone far enough and needed to start to wind down?

A There had been a briefing in ATF headquarters sometime in early March. The director and I were unable to attend that briefing that was held, and I asked field ops to provide a briefing to the director and I, mid to late March, on what was said in the earlier briefing. I wanted to have a handle of what was going on.

During that briefing, there was a slide that popped up about our headquarters' Intelligence Division, and it listed the straw purchasers, the amount of firearms that they had purchased, and, I believe, the value of money that would have been placed on each one of those firearms. And I was concerned about the top echelon of that chart and the number of firearms that they had purchased and the fact that we had not stepped to them.

And I felt like -- I felt like, in my experience, that we should perfect that case and perfect it as quickly as possible. I knew that

A I think they intended to wall off what they could from the information from the wire taps. I also know that there had been discussions, I believe even earlier than March, with the FFLs to limit their inventory of these types of firearms so they could, you know, just tell the straw purchasers that, you know, it's going to take us, you know, a week or 2 to get those in. They were employing some of those techniques to slow down, if you will, the sale of these firearms.

Q But Uriel Patino would still get firearms in the meantime?

A Yes.

Q And there wouldn't be any interdiction?

A They did not -- they chose, at that time, based on the information they had, as I have spoken before, that they did not go to him.

Q Yeah, but what did you think would happen at the time? You were worried about the number of guns.

A Yes.

Q You were worried about Uriel Patino, because he was on that chart --

A He was.

Q -- showing how many guns he had purchased. And during this lengthy wiretap process --

A Yes.

Q -- you wanted a way out. But the question is, were there any other operational controls put in place that gave you personal comfort that fewer guns -- or that ATF was going to get control of this?

A I did not get any specific instruction. I remember having conversations with -- actually, the day of that briefing when I asked for the strategy, I had discussions with Mark Chait and also Bill McMahon around that strategy and how we needed to ensure that we were taking steps to interdict as many firearms as possible and to move to close that investigation down.

Q Uh-huh. And who did you ask for the strategy from, the exit strategy?

A I think it would have been directed to Mark and Bill McMahon, Mark being the assistant director of field operations and Bill McMahon being the deputy assistant director for the west, which had responsibility for Phoenix. I would have asked them.

Q And this is in March 2010.

A Yeah, probably, the second half of the month. I don't remember the specific date, but the second half of the month.

Mr. Lindsay. I want to introduce as Exhibit 3 the document -- this one to you. This is HOCR ATF-001178, and it is the Operation Fast and Furious exit strategy with cover email.

[Hoover Exhibit No. 3
was marked for identification.]

BY MR. LINDSAY:

Q Now, this cover email doesn't have you on it, but it has -- and it's dated May 3rd, 2010. I assume you have received this memo, and this is in the same timeframe of May 2010. Is that accurate?

A Yes. It was sometime -- yeah, sometime, first of -- the

Q On the bottom page -- on the bottom paragraph of the first page of the exit strategy, not the email, it reads, "If we arrest Uriel Patino the firearms he has straw purchased thus far, we will only minimally impact the organization before Patino is replaced by another member of the organization."

That would seem to read to me like they had the evidence to arrest Uriel Patino at that time. Is that fair? Was that your reading at the time?

A Yes, sir.

Q But what? Uriel Patino is the single largest purchaser, the person that you were principally concerned about --

A Right.

Q -- in the March briefing.

A Yes.

Q They have enough evidence to arrest him. And yet this details a 90-day strategy until he might ever be arrested.

A Right.

Q And it comes 40-plus days after you made the request.

A That's correct.

Q So, at this point, we are looking at 130 days after your request and the concern about Uriel Patino, maybe they will be able to bring this case down --

A Right. I made the request in March, and the strategy was to end the investigation sometime in July. That's correct.

Q It comes out in May, so the --

A Right.

Q -- end of July.

A It would've been the very first part of May. It was May, June, July. That's correct.

Q I guess I am struggling to square this a little bit --

A Okay.

Q -- with your concerns --

A Okay.

Q -- with the concerns about Uriel Patino, that 130 days, given the rate of straw purchases between November and March, that giving Uriel Patino another 130 days, without significant operational controls put in place, how that satisfied your comfort as the deputy director.

A I think the issues that were raised with Patino were that they had -- my understanding, when I received this, was they had enough to make him a straw purchaser; they did not have enough to wrap him into this conspiracy. And that the strategy on the ground at the time was, Patino was providing them the link to Acosta and that they had information on -- it was, Acosta was throwing phones more than Patino was, and that they felt like they needed to have Patino to get to Acosta.

We asked -- or, field operations was asking the Phoenix Field Division to do everything they could to interdict the firearms that were being purchased, not only by Patino but others in this investigation, in order to minimize the concerns that you are raising.

But it still went to -- the 30-, 60-, 90-day strategy went to July.

I was hoping to end this as soon as possible. July was my absolute out time. We get to March, they have to advance on T-3s. They came back and they say, we need another 30 days of T-3s, and -- I am sorry, April -- May to June and then June to July, in order to be able to take this thing down. I asked field ops, I said, "This is it. We need to shut this thing down." And they were going to shut it down the end of July and bring this case to an end.

Q And so, Patino was key to Acosta.

A Patino was key to Acosta, as it was explained to me.

Q So if you arrest Patino, bring him off the -- bring him out of the game, the principal straw purchaser, you might not be able to get Acosta?

A Well, I think that's the choice you make. And the choice that the folks on the ground make between the strategy deployed by the strike force and the U.S. Attorney's Office was, we cannot step to Patino.

Q What about arresting him and flipping him?

A That's -- well, you can either -- you can step to him and do several different things. You can approach him and give him the opportunity to flip and work for you. You can approach him, and if he doesn't do that, then you can arrest him and then see if he will work for you. You can approach him and arrest him and then take him completely out of the picture. Those are the options you have at that time.

Q But none of those options were employed. They let him sit.

They didn't touch him. They didn't talk to him.

A That's correct.

Q They didn't step to him.

A That's correct.

Q They didn't interdict his weapons --

A That's correct. Well --

Q -- in any significant number.

A You are right; they did not step to him, period. And I think that was a mistake that we made.

EXAMINATION

BY MR. KIM:

Q You mentioned that he came back to you for an extension of the T-3?

A They didn't come back to me. They came back and told me that they were extending the Title 3s, which --

Q This is all contemporaneous with -- about the timeframe?

A Yes.

Q So you knew that they were going to go seek an extension for the --

A I fully expected an extension for the Title 3s based on everything I just told you about on my experience with Title 3 investigations.

Q Is it fair to say, then, that field ops was trying to keep this going a little longer, even after you had asked for the exit strategy?

A I don't know that that would be fair to say. I think what was occurring here was the natural progression of a Title 3 wiretap piece to this investigation. I don't think -- if you are asking if I thought that field operations was trying to push this along and not do what I was asking, I did not perceive that to be the case.

Q You didn't get any pushback from --

A No, sir.

Q -- field ops about the exit strategy request?

A No, I thought that Mark Chait and I and Bill McMahon were on board that we needed to have an exit strategy and it needed to be --

Q And how common is it for you to ask for an exit strategy in an ATF investigation?

A It's not common. I don't know that I have ever -- as the deputy director of ATF, I have never asked for an exit strategy --

Q Except for here.

A -- besides this case.

Q Besides this case.

A Right.

Q So this is a pretty big deal.

A It is to me, yes.

Q Coming from the top.

A Yes.

Q And did it concern you that it took about a month, over a month, to get from the time that you requested it to the time that one actually showed up on your desk?

A I think I have answered that. And it did concern me, but I also knew they had all these other things going. And the same people that had to write this exit strategy were the ones out working that wire and conducting the investigation that went along with this.

You have to understand, you are working the wire room and their surveillance 24/7, you are managing that aspect of this, with significant numbers of people. You are also still following up on firearms purchases and trying to surveil those people along. You are also trying to develop other individuals that you might be receiving information on who are other straw purchasers. So it's quite an operation.

BY MR. LINDSAY:

Q So what was your reaction when, at the end of July, the 90 days is up, you've got the document to hold them accountable for it, and they say, well, it's not going to be brought down yet, the U.S. Attorney's Office isn't ready"? And the case wasn't brought down until January 2011.

A Yes. I was --

Q A full 9, 10 months --

A Yes.

Q -- after your request for an exit strategy.

A Right.

Q How did that happen?

A I was -- well, ATF investigates cases, and we can present that information to the United States Attorney's Office. We do

not -- we may assist in drafting indictments, but that's all. Once it gets to that point, then it's in the control of the U.S. Attorney's Office for ultimately bringing that indictment to the grand jury and getting that rolling toward prosecution.

Q Did you ever put any pressure on the U.S. Attorney's Office or Department of Justice to get this going?

A We had conversations with -- I had field ops have conversations with Bill Newell to get to the U.S. Attorney's Office to imply the importance of this. There were -- I'm trying to think -- there were conversations -- we had conversations with Ed Siskel, I had conversations with Ed, speaking to the possible delay of the indictment. I do not recall that I ever called the Phoenix U.S. Attorney's Office directly.

RPTS [REDACTED]

DCMN [REDACTED]

[12:05 p.m.]

EXAMINATION

BY MR. LINDSAY:

Q Ed Siskel was the associate deputy attorney general handling ATF matters?

A Yes.

Q Did he take any action?

A I don't recall right now.

Q What did you tell him?

A I just told him that we were hoping to have this case indicted much more quickly than it is being indicted. The information we were getting back through field ops was that it's the normal process through the indictment stage, and that they needed this to be able to run, or draft the indictments on 20 individuals, and we were obviously concerned about the time it was taking.

Q Did you ask Ed Siskel to take action within the Department of Justice to expedite this?

A No.

Q Put command pressure down that chain?

A I don't recall asking Ed specifically to do that, no.

Q So you were --

A Just gave him my concerns.

Q You were providing almost an excuse for the delay but not

asking for action?

A I don't know that I was providing an excuse. I was just telling him -- giving him the information that I had received from the Phoenix field division about what was causing the delay.

[Hoover Exhibit No. 4
was marked for identification.]

BY MR. LINDSAY:

Q I want to introduce Exhibit 4, which is an email from SAC Newell to deputy assistant director McMahon dated April 27, 2010. You are not on this email, to be very clear. And I show it to you because it raises additional issues. And so I'll just give you a second to read it, but this is their correspondence relating to the execution of the exit strategy. You will see below on April 27th Mr. McMahon emails Mr. Newell, "Bill, we need to begin working on an exit strategy for this case. Let me know what your plans are for taking this case down, to include the timing."

Now, I don't know whether there was earlier correspondence or earlier discussion, he's memorizing why this occurred on April 27th when you put the request in through field ops in March, I can't speak to that. But the response from SAC Newell I think is instructive. And he says -- there's portions redacted -- but he says in response, "I don't like headquarters driving our cases, but understand the sensitivities of this case better than anyone. We don't yet have the direct link to a DTO that we want, need, for our prosecution" -- redacted. Once we establish that link we can hold this

end -- within the time frame set forth in the document?

Mr, Hoover. It was pushed along a little further than I would have liked because of some delays with the title 3s. I'm not sure how quickly. I do not have a timeline for how quickly we got the information at the U.S. attorney's office, but I can tell you I never envisioned a January indictment, I envisioned an August or September indictment.

[Hoover Exhibit No. 6
was marked for identification.]

BY MR. LINDSAY:

Q I want to introduce Exhibit 6, which is an email from William Newell to David Voth dated July 14, 2010. And this email -- and this again is responding in part to a Carlos Canino email. And Newell responds to Voth: Two rival DTOs went at it, Sinaloa and Juarez I believe. Maybe Jose Wall has more details. I told Carlos we were within 45 to 60 days of taking this down IF, capital I-F, the USAO, the U.S. attorney's office, goes with our 846, 924(c) conspiracy plan. Feel free to let Carlos know more details.

This suggests that Mr. Newell at this time in mid-July when you thought the case should be days from coming down --

A Two weeks.

Q -- is telling other people that he will come down in 2 months contingent upon a prosecutorial strategy that depends on a conspiracy for using firearms as a part of a -- in furtherance of a drug trafficking organization?

A Uh-huh.

Q When you requested the exit strategy, was that at all what the exit strategy was getting out of this case contingent upon developing a 924(c) charge, perfecting a 924(c) charge?

A No, sir. It was contingent upon that time limit and that time limit only. We had what we had at the end of that 30 60, 90 day plan, and that was when I wanted this investigation to be taken down.

Q Were you ever told in July or any point leading up to July that the case was not being brought down potentially because they hadn't yet perfected a 924(c) charge?

A No, sir. This is the first time I'm reading this.

Q If Bill Newell or Mr. McMahon had come in and said, Well, but we're still working to perfect bigger and bigger charges, what would you have said to them at that point?

A I would have allowed them to have a discussion with me. It's hard to speculate at this time based on what they would tell me, but I do not believe -- it would have had to have been an extraordinary circumstance for me to want to extend this beyond my original request for that 30, 60, 90 day exit strategy.

Q In your view, is it justified to not bring down a case in order to build -- you know, over months and months and months -- in order to build bigger and bigger charges, given the public safety hazard we saw here?

A I think -- again, it would have to be an extraordinary circumstance. I think I would have to know what they were thinking

conversations between ATF management and the management at the U.S. attorney's office to fix that.

Q And did those kind of conversations occur in Phoenix?

A My understanding was that Bill Newell was having constant communication with the hierarchy, not just Dennis Burke, but the hierarchy at the U.S. attorney's office.

Q This is from Newell to you?

A Well, it's reflected in several documents. It was I believe the briefing paper that Mr. Castor had me read earlier, that was in there.

Q But did you make any effort to talk to the hierarchy at the U.S. attorney's office?

A No. That's the responsibility of the SAC on the ground, and that's what field operations and the SAC on the ground does. I would certainly ask field operations throughout, especially after I asked for the exit strategy, are we in concert with the U.S. attorney's office and does the U.S. attorney's office know that we need to -- the strategy that we want to put in play is in play.

Q Were you aware -- let me rephrase.

When were you aware that there was a cooperating FFL in Fast and Furious or that there were multiple cooperating FFLs in Fast and Furious?

RPTS [REDACTED]

DCMN [REDACTED]

[1:30 p.m.]

Mr. Hoover. I really don't recall. I believe it would have probably been January of '09 maybe? Because the --

BY MR. FOSTER:

Q January of '09?

A No, I'm sorry. January of '10.

Q January 2010.

A January 2010. I'm sorry. Thank you for catching my mistake.

We received a briefing on, I believe -- I believe it was Lorren Leadmon that provided us a briefing of seizures in Mexico. And I don't remember if there were two or three seizures that he described. On Tuesday mornings, the Intelligence Directorate will provide briefings to the Field Operations Directorate on significant events that take place, not just in ATF, but things they may uncover from open-source documents or from the other agencies or even off the high side, classified side.

And I believe that -- I believe that that briefing is when I learned that part of the reason that we got into this case was that an FFL had provided some information to Phoenix Group VII about possible straw purchasers and Group VII went and looked at the 4473s. I believe that would have been --

Q So did you have an understanding then, in January of 2010,

that there was an ongoing relationship of cooperation with not only that FFL but other FFLs?

A I did not inquire as to the level of the relationship. I didn't ask that question.

Q So, did you know that the FFLs were faxing, in real-time, 4473s each time one of the suspects identified by ATF came into the store to buy or said they were going to be coming into the store to buy, that there was contemporaneous notice provided to the ATF by the FFL?

A I did not until -- I believe it was after January of 2011 that I knew that FFLs were faxing documents to ATF. And it was also my understanding that these were not contemporaneous, that there may be days between the time the FFL was faxing documents to ATF. I do not recall -- I don't recall anybody saying that the FFL was doing it all the time at the exact same time of the sale. I don't recall hearing that, no.

Q What about advance notice or contemporaneous notice on the phone, where the FFL would -- you know, they have the list, they know who the ATF is investigating, and they pick up the phone and they say, "Hey, Uriel is in again," and ATF agents rush down there in order to cover it and do surveillance?

A Oh, I knew there was some of that was taking place, but I don't -- I also don't recall that we provided the FFL a list of individuals. I don't recall -- I do not know that, if that occurred. I did not know that.

in training and outside of Phoenix during that time period and that, just prior to that time period, Mr. Gillett sought to have her get out of that training so that she could be there because there was going to be, quote, "significant investigative activity in the next few days"?

A I'm not aware of that, no, sir.

Q Just one more thing, and then I am going to turn the rest of the time over to Steve.

Ray Rowley?

A Uh-huh.

Q It's our understanding he expressed concerns much earlier in the investigation, like November-December timeframe, about the numbers of guns and that he raised those issues, you know, from his position in headquarters. Something happened to -- you know, where there was some pushback from Newell or from folks out in Phoenix, you know, like, hey -- sort of along the lines of the email we looked at earlier, "Hey, don't run the case from headquarters."

Are you aware of that?

A I know there was a timeframe when Ray had some concerns about the investigation. I don't recall when it was. I don't recall --

Q What do you recall about Ray Rowley's concerns?

A He -- I remember running into Ray in headquarters. And I'm trying to think what the -- I don't remember where -- I don't remember if we just passed each other in the hallway and we had a discussion.

Ray and I came on the job almost at the same time together. I

have known Ray for 24 years now. And when I was the special agent in charge of Boston, Ray was one of my special agents in charge in Boston. So I have known Ray and talk to him all the time. So it would not be out of the norm for us to pass in the hallway and stand and have a conversation, not only about ATF but about his girls in softball or my guys in football and baseball -- my boys.

So I don't remember exactly how the conversation came up. And he asked me if I was aware of the case out of Phoenix, and I said, yes, I had heard. And he said, you know, there is some significant movement of firearms in that case. And I go, I understand that. And this was -- and, as I recall, I think I said, well, I'm getting ready to have a briefing on that case, or be briefed on that case.

And that was what I recall of Ray raising concerns about Fast and Furious.

Q When people are raising concerns like Ray Rowley did and like a lot of other people did when they first learned about the numbers of guns --

A Uh-huh.

Q -- is there sort of an unspoken undertone to that, that, you know, why aren't we doing more to stop these, or can we be doing more to stop the flow?

A I think the prudent thing to do, in my opinion, is to get all the information about what's going on and what's taking place.

I mean, at that time, I believe -- don't hold me to this, but I believe Ray was what we call our southwest border coordinator. And

he was looking at not only Phoenix but all of our southwest border divisions and helping develop strategies and trying to determine if there were cases that crossed division boundaries and those types of things. And he would have had the ability to go hopefully talk to Bill Newell or Mark Chait -- or, Bill Newell or Bill McMahon and discuss those types of concerns.

Q So, to your knowledge, nobody sort of told him, hey, you know, stay out of it, it's Bill Newell's case to run, anything along those lines, anything similar to that?

A I have no knowledge of that. Not that I recall, no.

BY MR. CASTOR:

Q Now that you have had a chance to look at everything that's occurred and you are learning more, what do you make of the "not it" game?

Everyone seems to say that, you know, it's not their problem, not their fault. The folks in Phoenix say, "Oh, no, it's the U.S. Attorney's Office. You got to understand -- you know, if you appreciated the difficulties in prosecuting these cases, you'd know." Other people in Phoenix say, "No, no, no. This is all headquarters-driven. This is all driven from the DAG's office. They told us to stop pursuing straw purchasers." And then we talk to people in headquarters, and they say, you know, like you have today, and other folks in headquarters that we have spoken to say, "We didn't know about any of this?"

It just seems like there's no way to close the loop. You know,

Molly, would you mind writing a note and reminding me, please?

Ms. Gaston. Of course.

Mr. Hoover. Thank you. I'm sorry.

BY MR. CASTOR:

Q I think our hour is up, so we'll -- actually, one more question. Sorry. I think we're getting, hopefully, to the end of our --

A Okay.

Q -- all our questions.

Going back to one of the earlier exhibits, No. 4 --

A Okay.

Q The top, where it says, "I don't like HQ grabbing our cases but understand the sensitivities of this case better than anyone." Did you ever have a concern at any time during this case that maybe Newell's folks were out doing some things that you wouldn't be comfortable with, especially given the 2007 issue?

A No. I think the 2007 issue -- subsequent to that email, I had an opportunity to talk to Bill and Carson, and I think we came to a pretty clear understanding of what was expected. I did not have any issues after that with allowing Bill to run his field division.

Q Phoenix is one of the more important field divisions, just given the firearms situation in Arizona, right?

A As the deputy director of ATF, all 25 of the field divisions are important. Phoenix has a significant challenge with firearms going to Mexico; you are absolutely correct.

Exhibit 122

Exhibit 122

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: MARK CHAIT

Wednesday, July 20, 2011

Washington, D.C.

The interview in the above matter was held in 2247 Rayburn House
Office Building, commencing at 10:00 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

CARLTON DAVIS, COUNSEL

HENRY J. KERNER, COUNSEL

JUSTIN KIM, PROFESSIONAL STAFF

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

CARLOS URIARTE, COUNSEL

SCOTT LINDSAY, MINORITY COUNSEL PROFESSIONAL STAFF

VALERIE SHEN, MINORITY LEGAL ASSISTANT

For SENATE COMMITTEE ON THE JUDICIARY:

CHAN PARK, SENIOR COUNSEL

JASON A. FOSTER, MINORITY CHIEF INVESTIGATIVE COUNSEL

DAN MARTINI, MINORITY LEGAL CLERK

For MR. CHAIT:

GREG SERRES, ASSOCIATE CHIEF COUNSEL, ALCOHOL, TOBACCO AND FIREARMS
MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS, U.S.
DEPARTMENT OF JUSTICE

A Well, it's still ongoing. I don't know if I can get into --

Q Well, at this early stage you say there were a lot of people involved back in December?

A Well, we indicted 20.

Q You indicted 20?

A Right.

Q You keep saying there were a lot of people involved. Do you know how many people were involved? I guess my question is, it seems as though there were three individuals in particular who were buying far more firearms than anybody else?

A Right.

Q So even though you might say there were a lot of people involved, there were really three main individuals. Was there ever any thought of talking to those three particular individuals, Mr. Stewart, Mr. Patino, Mr. Moore?

A Yeah, I mean, again, those are decisions that would have been made on the ground.

Q Well, were concerns ever expressed to you at headquarters about the number of guns that were being bought by this firearms trafficking ring and sent to Mexico; did anybody ever express concerns to you, say, hey, Mark, we've got to shut this down, this operation is crazy, things are getting out of control, the numbers are climbing?

A I don't know of an individual. I think we collectively at some point saw that we need to shut this down.

Q And at what point did you collectively see that you needed

to shut it down?

A I think we asked for the exit strategy in March.

Q But you say there was no individual who ever approached you that said, hey, we need to shut this down?

A I don't recall that individual.

Q Did anybody ever express concerns about the strategy that was being used or maybe the lack of a strategy that was being used? Was there a strategy that was being used?

A Well, I believe there was. I mean, using the strike force OCDETF concept, you know, they used certain techniques to try to bring together an organization because obviously they saw that this wasn't just individuals acting, that there was an organized effort, and I think it was to try to attack the entire cell to stop the activity entirely rather than address a few straw purchasers who could be replaced, you know, very quickly.

Q So Ray Rowley never expressed any concerns to you about the number of guns, about the strategy here?

A I don't remember Ray talking to me directly about -- I don't recall that. I mean, he may have.

Q Did Ray -- you and Ray were buddies, he had an office in headquarters, you had an open door policy with him? He never expressed any concerns?

A I don't remember that.

Q Did Steve Martin ever express any concerns to you at any point?

being transferred?

A I honestly don't know if there are others. I mean --

Q But it sounds like you're not aware of any during your time?

A Well, we've had other cases with a lot of guns. I don't remember numbers per se, large numbers of guns.

Q With these other cases were a lot of guns showing up in Mexico during these cases?

A I don't recall the specifics of cases just in general.

Q So you mentioned that you had asked for the exit strategy around March of 2010 after this meeting; is that right?

A It was in the close proximity of the meeting. I don't know the exact date of the meeting.

Q I'll make it easy. The meeting was March 5th, 2010. I'll make it easy on you and pass out the exit strategy memo so we can all take a look at that.

[Chait Exhibit No. 2
was marked for identification.]

Q This is your copy. The date it was sent to you is Monday, May 3rd, 2010. I'm going to ask you a question really quickly about this. I'm having a little trouble understanding something. I'm going to pass out one more exhibit.

[Chait Exhibit No. 3
was marked for identification.]

Q This is an email from much later on. I don't believe you're on the email. It says exit strategy was from May 3, 2010, it eventually made its way up to you after it looks like at least a week or so, it finally made it up to your desk. So I'm going to turn your attention to the second page of the exit strategy towards the bottom, the last paragraph, we acknowledge that redaction is not the actual goal itself but an end to a means in that Uriel Patino and other straw purchasers --

Mr. Serres. Hold on a second, Carlton. He's on the wrong page.

Mr. Chait. Thank you.

BY MR. DAVIS:

Q The last paragraph there, Uriel Patino and other straw purchasers are the lowest rung on the proverbial criminal firearms trafficking organizational ladder. If we arrest Patino for the firearms he has straw purchased thus far, we will only minimally impact the organization before Patino is replaced by another member of the organization.

So let's contrast that with the other document I gave you right

there in the middle, the email from Mark [Sonnendecker], Patino is a primary target in a large scale trafficking investigation here in Phoenix Group VII. This email was from July 28, 2010.

So I'm having a hard time understanding whether Patino was the lowest rung on the proverbial organizational ladder or whether he was a primary target. Do you have any idea which was the case?

A Well, obviously, you know, people write documents. I'm not sure what Mark [Sonnendecker]'s role is, but I think he was --

Q An advisory group setting?

A I think he was an important suspect in this investigation, there's no doubt.

Q No doubt, okay. But he was so important that he was the lowest rung on the proverbial criminal firearms trafficking organizational ladder. So it seems to me that if he was an important suspect, then that would certainly not mesh up with the exit strategy memo. Am I reading it incorrectly?

A You know -- no, you're reading it correctly. I don't know necessarily who wrote this document.

Q Who would have written the exit strategy memo?

A I'm assuming it came from minimally the field division, but probably the supervisor, and he may have had an agent work on it collectively. I don't know. I've heard there were several versions of this. I don't actually know who wrote the final final on this one.

Q So let me put things in context. So the exit strategy memo, May 3rd, 2010, it makes its way to your desk, and so far as I know this

is the only exit strategy memo. That's what we've been given and what we've asked for. So May 3rd, 2010. I could show you emails, if you want, where you express concern later on that the operation is not being shut down from July, from October. The operation finally was shut down, it's our understanding, in January of the following year, so 8 months after the exit strategy was drafted.

So I understand your point of view, you want this thing indicted and people taken off the street, but when this makes its way to your desk, the exit strategy, what do you do with it? What did you do with it? What was the role of the exit strategy if things weren't taken down for another 8 months?

A Well, the role -- the use of the strategy was to make everybody aware that it's time to start focusing on closure. I'm not sure if I would have forwarded this on. I mean, I do send a lot of things to Mr. Hoover, as he's my boss. I don't remember if I did do that or not. The way we operate, you know, in field operations, my deputy assistant director is responsible for in this case that field division. I believe there were -- obviously there were some delays for different reasons, and I think what I've heard the delays are -- do you want me to answer that?

Q Go for it.

A Some of the issues around the Title IIIs and then preparing the indictment.

Q Let me ask real quickly about the Title IIIs. So what is the process for getting the Title III approved? How does that work?

A The field works with the assistant U.S. attorney to prepare an affidavit for a Title III. It goes through -- I think it was dual tracked, and I think the process may have changed recently. We actually send one version through our house. We have an attorney that reviews it, a DAD. At the same time I believe --

Q Who is the DAD that reviewed that?

A Well, DAD in this case of the West, Bill McMahon.

Q He told us he had never seen the application, he never read a wiretap application, never even read a memo for authorization of the application. You're saying it's his job to review it?

A I don't know at what point the process changed. I believe that in most cases the DADs do get them. So at the same time there's a track from the U.S. Attorney's Office, and I'm probably not a hundred percent. I believe they do go through -- at some point they go to OEO, Office of Enforcement Operations, at the Department, and I think there's some consultation with the Criminal Division.

Q So in the ATF world, you're out of the loop, it's taken care of below you, generally Mr. McMahon would have taken care of it?

A Sure. I mean -- yes.

Q Okay. Did you ever see the Title III applications?

A Since after the fact. I've looked at them in reviewing documents for, really to prepare myself for two things. One, a way forward for my organization, and so that I have a better understanding of the case. I did review them fairly recently.

Q How successful was the wiretap in this case, or the wiretaps

in this case in terms of the information gleaned from the wiretaps? Were they as helpful as ATF had anticipated back in March when they went up?

A I think that's, you know, maybe an individual decision. I think they were helpful to an extent. You know, obviously the fact that they had to go up many times, you had individuals that were changing phones quite a bit. That makes it cumbersome. But I would say it was helpful in the investigation.

Q Okay. So if I give you a hypothetical and said when the wiretap -- when a wiretap went up there were, for example, 21 straw purchasers identified in this organization, and then after 3 months there were an additional four straw purchasers identified in the organization. To me it seems like that's not a very good use of time and energy.

A Although -- we're still in an open investigation and I am still hopeful that there's more to follow. I think there is.

Q The wiretaps are no longer up; is that right?

A No, no, they're no longer up. I'm just saying more to follow in the investigation. There may be more subjects indicted and what have you. I think it's an individual's preference whether they feel it was worthwhile.

Mr. Foster. Could you tell me -- just one second. Could you tell me more specifically if you recall when you read the Title III affidavit?

Mr. Chait. When did this all begin?

know if he mentioned to me, I mentioned to him, but I think we were both thinking the same thing.

Q And then why -- why were you discussing an exit strategy at this point? You didn't recall any specific concerns being expressed to you, but why an exit strategy? Why the need to get out of this case?

A Well, I think it seemed to us that collectively there were a lot of guns in the case and we -- they tried using a Title III for a period of time, and I think had some successes, but had some obstacles; and it just seemed like it was time to, you know, to get it wrapped up. So the exit strategy would allow them a little time to get things in order to close the case.

Q And this is in March that you wanted the exit strategy?

A That's right.

Q And you received a copy of the exit strategy -- we looked at the email previously -- in -- May 3, 2010; is that right?

A That is when I received it, yes.

Q Was that the first time that you received a copy of the exit strategy, to your recollection?

A I believe so, yes.

Q So there was a significant time lag between your request as assistant director and your receipt of the exit strategy?

A That is correct.

Q Did you receive any explanation for that timeline?

A I really don't recall if there was.

Q Did it concern you that -- that a request like that had taken

over, well over a month to provide to you and the deputy director?

A I really don't remember at the time. I mean obviously, you know, we would have liked to have it sooner.

Q When you received the exit strategy did you review it?

A I did.

Q What was your reaction at the time?

A I think my reaction was we have got a game plan in place, and it was a little fluid the way I saw it. And on the long side, we would be 90 days out with the possibility of getting it closed up prior to.

Q So in March you requested the exit strategy, and in May they provided it to you. But you still wanted potentially to close down the case until August of 2010. Did that seem to you, given the concerns that you had expressed about the number of firearms in this case, a reasonable time frame; is that consistent with what you had expected or were thinking about when you had first asked for an exit strategy?

A We -- yeah, we were looking for a tiered -- a way to get them out, but allowing them to prepare for the prosecution and what have you. You know, there's a lot of things that we know now, that I know now, that I didn't know then. And it's difficult to go back and say should we have done something different, without knowing what I know today.

Q Did you send any questions back or have any follow-up on this, on this exit strategy?

A I don't believe I -- I don't remember that I did. My normal

course of operations would be for the DAD to really handle a lot of these things because, you know, this is -- obviously, it's an important case and it is one field division; we have 25 of them. So I would get a lot of different briefing papers and what have you, and some of these things are for my information. This is something we asked for, but it would be up to the DAD to work the SAC to carry the rest of this out.

Q Right. In normal circumstances. But here, your boss, the deputy director, had also requested this document, so that might warrant or create an expectation for your additional engagement?

A Right.

Q And were you engaged in the close-out of Operation Fast and Furious in monitoring the performance of the exit strategy between when you received the document and the closure of the case in January of 2011?

A I think I would say this. We -- I was monitoring it as far as timeliness. As far as the specifics, I would leave that for my deputy and really the command on the ground to carry it out. And I think there are probably some emails and things of me asking why we -- as far as closure, because I was under the impression we would be able to get this thing closed, I was hoping, in the July time frame, end of July, possibly August was my impression at the time.

Q And did you have discussions with Deputy Director Hoover about -- about that timeline about the exit strategy?

A I believe -- I believe I did.

come a time when you have to consider taking certain actions which may -- may spoil the opportunity to work in an organization or something. So safety should be one of the most important things, absolutely.

Q Did you trust in SAC Newell and the Phoenix field division, ASAC Julad, ASAC Needles, group supervisor Voth, the case agent, to be taking public safety into account throughout this case?

A Sure. I mean, you know, I have to trust the people that work for me. And I have learned a lot now, and there's some policy and procedure changes that I am making; but certainly, you know, you trust your people.

Q Did you ever get down into the weeds of the tactics that they were employing in Operation Fast and Furious?

A No, I did not.

Q Is that your role as the assistant director for field operations?

A I don't believe so. You know, we -- at any given time we have about 40-plus-thousand open investigations across field operations, and I certainly don't have the ability to know enough about every one of those cases. I have to rely on my people. I rely on the deputy assistant director, I rely on the SACs, I rely on ASACs, I rely on group supervisors, and I rely on AUSAs to work with us closely. And I don't get in the weeds. I really, I have too many other things going. I just, I don't feel that is my role as the assistant director.

Q And did Mr. Hoover or Mr. Melson ever ask you about what was

shut down, then so be it."

So this indicates that Mr. Newell is waiting or trying to develop -- the case strategy on the ground in Phoenix is to develop a direct link to a DTO in order to get a prosecution. From your understanding of the case in March, April, May of 2010, was that link necessary for a prosecution?

A I don't believe so, no.

Q And you said earlier that the principal impediment to prosecution to taking down -- to taking down the case, was the lack of sufficient evidence for prosecution?

A I would be concerned about evidence. I am less concerned about how far an investigation can go. When it is time to take a case down, it is time to take a case down.

Q So this is where I am going. There is a huge disconnect here. You and Mr. Hoover are asking to bring this case down. Mr. Hoover's language - and he is friendly with Bill Newell -- this is very direct.

A Yeah.

Q Excuse me. Mr. McMahon's language to Mr. Newell is you know, get us the exit strategy.

A Yeah uh-huh.

Q You're saying your understanding of the case's status at that time was that the exit strategy hinged on sufficient evidence for straw-purchasing prosecutions or dealing without a license prosecutions or the other charges typically brought against straw purchasing efforts.

Mr. Newell, the SAC in Phoenix, is saying he is waiting for something else. He is waiting to find an evidentiary link to a DTO. Is that, is that -- is that strategy, that case strategy, that prosecutorial strategy that is indicated here in this email, was that your understanding of what was necessary to bring the case down?

A I would say no. At the time -- at the time, we felt it was time to bring it down, regardless. I mean, there is a point -- we reached the point. That is why we asked for the strategy. To continue it for this purpose I think is outside the scope of what we were thinking.

Q Did Mr. McMahon ever bring this email to your attention or tell you, hey, in fact Bill Newell is trying to connect everything to a DTO, so this is just going to drag a little bit longer while we do that?

A I don't recall that ever happening. I think there was enough conversations from me to Mr. McMahon about getting the case closed, that it was pretty clear of what needed to occur.

Q And would you and Mr. Hoover said, get the case closed, it wasn't contingent upon developing links to DTOs; it was contingent upon sufficient evidence to prosecute under the straw-purchasing laws and under the firearms licensing laws such that they are; is that right?

A It was clear it was time to close the case. Whatever law, whatever charges they could make at the time -- because I know was other conspiracy and what have you, but bottom line is I was not looking for moving it further. It was time to exit.

briefed on this case weekly at the OSII meetings; you are aware of all of the seizures in Mexico where the guns have been recovered, the Naco seizure in November, the Mexicali seizure in December, the El Paso seizure in January, the Tohona O'odham Nation seizure in February, and it just keeps ticking and adding up, suspects that have been apprehended as transporters who have said the guns were going to the Sinaloa cartel. I know you sat through the March 5 presentation where it was very clear that guns were going straight to the Sinaloa cartel.

So why didn't you suggest investigative tactics at that point? I understand that, you know, you trust the folks in the field, but I mean, there are just a lot of guns.

A Well, most of the briefings from OSII are mostly just the recoveries. It is not giving us the investigative side.

Q But did you ever check to see what the investigative side was?

A Sure.

Q I mean you have admitted that there was a massive number of guns here. Did you ever call Bill Newell and say what are the techniques that you are using? Are we doing any knock and talks? Are we doing any aerial surveillance? Are we doing any trackers?

A I don't believe I did. I think probably the first briefing we had around the -- what was somewhat happening was with Dave Voth. Most of these things never rose to my level. It is easy to see now things very differently, but at that time what we were seeing wasn't exactly the same thing as what we see now. We see a very different

perspective today.

Q Right. But you knew in January that there were 685 guns. You knew in March that there were almost 1,100 guns. You knew that the guns were going to Mexico. Everybody knew the guns were going to Mexico. What, if any, operational safeguards were in place to ensure that the guns weren't going across the border, to ensure that they weren't going to be recovered at crime scenes? You are the Assistant Director for Field Operations over the entire country, the biggest case that you have going on. What operational safeguards were in place to make sure the guns weren't flowing south? Did you ever --

A I don't think it was the biggest case we had going on at the time.

Q Did you ever ask for any operational safeguards?

A I don't remember if I did or not, but I guess the thing was that the fact we had an OCDETF-led investigation, and you know, we have a AUSA heavily involved in the daily activities of the investigation. I think they did not have lawful authority to arrest or seize under the things we talked about earlier. Could other things have been done? You know, looking back on it, probably so.

Q I am going to introduce two real quickly back to back. Here is one and then here is eleven.

[Chait Exhibit Nos. 10 and 11
were marked for identification.]

Q We have here two emails from you. The one on July 10, top of the page where we take down the Fast and Furious case during this

know -- unfortunately, I don't get into the weeds in a lot of investigations.

Q So you wanted the operation shut down, you know, much earlier than it did. Did you want to get these folks off the street because they were dangerous? Is that what you were hoping, to get them behind bars?

A I wanted to stop the activity.

Q Stop the activity?

A Once -- you know, sometimes there is a point where it is just time.

Q Where are the defendants now that are indicted? Are they in jail, do you know?

A I am not sure where they are now.

Q Would it surprise you if 19 out of the 20 were living at the same address that they were before the indictments came around?

A It wouldn't surprise me.

Q Wouldn't surprise you. Okay. Just one other quick area of inquiry here.

A But if I could just and I know you guys are aware of it to some extent. I mean, the case is still going on, and there is a hope to bring some other defendants to bear. So I mean --

Q I understand that.

A All right.

Q I am still waiting but I understand that, yes.

A I can't speak to that part.

Exhibit 123

Exhibit 123

From: Newell, William D.
Sent: Tuesday, April 27, 2010 8:19 AM
To: McMahon, William G.
Subject: Re: SAC write up 04 26 2010

The indictments for Wide Receiver will come in two phases in mid-May but I'll have more detailed info early today. As for Fast and Furious I have already discussed an exit strategy and will have that today as well. The issue has been getting a

RC-3
 RC-3

I don't like HQ driving our cases but understand the "sensitivities" of this case better than anyone. We don't yet have the direct link to a DTO that we want/need for our prosecution. RC-3 Once we establish that link we can hold this case up as an example of the link between narcotics and firearms trafficking which would be great on a national media scale but if the Director wants this case shut down then so be it.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1

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From: McMahon, William G.
To: Newell, William D.
Sent: Tue Apr 27 07:59:35 2010
Subject: RE: SAC write up 04 26 2010

Bill,

We need to begin working on an "exit strategy" for this case. Let me know what your plans are for taking this case down to include the timing.

Also, can I get a write up on Wide Receiver? Billy is meeting with Kevin Carwile tomorrow and this case is on the agenda.

Thanks,

William G. McMahon
 Deputy Assistant Director (West)
 Office of Field Operations
 RC-1

From: Newell, William D.
Sent: Monday, April 26, 2010 8:14 PM
To: McMahon, William G.
Subject: Fw: SAC write up 04 26 2010

Update on Fast and Furious. RC-3
 RC-3

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1

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From: Palmer, Douglas R.
To: Newell, William D.
Sent: Mon Apr 26 20:08:43 2010
Subject: FW: SAC write up 04 26 2010
Bill,

Attached is a one page update from Dave Voth.

Doug Palmer
Bureau of ATF
Phoenix Field Division
Supervisor, Phoenix V
RC-1

From: Voth, David J.
Sent: Monday, April 26, 2010 4:20 PM
To: Palmer, Douglas R.
Subject: SAC write up 04 26 2010

HOGRAF - 002417

Exhibit 124

Exhibit 124

LAW OFFICES

STEIN, MITCHELL & MUSE L.L.P.

1100 CONNECTICUT AVE., N.W., STE. 1100

WASHINGTON, D. C. 20036

GLENN A. MITCHELL
 JACOB A. STEIN
 GERARD E. MITCHELL
 ROBERT F. MUSE
 DAVID U. FIERST
 RICHARD A. BUSSEY
 ROBERT L. BREDHOFF
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 DENIS C. MITCHELL
 ARI S. CASPER
 JOSHUA A. LEVY
 JULIE L. MITCHELL
 KERRIE C. DENT

OF COUNSEL
 RONALD KOVNER

TELEPHONE: (202) 737-7777
 TELECOPIER: (202) 296-8312
 www.SteinMitchell.com

January 6, 2012

Scott Lindsay
 Minority Counsel

Donald Sherman
 Minority Counsel

House Committee on Oversight & Government Reform
 512 Ford House Office Building
 Washington, DC 20510

Re: Fast & Furious Investigation

Scott and Donald:

You requested documents and other information regarding communications from the U.S. Attorney's Office for the District of Arizona to ATF agents and officials regarding the seizure of firearms and arrests of individuals. This letter and the enclosed documents are provided in response to that request. Nothing disclosed in this letter shall constitute a waiver of privilege.

We also responded to your request, per your assurance that you will protect the anonymity of the source of either the enclosed documents or the contents of this letter, and that you will not use them without obtaining my consent.

I. While Trying to Bring Down a Major Firearms Trafficking Organization, the ATF Agents Did Not Turn a Blind Eye toward Firearms Seizures or Straw Purchasers.

No credible witness has provided testimony in support of the position that the ATF acted with deliberate indifference to firearms seizures and arrests. The agents in ATF Group VII doggedly pursued evidence to make lawful seizures of weapons and arrests, but – as all agents must – adhered to the legal counsel provided to them by the USAO. That advice routinely

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 Donald Sherman
 January 6, 2012
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prevented the agents from making seizures and arrests. This letter encloses evidence of such advice.

A. USAO Criminal Chief: “The sales to the ‘straw purchasers’ are lawful.”

When assisting the Justice Department’s response to requests for information from Congress on Fast & Furious, Patrick Cunningham, Chief of the Criminal Division, for the U.S. Attorney’s Office for the District of Arizona during Fast & Furious – *via* e-mail on March 6, 2011 – reiterated the advice that Group VII ATF agents received in real time from his office. For example:

Neither the USAO nor ATF was engaged in an effort “to let guns flow to straw buyers” or to “walk” guns that could have been seized under any lawful theory with available facts to prove the theory.

The guns flow FROM straw buyers and until agents observe illegal conduct they cannot treat them as anything other than ordinary buyers. At the time of transfer of the firearms from the FFL to the straw purchaser based upon the facts available to the FFL at the time of the sale, *the sales to the “straw purchasers” are lawful*; and seizure of the weapons in the hands of those purchasers without evidence of criminality would violate the United States Constitution and would be an unlawful seizure and deprivation of property rights without cause. (Fourth and Fifth Amendments).

In these investigations, there may come a point over the course of an investigation where ATF believes, though it is well short of proof beyond a reasonable doubt required in criminal cases, that they can prove that a particular person only buys guns for the purpose of illegal trafficking. However, seizure of the guns at that point may not be legal because purchasing multiple long guns in Arizona is lawful, transferring them to another is lawful and even sale or barter of the guns to another is lawful unless the United States can prove by clear and convincing evidence that the firearm is intended to be used to commit a crime. (18 USC 924(d)).¹

¹ E-mail from Patrick Cunningham to William Newell, James Needles, Dennis Burke, Ann Scheel, Rachel Hernandez, Mike Morrissey, Emory Hurley, and Kristen Kelly, Mar. 6, 2011 (emphasis in original). The e-mail is attached at Tab 1 (emphasis added).

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Mr. Cunningham continued:

How is it that a person becomes a suspect in a straw purchase investigation? If they are buying multiple handguns, it could be because of multiple sales reports to ATF, notifying the bureau that a suspect is buying large quantities of handguns. If they are buying only long guns, they may not become a suspect until guns they have purchased can be traced after being recovered at a crime scene, or an FFL voluntarily notifies ATF of an unusually large purchase. But a multiple purchase by itself, or the recovery of a firearm at a crime scene does not establish that the original buyer of the gun is an "unlawful straw purchaser." If it did, then when a person buys a gun and then decides they don't shoot it well, or it recoils too much, or they really can't afford the ammunition, and sells it, out of the paper, or a gun show, or to a friend, if the next owner of the gun commits a crime with it, the original purchaser would become a suspect as an "unlawful straw purchaser" and a suspect in a gun trafficking case.

And your question presupposes that ATF agents should never let mere suspects possess a firearm. Your question seems to presume that once ATF identifies a suspect, they can treat that suspect as though they were a "prohibited person", never again allowed to possess a firearm, regardless of the fact that they have not been convicted of a crime. If this were the case, ATF could stop any person they label a suspect and take any gun they have away from them. This means that if you (1) bought two 5.7 mm pistols because you wanted one for the home and one for the office, or (2) bought three AR type rifles for you and your two sons to target shoot, or (3) you sold one of your guns to your brother in law, who resold it to a co-worker who took it into Mexico and got caught with it, then you are an "unlawful straw purchaser" suspect and the next time you buy a gun, with your own money, for a hunting trip, ATF should take it away from you.²

Likewise, Mr. Cunningham's recapitulation of the USAO's legal counsel regarding the seizure of weapons confirms the limitations placed on the ATF agents:

The full array of rights available to indicted defendants is also available to those persons suspected of committing gun crimes, and the government cannot violate legitimate gun owners rights by prematurely seizing their guns.... There seems to be some misconception on the part of the press and members of congress that the

² See e-mail from P. Cunningham, at Tab 1.

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 Donald Sherman
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minute that ATF suspects that someone is a straw purchaser, agents can arrest that person and seize all of their guns. As explained above, that seizure would be unlawful, and ATF may only seize when a lawful basis for seizure can be proven under the US Constitution and statutes passed by Congress.³

Although this e-mail was sent in March 2011, it cannot be seen as self-serving and should be fully credited as an accurate representation of the contemporaneous rules of the road given to and relied upon by the agents in the Fast & Furious investigation. Examples and evidence of such contemporaneous advice, consistent with Mr. Cunningham's e-mail, are set forth below. As this letter demonstrates, the ATF Phoenix Group VII agents and their supervisor creatively worked to build evidence to meet the high legal thresholds established in Arizona and to explore alternate legal theories to make lawful seizures of firearms and arrests. Group VII should not be blamed for failing to make seizures and arrests, when objective evidence establishes they were prevented from doing so by the USAO.⁴

B. In Fast & Furious, the ATF Agents Had No Intention to Permit the Illegal Trafficking of Guns to Mexico.

One of the underlying false premises of Chairman Issa's inquiry is that ATF agents purposefully permitted guns to enter Mexico illegally, in Fast & Furious. There is a distinct lack of evidence supporting this counter-intuitive premise, which ATF Group VII Supervisor David Voth explained in his congressional staff interview was inaccurate.⁵

³ See e-mail from P. Cunningham, at Tab 1.

⁴ Notwithstanding the limitations placed on the Group VII agents, they seized 373 firearms in 2010, a five-fold increase over the number of firearms seized in the previous year by the entire ATF Phoenix field division. As a result of the congressional investigation, however, firearms seizures by Group VII plummeted to 51 in 2011 (only 20 of which were seized after the CBS News report on March 3, 2011). See Tabs 23 & 24.

⁵ Congressman Issa and Senator Grassley released their first report in this investigation on June 14, 2011, weeks before their staff even interviewed GS Voth. Despite that, the report included several harmful and inaccurate statements about GS Voth. The patently unfair release of such a report severely prejudiced GS Voth. In his staff interview, conducted on June 30, 2011, GS Voth explained why the statements made and quoted in the June 14 report were false. But Congressman Issa and Senator Grassley, despite releasing several more reports in this investigation, have never corrected the record.

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In April 2010, ATF Group VII Supervisor, David Voth, exchanged e-mails with SA Andrew Hilt, Project Officer, Technical Operations Branch, about the use of trackers. SA Hilt indicated to GS Voth that the tracker might not work in Mexico, to which GS Voth replied: "I appreciate the concern but if everything works and goes according to plan we will intercept the firearm at or near the border. *We have no plans on letting any firearms (with or without a tracker) cross from the U.S. into Mexico.*"⁶

C. The "Schism" Was Not about Gunwalking.

In their June 14, 2011, report, Congressman Issa and Senator Grassley relied on the false testimony of SA Olindo "Lee" Casa to mischaracterize GS Voth's March 12, 2010, e-mail to incorrectly suggest that the "schism" in the Group VII office concerned two groups of agents opposing and supporting a strategy to let guns walk. "Schism" solely refers to a divide between SA Dodson and Casa and the other Group VII agents about the schedule that GS Voth was putting together for staffing the wire room – *i.e.*, which by necessity required Group VII agents to be available monitor the wire on nights and weekends.⁷ GS Voth said as much in his interview with congressional staff:

Q: So what is your reaction to this ["schism"] email and the way that people have pointed to this and said this is evidence that corroborates the testimony of agents?

A: I don't think it corroborates it at all. The purpose of this email, and the reason this email was sent, is it's dated March 12th, the wire was going up on March 15th, and a lot of people were concerned about their scheduling on the wire and if they were on surveillance or if they were in the wire room, if they were working Saturday, if they were working at night, if they were working Sunday, when was their day off, why were they on this assignment, so and so had that assignment.... There'[re] a lot of things going on, and it could be an exciting time if people would pull together contribute. And, instead, they're worried about why is so and so on this schedule, and I'm in the wire room. Why am I not on surveillance? I have more seniority or something than her or whatever. *It was*

⁶ E-mail from D. Voth to A. Hilt, Apr. 23, 2010, at Tab 2 (emphasis added).

⁷ See Voth Declaration at ¶1, at Tab 4.

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*strictly about the wire and working of the wire and the scheduling of the wire.
It wasn't about the way the case was being worked.*⁸

Any fair reading of the e-mail itself convincingly establishes that the schism refers to a misperception of inequitable working conditions by certain agents and not a fight about investigative strategy. In addition, other documents show that in the days leading up to March 12, 2010, GS Voth was working on the schedule to staff the wire room.⁹

D. The Exception Proves the Rule: The Fernandez Case

As further contemporaneous evidence that SA Dodson and SA Casa had not raised any concerns about any perceptions of gunwalking in 2010, one need look no further than to their proposal and full support of the sole instance when anyone at Group VII provided firearms to a straw purchaser with no intention of recovering them: the Isaias Fernandez case. GS Voth informed congressional staff of the same at his interview. The Fernandez matter as not part of the Fast & Furious investigation, and it was proposed and promoted by SA Dodson over GS Voth's objection.

SA Dodson opened the Fernandez case in April 2010. When GS Voth reviewed the Fernandez case on the N-FORCE system, he e-mailed SA Dodson, on May 19, 2010, instructing SA Dodson (a) to generate the draft reports on the case, and (b) to follow the ATF and USAO rules regarding electronic surveillance. To this point, there was no mention to GS Voth of a desire not to interdict guns in the hands of Fernandez. SA Dodson, however, already had staged two straw purchases via *his* confidential informant who had provided firearms to Fernandez on May 8 and May 11,¹⁰ and yet SA Dodson made no effort to interdict those weapons after Fernandez acquired them, and took little to no effort to conduct surveillance on Fernandez.

Rather than respond immediately to his supervisor's e-mail, SA Dodson, along with SA Alt, took the next five days to craft a misleading response to GS Voth's e-mail.¹¹ The first

⁸ The Committee's majority staff would not permit witnesses or their counsel to receive a copy of the transcript from the congressional interview. Nor would staff permit counsel to take verbatim notes of the transcript. The Majority's enforcement of those rules *inter alia* runs contrary to Mr. Issa's public criticisms of government's lack of transparency. That said, we did not take verbatim notes from the transcript, but did try to capture certain important passages. In any event, you have a copy of the transcript.

⁹ See Tab 3.

¹⁰ See Fernandez ROIs #4 & #5 at Tab 5.

¹¹ The e-mail thread between SA Dodson and SA Alt is attached at Tab 7.

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mention of letting any guns walk came in SA Dodson's response, an e-mail, dated May 24, 2010 (edited by SA Alt). In it, SA Dodson included a truncated version of an e-mail that AUSA Emory Hurley sent to SA Dodson: "[A]n AUSA won't be able to approve of letting firearms 'walk' in furtherance of your investigation without first briefing the US Attorney and Criminal Chief."¹² Interestingly, according to the N-FORCE management log for this case, SA Dodson did not discuss the case with Mr. Hurley until May 20, a day after GS Voth sent the May 19 e-mail to SA Dodson inquiring about the case and providing SA Dodson with ATF guidance on it. SA Dodson's May 24 e-mail was written to conceal from GS Voth the actual date of SA Dodson's discussion with Mr. Hurley – *i.e.*, SA Dodson cut and pasted an excerpt from Mr. Hurley's e-mail rather than forward the e-mail in its entirety to GS Voth.

Even with the understanding that the U.S. Attorney himself and the Criminal Chief of the USAO would first need to approve such a scenario, GS Voth was not comfortable with the proposal.¹³ Upon receiving SA Dodson's May 24 e-mail, GS Voth called the ASAC, James Needles, because GS Voth – as he informed ASAC Needles – was uncomfortable with SA Dodson's proposal on the Fernandez case and would not approve it.¹⁴ ASAC Needles told GS Voth that he should send ASAC Needles something in writing for him to evaluate.¹⁵ On May 27, 2010, GS Voth complied and forward SA Dodson's proposal, which ASAC Needles approved.¹⁶ Before he approved the plan, ASAC Needles met with SA Dodson, SA Alt, and SA Styers;¹⁷ GS Voth was not a party to those discussions.¹⁸

Ironically, when Senator Grassley sent a letter to the Department of Justice on March 3, 2011, his lone support for the proposition that the ATF Group VII agents knowingly let guns walk in the Fast & Furious case did not come from Fast & Furious at all. It was SA Dodson's ROIs ## 4, 5 & 7 from the Fernandez case. This was no small error by Senator Grassley. His misunderstanding of the lack of a Fast & Furious connection to the Fernandez case served as the cornerstone for his and Congressman Issa's fundamental criticism of Fast & Furious.

¹² E-mail from J. Dodson to D. Voth, May 24, 2010, at Tab 8.

¹³ See Voth Declaration at ¶ 2, at Tab 4.

¹⁴ See Voth Declaration at ¶ 2, at Tab 4.

¹⁵ See *id.*

¹⁶ See *id.*

¹⁷ See Fernandez ROI #7, at Tab 9.

¹⁸ See Voth Declaration at ¶ 2, at Tab 4.

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II. The USAO Advised the ATF Not to Make Seizures and Arrests.

Prior to June 2010, the USAO for the District of Arizona routinely advised the ATF Group VII agents working on Fast & Furious (and many other cases) that in straw purchaser investigations they lacked evidence to support probable cause for arrests and seizures of firearms. In some instances, the AUSA would indicate to the agent that an arrest would not be worthwhile because the evidence would not support a conviction or because a conviction would carry much of a sentence with it.

In June 2010, when the USAO advised Group VII agents that the evidence (derived from the wire) supported probable cause for seizures, Group VII agents seized dozens of firearms. Indeed, Group VII seized more firearms in 2010 than did any other ATF group along the Southwest Border – *i.e.*, 373 firearms.

For Operation Fast & Furious, SA Hope MacAllister was its lead agent and as such was in regular communication with AUSA Emory Hurley about the evidence she had gathered and whether it was sufficient to support probable cause for seizures and arrests.

You have informed us that the Department of Justice has made neither SA MacAllister nor Mr. Hurley available to testify before Congress, and that the Department of Justice has not provided many documents pertaining to their communications in 2010. Given the unavailability of those witnesses and the documents, the testimony from other credible witnesses, such as David Voth, Group VII Supervisor and ATF Agent of the Year 2009, should be credited.

A. David Voth: “And I think if [judges and AUSAs] say there’s not probable cause... I’ve never been told that I supersede their decision.”

In his interview with congressional staff, GS Voth informed Congress that SA MacAllister coordinated with AUSA Hurley multiple times a day, on nights, and on weekends; and that SA Tonya English also spoke with AUSA Hurley about Fast & Furious. Those communications resulted in the following pointed exchange during GS Voth’s interview:

Q: So it’s your understanding that as part of Fast & Furious, agents weren’t foregoing making arrests where probable cause existed or interdicting weapons where sufficient legal authority existed you know when they had the authority to do so in order to facilitate this larger mission?

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A: No, I don't think that agents in Fast & Furious were forgoing taking action when probable cause existed. We consulted with the US Attorney's Office. And if we disagree I guess we disagree. But if the US Attorney's Office says we don't have probable cause, I think that puts us in a tricky situation to take action independent especially if that is contradictory to their opinion....

Q: As part of Fast & Furious?

A: Yeah, as part of Fast & Furious. And certainly the judge is capable of determining probable cause. And on two occasions the judge did not think we had probable cause.... *And I think if [judges and AUSAs] say there's not probable cause... I've never been told that I supersede their decision.*¹⁹

B. The Judiciary in Arizona Influenced the USAO.

As GS Voth indicated in his interview with congressional staff, the actions of the judiciary in Arizona influenced the advice that the AUSAs provided to the ATF agents there.

1. Federal Judges Denied Two Search Warrant Applications

An illustration of the judiciary's temperament on such matters is its denial of two search warrants. Prior to coming to Phoenix, GS Voth had applied for well over 100 or more search warrants and had only one of them denied by a judge in that time. He was therefore well aware of the sort of the evidence that should support a search warrant and was surprised when the Arizona federal magistrate judge denied each of these two warrant applications.²⁰

a. The First Denial

In the spring of 2010, Group VII sought a search warrant for a MySpace page on the Internet that posted photographs of firearms, including a photo of suspected recruiter of straw purchasers, Manuel Celis-Acosta, with firearms in what appeared to be his living room.²¹ AUSA

¹⁹ See *supra* note 8.

²⁰ See Voth Declaration at ¶ 3, at Tab 4.

²¹ See Voth Declaration at ¶ 4, at Tab 4.

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Hurley approved the application for the search warrant, and SA MacAllister presented it to the judge, who denied it.²²

b. The Second Denial

In August 2010, Group VII sought search warrants for two locations – 7557 W. Rose Lane and 4950 W. Bethany Home Road Lot #45, which were both addresses for Hector Carlon, who was tied to the purchase of a .50 caliber firearm and was suspected at the time of being a mid-level member of the firearms trafficking organization under investigation.²³ AUSA Emory Hurley approved the applications for the search warrants, and SA MacAllister presented the applications to the judge, who denied them.²⁴

2. Dismissal of Case against an Alleged Straw Purchaser

Another example of the judicial temperament that helped shape the legal counsel of the USAO to the Group VII agents in 2010 was a recent dismissal of a case brought against an alleged straw purchaser. A judge in the Superior Court of Arizona for Maricopa County dismissed the state's case against George Iknadosian on March 18, 2009. The court ruled that the purchaser's falsification of the ATF Form 4473 was **not sufficient**, without more, to support a conviction. According to the court: "In order to be material, the falsification has to have resulted in an unlawful or prohibited person obtaining the weapons rather than the misrepresenting signatory answering question 11a [in the Form 4473]." The court found "no proof whatsoever that any prohibited possessor ended up with the firearms," even though the state produced witnesses "who were claimed to be 'straw' purchasers," because "[t]here was not testimony in this case that lawful purchasers bought for an unlawful one."²⁵

C. Uriel Patino

The ATF's approach to Mr. Patino also establishes that Group VII was not trying to forego the seizure of firearms or the arrests of straw purchasers, and yet was nevertheless forced

²² See *id.* One of the photographs is at Tab 28. Manuel Celis-Acosta is the individual standing up in the middle of the picture. The others pictured are down on one knee.

²³ See Tab 10.

²⁴ See Voth Declaration at ¶ 5, at Tab 4.

²⁵ See *Arizona v. Iknadosian*, Case No. CR2008-006471-001 DT (Sup. Ct. Az., Maricopa Cty Mar. 18, 2009), at Tab 11.

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to search for new legal avenues and evidence to support seizures and arrests due to the limiting legal counsel provided by the USAO.

GS Voth began focusing on Mr. Patino in November 2009, a month before he even arrived in Arizona as the ATF Phoenix Group VII Supervisor. While still in Minnesota, he was reviewing multiple sales reports and identified Mr. Patino, who at the time (*i.e.*, Nov. 9, 2009), had purchased 13 firearms. Then, GS Voth knew nothing more than the fact that Mr. Patino had purchased the 13 firearms from Cabela's in Glendale, Arizona; lived in Phoenix; and was then a 23-year old Hispanic male.²⁶ Based on that information and the counsel he previously had received from the USAO in Minnesota, that evidence would not have been sufficient to support probable cause to seize the 13 firearms or arrest Mr. Patino at that time.²⁷ Nevertheless, GS Voth e-mailed SA MacAllister and SA Medina in ATF Phoenix Group VII to inform them that "this one screams for actions" and recommended they "start looking into phone numbers, border crossings, method of payment especially if credit card or check...etc" to build more evidence, so that the ATF could later take lawful enforcement action.²⁸

One prime example of the follow-up police work that SA MacAllister performed with respect to Mr. Patino was the discovery that he was on food stamps. Indeed, the only reason anyone in law enforcement today knows Mr. Patino was receiving food stamps is because SA MacAllister dug through his trash to locate gun receipts and found evidence that he was on food stamps.²⁹ Upon receiving that information, SA MacAllister discussed it with Mr. Hurley at the USAO, who concluded that evidence was not sufficient to seize weapons or arrest Mr. Patino.³⁰

Group VII did not stop there. Instead, in March 2010, GS Voth asked SA Randy Parker of the US Department of Agriculture Office of Inspector General to investigate whether Mr. Patino's \$300,000 purchase of firearms would constitute evidence of "Food Stamp Fraud."³¹ GS Voth made a similar inquiry of state attorneys in Maricopa County, Arizona, in June 2010.³²

²⁶ See e-mail from GS Voth to SA MacAllister and SA Medina, Nov. 9, 2009, at Tab 12.

²⁷ See Voth Declaration at ¶ 7, at Tab 4.

²⁸ See e-mail from GS Voth to SA MacAllister and SA Medina, Nov. 9, 2009, at Tab 12.

²⁹ See Voth Declaration at ¶ 8, at Tab 4.

³⁰ See *id.*

³¹ See e-mail from D. Voth to R. Parker, Mar. 30, 2010, attached at Tab 13.

³² See e-mail from D. Voth to A. Roby & M. McKessy, attached at Tab 14.

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Unfortunately, the responses proved impractical. But neither SA MacAllister nor GS Voth can be accused of being deliberately indifferent to Mr. Patino. Moreover, GS Voth's overtures to the USDA OIG and to the state attorneys show that the advice from the USAO was that the agents lacked the necessary probable cause to make seizures and arrests.

When the USAO finally concluded that probable cause existed to seize certain firearms purchased by Mr. Patino, agents went out to seize the firearms.³³

D. The ATF Provided the USAO with Evidence to Support Fast & Furious Indictments in July 2010, But the USAO Filed Them Only after Border Patrol Agent Brian Terry Was Killed.

As early as July 19, 2010, GS Voth sent an e-mail to AUSA Hurley requesting to speak with him about the "Indictment Phase."³⁴ This also is consistent with the "Exit Strategy" provided to ATF Headquarters in April of 2010 laying out a 90 day time table.

Thereafter on a monthly basis, GS Voth would call AUSA Hurley to ask whether the indictments had been drafted and approved. Frustrated the indictments had not been filed in October 2010, GS Voth asked the ASAC to ask Mr. Cunningham, the Criminal Chief for the USAO, about the status of the indictments. The ASAC told GS Voth that the ASAC and Mr. Cunningham spoke, and that Mr. Cunningham said the indictments would be filed soon.³⁵

Despite the evidence generated by Group VII in July 2010, it would not be until after Border Agent Brian Terry was killed in December 2010 that the USAO filed the indictments.

Shortly after the indictments were filed, an ATF agent in Houston e-mailed GS Voth for assistance because the agents in Houston were in the indictment phase of a gun-trafficking case, and they had not seen many successful indictments "in our area."³⁶

³³ See Voth Declaration at ¶ 9, at Tab 4.

³⁴ The e-mail is attached at Tab 15.

³⁵ See Voth Declaration at ¶ 13, at Tab 4.

³⁶ The e-mail is attached at Tab 16.

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E. On Other Cases in 2010, the USAO Advised ATF Group VII That It Lacked Evidence to Support Seizures and Arrests.

Throughout 2010, Group VII worked on several other Southwest Border ("SWB") Firearms Trafficking cases and received advice from the USAO on a daily basis that mirrored the advice on similarly situated facts in Operation Fast & Furious. The following examples are indicative of the advice from the same USAO provided to Group VII agents in 2010 and early 2011 and thus for Fast & Furious. In each of the following cases, the USAO advised Group VII not to arrest straw purchasers.

1. The [REDACTED] Case

GS Voth testified about this case, when he was interviewed by congressional staff. It is an example of the USAO advising Group VII not to arrest a suspected straw purchaser for perceived lack of probable cause. In an e-mail to an ATF agent in Texas, GS Voth wrote the following: "Two weeks ago we stopped a suspect after he purchased a TNW 50 caliber belt-fed rifle for over \$10,000.00. We conducted a field interview and after calling the AUSA he said we did not have sufficient PC to take the firearm so our suspect drove home with said firearm in his car."³⁷ The AUSA was Emory Hurley.

An ROI from this case also shows AUSA Hurley informed the ATF agents on August 3, 2010, that they lacked evidence to support probable cause for the seizure of the firearm.³⁸

2. The [REDACTED] Case

Group VII identified a suspected straw purchaser, who had purchased 10 AK-47s. The USAO advised GS Voth not to arrest the straw purchaser because the evidence likely would not support a conviction that would come with any meaningful jail time. GS Voth became aware of a case in Texas, where a federal judge sentenced an individual for 37 months upon a purchase of 13 firearms. GS Voth informed Mike Morrissey, Section Chief, National & Border Security, for the District of Arizona USAO, of the sentencing result in the Texas case. Mr. Morrissey advised that GS Voth reach out to the AUSA in Texas who handled the case. GS Voth did that and e-mailed Mr. Morrissey regarding the call. Through the e-mail, GS Voth provided Mr. Morrissey with the name and phone number for the AUSA in Texas, as well as a detailed discussion of how the sentencing enhancements were counted for the defendant.³⁹ Upon receipt of the e-mail, Mr.

³⁷ The e-mail is attached at Tab 17.

³⁸ See [REDACTED] ROI #5, at Tab 18.

³⁹ The e-mail is attached at Tab 19.

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Morrissey informed GS Voth that a court in Arizona would treat some of the calculations in Texas as double-counting and renewed his advice not to arrest the alleged straw purchaser.⁴⁰

1. The Special Delivery Case: Civil Asset Forfeiture

Since the criminal AUSA's were not permitting ATF agents to make firearms seizures based on the evidence that had been gathered, GS Voth explored the option of civil asset seizure and forfeiture with civil AUSA Reid Pixler. At a meeting of SWB ATF Group Supervisors, AUSA Pixler made a presentation on the general use of civil asset forfeiture. He did not discuss the use of this tool with respect to the seizure of firearms. After the presentation, GS Voth approached AUSA Pixler and asked if civil asset forfeiture could be used to seize firearms. AUSA Pixler said it could.⁴¹

In September 2010, however, GS Voth approached the USAO to use this authority when Mr. Pixler was not in the office for the "Special Delivery" case, and AUSA Paul Rood rejected the use of this authority. On September 9, 2010, AUSA Rood e-mailed ATF Legal Counsel Tom Karmgard at length to discuss his opposition to GS Voth's recommendation and advised that GS Voth not try this course of action in the future.⁴²

III. Chairman Issa's Congressional Investigation Has Chilled Law Enforcement from Making the Big Case and Has Resulted in a Dramatic Reduction in Seizures of Firearms along the Southwest Border.

What cannot be lost in this congressional investigation is its devastating impact on law enforcement's ability to seize firearms and bring down firearms trafficking organizations ("FTOs"). As a result of this congressional investigation, dramatically fewer firearms have been seized, and FTOs are at large with far fewer active federal law enforcement eyes and ears on them.⁴³

⁴⁰ See Voth Declaration at ¶ 10, at Tab 4.

⁴¹ See Voth Declaration at ¶ 11, at Tab 4.

⁴² The e-mail is attached at Tab 20.

⁴³ See Voth Declaration at ¶ 14, at Tab 4.

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A. Firearms Seizures Have Dramatically Plummeted.

In 2010, ATF Phoenix Group VII agents seized 373 firearms – more firearms seized (by a delta of 150) than any other ATF group along the Southwest Border.⁴⁴ Photographs show the Group VII vault was filled to the brim with the firearms seized by the agents in 2010.⁴⁵

In 2011, however, Group VII seized only 51 firearms,⁴⁶ of which 31 were seized before CBS News broke its *Fast & Furious* story on March 3, 2011.⁴⁷ As such, Group VII has seized only 20 firearms since that story broke.

B. Congress Should Strengthen Gun Laws and Encourage Law Enforcement to Bring Drug Cartels and Firearms Trafficking Networks to Justice.

What might tragically be lost in the discussion of the conduct of the ATF and other components of the Justice Department in *Fast & Furious* are the correct objectives of strengthening federal firearms laws and bringing these criminal firearms and drug trafficking organizations to justice. We need to be friends of law enforcement, as Ranking Member Cummings is and has been for so many years. Most unfortunately, Congressman Issa and Senator Grassley have, with this investigation, done real harm to my client's career and have chilled dozens of honest, hard working law enforcement agent from wanting to pursue cases beyond the arrests of straw purchasers.⁴⁸ In the meantime, gun laws remain weak, and drug cartels are at large.

Ranking Member Cummings' leadership to help strengthen our nation's gun laws is truly the best solution to help stop these sales. But under the status quo that suffers from such legislation, those sales would have occurred with or without Group VII. Indeed, [REDACTED] gun shop would have sold the firearms located at Agent Brian Terry's homicide scene with or without Group VII. Purchases by the hundreds were going on in the Phoenix area long before *Fast & Furious* began. *For the last seven years*, more recovered firearms were traced back to [REDACTED] than to any other FFL in

⁴⁴ See Tab 21.

⁴⁵ See photographs at Tab 22.

⁴⁶ The ATF's N-Force Vault record for 2011 firearms seizures by ATF Phoenix Group VII is attached at Tab 23.

⁴⁷ The ATF's N-Force Vault record for firearms seized by ATF Phoenix Group VII between January 1, 2011 and March 3, 2011, is attached at Tab 24. See also a chart regarding the Group VII firearms seizures from 2009 to 2011, at Tab 24.

⁴⁸ See Voith Declaration at ¶ 14, at Tab 4.

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Arizona,⁴⁹ and the *Washington Post* reported that [REDACTED] had been the nation's top seller of firearms recovered in Mexico.⁵⁰ It is legal for many people to buy those deadly weapons in Arizona, and the USAO for the District of Arizona agreed.⁵¹ Strengthening the gun laws could mightily help reverse that trend.

Notably, however, Group VII took the initiative to ask the licensed firearms dealers to provide the agents with the serial numbers and Form 4473's for many of the firearms purchased. Group VII agents entered the relevant data into the Suspect Gun Database. Such information would later help federal, state, and local law enforcement agencies have additional information about guns later seized at investigation and crime scenes. Such information also would help agents build the probable cause necessary to seize weapons, arrest suspected straw purchasers, and build the case against the firearms trafficking network itself.

Whatever judgment Congress believes it must pass, in hindsight, on *Fast & Furious*, it should not continue to send a message to federal law enforcement that the bold initiatives seeking to eliminate criminal enterprises, such as drug cartels and firearms trafficking networks, are not worthwhile. The goal cannot simply be to go after individual straw purchasers. Both can and should be done. Going up on a wire is not hindrance to law enforcement, but rather its biggest tool to obtain evidence that will help the U.S. government bring these monsters to justice. But the effect of the message from Congress today on law enforcement is to avoid going after the traffickers themselves.⁵² If that message continues, the cartels will win. The foregoing precipitous drop in firearms seizures along the Southwest border is convincing proof.

⁴⁹ See ATF Office of Strategic Intelligence and Information, Violent Crime Intelligence Division, Violent Crime Analysis Branch, #117515, *Top Arizona Source Federal Firearms Licensees for Firearms Recovered and Traced*, Jan. 1, 2005 – June 30, 2011, at Tab 25.

⁵⁰ See Sari Horowitz & James V. Grimaldi, "U.S. Gun Dealers with the Most Firearms Traced over the Past Four Years," *Washington Post*, Dec. 13, 2010, at Tab 26 ("Of the leading stores with Mexican traces, [REDACTED] eighth on the nationwide list, is No. 1 on the Mexico list. Over the past two years, it had 185 of its guns recovered and traced south of the border. Geography is a prime factor in those traces.").

⁵¹ See *Arizona v. Iknadosian*, at Tab 11; e-mail from P. Cunningham, at Tab 1 ("In these investigations, there may come a point over the course of an investigation where ATF believes, though it is well short of proof beyond a reasonable doubt required in criminal cases, that they can prove that a particular person only buys guns for the purpose of illegal trafficking. However, seizure of the guns at that point may not be legal because purchasing multiple long guns in Arizona is lawful....").

⁵² For example, in 2009, there was one OCDETF case initiated by ATF, and it was initiated by SA MacAllister, in ATF Phoenix Group VII. In 2010, there were four OCDETF cases initiated by ATF, and all of them came out of Phoenix Group VII. In 2011, there was one OCDETF case initiated by ATF, and it was initiated by SA MacAllister in Phoenix Group VII. See Tab 27. See also Voth Declaration at ¶¶ 12 & 14, at Tab 4.

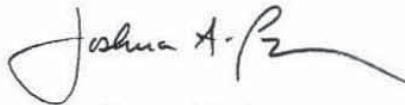
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We hope that this submission helps place into context the conduct of these agents in Fast & Furious. GS Voth and the agents actually pursuing Fast & Furious tirelessly and creatively worked to interdict firearms and bring criminals to justice, within the legal boundaries set for them by the USAO for the District of Arizona.

Any findings and recommendations for this investigation should permit and encourage law enforcement to resume operations that target these organizations; and they should not malign or frustrate the careers of ATF personnel who have dedicated their lives to protecting all of us from criminal and dangerous behavior. We need them.

Sincerely,

A handwritten signature in black ink, appearing to read "Joshua A. Levy". The signature is fluid and cursive, with a large initial "J" and a stylized "L" at the end.

Joshua A. Levy

Exhibit 125

Exhibit 125

From: Voth, David J. <[REDACTED]>
Sent: Tuesday, April 27, 2010 7:12 PM
To: Palmer, Douglas R. <[REDACTED]@atf.gov>
Subject: Exit Strategy - I hope this is what you want. If not I can amend/change...
Attach: Exit Strategy.docx

Operation Fast and Furious Exit Strategy

Operation Fast and Furious is a large scale investigation with many competing priorities and or considerations; investigative priorities, prosecutorial strategy, and international considerations.

- Investigative priorities – It is the goal of every agent to thoroughly investigate this case to encompass the highest level targets possible and exhaust all investigative leads. We strive to dismantle the entire organization and identify all the different facets possible; the straw purchasers, the transporters, the facilitators, the organizers, the money source(s), and ultimately the Cartel connection receiving the firearms in the Republic of Mexico.
- Prosecutorial strategy – It is the goal of every prosecutor to have the best evidence available to charge, try and convict as many defendants as possible. This being the case they have a stake in building the strongest case with the best evidence which may ultimately be taken in front of a jury. Additionally a straw purchase prosecution requires different evidence and burden of proof than an international firearms trafficking conspiracy.
- International considerations – The Republic of Mexico has a right to be concerned with the number of firearms illegally entering their country from the United States. It is hard to express that arresting any one straw purchaser in and of itself will not solve the full spectrum of the problem. Meanwhile the straw purchasers in this case continue to purchase firearms almost daily.

In an effort to juggle these competing priorities we acknowledge there must be an end to every investigation. Our current end goal to bring this stage of the investigation/prosecution to a successful conclusion for the agents and attorneys working this investigation is to successfully intercept Manuel Celis-Acosta via a T-III audio intercept engaging in a firearms trafficking conspiracy with other individuals both currently identified and others yet to be identified above his level in the organization.

We acknowledge that obtaining a T-III is not the actual goal itself but an ends to a means in that Uriel Patino and other straw purchasers are the lowest rung on the preverbal criminal firearms trafficking organizational ladder. If we arrest Uriel Patino for the firearms he has straw purchased thus far we will only minimally impact the organization before Patino is replaced by another member of the organization. Thus without actual oral communication between Manuel Celis-Acosta directing the activities of Patino and others in the conspiracy we have circumstantial evidence. Every call that we have intercepted thus far where Manuel Celis-Acosta is mentioned re-enforces the fact that he is the “boss” of this organization and that others listen to him, defer/seek his approval, and are under his direction.

Exhibit 126

Exhibit 126

Chait, Mark R.

From: McMahon, William G.
Sent: Monday, May 03, 2010 5:22 PM
To: Chait, Mark R.
Subject: FW: Exit Strategy Fast and Furious
Attachments: Exit Strategy Fast and Furious 2.docx

William G. McMahon
 Deputy Assistant Director (West)
 Office of Field Operations
 Office - [REDACTED]

From: Newell, William D.
Sent: Tuesday, April 27, 2010 9:33 PM
To: McMahon, William G.
Subject: Fw: Exit Strategy Fast and Furious

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: 602-859-0882

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From: Palmer, Douglas R.
To: Newell, William D.
Sent: Tue Apr 27 21:26:28 2010
Subject: Exit Strategy Fast and Furious
 Mr. Newell,

Attached is an update on proposed action and an exit strategy for the Fast and Furious investigation.

Doug Palmer
 Bureau of ATF
 Phoenix Field Division
 Supervisor, Phoenix V
 [REDACTED]

Operation Fast and Furious Exit Strategy

Operation Fast and Furious is a large scale investigation with many competing priorities and or considerations; investigative priorities, prosecutorial strategy, and international considerations.

- Investigative priorities – It is the goal of every agent to thoroughly investigate this case to encompass the highest level targets possible and exhaust all investigative leads. We strive to dismantle the entire organization and identify all the different facets possible; the straw purchasers, the transporters, the facilitators, the organizers, the money source(s), and ultimately the Cartel connection receiving the firearms in the Republic of Mexico.
- Prosecutorial strategy – It is the goal of every prosecutor to have the best evidence available to charge, try and convict as many defendants as possible. This being the case they have a stake in building the strongest case with the best evidence which may ultimately be taken in front of a jury. Additionally a straw purchase prosecution requires different evidence and burden of proof than an international firearms trafficking conspiracy.
- International considerations – The Republic of Mexico has a right to be concerned with the number of firearms illegally entering their country from the United States. It is hard to express that arresting any one straw purchaser in and of itself will not solve the full spectrum of the problem. Meanwhile the straw purchasers in this case continue to purchase firearms almost daily.

In an effort to juggle these competing priorities we acknowledge there must be an end to every investigation. Our current end goal to bring this stage of the investigation/prosecution to a successful conclusion for the agents and attorneys working this investigation is to successfully [REDACTED] Manuel Celis-Acosta [REDACTED] engaging in a firearms trafficking conspiracy with other individuals both currently identified and others yet to be identified above his level in the organization.

We acknowledge that [REDACTED] is not the actual goal itself but an ends to a means in that Uriel Patino and other straw purchasers are the lowest rung on the preverbal criminal firearms trafficking organizational ladder. If we arrest Uriel Patino for the firearms he has straw purchased thus far we will only minimally impact the organization before Patino is replaced by another member of the organization. Thus without actual [REDACTED] between Manuel Celis-Acosta directing the activities of Patino and others in the conspiracy we have circumstantial evidence. [REDACTED] where Manuel Celis-Acosta is mentioned re-enforces the fact [REDACTED] that others listen to him, defer/seek his approval, and are under his direction.

HOCR ATF - 001179

[REDACTED]

[REDACTED] The piece of the conspiracy that we are missing [REDACTED]
[REDACTED] is Patino's discussion with Manuel Celis-Acosta and any individuals
from Mexico. We know from the investigation that this communication is currently being
conducted via the Nextel Push to Talk (PTT) network.

[REDACTED]

Another challenge we would like to overcome before the conclusion of this phase of the investigation is to identify and track the source of the finances utilized to purchase over \$900,000.00 in firearms in 6 months. The financial investigation has moved slowly largely because most or all of the information needs to be obtained via the use of Grand Jury subpoenas served on financial institutions with 30-60 day turn around to comply with the request. We have made progress in eliminating legitimate sources of income to substantiate the purchase of firearms in that most or all of these subjects appear unemployed or with low paying employment. In fact Uriel Patino and his girlfriend receive food stamp benefits through the State of Arizona due to their financial hardships.

Our goal is to bring this investigation to a successful conclusion in the minds of the ATF agents working the investigation and the Assistant United States Attorney prosecuting the case, while keeping in mind the international considerations involved in a high-profile collaborative strategy.

- 30 - day target goal: [REDACTED]
[REDACTED]

HOCR ATF - 001180

- 60 – day target goal: [REDACTED]

- 90 – day target goal: [REDACTED]

[REDACTED] Secure Grand Jury Indictments against targets of this investigation and “take-down” the organization with multiple arrests and search warrants.

This exit strategy is a flexible time-line with numerous variables. The case could be concluded sooner than 90 days or longer than 90 days but we feel that based on where we currently are in the investigation that this 90 day goal appears reasonable.

HOCR ATF - 001181

Exhibit 127

Exhibit 127

RC-1

From: Newell, William D. (ATF)
Sent: Tuesday, April 27, 2010 9:33 PM
To: Burke, Dennis (USAAZ)
Subject: Fw: Exit Strategy Fast and Furious
Attachments: Exit Strategy Fast and Furious 2.docx

FYI
 Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1

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From: Palmer, Douglas R.
To: Newell, William D.
Sent: Tue Apr 27 21:26:28 2010
Subject: Exit Strategy Fast and Furious
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Doug Palmer
Bureau of ATF
Phoenix Field Division
Supervisor, Phoenix V

RC-1

Exhibit 128

Exhibit 128

RC-2



Operation: Fast and Furious (CHAMBERS, et al)/ATF Case # 785115-10-

This is an approved ATF OCDETF investigation (# SWAZP0496) that is a large scale conspiracy of RC-5 interconnected straw purchasers. This group has purchased over 1,300 firearms, most of which are the AK-47 variant 7.62 assault rifles and or the F.N. Herstal 5.7 mm pistols, to include approximately ten Barrett .50 caliber rifles. More than \$900,000 in cash has been paid for these firearms. Some of the recovered firearms in this case have a time to crime of only one day. ATF special agents continue to coordinate with the DEA RC-3 as it affects this investigation and also to work with the USAO RC-3

RC-3

RC-3

Additionally, agents RC-3

consensually record calls to/from a friendly FFL and one of the suspects for the purpose of ordering and discussing large-scale firearm purchases.

HOGRA ATF - 002407

On November 20, 2009 the Mexican military seized approximately 41 AK-47 type rifles and one .50 caliber Colt rifle in Naco, Sonora Mexico. The brother and sister suspects, a 21 year-old female and a 15 year-old male, are US citizens and were stopped near Agua Prieta at a border checkpoint. The firearms were located in the vehicle they were driving. The 15 year-old suspect is currently in custody at a youth facility in Mexico City and the adult female is at a detention facility in Mexico City. The Naco seizure directly links to the CHAMBERS case. ATF MCO is assisting PGR with the firearm traces. At this time, PGR informed MCO they are planning on charging the adult with all applicable firearms possession/trafficking charges possible. The PGR plans to charge the juvenile as well and expects he will remain in custody until he is 18 years old.

On December 11, 2009 at the request of the sub-Delegate from PGR-Mexicali, ATF Tijuana agents responded to Mexicali, Baja California to assist in the tracing of the 48 firearms that were seized by the Mexican military. The traces show these firearms are linked to the CHAMBERS case.

On January 13, 2010, ATF agents arrested Alberto SANDOVAL at his residence in El Paso TX. SANDOVAL was found to be in possession of forty (40) AK-47 type rifles and seven (7) ballistic vests. SANDOVAL who is currently under indictment for a narcotics offense received the rifles while under indictment. RC-5 revealed that the rifles were going to be delivered by SANDOVAL to an unknown party who was going to transport the rifles to Mexico. The traces of these firearms show they are linked to the CHAMBERS case. This investigation and judicial process is continuing.

On April 7, 2010, twenty AK-47 style firearms linked to this case were recovered in El Paso, TX, along with approximately 300 pounds of marijuana. RC-3

RC-3

As of April 27, 2010 approximately 150 of the firearms from this case have been recovered as crime guns in Mexico or near the Mexican border.

RC-2

Exhibit 129

Exhibit 129

Ongoing ATF investigation

6 messages

Voth, David J. <[REDACTED]@usdoj.gov> Tue, Apr 13, 2010 at 9:24 AM
 To: Cooperating FFL [REDACTED]
 Cc: ATF Agent [REDACTED]@usdoj.gov>, ATF Agent [REDACTED]@usdoj.gov>,
 ATF Agent [REDACTED]@usdoj.gov>
 Cooperating FFL [REDACTED]

I understand that the frequency with which some individuals under investigation by our office have been purchasing firearms from your business has caused concerns for you. I totally understand and am not in a position to tell you how to run your business. However, if it helps put you at ease we (ATF) are continually monitoring these suspects using a variety of investigative techniques which I cannot go into detail. We are working in conjunction with the United States Attorney's Office (Federal Prosecutors) to secure the most comprehensive case involving the different facets of this organization. If it puts you at ease I can schedule a meeting with the Attorney handling the case and myself to further discuss this issue. Just know that we cannot instruct you on how to run your business but your continued cooperation with our office has greatly aided the investigation thus far.

Thanks again and please let me know how I can be of service to you.

Respectfully,

David Voth

Group Supervisor

Phoenix Group VII

602-[REDACTED]

Cooperating FFL [REDACTED] Tue, Apr 13, 2010 at 1:29 PM
 To: "Voth, David J." <[REDACTED]@usdoj.gov>
 Cc: Cooperating FFL [REDACTED] ATF Agent [REDACTED]@usdoj.gov>, ATF Agent [REDACTED]@usdoj.gov>,
 ATF Agent [REDACTED]@usdoj.gov>, ATF Agent [REDACTED]@usdoj.gov>, Cooperating FFL [REDACTED]

David,

[REDACTED]

Let me start by saying thank you for the email and as always we will do what we can to continue to work with you and the ATF on Project Gun Runner. Our goal is to develop a system to get you (ATF) what you need in the most efficient manner possible. For us, we were hoping to put together something like a letter of understanding to alleviate concerns of some type of recourse against us down the road for selling these items.

We just want to make sure we are cooperating with ATF and that we are not viewed as selling to bad guys. If you and the case Attorney are free to meet some time this week or next, that would be great. I am out of town Friday of this week and have meetings Thursday afternoon but am open other than that and I am open next week. Please let me know what would work best for you.

Thank you again and I look forward to meeting.

Respectfully,

Cooperating FFI
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Mail Delivery Subsystem <mailer-daemon@googlemail.com>

Tue, Apr 13, 2010 at 1:29 PM

To: [REDACTED]

Delivery to the following recipient failed permanently:

[REDACTED]

Technical details of permanent failure:

Message rejected. Please visit http://www.google.com/mail/help/bulk_mail.html to review our Bulk Email Senders Guidelines.

[REDACTED]

[REDACTED]

[REDACTED]

From: Cooperating FFL [REDACTED]
 To: "Voth, David J." <[REDACTED]@usdoj.gov>
 Cc: Cooperating FFL [REDACTED], ATF Agent [REDACTED]@usdoj.gov>,
 ATF Agent [REDACTED]@usdoj.gov>, ATF Agent [REDACTED]@usdoj.gov>,
 Cooperating FFL [REDACTED]

[REDACTED]

David,

Let me start by saying thank you for the email and as always we will do what we can to continue to work with you and the ATF on Project Gun Runner. Our goal is to develop a system to get you (ATF) what you need in the most efficient manner possible. For us, we were hoping to put together something like a letter of understanding to alleviate concerns of some type of recourse against us down the road for selling these items. We just want to make sure we are cooperating with ATF and that we are not viewed as selling to bad guys. If you and the case Attorney are free to meet some time this week or next, that would be great. I am out of town Friday of this week and have meetings Thursday afternoon but am open other than that and I am open next week. Please let me know what would work best for you.

Thank you again and I look forward to meeting.

Respectfully,

[REDACTED]

Cooperating FFL

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Tue, Apr 13, 2010 at 1:31 PM

----- Forwarded message -----

From: Cooperating FFL

Date: Tue, Apr 13, 2010 at 1:29 PM

Subject: Re: Ongoing ATF investigation

To: "Voth, David J." <[REDACTED]@usdoj.gov>

Cc: Cooperating FFL, ATF Agent [REDACTED]@usdoj.gov, ATF Agent [REDACTED]

<[REDACTED]@usdoj.gov>, ATF Agent [REDACTED]@usdoj.gov, [REDACTED]

Cooperating FFL

[REDACTED]

Voth, David J. <[REDACTED]@usdoj.gov>

Thu, Apr 15, 2010 at 9:23 AM

To: Cooperating FFL

Cc: Cooperating FFL, ATF Agent [REDACTED]@usdoj.gov, ATF Agent [REDACTED]

[REDACTED]@usdoj.gov, ATF Agent [REDACTED]@usdoj.gov

Cooperating FFL

We at ATF consider Cooperating FFL [REDACTED] to be our ally in Project Gunrunner SWB Initiative and appreciate your cooperation with us in regards to this (and all) law enforcement matters. I have inquired from the Assistant United States Attorney (AUSA) handling this case as to his availability to meet with you next week. He is checking his schedule and I expect to hear from him soon.

Thanks again and please contact me any time with questions or concerns,

David Voth
Group Supervisor
Phoenix Group VII
602-[REDACTED]

From: Cooperating FFL [REDACTED]
Sent: Tuesday, April 13, 2010 1:30 PM
To: Voth, David J.
Cc: Cooperating FFL [REDACTED]; ATF Agent [REDACTED]; ATF Agent [REDACTED]; ATF Agent [REDACTED]; Cooperating FFL [REDACTED]
Subject: Re: Ongoing ATF investigation

David,

[REDACTED]

Cooperating FFL [REDACTED] Thu, Apr 15, 2010 at 10:39 AM
To: "Voth, David J." <[REDACTED]@usdoj.gov>
Cc: Cooperating FFL [REDACTED]; ATF Agent [REDACTED]@usdoj.gov; ATF Agent [REDACTED]@usdoj.gov; ATF Agent [REDACTED]@usdoj.gov

David,

Thank you for the kind words and the continued support. We will continue handling the transactions as we have in the past until we meet. If there is anything you need in the interim please don't hesitate to ask.

See you soon.

Respectfully,

Cooperating FFL [REDACTED]

[REDACTED]

2/14/2011

[REDACTED]

3 messages

Thu, Jun 17, 2010 at 11:56 AM

David,

As per our discussion about over communicating I wanted to share some concerns that came up. Tuesday night I watched a segment of a Fox News report about firearms and the border. The segment, if the information was correct, is disturbing to me. When you, Emory and I met on May 13th I shared my concerns with you guys that I wanted to make sure that none of the firearms that were sold per our conversation with you and various ATF agents could or would ever end up south of the border or in the hands of the bad guys. I guess I am looking for a bit of reassurance that the guns are not getting south or in the wrong hands. I know it is an ongoing investigation so there is limited information you can share with me. But as I said in our meeting, I want to help ATF with its investigation but not at the risk of agents safety because I have some very close friends that are US Border Patrol agents in southern AZ as well as my concern for all the agents safety that protect our country. If possible please email me back and share with me any reassurances that you can.

Respectfully,

Cooperating FFL

[REDACTED]

[REDACTED]

Fri, Jun 18, 2010 at 2:25 PM

[REDACTED]

[REDACTED]

Cooperating FFL

Thanks for reaching out to me with your concerns. I would be happy to stop by and speak with you. If possible I have [REDACTED] [REDACTED] next Tuesday, June 22, 2010. Any chance you are available that day around 10:00-10:30 am?

Thanks,

Dave Voth

From: [REDACTED] Cooperating FFL
Sent: Thursday, June 17, 2010 11:56 AM
To: Voth, David J.
Subject: Fox News report

[REDACTED]

[REDACTED] Cooperating FFL
Reply-To: [REDACTED] Cooperating FFL
To: "Voth, David J." <[REDACTED]@usdoj.gov>

Mon, Jun 21, 2010 at 9:34 PM

David,

I am back intown. If you are still free to meet on the 22nd [REDACTED] around 10 and there for a few hours. Please stop by if you are available, if not let me know when we can reschedule.

Thank you,

[REDACTED] Cooperating FFL

Sent from my Verizon Wireless BlackBerry

From: "Voth, David J." <[REDACTED]@usdoj.gov>
Date: Fri, 18 Jun 2010 17:25:25 -0400
To: [REDACTED] Cooperating FFL
Subject: RE: Fox News report

[REDACTED]

Exhibit 130

Exhibit 130

[REDACTED] to David
show details 5:26 PM (17 hours ago)

David,

Greetings, I hope all is well with you.

I wanted to let you know that we have some ATF investigators performing an annual check [REDACTED]. This is a routine investigation covering all the standard avenues. They told us that one of the things they are interested in is any "suspicious transactions".

As you know we have extensive documentation that we've supplied you and your team with concerning transactions that may be suspect. Shall we supply this documentation to these investigators as well?

--
Thank you,

[REDACTED]
[REDACTED]
[REDACTED]
desk [REDACTED]
cell [REDACTED]

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Voth, David J. to me
show details 6:21 PM (16 hours ago)

[REDACTED]

Thanks for reaching out to me. Yes I absolutely confirm the extensive documentation that you have supplied us. I don't want your routine compliance to cause extra work. If you have all of the documentation set aside and it is easy enough to provide the compliance investigators a copy, by all means I have no secrets. If this process creates extra time and work for you and your team perhaps I can attempt to justify the process involved in providing the same information to ATF twice, thereby creating compliance through previous disclosure.

Please advise if you can comply or would like me to reach out to the compliance investigators?

Thanks,

David Voth
Group Supervisor
Phoenix Group VII
602 [REDACTED]

Voth, David J. to me
show details 9:28 AM (45 minutes ago)

[REDACTED],

I spoke with Ben Richardson and I think we have come to an agreement. I will however have to speak with his supervisor but I don't anticipate any problems.

Thank you,

David Voth
Group Supervisor
Phoenix Group VII
602 [REDACTED]

Exhibit 131

Exhibit 131

From: Tsethlikai, Serra (USAEO)
To: Langner, Benjamin (USAILN); Sanchez, Kimberly (USACAE); Yarbrough, Steven (USANM)
Sent: Wed May 05 14:52:35 2010
Subject: FW: Prep for Lanny

Hi Benjamin, Kimberly and Steve,

I am on detail to EOUSA. I am specifically assigned to work on Southwest Border Issues and Immigration. Currently, SWB is the hot topic especially as it relates to firearms trafficking from the US to Mexico. As such, there has been a lot of contact between DOJ and Mexico. Lanny is getting ready to head down to Mexico.

Your cases are on the radar and we would like to brief Lanny about your cases. Can you please forward me the basic facts, status and potential charges in the below cases. I apologize for the short turn around but as usual, we need it as soon as possible.

Steve, I don't know who is assigned to the De la Rosa case (for some reason I know this name) is ATF Brandon Garcia working this case? Anyways, if you can forward this email to the assigned AUSA, I would really appreciate it.

Thanks,
 Serra

From: Pope, Amy (CRM)
Sent: Wednesday, May 05, 2010 2:12 PM
To: Tsethlikai, Serra (USAEO); Smith, David L. (USAEO); Villegas, Dan (USAEO)
Subject: FW: Prep for Lanny

Hi all

Lanny is going to be traveling to Mexico next week to meet with the Mexican AG, Deputy AG and our US Ambassador to Mexico. We have heard that our US Ambassador has taken an interest in 3 bi-national arms trafficking cases. ATF and ICE are involved in investigating these cases. We have been told that he is going to ask Lanny about these cases and we don't know anything about them. Can you help me get some additional info – basic facts, status, any problems we should be aware of, etc? The cases are:

1. Barajas case in the NDIL, AUSA Ben Langner
2. Gregorio Salgado Lopez case in the EDCA, AUSA Kimberly Sanchez
3. De La Rosa case in D/MN, OCDETF: GL-MN221

We are prepping Lanny tomorrow at 4, so if it is possible to get me a blurb about the cases by then, I would be really grateful.

Thanks.
 Amy

Exhibit 132

Exhibit 132

Lowrey, Stuart L.

From: Booth, David S. (IAO)
Sent: Wednesday, May 05, 2010 5:49 PM
To: Lowrey, Stuart L.
Subject: RE: Prep for Lanny
Attachments: DirectorDAD CEIT and Case brief.docx

Mcmahon and chait know about these cases, at least Bill has seen them. We don't want to use fast and furious (chambers, et. al), as that case, for a few reasons, is not the best one to trumpet in front of the Mexicans right now.

ATF SA David S. Booth
 International Affairs Office
 Program Manager-Mexico
 99 NY Ave. NE, 6S-144
 Washington, DC 20226

RC-1

From: Lowrey, Stuart L.
Sent: Wednesday, May 05, 2010 5:46 PM
To: Booth, David S. (IAO)
Subject: RE: Prep for Lanny

Yes Please. I'll attach them to earlier info, and let Chait and McMahon review/discuss. Thanks

Stuart L. Lowrey
 Chief, Firearms Operations Division
 ATF HQ

RC-1

From: Booth, David S. (IAO)
Sent: Wednesday, May 05, 2010 5:41 PM
To: Lowrey, Stuart L.
Subject: FW: Prep for Lanny

Stu, I have brief write ups on 5 cases (including this one)I provided PGA last week for the director on what we are doing in Mexico and the border, at the House meeting last week. random sentence, I know. Looks like we are going in circles again with the same info.

I will send them to you if you want.

ATF SA David S. Booth
 International Affairs Office

Exhibit 133

Exhibit 133

Lowrey, Stuart L.

From: Lowrey, Stuart L.
Sent: Wednesday, May 05, 2010 5:50 PM
To: Booth, David S. (IAO)
Subject: RE: Prep for Lanny

Categories: Purple Category

Yeah – anything sensitive should be held back.

Stuart L. Lowrey
 Chief, Firearms Operations Division
 ATF HQ - RC-1
 RC-1

From: Booth, David S. (IAO)
Sent: Wednesday, May 05, 2010 5:49 PM
To: Lowrey, Stuart L.
Subject: RE: Prep for Lanny

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ATF SA David S. Booth
 International Affairs Office
 Program Manager-Mexico
 99 NY Ave. NE, RC-1
 Washington, DC 20226
 RC-1

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To: Booth, David S. (IAO)
Subject: RE: Prep for Lanny

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 Chief, Firearms Operations Division
 ATF HQ - RC-1
 RC-1

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To: Lowrey, Stuart L.
Subject: FW: Prep for Lanny

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I will send them to you if you want.

ATF SA David S. Booth
 International Affairs Office
 Program Manager-Mexico
 99 NY Ave. NE, 6S-144
 Washington, DC 20226

RC-1

From: Elmer, Andrew O.
Sent: Wednesday, May 05, 2010 5:38 PM
To: Thielhorn, Kurt H.
Cc: Livingston, Debbie L.; Booth, David S. (IAO)
Subject: FW: Prep for Lanny

Kurt,

This is related to our case [REDACTED] "Madera"

There has been ongoing communication related to prosecution and Mexico's involvement if any. I recently prepared a briefing that was sent to David Booth in International Affairs Office related to this investigation.

Thanks
 Drew

Andrew "Drew" Elmer
 Special Agent
 Fresno FO

RC-1

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From: Sanchez, Kimberly (USACAE) [REDACTED]
Sent: Wednesday, May 05, 2010 2:08 PM
To: Elmer, Andrew O.
Subject: FW: Prep for Lanny

Just an fyi

Kimberly A. Sanchez
Assistant U.S. Attorney
Eastern District of California
2500 Tulare St., Ste. 4401
Fresno, CA 93721

RC-1

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From: Sanchez, Kimberly (USACAE)
Sent: Wednesday, May 05, 2010 1:59 PM
To: Tsethlikai, Serra (USAEO)
Cc: Vincent, John (USACAE)
Subject: RE: Prep for Lanny

Kimberly A. Sanchez
Assistant U.S. Attorney
Eastern District of California
2500 Tulare St., Ste. 4401
Fresno, CA 93721

RC-1

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From: Tsethlikai, Serra (USAEO)
Sent: Wednesday, May 05, 2010 12:15 PM
To: Sanchez, Kimberly (USACAE)
Subject: RE: Prep for Lanny

Can you get it to me by noon - DC time? Lanny is being prepped at 4, our time, tomorrow.

From: Sanchez, Kimberly (USACAE)
Sent: Wednesday, May 05, 2010 2:59 PM
To: Tsethlikai, Serra (USAEO)
Subject: Re: Prep for Lanny

I'll get something out by tomorrow. Will that be soon enough? Thanks.

Kimberly A. Sanchez
Assistant U.S. Attorney
U.S Attorney's Office
Eastern District of California
2500 Tulare Street
Ste. 4401
Fresno, CA 93720

RC-1

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From: Tsethlikai, Serra (USAE0)
To: Langner, Benjamin (USAILN); Sanchez, Kimberly (USACAE); Yarbrough, Steven (USANM)
Sent: Wed May 05 14:52:35 2010
Subject: FW: Prep for Lanny

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Thanks,
Serra

From: Pope, Amy (CRM)
Sent: Wednesday, May 05, 2010 2:12 PM
To: Tsethlikai, Serra (USAE0); Smith, David L. (USAE0); Villegas, Dan (USAE0)
Subject: FW: Prep for Lanny

Hi all

Lanny is going to be traveling to Mexico next week to meet with the Mexican AG, Deputy AG and our US Ambassador to Mexico. We have heard that our US Ambassador has taken an interest in 3 bi-national arms trafficking cases. ATF and ICE are involved in investigating these cases. We have been told that he is going to ask Lanny about these cases and we

don't know anything about them. Can you help me get some additional info – basic facts, status, any problems we should be aware of, etc? The cases are:

1. Barajas case in the NDIL, AUSA Ben Langner
2. Gregorio Salgado Lopez case in the EDCA, AUSA Kimberly Sanchez
3. De La Rosa case in D/MN, OCDETF: GL-MN221

We are prepping Lanny tomorrow at 4, so if it is possible to get me a blurb about the cases by then, I would be really grateful.

Thanks.

Amy

Exhibit 134

Exhibit 134

From: Voth, David J.
To: Berisha, Ali N.; Brooks, Michael R.; Campbell, Steven E.; Hoxter, Eric C.; Kelsey, Francis L.; Ludington, Undre L.; McLaughlin, Lori D.; Meuris, Kurt J.; Springer, John N.; Styers, Gary M.; Phoe-Group VII
Sent: 5/21/2010 5:32:57 PM
Subject: Group VII/ GRIT weekly synopsis
Attachments: Friday, May 21, 2010.docx

To all;

Here is a copy of what I have submitted to Division regarding our collective efforts on the issue of South West Border Firearms Trafficking initiative. Please review as this is document as this is the format that Division has requested and we will use for our future submissions. Thanks for all your efforts, I think this synopsis shows great work thus far.

Two quick administrative notes;

- To all, please ensure that you are receiving the Mexico seizure information if your case has firearms recovered in Mexico. Also once you receive this information please include a quick ROI "Intelligence Analysis" to document that people were killed, drug were recovered, it was Cartel related etc. This will help us down the road if we get to the point of submitting these cases to the USAO for prosecution.
- RC-2



Thanks again for all the great work,

Dave Voth

HOCR ATF 005007

Exhibit 135

Exhibit 135

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

Report of Investigation

Title of Investigation: AMBERS, Jacob, et al	Investigation Number: 785115-10- [REDACTED]	Report Number: 292
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SUMMARY OF EVENT:

CONTACT INTERVIEW: On May 29, 2010, Alcohol, Tobacco, Firearms and Explosives (ATF) Special Agent (S/A) Hope MacAllister along with Immigration and Customs Enforcement (ICE) S/A's Layne France and [REDACTED] conducted an interview with Manuel Fabian CELIS-ACOSTA

NARRATIVE:

1. On May 29, 2010, ATF S/A MacAllister along with ICE S/A's France and [REDACTED] conducted an interview with Manuel CELIS-ACOSTA at the Border Patrol Station located at the [REDACTED], Arizona, Port Of Entry, (POE).
2. According to Customs Border Protection reports, on May 29, 2010, at approximately 1100 hours, a 2002 BMW [REDACTED] was stopped for an outbound inspection at the [REDACTED], AZ Port of Entry (POE). A vehicle registration check through the [REDACTED] determined the vehicle was registered to [REDACTED], Odessa, TX. The vehicle contained three occupants. The driver was identified as Manuel CELIS-ACOSTA, DOB [REDACTED]. The two passengers were identified as Person 1 (front passenger), DOB [REDACTED] and Person 2 (rear passenger), DOB [REDACTED].
3. According to a witness statement prepared by Customs and Border Protection Officer, (CBPO) [REDACTED], P1 claimed the rear passenger, P2 was his uncle. P2 failed to provide identification and was turned over to Border Patrol to determine his alienage. Border Patrol determined P2 was an undocumented alien unlawfully present in US.
4. CBPO [REDACTED] obtained negative oral declarations from CELIS-ACOSTA, P1 and P2 for firearms, ammunition, and currency before beginning an inspection of the vehicle. CBPO [REDACTED] and [REDACTED] assisted in the inspection. While inspecting the trunk, CBPO [REDACTED] discovered a folder containing personal notes written on loose paper and on a pad of paper. Some of the notes appeared to the officer to be ledgers. CBPO [REDACTED] also noted a reference about money given to "[REDACTED]" and a list of firearms such as an AR15 short and a Bushmaster, (see attachments).
5. During the inspection, a Border Patrol Agent assisting the CBPOs performed [REDACTED]

Prepared by: Hope A. MacAllister	Title: Special Agent, Phoenix VII Field Office	Signature:	Date:
Authorized by: David J. Voth	Title: Group Supervisor, Phoenix VII Field Office	Signature:	Date:
Second level reviewer (optional): William D. Newell	Title: Special Agent in Charge, Phoenix Field Division	Signature:	Date:

Title of Investigation:
CHAMBERS, Jacob, et al

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785115-10-██████

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292

██████ subject queries on the subjects which disclosed CELIS-ACOSTA was under investigation for firearms trafficking. CBPO ██████ contacted the ICE Duty Special Agent, ██████, to inform him of the situation. CBPO ██████ continued with his inspection of the vehicle, while waiting for Special Agent (S/A) ██████ to return his call. During his inspection, CPBO ██████ found an AK type high capacity drum magazine loaded with 74 rounds of 7.62 ammunition underneath the spare tire in the truck. Nine cellular telephones as well as other miscellaneous documents were also found during the search including identification documents hidden by the dash of the vehicle (see attachments). The cellular telephones, high capacity drum magazine, and ammunition were seized by CBP and transferred to ATF as evidence.

6. On this same date, a CBPO on duty contacted S/A ██████ to notify him of the contraband. After contacting ATF S/A MacAllister, S/A ██████ instructed the CBP officers on scene to read all three subjects their Miranda Rights and determine whether any of them would be willing to give a statement. CBP Officers ██████, and ██████ provided CELIS-ACOSTA and P1 ██████ their Miranda Rights in English as stated on the United States Customs and Border Protection's "Statement of Rights". CBP Officer ██████, provided P2 ██████ his Miranda Rights in Spanish as stated on the United States Customs and Border Protection "Statement of Rights". P1 ██████ invoked his right to remain silent. CELIS-ACOSTA and ██████ waived their rights. A CBP officer on duty contacted S/A ██████ to inform him CELIS-ACOSTA and P2 ██████'s willingness to be interviewed.
7. On this same date, S/A ██████ contacted ICE S/A Layne France and ATF S/A Hope MacAllister to request their presence at the POE to conduct an interview with CELIS-ACOSTA. At approximately 1800 hours, SA MacAllister, France and ██████ arrived at the POE. CBP Officers ██████ and ██████ briefed the S/A's of the events surrounding the outbound inspection. At approximately 1840 hours, S/A MacAllister, France and ██████ interviewed CELIS-ACOSTA. Prior to initiating the interview, S/A MacAllister showed CELIS-ACOSTA his "Statement of Rights" he had signed earlier and reminded him of these rights.
8. CELIS-ACOSTA stated the BMW belong to P1 ██████'s mom. He also stated P1 ██████'s mom lives in Texas. He stated he and P1 ██████ were going to a friend's house in Mexico and that their friend was having a party that weekend. CELIS-ACOSTA stated he did not know the undocumented alien (UDA) in the car with them, but he stated the UDA went by the name of, "██████". CELIS-ACOSTA stated this was his second trip to ██████. He stated his first trip was on May 10, 2010. He said he remembers the date because it was Mother's Day.
9. CELIS-ACOSTA stated he did not know the magazine and ammunition were in the car. He stated he knew he could jeopardize his permanent resident alien status if he was caught smuggling firearms or ammunition to Mexico. He stated he would never jeopardize his status.
10. CELIS-ACOSTA stated he had been to ██████ in Prescott, AZ in the past to buy ammunition. CELIS-ACOSTA stated he and ██████ go shooting at ██████.
11. CELIS-ACOSTA stated he had met P1 ██████ through race car driving. CELIS-ACOSTA stated he thinks ██████ is from Texas. He stated he and P1 ██████ go to clubs and "hangout" with each other. He has seen P1 ██████ with the BMW for the last four months. CELIS-ACOSTA stated P1 ██████'s mom bought the BMW with a credit card and that P1 ██████ makes the monthly payments. CELIS-ACOSTA stated P1 ██████ also has a ██████, 600cc motorcycle, a ██████ and a ██████. CELIS-ACOSTA stated P1 ██████ lives with his kids and his brother in Phoenix. CELIS-ACOSTA stated he did not know the address to P1 ██████'s house. CELIS-ACOSTA said in the past, P1 ██████ had picked him up at a Wal-Mart. CELIS-ACOSTA stated P1 ██████ took him to several of houses where people had a lot of money.

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12. CELIS-ACOSTA stated he is currently unemployed, but on occasion helps his dad with wrought iron fencing. CELIS-ACOSTA stated his parents are, █████ and █████. CELIS-ACOSTA stated he has three brothers, █████, █████ and █████. He stated he lives at █████, Phoenix, AZ. He added that he had previously lived near █████. He provided two contact numbers, a landline number (████) █████ and a mobile number (████) █████. CELIS-ACOSTA stated a couple of months ago he was going back and forth to Juarez, Mexico to help his uncle, █████, clear land that his uncle had recently sold to Wal-Mart. He said his uncle received approximately one million dollars and his mother received approximately one hundred thousand dollars from Wal-Mart as payment for the land. He said his mother is receiving monthly installments from Wal-Mart for her portion of the sale.
13. CELIS-ACOSTA told investigators about his previous trip to Mexico in May 2010. He stated during his trip, he was at a restaurant with another male who CELIS-ACOSTA later identified as "P3". While eating, CELIS-ACOSTA observed a man get out of a truck carrying an AR-15 style rifle. CELIS-ACOSTA stated he knows a lot about firearms which is why he knew the man was carrying an AR style rifle. CELIS-ACOSTA said he got scared and dropped to the floor. He stated P3 laughed at him because the man worked for P3.
14. S/A MacAllister asked CELIS-ACOSTA to write a statement regarding his knowledge of the magazine and ammunition and the events that led him to be detained. CELIS-ACOSTA agreed and prepared a written statement. After S/A MacAllister reviewed the statement, she informed CELIS-ACOSTA that P1 was not accepting responsibility for the contraband found in the vehicle, and it was important the statement he prepared was truthful. At that point, CELIS-ACOSTA recanted some of the details he had previously stated. CELIS-ACOSTA stated he would tell the agents what happened since P1 was not accepting responsibility. The original statement was entered as evidence by S/A MacAllister (Item 150).
15. CELIS-ACOSTA stated that when they got pulled over at the Port of Entry, P1 told CELIS-ACOSTA the drum magazine and ammunition were in the trunk under the spare tire. CELIS-ACOSTA also stated P1 said he would take responsibility for the magazine and ammunition. CELIS-ACOSTA stated P1 told him that CELIS-ACOSTA had more to lose. CELIS-ACOSTA stated he knew of the export restrictions on firearms and ammunitions and that he would not jeopardize his permanent resident card trying to smuggle contraband from the United States into Mexico. He stated he was reluctant earlier to mention he and P1 would go shooting because he believed P1 was a felon.
16. CELIS-ACOSTA stated when they were stopped at the port P1 was "freaking out" and trying to hide all the cell phones. CELIS-ACOSTA stated one of the phones, a █████ phone, belonged to him. CELIS-ACOSTA stated █████ told him he would take responsibility, and he did not know any contraband was in the car. CELIS-ACOSTA stated P1 must have put the magazine and ammunition in the car before he picked CELIS-ACOSTA up at his house.
17. CELIS-ACOSTA said P2 and P1 picked him up at his house. He said P1 was in the passenger seat when he exited his house. CELIS-ACOSTA stated he asked P1 if he wanted CELIS-ACOSTA to drive. CELIS-ACOSTA stated P1 told him to drive. According to S/A █████, P2 had informed him that CELIS-ACOSTA and P1 were both in the vehicle when he was picked up.
18. CELIS-ACOSTA stated "P2" was a ranch hand for a man he later identified as P3. CELIS-ACOSTA said P2 was in Phoenix doing landscaping work for P1. He stated P2 did not like it in Phoenix so they were driving him back to Mexico.

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19. CELIS-ACOSTA stated they were going to meet [REDACTED] P3 in [REDACTED] Mexico. He stated [REDACTED] P3 was having a birthday party at his house. CELIS-ACOSTA stated [REDACTED] P3 liked him and allowed [REDACTED] to bring him back. CELIS-ACOSTA stated it was [REDACTED] P3 who had loaned them a house in [REDACTED] Mexico in early May.
20. CELIS-ACOSTA stated he thought [REDACTED] P3 is a Mexican cartel member. CELIS-ACOSTA said [REDACTED] P1 would not tell him what [REDACTED] P3 did for a living, but CELIS-ACOSTA said when he first saw [REDACTED] P3's house he knew he was a drug dealer. CELIS-ACOSTA stated [REDACTED] has a lot of vehicles. He said [REDACTED] P3 owned a black [REDACTED], a [REDACTED] truck, [REDACTED], and all terrain vehicles (ATV). CELIS-ACOSTA stated [REDACTED] P3 had a lot of gold in his house and wore a \$15,000 watch. CELIS-ACOSTA stated he once saw a FiveSeven pistol in [REDACTED] P3's truck.
21. CELIS-ACOSTA again told agents about an incident which occurred during his trip to Mexico in May 2010. He stated he was riding an ATV with one of [REDACTED] P3's sons when one of the tires went flat. He said the boy told him where they could go to get it fixed. While they were driving along the road to the repair shop a Mexican police officer stopped them. CELIS-ACOSTA stated [REDACTED] P3's son yelled at the officer and told the officer [REDACTED] P3 was his father. He said a short time later [REDACTED] P3 pulled up in his truck. CELIS-ACOSTA commented [REDACTED] P3 had emergency vehicle lights installed on his truck similar to those used by law enforcement officials. He stated [REDACTED] P3 yelled at the officer and then went to the police station and yelled at some of the officers at the station. He stated [REDACTED] P3 asked why he was paying them if they were going to harass his son. CELIS-ACOSTA described [REDACTED] P3 as approximately [REDACTED] years old, [REDACTED] and clean cut with a slim build. He stated [REDACTED] P3 has [REDACTED] children ranging from [REDACTED] years of age.
22. CELIS-ACOSTA stated [REDACTED] P3 used to live in Phoenix, but the Drug Enforcement Administration (DEA) was looking for him so he fled to Mexico. CELIS-ACOSTA stated [REDACTED] P3 never crosses the border into the United States. CELIS-ACOSTA stated the first time he met [REDACTED] P3 was on May 10, 2010, because he remembers it being Mother's Day weekend.
23. CELIS-ACOSTA stated [REDACTED] P1 told him [REDACTED] P3 moved as much as 6,000 lbs of marijuana a week, but this was a long time ago. He said [REDACTED] P1 had met [REDACTED] P3 approximately ten years ago, but when [REDACTED] P3 moved to Mexico they lost contact. Manuel said approximately six months ago [REDACTED] P1 ran into [REDACTED] P3 in [REDACTED], Mexico and they have been in contact since that time. CELIS-ACOSTA stated [REDACTED] P3 may be coming to Phoenix for [REDACTED] P1's birthday within the next couple weeks.
24. CELIS-ACOSTA stated he had once seen a pilot come to [REDACTED]'s house. He stated the pilot's name was [REDACTED]. CELIS-ACOSTA also stated [REDACTED] P3 controls the [REDACTED] and [REDACTED] P3 told CELIS-ACOSTA he had met Chapo Guzman and that he was his right hand man.
25. CELIS-ACOSTA stated [REDACTED] P1 told him [REDACTED] P3 wanted [REDACTED] P1 to start receiving drugs to into the United States. He said [REDACTED] P3 told [REDACTED] P1 he would have to come up with \$15,000 to get his drug business started. Later, CELIS-ACOSTA admitted he and [REDACTED] P1 were on their way to [REDACTED] P3's house that day to get [REDACTED] P1's first shipment of narcotics. He said [REDACTED] P1 was supposed to buy a warehouse or a house in Phoenix to start up a narcotics trafficking operation.
26. CELIS-ACOSTA stated [REDACTED] was employed as an engineer [REDACTED], but now he is unemployed. CELIS-ACOSTA stated that he still races cars.

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27. CELIS-ACOSTA stated his finger prints will be on the magazine recovered from the trunk of the vehicle because he and P1 went shooting off [REDACTED] a week prior. He said P1 bought the magazine at FFL [REDACTED]. CELIS-ACOSTA stated P1 has guns, but did not what kind. He stated he had once told P1 he wanted to buy a firearm so he could protect P3, but P1 told CELIS-ACOSTA that P3 already had people to protect him. When S/A MacAllister asked CELIS-ACOSTA if he was scared for his life when staying with P3 in Mexico, CELIS-ACOSTA reiterated that P3 had subjects who protected him and his household.
28. CELIS-ACOSTA stated P1 asked him how much an 'El Jefe' (Colt .38 Super caliber) cost because he wanted to get one for his friend in Mexico. CELIS-ACOSTA told P1 it costs about \$2500. CELIS-ACOSTA stated he told P1 that it was illegal to transport guns to Mexico.
29. CELIS-ACOSTA stated the cartels like the AKs more than the ARs because the AKs never jam. CELIS-ACOSTA stated the AR jam frequently and the AK's are more reliable explaining a person can dip a shoe lace in oil and run it through the barrel and the AK would never jam. He stated they also like the FiveSeven and Colt 38 Super "El Jefe". CELIS-ACOSTA stated the FivenSevens (FN Herstal model FiveSeven, 5.7 caliber pistols) are referred to as "cop killers". He also said the "El Jefe" is famous in Mexico and that they are seen as a status symbol. He said he did not like the "El Jefe", but they were desired in Mexico.
30. SA MacAllister requested CELIS-ACOSTA complete another written statement regarding his knowledge of the magazine and ammunition and the events that led him to be detained. CELIS-ACOSTA agreed and prepared a new written statement.
31. Information obtained from DEA confirmed CELIS-ACOSTA's remarks [REDACTED]
32. According to information provided by DEA, [REDACTED]
33. S/A France performed a National Crime Information Center (NCIC) check on P3 through [REDACTED]. [REDACTED] disclosed Tucson Border Patrol encountered P3 on September 9, 2000. Official records maintained by the United States Department of Homeland Security revealed that [REDACTED]. The same official records also fail to note that P3 had any immigration status prior to the initial encounter.
34. S/A France performed a NCIC check through [REDACTED] on P1. [REDACTED] did not reveal any current felony convictions however according to State of Arizona, Maricopa County records, P1 had a class six undesignated felony which was reduced to a misdemeanor in 2006 after P1 successfully completed his probation. P1 also has misdemeanor offenses in Texas.

Title of Investigation: CHAMBERS, Jacob, et al	Investigation Number: 785115-10- [REDACTED]	Report Number: 292
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35. Based on ATF trace records, a large number of the weapons purchased by the CELIS-ACOSTA organization are AK type rifles or FN Herstal pistols.
36. Prior to the end of the interview S/A MacAllister, in the presence of S/A's [REDACTED] and France, asked CELIS-ACOSTA if he would be willing to cooperate with Federal agents in any investigations involving the violation of federal law. CELIS-ACOSTA agreed. Approximately thirty minutes later, S/A's returned to provide CELIS-ACOSTA with S/A MacAllister's contact information handwritten on a piece of notebook paper to avoid any detection from his associates. CELIS-ACOSTA then asked S/A MacAllister to write the contact information on a ten dollar bill and told her he would call her upon his return from Mexico. S/A MacAllister advised CELIS-ACOSTA that he and his associates would be released until further investigation was conducted and warned CELIS-ACOSTA not to participate in any illegal activity unless under her direction. As of June 16, 2010, CELIS-ACOSTA has not initiated any contact with S/A MacAllister
37. The investigation continues.

ATTACHMENTS:

Miscellaneous Documents

CBP Form 6051 (12)

U.S. ICE Statement of Rights Form, [REDACTED]

U.S. ICE Statement of Rights Form, CELIS-ACOSTA

U.S. ICE Statement of Rights Form, [REDACTED]

CELIS-ACOSTA Handwritten Statement (2)

CBP Witness Statement belonging CBP Officer [REDACTED]

CBP Witness Statement belonging CBP Officer [REDACTED]


Exhibit 136

Exhibit 136

From: McMahon, William G.
Sent: Thursday, June 03, 2010 3:26 PM
To: Newell, William D.
Subject: RE: Fast and Furious update

10-4 thanks.

From: Newell, William D.
Sent: Thursday, June 03, 2010 3:24 PM
To: McMahon, William G.
Subject: Fast and Furious update

- 
4. Acosta never called SA McAllister back on Tuesday, not a big surprise, but we are aware of his whereabouts. He met with one of the main straw purchasers (Stewart) yesterday regarding a purchase of 9mm handguns. GRIT personnel are being used to maintain surveillance of Acosta and Stewart.
 5. Meeting at USAO to begin plans to shut case down by approaching several straw purchasers, Grand Jury subpoenas, etc.

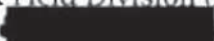
Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
Office - 

Exhibit 137

Exhibit 137

From: Zicha, Marjorie L.
Sent: Tuesday, June 15, 2010 5:13 PM
To: MacAllister, Hope A.
CC: Quinonez, Louis A.
Subject: Request from Lorren Leadmon

Hope

I am not sure this was forwarded to you, please advise if you wish the Phoenix FIG to process or if your office will be responding to this request.

Thanks.

Marjorie Zicha
 Senior Intelligence Research Specialist
 Phoenix Field Division

From: Quinonez, Louis A.
Sent: Tuesday, June 15, 2010 2:03 PM
To: PhoenixFIG
Subject: Fw:

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Leadmon, Lorren D.
To: Quinonez, Louis A.
Cc: Feingold, Edward D.; O'Keefe, Kevin C.; Gillett, George T. Jr.
Sent: Tue Jun 15 16:34:59 2010
Subject:

Lou- Could you please provide me the information on the recovered firearms reported below. Please provide firearms data and information to include the date, time and location of recoveries. We have a good handle on the US recoveries (just off by a few) but we need more info on the Mexican recoveries. We will be utilizing this information to update our seizure events in Mexico.

785115-10- [REDACTED] Operation Fast and Furious

ATF agents are aware of or have caused 309 of these firearms to be recovered. To date, 179 crime guns have been recovered in the Republic of Mexico, and 130 have been recovered domestically in the United States. Of those domestic recoveries, all have been along or near the U.S. and Mexican border, i.e., El Paso, TX; Douglas, AZ; Nogales, AZ; Sells, AZ and Casa Grande, AZ, with the farthest recovery north of the border being here in Phoenix, AZ. In order to purchase these 1,608 suspected firearms, this group has spent over one million in cash transactions at various Phoenix area FFLs. Due to the proximity to the border, bank subpoenas and financial investigations have yielded little or no results.

HOCR ATF - 002162

THANKS SO MUCH

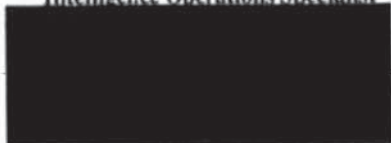
Lorren D. Leadmon

Team Leader

Field Intelligence Support Team - Southwest Border

Bureau of Alcohol, Tobacco, Firearms and Explosives

Intelligence Operations Specialist



HOGR ATF - 002163

Exhibit 138

Exhibit 138

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone:(800) [REDACTED] Fax:(800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000978

Entered Date: June 16, 2010

[REDACTED]
PHOENIX FD GROUP VII

[REDACTED]
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10- [REDACTED]

DEALER INFORMATION

Business Name: [REDACTED]
Licensee Name: [REDACTED]
Address: [REDACTED]
[REDACTED]
Phone: [REDACTED] Ext: [REDACTED]
FFL Number: [REDACTED]
Invoice #: [REDACTED]

INDIVIDUAL INFORMATION

Name: JAIME AVILA JR
Address: [REDACTED]
PHOENIX, AZ 85035
DOB: [REDACTED] Race: HISPANIC Sex: Male
Height: [REDACTED] Weight: [REDACTED] Date: 06/15/2010
ID 1: AZ DRIVER'S LICENSE #: [REDACTED]
ID 2: [REDACTED] #:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 1

Manufacturer	Model	Caliber	Serial Number	Type	Importer
BARRETT FIREARMS MFG CO	82	50 BMG	14753	RIFLE	

Suspect Gun: S20100000978

Exhibit 139

Exhibit 139

Fox News report

3 messages

Cooperating FFL

Thu, Jun 17, 2010 at 11:56 AM

To: "Voth, David J." <[REDACTED]@usdoj.gov>

David,

I hope this email finds you well.

As per our discussion about over communicating I wanted to share some concerns that came up. Tuesday night I watched a segment of a Fox News report about firearms and the border. The segment, if the information was correct, is disturbing to me. When you, Emory and I met on May 13th I shared my concerns with you guys that I wanted to make sure that none of the firearms that were sold per our conversation with you and various ATF agents could or would ever end up south of the border or in the hands of the bad guys. I guess I am looking for a bit of reassurance that the guns are not getting south or in the wrong hands. I know it is an ongoing investigation so there is limited information you can share with me. But as I said in our meeting, I want to help ATF with its investigation but not at the risk of agents safety because I have some very close friends that are US Border Patrol agents in southern AZ as well as my concern for all the agents safety that protect our country. If possible please email me back and share with me any reassurances that you can.

As always thank you for your time and I send this email with all respect and a hart felt concern to do the right thing.

Respectfully,

Cooperating FFL

Voth, David J. <[REDACTED]@usdoj.gov>
To: Cooperating FFL [REDACTED]

To:

Fri, Jun 18, 2010 at 2:25 PM

[REDACTED]

Cooperating FFL

Thanks for reaching out to me with your concerns. I would be happy to stop by and speak with you. If possible I have [REDACTED] [REDACTED] next Tuesday, June 22, 2010. Any chance you are available that day around 10:00-10:30 am?

Thanks,

Dave Voth

From: [REDACTED] Cooperating FFL
Sent: Thursday, June 17, 2010 11:56 AM
To: Voth, David J.
Subject: Fox News report

[REDACTED]

[REDACTED] Cooperating FFL
Reply-To: [REDACTED] Cooperating FFL
To: "Voth, David J." <[REDACTED]@usdoj.gov>

Mon, Jun 21, 2010 at 9:34 PM

David,

I am back intown. If you are still free to meet on the 22nd [REDACTED] around 10 and there for a few hours. Please stop by if you are available, if not let me know when we can reschedule.

Thank you,

[REDACTED] Cooperating FFL

Sent from my Verizon Wireless BlackBerry

From: "Voth, David J." <[REDACTED]@usdoj.gov>
Date: Fri, 18 Jun 2010 17:25:25 -0400
To: [REDACTED] Cooperating FFL
Subject: RE: Fox News report

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Exhibit 140

Exhibit 140

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: WILLIAM NEWELL

Wednesday, June 8, 2011

Washington, D.C.

The interview in the above matter was held in Room 2157 Lounge,
Rayburn House Office Building, commencing at 10:07 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

HENRY J. KERNER, COUNSEL

SUSANNE SACHMAN GROOMS, MINORITY CHIEF COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

SCOTT LINDSAY, MINORITY COUNSEL

CARLTON DAVIS, OFFICE OF CHAIRMAN ISSA

MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS UNITED
STATES DEPARTMENT OF JUSTICE

JASON FOSTER, CHIEF INVESTIGATIVE COUNSEL, COMMITTEE ON THE JUDICIARY,
UNITED STATES SENATE

TRISTAN LEAVITT, OFFICE OF SENATOR GRASSLEY

BRIAN DOWNEY, INVESTIGATOR, OFFICE OF SENATOR GRASSLEY

ROB DONOVAN, OFFICE OF SENATOR GRASSLEY

For MR. NEWELL:

GREG SERRES, ESQ.

Associate Chief Counsel,

Bureau of Alcohol, Tobacco, Firearms, and Explosives

BY MR. CASTOR:

Q Okay. Mr. Newell, can you tell us how long you have been with ATF?

A Since September of 1989. So approximately 23 years, I guess.

Q Were you in law enforcement prior to that?

A Two years with INS, which is now ICE.

Q So how many years of law enforcement experience total?

A Oh, probably about close to probably 24 years.

Q And you were the Special Agent in Charge of the Phoenix field office from when to when?

A From June of 2006 until May of 2011.

Q And currently what is your position?

A I'm on detail to Washington at the Bureau headquarters.

Q The decision to not focus merely on the prosecution on straw buyers as we understand it was rolled out some time during 2009. Is that your understanding?

A Yes. Which -- there were several --

Q We understand the Department had an initiative at the Justice Department level --

A Right.

Q -- communicated down through ATF to begin thinking about ways of going after firearms trafficking problems.

A There was a strategy, the strategy to combat Southwest border crime from the Department that was late 2009 and then I think early

2010 officially in a memo.

Q And could you tell us about how that was rolled out and some of the reasons for it?

A As I recall and I want to say I think it was October or November -- it was October of 2009, I received an e-mail from our Southwest border coordinator which had a draft document related to the Department's strategy to combat Southwest border crime, the major crimes occurring along the Southwest border; and it was a departmental kind of focused strategy, if you will, on the different, you know, issues -- narcotics trafficking, bulk cash, human trafficking -- and firearms trafficking was one of those as well.

Q Is Arizona one of those States that has a particular strong firearms trafficking problem?

A Arizona is considered by -- well, by ATF and other agencies as kind of the eye of the hurricane, if you will, on the Southwest border because of the amount of drugs and humans and other related border crimes that occur along the Southwest border. Arizona is high in those numbers, yes.

Q So the ATF Phoenix field division office was a key player in this?

A Yes. All the Southwest border divisions were. All national divisions, really.

Q Was that Ray Rowley that communicated that to you?

A As I remember, I think it was Ray Rowley was the Southwest border coordinator at that time, yes.

Q What other folks in ATF management were directing this initiative, from your perspective?

A Well, I know from my supervisor, Bill McMahon, we had several meetings with the SACs, Southwest border SACs, and he is over the western division, the western SACs. We discussed that strategy. And I know that we had conference calls on the strategy.

Q What was the plan to push that strategy out into the field?

A In what sense? In what form?

Q The Department-level strategy was communicated to you and you had to implement it.

A Right.

Q And was there any guidance as to specifically how down at the agent level?

A It was -- we received instruction, but we wanted to focus on firearms trafficking networks, organizations as per the strategy that the Department had pushed out, yes.

Q And was there a goal to not merely focus on straw buyers?

A The goal was to go after the infrastructure, the organizations themselves; and straw buyers are considered the low rung and one part of a larger organization, yes.

Q Was there ever a decision made to allow straw purchasers to acquire firearms to watch where they would go?

A What do you mean by "allow"? There is a legal -- there is legality involved. I mean, someone goes in and buys a gun and if it is a straw purchase, we have to approve it as a straw purchase.

to do with those 20 AK-47s? Is that a fair question?

A It depends. Yeah, I guess it would be, but it depends on the circumstances. It is not unusual for people in places like Arizona and Texas and those places to go in and buy multiple firearms, multiple handguns, multiple long guns. It is not unusual, and it is not illegal in many instances. And so we have to put the evidence together to prove that, in fact, that transaction is illegal by many different ways. And that's what we struggle with to do all the time on these cases, because we have to look at each individual transaction and try to put those pieces of the puzzle together and try to determine how does this fit into that puzzle.

Q Going back to my hypothetical, you're at the FFL, your badge is displayed, and the buyer looks over to you, acknowledges that you're with the ATF, and initiates conversation with you and says, do you have any questions? What other types of questions would you ask that potential buyer who initiated the conversation with you and wants to be completely open and honest with you?

A Again, that is a scenario that has never happened to me in 20-plus years of law enforcement. I don't think it has ever happened to anybody in ATF in my career. So it is a scenario that is almost in the realm of fantasy.

But I would guess I would ask, how come you like AK-47s so much? You seem to like AK-47s. You must have a niche for AK-47s. Because, again, it is legal, as far as based on the scenario.

Q In your experience in the Phoenix field office, do buyers

frequently come in and buy 20 AK-47s at a time? Is that a common occurrence? Does that raise any suspicions?

A It is not a common occurrence. It is not common. And that is why a case like this was --

Q Like, if one of your case agents bumped into you at the water cooler and said, I just found out -- some FFL called me and said they had a person buy 20 AK-47s. Would that be the type of information that you would want your agents to follow up on?

A Yes. Yeah, absolutely.

Q And get the 4473s?

A Sure.

Q And talk to the FFL and find out if that suspicious --

A And put that purchase -- look at that purchase before you go approach someone. Again, when you're conducting an investigation like this, apart from -- just in general, a firearms-trafficking investigation -- and I did it many, many years on the southwest border in south Texas and south Florida and other places in the country -- you don't want to show your hand. I mean, if you suspect something is occurring, but you're well short of probable cause to be able to prove something beyond a reasonable doubt, especially in a jury in a place like Arizona, a State that has a lot of guns, and that is okay, you want to be able to say, okay, this purchase just occurred, okay? Let's find out if there are any other purchases that this gentleman made.

individual to --

Q Is there a volume of weapons in a particular transaction that would automatically ramp it up from reasonable suspicion to probable cause, or from something short of reasonable suspicion to reasonable suspicion? Is there any amount of weapons that would trigger that?

A No, not --

Q No?

A I mean, no, not in my experience.

Q Okay. So a professionally dressed person comes into an FFL, says to the FFL, "I would like to buy 5,000 --

A Well --

Q -- AK-47s, and here is a wad of cash" --

A You're giving me a scenario --

Q Okay.

A -- just like the scenarios you gave before --

Q Okay.

A -- that have never occurred to me.

Q Okay. But you would agree, there is a --

A Well, sure.

Q Is 500 enough?

A There is no set number. I mean, it depends on when you have enough evidence --

Q Okay.

A -- supported by rock-solid documentation and evidence, in conjunction with the U.S. Attorney's Office, to be able to say --

Q No, you're getting into prosecutions, arrest, and all that stuff. I'm getting into --

Ms. Grooms. Could we perhaps not interrupt the witness while he's answering a question? Because I would actually like to hear the answer to the questions.

Mr. Newell. My issue is -- again, this goes back to the issue of, firearms, in and of themselves, are not contraband. You know, someone can have 100 AK-47s in their car, driving around on a Sunday afternoon in Phoenix, and get stopped by the police for speeding, you know, and there could be nothing wrong with that, absolutely nothing wrong with that.

Now, if that was 100 kilos of cocaine, that would be a totally different story. But firearms, in and of themselves, are not contraband. So it's a legal commodity until it's taken from legal commerce to illegal commerce, or unless it's been modified in some way, you know, serial-number obliteration or whatever.

So I can't give you a set number because it's really a set of facts supported by evidence, probable cause, to say that that person is, in fact, violating the law. And when we get to that point and we believe we have enough to effect an arrest, then we'll get with the U.S. Attorney's Office and get in a complaint or get an indictment.

BY MR. CASTOR:

Q My time is just about up, so I'll just ask one more question.

Could you give us examples of what would be facts that count as reasonable suspicion to effect a traffic stop?

A Well, sure. If we have evidence that the form -- that the individual actually falsified the form in some way as to a false address or a false, you know -- the identification was false.

If we thought that the person was in some way prohibited, you know, a convicted felon, illegal alien, had lied on the form for that.

Or maybe that the person that was receiving the firearms was, in fact, prohibited; you know, the person went in, straw-purchased the firearms for his brother, who is a convicted felon, let's say, in this scenario, and we knew that to be the case, then, yes, we would do that. But that's because we had evidence to be able to support that.

Q So is it fair to say that you need evidence that is external to what you're watching -- what one of your agents is watching?

A Well, supporting, yeah, evidence that supports the charge that, in fact, that activity is, in fact, illegal, supported by probable cause.

Q So it's very difficult or unusual for an agent to conduct surveillance and effectuate traffic stops based on observing what --

A Well, absent any other information, sure. I mean, because, again, firearms, in and of themselves, are not contraband. I mean, I think that's difficult for some people to understand. And it's just that, it goes to the whole thing about the statute of -- the firearms trafficking statute, the lack thereof, of being able to say, hey, we have a statute that, looking at this pattern of activity, we can say, "This, by statute, is illegal," instead of looking at each individual transaction and trying to piece all that together, which is what we

Q Well, I think -- and you can correct me if I'm wrong -- but I think that you're aware that at some point during the course of Operation Fast and Furious line agents made complaints about the tactical decisions made at the agent level to cease surveillance?

A I became aware of that probably in February maybe of this year when the allegations were first made.

Q So prior to February 2011 you were unaware of complaints from line agents in the Phoenix field division Group VII regarding surveillance tactics being employed on the ground?

A To the best of my recollection, I don't remember anytime ever being advised that there was some discourse amongst the agents. I became aware of that when some of the documents were released that I saw. And I want to say it was probably February, early February, something like that, of this year.

Mr. Foster. I'm sorry, would you repeat that?

Mr. Newell. About what?

Mr. Foster. The last thing you just said.

Mr. Newell. To the best of my recollection, the first time I became aware that agents were being -- disagreed with the surveillance tactics was I believe the beginning of this year when the documents that I saw were released.

Mr. Foster. Okay. Disagreed with an agent?

Mr. Newell. Disagreed, yes.

Mr. Foster. That's the first time you heard that they disagreed?

Mr. Newell. The first time I disagreed with the surveillance

A Not me, but that was the FFL, right.

Q So --

A Well, not me personally.

Q Right.

A Not me personally, right.

Q But that the FFLs would slow down on future purchases?

A Right.

Q Presumably at the direction of ATF agents?

A Yes.

Q What was the basis for that decision?

A Well, it was based on the fact that this was still early on in the investigation. And we were doing everything we could because we saw that there was a lot of purchases going on and we still didn't have enough evidence to stop this legally, we felt, in conjunction with, as we read in the briefing paper earlier with the Attorney General's Office, we had minimal evidence at that point. Now, this is December 17th. The briefing paper from earlier is January 8th, so we're talking 3 weeks later. And at that point we, in conjunction with the U.S. Attorney's Office we still felt we had minimal evidence. So that's just a step that was taken to try to develop more information on these individuals.

Q I want to go into your collaboration, I understand that's my word, not yours, with the United States Attorney's Office for Arizona related to your investigations. Can you explain I guess what their basis was for, what their basis was for this strategy of working with

preventing those people from transferring the firearms to other people, as you strongly suspect, according to these talking points, that they are doing, right?

A Those are tactical decisions that are made on the street, yes. You're right, yes.

Q So you don't need probable cause to do those kind of things, there are ways you can interdict weapons, you can get the weapons out of the possession of the people who are about to transfer them to the traffickers?

A You need --

Q Short of probable cause?

A You need clear and convincing evidence if you're going to interdict and seize firearms that that firearm is going to be used in some illegal act. You have to have clear and convincing evidence supported by a series of facts to be able to go in and interdict those firearms.

Q You said several times early in the interview you suggested that probable cause was necessary in order to, for example, work with the local police department to do a traffic stop.

A I don't remember. If I said that, okay.

Q That's not accurate, though, is it?

A No. I mean you don't need probable cause, here's the thing. You need it -- to seek an indictment or a prosecution, you need to have probable cause that some illegal act has occurred.

Q Right, I'm asking you about steps short of indictment and

to identify the whole network, knowing that if we took off a group of straw purchasers this, as is the case in hundreds of firearms trafficking investigations, some that I personally worked as a case agent, you take off the low level straw purchaser, all you're doing is one of -- you're doing one of two things, one of several things. You're alerting the actual string puller that you're on to them, one, and, two, all they are going to do is go out and get more straw purchasers.

Our goal in this case is to go after the decision maker, the person at the head of the organization, knowing that if we remove that person, in the sense of prosecute that person, successfully, hopefully, that we would have much more impact than just going after the low-level straw purchaser.

Q Right, and in order to achieve that goal, if in order to not tip them, if agents wanted to be more aggressive about attempting to interdict and discourage the trafficking that was going on -- excuse me -- the straw purchasing that was going on right in front of them that that would have been not consistent with the goal of the strategy as outlined in this paper, right?

A The goal of the investigation, as I said before, is using the straw purchasers, identifying the straw purchasers, to get, using information we gleaned from them in a sense of where they're going, where they're dropping the guns off, to identify the middlemen, to identify the decision makers and seize assets when appropriate, and we have the ability to do that, identify bank accounts, identify

transporters, identify anything so that when we make the arrests, do the takedown, that we take down the whole organization.

Q In the beginning of the interview, you also talked with Steve about a recovery of 40 guns in Naco?

A I believe, I don't have that information. I believe it was 40 guns in Naco.

Q And I believe you said something to the effect of that they were, that this was the first sign that there might be a big case, that you were on to a big case?

A It was one of those times that, yes, we had a case that was, that was coming together, we had more than just a couple of straw purchasers. We had a bigger group.

Q So, in other words, the guns that were recovered, among the 40 guns recovered in Naco, Mexico, there were guns that had been purchased by whom?

A Some of the individuals that we had identified at that point in the investigation. I'm not exactly sure who it was but some of the individuals that we identified --

Q Right. I think you colloquially called them your purchasers, something to that effect, that they had been bought by our purchasers?

A Well, the purchasers had been identified in the case at that point, some of them, I'm not sure all of them.

Q So what do you mean by "our purchasers?"

A I mean our purchasers in the sense of that investigation,

Q Did that occur a lot?

A No.

Q No. Are you aware of more than one incidence?

A I'm aware of more than one instance, yes.

Q But to your knowledge, in each instance there was a -- there was a control on the delivery such that there were authorities on the other side of the border that then were responsible?

A Of the ones I'm aware of, yes.

Q And the guns were actually interdicted or seized after -- at the end of the operation of operations?

A Again, we are not talking about Fast and Furious.

Q I understand.

A We are talking about other investigations. And generally what would happen in a situation like that is the expectation is that if it all goes as planned, you being U.S. law enforcement in conjunction with your other law enforcement partners, would take it to the border and then the Mexican counterparts working in concert, not as the lead, but in conjunction with the U.S. law enforcement, take it from there and then take it to wherever the guns would go.

Q But my question was, I believe, was are you aware of that occurring in multiple other cases and that in each case, that that was successful, that the handoff to the authorities on the other side was successful and the guns were actually interdicted, is that what happened?

A In the instances I'm aware of, it was not successful.

Q And how many instances are we talking about approximately?

A I believe it was just a couple that I'm aware.

Q So 2 or 3?

A 2 or 3, yes.

Q And none of them were successful?

A To my knowledge, no. To my knowledge, there was one case where the guns actually -- we had all the way to the border and there was just communication there. The other one is a case that they did not actually cross, to the best of my knowledge.

Q Oh, but they were interdicted on this side of the border?

A There was one instance that I'm aware of where transporters took the guns to the border and got spooked somehow and then we did not interdict them as far as I remember.

Q You did not interdict them?

A Right.

Q Why not?

A As I recall, they went into a neighborhood and we lost them as far as I know on surveillance.

Q So there was every effort made?

A Every effort made, but there is -- every case -- yeah.

Q And these were straw purchasers who were doing the transfer rather than some intermediary beyond the straw purchaser?

A I don't remember enough specifics about the case to remember what their role was specifically in the case. This was several years ago as I recall.

point, we had the key pieces of evidence we need to be able to charge people for their role in this organization.

Q Was there significant new evidence related to Jaime Avila?

Mr. Serres. I don't see how that is not talking about case specifics and the evidence of the case that we are trying -- there is a protective order in the district on discovery. There is local rules about talking about the evidence in the case. I don't see how that is not getting into that. I mean, I don't want to -- like I said at the beginning, I don't want to interrupt and keep -- having you detour, but that is the area that I think we are -- goes against what we are trying to do here which is to make him able to talk about what your inquiry is.

Mr. Castor. This is pretty key to our inquiry because it has been maintained that you couldn't arrest these defendants. Agent Terry was killed, there is an immediate arrest which is different from everything else in the case. So I guess we are trying to get to -- was it just because of the tragedy that happened that -- in this particular instance?

Mr. Serres. I think you can answer that question, if that is the question.

Mr. Newell. What was the question? That was a statement. What was the question?

BY MR. CASTOR:

Q If these defendants hadn't been identified yet shortly after the Brian Terry incident, where a border patrol agent was killed,

immediately Avila was arrested and that is different than the rest of the defendants, what was unique about that? Was it the specific tragedy that changed things?

[Discussion off the record.]

Mr. Newell. I mean, what was different there was additional evidence later on in the case concerning Avila. That gave us the ability to charge him with using a false address which is what we charged him in the complaint.

BY MR. CASTOR:

Q As soon as the guns were traced to Avila, he was arrested immediately.

A He wasn't arrested immediately. He was arrested --

Q Later that night, wasn't he?

A Well, sure. To be honest with you, you're talking about a guy who changed his address and literally was a street -- as relayed to me, he was basically a transient and our agents went out with the subpoena and police department I think and found him in a matter of --

Q But you had 40 suspects at that point that you weren't going after their house. 20 of them were indicted subsequently?

A 20, right.

Q But you had 40 or so suspects. And the moment these firearms are found at the Terry scene traced back to Jaime Avila, boom, he is arrested, which is different than everything else that has been described to us with the other suspects in the case. So we are asking why.

A One of the guns was traced back to him, he was a suspect.

Q But there is guns being traced back that are found in Mexican crime scenes that are being traced back, there is guns that are found in El Paso, there are guns that are found in Naco and that arrest didn't happen.

A Well, again, at that point in time, we were still proceeding toward doing one indictment against, you know, the whole series of people. And that incident happened and then there was evidence that it was gathered later in the case to be able to arrest him on a complaint.

BY MR. FOSTER:

Q Surely you're not suggesting that you learned of the address change and the falsehood about the address on the form, you happened to learn about that on December 14th, the same night that Agent Terry was killed? That's not what you are suggesting, is it?

A No. I'm not suggesting it at all.

Q So you had the information that allowed you to make the complaint on him long before you actually did it, right?

A I don't think it was long -- as I recall, the complaint lists purchases that were made in -- it was June or July.

Q 6 months earlier, right?

A Sure. Okay.

Mr. Kerner. May I just ask? There was no precipitating event --

Mr. Serres. I am sorry. Can we go one questioner at a time here? I mean, we have gone to three now.

Mr. Castor. Sure. No problem.

Exhibit 141

Exhibit 141

MINTZ LEVIN

701 Pennsylvania Avenue, N.W.
Washington, D.C. 20004
202-434-7300
202-434-7400 fax
www.mintz.com

Paul E. Pelletier | 202 434 7490 | [REDACTED]@mintz.com

March 14, 2012

By Hand Delivery

Representative Darrell E. Issa
Chairman
U. S. House Committee on Oversight and
Government Reform
2157 Rayburn House
Washington, DC 20510

Senator Charles Grassley
Ranking Member
U. S. Senate Committee on the Judiciary
135 Hart Senate Building
Washington, DC 20510

Re: Objections to "Fast and Furious" Memorandum Issued on February 1, 2012

Chairman Issa and Senator Grassley:

I write on behalf of William D. Newell, former Special Agent in Charge of the Phoenix Field Division of the ATF, to correct the factual distortions in your staff's "memorandum." To be clear, this faulty memorandum and the conduct of the Committee's investigation to date has disserved and continues to disserve Special Agent Newell personally and economically and has disserved the hard working ATF agents, in Phoenix and elsewhere who, with great personal sacrifice, risk their lives every day to make a difference in the communities in which we live. It is, of course, now evident that the citizens of this country are far less safe today primarily as a result of the irresponsible manner in which this "outcome-determined" investigation has been conducted. For the sake of fairness and effective law enforcement, I urge you to correct the record to reflect accurately the actual events of the Fast and Furious investigation some of which are set out below.

Preliminarily, as a recently departed former Department of Justice prosecutor for over 25 years, I have learned that the ultimate success and legitimacy of any investigation depends upon the capacity of investigators to blindly follow the evidence wherever it leads and to neutrally and dispassionately evaluate that evidence before reaching a conclusion. Given your staff's tortured factual conclusions, your staff's utter disregard of any evidence that contravened or rebutted the preordained and misdirected conclusions of misconduct, speculation as to motive is unnecessary. Any objective analysis of the underpinnings of your staff's initial findings will find them lacking in both substance and truth.

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

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FIRST FALSE ASSERTION:

“ATF purposely failed to confront straw purchasers and interdict guns. Disrupting and deterring the illegal activity took a backseat to the lawful goal of dismantling the entire organization.”

Your staff is aware that not only were putative straw purchasers confronted by law enforcement personnel, albeit to no avail, but that the ultimate goal of the Fast and Furious investigation was to determine the scope of the organization, disrupt and deter the illegal activity and to seize guns when the agents could lawfully do so. Your staff’s assertions are demonstrably incorrect as the uncontroverted evidence that your staff has either concealed or purposely failed to consider convincingly establishes.

Special Agent Newell and others in the supervisory chain in ATF’s Phoenix Field Division have provided testimony under oath to your committee and staff on a number of occasions. It is my understanding that they have all confirmed to your staff that the investigators initially and unsuccessfully confronted several straw purchasers. You have in your possession the reports of investigation which also confirm this.^{1/} Also, your staff is aware that the agents in this case took appropriate law enforcement steps to seize guns and did seize guns when they lawfully were permitted to do so. As outlined in more detail below, all of the objective and credible evidence convincingly establishes that the Group VII ATF Phoenix Field Division agents attempted to and did seize all guns when the United States Attorney (AUSA) assigned to the Fast and Furious matter authorized them to do so. More than 150 guns were seized in June and July 2010 as the wiretap was bearing evidentiary fruit. Of course, this confirms ATF’s effort to seize guns when they were lawfully permitted to do so.

SECOND FALSE ASSERTION:

“Intercepts from the DEA wiretap provided the probable cause necessary for ATF to make arrests at least as early as December 2009, or, at the very least, supplied the necessary predicate to use other investigative techniques to disrupt the illegal activity and seize the weapons. . . . ATF, however, did not act on this information. Agents could have arrested

^{1/} Your staff investigation has revealed that at the inception of the Fast and Furious investigation, on December 8, 2009, Sean Steward was stopped by law enforcement and questioned about his purchase of 20 AK-47 type rifles; he was with Manuel Celis-Acosta at the time. Steward flatly denied purchasing the guns for anyone other than himself. At that time there did not exist lawful authority to seize those weapons. (See September 21, 2011 Supplemental Statement of Special Agent Newell at p.7). Also, you are aware that on December 21, 2009 putative straw-purchaser Jose Polanco was stopped and questioned by law enforcement and denied purchasing guns on behalf of another (id.). As to the memorandum’s baseless allegation that ATF purposely failed to interdict guns, see July 26, 2011 Statement of William Newell (“To be clear, ‘Fast and Furious’ was an OCDETF operation designed . . . to interdict, *when lawfully possible*, firearms presumptively destined for Mexico.”); September 21, 2011 Supplemental Statement of William Newell at p.5 (one of the objectives of the operation was “to seize firearms and arrest the criminally culpable members of the organization *when lawfully permitted to do so*.”)

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

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Celis-Acosta in December of 2009 and used the arrest to work their way up the ladder to the two cartel associates.”

Not only is this finding is incorrect, but the attempt to compress the future results of a complex ongoing 10 month investigation into a two week window in December 2009 completely misses the mark. First, ATF did not have real time access to the DEA wiretaps. The wiretap information that you naively describe as having “provided the probable cause” to support arrests “as early as December 2009,” was not even transmitted to the ATF until January 2010.^{2/} Your staff also knew and understood that ATF did indeed act on the information known to them; on January 5, 2010, the ATF Fast and Furious case agents met with the United States Attorney’s office (USAO) to discuss the evidence and prosecutive merit of the case and were informed by the USAO that probable cause did not yet exist to effectuate seizures and/or the arrest of Celis-Acosta and the putative straw purchasers he was believed to have recruited. These facts are not in dispute. Thus, the USAO and ATF, quite prudently, agreed that an OCDETF Operation with electronic wiretaps was the best way to gather sufficient evidence to meet the USAO’s stated evidentiary threshold for seizure and arrest in this case.

Your staff’s memorandum further evidences a lack of understanding of federal criminal laws when it states that even if the DEA wiretaps did not provide probable cause, they “at the very least provided the necessary predicate to use other investigative techniques to disrupt the illegal activity or seize the weapons.” I am sure your staff is aware that the probable cause standard for seizure and arrest are one and the same; ergo, if the probable cause standard cannot be met to arrest on individual as a “straw purchaser” it cannot be met to seize a weapon that is believed to have been straw purchased. Your staff should further know that because guns are not in and of themselves “contraband” a probable cause standard must be met before they can be lawfully seized. Your staff’s allusion to the fact that there is some lesser “predicate” necessary for “seizure” strikes me as purposefully uninformed either as to the law or as to the USAO’s legal counsel that the agents lacked probable cause to seize.

^{2/} Your staff’s conclusion that in the interest of making “it’s own big case” the ATF delayed making arrests, ensuring that the investigation would “last nearly a year longer, with 1,500 more guns being purchased, -- including the guns bought by Jamie Avila in January of 2010 that were found at the murder scene of Border Patrol Agent Brian Terry,” is at best irresponsible. Your staff is aware that this statement is incorrect for several reasons: First, your staff is aware that the DEA wiretap information which your staff maintains provides “probable cause” was not provided to the ATF until January 2010 at the earliest. Whether those transcripts, the substance of which you fail to address, actually provide sufficient evidence to arrest anyone for some unidentified crime is, of course, subject to critical debate. Second, your staff further knows as a matter of undisputed fact that Avila, unknown to the ATF, purchased those guns on January 16, 2010, and that the ATF did not learn of that gun purchase until January 19, 2010. As such, even assuming that a law enforcement agent understood that the wire taps contained “probable cause” type information, your staff knows both factually and practically, that those initial wiretaps did not mention Avila, and that federal law enforcement agents were powerless to prevent that sale of those guns to Avila on January 16. Your staff’s reckless recitation of these events advances no meaningful goal and serves only to irresponsibly inflame the public and Agent Terry’s family.

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You know as a matter of uncontradicted fact that until June of 2010 the position of the United States Attorney's Office in Arizona was that there did not exist probable cause to either seize guns or arrest suspected straw buyers in this case. You further know that it was not until June of 2010, when the ATF agents were able to produce to the USAO specific evidence from conversations captured by the wiretap, that ATF was permitted to seize guns from straw purchasers as supported by probable cause. You also know that the specific evidence captured on the wiretaps led the USAO to authorize the probable cause seizure of approximately 40 guns in June and more than 100 in July of 2010. The USAO's policies which distorted the probable cause determinations in this case are set out fully and unabashedly in an email from the Criminal Chief of the Arizona USAO to ATF dated March 6, 2011, which has been made available to you.

THIRD FALSE ASSERTION:

"ATF insisted that the techniques and strategies used in Operation Fast and Furious were necessary to take down a complicated gun trafficking operation. In reality, however, the network was not complex."

Sadly, your staff's analysis fails to consider the opinions of most, if not all, of the experts in criminal law enforcement and the reasoned judgments made by successful career law enforcement personnel on the ground and familiar with these cartel organizations. Your staff's reference to a "*small cadre* of about 40 straw purchasers" speaks volumes in its absurdity. First, **forty (40)** conspirators in any criminal organization could never rationally be considered a "small cadre."^{3/} I am not aware of a case in modern criminal jurisprudence where ATF dealt with an organization that involved more than 40 putative straw purchasers. The wiretap transcripts, the money trail for the purchase of guns, the methods to smuggle and transport the guns, all establish that this gun smuggling cell of an international drug smuggling cartel, was indeed a complex criminal enterprise.

Gathering this evidence proves to be especially difficult in straw purchaser cases, particularly given the USAO's communication of the evidentiary or other relevant legal standards to the agents. As Special Agent Newell explained to you in his sworn supplemental testimony:

It is well established that many firearms trafficking organizations operating in the Southwest Border states are sophisticated transnational criminal enterprises involving multiple layers of criminal operators, including fungible "straw purchasers." These purchasers have no prohibitive criminal history, and if arrested, generally refuse to cooperate and, indeed, have little ability to assist law enforcement in furthering the investigation through cooperation due to the insular design of the organization. They also have little incentive to cooperate based on the

^{3/} Your staff is also aware that the number of straw purchasers that the ATF has deemed to warrant prosecution in the Fast and Furious cases approaches 60.

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obvious prosecutive challenges, and the nominal sentencing guidelines associated with the falsification of information required on federal firearms transaction forms, regardless of the statutory maximums. Another disincentive for cooperation is the significant and well founded fear of violent physical retaliation by the Mexican drug cartels.

Moreover, to baldly conclude, with the benefit of 20-20 hindsight, that simply because the experienced case agents *knew* and *understood* that they were investigating an organization that was purchasing guns and shipping them to “violent criminals” in Mexico, that they somehow possessed sufficient evidence in December of 2009 to take down either the organization and/or its principals, is naïve and exposes a fundamental misunderstanding of the criminal justice system on the part of your staff. Cases are made solely on the basis of admissible evidence, not on what an agent “knows,” “understands,” or “believes.”

Your staff further is aware that the case agents working the case, despite repeated attempts, were not able to cultivate a single cooperator capable of providing them information as to the organization’s operational planning, structure or membership. Such proactive investigations are akin to building a jigsaw puzzle in a darkened room. The incredible law enforcement efforts in this case ultimately unveiled a wide ranging gun trafficking organization that utilized more than 60 straw purchasers and involved the leadership of the Sinoloa Cartel. Your staff’s characterization of this organization as consisting of “about 40 straw purchasers . . . one ringleader, and two cartel associates” is an inaccurate and a gross distortion of the evidence gathering function required to prosecute them; Your staff’s conclusions, of course, are confidently provided with the gift of 20-20 hindsight gained from the considerable investigative efforts of the dutiful agents. Furthermore, we are not aware of, and you have not cited, a single witness who has challenged the legitimacy of the law enforcement techniques utilized in this case. Second guessing for the sake of playing “gotcha” politics is uniquely and specifically harmful to continued effective law enforcement in this very important arena involving the trafficking of guns to Mexico.^{4/}

FALSE ASSERTIONS REGARDING EXISTENCE OF A “TACTIC” TO LET GUNS WALK:

Throughout the Memorandum you continuously and erroneously refer to “gun walking” as a “tactic . . . widely used in Fast and Furious,” in a disturbing attempt to cast wide blame on the ATF supervisors and agents as well as the attorneys in the Department of Justice

^{4/} Your staff is certainly aware that federal public officials, including prosecutors and law enforcement agents, are imbued with “qualified immunity” because a previous wise congress understood it was important “to allow [public] officials to act (without always erring on the side of caution) when action is required to discharge the duties of public office.”⁴ *Foy v. Holston*, 94 F.3d 1528, 1534 (11th Cir. 1996). Such protection, like the immunity Congressmen enjoy, prevents deleterious second guessing of their decisions because “when public officials do their jobs, it’s a good thing.” *Id.*

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My client, Special Agent William Newell, has assiduously advised you on multiple occasions, under oath, that no such tactic, plan or strategy ever was contemplated or existed in the Fast and Furious investigation. To our knowledge, other than the discredited and obviously false testimony of two agents,^{5/} none of the more than 50 law enforcement officers, agents or supervisors from multiple agencies directly involved in the investigation has supported your assessment. After twelve months of investigation, it is apparent that you have found no reliable testimony or evidence to support the false proposition that there was an ATF "tactic" or "program" used in the Fast and Furious OCDETF Investigation that permitted gun walking; none existed. Your harmful and callous assault on these dedicated federal agents including Special Agent Newell is particularly unwarranted and harmful here where all of the credible evidence had established that the ATF agents had no such plan, seized every gun they lawfully could, and were constrained by an unusually conservative approach to probable cause in straw purchaser cases taken by the USAO in Arizona. Such "gotcha" games, done solely for political expediency, is extremely detrimental and consequential to effective law enforcement.

THE ACTIONS OF THIS COMMITTEE WILL HAVE LASTING AND DETRIMENTAL CONSEQUENCES ON THE ABILITY OF ATF TO ENFORCE THE LAW

As you surely must know, during the Fast and Furious Investigation, ATF Group VII agents seized almost 375 guns presumptively destined for Mexican drug cartels in 2010. That constituted 100 more guns seized than any other Southwest Border group. Since this Committee's investigation became public in March of 2011, Group VII has seized less than 25 guns. In 2011, Group VII's gun seizures totaled less than 55 resulting in an astounding **80% decline** in guns seizures by ATF's Phoenix Field Division. I believe that continuing this unfair witch hunt will cause that trend intolerably to continue along the Southwest border. Such reticence by good agents makes sense, given the unfair, false and unrelenting vilification of the hard working Phoenix ATF agents involved in the Fast and Furious investigation, whose only sin was to attempt to tackle a burgeoning gun smuggling group utilizing the laws at their disposal.

^{5/} Not only is your support of the unreliable and demonstrably false testimony of these two agents suspect, your staff goes to great lengths to conceal the fact that these two agents (Dodson and Casa) actually and purposefully sponsored a plan to *walk* multiple firearms in a separate case (Issais Fernandez) in contravention of DOJ policy. This is evidenced by the fact that your staff memorandum, in great detail, castigates the Arizona United States Attorney for "leaking" a "document" about "one of the whistleblowers in Fast and Furious." Though your staff spends almost three single-spaced pages of the memorandum discussing this incident, your staff assiduously avoids discussing its contents: a memorandum by SA Dodson to an ATF Phoenix ASAC seeking permission to engage in "walking" multiple firearms to known criminals. Your staff is further aware, based upon your review of further email traffic that SA Dodson and another so-called "whistleblower," Special Agent Alt, knew and understood that before they could participate in a controlled delivery of guns to known criminals they would have to obtain the approval of the United States Attorney. You are also aware that SA Dodson never obtained such approval. Given the harm that these revelations do to your "conclusions" in the Fast and Furious matter, it is not a surprise that your staff has chosen not to reveal them.

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There was once a great Republican President who understood the stark consequences of politicians unfairly criticizing those public servants who dutifully sought to make a difference under challenging circumstances:

It is not the critic who counts, not the man who points out how the strong man stumbled. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood, who strives valiantly, who errs and comes up short again and again because there is no effort without error and shortcoming; who knows great enthusiasm and great devotions, who spends himself in a worthy cause, who at best knows in the end the triumph of high achievement, and who at worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who know neither victory nor defeat.

Theodore Roosevelt, *Man in the Arena*

We need more, not less, public servants like Special Agent Newell and the men and women who, despite the challenges imposed by our nation's gun laws and the legal system in which they operated, strove to make a difference and tried their level best to put an end to the illegal gun trafficking the plagues the Southwest border. We need more, not less, public servants like Special Agent Newell and the men and women of Group VII who are willing to tackle the challenging and difficult investigation, like *Fast and Furious*, simply because it is an important cause worthy of their devotion. The false conclusions of this politically motivated "investigation" continue to damage these men and women individually, law enforcement generally, and this Country greatly. We deserve better.

Sincerely,

 Paul E. Pelletier

cc: Representative Elijah E. Cummings
 Minority Staff
 U.S. House Committee on Oversight and Government Reform
 2235 Rayburn House
 Washington, DC 20510

Senator Patrick J. Leahy
 Chairman
 U.S. Senate Committee on the Judiciary
 437 Russell Senate Bldg.
 Washington, DC 20510

Exhibit 142

Exhibit 142

From: Newell, William D. [REDACTED]
Sent: Sunday, March 6, 2011 8:30 PM
To: Voth, David J. [REDACTED]
Subject: Fw: Materials For Bill Newell and ATF in DC
Attach: [REDACTED] indictment.pdf; [REDACTED].pdf; [REDACTED] indictment.pdf;
[REDACTED] indictment.pdf; [REDACTED] indictment.pdf; 12 2 10 Ltr to USSC.PDF

NOTICE: This e-mail message and any attached files are intended solely for the use of the addressee(s) named above in connection with official business. This communication may contain Sensitive But Unclassified information that may be statutorily or otherwise prohibited from being released without appropriate approval. Any review, use, or dissemination of this e-mail message and any attached file(s) in any form outside of the Bureau of Alcohol, Tobacco, Firearms & Explosives or the Department of Justice without express authorization is strictly prohibited.

From: Cunningham, Patrick (USAAZ)
To: Newell, William D.; Needles, James R.
Cc: Burke, Dennis (USAAZ) ; Scheel, Ann (USAAZ) ; Hernandez, Rachel (USAAZ) ; Morrissey, Mike (USAAZ) ; Hurley, Emory (USAAZ) ; Kelly, Kristen (USAAZ) 6
Sent: Sun Mar 06 18:20:55 2011
Subject: Materials For Bill Newell and ATF in DC

Bill and Jim:

As you work in DC today to prepare with ATF Leadership, enclosed below are some issues and our answers we have compiled. Issues are in Green and proposed answers are in black.

Hope they are helpful. Thanks. PJC

A. On the Status of F and F lead indictment, Avila:

Questions: Whether Jaime Avila is in custody, what's his plea, next steps?

Answer:

Under 9th Circuit law offenses committed by "straw purchasers" are not considered crimes of violence for which a person can be detained pending trial. As to the only other basis for pretrial detention – flight risk – Avila is a US citizen and the Bail Reform Act requires the court to impose the least restrictive conditions that will reasonably assure his appearance and the safety of the community. Here, Avila was released on conditions pending Trial by the Magistrate Court. His release conditions include reporting as directed to U.S. Pretrial Services, surrendering any passport, not traveling outside the district of Arizona, having no contact with the other defendants, and not possessing a firearm or other dangerous weapon.

Regarding the treatment of "straw purchasers" by the Criminal Justice System, the five Southwest Border United States Attorneys from Arizona, Texas, California and New Mexico recently sent the enclosed letter (pdf enclosed) to the United States Sentencing Commission urging that the prison sentences for "straw purchasers" be strengthened because of their role in the trafficking and illegal export of weapons." The letter states in part:

'As the chief federal law enforcement officers in the Southwest border region, we

strongly believe the Commission must amend USSG § 2K2.1 if it is truly to address the national security implications of arms trafficking. As the Department explained during its meeting with Commission staff, straw purchasers are the primary source of firearms trafficked to Mexico from the United States. Most of the defendants prosecuted for arms export or arms trafficking offenses involving the Southwest border would not have obtained the firearms at issue were it not for the efforts of straw purchasers. Yet because straw purchasers face such low guideline ranges under § 2K2.1, and because many judges see straw purchasing as a mere "paper" violation, the sentences received by straw purchasers fail to reflect the seriousness of the crime or the critical role played by these defendants in the trafficking and illegal export of weapons. Simply put, straw purchasing and illegal arms exporting go hand in hand, and both must be addressed together."

Regarding Avila's plea and next steps, he has entered a plea of Not Guilty and the current schedule for the case is as follows:

CR-11-126-PHX-JAT (Avila et al)-

Motions Deadline -4/22/11

Jury Trial- 06/07/2011 at 09:00 AM

B. On the issue of "sanctioning" or "encouraging" gun sales:

ATF Agents and Lawyers from the US Attorney's Office did not "encourage" any FFL to "keep selling guns to known straw buyers." In the two meetings with FFLs, attorneys and agents advised the FFLs that the Government cannot advise them to sell multiple guns or advise not to sell multiple guns. The FFLs were advised that those decisions were up to FFLs as are all decisions to sell left up to the FFL to evaluate the sale and determine whether it is lawful. In short, the FFLs were advised that the Government cannot advise FFLs to halt a sale that appears lawful and we cannot authorize a sale that appears unlawful. There was no mistake as to the clarity of the Agents' and Attorneys' message.

FFLs need no encouragement to sell guns as that is their actual business, selling guns. By the time that the government met with the owners, they had made many multiple sales and the guns were gone.

The FFLs wanted to know that the information that they provided was actually useful, and that they were not unwittingly implicating themselves in some criminal activity of which they weren't aware. As we have said so many times before, they were told that ATF could not authorize illegal sales to be made any more than they could prohibit lawful sales, however, ATF appreciated their cooperation and willingness to voluntarily provide information to ATF including notice of multiple long gun purchases and notice of single gun sales of certain types of firearm or sales to particular individuals. No one discussed civil liability. The FFLs were providing information to ATF regarding transactions that the FFL must have viewed as lawful, having no knowledge or reason to know that the transfers were unlawful.]

Main Justice position on the issue of Sanctioning or encouraging arms sales, the Quote of Assistant Attorney General Ronald Weich in his February 4, 2011 letter:

"At the outset, the allegation described in your January 27 letter— that ATF "sanctioned" or otherwise knowingly allowed the sale of assault weapons to a straw purchaser who then transported them into Mexico—is false."

C. On the issue of "walking guns" or the timely seizure of guns:

Neither the USAO nor ATF was engaged in an effort "to let guns flow to straw buyers" or to "walk" guns that could have been seized under any lawful theory with available facts to prove the theory.

The guns flow FROM straw buyers and until agents observe illegal conduct they cannot treat them as anything other than ordinary buyers. At the time of transfer of the firearms from the FFL to the straw purchaser based upon the facts available to the FFL at the time of the sale, the sales to the "straw purchasers" are lawful; and seizure of the weapons in the hands of those purchasers without evidence of criminality would violate the United States Constitution and would be an unlawful seizure and deprivation of property rights without cause. (Fourth and Fifth Amendments).

In these investigations, there may come a point over the course of an investigation where ATF believes, though it is well short of proof beyond a reasonable doubt required in criminal cases, that they can prove that a particular person only buys guns for the purposes of illegal trafficking. However, seizure of the guns at that point may not be legal because purchasing multiple long guns in Arizona is lawful, transferring them to another is lawful and even sale or barter of the guns to another is lawful unless the United States can prove by clear and convincing evidence that the firearm is intended to be used to commit a crime. (18 USC 924 (d))

In short, the law does not permit agents to take guns away from anyone who buys ten AKs at a time solely because they bought multiple guns.

- D. When weapons sales were monitored and those guns later turned up in crime scenes, had ATF somehow "authorized" the sales that ATF could have ordered stopped, or did ATF somehow not seize the guns appropriately or in a timely fashion?:

The number one concern for DOJ is interdicting guns that are unlawfully transferred to persons in the United States and in Mexico who will then commit crimes with those guns. The purpose of this investigation was to locate those guns, interdict those guns and bring those responsible for their unlawful purchase, transfer, finance and use to justice.

The full array of rights available to indicted defendants is also available to those persons suspected of committing gun crimes, and the government cannot violate legitimate gun owners rights by prematurely seizing their guns.

DOJ's goals of the investigation were two-fold: 1. Interdiction of the weapons that were purchased or possessed in furtherance of the unlawful trafficking conspiracy; and 2. Investigation with an emphasis on discovering other members of the trafficking organization, particularly the leaders of the organization who procure the guns from straw purchasers and have them smuggled into Mexico to the Cartels. There seems to be some misconception on the part of the press and members of congress that the minute that ATF suspects that someone is a straw purchaser, agents can arrest that person and seize all of their guns. As explained above, that seizure would be unlawful, and ATF may only seize when a lawful basis for seizure can be proven under the US Constitution and statutes passed by Congress.

The question seems to connote that ATF can promulgate a "No Sell" list like a "No Fly List", under which FFLs would be prohibited from selling any guns to any person on the list. ATF has no such power and ATF cannot interfere with the operation of commerce and prohibit a gun store from making a lawful sale to lists of suspects based upon nothing more than mere suspicion. These lists might well be long and would curtail a person's rights to purchase arms without any due process.

How is it that a person becomes a suspect in a straw purchase investigation? If they are buying multiple handguns, it could be because of multiple sales reports to ATF, notifying the bureau that a suspect is buying large quantities of handguns. If they are buying only long guns, they may not become a suspect

until guns they have purchased can be traced after being recovered at a crime scene, or an FFL voluntarily notifies ATF of an unusually large purchase. But a multiple purchase by itself, or the recovery of a firearm at a crime scene does not establish that the original buyer of the gun is an "unlawful straw purchaser." If it did, then when a person buys a gun and then decides they don't shoot it well, or it recoils too much, or they really can't afford the ammunition, and sells it, out of the paper, or a gun show, or to a friend, if the next owner of the gun commits a crime with it, the original purchaser would become a suspect as an "unlawful straw purchaser" and a suspect in a gun trafficking case.

And your question presupposes that ATF agents should never let mere suspects possess a firearm. Your question seems to presume that once ATF identifies a suspect, they can treat that suspect as though they were a "prohibited person", never again allowed to possess a firearm, regardless of the fact that they have not been convicted of a crime. If this were the case, ATF could stop any person they label a suspect and take any gun they have away from them. This means that if you (1) bought two 5.7 mm pistols because you wanted one for the home and one for the office, or (2) bought three AR type rifles for you and your two sons to target shoot, or (3) you sold one of your guns to your brother in law, who resold it to a co-worker who took it into Mexico and got caught with it, then you are an "unlawful straw purchaser" suspect and the next time you buy a gun, with your own money, for a hunting trip, ATF should take it away from you.

- E. Regarding the question "In regards to the guns recovered in Rio Rico after the Terry shooting, when they were purchased from FFL #1 (Jan, 2010) was there surveillance going on in conjunction with Operation Fast and Furious, or did ATF only become aware after the fact and link it to FFL #1 after the fact?"

Answer: There was no surveillance going on and the ATF did not learn of the sale until three days after it took place and the weapons were gone.

- F. Regarding the LA Times and CBS News stories, they do not account for the fact, or rebut in any way, that this District is actively prosecuting unlawful weapons and ammunition traffickers.

In just two recent investigations in Phoenix, 51 defendants in 10 indictments have been charged.

In Fast and Furious announced on January 25 (Press release link below) 34 defendants in five indictments were announced. The trials are set for these dates:

Fast and Furious

CR-11-126-PHX-JAT (Avila et al)-	Motions Deadline -4/22/11 Jury Trial- 06/07/2011 at 09:00 AM
CR-11-013-PHX-SRB (Aguilar)-	Motions Deadline- 2/25/11 Jury Trial- 04/05/2011 at 09:00 AM
CR-10-1187-PHX-ROS (Broome et al.)-	Motions Deadline (dft: Johneshia McGraw) 2/4/11 Motions Deadline (dft: Linda Krom, Kenneth Honea, Jeffrey Broome) 2/4/11 Jury Trial(dft: Linda Krom, Kenneth Honea, Johneshia McGraw, Jeffrey
Broome) - 04/05/2011 at 08:30 AM	
CR-10-1607-PHX-NVW (Abarca)-	Motions Deadline- 3/11/11 Change of Plea Hearing- 3/23/11 Jury Trial- 04/05/2011 at 09:00 AM
CR-10-1831-PHX-FJM (Flores et al)-	Motions Deadline (dft: Jovanny Moraga-Escoboza, Mary Natalie Lopez, Ulises Quinonez, Pablo Sanchez Vasquez, Jr, Juan Velasquez, Fabiola Zaragoza, Luis Fernando Mendoza-Zamora, Raul Flores Lopez) - 3/18/11 Jury Trial (dft: Jovanny Moraga-Escoboza, Mary Natalie Lopez, Ulises Quinonez, Pablo Sanchez Vasquez, Jr, Juan Velasquez, Fabiola Zaragoza, Luis

Fernando Mendoza-Zamora, Raul Flores Lopez)- 05/03/2011 at 09:00 AM

Press Release at:

http://www.justice.gov/usao/az/press_releases/2011/PR_02172011_Macedo_Saucedo-Cuevas%20et%20al.pdf

Links to Indictments:

http://www.justice.gov/usao/az/news_archive_2011.html

In the Too Hot to Handle set of cases announced on February 17, 2011, 17 defendants in five indictments were announced. The trials are set for these dates:

Too Hot to Handle

CR-10-00961-PHX-NVW (U.S. v. Resa, et al.) Motions Deadline (dft: Angel Gabriel Ruiz, Alejandro Adalberto Torres, Nolberto Vasquez)- 03/07/11
Motions Deadline (dft: Salvador Figueroa Resa, Estefany Jose-Ortiz) -3/11/11
Jury Trial (dft: Angel Gabriel Ruiz, Alejandro Adalberto Torres, Nolberto Vasquez, Estefany Jose-Ortiz)- 04/05/2011 at 09:00 AM

CR-11-00231-PHX-JAT (U.S. v. Muela-Zapata, et al.) Motions Deadline (dft: Maria Yvonne Carbajal, Luz Martinez, Yolanda Villalobos De Zapata, Francisco Zapata, Jr, Francisco Muela Zapata) -3/7/11
Motions Deadline (dft: Kelly Rae Hooper)- 3/16/11
Status Conference (dft: Kelly Rae Hooper, Maria Yvonne

Carbajal, Luz Martinez, Yolanda

Villalobos De Zapata, Francisco Zapata, Jr, Francisco Muela Zapata)- 03/16/2011 at 11:15 AM Jury Trial
(dft: Maria Yvonne Carbajal, Luz Martinez, Yolanda Villalobos De Zapata, Francisco Zapata, Jr, Francisco Muela Zapata)-
04/05/2011 at 09:00 AM
Jury Trial (dft: Kelly Rae Hooper)- 04/05/2011 at 09:00 AM

CR-10-01129-PHX-NVW (U.S. v. Macedo, et al.) Motions Deadline (both defendants)- 05/13/2011
Jury Trial (both defendants)- 06/07/2011 at 09:00 AM

CR-11-00245-PHX-ROS (U.S. v. Beltran-Bermudez, et al.) Motions Deadline (both defendants)- 03/03/2011
Jury Trial- 04/05/2011 at 09:00 AM

CR-10-01296-PHX-ROS (U.S. v. Large)- Motions Deadline-02/19/2011
Jury Trial- 05/03/2011 at 08:30 AM

Press Release at:

http://www.justice.gov/usao/az/press_releases/2011/PR_02172011_Macedo_Saucedo-Cuevas%20et%20al.pdf

Indictments as:

http://www.justice.gov/usao/az/press_releases/2011/US_v_Resa_Indictment.pdf

In the Tucson Office alone there are currently [REDACTED] pending indictments charging [REDACTED] defendants with attempting to export thousands of rounds of ammunition to Mexico and with weapons offenses. Those indictments are enclosed in PDFs.

Exhibit 143

Exhibit 143

Microsoft Outlook

From: Newell, William D. [REDACTED]
Sent: Wednesday, July 28, 2010 7:50 PM
To: O'Reilly, Kevin M.
Subject: RE: Wicked One
Attachments: One week in Phoenix - One ATF case.pdf

These pics are just an example of some of the guns, ammo and magazines seized within the past week in Phoenix related to the "large OCDETF case" I mentioned. When a 22 year old kid on State financial assistance walks into a gun store and plops down \$12,000 in cash to buy a tripod mounted .50 caliber rifle that's a clue (even for us) that he's involved in trafficking firearms for a Mexican DTO. Another picture shows the 225 drum magazines we seized from the same group. These are in BIG demand by the Mexican DTOs because each drum hold 75 rounds of 7.62x39mm (AK47) ammo. Each one costs about \$200, depending on where you go, so we they aren't happy we seized approx \$45,000 in merchandise from them but of course money is not a problem for them. If you have any questions, like "how in the hell....?" then feel free to call.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: O'Reilly, Kevin M [REDACTED]
Sent: Wednesday, July 28, 2010 3:57 PM
To: Newell, William D.
Subject: Re: Wicked One

Well, now that Jeff Stirling is going back to the Mother Ship I expect they'll have the means to do more of that ... he's a good man & he'll be a good ally for you guys (& us).

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House
 [REDACTED]

From: Newell, William D. [REDACTED]
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 18:53:52 2010
Subject: RE: Wicked One

Sure, just don't want ATF HQ to find out, especially since this is what **they** should be doing (briefing you)!

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: O'Reilly, Kevin M [REDACTED]
Sent: Wednesday, July 28, 2010 3:51 PM
To: Newell, William D.
Subject: Wicked One

Wicked One.

Even I'd remember that one.

This is great; very informative.

OK to share with Sr Director Dan Restrepo and with CT/CN Director Greg Gatjanis?

Would not leave NSS, I assure you.

Kevin O'

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House
 [REDACTED]

From: Newell, William D. <[REDACTED]>
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 18:45:51 2010
Subject: RE: GRIT Surge Phoenix

Going very well actually. I attached the most recent weekly "report card" that we send to HQ on Fridays. (Please keep to yourself). I didn't include some of the case highlights because most are on-going criminal cases including a couple of large OCDETF investigations [REDACTED]. Bottom line is that we are on-target to meet our FFL inspection goals as well as eliminate our backlog of "leads". A "lead" is where we have solid information regarding firearms trafficking activity but not enough manpower to work it. The best part about the GRIT for me has been the influx, albeit temporary (100 days), of Special Agents, Inspectors, Support Staff, etc. They have allowed us to catch up on the backlog of leads as well as follow up on newer information. They have also been instrumental in supplying much needed ground-level support to several large-scale firearms trafficking investigations with direct links to Mexican DTOs. As an example I have had 10 Special Agents working exclusively in support of a very large OCDETF case involving firearms trafficking by the Sinaloa DTO. These agents have been so busy that they have expressed a desire to extend past the GRIT deadline due to the amount of work still needed on this case, a very good thing. One agent on detail from Miami (another hotbed of firearms trafficking activity as you well know) told me recently

"I thought Miami was crazy!". He's never seen this level of illegal firearms trafficking activity before and wants to stay another 30 days just to help out with this case. Most of this has taken place in the Phoenix area. In Tucson we have been working hand in hand with the Tucson PD and have taken off several home invasion crews. This past Friday we arrested a crew whose leader has "Wicked One" tattooed across his forehead, easy to pick out in a lineup.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)

From: O'Reilly, Kevin M [REDACTED]
Sent: Wednesday, July 28, 2010 2:56 PM
To: Newell, William D.
Subject: Re: GRIT Surge Phoenix

No rush, certainly no forcing action on this, just wondering how's it going.

Take care,

Kevin O'

Kevin M O'Reilly
Director
North American Affairs
National Security Staff
The White House

From: Newell, William D. <[REDACTED]>
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 17:54:12 2010
Subject: Re: GRIT Surge Phoenix

Heading back to the office from Phoenix PD HQ, send you some info asap.

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)


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----- Original Message -----

From: O'Reilly, Kevin M. <[REDACTED]>
To: Newell, William D.
Sent: Wed Jul 28 17:52:48 2010
Subject: Fw: GRIT Surge Phoenix

Just an informal "how's it going?"

Kevin M O'Reilly
Director
North American Affairs
National Security Staff
The White House



----- Original Message -----

From: Gatjanis, Gregory T.
To: O'Reilly, Kevin M.; Kendall, Sarah M.
Sent: Wed Jul 28 13:29:53 2010
Subject: RE: GRIT Surge Phoenix

No. I haven't

-----Original Message-----


From: O'Reilly, Kevin M.
Sent: Wednesday, July 28, 2010 12:07 PM
To: Gatjanis, Gregory T.; Kendall, Sarah M.
Subject: GRIT Surge Phoenix

Have we gotten any readout on ATF's GRIT surge in Phoenix & in Arizona?

Regards,

Kevin O'

Kevin M O'Reilly
Director
North American Affairs
National Security Staff
The White House





(This is a TNW Firearms, Model M2HB, .50 caliber rifle. See for yourself a [REDACTED])

Remember this seizure (see below) in Sonora, Mexico from last year? It was related to the Beltran Leyva DTO. This is the picture that the so-called gun experts said is “**proof that the Mexican Army is supplying the DTOs with firearms because this is definitely a military gun**”wrong, this gun is also a TNW and was purchased in Tucson, Arizona (part of another OCDETF case). I had two agents from Tucson travel to Hermosillo, Mexico and physically inspect this firearm and the other .50 caliber firearm seized – a Barrett, Model 82A from Tennessee.





Each drum magazine holds about 75-100 rounds of ammo – it depends on the caliber, and each retails for about \$200. Mostly sold at gun shows and they'll sell out within an hour after the doors open and mostly to "suspicious looking" individuals.....



10 AK-47 semi-auto rifles bought by two females headed south to Mexico through Nogales. We had Arizona DPS stop them in order not to compromise the bigger case and when asked about the guns their first response was "guns, what guns?". Since they didn't claim ownership we took an abandonment until the "real owners" come to claim them, which of course we aren't expecting anytime soon.



"Bag o guns" – they had just purchased these second-hand at the Phoenix gun show. Were headed to Mexico.



4,000 rounds of 7.62x39mm and 500 rounds of .38 Super – bound for Mexico now in our custody.

Exhibit 144

Exhibit 144

From: McMahon, William G.
Sent: Tuesday, December 21, 2010 11:21 AM
To: Newell, William D.
Subject: RE: simple numbers on F&F recoveries

10-4 thanks.

William G. McMahon
 Deputy Assistant Director (West)
 Office of Field Operations
 [REDACTED]

From: Newell, William D.
Sent: Tuesday, December 21, 2010 11:21 AM
To: McMahon, William G.
Subject: Fw: simple numbers on F&F recoveries

For what it's worth and since I don't like the perception that we allowed guns to "walk", I had David Voth pull the numbers of the guns recovered in Mexico as well as those we had a direct role in taking off here in the US. Almost all of the 350 seized in the US were done based on our info and in such a way to not burn the wire or compromise the bigger case. The guns purchased early on in the case we couldn't have stopped mainly because we weren't fully aware of all the players at that time and people buying multiple firearms in Arizona is a very common thing.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Newell, William D.
Sent: Thu Dec 16 19:22:42 2010
Subject: simple numbers on F&F recoveries
 Sir,

I can make this more grand tomorrow if you wish but right now by my count;

- Firearms recovered in Mexico = 241
- Firearms recovered in the USA = 350

Thanks,

David Voth
 Group Supervisor
 Phoenix Group VII
 [REDACTED]

HOGRA ATF - 001935

Exhibit 145

Exhibit 145

From: Nelson, Helgi P.
Sent: Thursday, May 06, 2010 10:32 AM
To: MacAllister, Hope A.
CC: Medina, Jose L.; English, Tonya A.; Medina, Jose L.; Sonnendecker, Mark; Hayes, Benjamin R.; Walsh, Daniel E.
Subject: Suspect Gun firearm recovered, RC-5

Subject: Suspect Gun firearm recovered

The National Tracing Center (NTC) has received a Trace request for the above listed firearm. To prevent the NTC from releasing information that may jeopardize your investigation, please choose one of the following. It is extremely important that if your case is still active that you state whether or not we may conduct a Trace on this firearm.

A written response (email communication is sufficient) is required within 7 days of initial notification regarding this email. If a response is not received within this time frame the NTC may be compelled to release trace summary information to the requestor.

All information regarding this and any other trace requests can be obtained by using eTrace. In the event that you do not have access, access can be requested by contacting the Law Enforcement Support Branch at 204-260-1500 or 800-738-7133.

Please advise as to whether your case is:

- a) Active - NTC may release Trace disposition history to other Requestors for only this firearm.
- b) Active - NTC may release Trace disposition history to other Requestors. (This is to be applied to all remaining firearms in this Suspect Gun file)
- c) Active - NTC may not release Trace disposition history to other Requestors.
- d) Inactive - NTC will release Trace disposition to other Requestors.

Suspect Gun Details:

ATF IN Number: 785115-10-RC-5

Suspect Gun File Number: RC-5

Suspect Gun submission request date: 3/2/2010

Trace details regarding firearm recovery:

Serial Number: RC-5
 Manufacturer: RMC
 Type: RIFLE
 Caliber: 762
 Model: GP WASR

Trace Requestor: RC-1
 Requesting Agency: IMMIGRATION AND CUSTOMS ENF.
 Phone Number: RC-1

Helgi Nelson
 Program Analyst
 ATF National Tracing Center
 244 Needy Rd.
 Martinsburg, WV 25405-9431
 RC-1

HOCR ATF - 002608

Exhibit 146

Exhibit 146

**DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER**

Phone: [REDACTED] Fax: [REDACTED]

Print Date: February 25, 2011



FIREARMS TRACE SUMMARY

Trace Number: T20100191748

Request Date: August 16, 2010

Completion Date: August 17, 2010



FIREARM INFORMATION

Manufacturer: ROMARM/CUGIR

Model: GP WASR 10/63

Caliber: 762

Serial Number: 1971DB5028

Type: RIFLE

Country: ROMANIA

Importer: CENTURY ARMS INC (CAI),
ST...

Obliterated:

Identifying Marks:

NIBIN:

Gang Name:

Badge No: C-3

Investigation No: CENAPI

RECOVERY INFORMATION

Recovery Date: 08/13/2010

Time to Crime:

SANTIAGO PAPASQUIARO, DR

MEXICO

Possessor:

DOB:

POB:

ADMINISTRATIVE INFORMATION

SUMMARY OF RESULTS

THE NATIONAL TRACING CENTER (NTC) HAS EXPERIENCED A DELAY IN OBTAINING THE INFORMATION ON THE HISTORY OF THE FIREARM YOU ARE REQUESTING TO BE TRACED.

Additional Remarks:

The information in this report must be validated prior to use in any criminal proceedings.

Trace: T20100191748

FOR OFFICIAL USE ONLY

Page 1 of 1

Exhibit 147

Exhibit 147

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE



U.S. Department of Justice

National Drug Intelligence Center

Office of the Director

DATE: June 28, 2010

MEMORANDUM TO THE ATTORNEY GENERAL

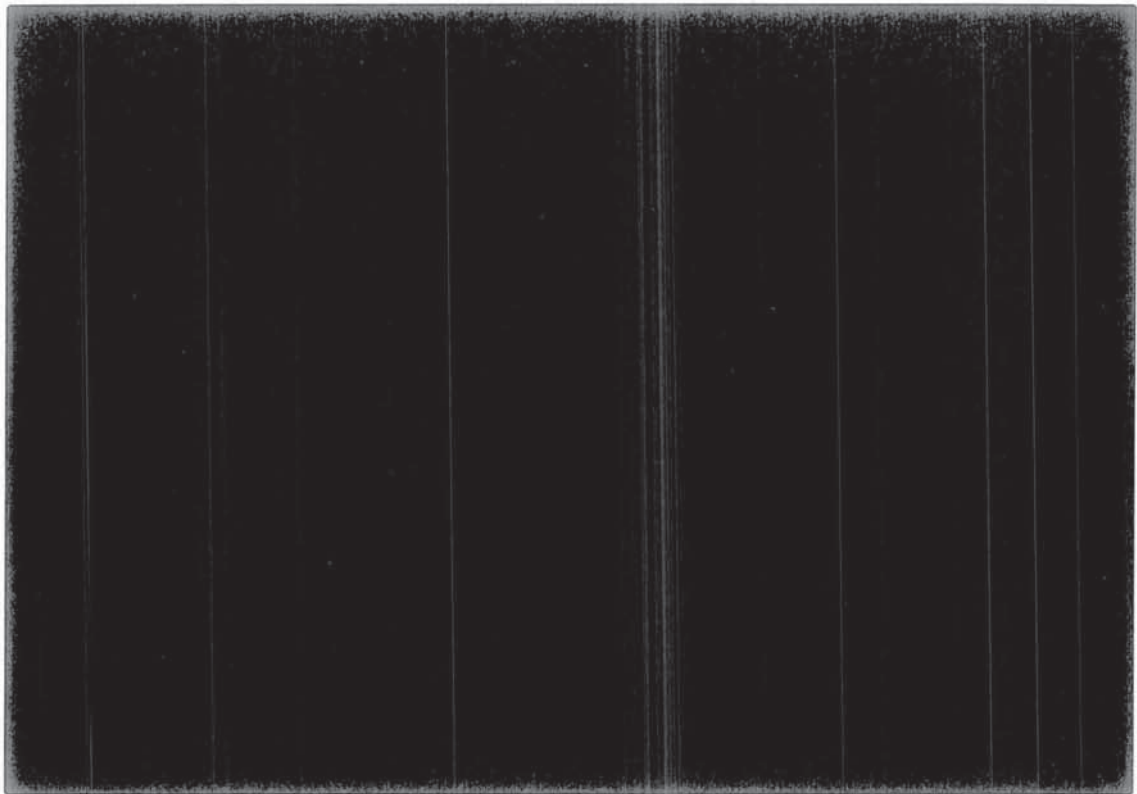
THROUGH THE ACTING DEPUTY ATTORNEY GENERAL

FROM: Michael F. Walther
Director
National Drug Intelligence Center

SUBJECT: WEEKLY REPORT FOR JUNE 28 THROUGH JULY 2, 2010

The National Drug Intelligence Center weekly report for June 28 through July 2 is as follows:

Next Week



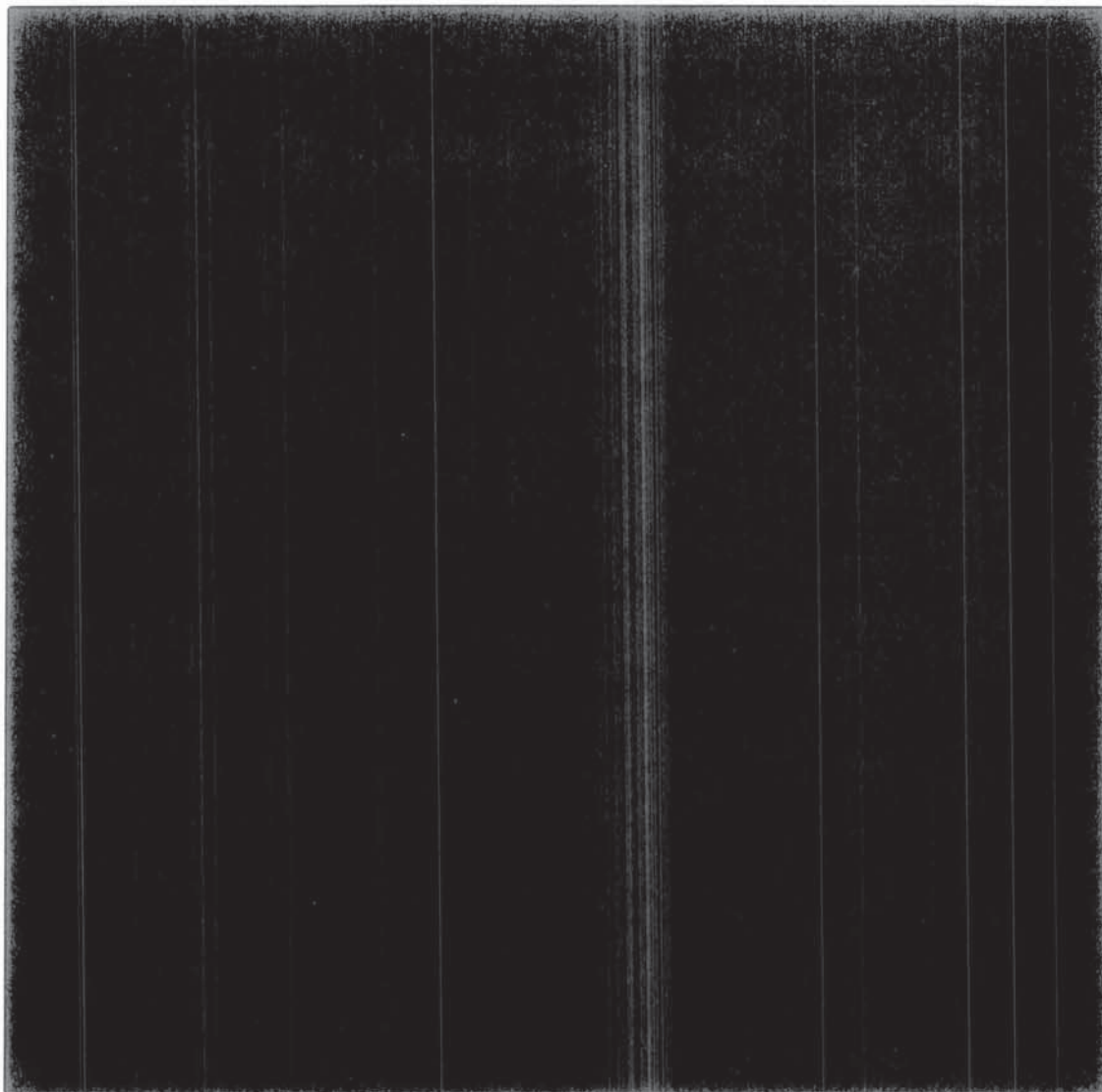
1 of 10

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

ONDCP F&F 000134

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

Memorandum to the Attorney General from Michael F. Walther dated June 28, 2010
Subject: Weekly Report from June 28 through July 2, 2010



- *(LOU-LES) Document and Media Exploitation Support to the Organized Crime Drug Enforcement Task Force:*

From July 6 through July 9, the National Drug Intelligence Center Document and Media Exploitation Team at the Phoenix Organized Crime Drug Enforcement Task Force (OCDETF) Strike Force will support the Bureau of Alcohol, Tobacco, Firearms, and Explosives' Phoenix Field Division with its investigation of Manuel Celis-Acosta as part of OCDETF Operation Fast and the Furious. This investigation, initiated in September 2009 in conjunction with the Drug Enforcement Administration, Immigration and Customs Enforcement, and the Phoenix Police Department, involves a Phoenix-based firearms trafficking ring headed by Manuel

3 of 10

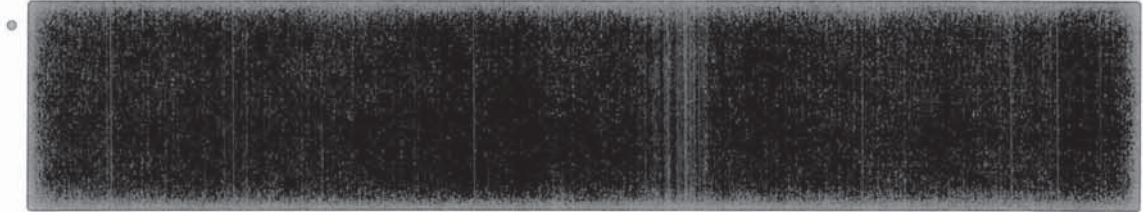
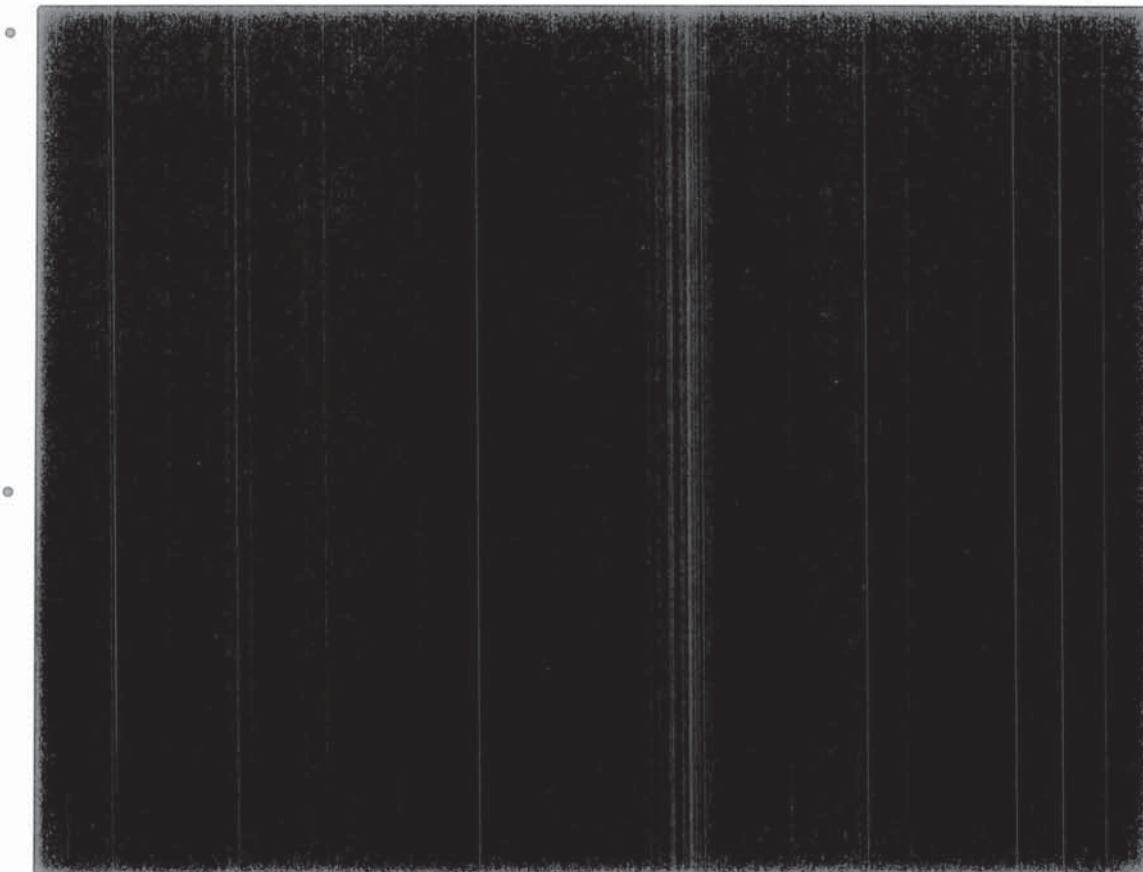
LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

ONDCP F&F 000135

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

Memorandum to the Attorney General from Michael F. Walther dated June 28, 2010
Subject: Weekly Report from June 28 through July 2, 2010

Celis-Acosta. Celis-Acosta and [REDACTED] straw purchasers are responsible for the purchase of 1,500 firearms that were then supplied to Mexican drug trafficking cartels. They also have direct ties to the Sinaloa Cartel which is suspected of providing \$1 million for the purchase of firearms in the greater Phoenix area.

**This Week**

4 of 10

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

ONDCP F&F 000136

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

Memorandum to the Attorney General from Michael F. Walther dated June 28, 2010

Subject: Weekly Report from June 28 through July 2, 2010

Intelligence Studies

Intelligence Study	Requesting Agency	Publication Date
[REDACTED]		
National Marijuana Threat Assessment 2010	Office of National Drug Control Policy	June 2010
[REDACTED]		
West Central Region Gangs in Indian Country Threat Assessment	Office of National Drug Control Policy	July 2010
[REDACTED]		

10 of 10

LIMITED OFFICIAL USE – LAW ENFORCEMENT SENSITIVE

ONDCP F&F 000137

Exhibit 148

Exhibit 148

From: Newell, William D.
Sent: Wednesday, July 14, 2010 6:03 PM
To: Voth, David J.
Subject: FW:
Attachments: EL NAVAJAS.ppt

This relates to the big shootout two weeks ago in Sonora. Two rival DTOs went at it, Sinaloa and Juarez I believe. Maybe Jose Wall has more details. I told Carlos we were within 45-60 days of taking this down IF the USAO goes with our 846/924(c) conspiracy plan. Feel free to let Carlos know more details.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

From: Canino, Carlos A.
Sent: Wednesday, July 14, 2010 2:50 PM
To: Newell, William D.
Subject: FW:

Bill at least one gun recovered in this shootout comes back to Hopes's case. What's the status. I anticipate questions from the GOM and Ambo. I can blow off the GOM, not so much with the Ambo.

From: RC-1
Sent: Wednesday, July 14, 2010 12:10 PM
To: Canino, Carlos A.
Cc: Fasciani, Dennis C.
Subject:

Pictures on the shooting. The weapons are the ones I requested for trace on the previous e-mail.

Thanks

RC-1
 Mexico City, Attaché
 ICE Representative
 RC-1

HOCR ATF - 002454

Exhibit 149

Exhibit 149

From: Melson, Kenneth E.
 Sent: Wednesday, July 14, 2010 7:18:48 PM
 To: Chait, Mark R.; Hoover, William J.
 Subject: Re: SIR

This is great! When will we be taking Fast and Furious down? An awful lot of guns seem to be flowing south. Ken

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----- Original Message -----
 From: Chait, Mark R.
 To: Melson, Kenneth E.
 Cc: Hoover, William J.
 Sent: Wed Jul 14 16:14:55 2010
 Subject: Fw: SIR

This was the second case Grit took off last night.
 Mark R. Chait
 Assistant Director
 Field Operations

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----
 From: Significant Activity Report
 To: SAR/SIR Message Delivery
 Sent: Wed Jul 14 14:16:48 2010
 Subject: FW: SIR

 From: Voth, David J.
 Sent: Wednesday, July 14, 2010 2:16:45 PM
 To: Needles, James R.; Newell, William D.; Voth, David J.;
 Significant Activity Report
 Subject: SIR
 Auto forwarded by a Rule

DEPARTMENT OF JUSTICE - BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
 SIGNIFICANT INFORMATION REPORT

DATE: July 14, 2010
 FROM: Phoenix Field Division
 FIELD OFFICE: Phoenix VII Field Office

HOCR ATF - 002084

CASE INFORMATION

CASE NUMBER: 785115-10-
CASE TITLE: CHAMBERS, Jacob, et al
SPECIAL AGENT: Voth, David
TELEPHONE NUMBER:

SYNOPSIS OF INCIDENT/ACTIVITY:

Recovery of 73 firearms and 250 AK-47 drum magazines.

NARRATIVE OF INCIDENT/ACTIVITY:

This recovery adds to the total of 169 firearms recovered in the previous 25 days by Group VII agents and GRIT agents assigned to Group VII as part of Southwest Border Firearms Trafficking investigations.

HOGRAF - 002085

Exhibit 150

Exhibit 150

RC-1

From: Siskel, Edward N. (ODAG)
Sent: Wednesday, July 14, 2010 6:38 PM
To: Chait, Mark R. (ATF)
Cc: Hoover, William J. (ATF)
Subject: RE: SIR

Thanks Mark. How much longer is the GRIT going to be operating in AZ? At what point after that will we know the total results of the operation and be in a position to do some public roll out along the lines of what we did in Texas?

From: Chait, Mark R. (ATF)
Sent: Wednesday, July 14, 2010 4:49 PM
To: Siskel, Edward N. (ODAG)
Cc: Hoover, William J. (ATF)
Subject: Fw: SIR

This is second significant seizure yesterday by our GRIT.
 Mark R. Chait
 Assistant Director
 Field Operations

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----- Original Message -----

From: Significant Activity Report
To: SAR/SIR Message Delivery
Sent: Tue Jul 13 18:55:16 2010
Subject: FW: SIR

From: Voth, David J.
Sent: Tuesday, July 13, 2010 6:54:52 PM
To: Needles, James R.; Newell, William D.; Voth, David J.;
 Significant Activity Report
Subject: SIR
 Auto forwarded by a Rule

DEPARTMENT OF JUSTICE - BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
 SIGNIFICANT INFORMATION REPORT

DATE: July 13, 2010
FROM: Phoenix Field Division
FIELD OFFICE: Phoenix VII Field Office

CASE INFORMATION

CASE NUMBER: 785115-10-
CASE TITLE: CHAMBERS, Jacob, et al

HOCR DOJ 002847

SPECIAL AGENT: Voth, David
 TELEPHONE NUMBER: RC-1

SYNOPSIS OF INCIDENT/ACTIVITY:

Recovery of 20 - 7.62 rifles as part of ongoing RC-3 investigation.

NARRATIVE OF INCIDENT/ACTIVITY:

On July 12, 2010, Federal Parolee, Kenneth Thompson was arrested and charged on Arizona state charges of Hit and Run and Felon in Possession of a Firearm after fleeing from Peoria Police Department patrol units. ATF provided Peoria Police with information that Thompson was in possession of firearms as part of an active RC-3 case; Operation Fast & Furious, 785115-10. Thompson fled from officers and crashed his vehicle into a cinder block wall after jumping the train tracks near the intersection of 67th Lane and Grand Avenue, Peoria, AZ. Both Thompson and the unidentified passenger fled the scene on foot and a short time later Peoria Police officers captured Thompson approximately 1/2 mile from the scene. Thompson suffered a broken leg and was transported to a local hospital for treatment, the passenger was never located. Thompson was released from Federal custody in September of 2009, after serving approximately 60 months after he entered a plea of guilty of 21 USC 846, Conspiracy to Possess Marijuana in February 2004.

During an inventory search of the vehicle, Peoria police officers recovered (20) ROMARM/CUGIR, 7.62x39 caliber rifles from the bed of the truck. The firearms had been purchased earlier that day by a subject identified as a straw purchaser in the coinciding ATF investigation. In addition, (2) pistols were recovered from the cab compartment of the vehicle. ATF agents took custody of the (20) ROMARM 7.62x39 caliber rifles as part of the ongoing ATF investigation. Peoria officer retained custody of the (2) pistols for further state prosecution.

This recovery adds to the total of 96 firearms recovered in the previous 24 days by Group VII agents and GRIT agents assigned to Group VII as part of Southwest Border Firearms Trafficking investigations.

HOCR DOJ 002848

Exhibit 151

Exhibit 151

From: Newell, William D.
Sent: Wednesday, July 28, 2010 7:50 PM
To: O'Reilly, Kevin M.
Subject: RE: Wicked One
Attachments: One week in Phoenix - One ATF case.pdf

These pics are just an example of some of the guns, ammo and magazines seized within the **past week** in Phoenix related to the "large OCDEF case" I mentioned. When a 22 year old kid on State financial assistance walks into a gun store and plops down \$12,000 in cash to buy a tripod mounted .50 caliber rifle that's a clue (even for us) that he's involved in trafficking firearms for a Mexican DTO. Another picture shows the 225 drum magazines we seized from the same group. These are in BIG demand by the Mexican DTOs because each drum hold 75 rounds of 7.62x39mm (AK47) ammo. Each one costs about \$200, depending on where you go, so we they aren't happy we seized approx \$45,000 in merchandise from them but of course money is not a problem for them. If you have any questions, like "how in the hell...?" then feel free to call.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

From: O'Reilly, Kevin M. RC-1
Sent: Wednesday, July 28, 2010 3:57 PM
To: Newell, William D.
Subject: Re: Wicked One

Well, now that Jeff Stirling is going back to the Mother Ship I expect they'll have the means to do more of that ... he's a good man & he'll be a good ally for you guys (& us)

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House

RC-1

From: Newell, William D. RC-1
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 18:53:52 2010
Subject: RE: Wicked One

Sure, just don't want ATF HQ to find out, especially since this is what **they** should be doing (briefing you)!

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

HOGRA ATF - 002664

From: O'Reilly, Kevin M. RC-1
Sent: Wednesday, July 28, 2010 3:51 PM
To: Newell, William D.
Subject: Wicked One

Wicked One.

Even I'd remember that one.

This is great; very informative.

OK to share with Sr Director Dan Restrepo and with CT/CN Director Greg Galjanis?

Would not leave NSS, I assure you.

Kevin O'

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House

RC-1

From: Newell, William D. RC-1
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 18:45:51 2010
Subject: RE: GRIT Surge Phoenix

Going very well actually. I attached the most recent weekly "report card" that we send to HQ on Fridays. (Please keep to yourself). I didn't include some of the case highlights because most are on-going criminal cases including a couple of large OCDETF investigations RC-3. Bottom line is that we are on-target to meet our FFL inspection goals as well as eliminate our backlog of "leads". A "lead" is where we have solid information regarding firearms trafficking activity but not enough manpower to work it. The best part about the GRIT for me has been the influx, albeit temporary (100 days), of Special Agents, inspectors, Support Staff, etc. They have allowed us to catch up on the backlog of leads as well as follow up on newer information. They have also been instrumental in supplying much needed ground-level support to several large-scale firearms trafficking investigations with direct links to Mexican DTOs. As an example I have had 10 Special Agents working exclusively in support of a very large OCDETF case involving firearms trafficking by the Sinaloa DTO. These agents have been so busy that they have expressed a desire to extend past the GRIT deadline due to the amount of work still needed on this case, a very good thing. One agent on detail from Miami (another hotbed of firearms trafficking activity as you well know) told me recently "I thought Miami was crazy!". He's never seen this level of illegal firearms trafficking activity before and wants to stay another 30 days just to help out with this case. Most of this has taken place in the Phoenix area. In Tucson we have been working hand in hand with the Tucson PD and have taken off several home invasion crews. This past Friday we arrested a crew whose leader has "Wicked One" tattooed across his forehead, easy to pick out in a lineup.

Bill Newell

HOCR ATF - 002665

Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

From: O'Reilly, Kevin M. RC-1
Sent: Wednesday, July 28, 2010 2:56 PM
To: Newell, William D.
Subject: Re: GRIT Surge Phoenix

No rush, certainly no forcing action on this, just wondering how's it going.

Take care,

Kevin O'

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House

RC-1

From: Newell, William D. RC-1
To: O'Reilly, Kevin M.
Sent: Wed Jul 28 17:54:12 2010
Subject: Re: GRIT Surge Phoenix

Heading back to the office from Phoenix PD HQ. send you some info asap.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)

RC-1

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----- Original Message -----

From: O'Reilly, Kevin M. RC-1
To: Newell, William D.
Sent: Wed Jul 28 17:52:48 2010
Subject: Fw: GRIT Surge Phoenix

Just an informal "how's it going?"

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House

RC-1

HOCR ATF - 002666

----- Original Message -----

From: Gatjanis, Gregory T.
To: O'Reilly, Kevin M.; Kendall, Sarah M.
Sent: Wed Jul 28 13:29:53 2010
Subject: RE: GRIT Surge Phoenix

No. I haven't.

-----Original Message-----

From: O'Reilly, Kevin M.
Sent: Wednesday, July 28, 2010 12:07 PM
To: Gatjanis, Gregory T.; Kendall, Sarah M.
Subject: GRIT Surge Phoenix

Have we gotten any readout on ATF's GRIT surge in Phoenix & in Arizona?

Regards,

Kevin O'

Kevin M O'Reilly
Director
North American Affairs
National Security Staff
The White House

RC-1

HOCR ATF - 002667

Exhibit 152

Exhibit 152

From: English, Tonya A.
Sent: Wednesday, July 28, 2010 8:20 PM
To: Canino, Carlos A.
CC: MacAllister, Hope A.; Voth, David J.
Subject: RE:

Follow Up Flag: Follow up
Flag Status: Flagged

I am not sure if you are referring to firearms from the US in general or firearms related to our case. We were not aware of any firearms related to our case being used in any homicides. If this has occurred, would you please forward or send the reports because this is information that we do not have.

Thank you,

Tonya

From: Canino, Carlos A.
Sent: Wednesday, July 28, 2010 5:14 PM
To: English, Tonya A.
Subject: Re:

When r u guys taking that case down? Some of those guns have been used in homicides here.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: English, Tonya A.
To: Canino, Carlos A.
Cc: MacAllister, Hope A.; Voth, David J.
Sent: Wed Jul 28 20:11:12 2010
Subject: RE:
 Carlos,

I spoke with Hope. She does not want any information released RC-3 Thank
 you for the offer though.

Thanks,

Tonya

From: Canino, Carlos A.
Sent: Wednesday, July 28, 2010 3:29 PM
To: English, Tonya A.
Subject: RE:

I will keep trying, the only way they might bring that gun here is if I tell them a little about the case

From: English, Tonya A.
Sent: Wednesday, July 28, 2010 5:21 PM
To: Canino, Carlos A.

HOGRA ATF - 002448

Subject: RE:

Ha ha...I don't know about that. I got a lot of time left before that ever happens. I am still anticipating celebrating the completion of the required 3 yr probation period on August 19th. ☺ Thank you for checking though. I appreciate it.

From: Canino, Carlos A.
Sent: Wednesday, July 28, 2010 3:08 PM
To: English, Tonya A.
Subject: RE:

By the time the red tape clears to move that gun, u will be the director. The area where it's at is in the heart of Sinaloa Cartel country, nobody from the USG is going there. A picture is all we can do

From: English, Tonya A.
Sent: Wednesday, July 28, 2010 5:03 PM
To: Canino, Carlos A.
Cc: Voth, David J.; MacAllister, Hope A.; Sonnendecker, Mark
Subject: RE:

Okay. This one would be a good f/a recovery to be able to present at trial. Any possibility that they will retain it until we are able to examine it or move it to a safer location for examination?

Thanks,

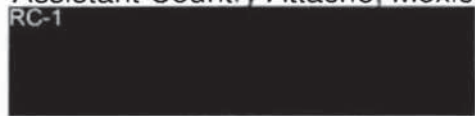
Tonya

From: Canino, Carlos A.
Sent: Wednesday, July 28, 2010 2:51 PM
To: English, Tonya A.
Cc: Voth, David J.
Subject:

Tonya

The 50. Cal that was recovered is in an area of Mexico that's unsafe for USG travel. In other words it's too dangerous for us to go there and look at it. The military is sending us pictures.

Carlos A. Canino
 Assistant Country Attache, Mexico City
 RC-1



HOCR ATF - 002449

Exhibit 153

Exhibit 153

From: Casa, Olindo J.
Sent: Tuesday, July 27, 2010 6:01 PM
To: Besta, Terry P.
Subject: RE: Duty call

Yeah, like group VII -- been here since December and we have not arrested a soul.

OLindo J. Casa

Olindo J. Casa
 Special Agent - Bureau of ATF
 Phoenix Group VII

From: Besta, Terry P.
Sent: Tuesday, July 27, 2010 2:48 PM
To: Casa, Olindo J.
Subject: RE: Duty call

I am duty and having to deal with all this gun crime because there are groups that don't arrest anybody. No updates on softball, hopefully we have enough.

From: Casa, Olindo J.
Sent: Tuesday, July 27, 2010 12:49 PM
To: Besta, Terry P.
Subject: RE: Duty call

Hey, Stop Poaching!!!

Aren't you in the ARSON GROUP????

Any updates on Softball -- Are we going to have enough people to field a team?

OLindo J. Casa

Olindo J. Casa
 Special Agent - Bureau of ATF
 Phoenix Group VII

From: Besta, Terry P.
Sent: Tuesday, July 27, 2010 11:32 AM
To: Phoe-Group I; Phoe-Group II; Phoe-Group V; PhoenixFIG; Phoe-Group VII; Phoe-Group III (IO)
Subject: Duty call

Has anyone had any dealings, good or bad, with [REDACTED] in Tempe. Received a call from Air Force OSI who may be contacting this FFL in their investigation of an airman. Let me know.

TERRY BESTA, SPECIAL AGENT

HOGRA ATF - 001706

Exhibit 154

Exhibit 154

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100001050

Entered Date: June 25, 2010

MARK SONNENDECKER

PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone: (623) [REDACTED] Ext:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: ALFREDO CELIS

Address:

PHOENIX, AZ 85037

DOB:

Race: HISPAN
IC

Sex: Male

Height:

Weight:

Date: 06/24/2010

ID 1:

#:

ID 2:

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 10

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	WASR-10	762	1974DR1078	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1972DL1330	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1985ZS4512	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1969BP1516	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1972DM0786	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1971DD3813	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-0156-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AF-0099-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100001050

Page 1 of 2

ROMARM/CUGIR	WASR-10	762	1968BL3656	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT 1010
ROMARM/CUGIR	WASR-10	762	AH-3715-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Unclassified Controlled Information

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100001078

Entered Date: June 30, 2010

MARK SONNENDECKER

PHOENIX FD GROUP VII

[REDACTED]
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name: [REDACTED]

Address: [REDACTED]

Phone: (623) [REDACTED] Ext:

FFL Number: [REDACTED]

Invoice #:

INDIVIDUAL INFORMATION

Name: ALFREDO CELIS

Address: [REDACTED]
PHOENIX, AZ 85037

DOB: [REDACTED] Race: HISPANIC Sex: Male

Height: [REDACTED] Weight: [REDACTED] Date: 06/28/2010

ID 1: [REDACTED] #:

ID 2: [REDACTED] #:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 10

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	WASR-10	762	1985ZS2741	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-8299-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1971DG2808	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1974DR0043	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AG-9897-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1968BF0470	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1979ZE0769	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1982ZP1916	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100001078

Page 1 of 2

ROMARM/CUGIR	WASR-10	762	1969BP1047	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT 1012
ROMARM/CUGIR	WASR-10	762	AH-7643-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Unclassified Controlled Information

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100001077

Entered Date: June 30, 2010

MARK SONNENDECKER

PHOENIX FD GROUP VII

PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10 [REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name:

Address:

Phone: (623) [REDACTED] Ext:

FFL Number:

Invoice #:

INDIVIDUAL INFORMATION

Name: ALFREDO CELIS

Address:

PHOENIX, AZ 85037

DOB:

Race: HISPAN
IC

Sex: Male

Height:

Weight:

Date: 06/29/2010

ID 1:

#:

ID 2:

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 10

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	WASR-10	762	AG-2390-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-2846-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AG-3909-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1982ZP6958	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AG-3409-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1969BR0089	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-0009-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1968BG2208	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100001077

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ROMARM/CUGIR	WASR-10	762	AG-0548-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT 1014
ROMARM/CUGIR	WASR-10	762	AG-7795-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Unclassified Controlled Information

Exhibit 155

Exhibit 155

LAW ENFORCEMENT SENSITIVE

DATE	LOCATION				
08/01/2010	PPD Recovery				
270	ROMARM/CUGIR	DRACO	DR531309	Pistol	7 62
DATE	LOCATION				
08/01/2010	PPD Recovery				
271	DPMS INC.	A15	F188275	Rifle	223
272	ROMARM/CUGIR	DRACO	DR950710	Pistol	7 62
273	ROMARM/CUGIR	DRACO	DC214510	Pistol	7 62
274	LORCIN ENGINEERING	L360	124529	Pistol	380
DATE	LOCATION				
08/03/2010	ATF/SPD Recovery				
275	TNW	AAM3	752	Rifle	50
DATE	LOCATION				
08/05/2010	TX Recovery				

Tuesday, December 07, 2010

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LAW ENFORCEMENT SENSITIVE

DHS OGR FF 000220

LAW ENFORCEMENT SENSITIVE

276	ROMARM/CUGIR	GP WASR-10	1974DR1078	Rifle	7.62	
277	ROMARM/CUGIR	GP WASR-10	1972DL1330	Rifle	7.62	
278	ROMARM/CUGIR	GP WASR-10	1985ZS4512	Rifle	7.62	
279	ROMARM/CUGIR	GP WASR-10	1969BP1516	Rifle	7.62	
280	ROMARM/CUGIR	GP WASR-10	1972DM0786	Rifle	7.62	
281	ROMARM/CUGIR	GP WASR-10	1971DD3813	Rifle	7.62	
282	ROMARM/CUGIR	GP WASR-10	AH01561989	Rifle	7.62	
283	ROMARM/CUGIR	GP WASR-10	AF00991989	Rifle	7.62	
284	ROMARM/CUGIR	GP WASR-10	1968BL3856	Rifle	7.62	
285	ROMARM/CUGIR	GP WASR-10	AH37151989	Rifle	7.62	
286	ROMARM/CUGIR	GP WASR-10	1985ZS2741	Rifle	7.62	
287	ROMARM/CUGIR	GP WASR-10	AH82991989	Rifle	7.62	
288	ROMARM/CUGIR	GP WASR-10	1971DG2808	Rifle	7.62	
289	ROMARM/CUGIR	GP WASR-10	1974DR0043	Rifle	7.62	
290	ROMARM/CUGIR	GP WASR-10	AG98971989	Rifle	7.62	
291	ROMARM/CUGIR	GP WASR-10	1968BF0470	Rifle	7.62	

Tuesday, December 07, 2010

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LAW ENFORCEMENT SENSITIVE

DHS OGR FF 000221

LAW ENFORCEMENT SENSITIVE

292	ROMARM/CUGIR	GP WASR-10	1979ZE0769	Rifle	7.62	
293	ROMARM/CUGIR	GP WASR-10	1982ZP1916	Rifle	7.62	
294	ROMARM/CUGIR	GP WASR-10	1969BP1047	Rifle	7.62	
295	ROMARM/CUGIR	GP WASR-10	AH76431989	Rifle	7.62	
296	ROMARM/CUGIR	GP WASR-10	AG23901989	Rifle	7.62	
297	ROMARM/CUGIR	GP WASR-10	AH28461989	Rifle	7.62	
298	ROMARM/CUGIR	GP WASR-10	AG39091989	Rifle	7.62	
299	ROMARM/CUGIR	GP WASR-10	1982ZP6958	Rifle	7.62	
300	ROMARM/CUGIR	GP WASR-10	AG34091989	Rifle	7.62	
301	ROMARM/CUGIR	GP WASR-10	1969BR0089	Rifle	7.62	
302	ROMARM/CUGIR	GP WASR-10	AH00091989	Rifle	7.62	
303	ROMARM/CUGIR	GP WASR-10	1968BG2208	Rifle	7.62	
304	ROMARM/CUGIR	GP WASR-10	AG05481989	Rifle	7.62	
305	ROMARM/CUGIR	GP WASR-10	AG77951989	Rifle	7.62	
306	ROMARM/CUGIR	GP WASR-10	1972DJ4685	Rifle	7.62	
307	ROMARM/CUGIR	GP WASR-10	1971DB2130	Rifle	7.62	

Tuesday, December 07, 2010

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LAW ENFORCEMENT SENSITIVE

DHS OGR FF 000222

LAW ENFORCEMENT SENSITIVE

308	ROMARM/CUGIR	GP WASR-10	1982ZP8118	Rifle	7.62	
309	ROMARM/CUGIR	GP WASR-10	1971DG0465	Rifle	7.62	
310	ROMARM/CUGIR	GP WASR-10	1981ZL2091	Rifle	7.62	
311	ROMARM/CUGIR	GP WASR-10	1971DC3051	Rifle	7.62	
312	ROMARM/CUGIR	GP WASR-10	1969BR4349	Rifle	7.62	
313	ROMARM/CUGIR	GP WASR-10	1981ZL4475	Rifle	7.62	
314	ROMARM/CUGIR	GP WASR-10	1977ZA0038	Rifle	7.62	
315	ROMARM/CUGIR	GP WASR-10	1972DL1655	Rifle	7.62	
316	ROMARM/CUGIR	GP WASR-10	AF15901989	Rifle	7.62	
317	ROMARM/CUGIR	GP WASR-10	1974DT1350	Rifle	7.62	
318	ROMARM/CUGIR	GP WASR-10	1982ZR2477	Rifle	7.62	
319	ROMARM/CUGIR	GP WASR-10	1971DG1302	Rifle	7.62	
320	ROMARM/CUGIR	GP WASR-10	1971DB1142	Rifle	7.62	
321	ROMARM/CUGIR	GP WASR-10	1971DD1371	Rifle	7.62	
322	ROMARM/CUGIR	GP WASR-10	1974DP2896	Rifle	7.62	
323	ROMARM/CUGIR	GP 1975	GPC500294	Rifle	7.62	

Tuesday, December 07, 2010

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LAW ENFORCEMENT SENSITIVE

DHS OGR FF 000223

LAW ENFORCEMENT SENSITIVE

324	ROMARM/CUGIR	GP 1975	GPC500468	Rifle	7.62	
325	ROMARM/CUGIR	GP 1975	GPC501040	Rifle	7.62	
326	ROMARM/CUGIR	GP 1975	GPC500162	Rifle	7.62	
327	ROMARM/CUGIR	GP 1975	GPC501045	Rifle	7.62	
328	ROMARM/CUGIR	GP 1975	GPC501111	Rifle	7.62	
329	ROMARM/CUGIR	GP WASR-10	1969BP1531	Rifle	7.62	
330	ROMARM/CUGIR	GP WASR-10	1985ZS8142	Rifle	7.62	
331	ROMARM/CUGIR	GP WASR-10	1972DL3449	Rifle	7.62	
332	ROMARM/CUGIR	GP WASR-10	1982ZP7936	Rifle	7.62	
333	ROMARM/CUGIR	GP WASR-10	1985ZS6092	Rifle	7.62	
334	ROMARM/CUGIR	GP WASR-10	AH79441989	Rifle	7.62	
335	ROMARM/CUGIR	GP WASR-10	AH58181989	Rifle	7.62	
336	ROMARM/CUGIR	GP WASR-10	AP80521989	Rifle	7.62	
337	ROMARM/CUGIR	GP WASR-10	AO99741994	Rifle	7.62	
338	ROMARM/CUGIR	GP WASR-10	1972DL4024	Rifle	7.62	

Tuesday, December 07, 2010

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LAW ENFORCEMENT SENSITIVE

DHS OGR FF 000224

Exhibit 156

Exhibit 156

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100001049

Entered Date: June 25, 2010

HOPE MACALLISTER
PHOENIX FD GROUP VII
[REDACTED]
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10-[REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name: [REDACTED]

Address: [REDACTED]

Phone: (623) [REDACTED] Ext:

FFL Number: [REDACTED]

Invoice #:

INDIVIDUAL INFORMATION

Name: SEAN CHRISTOPHER STEWARD

Address: [REDACTED]
PHOENIX, AZ 85008

DOB: [REDACTED] Race: WHITE Sex: Male
Height: [REDACTED] Weight: [REDACTED] Date: 06/23/2010
ID 1: [REDACTED] #: [REDACTED]
ID 2: [REDACTED] #: [REDACTED]

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 10

Manufacturer	Model	Caliber	Serial Number	Type	Importer
ROMARM/CUGIR	WASR-10	762	1969BP1531	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1985ZS8142	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1972DL3449	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1982ZP7936	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	1985ZS6092	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-7944-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AH-5818-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT
ROMARM/CUGIR	WASR-10	762	AP-8062-1989	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Suspect Gun: S20100001049

Page 1 of 2

ROMARM/CUGIR	WASR-10	762	AO-9974-1994	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT 1023
ROMARM/CUGIR	WASR-10	762	1972DL4024	RIFLE	CENTURY ARMS INC (CAI), ST. ALBANS, VT

Unclassified Controlled Information

Exhibit 157

Exhibit 157

From: Arredondo, Francisco J.
Sent: Sunday, August 15, 2010 5:22 PM
To: Voth, David J.
Subject: Re: 80 gun seizure

No. It just seems like a lot of guns are coming out of that area. Things just don't work the same in your area as they do in ours. Didn't mean to offend you.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Arredondo, Francisco J.
Sent: Sun Aug 15 17:17:05 2010
Subject: RE: 80 gun seizure

Have I offended you in some way? Because I am very offended by your e-mail.

Define walk...? Without Probable Cause and concurrence from the USAO it is highway robbery if we take someone's property. We have conducted hundreds of hours of surveillance [REDACTED] and the idea that our suspects purchase the guns and drive them directly to the border is not the case, not even close. We have seized firearms weeks and months after they were purchased and they had not yet gone south to Mexico. If a non-prohibited person purchases firearms, puts the firearms in his/her car and drives straight home what is our PC to stop and seize the firearms? Two weeks ago we stopped a suspect after he purchased a TNW 50 caliber belt-fed rifle for over \$10,000.00. We conducted a field interview and after calling the AUSA he said we did not have sufficient PC to take the firearm so our suspect drove home with said firearm in his car...any ideas on how we could not let that firearm "walk"...?

Additionally, we have stopped "some" of these guys and seized hundreds (plural) of firearms in this case to date.

From: Arredondo, Francisco J.
Sent: Sunday, August 15, 2010 1:52 PM
To: Voth, David J.; Herrera, Juan H.
Subject: Re: 80 gun seizure

Are you all planning to stop some of these guys any time soon? That's a lot of guns that have been seized. Are you just letting these guns walk?

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Herrera, Juan H.; Arredondo, Francisco J.
Sent: Sun Aug 15 16:40:20 2010
Subject: RE: 80 gun seizure

Any luck we have not heard anything here locally? Obviously we are interested as 63 of the 80 firearms were part of open/active ATF Phoenix cases, especially the 57 as part of Operation Fast and Furious.

Thanks,

HOCR ATF - 002011

From: Herrera, Juan H.
Sent: Monday, August 09, 2010 12:54 PM
To: Voth, David J.
Subject: RE: 80 gun seizure

Hello David,

I will be talking to ICE soon. I will forward any updates I get from them.

Jh Herrera

From: Voth, David J.
Sent: Monday, August 09, 2010 2:24 PM
To: Herrera, Juan H.; Arredondo, Francisco J.
Subject: 80 gun seizure

Gentlemen,

Just checking to see if there are any updates or reports that can be forwarded to us here in Phoenix. I think I forwarded a spreadsheet but like 63 out of the 80 (14 were obliterated) are from open/ongoing Phoenix ATF cases thus any information is appreciated!

Thanks,

David Voth
Group Supervisor
Phoenix Group VII


HOGRA ATF - 002012

Exhibit 158

Exhibit 158

[REDACTED] Uriel Patino

Page 1 of 3

Uriel Patino

5 messages

Wed, Aug 25, 2010 at 5:13 PM

To: "Voth, David J." <[REDACTED]>

Cc: [REDACTED]

Good Afternoon David,

One of our associates received a telephone inquiry from Uriel Patino today. Uriel is one of the individuals your office has interest in, and he looking to purchase 20 FN-FNX 9mm firearms. We currently have 4 of these firearms in stock. If we are to fulfill this order we would need to obtain the additional 16 specifically for this purpose.

I am requesting your guidance as to whether or not we should perform the transaction, as it is outside of the standard way we have been dealing with him.

I look forward to your advisement.

--

Thank you,

[REDACTED]

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Voth, David J. <David.J.Voth@usdoj.gov>

Wed, Aug 25, 2010 at 6:09 PM

Thank you very much for contacting us regarding Mr. Patino and this order/inquiry. We (ATF) are very much interested in this transaction and would like to coordinate (with your cooperation) the delivery of these firearms to Mr. Patino under our direction; i.e. date, time, etc. Be assured no enforcement action will take place on or near the [REDACTED] property. We have other matters pressing but late next week (Thursday/Friday) would be good timing for us. Another technique to allow for greater control would be if you are willing to request a partial down payment from Mr. Patino for a "special order." This tends to increase the individual's future compliance when they are already financially invested in the situation.

[REDACTED] - Uriel Patino

Page 2 of 3

In summary our guidance is that we would like you to go through with Mr. Patino's request and order the additional firearms he is requesting, and if possible obtain a partial down payment. This will require further coordination of exact details but again we (ATF) are very much interested in this transaction and appreciate your [REDACTED] willingness to cooperate and assist us.

Special Agent Hope MacAllister (CC'd in this e-mail) is the ATF case agent for this investigation. Please coordinate this delivery of these firearms to Mr. Patino through her (cell phone for SA MacAllister; 602 [REDACTED]) or by contacting me when she is not available.

Thanks again for your cooperation and support of our joint mission.

Respectfully,

David Voth

Group Supervisor

Phoenix Group VII

Cell - 602 [REDACTED]

Sent: Wednesday, August 25, 2010 5:13 PM
To: Voth, David J.
Cc: [REDACTED]
Subject: Uriel Patino

[Quoted text hidden]

Thu, Aug 26, 2010 at 10:52 AM

To: "Voth, David J." <[REDACTED]>

David,

Thank you for your response. Per your email we will move forward with this transaction in accordance with your direction of having Mr. Patino provide payment prior to the transfer of the firearms.

We will suspend the transaction to meet with your ideal time frame of next week, at which point we will

[REDACTED] - Uriel Patino

Page 3 of 3

contact Hope when Mr. Patino is on his way to the store, and provide all standard documentation. If you have any other requirements or requests please let me know.

[Quoted text hidden]

Voth, David J. <[REDACTED]>

Thu, Aug 26, 2010 at 11:01 AM

Sorry for being brief in my response, I am on my Blackberry. Great thank you [REDACTED] for your assistance! Can you please coordinate with us when Patino makes his down-payment. We would like to have the money set aside for a K-9. Thanks again!

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From: [REDACTED]

To: Voth, David J.

Cc: [REDACTED]

Sent: Thu Aug 26 13:52:49 2010

Subject: Re: Uriel Patino

[Quoted text hidden]

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Thu, Aug 26, 2010 at 11:04 AM

To: "Voth, David J." <[REDACTED]>

Cc: "[REDACTED]" <[REDACTED]>

Absolutly!

We will contact your office as soon as we coordinate with Mr. Patino.

[REDACTED]

[Quoted text hidden]

Exhibit 159

Exhibit 159

From: Voth, David J. [REDACTED]
Sent: Monday, July 19, 2010 7:00 PM
To: MacAllister, Hope A. [REDACTED] Hurley, Emory (USAAZ)
[REDACTED] Needles, James R. [REDACTED]
Subject: Meeting

Hope/Emory,

The case is progressing nicely and I am very pleased with how things are turning out; thanks to you both. ASAC Jim Needles has requested that we all sit down together to discuss how we envision the indictment phase taking shape. If schedules permit are you available Monday, August 2nd, 2010 @ 3:00pm?

Thanks,

David Voth
Group Supervisor
Phoenix Group VII
602-[REDACTED]

Exhibit 160

Exhibit 160

RC-1

From: Trusty, James
 Sent: Thursday, July 29, 2010 8:50 AM
 To: Carwile, Kevin
 Subject: RE: Do you

You mean a weekly case update that's different than our usual weekly report? No, I haven't been doing that but let me know what you were doing in that regard and I can adjust.

The only things I can think of re: Mexico are Gwinn's gun stuff and the BA case. Here's Laura's info for this week:

Phoenix cross-border project: (a) RC-2 investigation: RC-2
 RC-2

(b) Celis-Acosta: this is the large-scale gun trafficking case involving in excess of 1500 guns purchased to date, and RC-3. I am still trying to "learn" the case through review of wire-tap applications, a running log of overt acts and discussions with the lead attorney. A strategy session was held to determine course of action over the next couple of months. At this time, the plan is to continue to work toward RC-3
 RC-3 It is hoped that we would be in a position to consider indictment approximately early to mid-fall.

Tucson gun-trafficking case: I discussed with Emory Hurley, the lead AUSA on the Celis-Acosta case, the possibility of arresting and unsealing the indictments of the two persons who were indicted in May. Since those two appear to have no connection to the Phoenix case, it was agreed that I would contact the agent to have him determine the current location of the defendants, try to determine phone #s, compare against pen registers and likely arrest/unseal once we confirm no connection.

RC-2

Hope this helps -

-----Original Message-----

From: Carwile, Kevin
 Sent: Thursday, July 29, 2010 7:30 AM
 To: Trusty, James
 Subject: Do you

Have any mexico related updates which I can relate at the meeting this morning? Are we pushing a weekly case update to the front office?

Exhibit 161

Exhibit 161

From: McMahon, William G.
Sent: Friday, July 30, 2010 9:10:02 AM
To: Newell, William D.
Subject: RE: Fast and Furious meeting at USAO

10-4

William G. McMahon
Deputy Assistant Director (West)
Office of Field Operations
Office - [REDACTED]

-----Original Message-----

From: Newell, William D.
Sent: Friday, July 30, 2010 7:45 AM
To: McMahon, William G.
Subject: Fast and Furious meeting at USAO

The meeting btwn the Case Agent, Jim and AUSA is the 5th. My meeting with USA Dennis Burke is the 17th. That will give the AUSA plenty of time to prepare a pros memo so Dennis and I can discuss charges in our meeting. I'll provide a case update later today, they were all out on another case yesterday afternoon and are assisting in the [REDACTED] here this morning.

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)
Cell: [REDACTED]

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HOCR ATF - 002028

Exhibit 162

Exhibit 162

From: McMahon, William G.
Sent: Friday, August 06, 2010 4:40 PM
To: Newell, William D.
Subject: RE: Cases ready for indictment

We can talk next week but I might like to listen in on that brief. Thanks.

From: Newell, William D.
Sent: Friday, August 06, 2010 4:39 PM
To: McMahon, William G.
Subject: Re: Cases ready for indictment

I'm having GS Dave Voth (Phoenix Grp VII Strike Force) brief the USA ref Fast/Furious at 2pm Pacific on the 17th. You want to VTC in?

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1 [REDACTED]

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From: McMahon, William G.
To: Newell, William D.
Sent: Fri Aug 06 16:19:32 2010
Subject: RE: Cases ready for indictment

10-4 Bill. That is great news about the cases regarding GRIT in Tucson and Phoenix. We can talk next week at the SAC Conference but what are our plans between now and October on Fast/Furious?

William G. McMahon
 Deputy Assistant Director (West)
 Office of Field Operations
 RC-1 [REDACTED]

From: Newell, William D.
Sent: Friday, August 06, 2010 3:40 PM
To: McMahon, William G.
Subject: Fw: Cases ready for indictment

We are putting together about 30 cases, these from Tucson plus 15 or so from Phoenix, for the proposed GRIT press conference scheduled for the 26th. We would have about 30 cases from Phoenix but roughly half of the straw purchaser cases we already have USAO approval to indict are tied directly to the Laredo case. I'm having all of these put together in one document for you. Also, as per the USAO, Fast/Furious will be ready for indictment in early October. RC-5

RC-5 [REDACTED]
 RC-5 [REDACTED] More to follow.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1 [REDACTED]

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HOCR ATF - 002527

From: McMahon, William G.
Sent: Thursday, December 16, 2010 7:36 AM
To: Chait, Mark R.
Subject: FW: AKs
Attachments: SKMBT_C25310121518120.pdf

Info on straw involved in BP death. He was taken into custody late last night in Phoenix.

William G. McMahon
Deputy Assistant Director (West)
Office of Field Operations
RC-1 [REDACTED]

From: Newell, William D.
Sent: Wednesday, December 15, 2010 7:44 PM
To: McMahon, William G.
Subject: AKs

Two recovered near scene. Both Romarm/Cugir, Model GP WASR 10/63, 7.62x39mm, s/ns 1983AH3977 and 1971CZ3775. Both purchased by Jaime Avila Jr. on January 16, 2010 a Saturday at [REDACTED], Glendale, Arizona. He started purchasing in late November 2009 and had only bought 13 firearms total (that we know of) before he purchased these two rifles. His last known purchase was on June 15, 2010. He bought a total of **52 – 17 AKs; 11 FN's; 10 9mm pistols; 4 .45 pistols; 2 Barrett .50s; 2 AR-15s** and an mixed assortment of other pistols and rifles.

HOGR ATF - 002528

Exhibit 163

Exhibit 163

Microsoft Outlook

From: Newell, William D. [REDACTED]
Sent: Monday, August 09, 2010 9:17 AM
To: O'Reilly, Kevin M.
Subject: RE: Wicked One
Attachments: August 3rd TNW 50 cal.JPG

Got another one last week, a .50 caliber semi-auto. Headed for Sinaloa DTO. Part of the same "large OCDETF case" I mentioned previously. We should be indicting in early October.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: Newell, William D.
Sent: Wednesday, July 28, 2010 4:50 PM
To: O'Reilly, Kevin M.
Subject: RE: Wicked One

These pics are just an example of some of the guns, ammo and magazines seized within the past week in Phoenix related to the "large OCDETF case" I mentioned. When a 22 year old kid on State financial assistance walks into a gun store and plops down \$12,000 in cash to buy a tripod mounted .50 caliber rifle that's a clue (even for us) that he's involved in trafficking firearms for a Mexican DTO. Another picture shows the 225 drum magazines we seized from the same group. These are in BIG demand by the Mexican DTOs because each drum hold 75 rounds of 7.62x39mm (AK47) ammo. Each one costs about \$200, depending on where you go, so we they aren't happy we seized approx \$45,000 in merchandise from them but of course money is not a problem for them. If you have any questions, like "how in the hell....?" then feel free to call.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: O'Reilly, Kevin M. [REDACTED]
Sent: Wednesday, July 28, 2010 3:57 PM
To: Newell, William D.
Subject: Re: Wicked One

Well, now that Jeff Stirling is going back to the Mother Ship I expect they'll have the means to do more of that ... he's a good man & he'll be a good ally for you guys (& us).

Exhibit 164

Exhibit 164

Microsoft Outlook

From: Newell, William D. [REDACTED]
Sent: Wednesday, August 11, 2010 6:00 PM
To: O'Reilly, Kevin M.
Subject: Re: Wicked One

Timing would be good because we should indict our Phoenix case in late Sept/early Oct. We also have a press conference in late August in Phoenix announcing the arrest of approx 40 straw purchasers in a dozen separate cases.

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

[REDACTED]

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From: O'Reilly, Kevin M.
To: Newell, William D.
Sent: Wed Aug 11 17:55:14 2010
Subject: RE: Wicked One
 I'll see if you can be ...

Kevin Michael O'Reilly
 Director for North American Affairs
 National Security Staff
 The White House

[REDACTED]

From: Newell, William D. [REDACTED]
Sent: Wednesday, August 11, 2010 5:41 PM
To: O'Reilly, Kevin M.
Subject: Re: Wicked One

No
 Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)

[REDACTED]

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From: O'Reilly, Kevin M.
To: Newell, William D.

Sent: Wed Aug 11 17:33:50 2010

Subject: RE: Wicked One

Have you been pulled into this discussion about an arms trafficking roundtable/conference in Mexico City sometime in late Sept/early Oct?

Kevin Michael O'Reilly
Director for North American Affairs
National Security Staff
The White House

From: Newell, William D. [REDACTED]

Sent: Monday, August 09, 2010 9:17 AM

To: O'Reilly, Kevin M.

Subject: RE: Wicked One

Got another one last week, a .50 caliber semi-auto. Headed for Sinaloa DTO. Part of the same "large OCDETF case" I mentioned previously. We should be indicting in early October.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
[REDACTED]

From: Newell, William D.

Sent: Wednesday, July 28, 2010 4:50 PM

To: O'Reilly, Kevin M.

Subject: RE: Wicked One

These pics are just an example of some of the guns, ammo and magazines seized within the past week in Phoenix related to the "large OCDETF case" I mentioned. When a 22 year old kid on State financial assistance walks into a gun store and plops down \$12,000 in cash to buy a tripod mounted .50 caliber rifle that's a clue (even for us) that he's involved in trafficking firearms for a Mexican DTO. Another picture shows the 225 drum magazines we seized from the same group. These are in BIG demand by the Mexican DTOs because each drum hold 75 rounds of 7.62x39mm (AK47) ammo. Each one costs about \$200, depending on where you go, so we they aren't happy we seized approx \$45,000 in merchandise from them but of course money is not a problem for them. If you have any questions, like "how in the hell....?" then feel free to call.

Bill Newell
Special Agent in Charge
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
Phoenix Field Division (Arizona and New Mexico)
[REDACTED]

Exhibit 165

Exhibit 165

RC-1

From: Morrissey, Mike (USAAZ)
Sent: Monday, August 16, 2010 8:41 PM
To: Cunningham, Patrick (USAAZ)
Cc: Burke, Dennis (USAAZ); Hurley, Emory (USAAZ)
Subject: FW: memo on Fast and Furious

Emory – good job on this. Do you anticipate drug charges in the indictment? Drug charges are not listed in paragraph two of the memo but the memo also says the investigation has seized 50 pounds of marijuana. Dennis and Pat – this is quick and dirty but we thought it would help ground tomorrow's discussion. Mike

From: Hurley, Emory (USAAZ)
Sent: Monday, August 16, 2010 4:46 PM
To: Morrissey, Mike (USAAZ)
Subject: memo

It is my understanding that Dave Voth has prepared a Power Point presentation for Dennis.



emo DKB fast
and furious.wpd

Exhibit 166

Exhibit 166



United States Attorney's Office
District of Arizona

Memorandum

To: Dennis K. Burke
From: Emory Hurley
Subject: Fast and Furious Overview
Date: August 16, 2010

Fast and Furious is a T-III OCDETF investigation into gun trafficking to Mexican DTOs. In the last six months, RC-3

RC-3

RC-3

The goals of this T-III would be to identify the players in Mexico, interdict additional gun and dope shipments, and identify the players more involved in the drug trafficking side of the organization.

We currently anticipate taking the investigation down in October. Manuel CELIS-ACOSTA remains the primary target of the investigation. The first indictment will include the top ten or twelve players in the trafficking conspiracy and will likely charge 22:2778, Exporting Munitions; 18:922(a)(1)(A) Unlicensed Dealing, 18:924(n) Interstate/International Firearms Trafficking, and 18:371 Conspiracy.

Minor participants and straw purchasers will be dealt with through individual straw purchase indictments or offers to plead to an information.

A target known as RC-4 appears to run the drug trafficking side of this organization. If possible we may seek a RC-3 as well. We will continue to move towards indicting the firearms trafficking side of the organization even if we are able RC-3 RC-4 RC-3. Progress in any investigation against RC-4, however, may necessitate a delay in unsealing the gun trafficking indictment.

Thus far the investigation has interdicted approximately 200 firearms, including two .50 caliber rifles. Investigating agents have pursued interdiction of the firearms transferred to the conspirators where possible. Agents have not purposely let guns "walk." Interdiction in some cases has been hampered by counter-surveillance used by the targets.

Agents have interdicted approximately 50 pounds of marijuana.

HOCR USAO 003027

Exhibit 167

Exhibit 167

From: Burke, Dennis (USAAZ)
To: Hernandez, Norma (USAAZ)
Sent: 7/14/2010 5:12:59 PM
Subject: Re: Meeting w/USA Burke and SAC Newell (ATF)

Cunningham, Morrissey and Emory.

From: Hernandez, Norma (USAAZ)
Sent: Wednesday, July 14, 2010 05:11 PM
To: Burke, Dennis (USAAZ)
Subject: FW: Meeting w/USA Burke and SAC Newell (ATF)

Whom shall I include?

From: Briggs, Michele A. (ATF)
Sent: Wednesday, July 14, 2010 7:26 AM
To: Hernandez, Norma (USAAZ)
Subject: Meeting w/USA Burke and SAC Newell (ATF)

Norma

SAC Newell asked if I could set up a meeting with USA Burke the week of August 16th. The meeting will last about 2 hours and will be in regard to an OCDETF case (Fast & Furious) that one of our groups is working, as well as another case.

Any day that week will work. Please advise if you can schedule this.

Thanks

Michele

HOCR DOJ 005964

Exhibit 168

Exhibit 168

Microsoft Outlook

From: Newell, William D [REDACTED]
Sent: Wednesday, August 18, 2010 8:50 AM
To: O'Reilly, Kevin M.
Subject: Fw: Guns not viewed in Mexico

Want to give you a good example of the frustration we have in trying to assist Mexico with the firearms trafficking issue. In this judicial district (Arizona), in cases involving the "straw" purchase of firearms eventually recovered in Mexico and where we only have a confession by the "straw" and a falsified ATF F 4473 (form filled out by buyer and licensed gun dealer), the U.S. Attorney's office requests that we have a "U.S. Agent" physically inspect the firearms in Mexico in order to show the jury that the "straw" buyer was in fact part of a trafficking scheme. Other districts don't require this but hey it's Arizona, I appreciate and respect the struggles the USAO has to go through with juries in this State to convince them of the illegality of this. We routinely have "straw" purchasers tell us that "yeah, I knew what I was doing was wrong but the money was good and who cares - the guns are going to Mexico right?". A very typical attitude and until some of these folks start going to prison for violating Federal law then nothing will change. We have some "straw" purchasers who have purchased several hundred "weapons of choice" and made good money doing it but in reality may never get prosecuted. In trying to satisfy the Arizona USAO's request to have the firearms inspected in Mexico in order to be able to introduce that in US Federal court we need Mexico's help but as you can guess it's a major pain to get access to these guns. The longer the guns are in custody in Mexico (40 days+) the deeper in red tape they get buried. If it's less than 40 days since the seizure it "should be" fairly easy but as you know nothing in Mexico is easy or quick. As an example and regarding the August 4th seizure in Nogales, Sonora. Several of the firearms in that seizure are directly linked to a case we are ready to indict here in the Federal system. We had these guns entered into our "Suspect Guns" system so when they were traced in eTrace they "pinged" off this "Suspect Guns" list and our case agent was immediately notified. I then contacted the Sonora PGR "SAC" and had it all worked out to have 2 of my agents accompany 3 PGR reps to see the guns yesterday. There was an official order signed by the PGR which they can do in order to see any evidence being stored at a nearby military base during the prosecution of a case. In Mexico the military bases are used to store most evidence since they are deemed the most "secure". It was all arranged for my guys to travel to Nogales, Sonora yesterday at 9am which they did and where they met 3 very helpful PGR reps. They all then traveled to the nearby military base, order in hand, to view the 3 guns needed in our case in Arizona. Upon arriving at the military they were blocked from seeing the evidence even though the PGR had an properly executed order allowing it. The General ended up getting involved and of course nothing happened after that since it appears he was out of the loop on this which I partly blame myself for but that should have been handled by the Sonora PGR's office. In reality the PGR's "order", a legal document, should have trumped the General's objections but of course it's Mexico and once feelings get hurt all bets are off. Therefore after several unsuccessful attempts to explain our legitimate reasons for being there including our desire to prosecute those responsible for trafficking these firearms my guys came back to Phoenix. This is just one example, many more like it exist where we have repeatedly attempted to inspect firearms seized in Mexico for the specific purpose of using that as evidence in criminal proceedings. What should be a very simple process and something we should be doing all the time is not happening because the Mexicans make it impossible, even when we follow their rules. We are more than willing to address their repeated requests to hold all those involved in the trafficking of firearms accountable to the fullest extent of the law but they need to be part of the solution and not the problem. My agents desperately want to make this work because we see the damage caused by these illegal acts by "straw" purchasers and others involved in trafficking firearms to Mexico. We want to hold them accountable under US law but it won't take many more times of having doors slammed in their faces by the Mexicans before they give up and when that happens Mexico can stop complaining because we tried and they failed.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 [REDACTED]

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From: Voth, David J.
To: Newell, William D.
Sent: Fri Aug 13 17:15:23 2010
Subject: Guns not viewed in Mexico
 SAC Newell,

Below is a list of guns recovered in Mexico, straw purchased here in Phoenix, that we are submitting for charging in August 2010 as part of GRIT initiative. As you are well aware the USAO in Phoenix wants a US law enforcement officer to view the firearms prior to charging. These firearms have not been previously viewed to the best of my knowledge. This list is only in preparation for the August charging initiative and does not contain every firearms we are alleging or charging.

<u>ATF Case Number</u>	<u>Case Name</u>	<u>Recovery Date</u>	<u>Recovery Location</u>	<u>Firearm type</u>
785115-1 [REDACTED]	[REDACTED]	4-Aug-10	Nogales, Sonora	FN 5.7 pistol
785115-1 [REDACTED]	[REDACTED]	21-Apr-10	San Dimas, Durango	Romarm/Cugir 7.62 rifle
163030-1 [REDACTED]	[REDACTED]	1-Feb-10	Tepic, Nayarit	Barrett .50 caliber rifle
785071-1 [REDACTED]	[REDACTED]	15-Apr-09	San Miguel, Guerrero	Barrett .50 caliber rifle
785115-1 [REDACTED]	[REDACTED]	26-Feb-10	Culiacan, Sinaloa	FN PS90 5.7 rifle

Thanks for assistance in this matter,

David Voth
 Group Supervisor
 Phoenix Group VII
 [REDACTED]

******* NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).**

Exhibit 169

Exhibit 169

From: O'Reilly, Kevin M. [Kevin_M._O'Reilly RC-1]
Sent: Friday, September 03, 2010 12:13 PM
To: Newell, William D.
Subject: Re: GRIT

They'll not go beyond Dan and me.
 These are really very informative.

Thanks

Kevin O'

Kevin M O'Reilly
 Director
 North American Affairs
 National Security Staff
 The White House

RC-1

From: Newell, William D. <William.D.Newell RC-1>
To: O'Reilly, Kevin M.
Sent: Fri Sep 03 11:28:08 2010
Subject: RE: GRIT

1 of 2 e-mails.

You didn't get these from me...

The first attachment is what we were going to hand out to the media prior to our planned August 26th press conference. We will still use this IF we ever do a press conf. It had been vetted through ATF HQ. The second Word doc is what we were going to give to ATF DD Melson as notes in case he got asked specific questions about our Industry Operations efforts during GRIT.

Also, not mentioned in these docs but VERY relevant to Mr. Brennan's meeting next week is the fact that we and the USA were going to announce the indictment of a dozen "straw purchase" case addressing firearms trafficking by 30 individuals. We finally have the USAO here on board with going after "straw" purchasers and making a statement, publically especially, that we will take action against those folks. In reality we look at "straw" purchases as the lowest ring on the firearms trafficking ladder but in many investigations we need their cooperation in order to identify the real traffickers and middlemen. Having the USAO backing our "play" when we first interact with "straw" purchases adds tremendous leverage to our efforts to get the truth from them so we can work our way up the ladder.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 RC-1

HOGRA ATF - 002559

Exhibit 170

Exhibit 170

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: DENNIS K. BURKE

Thursday, August 18, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 10:07 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEPHEN CASTOR, COUNSEL

HENRY J. KERNER, COUNSEL

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

CARLTON DAVIS, COUNSEL

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

H. SCOTT LINDSAY, MINORITY COUNSEL

For SENATE COMMITTEE ON THE JUDICIARY:

CHAN PARK, SENIOR COUNSEL

MAGGIE WHITNEY, INVESTIGATIVE COUNSEL

JASON A. FOSTER, MINORITY CHIEF INVESTIGATIVE COUNSEL

TRISTAN LEAVITT, MINORITY COUNSEL

JEREMY PARIS, MINORITY CHIEF COUNSEL FOR NOMINATIONS AND OVERSIGHT

BRIAN DOWNEY, MINORITY INVESTIGATOR

For U.S. DEPARTMENT OF JUSTICE

M. FAITH BURTON, SPECIAL COUNSEL, OFFICE OF LEGISLATIVE AFFAIRS

STEVEN F. REICH, ASSOCIATE DEPUTY ATTORNEY GENERAL

A No. I just want to give it more thought.

EXAMINATION

BY MR. LEAVITT:

Q You mentioned earlier having greater appreciation for ways you could have sped up the process. Can you elaborate more on that, what you would have done to speed things up?

A Yeah, although just to clarify, I think there was some testimony that the case was given to us in August. The case was actually given to us in October. We received over 3,000 documents.

Mr. Foster. I'm sorry, what year?

Mr. Leavitt. 2010.

Mr. Burke. 2010.

BY MR. FOSTER:

Q What do you mean when you say the case was given to us?

A There is a formal process when an agency gives us a case with their cover, and the actual full documentation of the case was given to us, our office in October 2010, and I believe it was represented that it was given to us in August 2010.

Q You mean today in some of the questioning?

A No, I thought there was testimony at one point.

Q Oh, at one of the hearings?

A Yeah, yeah. No, I'm sorry, I apologize, I didn't mean by anyone here. And so --

Q And why is that significant? You mean Mr. Hurley was working -- ATF, at least, has described it as a prosecutor-led strike

force case, they've pointed to documents where those words are written.

A Right.

Q And that it's specifically a prosecutor-led case, everyone talks about how Mr. Hurley was the supervising AUSA on the case, and so are you saying that there are things that you didn't know, that your office didn't know until October of 2010 because it hadn't been formally -- you hadn't formally been provided all of the case documents?

A I don't know that for an actual fact. I do know that in October 2010 our office was provided over 3,000 documents, and a lot of those documents were ROIs that our office had not seen before.

Q You mean Emory Hurley hadn't seen before?

A Correct.

Q Okay.

A He was not, it's my understanding that he was not reviewing all the ROIs, that there were -- I don't know if, of the 3,000 documents we received in October, whether there was a percentage there that he had seen, but I do know there was a huge data dump, file dump on our office in October of this case.

Q And can you explain to us why that happens when it happens, how is the timing worked out? Is that something that you work cooperatively with the ATF to determine when you want to receive that level of detailed information?

A Our perspective is the sooner the better, so the decision as to when the actual documents arrive is a decision made by the agency.

Q Was it something your office had sought earlier and were

Exhibit 171

Exhibit 171

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: DENNIS K. BURKE

Tuesday, December 13, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 8:35 a.m.

Appearances:

For the COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEPHEN CASTOR, CHIEF COUNSEL, INVESTIGATIONS

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

HENRY J. KERNER, COUNSEL

CARLTON DAVIS, COUNSEL

JUSTIN KIM, PROFESSIONAL STAFF

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

H. SCOTT LINDSAY, MINORITY COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

Also Present: REPRESENTATIVE PAUL GOSAR

For SENATE COMMITTEE ON THE JUDICIARY:

MAGGIE WHITNEY, SENIOR INVESTIGATIVE COUNSEL

JASON FOSTER, MINORITY CHIEF INVESTIGATIVE COUNSEL

TRISTAN LEAVITT, MINORITY COUNSEL

BRIAN M. DOWNEY, MINORITY INVESTIGATOR

ROB DONOVAN, MINORITY STAFF

PATRICK BAILEY, MINORITY STAFF

For DENNIS K. BURKE:

SARAH E. DEAN, ATTORNEY AT LAW

Hogan Lovells US LLP

[REDACTED]

[REDACTED]

Washington, D.C. 20004

LEE STEIN, ATTORNEY AT LAW

Perkins Coie LLP

[REDACTED]

Phoenix, AZ 85012-2788

Mr. Stein. In particular, the one pair --

BY MR. KERNER:

Q Let me ask you something about a little bit something else. You referred to the DAG. That was your director report?

A Correct.

Q Right? And also did you interact at all with the deputy chief of staff or Eric Holder, Mr. Monty Wilkinson?

A On occasion.

Q What was the nature of your interactions with him?

A He would be someone you would contact if the Attorney General were doing any travelling in your area. He would coordinate through him. And then I also called him first when I was informed of the Tucson shooting.

Q Okay. Did you have -- did you communicate with Mr. Holder at all, the AG himself?

A In what respect?

Q Did you communicate with him at any time?

A Have I ever had conversations with the Attorney General?

Q Yes.

A Yes.

Q What form did they take?

A I was on the AGAC, and we would meet with him every 4 to 6 weeks. And sometimes I would have a chance to talk at the meetings, and most times, I didn't.

BY MR. FOSTER:

organizational chart of who these people were and what potential charges there were and how they were all interconnected and how it worked.

Q Do you recall any -- leaving any member with any reason to believe that interdictions were not occurring?

A No.

Q Any reason to believe that ATF agents were cutting off surveillance?

A No.

Q Any reason to believe that ATF agents were not effectuating arrests when they could?

A No.

Q Now, there has been some discussion about delays in the indictment. Can you tell us what you know about that and why it took so long for Fast and Furious to reach indictment?

A Well, I think I discussed this in my first interview, that the file that was submitted to, for an indictment from ATF wasn't actually submitted until September, and then there were some other factors that led to delays, such as that IRS was involved in the case and doing some money laundering counts, and they asked for additional time to perfect those counts, and that led to some delay, too.

Q Did you have concerns about the delays?

A Yes.

Q And what did you do to address those concerns?

A I contacted Mike Morrissey a few times, asking him what is

interest in the AG coming out for it. Please send me four or five lines about it, and I can brief Monty on it, especially time window. I am going to guess that Monty here is Monty Wilkinson; is that correct?

A Correct.

Q And then there is an answer from Mr. Cunningham back to you, also cc'ing Miss Scheel and others, You bet, good opportunity to see if January 6 and 7 are still our target dates for indictment and take-down press event. The AG's office, was that Mr. Holder himself who was expressing interest in coming out?

A No, not to my knowledge. It was, I think when I said AG's office, I am indicating Monty.

Q Okay. So Monty, you indicated earlier that Monty Wilkinson sort of did travel-related things?

A Right.

Q Okay. So this would have been in his wheelhouse basically?

A Correct.

Q But who was Monty interested in having come out? It wasn't going to be Monty Wilkinson showing up at the press conference, right?

A No, it was the Attorney General.

Q Okay. So this email is specifically in regard to the Attorney General coming out to join you for the take-down of Fast and Furious?

A Correct.

Q Do you know -- and then the target dates were January 6th and 7th, but of course, that got delayed?

Exhibit 172

Exhibit 172

From: Gwinn, Laura (CRM)
To: Hurley, Emory (USAAZ)
Sent: 9/16/2010 12:10:37 PM
Subject: RE: next week

Sounds good!

Hope you are going to be out of the office for a little R&R; you work so hard, you deserve it!

From: Hurley, Emory (USAAZ) [mailto:Emory [REDACTED]]
Sent: Thursday, September 16, 2010 12:06 PM
To: Gwinn, Laura
Subject: RE: next week

I am out of the office this coming week. ATF is working on putting together binders for each defendant which will include call translations, but we don't have any of these yet. I was shooting for a late October indictment of the ten RC-6 [REDACTED] This may add a little to the time it takes them to prepare the necessary translations and for me to review everything, but I would still like to try for a late October/early November GJ date.

From: Gwinn, Laura (CRM)
Sent: Thursday, September 16, 2010 7:40 AM
To: Hurley, Emory (USAAZ)
Subject: next week

I will be in your office next week Tues afternoon (I have a sentencing in Tucson Tues AM) and Wed AM-early afternoon. So far, there just isn't enough work to keep me busy for the whole week, so will return to DC Wed PM. I'm hoping that you might have some work for me on Celis-Acosta while I am there. I would also like to discuss with you your timing on indictments for Celis-Acosta et al, so that I can plan when the Tucson indictments can be presented and returned.

Thanks.

Laura Gwinn
US Dept of Justice Gang Unit
RC-1 [REDACTED] (C)

HOCR DOJ 005979

Exhibit 173

Exhibit 173

RC-1

From: Cunningham, Patrick (USAAZ)
Sent: Monday, September 20, 2010 3:44 PM
To: Burke, Dennis (USAAZ)
Subject: RE: RC-2

Yes, excellent coverage in the Republic on Saturday and KTAR ran your sound bites today on Cartel Gun Locker and Deadly, Deadly business. I will check with Emory and Mike. PJC

From: Burke, Dennis (USAAZ)
Sent: Monday, September 20, 2010 12:35 PM
To: Cunningham, Patrick (USAAZ)
Subject: Re: SWB Wire Link

Emory ready to take down the Fast and Furious wire? Seems we should strike while the iron is hot.

From: Cunningham, Patrick (USAAZ)
Sent: Monday, September 20, 2010 03:28 PM
To: Burke, Dennis (USAAZ)
Subject: RE: RC-2

RC-2

From: Burke, Dennis (USAAZ)
Sent: Monday, September 20, 2010 12:27 PM
To: Cunningham, Patrick (USAAZ)
Subject: Re: SWB Wire Link

Awesome.

From: Cunningham, Patrick (USAAZ)
Sent: Monday, September 20, 2010 01:15 PM
To: McCormick, Glenn (USAAZ); 'Mertz Dawn N' <RC-1>
Cc: Burke, Dennis (USAAZ); Vercauteren, Keith (USAAZ); Scheel, Ann (USAAZ)
Subject: RE: RC-2

RC-2

From: McCormick, Glenn (USAAZ)
Sent: Monday, September 20, 2010 9:36 AM
To: Cunningham, Patrick (USAAZ); Mertz Dawn N
Subject: RC-2

Exhibit 174

Exhibit 174

From: Gillett, George T. Jr.
Sent: Tuesday, October 05, 2010 3:36 PM
To: Voth, David J.
Subject: FW: Document1
Attachments: briefing paper II (3).docx; Doc1.docx

Can you put it in a BP format for me?

From: Newell, William D.
Sent: Tuesday, October 05, 2010 12:11 PM
To: Gillett, George T. Jr.
Subject: Re: Document1

Have him put into a BP format, will most likely go to DAG.
 Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Gillett, George T. Jr.
To: Newell, William D.
Sent: Tue Oct 05 14:50:12 2010
Subject: Fw: Document1

I have not reviewed but don't want to stand in the way of progress.

George T. Gillett
 ASAC, Phoenix Field Division
 Cell: [REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Gillett, George T. Jr.
Sent: Tue Oct 05 14:46:43 2010
Subject: Document1
 Here it is...

Exhibit 175

Exhibit 175

RC-1

From: Burke, Dennis (USAAZ)
Sent: Thursday, September 30, 2010 12:28 AM
To: Morrissey, Mike (USAAZ); Hurley, Emory (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Subject: Re: Wide Receiver II indictment review

The "War and Peace" equivalent of a T--III !

From: Morrissey, Mike (USAAZ)
Sent: Thursday, September 30, 2010 12:08 AM
To: Hurley, Emory (USAAZ); Burke, Dennis (USAAZ)
Cc: Cunningham, Patrick (USAAZ)
Subject: Re: Wide Receiver II indictment review

Thanks, Emory. Dennis _ Emory briefed me earlier this week on F and F _ it is also wrapping up (down on all wires) but tons of reports to read as Emory plans the indictments.

From: Hurley, Emory (USAAZ)
Sent: Wednesday, September 29, 2010 11:53 PM
To: Burke, Dennis (USAAZ)
Cc: Morrissey, Mike (USAAZ); Cunningham, Patrick (USAAZ)
Subject: Re: Wide Receiver II indictment review

ere should not be any problems for Fast and Furious if Laura goes forward with her indictment plans. We don't see close enough ties to our primary players to think that it will jeopardize our case at this point.

RC-4

From: Burke, Dennis (USAAZ)
Sent: Wednesday, September 29, 2010 08:44 PM
To: Hurley, Emory (USAAZ)
Cc: Morrissey, Mike (USAAZ); Cunningham, Patrick (USAAZ)
Subject: FW: Wide Receiver II indictment review

Fyi. We all on the same page on this? Thx.

From: Clemens, Shelley (USAAZ)
Sent: Sunday, September 26, 2010 10:14 AM
To: Burke, Dennis (USAAZ)
Subject: FW: Wide Receiver II indictment review

Status of Wide Receiver.
 Shelley Clemens

Exhibit 176

Exhibit 176

From: Hurley, Emory (USAAZ)
To: Morrissey, Mike (USAAZ)
Sent: 10/22/2010 3:14:26 PM
Subject: Fw: Newell meeting request

From: Hernandez, Norma (USAAZ)
Sent: Friday, October 22, 2010 01:49 PM
To: Hurley, Emory (USAAZ)
Subject: Newell meeting request

What do you think? Pat said to check with you.

From: Briggs, Michele A. (ATF)
Sent: Tuesday, October 19, 2010 9:29 AM
To: Hernandez, Norma (USAAZ)
Subject:

Norma

SAC Newell would like a meeting sometime the 1-3 of November, over here in our office, to discuss the Fast & Furious case and plans for indictment. He would like it here to show him the evidence, etc., etc.

Please advise if this can happen. He needs an hour of his time.

Thanks Norma!

Michele A. Briggs
Executive Assistant to the Special Agent in Charge
Phoenix Field Division
RC-1

HOCR DOJ 005986

Exhibit 177

Exhibit 177

RC-1

From: Cunningham, Patrick (USAAZ)
Sent: Friday, October 22, 2010 5:31 PM
To: Hernandez, Norma (USAAZ)
Cc: Hurley, Emory (USAAZ); Burke, Dennis (USAAZ); Morrissey, Mike (USAAZ); Scheel, Ann (USAAZ)
Subject: Fast and Furious meeting

Norma: please advise Mr. Newell's scheduler that we will be ready to meet on Fast and Furious the Week of November 30. Emory will have a good idea by then who we believe we can charge.

Emory: let us know if you can meet any sooner. Thanks! PJC

From: Morrissey, Mike (USAAZ)
Sent: Friday, October 22, 2010 1:32 PM
To: Hernandez, Norma (USAAZ)
Cc: Cunningham, Patrick (USAAZ); Hurley, Emory (USAAZ)
Subject: Fast and Furious meeting

Pat and Norma – I'm hoping we can defer Mr. Newell's request for a meeting on Nov 1, 2, or 3. It is simply too early – Emory is reviewing a huge mass of information, and while we could discuss broad ideas on the indictment, I would much rather delay this a bit and have an "informed" discussion, at a later date.

Exhibit 178

Exhibit 178

Briefing Paper

Phoenix Field Division

Phoenix Group VII (OCDETF Strike Force/Gunrunner)

ATF Investigation 785115-10- [REDACTED]

Operation: Fast & Furious, OCDETF No. [REDACTED]

Case Background

The Phoenix Group VII Field Office is leading an investigation entitled "Operation Fast & Furious" in conjunction with Immigration and Customs Enforcement (ICE), Drug Enforcement Administration (DEA), Internal Revenue Service (IRS) and the Phoenix Police Department (PPD). This operation was approved as an OCDETF case by the Southwest Region as SW-AZP-0496.

Since October 2009, ATF and the other partners listed above have been investigating a firearm trafficking organization that is being funded by the Sinaloa drug trafficking organization (DTO), a narcotics trafficking organization well known for violent criminal activity in Mexico. This organization is also involved in trafficking firearms to Mexico, and smuggling cocaine and marijuana into southern Arizona to be distributed throughout the United States. The OCDETF investigation of this organization is addressing violations of Federal Laws to include Firearms, Narcotics, Money Laundering, and Conspiracy Laws.

Agents believe that the Phoenix-based firearm trafficking group is actively purchasing firearms through "straw" purchasers using narcotics proceeds. From October 2009 to October 2010 agents have documented that this organization spent approximately 1.25 million dollars in cash at various Phoenix area Federal Firearms Licensees to acquire in excess of 1,900 firearms. The firearms are then being trafficked into Mexico using false compartments in various vehicles through various international Ports of Entry in Arizona and Texas.

[REDACTED] Through these investigative techniques agents have been able to identify a large number of additional co-conspirators and disrupt the illegal activities of this firearms trafficking organization by seizing numerous firearms and narcotics. To date, over three hundred firearms and over fifty pounds of marijuana have been recovered by agents in addition to the numerous firearms and narcotic seizures in Mexico related to this investigation.

Over the past several weeks agents, in conjunction with the investigative partners and the United States Attorney's Office (USAO) have been preparing for the indictment of [REDACTED] individuals in this investigation. Agents initially anticipated a first wave of indictments on December 7, 2010. However, in light of additional evidence obtained in support of this investigation and investigative efforts on the part of IRS the first wave of approximately 20 indictments have been

pushed back another 30 days. The reasons for this include [REDACTED]

[REDACTED] In addition the USAO has agreed to approve the inclusion of five Federal search warrants. The additional preparation for the search warrants and [REDACTED] coupled with available Grand Jury time, has pushed the indictment date to the week of January 10, 2011.

On December 3rd SAC Newell and ASAC Needles met with USA Burke, Chief of Criminal Cunningham and lead the AUSA for this case and discussed all these matters.

It should be further noted that firearms purchasing and trafficking activity by this organization has subsided significantly since early October of this year. This is due to several factors not the least of which are proactive measures taken by the agents assigned to Phoenix Group VII.

List of Defendants Referred to USAO for Prosecution:





Proposed Charges:

1. Title 18, United States Code, Section 554, Smuggling Goods from the United States;
2. Title 18, United States Code, Section 922(a)(1), Dealing in Firearms without a License;
3. Title 18, United States Code, Section 922(a)(5), Transferring Firearms to a Non-Resident of the State;
4. Title 18, United States Code, Section 922(a)(6) Making a False Statement in Connection with the Acquisition of a Firearm;
5. Title 18, United States Code, Section 924(a)(1)(A) Making a False Statement in Connection with the Acquisition of a Firearm;
6. Title 18, United States Code, Section 924(n), Interstate/International Firearms Trafficking;
7. Title 18, United States Code, Sections 924(c) and 924(o), Use of a Firearm in Furtherance of a Drug Trafficking Offense/Conspiracy to Use a Firearm in Furtherance of a Drug Trafficking Offense;
8. Title 18, United States Code, Section 1343, Wire Fraud;
9. Title 18, United States Code, Section 1956, Money Laundering;
10. Title 18, United States Code, Section 371, Conspiracy to Commit any Offense Against the United States;
11. Title 21, United States Code, Sections 841 and 846, Possession/Conspiracy to Possess a Controlled Substance with Intent to Distribute;

12. Title 21, United States Code, Sections 960 and 963, Import/Conspiracy to Import a Controlled Substance;
13. Title 22, United States Code, Section 2778, Attempt/Export Munitions without a License;
14. Title 31, United States Code, Section 5324, Structuring Transactions to Evade Reporting Requirements; and
15. Title 31, United States Code, Section 5332, Bulk Cash Smuggling;

Exhibit 179

Exhibit 179

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 1

DR NUMBER: 2010 01435239

REPORT DATE: 20101009 TIME: 0314

TYPE OF REPORT: ATTEMPT RESIDENTIAL BURGLARY

OFFENSE: 459RX

PROSECUTION DESIRED: YES

LOCATION: [REDACTED]

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: SAT 100910 0310

REPORTING OFFICER[S]: [REDACTED]

8852
8859

UNIT: [REDACTED]

PREMISES: SINGLE FAMILY HOUSE

OCCUPIED: YES

ALARM INSTALLED: UNKNOWN

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

PARTY-CREW: NO

**** SUSPECT INFORMATION ****

SUSPECT-01:

NAME: UNKNOWN, [**FLED**]

SPEAKING: UNKNOWN

SUSPECTED OF USING: NOT APPLICABLE

RACE: B SEX: M AGE: 22-26 DOB:
LEVEL OF FORCE : NO CONTACT WITH PERSON

HT: 000

WT: 000

CLOTHING DESC & MISC:
WHI DU RAG

SUSPECT-02:

NAME: UNKNOWN, [**FLED**]

SPEAKING: UNKNOWN

SUSPECTED OF USING: NOT APPLICABLE

RACE: B SEX: M AGE: 22-26 DOB:
LEVEL OF FORCE : NO CONTACT WITH PERSON

HT: 000

WT: 000

CLOTHING DESC & MISC:
MAROON SHIRT

SUSPECT-03:

NAME: UNKNOWN, [**FLED**]

2010 01435239

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 2

DR NUMBER: 2010 01435239

SPEAKING: UNKNOWN

SUSPECTED OF USING: NOT APPLICABLE

RACE: B SEX: M AGE: DOB: HT: 506-600 WT: 200

SPECIAL AGE RANGE: UNKNOWN

LEVEL OF FORCE : NO CONTACT WITH PERSON

CLOTHING DESC & MISC:

WHI SHIRT

**** VICTIM INFORMATION ****

VICTIM -01:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

VICTIM OF:

BURGLARY/BREAKING-ENTERING - ATTEMPTED

DR. LICENSE & STATE: [REDACTED]

CAN ID SUSPECT(S): NO

SUSPECT(S):
MISC.

WILL TESTIFY: YES

VICTIM REQUESTS NOTIFICATION

VICTIM -02:

NAME: CELIS ACOSTA, MANUEL

SPEAKING: ENGLISH

RACE: H SEX: M AGE: 23 DOB: [REDACTED] HT: 602 WT: 230
HAIR: BLK EYES: BRO SSN: [REDACTED]

VICTIM OF:

BURGLARY/BREAKING-ENTERING - ATTEMPTED

DR. LICENSE & STATE: [REDACTED]

CAN ID SUSPECT(S): NO

SUSPECT(S):
MISC.

WILL TESTIFY: YES

VICTIM REQUESTS NOTIFICATION

VICTIM -03:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

2010 01435239

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 3

DR NUMBER: 2010 01435239

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

VICTIM OF:

BURGLARY/BREAKING-ENTERING - ATTEMPTED

DR. LICENSE & STATE: [REDACTED]

CAN ID SUSPECT(S): NO

WILL TESTIFY: YES

SUSPECT(S):

MISC.

VICTIM REQUESTS NOTIFICATION

**** WITNESS INFORMATION ****

WITNESS -01:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]
DR. LICENSE & STATE: [REDACTED]
CAN ID SUSPECT(S): NO
WILL TESTIFY: YES

SUSPECT(S):

MISC.

WITNESS -02:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
CAN ID SUSPECT(S): NO
WILL TESTIFY: NO

SUSPECT(S):

MISC.

**** SUSPECT VEHICLE ****

VEHICLE NUMBER: 01 INVOLVED PERSON: SP-01 UNKNOWN

LAST KNOWN DIRECTION OF TRAVEL: SOUTH BOUND

VEHICLE YEAR: MAKE: CHEV MODEL: TAHOE STYLE: PC
COLOR: TOP/SOLID-BLK BOTTOM-MAR

FURTHER DESC.: EITHER BLACK OR MAROON

**** VEHICLE ****

VEHICLE NUMBER: 02 INVOLVED PERSON: IL-01 IS NOT ON THIS REPORT

2010 01435239

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 4

DR NUMBER: 2010 01435239

VEHICLE YEAR: MAKE: MODEL: STYLE:
VIN: OAN:
COLOR:

LICENSE PLATE: STATE: TYPE: YEAR:

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: 000000

0001 PKG 000 CODE:CIW UK01

LAB/FIELD:N ITEM: *MISC BRAND: MODEL: COLOR: WHI

SIZE: QUANTITY: 0004 SERIAL/ACCT/ID:
DESCRIPTION: 4 HEAVY GAGE ZIP TIES SET INTO LOOPS FOUND ON GROU
ND IN FRONT OF AV ON THE NORTH SIDE OF THE PROPERTY. TIES FOUN
D IN GENERAL AREA SUSPECTS WERE SEEN RUNNING FROM.
PROCESS FOR DNA

0002 PKG 000 CODE:D V 01

ITEM: YDOOR BRAND: MODEL: COLOR:

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
OAN: VALUE: \$500.00

DESCRIPTION: REAR SLIDING DOOR TO HOUSE DAMAGED WHEN V2 FIRED S
HOTS THROUGH IT TO SCARE AWAY SUSPECT/S.

TOTAL DAMAGE VALUE: \$500.00 TOTAL LOST ITEM VALUE:

**** CRIME SCENE \ CRIME AGAINST PROPERTY ****

SCENE NUMBER : 01

ENTRY POINT: WINDOW
LOCATION: REAR
METHOD: N/A

UNUSUAL/SEE NARRATIVE

EXIT POINT: NOT APPLICABLE

SUSPECT ACTIONS:
CRIME NOT COMPLETE

VICTIM WAS: AT HOME

**** NARRATIVE ****

SERIAL NUMBER: 8852

ON 100910 AT 0310 HOURS THE LISTED SUSPECTS ATTEMPTED TO COMMIT
RESIDENTIAL BURGLARY WHEN THEY WERE OBSERVED AT THE REAR BEDROOM WINDOW TO
V1'S ROOM INSIDE OF THE FENCED RESIDENTIAL BACK YARD.

ON 100910 AT 0314 HOURS OFFICER AND I RESPONDED TO AN EMERGENCY

2010 01435239

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

ORIGINAL

PAGE NUMBER: 5

DR NUMBER: 2010 01435239

RADIO CALL OF SHOTS AT [REDACTED] LANE. UPON ARRIVAL OFFICER [REDACTED] #7984 WAS ALREADY ON SCENE WITH W1 [REDACTED]. I SPOKE WITH [REDACTED] WHO STATED THAT HE HEARD A LOUD NOISE, AND DOGS BARKING. [REDACTED] STATED HE WOKE UP AND OPENED THE FRONT DOOR AND AS HE DID HE SAW TWO BLACK MALES IN THEIR MID TO LATE 20'S RUNNING SOUTH BOUND ON 75TH LANE. [REDACTED] SAID THAT ONE WAS WEARING A WHITE DU-RAG AND THE OTHER WAS WEARING A RED SHIRT. [REDACTED] HAD NO FURTHER DESCRIPTION. JUAN POINTED OUT THE LISTED 4 WHITE HEAVY GAGE ZIP TIES LAYING ON THE NORTH SIDE OF HIS PROPERTY BY THE SIDEWALK. [REDACTED] STATED HE HAS NOT SEEN THEM THERE BEFORE AND BELIEVED THE SUSPECTS MAY HAVE DROPPED THEM.

OFFICER [REDACTED] AND I MADE CONTACT WITH V1 [REDACTED]. [REDACTED] STATED HE WAS IN HIS ROOM AND HEARD A NOISE. [REDACTED] SAID HE LOOKED OUT HIS BEDROOM WINDOW AND SAW A BLACK MALE IN THE BACK YARD BY HIS WINDOW [REDACTED] DESCRIBED HIM AS A BLACK MALE 506-600 TALL WEIGHING APPROXIMATELY 200 LBS AND WEARING A WHITE T-SHIRT. [REDACTED] HAD NO OTHER DESCRIPTION AND WAS NOT SURE IF THERE WAS ANYONE ELSE IN THE BACK YARD WITH HIM.

OFFICER [REDACTED] WENT AROUND THE BACK OF THE HOUSE AND NOTICED THAT THE SLIDER DOOR WAS SHATTERED. I SPOKE WITH V2 MANUEL CELIS ACOSTA WHO STATED THAT HE HAD HEARD [REDACTED] YELL THAT SOMEONE WAS TRYING TO GET INTO THE HOUSE AND GOT HIS TAURUS .45 HAND GUN AND FIRED TWO ROUNDS THROUGH THE SLIDER DOOR IN AN ATTEMPT TO SCARE OFF THE SUSPECTS. MANUEL STATED [REDACTED] CAME INTO THE KITCHEN WITH HIS KAHR 9MM HAND GUN AND WAS STRUGGLING TO LOAD IT. MANUEL SAID [REDACTED] ASKED HIM HOW TO LOAD IT AND TURN THE SAFETY OFF. MANUEL SAID HE TOOK THE GUN LOADED IT AND SHOT 1 ROUND THROUGH THE SLIDER AND TOLD [REDACTED] IT WAS ALL SET TO GO AND IF ANYONE CAME IN THE HOUSE HE COULD SHOOT THEM. MANUEL STATED HE NEVER SAW ANYONE, ONLY FIRED THE GUN TO SCARE THEM OFF.

KAHR 9MM HAND GUN SERIAL NUMBER [REDACTED]
TAURUS .45 CAL HAND GUN SERIAL NUMBER [REDACTED]

NEXT I SPOKE WITH V3 [REDACTED] WHO IS [REDACTED]. V3 STATED THAT HE DID NOT SEE ANY OF THE SUSPECTS BUT WAS AWOKEN BY THE COMMOTION. I ASKED V3 IF HE KNEW ANY REASON WHY SOMEONE WOULD WANT TO BREAK IN AND HE SAID IT WAS BECAUSE THEY HAVE NICE THINGS LIKE THE TRUCKS IN THE FRONT YARD AND THE QUADS IN THE BACKYARD. V3 STATED THEY DRIVE THE QUADS AROUND THE NEIGHBORHOOD AND BELIEVED THE SUSPECTS MAY LIVE IN THE ARE AND KNOW ABOUT THE QUADS AND THINK THAT THEY HAVE MONEY.

OFFICER [REDACTED] SPOKE TO W2 [REDACTED] WHO [REDACTED] SAID THAT HE HEARD THE COMMOTION AND LOOKED OUT THE WINDOW AND SAW A BLACK MALE JUMP THE FENCE BY THE SHED INTO THE YARD. [REDACTED] SAID THAT HE THEN HEARD THE SHOTS AND SAW A BLACK OR BURGUNDY TAHOE TAKE OFF EAST AND THEN SOUTH BOUND.

IT SHOULD BE NOTED THAT NONE OF THE VICTIMS OR WITNESSES ARE ABLE TO IDENTIFY THE SUSPECTS.

V2 MANUEL STATED THAT APPROXIMATELY A WEEK AGO THERE WAS A SUSPICIOUS CAR

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THAT PULLED UP TO THE HOUSE. MANUEL DESCRIBED IT AS A RED BUICK AND GAVE THE ARIZONA LICENSE PLATE OF [REDACTED]. THE VEHICLE IS LISTED IN THIS REPORT ON THE VEHICLE PAGE. MANUEL SAID THAT A HISPANIC MALE WITH "SLEEVES" WAS DRIVING THE CAR AND CAME TO THE FRONT DOOR ASKING TO USE SOME JUMPER CABLES. MANUEL SAID THEY GAVE HIM SOME CABLES, BUT DID NOT LET HIM IN THE HOUSE. MANUEL SAID THAT THE CAR CAME BY THE HOUSE AGAIN LATER AND HAD 4 LARGE BLACK MALES WITH HIM AS WELL. MANUEL SAID THEY WERE SUSPICIOUS IN AREA FOR A WHILE THEN DISAPPEARED. MANUEL STATED HE DID NOT CALL POLICE ON THAT DAY.

ALL VICTIMS STATED THAT THEY DESIRE PROSECUTION. THE ZIP TIES WERE COLLECTED AND IMPOUNDED AT ESTRELLA MOUNTAIN PRECINCT AS EVIDENCE TO BE PROCESSED FOR DNA. I GAVE VICTIMS RIGHTS INFORMATION TO THE VICTIMS.

END REPORT.

VICTIM RECEIVED RIGHTS INFORMATION: YES

MAIL-IN SUPPLEMENT:

INVOICES: 3955023

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01435239

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REPORT DATE: 20101012 TIME: 0718

TYPE OF REPORT: ATTEMPT RESIDENTIAL BURGLARY

OFFENSE: 459RX

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: SAT 100910 0310

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

REPORT STATUS AT PRESENT: PENDING

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*** REQUEST FOR LAB ANALYSIS ***
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CURRENT DR IS: 2010 01435239 001 BIOLOGICAL EVID (BLOOD,SEMEN,TISSUE): Y

NAM: UNK UNK

NAM:

LOCATION: [REDACTED]

LA

OFF:ATTEMPTED BURGLARY

JAILED: N

OFCR REQ OF ANALYSIS [REDACTED]
(LAST,FIRST,MIDDLE) FIRM NAME USE BUS.

DATE OCC:100910 TIME:0310

DATE REQ:101210 TIME:0720

VIC: [REDACTED]

DUI RELATED:N

BUS:

INVOICE	ITEM #	SFX	TYPE	TYPE OF REQUEST
0003955023	0001		*MISC	FORENSIC BIOLOGY (SERO/DNA)

BLOOD DRAWN BY:

1.DATE/TIME DRAW:000000 / 0000

LOC OF DRAWING:

2.DATE/TIME DRAW:000000 / 0000

**** NARRATIVE ****

SERIAL NUMBER: 7991

PLEASE PROCESS ITEMS FOR PRESENCE OF DNA. IF DNA IS FOUND PLEASE ATTEMPT TO LOCATE POSSIBLE SUSPECTS.

NFI/7991.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

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END OF REPORT

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DR NUMBER: 2010 01466578

REPORT DATE: 20101014 TIME: 2315

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

PROSECUTION DESIRED: YES

SUSPECT[S]: BOOKED DETAINED

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

PREMISES: SINGLE FAMILY HOUSE

STREET/ROADWAY/ALLEY

OFFENSE INVOLVED: BIAS - UNKNOWN BIAS

PARTY-CREW: NO

PHOTOGRAPHS TAKEN: YES BY: [REDACTED]

SCENE PROCESSED FOR LATENTS: NO BY:

LATENTS SUBMITTED TO CRIME LAB: NO

CALL PERSON: WITNESS 03

REPORT DISPOSITION: FIELD CLEARED BY ARREST

OVER AGE 18: YES

**** SUSPECT INFORMATION ****

ARRESTED PERSON-01:

NAME: CELIS ACOSTA, MANUEL

SPEAKING: [REDACTED]

SUSPECTED OF USING: NOT APPLICABLE

RACE: [REDACTED]

SEX: [REDACTED]

AGE: [REDACTED]

DOB: [REDACTED]

HT: [REDACTED]

WT: [REDACTED]

HAIR: [REDACTED]

EYES: [REDACTED]

SSN: [REDACTED]

GANG/AFFILIATION: UNKNOWN

LEVEL OF FORCE : RESTRAINT, JOINT LOCKS, PRESSURE PTS, OR CUFFS

IN U.S. LEGALLY:

CONSUL NOTIF: NO

REG'N DOCS: NO

EMOTIONAL CONDITIONS: CALM

COOPERATIVE

ARREST:

DATE: 101510 TIME: 0140

DAY: FRI

GRID: BI10

LOC: [REDACTED]

PHOENIX

AZ

PHX.P.D. BOOKING NO: [REDACTED]

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CLOTHING DESC & MISC:
GREY SHIRT, RED PANTS

PHYSICAL DESCRIPTION: BUILD: MEDIUM HEAVY

HAIR LENGTH: SHORT

HAIR STYLE: STRAIGHT

FACIAL HAIR: UNSHAVEN

SPEECH MANNER: ARTICULATE POLITE

APPEARANCE: GROOMED CASUAL CLOTHES

TEETH: UNKNOWN

EYE FEATURES: NORMAL

EYEBROWS: AVERAGE

COMPLEXION: MEDIUM

INJURY/CONDITION: NONE OBSERVED

ARRESTED PERSON-02:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

SUSPECTED OF USING: NOT APPLICABLE

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]
LEVEL OF FORCE : RESTRAINT, JOINT LOCKS, PRESSURE PTS, OR CUFFS
IN U.S. LEGALLY: CONSUL NOTIF: YES REG'N DOCS: NO

EMOTIONAL CONDITIONS: CALM

COOPERATIVE

ARREST:

DATE: 101510 TIME: 0140

DAY: FRI

GRID: BI10
PHOENIX AZ

LOC: [REDACTED]

PHX.P.D. BOOKING NO: [REDACTED]

CLOTHING DESC & MISC:
BLACK SHIRT, GREEN SHORTS

PHYSICAL DESCRIPTION: BUILD: THIN MEDIUM

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HAIR LENGTH: CONSERVATIVE

HAIR STYLE: STRAIGHT

FACIAL HAIR: CLEAN SHAVEN

SPEECH MANNER: UNKNOWN/NOT HEARD NOT UNUSUAL

SPEECH CHARACTERISTICS: ACCENT SOFT

APPEARANCE: GROOMED CASUAL CLOTHES

TEETH: NORMAL

EYE FEATURES: NORMAL

EYEBROWS: AVERAGE

COMPLEXION: MEDIUM

INJURY/CONDITION: NONE OBSERVED

ARRESTED PERSON-03:

NAME: [REDACTED]

SPEAKING: [REDACTED]

SUSPECTED OF USING: NOT APPLICABLE

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]

HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

LEVEL OF FORCE : RESTRAINT, JOINT LOCKS, PRESSURE PTS, OR CUFFS

EMOTIONAL CONDITIONS: CALM

COOPERATIVE

ARREST:

DATE: 101510 TIME: 0140

DAY: FRI

GRID: B110

LOC: [REDACTED]

PHOENIX AZ

PHX.P.D. BOOKING NO: [REDACTED]

CLOTHING DESC & MISC:

NO SHIRT, RED AND BLACK STRIPPED PANTS

PHYSICAL DESCRIPTION: BUILD: MEDIUM

HAIR LENGTH: SHORT

HAIR STYLE: STRAIGHT

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FACIAL HAIR: UNKNOWN

SPEECH MANNER: POLITE

SPEECH CHARACTERISTICS: NONENGLISH

APPEARANCE: GROOMED

TEETH: NORMAL

EYEBROWS: AVERAGE

COMPLEXION: MEDIUM

INJURY/CONDITION: NONE OBSERVED

**** WITNESS INFORMATION ****

WITNESS -01:

NAME: [REDACTED] [REDACTED]

SPEAKING: [REDACTED]

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: BLK EYES: [REDACTED] SSN: [REDACTED]EMOTIONAL CONDITIONS: FEARFUL COOPERATIVE
NERVOUSCLOTHING DESC & MISC:
GREY SHIRT, BLACK PANTS
CAN ID SUSPECT(S): NO

SUSPECT(S):

WITNESS -02:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

EMOTIONAL CONDITIONS: CALM COOPERATIVE

CLOTHING DESC & MISC:
WHITE SHIRT, BLACK SHORTS

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WITNESS -03:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

CLOTHING DESC & MISC:
GREY SHIRT, BLACK PANTS

WITNESS -04:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

EMOTIONAL CONDITIONS: CALM COOPERATIVE

CLOTHING DESC & MISC:
GREY TANKTOP, BLUE JEANS

WITNESS -05:

NAME: [REDACTED] [REDACTED]

SPEAKING: ENGLISH

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]

EMOTIONAL CONDITIONS: CALM COOPERATIVE

CLOTHING DESC & MISC:
PINK SHIRT, SHORTS

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

OFFICERS INVOLVED

OFFICER [REDACTED] ORIGINAL REPORT, INTERVIEWED W4 AND W5

OFFICER [REDACTED] COLLECTED AND IMPOUNDED EVIDENCE

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OFFICER [REDACTED] INTERVIEWED AP2
 OFFICER [REDACTED] INTERVIEWED AP1, PHOTOGRAPHED SCENE
 OFFICER [REDACTED] INTERVIEWED AP3
 OFFICER [REDACTED] INTERVIEWED W1
 OFFICER [REDACTED] CRIME SCENE DIAGRAM
 OFFICER [REDACTED] SCENE SECURITY
 SGT. [REDACTED] ON SCENE SERGEANT
 LT. [REDACTED] ON SCENE LIEUTENANT

ON 101410 AT APPROXIMATELY 2303 HOURS AP1 MANUEL ACOSTA, AP2 [REDACTED] AND AP3 [REDACTED] USING THE LISTED FIREARMS UNLAWFULLY DISCHARGED THEM WITHIN CITY LIMITS FIRING MULTIPLE ROUNDS OUTSIDE THEIR RESIDENCE AT [REDACTED]

ON 101410 AT 2304 HOURS I RESPONDED TO AN EMERGENCY RADIO CALL OF SHOTS FIRED AT THE RESIDENCE LOCATED AT [REDACTED] THE CALL STATED THAT THE RESIDENCE HAD BEEN SHOT AT AND THAT SOMEONE WAS POSSIBLY SHOT. THE CALLER A RESIDENT ADVISED [REDACTED] HEARD APPROX 10 SHOTS AND BELIEVED SOMEONE SHOT.

UPON ARRIVAL ON SCENE I PARKED MY PATROL VEHICLE SEVERAL HOUSES SOUTH THE OF THE RESIDENCE AND MYSELF ALONG WITH OFFICER [REDACTED] AND OFFICER [REDACTED] APPROACHED THE RESIDENCE ON FOOT. APPROACHING THE RESIDENCE I OBSERVED SEVERAL SPENT SHELL CASINGS IN THE ROADWAY AND OBSERVED SEVERAL [REDACTED] IN THE FRONT YARD. CONTACTING THEM I ASKED THE GROUP IF ANY ONE HAD ANY FIREARMS WITH ONE HISPANIC MALE LATER IDENTIFIED AS AP1 MANUEL ACOSTA STATING "WE PUT THEM INSIDE ALREADY". I ASKED MANUEL WHAT HAD HAPPENED HE TURNED TO [REDACTED] WHOM BEGAN SPEAKING QUICKLY IN SPANISH. I ADVISED MANUEL THAT I DIDN'T UNDERSTAND WITH HIM STATING [REDACTED] WAS ADVISING SHE SAW 2 VEHICLES IN FRONT OF HER HOUSE ONE BEING GREEN AND THE OTHER POSSIBLY BLUE IN COLOR OF WHICH LEFT SOUTH. LEARNING THIS I ADVISED OTHER PATROL UNITS ARRIVING ON SCENE OF THE INFORMATION VIA RADIO AND RETURNED TO SPEAKING WITH MANUEL. MANUEL QUICKLY EXPLAINED THAT SEVERAL DAYS PRIOR SOMEONE ATTEMPTED TO BREAK INTO HIS RESIDENCE AND THAT HE HAD FIRED SEVERAL ROUNDS AT THEM USING HIS HAND GUN. HE SAID THAT TONIGHT [REDACTED] HAD GONE OUTSIDE AND THAT [REDACTED] SCREAMED. HE STATED HE GRABBED HIS GUN AND HIMSELF [REDACTED] ALL WITH HANDGUNS RAN OUT TO THE ROADWAY AND FIRED SEVERAL TIMES AT TWO VEHICLES AS THEY LEFT SOUTH BOUND ON [REDACTED] SGT. [REDACTED] ARRIVED ON SCENE AND ADVISED US TO DIRECT ALL RESIDENTS TO SIT ON THE SIDEWALK JUST NORTH OF THE FRONT DRIVEWAY. HAVING ALL THE RESIDENTS SEATED ON THE CURB OFFICER [REDACTED] OFFICER [REDACTED] AND MYSELF ANNOUNCED OUR POLICE PRESENCE

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AT THE FRONT DOOR OF THE RESIDENCE AND CONTINUED INTO THE RESIDENCE TO ENSURE NO ONE ELSE INSIDE AND THAT NO ONE ELSE HAD FIREARMS. WHILE INSIDE THE RESIDENCE I OBSERVED 3 HANDGUNS WITH THE MAGAZINES SEPARATED FROM THEM LAYING ON THE DINING ROOM TABLE. THE FIREARMS I OBSERVED WERE FOUND TO BE TWO 9MM SEMIAUTOMATIC HANDGUNS AND ONE .45CAL SEMIAUTOMATIC HANDGUN. SEVERAL BULLETS HAD FALLEN FROM THE MAGAZINES AND WHILE WEARING LATEX GLOVES NOTED THE MARKINGS ON THE BOTTOM OF EACH SHELL CASING WITH THE FIRST BEING STAMPED WITH "LUGER 9MM" SECOND "LUGER WIN 9MM" AND THE THIRD BEING "HORNADY 45AUTO". NOTING STAMPED MARKINGS I PROCEEDED OUT THE ROADWAY WHERE I DID COUNT APPROXIMATELY 15 SHELL CASINGS WITH ALL THOSE OBSERVED HAVING STAMPING MATCHING THAT OF WHICH WERE FOUND WITH THE HANDGUNS ON THE DINING ROOM TABLE. AFTER OBSERVING THIS I ADVISED SGT. [REDACTED] WHOM ADVISED TO RE CONTACT AND INTERVIEW THE INDIVIDUALS WHOM HAD FIRED THE HANDGUNS. WHILE SPEAKING TO SGT. [REDACTED], W2 [REDACTED] ARRIVED ON SCENE DRIVING INTO THE DRIVEWAY OF THE RESIDENCE. UPON HIS ARRIVAL HE WAS CONTACTED BY MYSELF AND OFFICER [REDACTED] WITH HIM ADVISING HE LIVED AT THE RESIDENCE AND WAS JUST RETURNING HOME. HE WAS ADVISED BRIEFLY OF THE INCIDENT AND SAT NEXT TO THE OTHER RESIDENTS ON THE SIDEWALK. WHILE I WAS CONTACTING [REDACTED] OFFICER [REDACTED] RECONTACTED AP1 MANUEL ACOSTA, OFFICER [REDACTED] CONTACTED AP2 [REDACTED] WHILE OFFICER [REDACTED] SPOKE TO AP3 [REDACTED] FOR DETAILS OF THE INTERVIEWS REFER TO THEIR ATTACHED SUPPLEMENTS. DUE TO AP3 [REDACTED] BEING [REDACTED] OFFICER [REDACTED] A [REDACTED] RESPONDED TO THE SCENE AND SPOKE WITH AP3 [REDACTED] HE ALSO CONTACTED AND INTERVIEWED W1 [REDACTED] DUE TO [REDACTED] FOR DETAILS OF THIS INTERVIEW SEE HIS ATTACHED SUPPLEMENT

WITH THE OTHER SUBJECTS BEING CONTACTED I SPOKE BRIEFLY WITH BOTH W4 [REDACTED] AND W5 [REDACTED] BOTH OF WHOM STATED THAT THEY HAD BEEN IN THE BACK BEDROOMS OF THE RESIDENCE WHEN THEY HEARD W1 [REDACTED] SCREAM AND THEN MULTIPLE SHOTS BEING FIRED. BOTH STATED THAT THEY STAYED IN THE RESIDENCE UNTIL THE AP'S CAME BACK INSIDE AND THAT THEY DID NOT SEE ANYTHING THAT OCCURRED OUTSIDE. IT SHOULD BE NOTED THAT W5 [REDACTED] WAS CONTACTED WHILE [REDACTED] WHOM WAS ALSO INSIDE THE RESIDENCE DURING THE INCIDENT. AFTER SPEAKING WITH [REDACTED], I OBTAINED A CONSENT TO SEARCH FORM AND UPON FILLING IT OUT CONTACTED AP3 [REDACTED] BELIEVING HIM TO BE THE PRIMARY OF THE RESIDENCE. AP3 [REDACTED] ADVISED THAT THE RESIDENCE WAS NOT HIS BUT [REDACTED]. LEARNING THIS I CONTACTED [REDACTED] ADVISED HIM OF THE CONSENT TO SEARCH EXPLAINING THAT THE FORM WAS NEEDED SIGNED TO ENTER HIS RESIDENCE AND OBTAIN ITEMS INVOLVED IN THE INCIDENT. UPON READING THE CONSENT TO SEARCH [REDACTED] INITIALLY REFUSED TO SIGN THE FORM. I ADVISED HIM A SEARCH WARRANT WAS GOING TO BE OBTAINED ANYWAY HOWEVER IT COULD POSSIBLY TAKE SEVERAL HOURS. UPON EXPLAINING THIS TO [REDACTED] SEVERAL OF THE OTHER RESIDENCE OVERHEARD AND SPOKE TO [REDACTED] WHOM AGREED WITH THEM AND DECIDED TO SIGN THE CONSENT TO SEARCH FORM. TO FURTHER EVALUATE THAT [REDACTED] SIGNED THE FORM WILLINGLY SGT. [REDACTED] SPOKE TO [REDACTED] AND AGAIN EXPLAINED THE FORM WITH [REDACTED] AGREEING FULLY WITH THE SEARCH. AUDIO RECORDING OF THE EXPLANATION OF THE SEARCH FORM WAS TAKEN BY SGT. [REDACTED]

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AFTER OBTAINING THE CONSENT TO SEARCH, PHOTOS OF THE INTERIOR OF THE HOUSE WERE TAKEN BY OFFICER [REDACTED] AS WELL AS THE 3 HANDGUNS FOUND ON THE DINING ROOM TABLE. EACH HANDGUN WAS REMOVED ALONG WITH ALL AMMUNITION AND MAGAZINES AND IMPOUNDED AS EVIDENCE BY OFFICER [REDACTED].

THE SHELL CASINGS FOUND IN THE STREET WERE ALSO PHOTOGRAPHED BY OFFICER [REDACTED] WITH OFFICER [REDACTED] COLLECTING THEM AS EVIDENCE. EACH SHELL CASINGS LOCATION WAS MEASURED AND THE CRIME SCENE DIAGRAM WAS COMPLETED BY OFFICER [REDACTED] AND OFFICER [REDACTED].

UPON COMPLETION OF THE INVESTIGATION MANUEL, [REDACTED] AND [REDACTED] WERE THEN TAKEN INTO CUSTODY PLACING EACH IN HANDCUFFS AT APPROXIMATELY 0140 HOURS AND TRANSPORTED TO ESTRELLA MOUNTAIN PRECINCT WHERE THEY WERE BOOKED FOR A SHANNON'S LAW VIOLATION OF ARS 13-3107 A DISCHARGING A FIREARM WITHIN A LIMITS OF A MUNICIPALITY.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

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DR NUMBER: 2010 01466578 1

REPORT DATE: 20101015 TIME: 2316

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED]

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: FRI 101510 2304

REPORTING OFFICER(S): [REDACTED]

UNIT: [REDACTED]

PREMISES: SINGLE FAMILY HOUSE

OCCUPIED: YES

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

PARTY-CREW: NO

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: 000000

DATE: 000000

SEARCH WARRANT INVOLVED:

0001 PKG 001 CODE:EI AP03

ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: COM

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: CHROME COLORED LUGER 9MM SHELL CASING FIRED FROM A
P3'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0002 PKG 002 CODE:EI AP03

ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: COM

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: CHROME COLORED LUGER 9MM SHELL CASING FIRED FROM A
P3'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0003 PKG 003 CODE:EI AP01

ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

0004 PKG 004 CODE:EI AP01

ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

0005 PKG 005 CODE:EI AP01

ITEM: YAMMUNI BRAND: HORNID MODEL: .45 AUTO COLOR: YEL

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

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0006 PKG 006 CODE:EI AP01
ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

0007 PKG 007 CODE:EI AP01
ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

0008 PKG 008 CODE:EI AP01
ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED HORNADY .45 AUTO SHELL CASING FIRED
FROM AP1'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE

0009 PKG 009 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0010 PKG 010 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0011 PKG 011 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0012 PKG 000 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0013 PKG 013 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:
DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0014 PKG 014 CODE:EI AP02
ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL
SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

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DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON N [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0015 PKG 015 CODE:EI AP02

ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: BRASS COLORED LUGER 9MM SHELL CASING FIRED FROM AP
2'S GUN FOUND IN ROADWAY ON [REDACTED] IMPOUND AT EMP AS EVIDENCE.

0016 PKG 016 CODE:EI AP01

ITEM: ACZG BRAND: TAURUS MODEL: 1911 .45ACP COLOR: BLK BRO

SIZE: .45 QUANTITY: 0001 SERIAL/ACCT/ID: NAX76576

DESCRIPTION: BLK TAURUS 1911 .45ACP HAND GUN WITH BRO GRIPS FIR
ED BY AP1 IN THE CRIME, IMPOUNDED AT EMP AS EVIDENCE.

0017 PKG 017 CODE:EI AP01

ITEM: YAMMUNI BRAND: HORNAD MODEL: .45 AUTO COLOR: YEL

SIZE: QUANTITY: 0004 SERIAL/ACCT/ID:

DESCRIPTION: 4 BRASS COLORED HORNADY .45 AUTO BULLETS AND 1 BLK
AND CHROME MAGAZINE USED BY AP1 IN CRIME. BULLETS ARE HOLLOW POINT. ALL I
TEMS IMPOUNDED AT EMP AS EVIDENCE.

0018 PKG 018 CODE:EI AP03

ITEM: ACZG BRAND: KAHR MODEL: CW9 COLOR: BLK COM

SIZE: 9MM QUANTITY: 0001 SERIAL/ACCT/ID: ED7917

DESCRIPTION: BLK AND CHROME KAHR CW9 9MM HAND GUN USED BY AP3 I
N THE CRIME IMPOUNDED AT EMP AS EVIDENCE.

0019 PKG 019 CODE:EI AP03

ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL

SIZE: QUANTITY: 0003 SERIAL/ACCT/ID:

DESCRIPTION: 3 BRASS COLORED LUGER 9MM HOLLOW POINT BULLETS AND
1 BLK AND CHROME MAGAZINE USED BY AP3 IN THE CRIME IMPOUNDED AT EMP AS EV
IDENCE.

0020 PKG 020 CODE:EI AP02

ITEM: ACZG BRAND: LORCIN MODEL: L9MM COLOR: BLK

SIZE: 9MM QUANTITY: 0001 SERIAL/ACCT/ID: L091708

DESCRIPTION: BLK LORCIN L9MM 9MM HAND GUN USED BY AP2 IN THE CR
IME IMPOUNDED AT EMP AS EVIDENCE.

0021 PKG 021 CODE:EI AP02

ITEM: YAMMUNI BRAND: LUGER MODEL: 9MM COLOR: YEL

SIZE: QUANTITY: 0010 SERIAL/ACCT/ID:

DESCRIPTION: 10 BRASS COLORED LUGER 9MM BULLETS AND 1 ALL BLK M
AGAZINE USED BY AP2 IN THE CRIME IMPOUNDED AT EMP AS EVIDENCE.

0022 PKG 022 CODE:EI AP03

ITEM: RATAPE BRAND: MODEL: COLOR:

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: AUDIOTAPE CONTAINING INTERVIEW WITH AP3 IMPOUNDED

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AT EMP AS EVIDENCE.

0023 PKG 023 CODE:EI AP03

ITEM: *MISC BRAND:

MODEL:

COLOR:

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: PHOENIX POLICE DEPARTMENT CONSENT TO SEARCH FORM S

IGNED BY AP3 FOR CONSENT TO SEARCH [REDACTED] RESIDENCE AT [REDACTED] LANE, IMPO
UNDED AT EMP AS EVIDENCE.

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ON 101510 AT 2316 HOURS I RESPONDED TO [REDACTED] LANE REFERENCE A
SHOOTING CALL. UPON ARRIVAL I CONDUCTED SEARCH OF THE STREET SOUTH OF THE
SCENE TO LOCATE ANY FURTHER SHELL CASINGS AND FOUND NONE.

I STOOD BY AND DID SCENE SECURITY UP UNTIL THE TIME THAT OFFICER R. [REDACTED]
[REDACTED] TOOK DIGITAL PHOTOGRAPHS OF THE SCENE. AFTER OFFICER [REDACTED] COMPLETED
HIS PHOTOGRAPHS I COLLECTED THE LISTED 15 SHELL CASINGS FROM THE STREET
NEAR THE HOUSE. FOR MORE INFORMATION ON THE SHELL CASINGS SEE THE PROPERTY
SECTION OF THIS REPORT, AND THE CRIME SCENE DIAGRAM.

AP3 [REDACTED] SIGNED A PHOENIX POLICE DEPARTMENT CONSENT TO
SEARCH FORM FOR HIS RESIDENCE AT [REDACTED] I ASSISTED IN THE
SEARCH OF THE HOUSE AND RECOVERED THE THREE LISTED HANDGUNS AND IMPOUNDED
THEM AT ESTRELLA MOUNTAIN PRECINCT AS EVIDENCE. I ALSO IMPOUNDED ALL OF
THE SHELL CASINGS, THE TAPE OF THE INTERVIEW WITH AP3 [REDACTED] AND THE
CONSENT TO SEARCH FORM.

FOR MORE DETAILS ON THE INCIDENT SEE ORIGINAL REPORT AND ALL OTHER
SUPPLEMENTS AS WELL AS THE CRIME SCENE DIAGRAM.

END REPORT.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES: 3956568

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

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REPORT DATE: 20101015 TIME: 0512

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED]

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: FRI 101510 2304

REPORTING OFFICER(S): [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: 8925

ON 10/14/10 AT APPROXIMATELY 2320 HOURS I RESPONDED TO [REDACTED] AS AN ADDITIONAL BACKUP UNIT REFERENCE A SHOTS FIRED CALL. UPON MY ARRIVAL OFFICERS HAD SECURED THE CRIME SCENE AND LOCATED SEVERAL INVOLVED PARTIES.

I BEGAN INTERVIEWING AP2, [REDACTED], WHO RELATED THE FOLLOWING:

[REDACTED] STATED THAT HE WAS SITTING IN THE LIVING ROOM READING WHEN HE HEARD A VEHICLE PULL UP TO HIS HOUSE. IT WAS APPROXIMATELY THE TIME THAT HIS BROTHER, W3 [REDACTED], USUALLY RETURNS HOME FROM SCHOOL AND [REDACTED] ASSUMED IT WAS [REDACTED] W1, [REDACTED], WENT TO THE FRONT DOOR AND UNLOCKED IT THEN STEPPED OUTSIDE TO SEE WHO HAD ARRIVED. [REDACTED] STATED THAT [REDACTED] HAD BEEN OUTSIDE FOR A WHILE AND HE GOT UP TO CHECK ON [REDACTED] WAS LOOKING OUT THE FRONT WINDOW OF THE HOUSE WHEN [REDACTED] HEARD [REDACTED] SCREAM IN SPANISH. [REDACTED] COULD NOT RECALL EXACTLY WHAT SHE HAD YELLED BUT RELATED THAT [REDACTED] WAS CALLING FOR HELP.

[REDACTED] THEN RELATED THAT LAST WEEKEND THERE HAD BEEN AN ATTEMPTED RESIDENTIAL BURGLARY AT [REDACTED] HOUSE WHICH ENDED WITH [REDACTED] SHOOTING AT A SUBJECT WHO WAS IN THEIR BACKYARD. AFTER THE ATTEMPTED BURGLARY [REDACTED] PURCHASED A 9 MM LORCIN HANDGUN. [REDACTED] RELATED THAT THE HANDGUN HAS A 10 ROUND MAGAZINE.

[REDACTED] STATED THAT [REDACTED] RAN TO HIS BEDROOM WHICH IS AT THE VERY END OF THE HALLWAY IN THE HOUSE TO RETRIEVE [REDACTED] 9 MM LORCIN HANDGUN BECAUSE [REDACTED] DID NOT WANT TO GO OUTSIDE, "EMPTY HANDED." [REDACTED] YELLED FOR [REDACTED] [REDACTED] TO GRAB [REDACTED] GUNS THEN RAN BACK TO THE FRONT DOOR OF THE HOUSE. BEFORE [REDACTED] EXITED THE HOUSE [REDACTED] RACKED HIS HANDGUN WHICH CAUSED A MALFUNCTION. [REDACTED] RACKED IT A SECOND TIME AND A LIVE ROUND FELL OUT OF THE GUN ONTO THE GROUND.

AS [REDACTED] EXITED THE FRONT DOOR OF THE HOUSE [REDACTED] PASSED [REDACTED] WHO WAS RUNNING INTO THE HOUSE. [REDACTED] STATED THAT [REDACTED] OBSERVED A DARK COLORED PASSENGER CAR FACING SOUTHBOUND ON N 75TH LANE. THE CAR WAS EITHER STOPPED IN THE ROADWAY OR TRAVELING VERY SLOWLY SOUTHBOUND. [REDACTED] SAID THE VEHICLE WAS TOO FAR AWAY AND IT WAS TOO DARK OUTSIDE FOR [REDACTED] TO

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DISTINGUISH EXACTLY WHAT COLOR OR WHAT MAKE AND MODEL THE CAR WAS. [REDACTED] FURTHER STATED THAT HE COULDN'T TELL IF THE CAR WAS NEW OR OLD. [REDACTED] COULD NOT TELL ME EXACTLY WHERE THE CAR WAS WHEN [REDACTED] FIRST SAW IT BUT STATED THAT IT WAS SOMEWHERE IN BETWEEN HAZELWOOD AND THE NEXT STREET THAT TURNS RIGHT WHEN YOU ARE FACING SOUTH ON 75TH LANE (MINNEZONA).

[REDACTED] RELATED THAT HE SAW WHAT [REDACTED] BELIEVED TO BE A "LARGE CALIBER GUN, POSSIBLY AN AK-47 OR AR-15" BEING HELD OUT THE REAR DRIVERS SIDE WINDOW OF THE CAR. [REDACTED] BELIEVED THE RIFLE WAS BEING POINTED BACK AT HIM AND [REDACTED] STATED THAT [REDACTED] FIRED 2 ROUNDS TOWARDS THE CAR. THE VEHICLE DROVE TO MINNEZONA AND BEGAN TURNING RIGHT (WEST) BUT THEN MADE A U-TURN SO THAT IT WAS FACING EAST ON MINNEZONA. [REDACTED] STATED THAT THE CAR THEN STOPPED AND [REDACTED] BELIEVED THAT THEY WERE GOING TO BEGIN DRIVING NORTH TOWARDS THE HOUSE. [REDACTED] THEN SHOT THE REMAINING ROUNDS IN [REDACTED] MAGAZINE TILL [REDACTED] HANDGUN WAS EMPTY AS THE VEHICLE TURNED SOUTH ON 75TH LANE THEN EAST ON SELLS DRIVE.

[REDACTED] STATED THAT WHILE [REDACTED] WAS SHOOTING [REDACTED] AP3, [REDACTED] AND AP1, MANUEL, WERE ALSO OUTSIDE. HE SAID THAT [REDACTED] HEARD ANOTHER GUN FIRING WHILE [REDACTED] WAS SHOOTING BUT [REDACTED] DID NOT KNOW WHO BESIDES [REDACTED] HAD FIRED ROUNDS. [REDACTED] DID RELATED TO ME THAT NO ROUNDS WERE FIRED BACK AT [REDACTED] FROM THE CAR AT ANY TIME AS IT DROVE AWAY.

AFTER MY INITIAL INTERVIEW WITH [REDACTED] I STOOD BY WITH THE INVOLVED PARTIES AS OTHER OFFICERS PROCESSED THE CRIME SCENE. IT WAS LATER DETERMINED THAT [REDACTED] WAS A SUSPECT IN A SHANNON'S LAW VIOLATION.

AT THAT TIME I READ [REDACTED] HIS MIRANDA RIGHTS FROM A STANDARD MIRANDA CARD. WHEN ASKED IF [REDACTED] UNDERSTOOD [REDACTED] RIGHTS [REDACTED] STATED, YES. I THEN REINTERVIEWED [REDACTED] STORY AND STATEMENTS DID NOT VARY EVEN SLIGHTLY FROM THE FIRST TIME THAT I INTERVIEWED [REDACTED] I AGAIN STOOD BY WITH THE INVOLVED PARTIES UNTIL THE INVESTIGATION WAS COMPLETED.

AT THAT TIME MYSELF AND OFFICER [REDACTED] TRANSPORTED [REDACTED] AND [REDACTED] TO ESTRELLA MOUNTAIN PRECINCT. AFTER THE BOOKING PAPERWORK WAS COMPLETED WE TRANSPORTED MANUEL, [REDACTED] TO 4TH AVENUE JAIL.

THAT COMPLETED MY INVOLVEMENT IN THIS INVESTIGATION. FOR FURTHER INFORMATION PLEASE SEE THE ORIGINAL AND ALL SUPPLEMENTAL REPORTS.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED] DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 002

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DR NUMBER: 2010 01466578 3

REPORT DATE: 20101015 TIME: 0513

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

PROSECUTION DESIRED: YES

SUSPECT[S]: BOOKED

BOOKING VICTIM NOTIFIED: NO

LOCATION: [REDACTED]

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: FRI 101510 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

PREMISES: STREET/ROADWAY/ALLEY

OCCUPIED: NO

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

PARTY-CREW: NO

PHOTOGRAPHS TAKEN: YES

BY: [REDACTED]

SCENE PROCESSED FOR LATENTS: NO BY:

LATENTS SUBMITTED TO CRIME LAB: NO

**** NARRATIVE ****

SERIAL NUMBER: 8859

SYNOPSIS

THIS SUPPLEMENT IS BEING GENERATED TO DOCUMENT MY INVOLVEMENT IN THIS MISCONDUCT INVOLVING WEAPONS INVESTIGATION. THIS INVOLVEMENT INCLUDES: AN INTERVIEW WITH AP1 MANUAL ACOSTA, WHO RECKLESSLY FIRED SHOTS FROM A .45 CALIBER HANDGUN IN THE DIRECTION OF AN UNKNOWN FLEEING VEHICLE; AN INTERVIEW WITH W2 [REDACTED], WHO OBSERVED [REDACTED] RETRIEVE [REDACTED] HANDGUNS JUST PRIOR TO SHOTS BEING FIRED; TAKING DIGITAL PHOTOGRAPHS OF THE SCENE; AND BOOKING AP1, AP2 AND AP3.

NARRATIVE

AT APPROXIMATELY 2320 HOURS ON 10-14-2010, OFFICER [REDACTED] AND I RESPONDED TO A RADIO REQUEST FOR ADDITIONAL UNITS TO RESPOND TO AN EMERGENCY RADIO CALL OF SHOTS FIRED AT [REDACTED]. UPON ARRIVAL, I IMMEDIATELY RECOGNIZED THE HOUSE AS THE SAME RESIDENCE WHICH OFFICER [REDACTED] AND I HAD RESPONDED TO APPROXIMATELY ONE WEEK EARLIER REFERENCE A POSSIBLE HOME INVASION ATTEMPT (SEE DR 2010-01435239). UPON ARRIVAL, I FIRST CONTACTED W2 [REDACTED].

INTERVIEW WITH W2 [REDACTED]:

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W2 [REDACTED] WAS SLEEPING INSIDE HIS ROOM WHEN [REDACTED] WAS AWAKENED BY THE SOUND OF [REDACTED] SCREAMING. W2 [REDACTED] OBSERVED [REDACTED], AP3 [REDACTED] IN POSSESSION OF A "CHROME GUN", [REDACTED], AP1 MANUAL IN POSSESSION OF A GUN WITH A BROWN HANDLE, AND [REDACTED], AP2 [REDACTED] IN POSSESSION OF AN ALL BLACK GUN. HE OBSERVED AP1 [REDACTED], AP2 [REDACTED] AND AP3 [REDACTED] WALK OUTSIDE AND HEARD APPROXIMATELY 3-4 SHOTS. ALL THREE [REDACTED] THEN RETURNED INSIDE, ARGUING. W2 [REDACTED] DID NOT DIRECTLY OBSERVE THE SHOTS BEING FIRED.

INTERVIEW WITH AP1 MANUEL ACOSTA (DIGITALLY-RECORDED):

AT APPROXIMATELY 0010 HOURS ON 10-15-2010, I READ AP1 MANUEL HIS CONSTITUTIONAL RIGHTS DIRECTLY FROM A DEPARTMENT-ISSUED CARD. WHEN ASKED IF HE UNDERSTOOD HIS RIGHTS, HE REPLIED, "YES".

AP1 MANUEL ADVISED THAT NOTHING OUT OF THE ORDINARY HAD OCCURRED SINCE THE INCIDENT ON 10-09-2010. SHORTLY BEFORE THE SHOTS WERE FIRED, AP1 MANUEL WAS IN HIS BEDROOM, WHICH IS LOCATED ON THE SOUTHWEST SECTION OF THE RESIDENCE. [REDACTED] STARTED TO SCREAM SOMETHING ABOUT MEN WITH GUNS AND AP1 MANUEL IMMEDIATELY TOLD [REDACTED], TO CALL THE POLICE.

AP1 MANUEL BEGAN LOOKING FOR HIS TAURUS .45 CALIBER 1911 MODEL HANDGUN, WHICH HE NORMALLY KEEPS IN THE TOP OF HIS CLOSET. HE ADVISED THIS WAS THE SAME HANDGUN THAT OFFICER [REDACTED] AND I HAD TEMPORARILY SEIZED DURING THE INCIDENT ON 10-09-2010. I RECALL THIS HANDGUN BEING A BLACK, .45-CALIBER, TAURUS-BRAND 1911-STYLE HANDGUN WITH BROWN, WOOD-GRAIN HANDGRIPS. AFTER SEARCHING FOR THE HANDGUN, HE EVENTUALLY FOUND IT IN THE BOTTOM OF HIS CLOSET. HE TYPICALLY KEEPS THE HANDGUN WITH A MAGAZINE INSERTED, BUT NO ROUND IN THE CHAMBER.

AP1 MANUEL THEN MADE HIS WAY TOWARDS THE FRONT DOOR OF THE HOUSE. RIGHT BEFORE HE REACHED THE FRONT DOOR, HE HEARD GUNSHOTS, CAUSING HIM TO IMMEDIATELY CROUCH DOWN LOW TO THE GROUND. HE COULD NOT ESTIMATE HOW MANY GUNSHOTS HE HEARD, ONLY THAT THEY WERE "CONSTANT". HE THEN MOVED A FEW STEPS FORWARD INTO A BREEZEWAY AREA JUST OUTSIDE THE FRONT DOOR WHICH IS SEPARATED FROM THE FRONT YARD OF THE HOUSE BY A ROD IRON FENCE THAT RUNS ALONG THE FRONT OF THE HOUSE.

AP1 MANUEL SAW [REDACTED] CROUCHED DOWN IN THE FRONT YARD, CLUTCHING [REDACTED] CHEST AREA AND CRYING AND HE IMMEDIATELY THOUGHT [REDACTED] HAD BEEN SHOT. HE WAS INITIALLY TOO AFRAID TO GO OUT ANY FURTHER INTO THE FRONT YARD, BUT THEN HE OBSERVED AP2 [REDACTED] AND AP3 [REDACTED] FIRING SHOTS SOUTHBOUND, SO HE RAN OVER TO ASSIST THEM BECAUSE HE WAS AFRAID FOR THEIR LIVES AND THOUGHT THEY WERE IN A "SHOOTOUT". AP3 [REDACTED] WAS STANDING NEAR THE STREETLIGHT JUST SOUTHWEST OF THEIR HOUSE AND AP2 [REDACTED] WAS STANDING IN THE MIDDLE OF [REDACTED].

AP1 MANUEL BEGAN RUNNING TOWARDS THE STREET AND AS SOON AS HE CLEARED A SMALL GROUP OF PALM TREES WHICH WERE GROWING IN THE NEIGHBOR'S YARD, HE CLOSED HIS EYES AND BEGAN FIRING HIS HANDGUN ONE-HANDED IN THE SAME DIRECTION THAT AP2 [REDACTED] AND AP3 [REDACTED] WERE FIRING. WHEN I ASKED AP1 MANUEL WHAT HE WAS AIMING AT, HE STATED, "NOTHING", AND THAT HE JUST CLOSED HIS EYES AND BEGAN SHOOTING. AP1 MANUEL ADVISED THAT HE DOES NOT KNOW HOW MANY SHOTS HE FIRED. WHEN HE OPENED HIS EYES, HE OBSERVED THAT WHAT THEY WERE ALL FIRING AT WAS A DARK-COLORED VEHICLE OF UNKNOWN YEAR, MAKE OR MODEL WHICH WAS DRIVING SOUTHBOUND ON [REDACTED] PASSING A FIRE

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HYDRANT AT APPROXIMATELY [REDACTED]. AP1 MANUAL ADVISED THAT HE KNOWS CARS VERY WELL AND THAT IF IT HAD BEEN CLOSE ENOUGH, HE WOULD HAVE BEEN ABLE TO MAKE OUT WHAT TYPE OF CAR IT WAS.

REALIZING THAT THE VEHICLE WAS FAR AWAY, AP1 MANUAL TOLD AP2 [REDACTED] AND AP3 [REDACTED] TO STOP FIRING. [REDACTED] THEN WENT INSIDE AND HE TOLD HIS [REDACTED] TO UNLOAD THE WEAPONS AND PLACE THEM ON THE TABLE SO THAT POLICE COULD SEE THEM.

MY INTERVIEW WITH AP1 MANUAL WAS LATER UPLOADED TO THE SERVER.

OFFICER OBSERVATIONS:

IN THE ROADWAY IN FRONT OF [REDACTED] WERE APPROXIMATELY 15 SHELL CASINGS OF MIXED CALIBER.

I TOOK DIGITAL PHOTOGRAPHS OF THE ENTIRE SCENE, INCLUDING THE LOCATIONS OF THE SHELL CASINGS, WHICH HAD BEEN MARKED WITH SMALL ORANGE CONES. I ALSO TOOK PHOTOGRAPHS OF THE PATH WE TOOK ENTERING THE HOME TO RETRIEVE THE THREE HANDGUNS FROM THE KITCHEN TABLE.

CONCLUSION

AP1 MANUAL, AP2 [REDACTED] AND AP3 [REDACTED] WERE TRANSPORTED TO ESTRELLA MOUNTAIN PRECINCT FOR PROCESSING AND LATER BOOKED INTO MARICOPA COUNTY JAIL ON ONE COUNT EACH OF UNLAWFUL DISCHARGE OF FIREARMS PER ARS 13-3107A. I HAVE NO FURTHER INFORMATION REGARDING THIS INCIDENT.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT: NO

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 003

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DR NUMBER: 2010 01466578 4

REPORT DATE: 20101014 TIME: 2314

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED]

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

PREMISES: STREET/ROADWAY/ALLEY

OCCUPIED:

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ON 101410, AT APPROXIMATELY 2308 HOURS, I RESPONDED TO [REDACTED] TO ASSIST OTHER UNITS WITH A SHOTS FIRED CALL AT THIS LOCATION.

I ARRIVED ON SCENE AT APPROXIMATELY 2314 HOURS. UPON EXITING MY PATROL VEHICLE, I NOTICED SEVERAL SHELL CASINGS LAYING ON THE STREET IN FRONT OF [REDACTED]. I WAS THEN DIRECTED TO A GROUP OF [REDACTED] AND [REDACTED] SUBJECTS WHO WERE SITTING AND STANDING ON THE PUBLIC SIDEWALK IN FRONT OF [REDACTED].

AS I STOOD BY THESE SUBJECTS, I BEGAN BRIEF INTERVIEWS WITH THE FEW SUBJECTS:

I FIRST SPOKE WITH [REDACTED], DATE OF BIRTH [REDACTED] STATED THAT HE GOT HOME THIS EVENING A FEW MINUTES AFTER 11:00 P.M. [REDACTED] STATED WHEN HE GOT HOME, HE WAS TOLD BY HIS FAMILY MEMBERS THAT SOME SUBJECTS HAD TRIED TO BREAK INTO THEIR HOME AND SHOTS WERE FIRED. [REDACTED] STATED THAT HE ARRIVED HOME AFTER THE INCIDENT AND COULD OFFER NO DETAILS ABOUT WHAT HAD OCCURRED REFERENCE THIS INCIDENT.

I NEXT SPOKE WITH [REDACTED] S, DATE OF BIRTH [REDACTED] STATED THAT HE IS [REDACTED] AND RESIDES AT [REDACTED] LANE. [REDACTED] STATED THAT ON 101410, AT APPROXIMATELY 2300 HOURS, [REDACTED] WAS IN [REDACTED] BEDROOM WATCHING TV. [REDACTED] STATED THAT AROUND THAT TIME [REDACTED] HEARD [REDACTED] SCREAM FROM THE FRONT LIVING ROOM AREA OF THE HOME. [REDACTED] STATED [REDACTED] WAS SCREAMING THAT SOMEBODY WAS TRYING TO BREAK IN.

[REDACTED] STATED THAT [REDACTED] THEN GRABBED HIS 9 MILLIMETER SEMIAUTOMATIC BLACK HANDGUN AND WENT OUT TO SEE WHAT WAS GOING ON. [REDACTED] STATED THAT [REDACTED] WHO WAS ALSO IN THE HOUSE, ALSO GRABBED A HANDGUN. [REDACTED] SAID THAT [REDACTED] LEARNED THE SUBJECTS HAD ATTEMPTED TO ENTER [REDACTED] HOUSE AND THAT SUBJECTS WERE ARMED WITH GUNS. [REDACTED] STATED THAT [REDACTED] THEN WENT OUTSIDE IN FRONT OF HIS RESIDENCE ALONG WITH [REDACTED]. [REDACTED] STATED THAT [REDACTED] SAW A VEHICLE TRAVELING SOUTHBOUND ON 75TH LANE FROM [REDACTED] RESIDENCE. [REDACTED] CELIS STATED THAT [REDACTED] THOUGHT THE VEHICLE WAS A MUSTANG

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Continued.

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PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

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SINCE IT HAD THREE VERTICAL RED TAILLIGHTS ON EACH SIDE OF THE BACK OF THE VEHICLE. [REDACTED] STATED [REDACTED] BELIEVED THE VEHICLE WAS GREEN; HOWEVER, COULD NOT BE SURE OF THE VEHICLE COLOR OR MAKE. [REDACTED] STATED THAT [REDACTED] HEARD TWO SHOTS BEING FIRED FROM A WEAPON. [REDACTED] STATED [REDACTED] WAS UNSURE WHERE THE SHOTS WERE COMING FROM SO [REDACTED] FIRED [REDACTED] HANDGUN TWICE AT THE VEHICLE THAT [REDACTED] SAW LEAVING WHICH IS BELIEVED TO BE A MUSTANG. [REDACTED] STATED THAT [REDACTED] DID NOT ACTUALLY SEE THE SUSPECTS BUT WAS ONLY TOLD THAT THE SUSPECTS WERE ARMED FROM [REDACTED]. [REDACTED] STATED TO ME THAT [REDACTED] FIRED TWO SHOTS TOWARDS THE VEHICLE AS IT WAS CONTINUING SOUTHBOUND ON [REDACTED] LANE. [REDACTED] STATED THAT [REDACTED] BELIEVES [REDACTED] HEARD ONLY FOUR SHOTS TOTAL OF BEING FIRED INCLUDING [REDACTED]. [REDACTED] ALSO STATED THAT ONLY [REDACTED] FIRED ROUNDS.

[REDACTED] STATED [REDACTED] COULD NOT IDENTIFY ANY OF THE SUBJECTS INVOLVED BUT STATED [REDACTED] BELIEVED THAT THEY MIGHT BE THE SAME SUBJECTS WHO HAD ATTEMPTED TO BURGLARIZE [REDACTED] HOME ABOUT A WEEK AGO. [REDACTED] STATED THAT [REDACTED] HAD SHOT AT THOSE SUSPECTS AT THAT TIME.

I ASKED [REDACTED] IF HE HAD ANY MILITARY OR FIREARMS TRAINING, AND [REDACTED] STATED [REDACTED] DID NOT. I ASKED [REDACTED] IF [REDACTED] HAD A CONCEALED WEAPONS PERMIT. [REDACTED] STATED THAT [REDACTED] DID NOT.

I THEN ASKED [REDACTED] [REDACTED] KNEW WHY THESE SUBJECTS IF THEY WERE THE SAME ONES WHO HAD ATTEMPTED TO BURGLARIZE THEIR HOME A WEEK AGO THEN WHY DO THEY KEEP RETURNING. [REDACTED] STATED THAT [REDACTED] DID NOT KNOW. [REDACTED] STATED THAT [REDACTED] BELIEVES [REDACTED] ARE GANG MEMBERS AND HAS NO IDEA WHY THESE SUBJECTS APPEAR TO KEEP RETURNING TO [REDACTED] HOME. [REDACTED] COULD OFFER NO FURTHER INFORMATION AT THIS TIME.

AS WE CONTINUED OUR INVESTIGATION, I ATTEMPTED TO REINTERVIEW [REDACTED] AGAIN; AND UPON ATTEMPTING TO MIRANDIZE [REDACTED] HE STATED HE WOULD PREFER TO SPEAK WITH [REDACTED]. OFFICER [REDACTED], A CERTIFIED [REDACTED], THEN ARRIVED ON SCENE AND ALSO CONDUCTED A TAPE-RECORDED INTERVIEW WITH [REDACTED]. PLEASE SEE HIS SUPPLEMENT FOR FURTHER INFORMATION.

I THEN STOOD BY THE SUBJECTS UNTIL THE INVESTIGATION WAS COMPLETED. SEE THE ORIGINAL REPORT AND ANY FOLLOWING SUPPLEMENTS FOR FURTHER INFORMATION.

THIS CONCLUDES MY INVOLVEMENT IN THIS INVESTIGATION.

PAGE A4091/7431/101510/0837/761/VW 71413
 DICTATED ON 101510/0510/1

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

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Continued.

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PHOENIX POLICE DEPARTMENT REPORT

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END OF REPORT

DR NO: 2010 01466578 004

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SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 5

REPORT DATE: 20101018 TIME: 1144

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

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*** REQUEST FOR LAB ANALYSIS ***
=====

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CURRENT DR IS: 2010 01466578 005 BIOLOGICAL EVID (BLOOD, SEMEN, TISSUE): N

NAM: CELIS ACOSTA MANUEL

NAM: CELIS ACOSTA DANIEL

LOCATION: [REDACTED]

LA

OFF:MIW

JAILED: Y

OFCR REQ OF ANALYSIS: [REDACTED]

DATE OCC:101410 TIME:2304

(LAST, FIRST, MIDDLE) FIRM NAME USE BUS.

DATE REQ:101810 TIME:1145

VIC: STATE OF ARIZONA

DUI RELATED:N

BUS:

INVOICE	ITEM #	SFX	TYPE	TYPE OF REQUEST
0003956568	0001		YAMMUNI	FIREARMS
0003956568	0002		YAMMUNI	FIREARMS
0003956568	0003		YAMMUNI	FIREARMS
0003956568	0004		YAMMUNI	FIREARMS
0003956568	0005		YAMMUNI	FIREARMS
0003956568	0006		YAMMUNI	FIREARMS
0003956568	0007		YAMMUNI	FIREARMS
0003956568	0008		YAMMUNI	FIREARMS
0003956568	0008		YAMMUNI	FIREARMS
0003956568	0009		YAMMUNI	FIREARMS
0003956568	0010		YAMMUNI	FIREARMS

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0003956568	0011	YAMMUNI	FIREARMS
0003956568	0012	YAMMUNI	FIREARMS
0003956568	0013	YAMMUNI	FIREARMS
0003956568	0014	YAMMUNI	FIREARMS
0003956568	0015	YAMMUNI	FIREARMS
0003956568	0016	ACZG	LATENT PRINT FIREARMS
0003956568	0017	YAMMUNI	LATENT PRINT FIREARMS
0003956568	0018	ACZG	LATENT PRINT FIREARMS
0003956568	0019	YAMMUNI	LATENT PRINT FIREARMS
0003956568	0020	ACZG	LATENT PRINT FIREARMS
0003956568	0021	YAMMUNI	LATENT PRINT FIREARMS

BLOOD DRAWN BY:
LOC OF DRAWING:

1.DATE/TIME DRAW:000000 / 0000
2.DATE/TIME DRAW:000000 / 0000

**** NARRATIVE ****

SERIAL NUMBER: 7525

PLEASE SWAB ALL HANDGUNS, MAGAZINES AND LIVE AMMUNITION FOR DNA.

PLEASE PROCESS ALL HANDGUNS, MAGAZINES AND LIVE AMMUNITION FOR LATENT PRINTS.

PLEASE TEST FIRE ALL HANDGUNS AND COMPARE TO RECOVERED CARTRIDGES AND ENTER INTO NIBIN.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED] DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 005

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 6

REPORT DATE: 20101021 TIME: 0553

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: 000000

DATE: 000000

SEARCH WARRANT INVOLVED:

0001. PKG 001 CODE:EI UK01

ITEM: DDOCSYS BRAND:

MODEL:

COLOR:

SIZE: QUANTITY: 0003 SERIAL/ACCT/ID:

DESCRIPTION: CRIME SCENE DIAGRAM 3 PAGES, OVERALL, EVIDENCE AND
EVIDENCE SKID MARKS.

***** NARRATIVE *****

SERIAL NUMBER: [REDACTED]

PURPOSE OF THIS SUPPLEMENT
*****THIS SUPPLEMENT WAS GENERATED TO DOCUMENT MY INVOLVEMENT REGARDING AN
EMERGENCY CALL OF SHOTS FIRED AT 4637 N. 75TH LANE.*****
NARRATIVE:

ON 101410 AT APPROXIMATELY 2304 HOURS, I RESPONDED TO AN EMERGENCY SHOTS FIRED CALL AT [REDACTED] LANE. UPON MY ARRIVAL, I PARKED MY FULLY MARKED PATROL UNIT ONE HOUSE SOUTH OF THE LISTED ADDRESS. I WAS BEHIND ANOTHER UNIT THAT WAS ALSO FULLY MARKED PATROL VEHICLE (CHEVY TAHOE). AS I APPROACHED THE LISTED RESIDENCE, I NOTICED SEVERAL MALE AND FEMALE SUBJECTS STANDING ON THE FRONT YARD AND SIDE WALK JUST IN FRONT OF THE RESIDENCE. OTHER MALE SUBJECTS WALKED BACK INTO THE RESIDENCE AND CAME BACK OUT RIGHT AWAY. OTHER UNITS WERE ALREADY CONTACTING THESE SUBJECTS. I PROCEEDED TO CANVAS THE NEIGHBORS FOR POSSIBLE SUSPECT VEHICLE INFORMATION. ACCORDING TO THE NEIGHBORS, THEY DID NOT SEE ANYTHING BUT THEY COULD ACCOUNT FOR SEVERAL SHOTS HEARD APPROXIMATELY 10 SHOTS AND NOTHING FURTHER.

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Continued.

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PHOENIX POLICE DEPARTMENT REPORT

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DR NUMBER: 2010 01466578

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WHILE CONDUCTING SCENE SECURITY WITH OFFICER [REDACTED], SERGEANT [REDACTED] APPROACHED ME AND ASKED ME IF I COULD DO THE CRIME SCENE DIAGRAM FOR THIS INCIDENT.

 CRIME SCENE DIAGRAM INFORMATION:

REFERENCE POINT (RP) - SOUTH EAST CORNER (SEC) OF N. 75TH LANE AND W. COOLIDGE STREET.

EVIDENTIARY ITEMS COLLECTED FROM THE SCENE:

- *****
1. 9MM LUGER SPENT SHELL CASING 77'S,0'W
 2. 9MM LUGER SPENT SHELL CASING 79'S,1'W
 3. 45 CALIBER HORNADY SPENT SHELL CASING 90'S,16'W
 4. 45 CALIBER HORNADY SPENT SHELL CASING 95'S,17'W
 5. 45 CALIBER HORNADY SPENT SHELL CASING 102'S,16'W
 6. 45 CALIBER HORNADY SPENT SHELL CASING 103'S,17'W
 7. 45 CALIBER HORNADY SPENT SHELL CASING 104'S,9'W
 8. 45 CALIBER HORNADY SPENT SHELL CASING 110'S,13'W
 9. 9MM LUGER SPENT SHELL CASING 122'S,22'W
 10. 9MM LUGER SPENT SHELL CASING 122'S,16'W
 11. 9MM LUGER SPENT SHELL CASING 126'S,23'W
 12. 9MM LUGER SPENT SHELL CASING 126'S,23'W
 13. 9MM LUGER SPENT SHELL CASING 129'S,16'W
 14. 9MM LUGER SPENT SHELL CASING 132'S,15'W
 15. 9MM LUGER SPENT SHELL CASING 129'S,31'W

THE LOCATION OF THESE ITEMS ARE DEPECTED IN DIAGRAM LABELED EVIDENCE BY EACH ITEM NUMBER.

EVIDENTIARY ITEMS COLLECTED FROM THE SCENE:

- *****
1. SKID MARK 1 APPROXIMATELY 33' IN LENGTH 64'S,15'W
 2. SKID MARK 2 APPROXIMATELY 42' IN LENGTH 89'S,19'W

THE LOCATION OF THESE ITEMS ARE DEPECTED IN DIAGRAM LABELED EVIDENCE SKID MARKS (TIRES) BY ITEM NUMBER.

THE ORIGINAL DIAGRAMS WERE IMPOUNDED VIA ESTRELLA MOUNTAIN PRECINCT FOR FUTURE REFERENCE. A COPY WAS SENT TO THE CASE AGENT, DETECTIVE [REDACTED] # [REDACTED] THROUGH INTER OFFICE MAIL.

REFER TO THE ORIGINAL REPORT AND CORRESPONDING SUPPLEMENT FOR MORE INFORMATION.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

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PAGE NUMBER: 3

DR NUMBER: 2010 01466578 6

INVOICES: 3958176

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 006

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** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 7

REPORT DATE: 20101101 TIME: 1357

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ORIGINATING DR: 201001466578 005

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.

ANALYST: [REDACTED]

NO FRICTION RIDGE DETAIL WAS PRESERVED FROM ITEMS 3956568-0017.01 (GUN MAGAZINE) AND 3956568-0018 (HANDGUN). THE IMAGES WERE STORED IN THE VIDEO IMAGING DATABASE UNDER INVOICE 3956568. IF A LATENT PRINT COMPARATIVE ANALYSIS IS REQUIRED, AND KNOWN PRINTS OF THE SUBJECT ARE AVAILABLE, PLEASE SUBMIT A LATENT PRINT COMPARATIVE REQUEST VIA PACE.

SWABS WERE COLLECTED, PRESERVED AND RETAINED FROM ITEMS 3956568-0016 (HANDGUN), 3956568-0017.01 (GUN MAGAZINE), 3956568-0018 (HANDGUN), 3956568-0019.01 (GUN MAGAZINE), 3956568-0020 (HANDGUN), AND 3956568-0021.01 (GUN MAGAZINE). THESE SWABS WILL BE CONSUMED DURING DNA ANALYSIS. IF DNA ANALYSIS IS REQUESTED, PLEASE CONTACT THE FORENSIC BIOLOGY SECTION AT 602-262-6197.

NO FRICTION RIDGE DETAIL WAS PRESERVED FOR ITEMS 3956568-0016 (HANDGUN), 3956568-0017.02 (FOUR CARTRIDGES), 3956568-0019.01 (GUN MAGAZINE), 3956568-0020 (HANDGUN), AND 3956568-0021.01 (GUN MAGAZINE).

NO FRICTION RIDGE DETAIL WAS PRESERVED FOR ITEMS 3956568-0019.02 (THREE CARTRIDGES) AND 3956568-0021.02 (TEN CARTRIDGES) UPON VISUAL EXAMINATION.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 007

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SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 8

REPORT DATE: 20101103 TIME: 0842

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

 =====
 *** REQUEST FOR LATENT PRINT COMPARISON ***
 =====

 CURRENT DR IS: 2010 01466578 008 DATE OF REP: 110310 TIME OF REP: 0853
 LOCATION OF OCC: [REDACTED] LA
 OFFENSE: MIW

OFFICER REQUESTING ANALYSIS: [REDACTED]

DIVISION OR SECTION: [REDACTED]

EXTENTION: [REDACTED]

 COMPARE PRINTS OF THE FOLLOWING PEOPLE WITH LATENT IMPRESSIONS OBTAINED IN DR

SCN	FP	LAST NAME	FIRST	MIDDLE	DOB	SEX
0412040040		CELIS-ACOSTA	DANIEL			M
0006301498		[REDACTED]	[REDACTED]			[REDACTED]
9906220394		[REDACTED]	[REDACTED]			[REDACTED]

**** SPECIAL INSTRUCTIONS ****

PLEASE COMPARE PRINTS

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 008

** PUBLIC **

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PAGE NUMBER: 1

DR NUMBER: 2010 01466578 9

REPORT DATE: 20101103 TIME: 1205

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** WITNESS INFORMATION ****

WITNESS -05:

NAME:

SPEAKING: [REDACTED]

RACE: [REDACTED] SEX: [REDACTED] AGE: [REDACTED] DOB: [REDACTED] HT: [REDACTED] WT: [REDACTED]
 HAIR: [REDACTED] EYES: [REDACTED] SSN: [REDACTED]
 WILL TESTIFY: YES MISC. [REDACTED]

**** NARRATIVE ****

SERIAL NUMBER: 7525

ON 10-28-10 AT APPROXIMATELY 1330 HOURS I, DETECTIVE [REDACTED] WENT TO [REDACTED] REFERENCE THIS REPORT. OFFICER [REDACTED] AND OFFICER [REDACTED] ALSO RESPONDED AS WELL. I KNOCKED ON THE METAL GATE OF THIS RESIDENCE TO CONTACT THE OCCUPANTS LOOKING FOR [REDACTED]

IT SHOULD BE NOTED THE FRONT OF THE RESIDENCE IS FORTIFIED WITH METAL BARS AND THE FRONT PATIO AREA IS ENCLOSED WITH A METAL GATE AND FENCE. AFTER APPROXIMATELY 3-5 MINUTES OF KNOCKING A [REDACTED] OPENED THE FRONT DOOR AND IDENTIFIED [REDACTED] AS [REDACTED]

[REDACTED] SPOKE [REDACTED] COMMUNICATED THAT [REDACTED] COULD NOT OPEN THE GATE AND WAS WAITING FOR [REDACTED] FAMILY TO ARRIVE AND UNLOCK THE LOCK. [REDACTED] APPEARED UPSET AND CONFUSED BY US BEING THERE. APPROXIMATELY 5-10 MINUTES LATER [REDACTED] ARRIVED AND OPENED THE GATE. [REDACTED] INVITED US INSIDE HER RESIDENCE.

I REQUESTED A SPANISH SPEAKING OFFICER TO ASSIST IN THIS INTERVIEW. WHILE WAITING FOR A SPANISH TRANSLATOR A NEIGHBOR LATER IDENTIFIED AS [REDACTED] STOPPED BY [REDACTED] RESIDENCE. I ASKED [REDACTED] IF [REDACTED] WITNESSED ANY OF THE EVENTS REGARDING THIS INVESTIGATIONS. [REDACTED] STATED [REDACTED] DID.

AND I WENT OUTSIDE TO THE SIDEWALK AREA AND I CONDUCTED AN INTERVIEW WITH [REDACTED]

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TOLD ME THE FOLLOWING:

STATED [REDACTED] HEARD SQUEALING TIRES OUTSIDE [REDACTED] HOUSE. IT SHOULD BE NOTED [REDACTED] HOUSE IS LOCATED [REDACTED] FRONT OF [REDACTED] RESIDENCE [REDACTED] SAID ON THE NIGHT OF THE SHOOTING [REDACTED] WAS INSIDE [REDACTED] HOUSE AND HEARD THE SQUEALING OF VEHICLE TIRES. [REDACTED] SAID [REDACTED] WENT INTO [REDACTED] GARAGE AND LOOKED OUT A SMALL WINDOW ON THE GARAGE DOOR AND SAW 3 [REDACTED] VEHICLES.

1) CONVERTIBLE MUSTANG PARKED ON THE NORTH SIDE OF [REDACTED] HOUSE NEAR THE BACK YARD.

2) ONE GREEN/BLUE OLDER TYPE HONDA PARKED ON THE SIDEWALK JUST SOUTH OF [REDACTED] HOUSE FACING NORTH ON [REDACTED].

3) ONE BROWN/GOLD OLDER HONDA PARKED IN THE STREET NEXT TO VEHICLE #2 FACING NORTH ON [REDACTED].

SAID [REDACTED] HE HEARD APPROXIMATELY 15 GUN SHOTS IN A ROW WITHOUT ANY BREAKS. [REDACTED] SAW VEHICLE 1 DRIVE AWAY FORM THE HOUSE HEADING NORTH. VEHICLE 2 AND 3 WERE DRIVING BACKWARDS AT A FAST PACE SOUTHBOUND ON [REDACTED]. AT FIRST [REDACTED] SAID [REDACTED] SAW THE DRIVER OF THE GREEN VEHICLE HOLDING A RIFLE OUT THE DRIVERS SIDE WINDOW.

LATER [REDACTED] CHANGED [REDACTED] STATEMENT AND SAID THE DRIVER HAD SOMETHING SHINY SHICKING OUT THE WINDOW. [REDACTED] SAID [REDACTED] DID NOT KNOW IF IT WAS A FIREARM. [REDACTED] SAID [REDACTED] DID NOT SEE ANY FIREARMS OR ANYONE SHOOTING AT EACH OTHER. WHEN [REDACTED] COULD SEE WHAT WAS HAPPENING [REDACTED] SAW THE MALES FROM [REDACTED] HOUSE WALKING FROM THE STREET BACK TOWARDS THEIR HOUSE.

AT APPROXIMATELY 1408 HOURS OFFICER [REDACTED] ARRIVED TO ASSIST WITH [REDACTED] SPANISH/ENGLISH TRANSLATION. I CONTACTED [REDACTED] OUTSIDE AWAY FROM [REDACTED] IT SHOULD BE NOTED IT APPEARED [REDACTED] WAS VISUALLY UPSET AT THE FACT I WAS REQUESTING AN INTERVIEW WITH [REDACTED] ALONE.

[REDACTED] COMMUNICATED TO ME THE FOLLOWING:

[REDACTED] STATED AT APPROXIMATELY 2245 HOURS SHE WAS AWAKE WAITING FOR [REDACTED] TO ARRIVE HOME FROM SCHOOL. [REDACTED] WAS AWAKE AT THIS TIME WITH [REDACTED]. LATER [REDACTED] TURNED OUT THE LIGHT AND CAME OUTSIDE TO WAIT. [REDACTED] WALKED BY THE RED TRUCK PARKED IN FRONT BY OLEANDERS AND SAW 2 HISPANIC MALES CROUCHING BY THE GARAGE AND FENCE IN FRONT OF THE HOUSE. THE 2 MALES WERE HOLDING SHOTGUNS IN THEIR HANDS.

WHEN [REDACTED] SAW THEM [REDACTED] YELLED TOWARDS [REDACTED] HOUSE THAT SOMETHING WAS

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PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 3

DR NUMBER: 2010 01466578

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HAPPENING. THE 2 MALES TURNED AWAY AND BEGAN TO RUN TOWARD 2 VEHICLES THAT WERE PARKED NEXT TO [REDACTED] HOUSE JUST SOUTH ON 75TH LANE. [REDACTED] SAID BOTH CARS WERE FACING NORTH. ONE WAS BLACK AND THE OTHER ONE WAS GREEN.

[REDACTED] SAID [REDACTED] CALLED FOR MANUEL AS [REDACTED] WENT INSIDE THE HOUSE. AS [REDACTED] MADE IT TO THE GATE MANUEL CAME RUNNING OUTSIDE. I ASKED [REDACTED] IF THE SUBJECTS POINTED THE FIREARMS AT [REDACTED] [REDACTED] STATED THEY DID NOT. [REDACTED] BELIEVES THAT [REDACTED] SCARED THE SUBJECT AND THEY RAN AWAY TO THEIR CARS. [REDACTED] SAID [REDACTED] HEARD GUN SHOTS BUT DID NOT SEE WHO WAS SHOOTING. [REDACTED] SAID [REDACTED] KNOWS THAT MANUEL, [REDACTED] FIRED THE GUNS BECAUSE THEY TOLD THEY DID.

I ASKED [REDACTED] IF [REDACTED] HAD ANY IDEA WHY SOMEONE WOULD COME TO [REDACTED] HOUSE WITH GUNS. [REDACTED] STATED [REDACTED] DID NOT KNOW WHY. I ASKED [REDACTED] IF [REDACTED] CONSIDERS [REDACTED] AN HONEST PERSON AND [REDACTED] STATED [REDACTED] DID.

I CONCLUDED MY INTERVIEW WITH [REDACTED]

I THEN WALKED ON THE SIDEWALK SOUTH BOUND FROM [REDACTED] HOUSE. I DID NOT SEE ANY APPARENT DAMAGE TO THE BLOCK WALLS OR HOUSES IN THIS DIRECTION. I MEASURED THE DISTANCE FROM THE SOUTH WEST CORNER OF THE RESIDENCE USING THE STREET/SIGN LAMP AS A POINT OF REFERENCE.

BY USING A ROLLER TAPE I MEASURED THE DISTANCE TO THE NORTH/EAST CORNER OF THE FOLLOWING STREETS:

[REDACTED] STREET
=====

APPROXIMATELY 205 FEET

HAZELWOOD STREET
=====

APPROXIMATELY 425 FEET

MINNEZONA AVENUE
=====

APPROXIMATELY 709 FEET

IT SHOULD BE NOTED I AM ASSIGNED TO THE PHOENIX POLICE GUN ENFORCEMENT SQUAD WHICH IS ON A TASK FORCE WITH THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES. I OBTAINED INFORMATION THAT THERE WAS SURVEILLANCE VIDEO FOOTAGE INVOLVED IN AN UNRELATED INVESTIGATION OF THE FRONT OF THIS RESIDENCE.

I REVIEWED THE SURVEILLANCE VIDEO AND OBSERVED THE FOLLOWING:

2010 01466578

9

Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 4

DR NUMBER: 2010 01466578

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THE VIDEO WAS MOSTLY GRAINY AND IN BLACK AND WHITE. THE FOLLOWING TIMES ARE APPROXIMATE.

23:02:47 HOURS

=====

2 SUBJECTS WITH DARK CLOTHES WALK FROM THE SOUTH AND STOOD IN FRONT OF THE GARAGE DOOR.

23:03:40 HOURS

=====

1 SUBJECT CAME OUT FROM THE FRONT DOOR AND THE 2 SUBJECT LEFT HEADING SOUTH.

23:04:03 HOURS

=====

1 SUBJECT CAME OUT OF THE HOUSE AND STOOD IN THE AREA OF THE SIDEWALK OR ON THE STREET AND LIFTED WHAT LOOKED LIKE THEIR RIGHT ARM AND HELD IT OUT. IT APPEARED TO BE A FIREARM. IT ALSO APPEARED TO HAVE A PLUME OF SMOKE AROUND THE POSSIBLE FIREARM IN THE SUBJECTS RIGHT HAND AS HE/OR SHE WAS HOLDING IT OUT TOWARDS THE SOUTH PORTION OF THE STREET.

23:04:14 HOURS

=====

2 MORE SUBJECTS CAME OUT FROM THE HOUSE AND ONE SUBJECT ALSO HELD HIS/HER ARM OUT TOWARDS THE SAME AREA AS THE FIRST SUBJECT. IT ALSO APPEARED THE SUBJECT WAS HOLDING A HANDGUN. THE 3 THEN STOOD THERE AND THEN TURNED TO GO TOWARDS THE HOUSE.

23:05:04 HOURS

=====

1 VEHICLE DRIVES INTO THE SOUTH OPEN PORTION OF THE FRONT DRIVEWAY AT THE RESIDENCE. THE DRIVER EXITS THE VEHICLE AND STANDS NEXT TO THE OTHER SUBJECT IN FRONT OF THE DRIVE WAY. SEVERAL MORE SUBJECTS BEGAN TO STAND TOGETHER IN THE FRONT YARD AREA OF THE RESIDENCE.

23:08:01 HOURS

=====

THE VEHICLE THAT JUST PARKED LEAVES HEADING WEST.

23:09:05 HOURS

=====

IT APPEARS THE PHOENIX POLICE HELICOPTER IS OVERHEAD WITH ITS SPOT LIGHT SHINING ON THE RESIDENCE.

23:10:52 HOURS

=====

IT APPEARS THE FIRST RESPONDING OFFICERS ARRIVE AND APPROACHED FROM THE SOUTH ON FOOT AND CONTACT THE RESIDENCE.

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 5

DR NUMBER: 2010 01466578

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ON 01-06-11 I CONTACTED [REDACTED] VIA THE TELEPHONE. I INFORMED [REDACTED] THAT I WISHED TO SPEAK WITH HIM REFERENCE THIS CASE. [REDACTED] MET ME AT THE AVONDALE POLICE DEPARTMENT. I TOLD [REDACTED] THAT I WAS STILL INVESTIGATING THE SHOOTING INCIDENT THAT OCCURED AT [REDACTED] HOUSE AT [REDACTED] ON 10-14-2010. BOTH [REDACTED] STATED 2 WEEKS AFTER THE INCIDENT THEY MOVED TO A NEW HOUSE LOCATED AT [REDACTED]

[REDACTED] RESIDE AT THIS NEW LOCATION. I ASKED WERE MANUEL IS RESIDING. I WAS INFORMED THEY DID NOT KNOW. [REDACTED] EXPLAINED THAT [REDACTED] DID NOT WITNESS ANY OF THE INCIDENT BECAUSE [REDACTED] WAS NOT THERE AT THE TIME. [REDACTED] STATED [REDACTED] WAS THERE BUT DID NOT SEE ANY OF THE VEHICLES LEAVING THE AREA DURING THE SHOOTING.

THEY BOTH SPOKE ABOUT THE INCIDENT THAT HAPPENED A WEEK PRIOR WHERE SEVERAL UNKNOWN SUBJECTS TRIED TO BREAK INTO [REDACTED] HOUSE FROM THE BACK YARD. [REDACTED] EXPLAINED HOW [REDACTED] WAS AFRAID AFTER THAT INCIDENT. I PROVIDED [REDACTED] WITH MY BUSINESS CARD AND ASKED IF [REDACTED] COULD PASS IT ALONG TO MANUEL. I WAS REQUESTING HIS CURRENT RESIDENTIAL ADDRESS.

THIS CONCLUDED MY CONVERSATION WITH [REDACTED]

ON 01-11-2011 SPECIAL AGENT ENGLISH WITH THE BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES PROVIDED ME WITH A COMPACT DISK CONTAINING A COPY OF THE LISTED VIDEO SURVEILLANCE AT [REDACTED] LANE ON 10-14-2010 AT 2300 2315 HOURS.

IT SHOULD BE NOTED THERE WERE 3 OTHER 911 CALLS FOR SERVICE REFERENCE THIS SHOOTING INCIDENT. I CONTACTED 2 OF THE 3 CALLERS AND OBTAINED THE FOLLOWING INFORMATION:

INCIDENT 10001466585

=====

2305 HOURS

I SPOKE [REDACTED] WHO STATED [REDACTED] HEARD THE SEVERAL SHOTS FIRED AND CALLED THE POLICE TO ADVISE. NO DAMAGE REPORTED TO HER RESIDENCE AND SHE DID NOT WITNESS THE SHOOTING.

INCIDENT 10001466587

=====

2305 HOURS

I SPOKE TO [REDACTED] WHO STATED [REDACTED] HEARD APPROXIMATELY 10 SHOTS

2010 01466578

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 6

DR NUMBER: 2010 01466578 9

FIRE AND CALLED THE POLICE TO ADVISE. NO DAMAGE REPORTED TO [REDACTED] RESIDENCE
AND [REDACTED] DID NOT WITNESS THE SHOOTING.

INCIDENT 10001466583

=====

2304 HOURS

I CALLED THE NUMBER LISTED ON CALL AND LEFT A MESSAGE. NO RESPONSE AT THIS
TIME.

IT SHOULD ALSO BE NOTED ONLY 9MM AND 45 CALIBER HANDGUN SPENT SHELL
CASINGS WERE LOCATED DURING THE INITIAL OFFICERS INVESTIGATION. NO OTHER
CALIBER CASINGS WERE LOCATED DURING THIS INVESTIGATION.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 009

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 10

REPORT DATE: 20101209 TIME: 1454

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ORIGINATING DR: 201001466578 008

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.

ANALYST: [REDACTED]

3956568-0017.01 THE DIGITAL IMAGING MANAGEMENT SYSTEM CONTAINS 2 LATENTS
FROM THIS ITEM.

LATENT #P2 WAS DETERMINED TO BE OF NO COMPARATIVE VALUE.

LATENT #P1 HAS BEEN PREVIOUSLY IDENTIFIED. 3956568-0018 THE DIGITAL IMAG
ING MANAGEMENT SYSTEM CONTAINS 1 LATENT FROM THIS ITEM.

ALL LATENTS WERE DETERMINED TO BE OF NO COMPARATIVE VALUE.

THEREFORE, NO COMPARISON WAS CONDUCTED.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 010

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 11

REPORT DATE: 20101221 TIME: 1606

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: B110

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ORIGINATING DR: 201001466578 005

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.

ANALYST: [REDACTED]

3956568-0017.01 THE DIGITAL IMAGING MANAGEMENT SYSTEM CONTAINS 2 LATENTS
FROM THIS ITEM.

THIS IS AN AZAFIS GENERATED COMPARISON.

LATENT #P1 WAS COMPARED TO MANUEL CELIS-ACOSTA, DOB:
5900, WITH THE FOLLOWING RESULTS:

SID #AZ2045

LATENT #P1FROM "GUN MAGAZINE" HAS BEEN IDENTIFIED TO THE LEFT THUMB OF MAN
UEL CELIS-ACOSTA.

3956568-0018 THE DIGITAL IMAGING MANAGEMENT SYSTEM CONTAINS 1 LATENT F
ROM THIS ITEM.

AN EVALUATION FOR AFIS QUALITY HAS BEEN CONDUCTED. NO LATENTS WERE ENTERED
D INTO AZAFIS.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 011

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 12

REPORT DATE: 20110111 TIME: 1446

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

*** PROPERTY/EVIDENCE ***

RECOVERY LOCATION: [REDACTED] ST

DATE: 011111

SEARCH WARRANT INVOLVED:

0001 PKG 000 CODE:EI AP01

ITEM: RVDISK BRAND:

MODEL:

COLOR:

SIZE: QUANTITY: 0001 SERIAL/ACCT/ID:

DESCRIPTION: ONE COMPACT DISK CONTAINING VIDEO SURVEILLANCE

10-14-2010 FOR [REDACTED] LANE (2300 - 2315 HOURS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

SUPPLEMENT GENERATED TO IMPOUND VIDEO SURVEILLANCE ON 4637 N 75TH LANE 10-14-10 2300-2315 HOURS.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES: 3979703

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 012

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 13

REPORT DATE: 20110525 TIME: 0616

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

THIS SUPPLEMENT WAS INADVERTENTLY GENERATED. PLEASE REFER TO SUPPLEMENT #
14 FOR THE RESULTS.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 013

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 14

REPORT DATE: 20110525 TIME: 0657

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

ORIGINATING DR: 201001466578 005

THE FOLLOWING IS A SUMMARY OF THE LABORATORY EXAMINATION RESULTS.
CONTACT THE LABORATORY BUREAU FOR THE OFFICIAL REPORT.

ANALYST: [REDACTED]

3956568-0001 THE SWABS (3956568-0016) WERE PREVIOUSLY SUB-ITEMED AS -0016.01.

THE MAGAZINE, SWABS AND AMMUNITION (3956568-0017) WERE PREVIOUSLY SUB-ITEMED AS MAGAZINE (-0017.01), SWABS (-0017.01A) AND AMMUNITION (-0017.02).CRLF

THE SWABS (3956568-0018) WERE PREVIOUSLY SUB-ITEMED AS -0018.01.

THE MAGAZINE, SWABS AND AMMUNITION (3956568-0019) WERE PREVIOUSLY SUB-ITEMED AS MAGAZINE (-0019.01), SWABS (-0019.01A) AND AMMUNITION (-0019.02).CRLF

THE SWABS (3956568-0020) WERE PREVIOUSLY SUB-ITEMED AS -0020.01.

THE MAGAZINE, SWABS AND AMMUNITION (3956568-0021) WERE PREVIOUSLY SUB-ITEMED AS MAGAZINE (-0021.01), SWABS (-0021.01A) AND AMMUNITION (-0021.02).CRLF

THE TAURUS PT 1911 AR 45 AUTO PISTOL (3956568-0016, SERIAL NUMBER NAX76576) WAS DETERMINED TO BE OPERATIONAL. THE MAGAZINE (-0017.01) WAS USED TO TEST FIRE THE PISTOL. A TEST FIRE SAMPLE WAS ENTERED INTO NIBIN.

THE KAHR CW9 9MM LUGER PISTOL (3956568-0018, SERIAL NUMBER ED7917) WAS DETERMINED TO BE OPERATIONAL. THE MAGAZINE (-0019.01) WAS USED TO TEST FIRE THE PISTOL. A TEST FIRE SAMPLE WAS ENTERED INTO NIBIN.

THE LORCIN L9MM 9MM LUGER PISTOL (3956568-0020, SERIAL NUMBER L091708) WAS DETERMINED TO BE OPERATIONAL. THE MAGAZINE (-0021.01) WAS USED TO TEST FIRE THE PISTOL. A TEST FIRE SAMPLE WAS ENTERED INTO NIBIN.

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Continued.

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PHOENIX POLICE DEPARTMENT REPORT

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THE STARLINE BRASS 9MM LUGER CARTRIDGE CASINGS (3956568-0001 & -0002) WERE IDENTIFIED AS HAVING BEEN FIRED IN THE KAHR CW9 9MM LUGER PISTOL (3956568-0018). AGREEMENT OF THE CHARACTERISTICS IS SUFFICIENT TO DETERMINE THAT THE FIREARM IS THE SOURCE OF THE CASING.

THE HORNADY 45 AUTO CARTRIDGE CASINGS (3956568-0003, -0004, -0005, 0006, -0007 AND -0008) WERE IDENTIFIED AS HAVING BEEN FIRED IN THE TAURUS PT 1911 AR 45 AUTO PISTOL (3956568-0016). AGREEMENT OF THE CHARACTERISTICS IS SUFFICIENT TO DETERMINE THAT THE FIREARM IS THE SOURCE OF THE CASING.

THE WIN 9MM LUGER CARTRIDGE CASINGS (3956568-0011 AND -0012) COULD NOT BE CONCLUSIVELY IDENTIFIED OR EXCLUDED AS HAVING BEEN FIRED IN THE LORCIN L9MM 9MM LUGER PISTOL (3956568-0020). HOWEVER, IT IS LIKELY THE CASINGS WERE FIRED IN THE FIREARM. THERE WAS AGREEMENT OF ALL DISCERNIBLE CLASS CHARACTERISTICS AND SOME INDIVIDUAL CHARACTERISTICS, BUT THE AGREEMENT WAS NOT SUFFICIENT FOR IDENTIFICATION.

THE WIN 9MM LUGER CARTRIDGE CASINGS (3956568-0009, -0010, -0013, -0014 AND -0015) COULD NOT BE CONCLUSIVELY IDENTIFIED OR EXCLUDED AS HAVING BEEN FIRED IN THE LORCIN L9MM 9MM LUGER PISTOL (3956568-0020). THERE WAS AGREEMENT OF ALL DISCERNIBLE CLASS CHARACTERISTICS, BUT NO SIGNIFICANT AGREEMENT OR DISAGREEMENT OF THE INDIVIDUAL CHARACTERISTICS WAS NOTED. THE CASINGS COULD HAVE BEEN FIRED IN THE FIREARM, OR ANY OTHER FIREARM WITH SIMILAR CHARACTERISTICS.

THE SWABS (3956568-0016.01) WERE RECEIVED, BUT NOT ANALYZED.

THE SWABS (3956568-0017.01A) AND AMMUNITION (3956568-0017.02) WERE RECEIVED, BUT NOT ANALYZED.

THE SWABS (3956568-0018.01) WERE RECEIVED, BUT NOT ANALYZED.

THE SWABS (3956568-0019.01A) AND AMMUNITION (3956568-0019.02) WERE RECEIVED, BUT NOT ANALYZED.

THE SWABS (3956568-0020.01) WERE RECEIVED, BUT NOT ANALYZED.

THE SWABS (3956568-0021.01A) AND AMMUNITION (3956568-0021.02) WERE RECEIVED, BUT NOT ANALYZED.

FURTHER TESTING ON THE SWABS (3956568-0016.01, -0017.01A, -0017.02, -0018.01, -0019.01A, -0019.02, -0020.01, -0021.01A AND -0012.02) MAY BE POSSIBLE USING SCREENING OR DNA ANALYSIS. PLEASE CONTACT THE FORENSIC BIOLOGY SECTION.

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

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PAGE NUMBER: 3

DR NUMBER: 2010 01466578 14

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DR NO: 2010 01466578 014

** PUBLIC **

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** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 15

REPORT DATE: 20110706 TIME: 1456

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE(NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

PROPERTY DUPLICATION

ON JUNE 06, 2011, DETECTIVE [REDACTED] OF THE PHOENIX POLICE DEPARTMENTS GUN ENFORCEMENT SQUAD SENT AN EMAIL REQUESTING THAT THE FORENSIC IMAGING UNIT MAKE TWO COPIES OF THE FOLLOWING IMPOUNDED ITEM:

INVOICE NUMBER 3979703 ITEM 1 "ONE COMPACT DISK CONTAINING VIDEO SURVEILLANCE"

DETECTIVE [REDACTED] REQUESTED THAT THE COPIES BE FORWARDED TO [REDACTED] OF THE MARICOPA COUNTY ATTORNEY'S OFFICE.

ON JUNE 14, 2011, FORENSIC PHOTO SPECIALIST [REDACTED] REQUESTED THE ITEM FROM THE PROPERTY MANAGEMENT BUREAU.

ON JUNE 17, 2011, FORENSIC PHOTO SPECIALIST [REDACTED] RECEIVED THE ITEM OF EVIDENCE FROM THE PROPERTY MANAGEMENT BUREAU AND STORED IT IN THE FORENSIC IMAGING UNITS SECURED STORAGE.

ON JUNE 22, 2011, I FORENSIC PHOTO SPECIALIST [REDACTED] WAS ASSIGNED THIS REQUEST BY FORENSIC PHOTO SPECIALIST SUPERVISOR [REDACTED].

ON JUNE 30, 2011 AT APPROXIMATELY 1318 HOURS, I REMOVED THE ITEM OF EVIDENCE FROM THE FORENSIC IMAGING UNITS SECURED STORAGE. I OPENED THE SEALED EVIDENCE BAG AND FOUND ONE DISC. I MADE TWO COPIES OF THE DISC USING A DUPLICATING TOWER. I VERIFIED THE DISC COPIED SUCCESSFULLY.

ON JUNE 30, 2011 AT APPROXIMATELY 1446 HOURS, I RESEALED THE ITEM OF EVIDENCE BACK IN THE EVIDENCE BAG. AT APPROXIMATELY 1544 HOURS, I SECURED THE ITEM OF EVIDENCE BACK IN THE FORENSIC IMAGING UNITS SECURED STORAGE. I FORWARDED THE COPIES TO D. PATRICK JOHNSON OF THE MARICOPA COUNTY ATTORNEY'S OFFICE.

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 01466578 15

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY : [REDACTED]

DR FINALIZED BY : [REDACTED]

END OF REPORT

DR NO: 2010 01466578 015

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 1

DR NUMBER: 2010 01466578 16

REPORT DATE: 20111006 TIME: 1638

TYPE OF REPORT: MISCONDUCT INVOLVING WEAPONS

OFFENSE: 415W

LOCATION: [REDACTED] LANE

BEAT: 0315 GRID: BI10

DATE/TIME OF OCCURRENCE: THU 101410 2304

REPORTING OFFICER[S]: [REDACTED]

UNIT: [REDACTED]

OFFENSE INVOLVED: BIAS - NONE (NO BIAS)

**** NARRATIVE ****

SERIAL NUMBER: [REDACTED]

DISC DUPLICATION

ON AUGUST 26, 2011, DETECTIVE [REDACTED] WITH THE PHOENIX POLICE DEPARTMENT'S GUN ENFORCEMENT SQUAD SENT AN EMAIL REQUESTING THE FORENSIC IMAGING UNIT MAKE TWO COPIES OF THE FOLLOWING ITEM:

INVOICE 3979703 ITEM 1 "ONE COMPACT DISK CONTAINING VIDEO SURVEILLANCE"

DETECTIVE [REDACTED] REQUESTED THAT WE FORWARD THE COPIES TO [REDACTED] AT THE MARICOPA COUNTY ATTORNEY'S OFFICE.

ON AUGUST 30, 2011, FORENSIC PHOTO SPECIALIST [REDACTED] REQUESTED THE ITEM FROM THE PROPERTY MANAGEMENT BUREAU.

ON SEPTEMBER 2, 2011, FORENSIC PHOTO SPECIALIST [REDACTED] RECEIVED THE ITEM AND STORED IT IN THE FORENSIC IMAGING UNIT'S SECURED STORAGE.

ON SEPTEMBER 9, 2011, I, FORENSIC PHOTO SPECIALIST [REDACTED] WAS ASSIGNED THIS REQUEST.

ON SEPTEMBER 21, 2011, AT APPROXIMATELY 1140 HOURS, I REMOVED THE ITEM FROM THE FORENSIC IMAGING UNIT'S SECURED STORAGE. I OPENED THE SEALED EVIDENCE BAG AND FOUND ONE DISC. I MADE TWO COPIES OF THE DISC USING A DUPLICATION TOWER AND CONFIRMED THAT THE CONTENTS COPIED SUCCESSFULLY.

ON SEPTEMBER 21, 2011, AT APPROXIMATELY 1305 HOURS, I RESEALED THE ITEM IN THE EVIDENCE BAG AND SECURED IT IN THE FORENSIC IMAGING UNIT'S SECURED STORAGE TO BE RETURNED TO THE PROPERTY ANNEX.

I FORWARDED THE TWO COPIES TO [REDACTED] AT THE MARICOPA COUNTY ATTORNEY'S OFFICE.

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Continued.

** PUBLIC **

PHOENIX POLICE DEPARTMENT REPORT

** RECORD **

SUPPLEMENT

PAGE NUMBER: 2

DR NUMBER: 2010 01466578 16

VICTIM RECEIVED RIGHTS INFORMATION: NO

MAIL-IN SUPPLEMENT:

INVOICES:

DR ENTERED BY :

DR FINALIZED BY :

END OF REPORT

DR NO: 2010 01466578 016

Exhibit 180

Exhibit 180

DEPARTMENT OF JUSTICE
BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
NATIONAL TRACING CENTER

Phone: (800) [REDACTED] Fax: (800) [REDACTED]

Print Date: [REDACTED]



SUSPECT GUN SUMMARY

Suspect Gun Number: S20100000887

Entered Date: June 03, 2010

[REDACTED]
PHOENIX FD GROUP VII

[REDACTED]
PHOENIX, AZ 85004

Badge No:

Investigation No: 785115-10 [REDACTED]

DEALER INFORMATION

Business Name:

Licensee Name: [REDACTED]

Address: [REDACTED]

GLENDAL, AZ 85302

Phone: (623) [REDACTED] Ext:

FFL Number: [REDACTED]

Invoice #:

INDIVIDUAL INFORMATION

Name: SEAN CHRISTOPHER STEWARD

Address: [REDACTED]

PHOENIX, AZ 85008

DOB: [REDACTED]

Race: WHITE

Sex: Male

Height: [REDACTED]

Weight: [REDACTED]

Date: 06/02/2010

ID 1: [REDACTED]

#:

ID 2: [REDACTED]

#:

NOTICE

The firearm(s) listed below was entered into the Firearms Tracing System as a suspect gun. You have requested NTC maintain a lookout for the firearm(s). If any of the suspect guns in this report are traced by another agency and/or individual, your Division's Firearms Trafficking Coordinator (FTC) will be notified in writing by the NTC. The notification will include the identity of the officer and/or agency requesting the trace. It will be incumbent upon the FTC or yourself to contact the firearms trace requestor. The NTC will not release any information concerning your suspect gun(s).

Weapon Summary

Weapon Count: 21

Manufacturer	Model	Caliber	Serial Number	Type	Importer
HS PRODUCTS (IM METAL)	XDM	9	MG964035	PISTOL	SPRINGFIELD INC (SI), GENESEO IL
GLOCK GMBH	19	9	PED789	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	19	9	PHU288	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	19	9	PPT643	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	19	9	PPT641	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	17	9	PKV031	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	17	9	NLM169	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	17	9	NSP410	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	19	9	NSP412	PISTOL	GLOCK INC, SMYRNA GA
GLOCK GMBH	34	9	NZC771	PISTOL	GLOCK INC, SMYRNA GA
RUGER	P95	9	317-36369	PISTOL	
RUGER	P95	9	317-36735	PISTOL	
RUGER	P95	9	317-40927	PISTOL	

Suspect Gun: S20100000887

RUGER	P95	9	317-36391	PISTOL	
RUGER	P95	9	317-36744	PISTOL	1141
RUGER	P95	9	317-40932	PISTOL	
RUGER	P95	9	317-40736	PISTOL	
TAURUS	PT1911	45	NAX76576	PISTOL	UNKNOWN IMPORTER
TAURUS	PT24/7	9	TCV80815	PISTOL	UNKNOWN IMPORTER
TAURUS	PT92	9	TCV92420	PISTOL	UNKNOWN IMPORTER
SMITH & WESSON	M&P	9	DTY4885	PISTOL	

Controlled
Unclassified Information

Suspect Gun: S20100000887

Exhibit 181

Exhibit 181



United States Attorney's Office
District of Arizona

Memorandum

To: Carol Stachan-Noonan
From: Emory Hurley
Subject: Fast and Furious
Date: October 21, 2010

Operation Name: the Fast and Furious
Status: Active investigation, no lines currently up.
Case Agents: Primary Case Agent: Hope MacAllister, ATF
Co-Case Agents: Tonya English, ATF
Layne France, ICE

This is a T-III investigation into a large scale firearm trafficking organization supplying firearms to Mexican cartels. It was spun off of a state authorized RC-3 investigating drug trafficking. This investigation has included RC-3.

The gun trafficking conspiracy under investigation involves more than RC-5 participants. Many of the participants are "straw purchasers" who buy firearms from licensed gun dealers for the trafficking organization. Other participants direct the flow of firearms out of the United States. The organization appears to compartmentalize the acquisition and transportation of firearms. The two primary targets of the investigation have been the primary organizer of the conspiracy (who appears to have the greatest control over the flow of firearms) and the primary purchaser of firearms (who both purchases himself, as well as recruits others to purchase).

Investigating agents have pursued interdiction of the firearms transferred to the conspirators where possible. Agents have not purposely let guns "walk." Interdiction in some cases has been hampered by counter-surveillance used by the targets. By looking at firearms transaction records historically, it is believed that the organization has acquired more than 1800 firearms. Since the inception of this investigation, more than 200 firearms have been recovered. ATF has undertaken a very aggressive approach to seizing firearms tied to this conspiracy whenever a legal theory allowing for seizure can be developed. Agents are working closely with the asset forfeiture unit within the USAO to deprive the organization of many of the firearms it has purchased. Approximately 50 lbs of marijuana have been seized in connection with this investigation. The value of firearms recovered/seized exceeds \$100,000.

The case is currently moving towards indictment and agents continue to interdict firearms purchased by members of the conspiracy.

HOCR USAO 003047

Exhibit 182

Exhibit 182

RC-1

From: Weinstein, Jason
Sent: Monday, November 08, 2010 10:41 PM
To: Pope, Amy
Cc: Trusty, James; Raman, Mythili
Subject: RE: are you pulling together any materials

Based on my conversations with Billy, here is what the meeting with Ken and Mark Chait appears to be about:

1. Briefing on the follow-up to our Mexico trip

RC-2

2. Drop-off in U.S. prosecutions for firearms trafficking

- Ken apparently wants to discuss an apparent reduction in the number of straw purchaser/gun trafficking cases being pursued in certain USAOs (including at least SDTX) and the reluctance on the part of some offices (again, including at least SDTX) to be aggressive in charging conspiracies in such cases; he will apparently ask if we have any suggestions about how to get the numbers up
- What we can do here depends on whether the drop in cases/less aggressive approach is based on a lack of priority placed on such cases by the USAOs, a good faith concern about the quality of the evidence, or a lack of resources
 - If it's a lack of will/priority (unlikely), the only thing we can do is encourage the offices to pursue these cases vigorously

- If it's a good faith disagreement with the agents about the strength of a particular case, there's nothing we can or should do
- If it's a lack of resources, perhaps we can offer to provide assistance in the form of a Gang Unit prosecutor, as with Laura Gwinn in AZ
- Ken is also frustrated by the pace of the USAO in AZ in bringing charges in the "Fast and Furious" gun-trafficking case (multiple wires, huge # of guns) – the AUSA has apparently told the agents that it will take a couple of months to draft the indictment; it appears that the AUSA on the case is not the fastest worker, and Laura Gwinn, our prosecutor on the case, is going to try to push things along, including by offering to draft the indictment
- Ken is apparently going to address the USAs at the US Atty conference to emphasize the importance of pursuing gun trafficking, particularly with a SWB nexus – he may ask Lanny to help him get that message across

From: Pope, Amy
Sent: Monday, November 08, 2010 4:51 PM
To: Weinstein, Jason
Subject: are you pulling together any materials

On ATF mtg for tomorrow?

Amy E. Pope | U.S. Department of Justice | Deputy Chief of Staff and Counselor to the Assistant Attorney General | Criminal Division | 23

RC-1

Exhibit 183

Exhibit 183

From: Hurley, Emory (USAAZ)
To: English, Tonya A. (ATF)
Sent: 11/29/2010 3:44:07 PM
Subject: RE: Ref Federal Firearms License searches

Thank you.

From: English, Tonya A. (ATF)
Sent: Monday, November 29, 2010 1:20 PM
To: Hurley, Emory (USAAZ)
Cc: MacAllister, Hope A. (ATF)
Subject: Ref Federal Firearms License searches

Emory,

Ref Federal Firearms License searches on the first round of subjects. Results came back negative for licenses on all 20 individuals.

RC-4	
AVILA Jr., Jaime NMN	
CARLON, Hector Rolando	
CELIS, Alfredo	
CELIS - ACOSTA, Manuel Fabian	
CHAMBERS, Jacob Wayne	
FERNANDEZ, Jonathan Earvin	
RC-4	
IRELAND, Kristi Gail	
MARQUEZ, Manuel	
MARTINEZ GONZALEZ, Juan Jose	
MONTELONGO, Jacob Anthony	
MOORE, Joshua David	
MORONES, Danny Cruz	
PATINO, Uriel NMN	
PONCE, Francisco Javier	
ROWLAND, John William	
STEWART, Sean Christopher	
THOMPSON, Kenneth	

Thanks,

Tonya

Special Agent Tonya English
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 Phoenix - Group VII

RC-1 (Desk)
 RC-1 (Fax)

HOCR DOJ 005987

From: Hurley, Emory (USAAZ)
To: Koehler, Joe (USAAZ)
Sent: 12/6/2010 11:27:46 AM
Subject: RE: Operation **RC-2** - IRS Meeting?

I'm very happy to have IRS involved in my case. One theory we are working up is that in Arizona, most gun shops have a pawn or "used dealer license" so that they can take in used guns in trade or for resale as part of their business. Although most do not make loans collateralized by used property, their license would allow them to do it. If they can be considered pawn brokers, they are a "financial institution" within the meaning of 18:1956.

From: Koehler, Joe (USAAZ)
Sent: Friday, December 03, 2010 12:57 PM
To: Hurley, Emory (USAAZ)
Subject: Fw: Operation **RC-2** - IRS Meeting?

What do you think of how IRS' role is working out in your case? Thanks.

From: Johnston Keith C [**RC-1**]
Sent: Friday, December 03, 2010 02:18 PM
To: Koehler, Joe (USAAZ)
Subject: RE: Operation **RC-2** - IRS Meeting?

Hello Joseph Koehler,

Do you had a few minutes during the week of December 13th through December 17th to discuss **RC-2** case? (I'm out of town all next week). I've received some of the receipts from the purchases made by the straw buyers from ATF Agents Lee Casa and Christi Van Werden. After receiving the receipts from ATF, I spoke with fellow IRS Special Agent Linda Wallace concerning a similar OCDETF investigation (Fast and Furious) she is working on with AUSA Emory Hurley. I wanted to touch base with you and see if you would like me to pursue something similar to what Agent Wallace is doing in the Fast and Furious investigation or wanted me to assist in a different way with the **RC-2** Investigation. Please let me know if you have an available time during that week to discuss how I can best assist in the investigation.

Thank you,

IRS-CI Special Agent KC Johnston
RC-1

HOCR DOJ 005988

Exhibit 184

Exhibit 184

From: English, Tonya A.
Sent: Monday, November 15, 2010 2:42 PM
To: Voth, David J.
CC: MacAllister, Hope A.
Subject: FW: seizure

Ref this seizure. Alex called me to let me know that at least 2 of the 16 firearms recovered are Fast and Furious f/a's. He wanted to know if any of the firearms were purchased or associated with the guns recovered in El Paso. I thought this was interesting that in light of the recent communication with the El Paso office. One of the guns was purchased by Steward on 12-14-09. Ten days later he bought the 40 that were recovered in El Paso. My thought is not to release any information on the f/a's including the highlighted info. above. I was going to simply email him and say not part of that purchase. Please advise if you have an alternate idea or suggestion.

Thanks,

Tonya

From: Kruthaupt, Alex J.
Sent: Monday, November 15, 2010 12:16 PM
To: English, Tonya A.
Subject: seizure

8 held in death of ex-Chihuahua AG's brother

By Maggie Ybarra \ El Paso Times

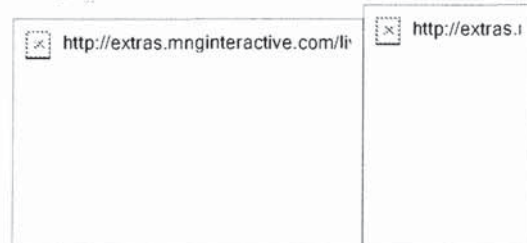
Posted: 11/06/2010 12:00:00 AM MDT

Click photo to enlarge



Federal police present five suspects, arrested in connection with the slaying of Mario... (AP Photo)

- «
- 1
- 2
- »



HOCR ATF - 001792

Exhibit 185

Exhibit 185

To: MacAllister, Hope A. [RC-1]
Cc: Voth, David J. [RC-1]
From: English, Tonya A.
Sent: Mon 11/15/2010 7:23:47 PM
Subject: FW: seizure

[RC-5] - Patino

[RC-5] - Steward

From: English, Tonya A.
Sent: Monday, November 15, 2010 12:17 PM
To: MacAllister, Hope A.
Subject: FW: seizure

At least 2 of the 16 guns recovered are related to Fast and Furious.

From: Kruthaupt, Alex J.
Sent: Monday, November 15, 2010 12:16 PM
To: English, Tonya A.
Subject: seizure

8 held in death of ex-Chihuahua AG's brother

By Maggie Ybarra \ El Paso Times

Posted: 11/06/2010 12:00:00 AM MDT

Click photo to enlarge

HOCR DOJ 006700

Exhibit 186

Exhibit 186

RC-1

From: Weinstein, Jason
Sent: Thursday, December 16, 2010 8:42 PM
To: Lurie, Adam
Subject: FW: December 15 Workshop regarding Arms Trafficking and Explosives

FYI

From: Trusty, James
Sent: Thursday, December 16, 2010 2:21 PM
To: Weinstein, Jason
Subject: Fw: December 15 Workshop regarding Arms Trafficking and Explosives

From: Gwinn, Laura
To: Jaffe, David; Trusty, James; Ohr, Bruce
Sent: Thu Dec 16 14:12:17 2010
Subject: Fw: December 15 Workshop regarding Arms Trafficking and Explosives

Karine sent a good summary on the Mexico meeting. Thought you might be interested or have a need to pass on to Jason.

Sent from Blackberry

Laura Gwinn

US Dept of Justice Gang Unit

RC-1 (c)

From: Taxman, Karine M (Mexico City) <RC-1@state.gov>
To: Higgins, Eileen T (Mexico City) <RC-1@state.gov>
Cc: Perez, Jose O (Mexico City) <RC-1@state.gov>; Garcia, Anthony P (Mexico City) <RC-1@state.gov>; Snyder, Christopher A (Mexico City) <RC-1@state.gov>; Feeley, John D (Mexico City) <RC-1@state.gov>; Carlos Canino <RC-1>; Larson, Brian (USAAZ) <RC-1>; Gwinn, Laura; JPareck <RC-1@doj.gov>; FBattista <RC-1@doj.gov>
Sent: Thu Dec 16 14:05:55 2010
Subject: December 15 Workshop regarding Arms Trafficking and Explosives

Yesterday, December 15, 2010, US prosecutors, and ATF & ICE agents met with their Mexican counterparts at PGR as part of the first Arms Trafficking and Explosives working group meeting. The amount of US representatives matched the Mexican representatives (approximately 12 from each) and the level was equally matched.

The meeting started with a lively discussion regarding E-Trace.

RC-2

HOCR DOJ 006722

RC-2

RC-2

Next, the US presented two cases. The first case was presented by Josh Patecki and Brian Larson, both from the Phoenix, Arizona US Attorney's office. Their case was a case that has already progressed significantly and has already received significant Mexican PGR support. However, drawing from the enthusiasm in the room, the conversation quickly went to potential new areas of cooperation to be explored.

The second US case was new to our Mexican counterparts, and involved the illegal shipment of approximately 250 firearms into Mexico. The case was presented by Laura Gwinn, an attorney with the DOJ Criminal Gang Unit. Again, the discussion was very interactive, and involved exploring areas where we could work together. Both the US and Mexican representatives exchanged names, contact information, and identified areas that could benefit from joint cooperation.

Also training needs were identified by PGR to include:

- 1- RC-2
- 2-
- 3-
- 4-
- 5-
- 6-

In addition, the entire working group decided to meet again as a working group on March 8, 2011 to discuss developments and advances in each of the cases.

Please let me know if you have any questions or need additional information.

Karine Moreno-Taxman

RLA- DOJ/OPDAT

x RC-1

This email is UNCLASSIFIED

Exhibit 187

Exhibit 187

SBU

This email is UNCLASSIFIED.

From: Parecki, Josh (USAAZ) [RC-1]
Sent: Monday, January 31, 2011 4:30 PM
To: Taxman, Karine M (Mexico City)
Cc: [RC-1] (Mexico City)
Subject: RE: Acusación contra 34 Sospechosos de Tráfico Organizado de Drogas y Armas

Something like this?

In an effort to encourage further bilateral relations with the GoM/PGR, and to advance the possibility of joint major weapons trafficking law enforcement operations and prosecutions, the USAO (D. Ariz.), DOJ Attaché (Mexican Embassy), DOJ OPDAT, ATF SAC/PHX and ATF Mexico City invited both a representative of PGR SIEDO (Unit in Terrorism Stockpile and Trafficking of Firearms), and a representative of PGR SSP to observe and participate in the take down of a major southbound weapons trafficking organization (Operation Fast and Furious). The initial reason for this invitation related to USAO (D. Ariz.), DOJ Attaché (Mexico City), and the ATF SAC/PHX past work with SIEDO

[RC-7]

[RC-7]

This invitation represented an opportunity for us to let the GoM know that we would be willing to arrange similar accessibility, and an opportunity to provide some firsthand exposure to the U.S. Federal criminal justice system.

USAO (D. Ariz.) and OPDAT also used Operation Fast and Furious as a case study during a December 15, 2010 weapons trafficking seminar sponsored by OPDAT and held at PGR. We used the general facts and circumstances of this Operation as a starting point for discussion on how the U.S. could work with the GoM to dismantle international weapons trafficking networks jointly. We also used this operation to explain why access to certain GoM controlled evidence is so essential to U.S. prosecutions.

While in the District of Arizona, PGR SIEDO representatives were fully briefed on the operation and planning of the Fast and Furious take down. They were allowed to be present at the command center for the majority of the Operation's unfolding. Additionally, they were given access to certain arrestees under certain operational and Constitutional parameters (vetted through Embassy, DOJ OIA, and ATF). With the information they obtained, SIEDO hopes to initial an investigation targeting Mexican conspirators. SIEDO representatives met with me and a colleague (Walter Perkel) (USAO, D. Ariz.) the day after the take down was complete and we discussed any questions they had based on what they observed. We then explained the various future courtroom possibilities that would occur in the Fast and Furious case, discussed future access to potential cooperating defendants, and discussed the potential for future unrelated operations wherein PGR and DOJ can work jointly from inception of an investigation. Finally, we took the SIEDO representative to the Sandra Day O'Connor Federal Courthouse to observe several hearings.

Cheers,
 Josh Patrick Parecki
 Assistant United States Attorney
 National Security and Border Security Section
 District of Arizona
 Desk: [RC-1]

From: Taxman, Karine M (Mexico City) [RC-1]
Sent: Monday, January 31, 2011 1:18 PM
To: Parecki, Josh (USAAZ)
Cc: [RC-1] (Mexico City)
Subject: FW: Acusación contra 34 Sospechosos de Tráfico Organizado de Drogas y Armas

Hi Josh,

HOCR DOJ 006755

Exhibit 188

Exhibit 188

RC-1

m: Cunningham, Patrick (USAAZ)
t: Tuesday, December 14, 2010 1:21 PM
to: Burke, Dennis (USAAZ)
Cc: Scheel, Ann (USAAZ); Hernandez, Norma (USAAZ); Morrissey, Mike (USAAZ); Hurley, Emory (USAAZ)
Subject: Re: Fast and Furious

You bet. Good opportunity to see if January 6 and 7 are still our target dates for indictment and takedown-press event. Pjc

----- Original Message -----

From: Burke, Dennis (USAAZ)
Sent: Tuesday, December 14, 2010 12:28 PM
To: Cunningham, Patrick (USAAZ)
Cc: Scheel, Ann (USAAZ); Hernandez, Norma (USAAZ)
Subject: Fast and Furious

AG' office is now expressing interest in the AG coming out for it. Will you send me 4 or 5 lines abt it that I can brief Monty on it -- esp time window. Thx.

Exhibit 189

Exhibit 189

RC-1

n: Morrissey, Mike (USAAZ)
t: Wednesday, December 15, 2010 3:15 PM
to: Cunningham, Patrick (USAAZ); Burke, Dennis (USAAZ); Scheel, Ann (USAAZ)
Cc: Tarango, Manuel (USAAZ)
Subject: RE: Fast and Furious: You available for a call today?

I'd like to make Jan 19 the "set in stone" date for an indictment, so that this comes to pass and we can make definite plans for searches and arrests. I agree with Pat that we should have a back up date but I do not want to use it. Mike

-----Original Message-----

From: Cunningham, Patrick (USAAZ)
 Sent: Wednesday, December 15, 2010 1:05 PM
 To: Burke, Dennis (USAAZ); Scheel, Ann (USAAZ)
 Cc: Morrissey, Mike (USAAZ); Tarango, Manuel (USAAZ)
 Subject: Fast and Furious: You available for a call today?

After speaking to Morrissey and Emory, here are some possible dates for Fast and Furious:

Indictment of about 20 defendants on January 19, a Wednesday, to include Conspiracy to falsely purchase weapons (straw purchasing) and to sell firearms without a license, unlawful export of weapons to Mexico which requires Pelak's (sp?) approval in Washington, and money laundering. IRS is doing the money laundering investigation.

January 26, a Wednesday--reserve GJ date if we are not ready on Jan 19

January 27, three search warrants, some civil seizure warrants, arrests of the 20 defendants, and Press Event that day after the take down.

See you about 3pm. PJC

-----Original Message-----

From: Burke, Dennis (USAAZ)
 Sent: Wednesday, December 15, 2010 12:15 AM
 To: Cunningham, Patrick (USAAZ); Scheel, Ann (USAAZ)
 Subject: Fw: You available for a call today?

----- Original Message -----

From: Burke, Dennis (USAAZ)
 Sent: Wednesday, December 15, 2010 02:14 AM
 To: Wilkinson, Monty (OAG) (SMO)
 Subject: Re: You available for a call today?

Sorry for going dark on you. I was at Navajo and Hopi all day and coverage was weak at best. I did get your vm. We have a major gun trafficking case connected to Mexico we are taking down in January. 20+ defendants. Will call today to explain in detail.

----- Original Message -----

Exhibit 190

Exhibit 190

From: Wilkinson, Monty (OAG) (SMO)
To: Burke, Dennis (USAAZ)
Sent: 12/15/2010 10:04:52 AM
Subject: RE: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Tragic. I've alerted the AG, the Acting DAG, Lisa, etc.

From: Burke, Dennis (USAAZ)
Sent: Wednesday, December 15, 2010 9:41 AM
To: Wilkinson, Monty (OAG)
Subject: Fw: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Not good.

18 miles w/in.

From: LOPEZ, MARCO A (HQ) [RC-1]
Sent: Wednesday, December 15, 2010 03:31 AM
To: Burke, Dennis (USAAZ)
Subject: Fw: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Our agent has passed away.

From: JAIGOBIND, CARL
To: OIOC-SIT SHOTS FIRED INJURY-DEATH
Cc: SITROOM
Sent: Wed Dec 15 02:31:32 2010
Subject: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

INITIAL TELEPHONIC

On December 14, 2010, a BORTAC agent working in the Nogales, AZ AOR was shot. The agent was conducting Border Patrol operations 18 miles north of the international boundary when he encountered RC-5 unidentified subjects. Shots were exchanged resulting in the agent being shot. At this time, the agent is being transported to an area where he can be air lifted to an emergency medical center. RC-5

Updates to follow.

HOCR DOJ 005872

From: Wilkinson, Monty (OAG) (SMO)
To: Burke, Dennis (USAAZ)
Sent: 12/15/2010 11:15:51 AM
Subject: RE: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Please provide any additional details as they become available to you.

Thanks,

Monty

From: Burke, Dennis (USAAZ)
Sent: Wednesday, December 15, 2010 9:41 AM
To: Wilkinson, Monty (OAG)
Subject: Fw: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Not good.

18 miles w/in.

From: LOPEZ, MARCO A (HQ) [RC-1]
Sent: Wednesday, December 15, 2010 03:31 AM
To: Burke, Dennis (USAAZ)
Subject: Fw: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

Our agent has passed away.

From: JAIGOBIND, CARL
To: OIOC-SIT SHOTS FIRED INJURY-DEATH
Cc: SITROOM
Sent: Wed Dec 15 02:31:32 2010
Subject: INITIAL TELEPHONIC - SHOT FIRED - Nogales, AZ

INITIAL TELEPHONIC

On December 14, 2010, a BORTAC agent working in the Nogales, AZ AOR was shot. The agent was conducting Border Patrol operations 18 miles north of the international boundary when he encountered RC-5 unidentified subjects. Shots were exchanged resulting in the agent being shot. At this time, the agent is being transported to an area where he can be air lifted to an emergency medical center. RC-5

Updates to follow.

HOCR DOJ 005876

From: Wilkinson, Monty (OAG) (SMO)
To: Burke, Dennis (USAAZ)
Sent: 12/15/2010 1:55:07 PM
Subject: RE: Incident involving the Bortac Agent this morning

Thanks, Dennis. Terrible situation.

From: Burke, Dennis (USAAZ)
Sent: Wednesday, December 15, 2010 1:21 PM
To: Wilkinson, Monty (OAG)
Subject: Fw: Incident involving the Bortac Agent this morning

From: Evans, John (USAAZ) 3
Sent: Wednesday, December 15, 2010 11:45 AM
To: Hernandez, Rachel (USAAZ); Ruiz, Carol (USAAZ); Scheel, Ann (USAAZ); USAAZ-TUCADMIN; USAAZ-TUCAFU; USAAZ-TUCAUSA; USAAZ-TUCFLU; USAAZ-TUCLawclerks; USAAZ-TUCPARA; USAAZ-TUCSAUSA; USAAZ-TUCSECY; USAAZ-TUCStudents; USAAZ-TUCSupport; USAAZ-TUCVW
Subject: Incident involving the Bortac Agent this morning

Deputy Chief Richard A. Barlow provided the following information regarding the incident this morning that resulted in the death of an agent.

All Tucson Sector Employees,

It is with a heavy heart that I inform you of the death of Border Patrol Agent Brian A. Terry who was shot and killed during an encounter with armed subjects. Agent Terry was working in the "Peck Well" area near Rio Rico, Arizona when he was fatally injured.

During the encounter, one assailant was wounded and immediately taken into custody. Three additional suspects were apprehended shortly thereafter. Border Patrol agents are currently tracking a fifth suspect and I assure you that every effort will be expended to bring this remaining suspect into custody.

Agent Terry entered on duty with Academy Class 699 on July 23, 2007. He is survived by his parents and sister in Detroit, Michigan. Please keep Agent Terry and his family in your thoughts and prayers as they have made the ultimate sacrifice in service to our country.

This is a stark reminder of the realities we face in our mission to protect our borders and our communities. We will continue to stand firm in our commitment to that mission.

In difficult times like these it is important that we turn to and support one another. Peer Support members, the Tucson Sector Chaplaincy Program, and the Employee Assistance Program are all available to any employee who may need them. Updates will be provided about this tragic situation as soon as information becomes available.

Jesse will be the lead AUSA on any prosecution and is in contact with the investigators. Please forward any inquiries you receive to Jesse.

HOCR DOJ 005888

Exhibit 191

Exhibit 191

RC-1

From: Scheel, Ann (USAAZ)
Sent: Wednesday, December 15, 2010 7:24 PM
To: Burke, Dennis (USAAZ); Clemens, Shelley (USAAZ)
Subject: Re: FBI/CBP Presser

Wow! Timely.

From: Burke, Dennis (USAAZ)
Sent: Wednesday, December 15, 2010 07:21 PM
To: Clemens, Shelley (USAAZ); Scheel, Ann (USAAZ)
Subject: RE: FBI/CBP Presser

Thanks. I just talked to Bill Newell about it. The guns tie back to Emory's Fast and Furious case.

From: Clemens, Shelley (USAAZ)
Sent: Wednesday, December 15, 2010 5:19 PM
To: Burke, Dennis (USAAZ); Scheel, Ann (USAAZ)
Subject: Fw: FBI/CBP Presser

BP decided to make a statement and not allow questions. RC-5 Based on that, we chose not to make a formal statement. RC-5
 RC-5 They referenced that John and I were there for the USAO and to support their
 fice.

Nate Grey was here and advised that the 2 guns are tied to an on-going Phoenix ATF inv. You will probably get a call from Bill Newell.
 Shelley

From: Chandler, Matthew (DHS)
Sent: Wednesday, December 15, 2010 06:12 PM
To: Clemens, Shelley (USAAZ); ROE, MELANIE N. <RC-1@dhhs.gov>
Subject: RE: FBI/CBP Presser

No worries at all. We really appreciate your support and assistance with this.

From: Clemens, Shelley (USAAZ) RC-1
Sent: Wednesday, December 15, 2010 6:11 PM
To: Chandler, Matthew (DHS); ROE, MELANIE N.
Subject: RE: FBI/CBP Presser

Sorry for the faux pas. I spoke with Agent Cantu, and was told 5:00 at Sector Headquarters on Swan.

From: Chandler, Matthew (DHS)
Sent: Wednesday, December 15, 2010 4:09 PM
To: Clemens, Shelley (USAAZ); ROE, MELANIE N.
Subject: RE: FBI/CBP Presser

Hi Shelley –

Exhibit 192

Exhibit 192

From: Wilkinson, Monty (OAG) (SMO)
To: Burke, Dennis (USAAZ)
Sent: 12/15/2010 7:27:01 PM
Subject: Re: FBI/CBP Presser

I'll call tomorrow.

From: Burke, Dennis (USAAZ)
To: Wilkinson, Monty (OAG)
Sent: Wed Dec 15 19:22:26 2010
Subject: FW: FBI/CBP Presser

The guns found in the desert near the murder BP officer connect back to the investigation we were going to talk about – they were AK-47s purchased at a Phoenix gun store.

From: Clemens, Shelley (USAAZ)
Sent: Wednesday, December 15, 2010 5:19 PM
To: Burke, Dennis (USAAZ); Scheel, Ann (USAAZ)
Subject: Fw: FBI/CBP Presser

BP decided to make a statement and not allow questions. RC-5 [REDACTED] Based on that, we chose not to make a formal statement. RC-6 [REDACTED]
 RC-6 [REDACTED] They referenced that John and I were there for the USAO and to support their office.

Nate Grey was here and advised that the 2 guns are tied to an on-going Phoenix ATF inv. You will probably get a call from Bill Newell.
 Shelley

HOCR DOJ 005917

Exhibit 193

Exhibit 193

From: Voth, David J.
Sent: Wednesday, December 15, 2010 6:49 PM
To: MacAllister, Hope A.
Subject: no more rose colored glasses

If you have not heard a Border Patrol agent was shoot and killed here in Arizona. The trace came back to Fast and Furious, Jamie Avila, January 2010, LWTC...

Ugh...! Call as soon as you can, things will most likely get ugly!

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

HOCR ATF - 002346

Exhibit 194

Exhibit 194

From: Voth, David J.
Sent: Wednesday, December 15, 2010 7:04 PM
To: MacAllister, Hope A.
Subject: GAG order in place per Division! Don't talk outside of Group VII or SAC/ASAC. Emory knows

David Voth
Group Supervisor
Phoenix Group VII
RC-1

HOCR ATF - 002783

Exhibit 195

Exhibit 195

From: Newell, William D.
Sent: Wednesday, December 15, 2010 11:43 PM
To: Voth, David J.; Needles, James R.; Gillett, George T. Jr.
CC: Zicha, Marjorie L.; Serrano, Ricardo
Subject: Re: Avila in custody

Great job.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Newell, William D.; Needles, James R.; Gillett, George T. Jr.
Cc: Zicha, Marjorie L.; Serrano, Ricardo
Sent: Wed Dec 15 23:41:30 2010
Subject: Avila in custody

We (ATF) have Jaime Avila in our custody. We are coordinating with the USAO to charge him in the morning via Complaint. We are holding him overnight in custody.

We are charging Avila with a standalone June 2010 firearms purchase where he used a bad (old) address on the 4473. [924(a)(1)(A) – False records required to be kept by dealer.] This way we do not divulge our current case (Fast & Furious) or the Border Patrol shooting case.

Thanks,

David Voth
 Group Supervisor
 Phoenix Group VII


HOGRA ATF - 002017

Exhibit 196

Exhibit 196

[REDACTED]

From: Voth, David J.
Sent: Thursday, December 16, 2010 10:11 AM
To: Newell, William D.; Gillett, George T. Jr.
Subject: change in charging

Gentlemen,

After speaking with Emory he saw the wisdom in not charging the AK-47 rifles in question so as to not complicate the FBI's investigation. As such we are back to our original plan to charge the June guns purchased by Jaime AVILA.

David Voth
Group Supervisor
Phoenix Group VII
[REDACTED]

Exhibit 197

Exhibit 197

From: Voth, David J.
To: Newell, William D.
Sent: 12/16/2010 7:32:53 PM
Subject: Re: simple numbers on F&F recoveries

For what it is worth our numbers did not reflect the guns recovered yesterday so actually the USA recoveries are 352.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Newell, William D.
To: Voth, David J.
Sent: Thu Dec 16 19:23:15 2010
Subject: Re: simple numbers on F&F recoveries

This will work. Thank you

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Voth, David J.
To: Newell, William D.
Sent: Thu Dec 16 19:22:42 2010
Subject: simple numbers on F&F recoveries

Sir,

I can make this more grand tomorrow if you wish but right now by my count;

- Firearms recovered in Mexico = 241
- Firearms recovered in the USA = 350

Thanks,

David Voth
 Group Supervisor
 Phoenix Group VII
 RC-1

HOCR DOJ 005471


Exhibit 198

Exhibit 198

From: Smith, Charles E.
Sent: Friday, December 17, 2010 7:01 PM
To: Needles, James R.
Subject: FW:

FYI

Charlie Smith
ASAC
Dallas Field Division



From: Cook, Glen W.
Sent: Friday, December 17, 2010 2:14 PM
To: Smith, Charles E.
Cc: Cook, Glen W.
Subject:

Charlie,

I advised AUSA Russ Leachman through SAs Steve Hall and Curtis Williams to provide me with a Grand Jury Subpoena for RAC David Roth and Holly in Phoenix to obtain the required evidence needed in our investigation here. AUSA Leachman has now advised the AUSA in Phoenix that the ATF agents here need access to the case in Phoenix since the ATF Phoenix office refuses to provide us with the evidence.

I wish that Leachman would have given those subpoenas to me but if the AUSA in Phoenix refuses to comply then maybe Phoenix should start preparing their explanations for the way that they conducted their straw purchase cases there. They should probably hire a media expert anyway to assist them in explaining the 2000 firearms and the possible connection in the murder of the Border Patrol Agent.

Thanks,

Glen

HOGRA ATF - 001941

Exhibit 199

Exhibit 199

From: Wilkinson, Monty (OAG) (SMO)
To: Burke, Dennis (USAAZ)
Sent: 12/21/2010 7:47:02 PM
Subject: Re: Gun Trafficking case in Az

Ok. Family obligation tonight. I'll call tomorrow. Thanks.

From: Burke, Dennis (USAAZ)
To: Wilkinson, Monty (OAG)
Sent: Tue Dec 21 19:43:19 2010
Subject: Gun Trafficking case in Az

I would not recommend the AG announce this case. I can explain in detail at your convenience. Thx.

HOCR DOJ 006614

Exhibit 200

Exhibit 200

RPTS [REDACTED]

DCMN [REDACTED]

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: ROBERT MONTAGUE WILKINSON

Friday, April 13, 2012

Washington, D.C.

The interview in the above matter was held in 2247 Rayburn House
Office Building, commencing at 10:00 a.m.

Appearances:

For the COMMITTEE ON HOUSE OVERSIGHT AND GOVERNMENT REFORM:

HENRY J. KERNER, SENIOR COUNSEL FOR INVESTIGATIONS

CARLTON DAVIS, OFFICE OF CHAIRMAN ISSA

JESSICA LAUX DONLON, COUNSEL, OFFICE OF CHAIRMAN ISSA

SUSANNE SACHSMAN GROOMS, MINORITY CHIEF COUNSEL

DONALD K. SHERMAN, MINORITY COUNSEL

CARLOS FELIPE URIARTE, MINORITY COUNSEL

JEROME JORDAN, MINORITY INTERN

For the SENATE COMMITTEE OF THE JUDICIARY:

MAGGIE WHITNEY, SENIOR INVESTIGATIVE COUNSEL

JASON A. FOSTER, CHIEF INVESTIGATIVE COUNSEL

TRISTAN L. LEAVITT, MINORITY INVESTIGATIVE COUNSEL

ROB DONOVAN, COUNSEL, OFFICE OF SENATOR GRASSLEY

BRIAN DOWNEY, INVESTIGATOR, OFFICE OF SENATOR GRASSLEY

For the DEPARTMENT OF JUSTICE:

MOLLY GASTON, ATTORNEY ADVISER, OFFICE OF LEGISLATIVE AFFAIRS

STEVEN F. REICH, ASSOCIATE DEPUTY ATTORNEY GENERAL

DANIEL J. LENERZ, ATTORNEY, APPELLATE STAFF

on?

A I mean, it really would vary, I think. Typically it would, you know, he would need -- sometimes you have to plan things quickly, but, I mean, something like this -- it really varied.

Q Right. I mean, is it fair to say that ideally it would have been more than 2 weeks in many circumstances?

A Yes.

Q And you don't have any recollection as to whether in the conversation that you do recall with Burke, whether there was any nature of rushing for an event so that there would have been a shorter time window, as opposed to just a normal request that would have come?

A No, I don't recall that.

BY MR. DAVIS:

Q Going back to Exhibit 4, turn to the last page of Exhibit 4. Dennis Burke emails you, "I would not recommend the AG announce this case. I can explain in detail at your convenience." And then you respond, "Okay, I will call tomorrow."

A Correct.

Q And again you have no recollection of having a phone conversation with Mr. Burke on this topic?

A No. I am sorry, I didn't mean to interrupt. No, I don't recall having a conversation with Mr. Burke on this.

Q Do you ever recall having a phone conversation with Dennis Burke in this time period in mid-December 2010?

A As I said, I don't recall when the conversation occurred that

I have indicated I have a vague recollection of, but other than that conversation, I don't recall having any conversations with Mr. Burke about this.

Q Okay. On the third page, flip up one page --

Mr. Reich. Which exhibit?

BY MR. DAVIS:

Q Exhibit 4. Right there at the very top, when Dennis Burke informs you that the guns found in the desert near the Border Patrol officer are traced back to the investigation we are going to talk about, again you say "I will call tomorrow." So these are two, at least in my mind, these are two pretty important events. Certainly this is a very important point.

A Yes.

Q The guns traced back to the investigation. And then on page 4 recommending the Attorney General would not announce the case. You say on both occasions you will call tomorrow.

A Right.

Q I presume if you told him you would call tomorrow, that you did call tomorrow.

A Correct.

Q But you only have recollection of one phone conversation?

A Well, I mean, when people call me and leave messages, I make it a practice to return their calls. If I tell somebody that I am going to call them, I am very good about following up. So I can't say that I didn't attempt to reach Mr. Burke and just wasn't able to connect

Q At least from the documents that we have been given, this is the first time right there in Exhibit 7 that we see any reference to guns being walked in the investigation. Did Dennis Burke mention anything to you about guns being walked in Fast and Furious or around this timeframe? Does that ring a bell at all?

A No, it doesn't, and I have no recollection of having any conversations with Mr. Burke at any time regarding the tactics that were used in this operation.

Q Let's flip over to Exhibit 5. You can put the other three aside.

BY MR. FOSTER:

Q Carlton, you asked an open-ended question here. So do you recall having any conversations with Mr. Burke at any time about why he did not believe that it was a good idea for the Attorney General to announce the investigation?

A I did not -- I am sorry, I did not mean to interrupt you. I do not have any recollection of having any such conversation with Mr. Burke.

Q So other than the email where he says he doesn't think it is a good idea, you never had any indication from any source as to why he thought it wasn't a good idea?

A I don't have any recollection of having any conversation with him. The problems with the investigation came to light I guess in late January 2011, and that is when I became aware of the tactics that were used.

Q Right. I understand you don't recall any specific conversations with him. I asked you a slightly different question and my second question was slightly different. I asked if you had any idea or any indication from any source as to why Mr. Burke communicated to you his view that he didn't think the Attorney General should announce the investigation?

A Not that I recall, no.

Q From any source?

A No.

BY MR. DAVIS:

Q Let's go to Exhibit 5. You can put the other three away.

Mr. Reich. Give us a second. Take a minute and look at it.

Mr. Wilkinson. Okay.

BY MR. DAVIS:

Q These are emails that Dennis Burke forwarded to you regarding Brian Terry's death and that a Border Patrol agent had been shot. Just essentially keeping you in the loop I presume is what he is doing, right?

A Correct.

Q And you said, "Please provide any additional details as they become available," on page two.

A Right.

Q Do you have any specific recollection of any phone calls that you had with Dennis Burke about this particular topic, about the Border Patrol agent being shot?

A No.

Q Okay. When Dennis Burke sent you these emails, was this the first you had heard about a Border Patrol agent being shot?

A To the best of my recollection, yes.

Q So there was no type of urgent notice or anything that was sent out within the Department about an agent being shot?

A Not that I recall.

Q Okay. And when was the first time, to the best of your recollection, that you can remember that the guns being found at the scene where the Border Patrol agent was shot actually traced back to a current investigation? Did that come from Dennis Burke as well in

the emails that we had looked at earlier?

A My only knowledge of that is what is contained in these emails.

Q Okay. ATF conducted a trace of the weapons and they knew that day that the weapons had traced back. They sent a six-page memorandum to the Deputy Attorney General 2 days later, and the first you heard of it was from Dennis Burke, that the weapons traced back to the investigation that you were planning on announcing, you had discussed announcing?

A I am sorry, could you repeat the question?

Q Sure. So you are saying that the first time that you heard about this, the weapons being traced back to the investigation was from Dennis Burke?

A Correct.

Q Okay. Did you alert the Attorney General about that at all?

A I don't recall sharing that information with the Attorney General.

Q Should the information have been provided to you or to the Attorney General from Dennis Burke, or should it have occurred through a different mechanism within the Department, like an urgent alert that something had happened, that these weapons had traced back to an ongoing investigation?

A I don't -- I can't say how it should have -- I mean, Dennis Burke alerted me to the fact. But, I mean, information comes into the Department through a variety of sources.

Exhibit 201

Exhibit 201

Melson, Kenneth E.

From: Rubenstein, Steve R.
Sent: Wednesday, January 05, 2011 2:54 PM
To: Melson, Kenneth E.
Cc: Orlow, Barry S.
Subject: Potential unauthorized disclosure of official information

This is in response to your request regarding information posted on "Clean Up ATF." Specifically, on December 22, 2010, "1desertrat" stated that "word is" that Phoenix FD ASAC George Gillet "[a]llegedly approved more than 500 AR-15 type rifles from Phoenix and Tucson cases to be 'walked' into Mexico." The post further states that "[o]ne of those rifles is rumored to have been linked to the recent killing of a Border Patrol Officer in Nogales, AZ."

The disclosure of this information has a potential deleterious effect on ATF's undercover operations. In that regard, suspects may alter their behavior if they know that law enforcement is allowing certain firearms to 'walk' into Mexico. In addition, public knowledge of this type of operation potentially places informants and undercover agents in jeopardy. Finally, public disclosure of such information could ATF's working relationship with Mexico.

If "1desertrat" is an ATF employee, then he/she is subject to our Orders and Standards of Conduct. ATF O 2735.1, "EMPLOYEE RESPONSIBILITIES AND CONDUCT", includes the following;

47. DISCLOSURE OF INFORMATION TO THE PUBLIC.

- a. Employees may not disclose official information without either appropriate general or specific authority under Department or Bureau regulations. (see further 31 C.F.R. 1.8 and 1.9)
- b. Employees may not disclose official information, whether written, verbal or overheard in telephone conversations, without either appropriate general or specific authority. Under circumstances wherein employees are permitted to disclose official information, strict adherence to prescribed official channels for such disclosure will be mandatory. This paragraph also pertains to all official information that may become known to employees while they are away from their duty stations.

Under this Order, ATF employees may not disclose any information to the public without authority. (See 28 CFR Part 16). If an employee failed to receive authority prior to releasing information related to ATF's law enforcement techniques he or she is potentially in violation of ATF's Standard of Conduct Order.

Let me know if you have any further questions.

Steve

From: Melson, Kenneth E.
Sent: Wednesday, January 05, 2011 5:10 PM
To: Rubenstein, Steve R.
Subject: RE: Potential unauthorized disclosure of official information

Thanks, Steve. I am going to forward this to IA. Ken.

From: Rubenstein, Steve R.
Sent: Wednesday, January 05, 2011 2:54 PM
To: Melson, Kenneth E.
Cc: Orlow, Barry S.
Subject: Potential unauthorized disclosure of official information

This is in response to your request regarding information posted on "Clean Up ATF." Specifically, on December 22, 2010, "1desertrat" stated that "word is" that Phoenix FD ASAC George Gillet "[a]llegedly approved more than 500 AR-15 type rifles from Phoenix and Tucson cases to be 'walked' into Mexico." The post further states that "[o]ne of those rifles is rumored to have been linked to the recent killing of a Border Patrol Officer in Nogales, AZ."

The disclosure of this information has a potential deleterious effect on ATF's undercover operations. In that regard, suspects may alter their behavior if they know that law enforcement is allowing certain firearms to 'walk' into Mexico. In addition, public knowledge of this type of operation potentially places informants and undercover agents in jeopardy. Finally, public disclosure of such information could ATF's working relationship with Mexico.

If "1desertrat" is an ATF employee, then he/she is subject to our Orders and Standards of Conduct. ATF O 2735.1, "EMPLOYEE RESPONSIBILITIES AND CONDUCT", includes the following:

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- b. Employees may not disclose official information, whether written, verbal or overheard in telephone conversations, without either appropriate general or specific authority. Under circumstances wherein employees are permitted to disclose official information, strict adherence to prescribed official channels for such disclosure will be mandatory. This paragraph also pertains to all official information that may become known to employees while they are away from their duty stations.

Under this Order, ATF employees may not disclose any information to the public without authority. (See 28 CFR Part 16). If an employee failed to receive authority prior to releasing information related to ATF's law enforcement techniques he or she is potentially in violation of ATF's Standard of Conduct Order.

Let me know if you have any further questions.

Steve

HOCR ATF - 001572

Exhibit 202

Exhibit 202

RC-1

n: Cunningham, Patrick (USAAZ)
t: Wednesday, January 05, 2011 5:46 PM
ro: Tarango, Manuel (USAAZ)
Subject: FW: ATF and Fast and Furious

From: Cunningham, Patrick (USAAZ)
Sent: Wednesday, January 05, 2011 2:36 PM
To: Burke, Dennis (USAAZ); Scheel, Ann (USAAZ); Tarango, Manuel (USAAZ)
Cc: Morrissey, Mike (USAAZ)
Subject: ATF and Fast and Furious

Friends: Mr Melson has advised Bill he still wants to attend our F and F rollout.

Bill is looking for information on our side of the press event that he can share with Melson. Have we heard from the New DAG that he is not attending?
 Can we arm Bill with the answer?

RC-6

ks. Pjc

From: Newell, William D. (ATF)
Sent: Wednesday, January 05, 2011 01:51 PM
To: Cunningham, Patrick (USAAZ)
Subject: RE: Pls give me a call when you can.

Perfect, was trying to get in touch with Dennis too but am told he's at a funeral. If you're with him, my apologies for interrupting the funeral, and let him know you and I can discuss the same issue so no need for him to call.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 Office - RC-1

From: Cunningham, Patrick (USAAZ) RC-1
Sent: Wednesday, January 05, 2011 11:50 AM
To: Newell, William D.
Subject: Re: Pls give me a call when you can.

Exhibit 203

Exhibit 203

From: Newell, William D.
To: Mangan, Thomas G.
Sent: 1/11/2011 9:42:34 AM
Subject: Fw: Todays clips

Just letting them know....

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Newell, William D.
To: Thomasson, Scot L.
Sent: Tue Jan 11 09:37:37 2011
Subject: Re: Todays clips

Thanks, have used it several times before because I stand by it 100%. Just heard Melson's coming for the Fast/Furious press conf on the 25th. I hope he realizes how politically charged Arizona is right now especially regarding gun issues, was that way even before the Tucson shooting.

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Thomasson, Scot L.
To: Newell, William D.
Sent: Tue Jan 11 09:34:06 2011
Subject: Todays clips

-
 Bill,

Great Quote in today's clips;

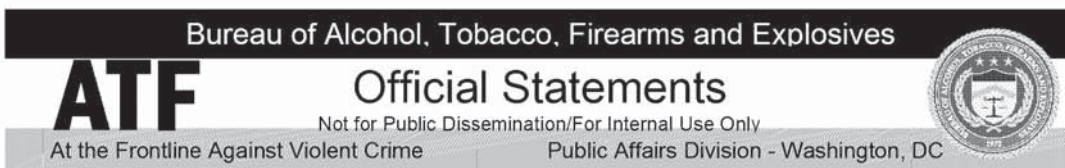
"This investigation is further proof of the relentless efforts by Mexican drug cartels to illegally acquire large quantities of firearms in the U.S. for use in the ongoing Mexican drug war," said Bill Newell, Special Agent in Charge of the ATF Phoenix Field Division. "This investigation is also further proof that the 'straw purchase' of firearms continues to be a significant problem. Those individuals that knowingly falsify ATF firearms forms to supply Mexican drug cartels with firearms have as much blood on their hands as the criminals that use them."

Scot L. Thomasson
Chief
ATF Public Affairs Division
Washington, DC
Desk RC-1 [REDACTED]
Cell RC-1 [REDACTED]

HOCR DOJ 005479

Exhibit 204

Exhibit 204



Operation: Fast and Furious and Corresponding Investigations
(1/12/11)

Proposed Opening Statement

- The violence inflicted by the cartels on the citizens of Mexico has reached epidemic proportions. To think that this violence does not affect the United States is naïve; and Agent Terry's murder is a painful reminder of that fact. Illegally obtained firearms are the tools of the trade used by the cartels to protect their criminal enterprise and terrorize the public. Unlike the drugs that they supply, these illegal firearms can stay in circulation indefinitely and cause death and destruction for decades. It is the responsibility of the men and women of ATF to disrupt the flow of firearms to these criminals and protect the public from violent crime.

Statements

- In October 2009, ATF, in partnership with DEA, ICE, IRS, and the Phoenix Police Department, began an OCDETF investigation into a firearms trafficking organization funded by the violent Sinaloa Drug Trafficking Organization (DTO).
- This criminal organization is responsible for trafficking hundreds of firearms into Mexico, using firearms in furtherance of drug trafficking, drug smuggling, wire fraud, and bulk currency smuggling.
- From October 2009 through October 2010, this organization, through the use of numerous straw buyers, purchased approximately \$1.25 million in firearms from FFLs in the Phoenix area and trafficked the firearms into Mexico and other locations within the United States.
- During the course of this investigation, ATF and our law enforcement partners utilized a variety of investigative techniques to identify a large number of co-conspirators and disrupt the illegal activities of this criminal enterprise by seizing hundreds of firearms and narcotics.

HOCR DOJ 005543

Questions and Answers

- **Some media reports, referencing an anonymous ATF official, claim that ATF knowingly “walked” about 1,900 firearms across the U.S.-Mexico border as part of this operation. What can you tell me about that?**

Or

- **The news release/indictment indicates that ATF waited until nearly 2,000 guns were illegally purchased before arresting the straw buyers in this case. Why did ATF wait so long?**

ANSWER: It’s not against the law for an individual to purchase 10, 20 or 50 or even 100 guns at one time. It’s not illegal to own or possess hundreds of guns; however, it is illegal to straw purchase firearms for those who cannot possess them legally. Operation Fast and Furious became a long-term investigation because of the amount of time it took to gather enough evidence against those who were supplying these violent criminals with the tools of their trade. We needed to ensure that when we did arrest these individuals, justice would be served.

ANSWER: Knowing what it takes to prosecute these types of federal violations is the best way to understand why this investigation took as long as it did and utilized so many resources. Investigations of this type are often long and complicated due to the fact that firearms are a legal commodity being diverted for illegal use. When conducting these investigations we have found that the end user of often shrouded by many layers of straw purchasers and middlemen whose sole purpose is to hide the connection between the first retail purchaser and the violent criminal. Determining when the firearm leaves legal commerce can be extremely difficult and therefore hard to prove.

- **Border Patrol Agent Brian A. Terry was shot and killed after he and his team encountered several suspects near Rio Rico, Ariz. At least four suspects are in custody while one is still being pursued. Was a gun trafficked in this case used in the murder?**

Or

- **We understand that a firearm bought in connection with this ATF investigation was used to murder Border Patrol Agent Brian A. Terry. Can you please comment on this information?**

ANSWER: The death of Agent Terry is tragic and is a sad and dark day for all of law enforcement. We’ve lost one of our own. This is another example of the dangers faced by law enforcement every day across this country when pursuing these violent criminals.

HOCR DOJ 005544

ANSWER: Agent Terry's death is the exact reason why we must continue going after those who are determined to destroy the lives of so many innocent individuals in our communities by plying their illicit trade. For those who would say it is Mexico's problem, I say Agent Terry's death and all of those who have perished because of this violence prove that this challenge belongs to everyone.

ANSWER: The investigation into the murder of Agent Terry is active and ongoing. ATF has pledged its support and resources to bring to justice the perpetrators who are guilty of that crime. I won't say anything here today to jeopardize that investigation or the subsequent prosecution of those responsible for this terrible crime.

ANSWER: The murder of Agent Terry is a tragic loss that has been felt throughout the United States and underscores the dangers that law enforcement officers face every day. As the investigation continues into this heinous crime, our hearts go out to Agent Terry's family and his fellow Border Patrol Agents who continue to risk their lives to protect the citizens of our great Country.

- **Today ATF agents arrested 20 individuals in this investigation. What kind of impact will that make on the Sinaloa Cartel?**

ANSWER: We hope the arrests have a crippling effect on the cartel's supply line for guns. The Project Gunrunner initiative is designed to stem the flow of firearms to Mexico drug trafficking organizations.

ANSWER: This complex source of firearms has dried up thanks to the work of ATF and our law enforcement partners, unfortunately there are many more firearms trafficking rings and we are in the process of identifying and investigating other organizations employed by cartels in America.

ANSWER: The hard work of all the people involved in this investigation has denied the tools of trade to this violent criminal organization, minimizing their ability to terrorize communities on both sides of the border.

- **Historically, straw buyers who are prosecuted rarely get time. If they do, it's only a year or two. What impact do you expect to have by indicting these 20 straw buyers?**

ANSWER: Criminals who want guns or traffic in guns seek people with clean criminal records to purchase firearms on their behalf. That is against the law. With convictions, these 20 individuals will no longer be able to supply tools of the trade to criminals.

ANSWER: To deter would-be criminals and to send a message that trafficking firearms is a crime that will impact them for the rest of their lives. Simply put, crime doesn't pay.

HOCR DOJ 005545

ANSWER: To send a message to drug cartels that ATF and its law enforcement partners will use all enforcement methods available to disrupt and dismantle their criminal activities.

###

HOCR DOJ 005546

Exhibit 205

Exhibit 205

From: Robbie Sherwood
To: Sherwood, Robert (USAAZ) <Contractor>
Sent: 1/19/2011 11:27:02 AM
Subject: Fw: Fast and Furious

----- Forwarded Message -----

From: "Cunningham, Patrick (USAAZ)" <RC-1 [REDACTED]>
To: "Morrissey, Mike (USAAZ)" <RC-1 [REDACTED]>; "Hurley, Emory (USAAZ)" <RC-1 [REDACTED]>
Cc: "Evans, John (USAAZ) 3" <RC-1 [REDACTED]>; "Figueroa, Jesse (USAAZ)" <RC-1 [REDACTED]>; "Burke, Dennis (USAAZ)" <RC-1 [REDACTED]>; "Scheel, Ann (USAAZ)" <RC-1 [REDACTED]>; "Hernandez, Rachel (USAAZ)" <RC-1 [REDACTED]>; "Tarango, Manuel (USAAZ)" <RC-1 [REDACTED]>
Sent: Wed, January 19, 2011 9:14:12 AM
Subject: Fast and Furious

Mike and Emory: please speak with Jesse Figueroa regarding the connection of one defendant in our Fast and Furious case to the Terry murder case so that Jesse is aware of our press conference on Tuesday. As I understand it we plan to make no connections between the two cases in our public statements and hope to obtain our defendant's cooperation as to how the firearms went from him to Southern Arizona. Thanks. PJC

HOCR DOJ 006016

Exhibit 206

Exhibit 206

Roessner, Joel J.

From: Bacon, Valarie L.
Sent: Thursday, January 20, 2011 10:09 AM
To: Roessner, Joel J.
Subject: FW:

FYI.

From: Orlow, Barry S.
Sent: Thursday, January 20, 2011 9:48 AM
To: Hoover, William J.; Chait, Mark R.; McMahon, William G.
Cc: Rubenstein, Steve R.; Serres, Greg; Bacon, Valarie L.
Subject:

You may well already be aware of this but I wanted to make sure. Attached is what purports to be an "Open Letter To Senate Judiciary staff on 'Project Gunwalker'." The letter states "ATF employees are looking to come forward and provide testimony and documentation about guns being illegally transported to Mexico, with management cognizance" and that In order for these people to come forward, they require whistle-blower protection."

<http://www.examiner.com/gun-rights-in-national/open-letter-to-senate-judiciary-committee-staff-on-project-gunwalker>

Barry Orlow
 Associate Chief Counsel (Field Operations and Information)
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 U.S. Department of Justice
 99 New York Ave. NE
 Rm. 6E-441
 Washington, DC 20226

-desk
 -cell
 -fax

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ATTORNEY WORK PRODUCT PRIVILEGED DOCUMENT

ATTORNEY-CLIENT PRIVILEGED COMMUNICATION

Exhibit 207

Exhibit 207

From: Newell, William D. [RC-1]
Sent: Tuesday, January 18, 2011 5:20 PM
To: Allen, Matthew C; Coleman, Douglas W.; Mertz Dawn N; jack.harris@[REDACTED]
Cc: Cunningham, Patrick (USAAZ)
Subject: Press Conf next Tuesday

Folks, just giving you a heads up regarding a planned press conf for next Tuesday the 25th around 11am. My PIO, Tom Mangan, should already be reaching out to yours regarding this. If not please advise asap. The topics discussed will regard our combined efforts in several firearms trafficking cases at the OCDETF Strike Force over the past several months but especially the "Fast and Furious" case which all of our folks worked on together and is scheduled for an initial round of indictments tomorrow. I want to have the press conf in a neutral location so we are planning it in the Bank of America building in which we are located (201 E. Washington Street) on the 14th floor. This is not the ATF office but rather a multi-purpose room used by the BOA folks for training, meetings, etc. The issue of having the press conf at the USAO regards transport of a large number of guns for display. Having it in our building will make this much easier for my folks many of whom will be tied up that day on operational matters. Also, our Acting Director Ken Melson will be coming. I confirmed this point this morning with my HQ so my apologies for the late notice on this. I had a meeting with my folks today regarding the topics to be discussed and besides a summary of the firearms trafficking cases involving Mexico I would also like to mention the work that all of us do out of the Strike Force.

If you have any questions or concerns please don't hesitate to contact me. I will ensure that my PIO is keeping yours up to speed throughout the coming days. Take care.

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 Office [RC-1]

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Exhibit 208

Exhibit 208

From: Newell, William D.
To: [REDACTED] Newell Personal Email
Sent: 1/21/2011 5:56:23 PM
Subject: Fw: Press Book
Attachments: QA Demandletter 121710 final.docx; QA Mental Defective 012011tc.docx; QAs FastFurious 110112 djw tc st.docx

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----- Original Message -----

From: Wade, Drew J.
To: McMahon, William G.; Newell, William D.
Cc: Mangan, Thomas G.
Sent: Fri Jan 21 15:55:24 2011
Subject: RE: Press Book

SAC Newell (cc: Tom Mangan):

Attached are a few Q-and-A documents finalized by PAD in preparation for the director's participation Tuesday. They should be of help to you too. Let me know if you need any assistance with the event Tuesday. We look forward to lots of positive media coverage on the matter.

Best,
Drew

Drew J. Wade
 Deputy Chief
 ATF - Public Affairs Division
 Direct) [REDACTED] RC-1
 Main) [REDACTED] RC-1

-----Original Message-----

From: McMahon, William G.
Sent: Friday, January 21, 2011 11:47 AM
To: Wade, Drew J.
Cc: Newell, William D.
Subject: Press Book

Drew,

With the Director not going to Phoenix for the press conference, could you please make sure the Field Division still gets a copy of the press book you guys put together. I think there are some very good things in that book that Newell would be able to use.

Thanks,

Bill

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released without appropriate approval. Any review, use, or dissemination of this e-mail message and any attached file(s) in any form outside of ATF or the Department of Justice without express authorization is strictly prohibited.

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Exhibit 209

Exhibit 209

**FIREARMS TRAFFICKING TO THE UNITED MEXICAN STATES
THROUGH ARIZONA**

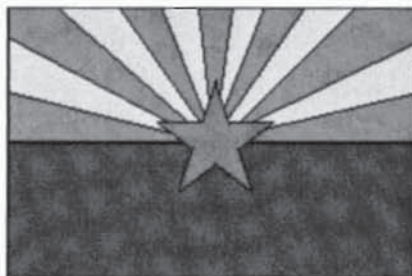
“Project Iron River”

Prepared by

**SPECIAL AGENT ADAM R. PRICE
DIVISION OPERATIONS OFFICER**

**BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES
PHOENIX FIELD DIVISION**

SEPTEMBER 2005



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HOCR ATF - 001356

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 - C. Trafficking Training for State/Local Officers**
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INTRODUCTION

The Southwest border of the United States is becoming one of the most prominent social and political issues of the day. The issues of drug, human and weapons trafficking both north and south along the border has created a condition of regional instability that, if left unchecked, will eventually degrade into a serious threat to U.S. national security.

This report examines the issue of firearms trafficking from the State of Arizona to Mexico, particularly the Mexican states of Sonora, Baja California, and Sinaloa where Arizona-source firearms are trafficked to drug cartels in these areas. It takes into account the various factors that affect the market for firearms in Mexico, and discusses strategies that have been previously employed to address this issue. Finally, information will be presented that supports the proposal for a focused enforcement and regulatory initiative designed to impact firearms trafficking along the Southwest U.S. border.

Although firearms trafficking occurs along the entire length of the U.S. –Mexico border, this report is limited to the source states identified within the geographic area of the Phoenix Field Division, and source states outside the Phoenix Field Division where Arizona is identified as a transit point for firearms to Mexico.

This report was prepared using the substantial resources of ATF, specifically the Phoenix IV (Intelligence) Field Office, the National Tracing Center, Crime Gun Analysis Branch, Firearms Imports Branch, Office of Strategic Intelligence and Information, International Programs Branch, Office of Legislative Affairs, El Paso Intelligence Center (EPIC), and the ATF Mexico Country Office. In addition, the resources and assistance of the U.S. Border Patrol, Immigration and Customs Enforcement (ICE), Drug Enforcement Administration (DEA), the U.S. Department of State and the Central Intelligence Agency are referenced and acknowledged.

Particular thanks and acknowledgement are given to Resident Agent in Charge J.J. Ballasteros who contributed valuable information to this report. Additional thanks are given to Program Analyst John Robertson, Crime Gun Analysis Branch, for creating the enclosed maps based on relevant tracing data.

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I.

OVERVIEW

Mexico shares its border with the United States over a total distance of 1951 miles. Four U.S. states share a common border with Mexico: Texas, New Mexico, Arizona and California. Of these four states, Texas has the longest shared border at 1254 miles. Arizona is next with 382 miles, followed by New Mexico and California with 175 miles and 140 miles respectively.



Mexico's total land mass makes it slightly smaller than three times the size of Texas. The population of Mexico as of 2005 is listed as 106,202,903, making it the 11th most populated country in the world. The median age for Mexico's population is approximately 25 years of age, with females composing the greater percentage.

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Mexico's government is a Federal Republic, with the country being administratively subdivided into thirty-one states and one Federal District. The government is a mix of U.S. constitutional theory and civil law system, with judicial review of legislative actions. The President of Mexico is currently **Vicente Fox Quesada** who, as a member of the National Action Party (PAN), became the first freely elected President of Mexico since 1910 when the political structure of Mexico became dominated by the Institutional Revolutionary Party (PRI). President Fox was elected in 2000 to a six year term, and under the terms of the Mexican Constitution, cannot be reelected to a second term.

The Arizona Border

Arizona is bordered by two Mexican States, Sonora and Baja California, although of the 382 miles of shared border, Baja California makes up only approximately 22 miles of that total. Along the Arizona – Mexico border, there are 3 major Points of Entry (POE's) into the U.S. located (east to west) at Douglas, Nogales and Yuma (San Luis). These three POE's are major transit points for vehicles and persons entering and leaving the U.S. There is a large presence of U.S. Border Patrol and Immigration and Customs Enforcement (ICE) personnel at these locations and, since they are primary points for commerce between Arizona and Mexico, traffic is generally heaviest through these points. Smaller POE's are located at Naco, Sasabe and Lukeville. These POE's are in more remote areas with smaller towns or villages nearby, and tend to be staffed with far fewer border enforcement agents on either side of the border. In addition, there are other, even smaller, border crossing points at Bisbee Junction and Lochiel. Along the entire length of the Arizona – Mexico border, there are literally hundreds of illegal crossing points that are used by drug, human and arms traffickers. These crossing points are often on private lands of ranchers and farmers in southern Arizona, and these locations have become center stage in recent, highly publicized events such as the Minuteman Militia gathering near Naco, Arizona in April and May 2005.

Unlike California, where the U.S. government erected a steel wall between Mexico and the U.S. with the goal of curbing the entry of illegal aliens as well as drugs, there is no wall to delineate the border between Arizona and Mexico. The vast majority of the Arizona – Mexico border is extremely rugged and inhospitable terrain consisting of mountains, canyons, rolling brushland and flat, open desert. A large portion of this area consists the Tohono O'Odham Indian Reservation, several national parklands, and the Barry Goldwater Air Force Range, used for aerial attack training. Most of the border in Arizona is delineated by cattle fences that are generally nothing more than three-strand barbed wire fences with large gaps between them, easily able to keep cattle from straying into Mexico, but certainly not designed for preventing humans from crossing.

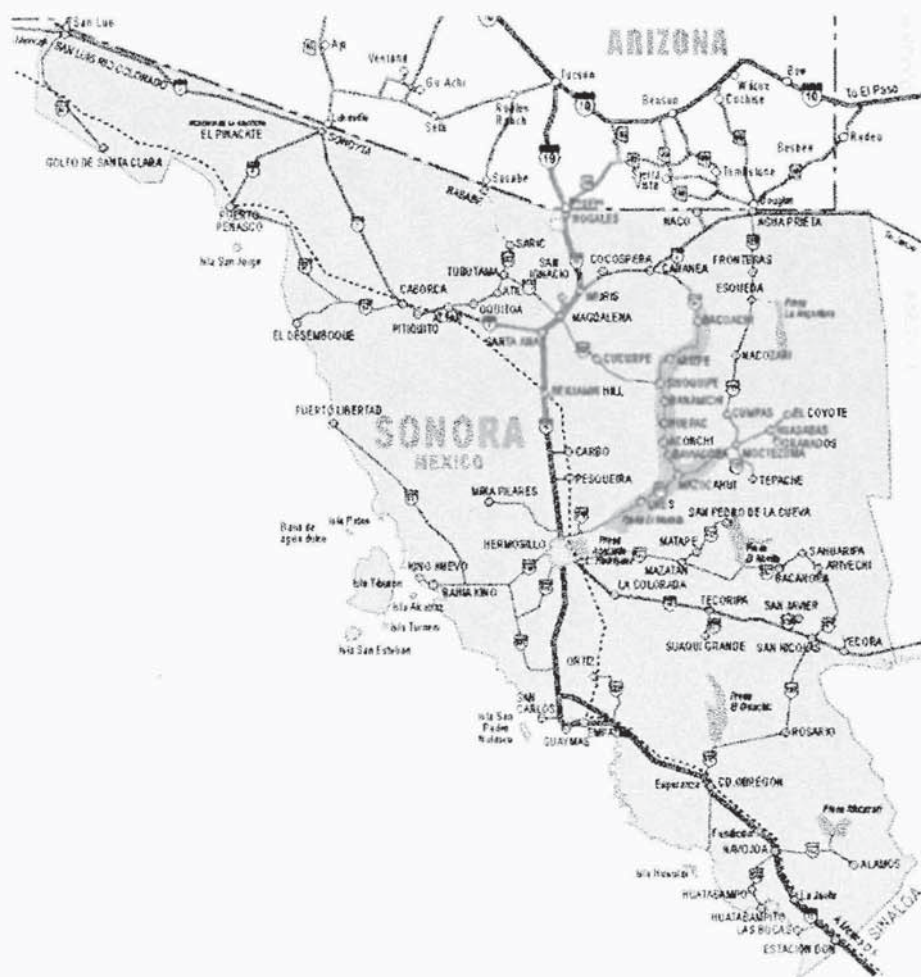
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It is the ease of entry through a very porous border, the limited resources of the Border Patrol to cover such an extensive, remote and rugged area, and the undeniable profit motive from drug, human and weapons trafficking into the U.S. that make the Arizona border the best option for smugglers of all kinds to operate with only a slight chance of detection.

SONORA



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BAJA CALIFORNIA



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Some Factors That Affect Trafficking From Arizona

Geography

The strength of California's state firearms laws, which allows the individual purchase of one firearm per month per household, has forced would-be buyers to seek other markets. By virtue of its proximity to the borders of California and Mexico, this makes Arizona, with its less than stringent gun laws, a natural source state for acquiring larger quantities of firearms of all types to be trafficked not only to Mexico, but to gang members, criminals and other prohibited persons in California as well. From a firearms trafficker's perspective, Yuma, Arizona is perfectly situated in the far southwest corner of Arizona on the eastern border of California, along Interstate 8 heading to San Diego and Los Angeles, and only 22 miles from the San Luis, Mexico point of entry. In addition, there are several points of entry to Mexico located along the southern California border that are all within a 2-hour drive from Yuma. As a result, Yuma has become a prime destination for a multitude of criminals on both sides of the border who are seeking firearms. Unfortunately at this time there is no ATF presence in Yuma, and its location makes it difficult to consistently work from either Tucson (6 hours) or Phoenix (5 hours).

Politics

Gun control in Mexico is obviously far more stringent than in the U.S. By comparison, Mexican gun laws are draconian. No civilian may own a handgun larger than .38 caliber. .22 caliber hunting rifles and 12 gauge shotguns with a 26 inch barrel are approved. A permit is required to buy any firearm, but the permit process is extremely expensive and time consuming wherein obtaining a permit may take up to year or more. All firearms in Mexico are required to be registered with the Ministry Of Defense. In Mexico, firearms may not be carried in public, either openly or concealed. A citizen is allowed to purchase a maximum of four firearms.

The difficulty in legally obtaining firearms, and the strict controls placed on their purchase and movement in Mexico creates a condition where Mexican citizens are forced to come to the U.S. In order to minimize the risk of detection, these individuals tend to gravitate to areas that are close to the border where transportation times will be minimized, and routes may be chosen that are marginally patrolled.

Drug Trafficking

There are several significant drug "cartels" or drug trafficking organizations (DTO's) that operate in Mexican states that border Arizona, or are market areas for firearms purchased in Arizona. Further information regarding this issue will be covered in **Section IV**.

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II.

Violence Along the Border

In the last few years, there has been an upswing in reports of violence along the U.S. – Mexico border. In May 2005, the U.S. Department of State issued a travel advisory for Americans planning trips to Mexico, particularly to the border areas. Kidnappings were becoming more of a regular threat to not only U.S. officials, but to tourists as well. In some cases, armed individuals would ambush tourists and force them at gunpoint to go to an ATM and withdraw the maximum amount possible. In some cases, the tourist would then be taken to a remote location and shot. Mexico's 2004 murder rate is an astonishing 18 percent compared to 5.6 percent for the U.S.

Firearms violence in Mexico is not limited to Americans traveling there. Homicide rates in many Mexican states have risen sharply. In Sinaloa State, there have been approximately 2700 murders in the last 5 years; an average of 540 murders per year. This has largely been attributed to the turf war between the Sinaloa Cartel and the Arellano Felix DTO, which is believed to be responsible for 70% of the aggravated homicides in Sinaloa alone. In response, Sinaloa State has added 14 additional homicide detectives to their ranks.

Since January 2005, more than 600 people have been killed in an ongoing war between rival drug cartels using high-powered handguns and assault rifles fighting for control of drug smuggling routes on the Texas-Mexico border.

In Tijuana, Baja California, there have been over 2000 murders in the last eight years, averaging 300 murders per year. The majority of these murders were tied to organized crime or drug trafficking. This is also true of Nogales, Sonora State where the homicide rate has increased by 25 percent in the last year.

Law enforcement officers in Mexico are especially prone to be targeted for violence. No case illustrates this point better than the case of Municipal Police Chief Alejandro Dominguez-Coello who was shot and killed only seven hours after accepting the post in Nuevo Laredo, Tamaulipas, just across the border from Laredo, Texas. On the same day, seven gunmen wearing ski masks entered a hospital in Chihuahua State and killed a Federal Investigations Agency (AFI) agent who was recovering from gunshot wounds there. In addition, two agents acting as bodyguards for the wounded agent were also subdued and killed.

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On August 8, 2005, a fragmentation grenade was thrown into the station of the Federal Preventive Police (PFP) in Guerrero State. The attack occurred at shift change when a large number of officers were expected to be in the station. The explosion damaged several vehicles but no injuries were reported. Officers also recovered an unexploded M26 fragmentation grenade near the station.

On August 20, 2005, more than 500 soldiers and federal, state and local police in Michoacan State engaged in a gun battle with members of the Sinaloa drug cartel, associated with Joaquin "Chapo" Guzman. A senior police commander was wounded in the exchange. Thirty suspects were taken into custody along with an alleged 40 AK-47 rifles, 14 handguns, grenades and thousands of rounds of ammunition. The gunmen were allegedly preparing to move against members and associates of the Gulf Cartel, headed by Osiel Cardenas Guillen, in an effort to ride the Sinaloa region of any presence of Gulf cartel members once and for all.

Attacks and threats to U.S. law enforcement officers are also not uncommon. On June 30, 2005, two agents of the U.S. Border Patrol were ambushed in the desert outside Nogales, Arizona. The attackers wore black uniforms with masks, and fired at the agents with what is believed to be 7.62x39 (AK-47 type) weapons. Both agents were wounded. The next day, a stash of several hundred pounds of marijuana was found buried nearby. This case is interesting in that the wounded agents reported that the attackers were using military tactics of shoot and move to cover while advancing, flanking movements, and paired cover techniques. Had a Border Patrol helicopter not frightened off the advancing attackers, it is likely that both agents would have been killed. A later search of the area seemed to indicate that the attackers policed their expended brass, as none was found at the scene.

Open source reports indicate that attacks against Border Patrol agents have been increasing. So far in the Tucson Sector this year there have been 165 reported acts of assault against Border Patrol agents compared to a total of 118 for the whole of FY2004. These reports also show that vehicle rammings have increased by 188 percent and shootings have increased by 122 percent.

In Mexico this year, authorities claim to have seized 8,187 firearms from drug cartels. According to reports, these weapons are large caliber, military-style assault weapons such as Thompson, Galil, Uzi, H&K, FN-FAL, as well as U.S.-made TOW missiles and Russian-made RPG's.

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One should note that several Mexican states that do not border Arizona were mentioned in the paragraphs above. Although Arizona is bordered by Sonora and Baja California, these states do not necessarily show the greatest number of firearm traces simply due to their immediate proximity to Arizona. The States of Guerrero, Chihuahua, Sinaloa, Michoacan and Tamaulipas have all been determined to be significant market areas for

firearms purchased in Arizona, as shown by current tracing data. It is in these states that drug cartel activity is the most prevalent; therefore the demand for firearms is greatest.

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III.

Targeting Firearms Traffickers

One Possible Explanation for Trafficking

For at least the last five years, without fail, the top three U.S. states shown as sources for crime guns recovered in Mexico have been Texas, California and Arizona. This order was changed only slightly in 2004 when California took the “top source state” distinction from Texas. Perhaps somewhat surprisingly, Florida, Oklahoma and Illinois have switched back and forth, moving into the top five occasionally over each of the last three years. A closer examination of the possible causes for this consistency of results reveals that each of the aforementioned states has a large population of American-born persons of Mexican descent. Further, each of these states has an economy heavily based in agriculture, which attracts Mexican migrant farm workers.

For decades, generations of Mexican families have immigrated to the United States to work in the fields during growing seasons, returning to Mexico for the winter months. While Texas, California, and Arizona have very large, steady Mexican influences, Florida, Oklahoma and Illinois are three areas in the U.S. where the Mexican communities are growing rapidly. In fact, it has been reported that there are more Mexican Americans in Cook County (Chicago), Illinois than there are in Harris County (Houston), Texas. A look at the source state map for the continental U.S. (see map next page) confirms that the greater concentration of firearms purchases for crime guns recovered in Mexico are in areas with large Mexican or Mexican American communities. This certainly bears itself out when looking at California, where a significant concentration of firearms purchases can be seen inland away from the major cities, along the valleys east of San Francisco where most of California’s agricultural industry thrives.

One of the biggest issues facing Mexico is the state of its economy. Mexico has an average unemployment rate of 3.2%, with an underemployment rate of over 25%. Over 40% of Mexico’s population lives below the poverty line. This is significant as it becomes a primary factor driving the number of immigrants from Mexico into the United States. The migrants send money back to their families in Mexico in the culturally accepted practice called “remesas”. The Bank of Mexico says that remesas are the most stable source of foreign currency for the country, reaching US \$9.2 billion dollars (an increase of 17.8%). This represents an estimated 30% of Mexico’s household monetary income, and if stopped, could have a dire effect on Mexico’s already critical poverty levels.

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The trend of migrants coming to the U.S. for seasonal work, and then returning to Mexico still continues today. Economic conditions there still force some Mexican citizens to risk illegal entry into the U.S. in order to find work. While they are in the U.S., migrants acquire one or two firearms at a time through a variety of means, then smuggle them back to Mexico upon their seasonal return. This pattern of behavior is likely repeated by thousands of other migrants as well, who are trafficking firearms back into Mexico, but not always for criminal purposes. The stringency of Mexico's gun laws, as discussed earlier, makes illegally acquiring firearms a virtual necessity for those unable to otherwise defend themselves or their families in a nation steeped in violence.

The pattern of smuggling small quantities of firearms into Mexico has been dubbed by Mexico's Ministry of Foreign Relations as "*trafico hormiga*", or "ant trafficking". This analogy is based on the trafficker's behavior being similar to a column of ants, marching by the thousands, carrying small portions of goods piece by piece in pursuit of a larger objective. The ants, they say, can be members of sophisticated criminal organizations or migrants making a little extra cash. "When there are thousands of people crossing the border each day, there are only a certain number that can be stopped and searched," said an official with the Federal Preventive Police (PFP). "And usually, it's a very small number."

U.S. Firearms Availability and the Impact on Mexico

The reality of poor border enforcement in Mexico helps firearms traffickers exploit the heavy volume of vehicular traffic flowing in and out of Mexico each day. The odds of detection are minimal compared to the profit that can be gained by successfully smuggling just a few handguns. A firearm that costs \$125 in the U.S. can be sold for as much as 5 times that value in certain Mexican states.

Critics suggest that the United States supplies guns to every corner of the world. While this might be an overstatement, there is no doubt that there is a vast supply of firearms available for purchase here. The ready availability of firearms in the U.S. has been exploited by many countries and criminal organizations from South America to Asia and Europe. Mexico is no different. There is currently a voracious demand for firearms in Mexico due to the strict controls placed on legitimate gun acquisition and ownership. Another demand, greater than the first, is placed by drug traffickers and organized crime figures who need firearms to protect (or expand) their enterprises. The growing number of assault rifles and semiautomatic weapons showing up in shootouts and assassinations has bolstered the arms caches of Mexico's drug cartels, officials in both countries say. They feed one of the highest rates of gun homicide anywhere in the world.

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Mexico blames the U.S. for the massive surge of guns moving into their country, "like a river of iron" said Mexico's former Attorney General, Raphael Macedo de la Concha. They say the U.S. has not put this issue at the same priority level as they have the issue of drugs. "Ironically", according to Sr. Macedo, "the guns in Mexico are being used by the people who are doing the things that most concern the United States...drug trafficking".

Identifying Firearms Traffickers

(NOTE: Much of the information in this section is based on studies and reports by Resident Agent in Charge J.J. Ballesteros. In particular, his 2002 report "Identifying U.S.-Based Firearms Traffickers" is excerpted due to its relevance to the issue of arms trafficking to Mexico).

Like any other firearms trafficker, those running guns to Mexico are motivated by two primary factors: 1) opportunity, and 2) profit. There is no lack of opportunity when acquiring guns in the U.S., but prices are too high to engage in the business casually. In addition, the risk of apprehension (especially by Mexican authorities) might dissuade some traffickers from selling any significant quantity. Most often the trafficker will identify buyers in advance who provide them a "shopping list". The buyer must have the cash available, and the means to get the guns to the buyer, thus completing the chain of opportunity. To the "professional" trafficker, if making the delivery is too difficult, the risk outweighs the possible benefits.

According to a 2002 report by ATF Resident Agent in Charge J.J. Ballesteros entitled "Identifying U.S.-Based Firearms Traffickers", there are several types of traffickers in Mexican-American communities that can be readily identified. They are 1) the straw purchaser, 2) the border trafficker, 3) the seasonal trafficker, 4) the second-hand merchant and, 5) the narcotics trafficker.

Straw Purchasers

A straw purchaser may acquire a firearm for a friend or family member not realizing that he or she (the purchaser) has committed a crime. In many cases, no compensation is offered. In other cases, the straw may often be a single mother living on public assistance, an elderly person on social security, drug addicts, homeless persons, or others who perform the service of buying firearms on a "fee-for-service" basis, for the little extra money it provides. The straw purchaser seldom ever takes the firearms they purchase to Mexico themselves. In most all cases, they provide the acquisition service and nothing more. Traffickers who are somewhat familiar with U.S. gun laws will not use the same straw purchaser over and over again.

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The Border Trafficker

The border trafficker is a straw purchaser as well, but takes steps beyond just simply making the purchase. Moving back and forth across the border, the border trafficker has the opportunity to identify buyers in Mexico, or be identified as a source by buyers in Mexico. He takes orders from customers, fills them (for a fee), then moves the guns across the border. He is the one incurring the risk, so the fee for the border trafficker's service is higher than the routine straw purchaser. The advantage for the end user is "plausible deniability" in the event the trafficker is caught. The disadvantage for the end user is loss of money and product.

The Seasonal Trafficker

The seasonal trafficker may be an individual living in the U.S. who makes seasonal or occasional trips to Mexico to visit family. These individuals may bring one or two firearms and small quantities of ammunition concealed in their vehicles during family gatherings, weddings, funerals, holidays, etc. The migrant farm worker, mentioned previously, falls into this category and contributes to the "ant traffick" that is referenced by the Mexican government. Seasonal traffickers are difficult to detect due to the sporadic nature of their activity, which may be based on a sudden opportunity to make a small profit or possibly defray the cost of the trip by trafficking small amounts of guns and ammunition.

The Second-Hand Merchant (Contraband Smugglers)

Other individuals, known as contraband smugglers or "*fayuqueros*", make routine trips to Mexico from the U.S. border states carrying truckloads of commercial goods from flea markets or bulk wholesalers such as Sam's Club or Costco. Although this practice is against Mexican law, it is most often overlooked. Military and Customs officials at border checkpoints are often unwilling to unload the heavily laden vans or trucks, and simply wave them through, especially if they are recognized as "regulars" through the checkpoint. Concealed in these loaded trucks and vans are firearms and ammunition. The business of contraband smuggling lends itself to arms trafficking as a secondary venture.

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The Narcotics Trafficker

It can be argued that the same methodology used to smuggle narcotics can be applied to firearms equally as well. Narcotics traffickers use large vehicles such as vans, trucks and SUV's that have many natural voids in which to conceal merchandise. Firearms and ammunition are hidden in these vehicles, usually in small amounts, and then simply driven across the border. The larger the vehicle, the more potential for successfully concealing contraband cargo.

More sophisticated operations use several vans or trucks at once, collectively moving a much higher volume of goods, thereby increasing their chances for success, and limiting their losses if a vehicle is lost to law enforcement.

Methods of Acquisition

Individuals that traffick firearms to Mexico are, in essence, no different than the domestic trafficker. Those that traffick firearms want to acquire their product in a method and manner that makes them least likely to come to the attention of law enforcement. Tracing data for firearms recovered in Mexico suggests that pawn shops are becoming popular once again as the method of choice for traffickers. It should be noted that traces showing a very long time to crime (10 years or more) may have actually been purchased much more recently at a pawn shop. In fact, the Jewel Box, Inc., a Phoenix, Arizona pawn shop, is shown as being the highest source FFL for crime guns recovered in Mexico from the Phoenix Field Division.

The continued recruitment of straw purchasers remains a favored method of concealing the true purchaser's identity. As mentioned previously, the trafficker may approach drug addicts, homeless persons, family members or friends, and offer a small payment for doing the paperwork.

The method of acquisition that will yield some of the highest percentages of firearms traffickers taking guns to Mexico, especially in Arizona, are through gun shows and flea markets. The opportunities for obtaining firearms through non-licensed dealers are endless, with no paperwork or background checks involved. The smart trafficker will cultivate a relationship with such a person, and he will gradually make larger and larger orders, taking delivery at the gun show. Eventually, the trafficker will begin to make phone contact with the non-licensee and place orders for particular weapons, taking immediate delivery on arrival. This type of business is also practiced by the less scrupulous FFL's as well.

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Some Indicators of Possible Trafficking

Routine checking of Online LEAD can yield excellent results in identifying potential traffickers. From LEAD, patterns can be observed such as frequency of an individual purchaser; type, caliber or manufacturer of a firearm (indicating preference); or multiple and repetitive purchases of the same type of firearms to name just a few.

To identify a possible purchaser who may be trafficking firearms to Mexico (or elsewhere), preliminary suspicions may be developed based on evaluating Online LEAD data. Further investigation can be conducted, such as examining ATF F 4473's for some of the following: 1) multiple purchases of the same type of firearm, 2) mistakes on the form which would indicate difficulty understanding English, 3) place of birth in Mexico, 4) no evidence that the person lived at the address indicated on the 4473, 5) use of a form of identification obtained just prior to the purchase.

The suspected purchaser can also be queried in TECS to determine if there were any border crossings made by the individual subsequent to the purchase.

Weapons of Preference as Indicators

One method to identify traffickers of firearms to Mexico is to use the technique of "weapon profiling". In Mexico, the .38 Super is still a highly valued status item and a weapon of choice among drug traffickers, and is an almost certain indicator that a load of firearms is bound for Mexico. Likewise, the AR-15, AK-47, MAK-90, SKS, or other similar weapon is in high demand in Mexico, particularly by drug traffickers.

A recent report by the ATF National Tracing Center, done for this study, indicates that the caliber traced most often in Mexico is the .22 caliber. This confirms the theory of "ant traffick", and indicates that individuals moving back and forth between the U.S. and Mexico often bring with them a caliber of firearm approved by the government of Mexico. Hence, the penalties for being caught with the firearm are not likely to be as severe as being caught with a caliber the government deems "for the exclusive use of the military". This category would cover nearly every firearm but .38 or smaller.

The acquisition and trafficking of ammunition is also done extensively from Arizona to Mexico. The reporting requirements on the part of the FFL are non-existent, and there is virtually no real penalty for being caught with ammunition in the U.S., even illegal aliens. In several cases in recent weeks, the Border Patrol has stopped vehicles driven by Mexican citizens, carrying thousands of rounds of ammunition. These leads may be used as indicators for whom the loads are bound, i.e. small caliber rounds like .22's can be considered for the most part to be smuggled illegally, though not likely for criminal use.

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Larger caliber rounds however, like .38 Super, .223 and 7.62x39 for example, are known to be the favored calibers for drug traffickers. The trafficking of these calibers of ammunition may be indicative of some criminal intent, and the suspects should be interviewed extensively.

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IV.

Drugs and Firearms in Mexico

Mexico is the largest manufacturer/supplier of methamphetamine to the United States. It is the largest grower/supplier of marijuana to the United States. It is also the most common transshipment point for cocaine entering the United States from South America, and second in terms of its production of heroin. In a supply and demand world, the U.S. has the demand, and Mexico is more than ready to provide the supply. Without question, the profit that can be gained from drug trafficking to the U.S. is staggering. The U.S. government estimates that Mexican drug cartels make upwards of \$60 billion USD per year. That figure represents nearly 30% of Mexico's Gross Domestic Product (GDP), although Mexico itself claims only 10 percent. This might explain why Mexico seems somewhat reluctant to seriously engage in counter-drug efforts, since between the "remesas" and drug trafficking, their national economy apparently hinges on the survival of the "underground economy".

Mexico is inundated in drugs and drug-related violence. Numerous drug trafficking organizations (DTO's) vie for control of territories, towns, and villages throughout the entire country. Firearms are used extensively as a tool of the trade, and assassinations are frequently carried out between competing drug gangs. Law enforcement officers, prosecutors and politicians are often targeted for assassination whenever they publicly take a stand against drug traffickers. This section identifies the main DTO's that operate in Sonora State and Baja California, both bordering Arizona. As of late 2004, Sonora was the Mexican state with the most drug-related crime, with more than 60% of its total crime rate being tied to the drug trade.

"The Federation"

The Federation, also called the "Golden Triangle Alliance" is a consolidation or "realignment" of separate DTO's in Mexico; the Carrillo-Fuentes Organization (Juarez Cartel), the Guzman/Salazar Organization (Sinaloa Cartel), the Esparragoza Moreno Organization (Juarez Cartel), the Ignacio Villareal Organization and the Zambada/Garcia Organization (Sinaloa Cartel). According to a Defense Intelligence Agency (DIA) report, the Federation operates extensively in Chihuahua, Durango, Coahuila, Zacatecas, and Sinaloa. This cartel also has substantial influence in portions of nearly all Mexican states that border the Pacific Ocean, which means that these DTO's control the legitimate as well as the illegitimate ports used to facilitate the massive shipments of narcotics via marine vessels. In total, their influence is felt in 29 of 31 Mexican states.

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The Federation has formed their alliance in order to move against Osiel Cardenas Guillen (Gulf Cartel) for control of the Nuevo Laredo drug trafficking corridor, which supplies cocaine, methamphetamine, heroin and marijuana to the eastern U.S. Although allied for a central purpose, recent DEA reports indicate that the struggle for power within the Alliance has resulted in Juarez Cartel kingpin Vicente Carillo Fuentes being pushed aside by Sinaloa Cartel kingpin Joaquin "El Chapo" Guzman. Guzman appears to be attempting to ascend to the position of total control of Mexico's entire drug trade.

The Federation

The Golden Triangle Alliance



**Vicente
Carillo
Fuentes**



**Juan Jose
Esparragoza
"El Azul"**



**Ismael
"El Mayo"
Zambada
Garcia**



**Ignacio
"Coronel"
Villareal**



**Joaquin
"El Chapo"
Guzman**

Guzman/Salazar Organization

This major DTO is headed by Joaquin "El Chapo" Guzman and Hector Luis Palma Salazar. It is unknown how many individuals are members or associates of this organization, but the size of the territory controlled by Guzman is quite extensive. The Drug Enforcement Administration (DEA) places Guzman/Salazar influence in at least 12 Mexican states. Of interest to Arizona, Guzman controls Sonora (especially the border city of Nogales), and he employs the services of a group called "*Los Gueros*" to move marijuana, cocaine and heroin into the U.S., primarily through Arizona.

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Intelligence reports indicate that the main points of entry and areas used to cross these drugs are Sonoyta (desert area west of Nogales), Agua Prieta (across the border from Douglas, Arizona) and Nogales. Figures have been placed at an estimated 10 tons of marijuana per month trafficked by the Guzman Organization and Los Gueros. Intelligence gathering and enforcement is complicated by the fact that Los Gueros are reportedly under the protection of Mexico's federal and state law enforcement.

Arellano Felix Organization

The Arellano Felix Organization (AFO) is a DTO controlled by the brothers of the Arellano Felix family. The AFO controls the entire Baja California peninsula, as well as having a substantial presence in at least 15 Mexican states. The AFO was greatly weakened in 2002 when one of the brothers, Ramon Arellano Felix, was killed and another brother, Benjamin Arellano Felix, was arrested. It is believed that the youngest brother, Francisco (Javier) Arellano Felix and Manuel Aguirre Galindo have since taken charge of operations. DEA intelligence reports indicate that the AFO may actually be weakening to the point of collapse as a major DTO. Since the death of one Arellano Felix brother and the arrest of another, the Federation and its allies have been fighting for control of AFO territory. This has led to violent confrontations between AFO members and those of the Federation, particularly "Chapo" Guzman's Sinaloa Cartel, who may see an opportunity to exploit AFO's weakness and take over AFO territory. Wisely, the AFO have aligned themselves with Osiel Cardenas Guillen and his Gulf Cartel, giving them additional resources and protection. The war between the Federation and the AFO has served to significantly fuel the need for each organization to obtain firearms from the U.S.

Based on the proximity to Baja California, and substantiated by reports from the Yuma Police Department, the AFO and associates appear to come to Yuma FFL's to acquire their weapons. Recently, Yuma PD arrested a suspect who purchased 15 Colt AR-15's from a Yuma FFL. The individual was stopped as he approached the Arizona-Mexico border and was detained for questioning. The individual stated that he was instructed to go to Yuma, buy the weapons, and deliver them to a contact in Tijuana, Baja California. The contact, who provided the instructions and the money was alleged to be a representative of the AFO. According to Yuma PD Detective Ross Nicolette, this is one case among many similar occurrences.

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Gulf Cartel

Although not in control of drug trafficking in Mexican states that border Arizona, the Gulf Cartel is worthy of mention due to the ongoing war between it, and “Chapo” Guzman (Sinaloa Cartel). The Gulf Cartel, headed by Osiel Cardenas Guillen, controls the majority of drug trafficking along the Mexican states bordering the Gulf of Mexico, particularly Tamaulipas and Vera Cruz, and the inland state of Nuevo Leon.

The majority of the drug related violence in Mexico is attributed to the war between Chapo Guzman and Osiel Cardenas. This scale of this war has recently reached unprecedented levels with both organizations fighting for control of drug routes into the U.S. at Nuevo Laredo, Tamaulipas, just across the border from Laredo, Texas. Firearms violence due to this war has often spilled over onto the Texas side of the border. The two cartels are also fighting for control of the states of Michoacan, Jalisco and Guerrero, all states noted for the production of marijuana, cocaine and heroin. It should be noted that Arizona is a significant source state for firearms recovered in each of these Mexican states, confirming that these cartels are arming themselves with U.S.-source firearms.

Osiel Cardenas has a private army – “*Los Zetas*”, comprised of former Mexican Special Forces soldiers. The Zetas were reportedly trained by U.S. Special Forces to help the government of Mexico fight their war on drugs, but the skills they learned received greater attention and far better pay from Cardenas and the Gulf Cartel. Many of the soldiers defected to join Cardenas, and the degree of violence against Guzman’s drug interests increased dramatically as a result. At this time, there have been no confirmed instances of Los Zetas making a presence in Guzman-controlled Sonora, although an unconfirmed report indicated the Zetas may have recently been in or near Nogales, Sonora attempting to recruit Federation “soldiers” away from Guzman. Intelligence reports state that Guzman has hired his own private army, called “*Los Negros*” to combat Los Zetas. It has also been reported that Guzman is also recruiting members of the Central American gang “Mara Salvatrucha”, or MS-13 to fight Los Zetas.

Firearm Recoveries in Mexico

Mexico claims to have recovered approximately 15,000 firearms in the last year, of which they purport that 80-85% originated in the U.S. This issue is difficult to dispute since Mexico only has an official tracing protocol established with ATF through the National Center for Information, Analysis, and Planning in order to Prevent Crime (CENAPI), which is Mexico’s primary intelligence arm of the Procuraduria General de la Republica (PGR), Mexico’s Attorney General. This is the Federal level for Mexico. Thousands of firearms are recovered each year in Mexico’s states and municipalities that do not get traced, nor is CENAPI necessarily notified of the seizure.

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This means that without comprehensive gun tracing equally implemented across all states, the true measure of U.S.-source crime guns recovered in Mexico will never be known. The data will always be incomplete, therefore making it difficult to develop enforcement strategies or identify high value targets in the U.S. Still, based on available tracing data, there is little doubt that the U.S., particularly the border states of California, Arizona, New Mexico and Texas, are prime source areas for firearms trafficked to Mexico.

For its part, Mexico appears to be making attempts to target firearms traffickers and possessors. The national firearms initiative "Seguro Mexico" was recently implemented and has already netted some impressive results. On August 17, 2005 for instance, three members of the Sinaloa Cartel (associated with "El Chapo" Guzman) were arrested. Located during the search were 3 AK-47's, 3 M-16's, 1 AR-15 and several .45 caliber and 9mm pistols.

Also on August 17, 2005, Federal Investigative Agency (AFI) personnel, and the Federal Prosecutors Office (PGR) seized numerous assault weapons and hundreds of rounds of ammunition during a search warrant in Sinaloa.

On August 16, 2005, acting under the anti-firearms initiative "Plan Emergente Sinaloa 2005", police in Sinaloa arrested several alleged cartel members and seized 23 high-powered assault-style weapons.

Not all firearms that are seized in Mexico necessarily come from the U.S. however. In a press statement on August 23, 2005, National Defense Secretary Gerardo Clemente Vega Garcia scolded Mexico governors for allowing weapons assigned to police officers in their states to fall into the hands of criminals. Garcia said that "officers take the weapons home, throw them away, or sell them; because every time we do an inspection, the police departments cannot account for all of the assigned weapons". Garcia may have been attempting to shift the spotlight, as it was revealed that many Mexican military weapons fall into the hands of criminals as well. In one report, 16,000 handguns and 6,000 rifles destined for the military were seized by Mexican police from drug gangs. While it is undoubtedly true that many military and police weapons do fall into criminal hands, available tracing data suggests that the vast majority of firearms originate from the U.S. commercial market.

The Mexican Border Patrol reports that in the past year they have seized 15,000 weapons of various calibers. Ninety-five percent of the weapons were seized along the northern border, and the remainder were seized in southern Mexico, near the border of Guatemala.

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According to police and military officials in Baja California, Federal, state and municipal police forces have seized 670 firearms, 11,377 rounds of ammunition, 223 magazines and 15 explosives devices as of August 1, 2005.

A Mexican intelligence report (unconfirmed) indicates that, in addition to being a source of supply for firearms to Mexico, the U.S. is also a transshipment point for firearms originating overseas. In particular, Port Langley, British Columbia was named as a "landing point" for AK-47's from Kosova, Serbia, and other former Eastern Bloc states. The weapons are funneled through California, Arizona and Texas, eventually being delivered to Mexico. These firearms are then moved onto "go-fast" boats, taken down the Baja Coast either in the Pacific or the Gulf of California, and moved to drug trafficking organizations in the Mexican states of Sinaloa, Guerrero and Oaxaca.

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V.

Allegations of Corruption in Mexican Law Enforcement

Mexican law enforcement has long been stereotyped as being systemically corrupt. But a wave of murders that have claimed nearly 600 lives, primarily in states along the Mexico-U.S. border, has forced that country to re-evaluate its law enforcement standards.

Anthony Placido, the DEA acting assistant administrator for intelligence, quoted in a New York Times article as he recently testified before Congress, that "Law enforcement in Mexico is all too often part of the problem rather than part of the solution. This is particularly true at the municipal and state levels of the government."

In a New York Times article, dated July 5, 2005, four police officers were interviewed. Each one confirmed that there was widespread corruption and abuses within their departments. However, the officers stopped short of admitting that they or their fellow officers served as lookouts and hit men for drug organizations.

In Mexico, the starting salary for a municipal officer is less than \$350 per month. Medical insurance is basic, and if they are killed, their families get \$6000...barely enough to bury them. Officers have to buy their own equipment, such as handcuffs and body armor. Worse, officers have to buy their own bullets, which force them to come to the U.S. and try to smuggle bullets back across the border like criminals. Firearms training is virtually non-existent as a result of the bullet shortage; so many officers go on the street never having fired their weapons.

On August 11, 2005, the Mexican National Defense Secretariat (SEDENA) cancelled an order it placed for 500 Belgian sub-machineguns after the Belgian government inquired (as is standard practice in legitimate international arms trade) about the final destination of the weapons. The Belgian Parliament cited Mexico's fragile democracy and the ongoing conflict in Chiapas as points of concern. The firearms were to be imported and given to an elite group of the President's security forces and three Mexican Army airborne Special Forces units.

In Baja California, the State Attorney General's Office is currently investigating 250 state police officers for allegations of corruption regarding drugs and organized crime. In addition, reports have been received which indicate that there are at least 30 Nogales, Sonora police officers who are corrupt and are working for the Chapo Guzman Organization.

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Arizona-Mexico Politics

On June 18, 2005, Arizona Governor Janet Napolitano and Sonora, Mexico Governor Eduardo Bours met at the Plenary Session for the Arizona-Mexico Commission. They released a joint statement, communicating their plan to establish the Arizona and Sonora border as the "safest in the U.S." In this statement, each Governor criticized their respective Federal governments, saying "We are aware that many actions and goals we propose are negatively impacted by Federal policies in both countries; policies that we consider to be ineffective and under funded. We believe that despite these Federal limitations, we should be innovative within our state authority by proposing reforms that will allow better security coordination and, thereby, greater economic growth in our region".

The "Sonora Plan" as it is named by Governor Bours, proposes the establishing of a "common safety perimeter that in the first instance will allow us to stop any terrorist from entering the United States through Sonoran territory". Further, the plan calls for the development of coordinated strategies implemented by the two states to combat drug and human trafficking. Finally, a system to enhance the information and intelligence exchange between law enforcement agencies is being developed.

On August 15, 2005, Arizona Governor Napolitano declared a state of emergency for Arizona's four border counties of Cochise, Pima, Santa Cruz and Yuma. The week prior, New Mexico Governor Bill Richardson declared a state of emergency for six New Mexico counties that border Mexico. When speaking on issues that relate to Arizona's border with Mexico, Governor Napolitano has always been an outspoken critic of the Federal government. In an address made at the signing of an executive order creating the Arizona-Sonora Border Security Council, Governor Napolitano said, "Washington has done little to address the rapidly growing problem of crime along the southwest border". She added, "The Federal government has failed to secure our border, and the health and safety of all Arizonans is threatened by violent gangs...and other dangerous criminals". In particular, she addressed the growing issue of violence due to drug trafficking that is affecting the border counties of Yuma, Pima, Santa Cruz and Cochise. The executive order enables Arizona to free up \$1.5 million to cover overtime expenses for officers in the four affected counties for a period of 30 days, after which the effectiveness of the program would be evaluated.

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In an agreement between the Arizona and Sonora Governors, dated August 18, 2005, Arizona and Sonora began the process of developing a Joint Operations and Command Center for critical incidents, as well as planning joint emergency exercises and drills for crises near the border. In a similar move, Sonora Governor Bours signed a security proclamation and authorized Mexican police radios to be issued to Arizona officers to facilitate better communication between agencies during border-related enforcement activity.

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VI.

Current Border Enforcement Initiatives in Arizona

At this time, the Phoenix Field Division currently has only one dedicated initiative that makes its priority the issue of guns illegally trafficked to Mexico. The OCDETF-funded "Operation Southbound" (785040-04-0027) uses confidential sources and physical surveillances to identify straw purchasers at Phoenix area FFL's. In addition, the technique of using undercover reverses has been utilized with great success. To date, this initiative has proven successful in selectively targeting individuals who display common indicators for arms trafficking, or who openly solicit FFL's for "off paper" firearms sales.

Began in October 2003 as an ATF Phoenix investigation, the volume of information and the sheer number of suspects identified, particularly those that could be directly tied to drug trafficking operations in Mexico, made it clear that Operation Southbound should be consolidated into an OCDETF case. The proposal was presented to, and approved by, the Southwest OCDETF Committee in October 2004.

To date, Operation Southbound has yielded the following results:

Firearms Seized: 214	Value: \$144,484
Ammunition Seized: 22,659	Value: \$2266

Narcotics Seized:

Cocaine: 12.5 kilos	Value: \$182,000
89 grams Crack cocaine	Value: \$8000
Marijuana: Nearly 9000 pounds	Value: \$4.5 million (approximately)
Methamphetamine: Over one pound	Value: \$10,000

Currency:	Value: \$316,458
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Vehicles:	11 vehicles, 1 trailer, and 2 ATV's.
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In addition to the seizures of property, Operation Southbound has resulted in the spin-off of seventy-three (73) separate cases. The task force group working with Operation Southbound consists of Phoenix PD, Glendale PD, ICE, Border Patrol, and the U.S. Marshal's Service. Several of these cases have resulted in suspects (fugitives) being located and arrested in Mexico, and returned to the U.S. to face trial.

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VII.

Proposal:

“Project Iron River” Phoenix Field Division

The concept for “Project Iron River” was developed based on the clearly identifiable need to focus ATF’s unique expertise and resources on the issue of firearms trafficking to Mexico. The continually escalating violence along the border, and within Mexico, is largely fueled by the drug cartels struggling for control of the lucrative U.S. drug market. Often, this violence has crossed the border into the U.S., with Federal, state and local law enforcement officers being assaulted in increasing numbers. The power of the violent drug cartels described in this report has created a condition of social and political instability in a country that touches a significant portion of the U.S. border. These cartels continue to amass firearms which are used to murder political leaders, police officers, prosecutors and many innocent bystanders. This has de-stabilized the Southwestern U.S. border due to the drug-related violence spilling over into the U.S. states bordering Mexico. Two U.S. Governors have declared states of emergency and have been forced to spend millions of taxpayer dollars to protect their citizens from border related violence. Political tensions are high on this issue, and the national media is focusing more attention on the Federal government’s response. ATF is in the best position to proactively address the issue of drug related firearms violent crime along the border using its expertise in firearms trafficking investigations to identify, investigate, arrest and prosecute those persons responsible for arming drug cartels and other violent gangs that operate along the Southwestern U.S. border.

Project Iron River is named after the comment made by former Mexican Attorney General Raphael Macedo de la Concha, who compared the flow of guns from the U.S. into Mexico to a “river of iron”.

The basic tenets of this project involve extensive use of intelligence information to identify suspects and targets of investigative value; utilize the contributions of Industry Operations Investigators (IOI’s) to provide their expertise with inspections of the many Federal Firearms Licensees in the selected counties; initiate a public information campaign throughout Arizona that discusses the penalties associated with the straw purchasing of firearms; and aggressively prosecuting any individuals trafficking firearms to Mexican drug cartels or other violent criminals.

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It is anticipated that other Federal agencies will see the benefits of this initiative to their organizations, and will be able to contribute resources necessary to ensure its success.

There is currently no national-scale initiative within ATF dedicated to countering firearms trafficking to Mexico. Project Iron River seeks to fill that void with a concentrated effort towards a single objective: denying the drug cartels access to U.S.-source firearms will sharply curtail the number of drug related incidents of violence on both sides of the border. Theoretically, in order for a drug cartel to continue to grow, it must rely on intimidation or violence as a means to gather the land, territories, resources, money and protection it needs to expand into new areas. Denying the drug cartels in Mexico access to U.S.-source firearms robs the cartel of the implements it needs to facilitate this growth, forcing them to seek alternate markets where firearms may be more difficult to obtain. Making the cartels afraid to come to the U.S. for their firearms is the first step.

Phase 1

Yuma, Arizona Field Office

Arizona is the third largest source state of firearms recovered in crimes in Mexico. According to the most recent tracing study done for the Phoenix Field Division, FFL's in Yuma, Arizona account for a proportionately greater number of firearms subsequently recovered in Mexico, particularly the Baja Peninsula, Sinaloa and Sonora.

Discussions with the U.S. Border Patrol, ICE, and the Yuma Police Department have revealed a very active pattern of firearms trafficking that occurs on a regular basis from Yuma, with the firearms crossing the border through the Arizona and California points of entry that are nearby. There is no ATF presence in Yuma to investigate these cases and refer them for Federal prosecution. Instead, local police officers are engaging in firearms trafficking interdiction and prosecuting these criminals for misdemeanor offenses at the state level where penalties are not a deterrent.

Phase One of Project Iron River involves opening a full field office in Yuma, Arizona. This office should be fully staffed with 1 RAC, 10 GS-1811 special agents, no less than three Industry Operations Investigators, and one investigative assistant. Yuma is a perfect crossroads for illegal arms trafficking due to its geographic position along Interstate 8, only minutes from the California border, and 22 miles from the San Luis, Mexico point of entry. In addition, a pedestrian crossing point is located at Algodones, a popular tourist shopping area approximately 3 miles from Yuma. There, it is possible for small amounts of firearms and ammunition to be carried across the border in a location where physical searches are uncommon.

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Yuma is also a magnet area for criminals and gang members from southern California who come there to buy firearms, avoiding the stringent California laws. Further, its proximity to the border makes Yuma a convenient location for Mexican drug organization "transporters" and associates, criminals, and gang members to obtain their weapons as well. Tracing data supports the fact that Yuma area guns are frequently recovered in Mexican states where drug cartel activity is heaviest and most violent.

From Yuma, there are many border points of entry that can be accessed in no more than one hour. In addition, criminals running firearms to California gang members can be in San Diego or Los Angeles in a matter of hours. Were a field office to be opened in Yuma, agents and inspectors there would be able to dedicate their efforts to the interdiction of southbound firearms destined not only for Mexico, but also westbound firearms trafficked to the major cities in California and the west coast. Initially, the Yuma Field Office could be established with the assistance of the Los Angeles Field Division, whose agents would cover the westbound guns, and the remainder of the agents would investigate the Mexico-bound firearms. Its unique location on the border of two U.S. states and one foreign country creates an equally unique opportunity to consolidate the efforts of the Phoenix and Los Angeles Field Divisions in a joint border enforcement initiative.

Tracing data also suggests that crime guns recovered in California and Mexico originate from FFL's in Parker, Arizona, Havasu City, Arizona, and Bullhead City, Arizona. Yuma Field Office personnel would be able to cover the western portion of Arizona where there are currently no ATF offices, in locations that are difficult to cover from Phoenix.

Benefits to opening the Yuma Field Office are: 1) guaranteed immediate success in proactively generating viable and significant international and domestic firearms trafficking cases; 2) the support of the local ICE and Border Patrol offices who have pledged agents and temporary office space if necessary; 3) the support of the Yuma Police Department, who has likewise indicated interest in supporting a "task force" on firearms trafficking; 4) substantially impacting the flow of weapons illegally trafficked to Mexican drug cartels as well as gang members in California.

The U.S. Attorney for the District of Arizona is keenly interested in supporting a Southwest border project and has pledged the support of his satellite office located in Yuma.

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Sierra Vista Satellite Office

In addition to the Yuma Field Office proposal, it is also strongly recommended that an ATF satellite office be opened at the same time in Sierra Vista, Arizona. Staffing recommendations for this office are as follows: 6 special agents (with at least 1 intelligence officer), 3 IOI's, and 1 K-9 team. This office could be managed as a satellite office from either Tucson Group II (geographically closest), or Yuma (farther away, but dedicated to the same border enforcement project).

Sierra Vista is preferable as a satellite office location for several reasons. Due to its central location between several border points of entry, the Sierra Vista satellite office can cover the POE's at Nogales, Naco and Douglas in under an hour's drive to each. Naco, Arizona, which is known to be heavily active in drug and firearms trafficking, is less than 30 minutes from Sierra Vista. In addition, smaller entry points at Lochiel, and Sasabe could likewise be accessed in a very timely manner.

The U.S. Border Patrol, ICE, DEA and FBI each have offices in Sierra Vista. The U.S. Army's Intelligence Center at Fort Huachuca is also located in Sierra Vista, establishing a strong government presence in the area. An air wing of Customs and Border Protection (CBP) is also based at Fort Huachuca. CBP air wing supervisors at that location have stated that their aircraft could be made available for ATF use anytime. Considering the fact that the focus of the Sierra Vista satellite office would be firearms interdiction, especially involving drug trafficking and related violence, this arrangement would certainly be to the advantage of both ATF and CBP.

Casual discussions with intelligence officials at Fort Huachuca have indicated that there may be enough office space available on the Army post at no charge to ATF. This is advantageous in that Fort Huachuca is a secured, guarded military facility which ensures the safety of ATF personnel and property.

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Phase II

Nogales Satellite Office and Douglas Satellite Office

Opening an additional satellite office at Nogales, which is the primary route into Mexico from central Arizona via Interstate 19, would decentralize the ATF presence in the Sierra Vista satellite office and place personnel directly at the points of entry. Douglas is a primary route for drug and firearm shipments along the eastern edge of Arizona, just across the border from Agua Prieta, Mexico. The advantages to this deployment are that ATF personnel would be immediately available to respond and investigate any seizures made by ICE/CBP at the major Arizona POE's, or participate with those agencies proactively in investigations involving suspects trafficking firearms and narcotics.

DEA has a large office at Rio Rico, located several miles north of Nogales, and the DEA ASAC has offered ATF office space at their location at no charge. This would only serve to strengthen an already excellent working relationship between ATF and DEA in southern Arizona, and would also serve to provide real-time ATF involvement in large-scale drug trafficking investigations should it be determined that firearms are involved.

ATF K-9 Team Assigned To Project Iron River

As part of the overall enforcement plan for this project, it is requested that an ATF K-9 team be dedicated to provide support to the firearms detection and interdiction process. A trained K-9 team can readily respond to outbound searches at the POE's, providing a basis for more in-depth searches of vehicles and persons. In the case of a vehicle that has been identified as a trafficking vehicle through CI information, surveillances, or other investigative means, the K-9 team can work the vehicle, thereby validating the information, further bolstering that the value of the evidence at trial.

The K-9 team would best suit the mission by being placed in Tucson, Arizona. This would enable the team to respond rapidly to call outs at the border, in Tucson or in Phoenix. The response time to Phoenix would be approximately 1 hour, and response times to the border would vary between 45 minutes to 2 hours depending on where the callout was issued. Also, placing the K-9 team in Tucson would enable the team to train and work with other K-9's from the same program. (Tucson PD and the University of Arizona both have ATF-trained K-9's, but utilizing them for a border enforcement initiative would be problematic at best).

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Investigative Strategy for Project Iron River

Project Iron River is viewed as being a dedicated, standalone initiative, focused on the interdiction of firearms destined for drug trafficking organizations in Mexico, and impacting drug related firearms violent crime along Arizona's border. Except where absolutely necessary, agents assigned to this project should not be tasked with other duties that can be handled by one of the two enforcement groups in Tucson. Only this way can resources be directed appropriately, and measurable, meaningful results obtained.

Intelligence

It is envisioned that Project Iron River will actually adopt the methodologies, and will embody the ATF phrase "Intelligence-Led Policing". The resources that already exist within ATF are perfectly suited to this type of initiative, and are substantial enough to virtually guarantee its success.

Utilizing the resources of the Phoenix Intelligence Group, Headquarters intelligence resources, and at least one intelligence officer or analyst dedicated to this project on-site, investigative leads will be developed. Frequent contact and coordination with the intelligence components of the other partner agencies, [REDACTED], will ensure that only the most valuable targets are selected for investigation. [REDACTED]

For preliminary intelligence purposes, an unofficial study was made of factors that make up the profile of the average purchaser of firearms that are recovered in Mexico, but purchased in Arizona (see graph, next page). From examining 164 trace records for firearms purchased in Arizona over a 2-year period that were later recovered in Mexico, the following common factors were observed:

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[REDACTED]

The average purchaser was 34 years of age. Among Hispanic males, the average age was 27.

Of the 164 firearms traced from Arizona, 35 were recovered in Distrito Federal (Mexico City), 19 in Jalisco, 18 in Sinaloa, 16 in Queretaro, 13 in Durango, 8 in Oaxaca, 7 in Michoacan, 7 in Nuevo Leon, 6 in Sonora, 5 in Chiapas, 5 in Chihuahua, 4 in Nayarit, 3 in Guerrero, 2 in Tamaulipas, and 1 in Baja California.

Utilizing all available resources should be a priority for this initiative.

[REDACTED]

[REDACTED]

[REDACTED]

Training Provided to State and Local Agencies

ATF personnel assigned to this project should liaison with the local police departments, sheriff's offices, and the Arizona Department of Public Safety. Officers from these agencies are often the first point of contact with many firearms and narcotics traffickers, and can provide valuable information and cooperation. Arrangements should be made to provide training to state and local agencies regarding firearms trafficking methodologies, recognizing concealment methods on persons and in vehicles, and other common indicators that ATF agents look for when investigating a trafficking scheme. During initial contacts where an officer suspects an individual might be a possible trafficker, the field interview questions can be extremely important. Training should emphasize this critical area.

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Officers that encounter a suspected trafficker should attempt to determine where the vehicle is headed, then contact the local ATF office with the complete description of the vehicle, its occupants, and the basis for the officer's suspicion. The special agent can contact his or her ICE contact at the point of entry and arrange for an outbound inspection. The availability of a trained K-9 team for an outbound inspection will enhance the probability of locating and recovering evidence.

Public Information Campaign

The Phoenix Field Division Public Information Officer (PIO), in conjunction with assigned special agents and IOI's, should help design a public information campaign, specifically targeting the border FFL's, that educates and informs them about the risks of selling firearms to individuals they suspect of straw purchasing firearms for Mexican citizens, or others they believe may be taking the firearms to Mexico.

The scope of the problem associated with firearms being trafficked to drug cartels and criminals in Mexico is such that more aggressive tactics should be employed.



~~LAW ENFORCEMENT SENSITIVE~~

HOCR ATF - 001391

-34-

Tracing / NIBIN Agreements with ICE and Border Patrol

[REDACTED]

[REDACTED]

[REDACTED]

Conclusion

This report has examined the major problems that exist along the Southwest U.S. border, particularly along Arizona's border with Mexico. Violence is a very real problem facing not only Arizona, but every state that shares a common border with Mexico. Drug cartels send untold numbers of associates to Arizona to acquire firearms to further their illegal enterprises. Criminals using U.S. source firearms have killed hundreds of people in the last several years during the ongoing battle for supremacy between Mexico's major drug cartels. The violence fueled by the drug trade has spilled over into the U.S., especially along the borders of Arizona and Texas. In fact, Arizona source firearms have been turning up in huge numbers in the region around Nuevo Laredo, currently ground zero in Mexico's drug war.

~~LAW ENFORCEMENT SENSITIVE~~

HOCR ATF - 001392

-35-

This report and proposal is intended to illustrate the need to address a very real issue that impacts the Southwestern U.S. border. The citizens of Mexico, as well as the U.S. citizens along the border in four states, are inundated with drug related firearms violence. If the U.S. government is to have any significant impact, a national-scale, unified initiative headed by ATF, and dedicated to the common objective of stopping the illegal supply of firearms to Mexico is absolutely necessary. This initiative should certainly encompass all four U.S. border states, each working towards a single goal: to deny drug cartels the means to facilitate their growth in Mexico and the U.S. If funded appropriately, and given the necessary resources requested, cases will be made, and high value defendants will be prosecuted.

On a larger scale, this can only help ATF showcase its expertise and value in targeting the worst criminals and removing them from society. The success of Project Iron River can be shown as a model for future similar initiatives.

HOCR ATF - 001393

APPENDIX

HOGR ATF - 001394

Exhibit 210

Exhibit 210



U.S. Department of Justice

Criminal Division

Gang Unit

Washington, D.C. 20530

October 1, 2009

MEMORANDUM

TO: Jason Weinstein, Deputy Assistant Attorney General

CC: Kevin Carwile, Chief Gang Unit
James Trusty, Deputy Chief Gang Unit

FROM: Laura Gwinn
Trial Attorney, Gang Unit

SUBJECT: Operation Wide Receiver (Tucson, AZ USAO)

During the week of September 21, 2009, I travelled to Tucson, AZ to review and evaluate a firearms trafficking case which was investigated by ATF (with ICE support) as Operation Wide Receiver. This memorandum is written to provide you with an outline of the investigation and potential charges. Given the large amount of paperwork associated with the case, an in-depth review of every transaction, target, or potential charge was not possible in such a short time. It quickly became very clear, however, that Operation Wide Receiver involves two conspiracies, with one common target.

This investigation began in March of 2006 when ATF was contacted by an FFL concerning suspicious firearms transactions. It is believed the FFL had worked with ATF in the past, although details concerning prior cases were not available. The FFL primarily sells weapons at gun shows, but the transactions at issue were conducted at his house. Over the course of the subsequent months, the FFL, under the direction of ATF, sold 322¹ firearms (primarily receivers of assault weapons) to Gregory Gonzalez, Jonathan Horowitz, Ismael Betancourt, and Daniel Olivas. Sometimes these persons filled out the 4473, other times they were the actual purchaser. It appeared to the FFL from conversations during the transactions and/or phone calls (some of which were consensually recorded) that these targets were working in conjunction with another party who was ordering the remaining firearms components from the internet. This was confirmed when a suspicious package from Betancourt to a person in California was opened by UPS and found to contain receivers. The store owner was not sure a violation had occurred and shipped the package, but notified ATF, which intercepted the package in San Diego. The serial numbers of the receivers corresponded to those purchased by Horowitz several weeks previously. Subsequent investigation revealed additional packages that had been

¹ The numbers of firearms sold is taken from a chart prepared by ATF agents. It is unclear whether there is any "double-counting": that is the firearm is counted for the person who paid the money as well as the person who completed the 4473. This caution also applies to the purchases in the second part of Wide Receiver, below.

HOCR WR 003391

sent to the same address from by Betancourt. Thus far, eleven of the firearms purchased by this group have been recovered in Mexico.

Gonzalez participated in two or three transactions. According to Horowitz, Gonzalez missed a deadline and was no longer trusted, therefore, Horowitz and Betancourt began dealing with the FFL. Their association with the FFL continued through approximately November 2006.

In early February 2007, Gonzalez again contacted the FFL to purchase weapons. At that time, he introduced Oscar Celaya. At that time, Gonzalez completed the 4473s for several weapons on behalf of Celaya who paid for them. Several days later, Gonzalez introduced Carlos Celaya to the FFL. Over the next several months, approximately 500 pistols and assault weapons were purchased by Gonzalez, Carlos Celaya, or other associates. Most of the transactions and telephone calls associated with them were voice-recorded, and I was able to review some of the transcripts². In several transcripts Gonzalez and Celaya speak openly of their intent to send the guns to Mexico for Celaya's uncle, Jose Celaya. In one transcript there is a brief description of smuggling methods, including placing the guns in gas tanks. All of the weapons were purchased with cash, amounting to tens of thousands over the several month period. According to a chart prepared by ATF agents, 18 of these guns have been recovered: 15 in the United States and 3 in Mexico.

At some point, Celaya began to purchase the weapons himself, and he continued to purchase weapons through September 2007. He may have discontinued when one of his associates was arrested and 15 of the guns seized. Celaya also introduced other persons who began to purchase firearms. The most important of these is Israel Egurrola. I do not believe Egurrola ever purchased firearms himself, but always through Siria Valencia, since Egurrola apparently is an illegal alien. However, during one interesting purchase, he did not have sufficient cash and had to go to another location for it. He came back with approximately \$5000 in a heat-sealed baggie marked "\$5000"; the bills were all 5s, 10s, and 20s.

The agents believe that all of the money used to purchase the guns is derived from drug distribution. According to the agents, Jose Celaya, Carlos' uncle, has ties to a drug cartel headed by Nacho Paez-Soto (who was recently arrested in Mexico); Egurrola allegedly has ties to the Sinaloa cartel. I recall one transcript in which there is a reference to Nacho Paez, however, thus far, I have not seen any evidence supporting an association with drug cartels.

Some time after the agents associated the guns and money with drug cartels, ATF and ICE apparently came to an understanding that ATF would handle the firearms trafficking and ICE would continue to investigate any drug leads. It is my understanding that, since that time, there has been no sharing of information between ATF and ICE. I have spoken briefly with the OCDETF-designated AUSA handling the drug investigation and provided him with the names of our potential targets.

² As a result of several months of consensually recorded phone calls with the FFL, recorded transactions, and wiretaps on four telephones, there are over a thousand pages of transcripts. At best, I was able to scan through as many as I could to ascertain whether there was any conversation about smuggling or for whom the weapons were intended. The discussion in this memo about conversations is to the best of my recollection and may not be target-specific.

This investigation presents a number of challenges to be overcome prior to indictment: simply determining whether there is sufficient evidence against each of the possible targets (and the appropriate charges) will involve a great deal of time. RC-3

RC-3. I do not believe any type of phone analysis has been undertaken; it is unclear whether any financial analysis/study of the potential targets has been done. In addition to possible firearms offenses, I am also considering whether money laundering charges would be appropriate. It is likely that if there is evidence to support such charges, it is intertwined with the ICE-led drug investigation.

The original lead investigator has been re-assigned to Albuquerque, NM. The newly assigned lead agent has met with me about the case, but he was unable to answer most questions I had about various aspects of the investigation. Although he states a willingness to assist, it is clear he believes this investigation complete and the original agent should handle significant follow-up. In fact, there are several avenues of investigation that may not have been pursued (it is unclear from the ROIs).

In summary, this investigation is likely to lead to two sets of indictments: one for the Gonzalez-Horowitz-Betencourt transactions (and possibly one or two associates), and one for the Gonzalez-Celaya-Egurrola (and several associates) transactions. I am not in a position yet to predict when indictments might be sought.

Exhibit 211

Exhibit 211

From: Higman, Chuck
To: Hoben, Shawn P.
CC: Garcia, Brandon M.; Latham, Mark S.; Richardson, Marvin G.
Sent: 6/15/2006 9:42:32 PM
Subject: 785085 06 0051
Attachments: White paper 785085-06-0051.doc

Shawn; I left a voice mail for you a bit ago, pls call me at your earliest @ RC-1

For your review I've attached a case progress white paper prepared by SA Garcia, and I've asked that SA Latham put together a Collateral Request for your attention in support of an ops request and our conversation this morning. I've also given you access to the IN in Nforce.

RC-3

Obviously operational command is yours but, having discussed this at some length, we believe at this point there is more value in the surveillance, identification of locations, persons, vehicles and asset rather than making sight arrests. We ask that you consider utilizing a UC SA to make personal delivery to RC-4 whom we'll have probable cause to arrest and indict at a later date as this case matures.

Thanks in advance for you and your squad's assist on this.

From: Garcia, Brandon M.
Sent: Friday, June 09, 2006 2:52 PM
To: Higman, Chuck; Latham, Mark S.
Subject:

Updated white paper...let me know what changes need to be made

Brandon Garcia
Special Agent ATF
Tucson II Field Office
Desk RC-1
Cell RC-1
Fax

HOCR WR 005189

Exhibit 212

Exhibit 212

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

ATF Operational Plan

07-014

Case Number 785085-06-0121	Field Office/Group Tucson Group II	Case Agent Brandon Garcia	
Briefing Date and Time October 6, 2006 1600	Operation Date and Time October 7, 2006 0900	Staging Area Date and Time ATF Office 10/07/06 0730	Staging Area Location ATF Office
Type of Operation <input type="checkbox"/> Vehicle Stop <input type="checkbox"/> Arrest Warrant <input checked="" type="checkbox"/> Other surveillance <input type="checkbox"/> U/C Operation <input type="checkbox"/> Search Warrant			
Target Location/Assessment Address [REDACTED] Mesa, AZ 85201 Telephone Number			

Description and GPS Coordinates (If applicable)

Mesa Gun Show

<input type="checkbox"/> Physical Fortifications	<input checked="" type="checkbox"/> Countersurveillance	<input type="checkbox"/> Animals
<input type="checkbox"/> Explosives	<input type="checkbox"/> High Crime Area	<input type="checkbox"/> Close Proximity to Schools
<input type="checkbox"/> Children Present	<input type="checkbox"/> Approach Difficulties	<input checked="" type="checkbox"/> Vehicular Traffic Difficulties
<input checked="" type="checkbox"/> High Level of Foot Traffic	<input checked="" type="checkbox"/> Location Frequented By Public	<input type="checkbox"/> Chemical/Bio Hazards
Type of Door: _____		<input checked="" type="checkbox"/> Firearms Present at Target Location
Occupants Gun Show patrons		<input type="checkbox"/> Opens: Right or Left

Operation Objectives

Observe Jonathan HOROWITZ purchase AR-15 lower receivers and 2 AR-15 rifles (all with collapsible stocks). Also determine if HOROWITZ is going to purchase the 40 lower receivers that he had ordered from Bear Arms. Identify any other individuals with HOROWITZ and determine if BETANCOURT is still HOROWITZ'S associate. Identify HOROWITZ'S vehicle so a tracker may be placed on it at a later date.

ATF Form 3210.7
Revised June 2005

HOCR WR 003367

Case Background

HOROWITZ has purchased approximately 150 AR-15 Lower Receivers from the same FFL and close to 100 from other FFL'S. recorded conversations have indicated that the firearms are traveling to Tijuana, MX. In June, seventeen (17) of the lower receivers were recovered while being shipped to San Diego. They were shipped by BETANCOURT but purchased by HOROWITZ. HOROWITZ has been in extremely little contact with FFL's since the recovery of the firearms. BETANCOURT has not been heard from and has no money in his bank accounts. HOROWITZ advised the FFL recently that he is going to cut out the middle man and make a lot of money for himself. It is suspected that HOROWITZ will now be moving the firearms to Tijuana himself. We are not prepared to make any arrests at this time because we are still attempting to coordinate our efforts with AFI in Mexico.

ATF Form 3219.7
Revised June 2003

HOCR WR 003368

Exhibit 213

Exhibit 213

From: Vlahoulis, Athanasio P.
To: Higman, Chuck
CC: Garcia, Brandon M.
Sent: 4/10/2007 4:22:51 PM
Subject: Mexico Operation contact with MCO-Assistant Attaché

Assistant Attaché Ramon Bazan responded via phone this A.M. and advised that his office is very interested in assisting Tucson II with the Operation Wide Receiver, specifically the proposed firearms trafficking from Tucson into Mexico by Celaya et al... this week.

Ramon stated that the MCO would coordinate the involvement of Mexican Federal law enforcement and security agencies in investigating in Mexico the recipients of the firearms purchased in Tucson.

Ramon was advised that Tucson II and SID would mount a surveillance of individuals involved from time of purchase till they committed into going Mexico. Tucson II wished that once the trafficker moved into Mexico that LE on that side follow the load to it's ultimate destination and that all phones and other means be utilized to identify the organization involved.

Ramon was advised that it was not in Tucson II's interest to engage in a long term surveillance if the end result would be a Border entry stop or traffic stop in Mexico. Ramon was also advised that this was only one piece of a potentially much larger future movement of firearms into Mexico and that we viewed a successful operation in Mexico as a potential CCE of a DTO.

Ramon advised that he was in agreement and that he would arrange to have an official representative from the Mexican authorities contact Tucson II in order to act as a liaison to authorities in Mexico. Ramon stated that ATF in Texas (Laredo, McAllen etc...) had previously successfully utilized Mexican liaison people in the U.S. to further these types of investigations.

T

Athanasio Vlahoulis
Special Agent
U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Phoenix Field Division
Tucson Field Office

RC-1

HOGW 005315

Exhibit 214

Exhibit 214

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

ATF Operational Plan

Case Number 785085-06-0051 Operation Wide Receiver		Field Office/Group Tucson II Field Ofc.		Case Agent SA Brandon Garcia
Briefing Date and Time 05/31/2007 @ 4:30PM	Operation Date and Time 05/31/2007 @ 5:30PM	Staging Area Date and Time 05/31/2007 @ 4:30PM	Staging Area Location RC-3	
Type of Operation				
RC-3				
Target Location/Assessment				
Address RC-1			Telephone Number N/A	

Description and GPS Coordinates *(If applicable)*

surveillance will begin at FFL Residence where firearms are to be purchased and then continue to unknown locations throughout Tucson and Southern Arizona.

RC-3

Occupants FFL, Carlos CELAYA, RC-4

Operation Objectives

OBJECTIVES: The Tucson II Field Ofc in conjunction with the Tucson Police Department, Special Investigation Division (TPD SID), the ATF Mexico City Office, and Mexican Federal law enforcement authorities, intend to work jointly to determine violations of U.S. and Mexican law.

CI Information, FFL documents, electronic surveillance and ATF Tucson II Field Ofc inquiry in relation to International Trafficking in Arms provides reason to believe that Carlos CELAYA, RC-4, RC-4 and other persons known and unknown to law enforcement have been and are conspiring to violate the Federal firearms laws. This investigation includes potential violations of Federal law including straw purchase/dealing in firearms without a license, possession and transfer of NFA weapons, unlawful export of firearms, felon(s) in possession of firearms, and illegal aliens in possession of firearms.

At Tucson, AZ, ATF/TPD SA, Detectives and officers will surveil, monitor and record the planned arrival of CELAYA and other persons at the FFL; determine if violations of U.S. law occur during their purchase of firearms and follow these individuals to unknown locations at Tucson and Arizona. ATF/TPD SA, Detectives and officers will subsequently follow these individuals to their border crossing at the U.S./Mexico border, where Mexican enforcement authorities will follow the firearms to their final destination in Mexico.

If the Mexican authorities decline or fail to participate, the firearms traffickers will be arrested prior to leaving the United States.

Case Background

From March to June of 2006, Gregory GONZALEZ, Jonathan HOROWITZ and Ismael BETANCOURT purchased almost 200 AR-15 lower receivers from Mad Dawg Global Marketing. The lower receivers are suspected of being smuggled into Mexico. After GONZALEZ purchased the firearms, GONZALEZ stole down payment money from the money source and was removed from the organization. GONZALEZ then moved to Somerton, AZ.

17 lower receivers were recovered by a UPS employee while being shipped by BETANCOURT to San Diego from Phoenix. HOROWITZ and BETANCOURT stopped purchasing firearms.

On February 8, 2007, GONZALEZ contacted the FFL and advised that he was back in Tucson and wanted to purchase more firearms for "friends".

GONZALEZ and Carlos CELAYA, through several purchases, had purchased 15 AK-47's and AR-15's from the FFL.

GONZALEZ filled out the 4473's for 10 of the firearms, all rifles, since GONZALEZ is not of age to purchase pistols; CELAYA would fill out the 4473 for the pistols. In each occasion, CELAYA provided the money for the purchases. CELAYA claimed that his uncles and cousins from Caborca, MX provided CELAYA with the money.

Since March 2007, CELAYA has since removed GONZALEZ from the operation and began brokering firearms deals to other parties from the Caborca, Mexico area. CELAYA claimed that they were all for uncles and cousins.

On 4/3/07, CELAYA introduced an individual identified as RC-4 from Caborca, MX. CELAYA claimed to not know RC-4 prior to 4/3/07 and was introduced by an unknown female. CELAYA drove separately while RC-4 the female, and an unknown male followed CELAYA in a Ford Expedition (RC-5) registered to RC-5. RC-4 was driving. CELAYA again filled out the 4473 on 4/3/07 for 5 firearms, the firearms were an assortment of what the FFL had to offer. During the meeting with the FFL, RC-4 left the residence, traveled to RC-5, obtained approximately \$5,000 cash in a heat sealed plastic bag, returned to the FFL residence and provided the money to the FFL for the firearms. RC-4 then provided the female with \$100 and CELAYA with \$500.

4/9/07 the FFL was contacted by CELAYA and advised that Israel wanted to purchase the 20 .38 Supers and place an order for more firearms. CELAYA claimed that RC-4 bosses were "testing" the firearms in Mexico to determine what future orders would consist of.

4/11/07 the purchase of the 20 .38 Supers is scheduled for 7pm at the FFL residence.

4/11/07 Israel purchased 20 .38 Super pistols, 4 AK-47 rifles and 1 DPMS AR-15. CELAYA did not purchase any firearms.

Surveillance was conducted as RC-4 drove a Silver minivan (RC-5). RC-4 drove to RC-5, picked up an unknown individual and then proceeded to another location near Campbell/Bilby where the target vehicle was lost in a residential area.

4/28/07 RC-4 provided the FFL with \$20,000 as a down payment for 30 .38 super pistols.

5/7/07 CELAYA contacted FFL and advised that RC-4 wants to purchase all of the .38 supers that the FFL had in stock plus 20 AK-47 pistols. CELAYA stated that RC-4 wanted to do this tonight because RC-4 has a vehicle traveling to Mexico and he wants these firearms in that vehicle. RC-4 did not show at the meet.

5/10/07 CELAYA and RC-4 were scheduled to purchase the ordered firearms. RC-4 cancelled at the last minute, but CELAYA purchased 15 firearms and was surveilled to his residence at RC-5. Surveillance was discontinued the following day due to neighbors becoming suspicious of surveillance vehicles.

5/22/07 CELAYA with RC-4 purchased 48 firearms, 30 for Israel LNU and 18 for "Rigo".

5/23/07 CELAYA and RC-4 purchased 7 firearms.

5/28/07 CELAYA and RC-4 purchased 13 firearms.

5/30/07 CELAYA contacted FFL and advised that RC-4 wanted to purchase "everything the FFL had"

Mexican authorities have been contacted and have agreed to assist with the operation tonight.

Exhibit 215

Exhibit 215

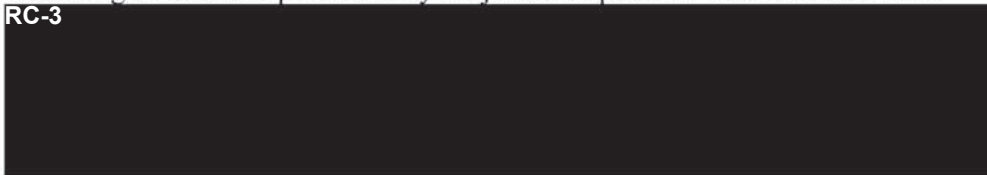
**Phoenix Field Division
Law Enforcement Command Staff Only
- Confidential Not for Release-
August 21, 2006**

SUBJECT: Operation WIDE RECEIVER IN #785085 06 0051

PURPOSE:

- To brief on status of this investigation.
- Outline investigative goals and strategy
- To identify funding, equipment, personnel and other support needs in relationship to this investigation.
- Identify other agencies both domestic and foreign and identify their role in this investigation.

BACKGROUND:

- This investigation was initiated by ATF Tucson Group II on 3/2/2006 is an International Traffic in Arms (ITAR) investigation centered in Tucson, Arizona. and includes Title I and Title II Federal firearms violations to include the unlawful manufacture of machine guns, criminal conspiracy and other violations of Federal law.
- To date, three identified subjects have purchased 126 AR-15 lower rifle receivers from a Federal Firearms Licensee in Arizona during four separate firearms transactions. Tucson II has also identified 40 other firearms purchased from other sources as part of this inquiry.
- Investigation has identified a nexus between Tucson, Phoenix, San Diego and other California/Arizona border cities.
- A related case out of San Diego has resulted in the arrest of a U.S. law enforcement officer with connections to Mexico, who was trafficking firearms including at least two purchased by subjects of Operation WIDE RECEIVER.
- RC-3 
- The current state of affairs in Mexico reference the Organized Crime Groups (OCG) is basically one of daily violence, including the routine murder of police officers and other government officials. The OCG needs military type armaments in order to take the war home to the competition and to in turn protect their own

assets. The primary and source of firearms used by these groups is the United States, specifically Arizona and Texas.

- The intelligence available through multiple open source and law enforcement sources routinely documents seizures and recoveries of military caliber firearms occurs on a daily basis in Mexico. It is highly unlikely in view of the very limited recovery within the United States of firearms transfers identified in this case, that the remaining firearms have not entered into the conduit of illegally trafficked firearms to Mexico.
- In June 2006, Tucson II submitted a request for Major case funding in this investigation. In addition conversation has been held with the ATF Southwest Region OCDETF coordinator as to the possibility of this investigation moving under the OCDETF umbrella as a Gatekeeper initiative or through some other mechanism.
- This investigation has moved well past the intelligence gathering stage and is now fully investigative result driven.
- This investigation has been routinely discussed with assigned AUSA RC-5
- There is currently sufficient documentation to conclude a historical criminal case on individuals involved in the illegal purchase and transfer of firearms identified as of this date.

ISSUES/PROBLEMS:

- Lack of support resources to the investigation at all levels specifically but not solely including analytical, research, and administrative.
- The need for better coordination between the Los Angeles and Phoenix Field Divisions. California is not a source state for firearms other than as a conduit from Arizona and other states through the Andrade to San Diego Ports of entry. The failure of the LAFD to facilitate investigation of a transfer of firearms from Arizona to San Diego has caused disruption to this investigation and will require additional work to rectify.
- The coordination of investigative activity with resources in Mexico.
- The coordination and utilization of other U.S. domestic law enforcement and governmental resources at the local, state and Federal level.

ACTION or FOLLOW-UP:

- Tucson II has initiated contact with the Rocky Mountain Information Network (RMIN) to provide investigative support on a day to day basis. RMIN is part of the Federally funded Regional Information Sharing System (RISS) Program administered by the U.S. Department of Justice, Office of Justice Programs, Bureau of Justice Assistance. Each of the six regional RISS agencies share intelligence and coordinate efforts against criminal networks that operate in many locations across jurisdictional lines and must comply with U.S. Department of Justice Program Guidelines and 28 CFR Part 23, Criminal Intelligence Systems

Operating Policies These agencies are specifically responsible for providing intelligence support to local, state and Federal law enforcement member agencies, including ATF. Due to the scope of the information developed on Operation Wide Receiver and the multiple jurisdictions involved along with the high potential that individuals and locations identified during the course of this investigation could be identified by other member law enforcement agencies of RMIN, Tucson II is requesting RMIN support in order to facilitate analyses and exploitation of this information and to ensure timely intelligence reference other agencies that might be conducting investigations on individuals identified in this investigation.

- Utilize Major Case Funding and if possible OCDETF funding to further the investigative needs of this case.
- Coordination has improved with the Los Angeles Field Division and a repeat of the decision making process that resulted in the investigative disruption of identifying further links in the trafficking pipeline should not occur but will require regular coordination at the ASAC/SAC level.
- Experienced field agents have been assigned to this case with a combination of sound managerial and investigative skills. Through these agents resources have been identified in both the U.S. and Mexico. Specifically this investigation will take advantage of the following resources if and when needed:

1. The ATF Mexico City Office (MCO) to coordinate law enforcement activity within Mexico through the appropriate vetted MLE.
2. ATF Technical resource specifically reference tracking of individuals, monies, firearms and communications.
3. RC-5
4. RC-3
5. [REDACTED]
6. [REDACTED]
7. The initiation of parallel investigative activity to covertly develop and funnel information in furtherance of this investigation.
8. Travel to Mexico by ATF Case Agents to brief the MCO as to this investigation in preparation for initiation of joint investigative activity with vetted MLE.
9. Tucson Police Department, Special Investigations Division personnel.
10. Any other ATF Field Group as needed.

•
EXPECTED OUTCOMES:

- Identification and development of sufficient evidence to dismantle, disrupt and prosecute levels of this trafficking organization up to and including the primary conspirators responsible for providing the funds, direction and ultimate delivery and criminal implementation of the firearms in question.
- Development of intelligence and evidence identifying any overlying criminal organization related to or benefiting from the activities of this trafficking

organization. Including connection to OCG involved in narcotics trafficking and violent criminal activity both in the U.S. and the Republic of Mexico

- Identification and seizure of assets.

BUDGET IMPACT:

- Funding for this investigation will be through ATF Major Case Funding and OCDETF upon determination of linkage to narcotics trafficking either through CPOT or Gatekeeper.

DOJ POSITION/INTEREST:

- The Attorney General has identified the investigation and prosecution of violent criminal activity and narcotics trafficking on the Mexico/U.S. border as being of significant interest .

CONGRESSIONAL INTEREST:

TALKING POINTS/SPEECH/BRIEFING MATERIALS: N.A.

PARTICIPANTS: ATF- Tucson; Phoenix II, San Diego Group II, Mexico City Office, Tucson P.D.-Special Investigations Division

TIME/LOCATION: TBD

PRESENTATION FORMAT: TBD

MEDIA INTEREST/INVOLVEMENT:

DOJ/CIO has highlighted the LEIS initiative in various technology publications and ATF has prepared several press releases on the deployment of BATS as one of many solutions to sharing information with state/local law enforcement. BATS current won the E-Government Pioneer Award this month.

COORDINATION: This information has been coordinated with OSII/OST/FO/CC

Exhibit 216

Exhibit 216

From: Higman, Chuck
To: Lt. Stiso TPD SID
CC: Sgt. Fuller TPD SID
Sent: 6/26/2007 10:08:18 PM
Subject: FW: Funds

From: Petermann, David (USAAZ) [RC-1]
Sent: Tuesday, June 26, 2007 2:59 PM
To: Higman, Chuck
Subject: RE: Funds

Looks good....

From: Higman, Chuck
Sent: Tuesday, June 26, 2007 2:44 PM
To: Petermann, David (USAAZ)
Cc: Garcia, Brandon M.; Vlahoulis, Athanasio P.; Small, James K.; Arellano, Bernardo
Subject: FW: Funds

From: Higman, Chuck
Sent: Tuesday, June 26, 2007 2:13 PM
To: 'Shiver, Larry (USATXS)'
Subject: RE: Funds

Larry; thanks for the below for your continued guidance and support; I think that our mtg of Thurs last was very productive. In the interim between then and now, the southbound firearms trafficking investigation has gathered even more steam. We anticipate surveillance this evening where the subject(s) of interest are scheduled to purchase approx. \$20K of assorted firearms for further shipment to Caborca, Mx, and we are coordinating with the Mexican authorities in the event that the surveillance is successful. We have reached that stage where I am no longer comfortable allowing additional firearms to "walk," without a more defined purpose.

RC-3



As we have initiated and conducted the firearms investigation we did not know or have reason to believe that it was associated with the OCDETF matter, but developed evidence has led us in that direction. Accordingly, to fund Wide Receiver we submitted an ATF Major Case funding request which was approved (ATF MC 126) and supported by funding. Currently, we are sitting on approximately \$14,000. Major Case AC funds that we can use in the near term.

RC-3



regards

HOGW WR 005412

From: Shiver, Larry (USATXS) [REDACTED]
Sent: Monday, June 25, 2007 9:11 AM
To: Higman, Chuck
Subject: Funds

Chuck,

You will be receiving some funds in the near future. Because Iron River is so active, I have asked the Acting OCDETF Program Manager to expedite all future requests. He has agreed to this.

Let me know what it will cost to rent the office space that Bernie informed me could be used as a wire room. I will be putting another request through this week asking for additional funds for car rentals, cell phones, pen register operation and lease of the wire room space. These funds will follow the supplemental funding referenced earlier.

Take care Chuck,

Larry

ATF OCDETF Coordinator-Southwest Region

Arizona, New Mexico, Oklahoma, Southern California, Texas

Office Phone: [REDACTED]

Cellular Phone: [REDACTED]

HOGW WR 005413

Exhibit 217

Exhibit 217

Phoenix Field Division – Project Gunrunner Investigations with a Nexus to Mexico Cartels
February 25, 2010

Phoenix Group I

785041-09-0008 KINGERY, Jean Baptiste

Jean Baptiste KINGERY has purchased 420 grenade bodies believed to have been transported to Mexico and converted to IEDs. RC-5

RC-5



Yuma Satellite Office

RC-2



Phoenix Group VII

RC-2



HOCR ATF 004993

RC-2



785115-10-0004 Jacob Chambers et al

This case is a large scale conspiracy of over a twenty interconnected straw purchasers. Since September 2009, this group has purchased over 900 firearms; most of which are the AK-47 variant 7.62 assault rifles and the F.N. Herstal 5.7 mm pistols. Of those firearms purchased by the group approximately 150 have been recovered in Mexico or near the Mexico Border with a short time-to-crime; some as little as one day. New straw purchasers are continually being identified as part of this investigation.

This is an approved ATF OCDETF investigation (SWAZP0496). ATF is continuing to receive data RC-3 which overwhelmingly shows the connection amongst these straw purchasers and the EFLs RC-3

RC-3 This investigation has ties to the Sinaloa Cartel.

Tucson Group I

RC-2



Tucson Group II

RC-2



HOCR ATF 004994

RC-2

785085-06-0051 OPERATION WIDE RECEIVER

In 2006, Jonathan HOROWITZ, Ismael BETANCOURT, and Gregory GONZALEZ purchased 150 AR-15 lower receivers from multiple Federal Firearms Licensees (FFL), one of which was an ATF confidential informant (CI). ATF special agents conducted numerous surveillance operations in an attempt to identify the final destination of the firearms without success.

In June of 2006, ATF received information from RC-1 advising they had recovered 17 AR-15 lower receivers in a box bound for the San Diego area. The package was shipped by Ismael BETANCOURT. ATF then seized the firearms from RC-1 in Phoenix.

BETANCOURT, HOROWITZ, and GONZALES essentially stopped purchasing firearms with the exception of HOROWITZ purchasing approximately 10 additional firearms over the course of two purchases between October and November of 2006. HOROWITZ advised the CI that they had not purchased any firearms due to the firearms being recovered and further stated his "boss" in Tijuana, Mexico (suspected to be a member of the Arellano-Felix/Tijuana Cartel) advised them to stop purchasing firearms until it was safe to purchase, again. HOROWITZ stated BETANCOURT and GONZALEZ were no longer involved and HOROWITZ was trying to get the operation underway by himself. HOROWITZ then ceased purchasing firearms and stopped contacting the FFL/CI.

Following the recovery of the firearms, BETANCOURT moved to the San Diego area and GONZALEZ' whereabouts were unknown.

In February of 2007, GONZALEZ made contact with the FFL/CI and stated he was now working with other individuals and wanted to resume purchasing firearms from the FFL/CI.

HOGF ATF 004995

GONZALEZ introduced Carlos CELAYA to the FFL/CI and Carlos CELAYA began purchasing firearms from the FFL/CI. CELAYA advised the FFL/CI that he was purchasing the firearms for his "cousin" (later identified as RC-4) near Caborca, Mexico.

Carlos CELAYA advised the FFL/CI that the firearms were eventually ending up with an individual named "PAEZ" (a suspected member of the PAEZ-SOTO). The PAEZ-SOTO organization operates under the umbrella of the Sinaloa Cartel and Chapo GUZMAN.

From February to October of 2007, over the course of 16 purchases, CELAYA purchased 127 firearms for RC-4 and 76 for an individual identified as RC-4. RC-4 is also a known drug trafficker likely working for the Sinaloa Cartel. CELAYA also purchased or arranged the purchase of approximately 75 additional firearms for other known suspects.

RC-3

On October 5, 2007, ATF coordinated with ICE and CBP to coordinate a southbound vehicle stop at the Nogales, Arizona Port of Entry and seized approximately 20 firearms from a vehicle operated by RC-4 who was subsequently arrested. This stop was conducted as ATF special agents had the necessary information needed to arrest Carlos CELAYA and other individuals associated with the firearm trafficking organization. RC-3, ATF agents were confident this seizure would stop CELAYA from purchasing additional firearms and it did. Special agents believed this would in turn provide time to prepare indictments for the individuals and build a stronger case against Israel EGURROLA LEON. CELAYA was advised by Jose Rodrigo CELAYA-SILVA to stop purchasing firearms and to change his telephone.

ATF then switched the focus to RC-4 and Siria VALENCIA. RC-4 ATF obtained information linking RC-4 to approximately 3,000 pounds of marijuana, along with a firearm purchased by Carlos CELAYA for RC-4. RC-4 all seized by the Pima County Sheriff's Office, on November 23, 2007.

On March 3, 2008, ATF submitted the case report to the Tucson United States Attorney's Office recommending prosecution of 21 defendants with the anticipation of identifying and arresting approximately 10-12 additional suspects following interviews. Since March of 2008, the investigation has been passed on to three different AUSA'S and has still not been indicted.

In September of 2008, Jonathan HOROWITZ was interviewed and agreed to cooperate with authorities. However, the AUSA's office has not proceeded with the investigation and HOROWITZ has not been utilized.

HOCR ATF 004996

During the course of this investigation, ATF seized approximately 50 firearms. Approximately 20 firearms have been recovered throughout Mexico.

On or about February 17, 2010, ATF was notified that RC-4 [REDACTED] was assassinated, in Mexico.

On February 20, 2010, 41 firearms were seized after surveillance observed them leaving the residence of Carlos Celaya. That seizure is tied to another Phoenix Field Division case.

The AUSA currently assigned to Operation Wide Receiver, on detail from Main Justice, is currently planning to indict approximately ten to twelve suspects, in April 2010.

HOCR ATF 004997

Exhibit 218

Exhibit 218

Case 4:10-cr-03019-DCB-CRP Document 174-1 Filed 10/07/11 Page 1 of 1

From: [REDACTED]
To: [Gwinn, Laura](#)
Subject: (no subject)
Date: Thursday, September 22, 2011 2:59:36 PM

Laura,

I spoke with the first AUSA that was on Wide Receiver. He told me the reason he chose not to prosecute it was because ATF lied to him and said that the guns were being followed/interdicted by the Mexican authorities on the other side of the border. This is also what they had told me.

The next AUSA chose not to prosecute it for the same reason.

If you were not aware of this...now you are. I'd hate to think that your integrity is flexible.

Best regards,
Mike Detty

HOCR DOJ 006278

22

Exhibit 219

Exhibit 219



United States Attorney's Office District of Arizona

Memorandum

To: Paul K. Charlton, United States Attorney for the District of Arizona

From: Jennifer J. Maldonado, Assistant U.S. Attorney
David P. Petermann, Assistant U.S. Attorney

Subject: Operation Wide Receiver, Policy Question

Date: July 13, 2006

Operation Wide Receiver is an ATF investigation assigned to AUSA's Jennifer Maldonado and David Petermann in which ATF is investigating an organization, possibly linked to the Arellano-Felix Organization in Tijuana, Mexico, for numerous federal firearms violations, including straw purchases of firearms, exportation of firearms to Mexico, and NFA violations related to the length of the barrel.

In brief summary, there are several individuals in Arizona who are purchasing large quantities of lower receivers, in bulk, from a Federal Firearms Licensee (FFL). The information obtained through the investigation indicates that the "uppers" are being purchased through a separate source, and are 10.5 inches in length. The purchasers are clearly not the actual owners of the weapons, and information obtained through the investigation leads us to believe that the firearms are being shipped to San Diego, CA, and potentially distributed into Tijuana, Mexico.

The purchasers have asked the FFL to provide the uppers to them as well, indicating that they are not pleased with their current source for the uppers. The FFL has expressed reluctance to the purchasers regarding selling them both the lowers and the 10.5 inch uppers, as that would look very suspicious as if he was actually providing them with an illegal firearm. The purchasers are well aware that it is illegal to place a 10.5 inch upper on the lowers they are purchasing from the FFL. The FFL has indicated that he could try to find another 3rd party source of uppers for the purchasers.

ATF is interested in introducing a CI to act as this source of uppers. This would further the investigation in that it would provide more solid evidence that the purchasers are in fact placing illegal-length uppers on the lowers that they are purchasing from the currently-involved FFL. It may also lead to discovery of more information as to the ultimate delivery location of these firearms and/or the actual purchaser.

ATF Tucson Team II RAC Chuck Higman, along with ATF case agents Brandon Garcia and Mark Latham, met with AUSAs Maldonado and Petermann on June 13, 2006 with regard to the status of the investigation. The question was posed by RAC Higman as to the U.S. Attorney's Office's position on the possibility of allowing an indeterminate number of illegal weapons, both components of which (the upper and the lower) were provided to the criminals with ATF's knowledge and/or participation, to be released into the community, and possibly into Mexico, without any further ability by the U.S. Government to control their movement or future use. Higman pointed out that these same exact

HOGW WR 003364

Memo to PKC re: Operation Wide Receiver
October 6, 2011
Page - 2

firearms are currently being released into the community, the only difference being that at this time ATF is only involved in providing the lower receiver. We know that an illegal upper is being obtained from a third party, but the government is not currently involved in that aspect. Higman indicated that ATF's legal counsel is opposed to this proposed method of furthering the investigation, citing moral objections. Recognizing that it will eventually be this office that will prosecute the individuals ultimately identified by this operation, RAC Higman has requested that we ascertain the U.S. Attorney's Office's position with regard to this proposed method of furthering the investigation.

AUSAs Maldonado and Petermann met with Criminal Chief Assistant U.S. Attorney Lynnette Kimmins to advise her of the situation and obtain input. This memo is written at her request.

HOCR WR 003365

Exhibit 220

Exhibit 220

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

ATF Operational Plan

Case Number 785045 07 0177	Field Office/Group Phoenix Group II (785045)	Case Agent SA MacAllister/TFO Hernandez
Briefing Date and Time 9/26/2007 0600 hrs	Operation Date and Time September 26, 2007	Staging Area Date and Time September 26, 2007 0600 hrs
		Staging Area Location RC-5

Type of Operation

RC-3

Target Location/Assessment

Address In and around Phoenix, AZ. May possibly go to Nogales, AZ through Tucson, AZ	Telephone Number
---	------------------

Description and GPS Coordinates (If applicable)

This surveillance is to follow the movements of suspected firearms trafficker Fidel HERNANDEZ. It is believed that HERNANDEZ has been moving firearms from Phoenix, AZ to Mexico through the Nogales port of entry. The surveillance will begin at the place of employment for HERNANDEZ, RC-1 in Tempe, AZ.

The subject was observed at the X-Caliber gun store on September 25, 2007, where he appeared to purchase one long gun. It is known that the subject purchased approximately 12 firearms on or about September 20, 2007. The subject vehicle is a Black Chevrolet Pickup truck, AZ Plate RC-5 which RC-3

RC-3

Occupants
NA

Operation Objectives

The purpose of this surveillance is to record his movements following the purchase of firearms by Fidel HERNANDEZ and other suspected associates of him, to include RC-4 Carlos MORALES RC-1, RC-4, and RC-4. This surveillance may move from Phoenix, AZ through Tucson, AZ, to the US/Mexico Border in Nogales, AZ. Special Agent MacAllister is in contact with the Mexico Attache' in the event the surveillance crosses the border. Should this occur, ATF carry the surveillance to the border, and Mexico police will continue with the operation.

Case Background

INITIATION OF INVESTIGATION: During the week of July 2, 2007, Alcohol, Tobacco, Firearms and Explosives (ATF) Task Force Officer (TFO) Gregory Hernandez and Special Agent (S/A) Hope MacAllister initiated an investigation on Fidel HERNANDEZ for suspected unlicensed firearms trafficking.

NARRATIVE:

1. During the week of July 2, 2007, ATF TFO Hernandez and S/A MacAllister initiated an investigation into suspected firearms trafficking by Fidel HERNANDEZ. According to ATF database Online LEAD, HERNANDEZ has purchased fourteen (14) firearms since January 31, 2007. According to the trace information, these firearms were purchased from the licensed dealer located at RC-1 Phoenix, Arizona).

2. S/A MacAllister and TFO Hernandez responded to the firearms dealer, X Caliber Guns. After reviewing the business acquisition and disposition it was determined HERNANDEZ has purchased a total of forty one (41) firearms from X Caliber Guns between the dates January 31, 2007 and July 14, 2007.

3. Information provided by ATF IRS Jeremy Scheetz indicates HERNANDEZ, and vehicles registered to him, have crossed the international border, Mexico into the United States, on twenty three (23) different occasions. These border crossings are documented as having occurred between December 28, 2005 and July 13, 2007.

RC-5



Exhibit 221

Exhibit 221

WEEKLY ACTIVITY REPORT FOR THE PHOENIX II FIELD OFFICE
August 25- August 31, 2007

MAJOR ENFORCEMENT ACTIVITY ANTICIPATED:

None (although there will be a series of undercover purchases on several different operations, to include Operation RC-2 [REDACTED] RC-2 [REDACTED], Operation RC-2 [REDACTED] and Operation RC-2 [REDACTED].

Agents are in the process of RC-3 [REDACTED] in case number 785045-07-0177 (Fidel HERNANDEZ firearms trafficking investigation). To reiterate, this investigation is part of an experimental effort to prosecute firearms trafficking cases in Mexico through an International agreement.

RC-2 [REDACTED]

HOCR DOJ 006303

Exhibit 222

Exhibit 222

To: Carroll, Carson W. RC-1
From: Champion, Robert R.
Sent: Fri 9/28/2007 8:03:14 PM
Subject: RE: Mexican president calls migration 'inevitable,' demands more U.S action on weapons

RC-7

Robert R. Champion

Assistant Special Agent in Charge

U. S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Houston Field Division

RC-1

From: Carroll, Carson W.
Sent: Friday, September 28, 2007 2:25 PM
To: Champion, Robert R.
Subject: RE: Mexican president calls migration 'inevitable,' demands more U.S action on weapons

Thank you. Did you hear about Phoenix's walk of guns to Mexico? AFI lost the load (19) guns as soon as the car crossed the border. RC-7

Carson

From: Champion, Robert R.
Sent: Friday, September 28, 2007 10:52 AM
To: Webb, J. Dewey; Carroll, Carson W.; Elder, Robert W.
Subject: FW: Mexican president calls migration 'inevitable,' demands more U.S action on weapons

FYI

HOCR DOJ 006350

Robert R. Champion

Assistant Special Agent in Charge

U. S. Department of Justice

Bureau of Alcohol, Tobacco, Firearms and Explosives

Houston Field Division

RC-1

From: Ballesteros, Jose J.

Sent: Friday, September 28, 2007 5:19 AM

To: Southwest Border Initiative; (RC-1); (RC-1); (RC-1); Amanda KOPKE (RC-1); Ballesteros, Jose J.; Ben Johnson (RC-1); Debbie.Murray (RC-1); Delgado, Juan M.; Det Pete Fenton; Dwayne Urbanovsky; Espitia, Dianne; Flores, Robert; Forcelli, Peter; Gary HALE (RC-1); Gordon.Forester (RC-1); Gray III, Thomas D.; Hernandez, Armando; (RC-1); Leo Pena; Lucia Martinez; Lucy Martinez; Major Jaime Bazil; Mayfield, Carla D.; McAllen Fire Marshal; Ortiz, Edgar; Ortiz, Jose; Osowski, Clint E.; Perot, Franceska D.; Rick MUNIZ (RC-1); Saavedra, Francisco A.; Shaw, Michael T.; Smith, Darrell J.; Summers, Robert C.; Tarango, Hector J.; TXDPSIntelCenter (RC-1); Veletta MAXWELL
Subject: Mexican president calls migration 'inevitable,' demands more U.S action on weapons

Associated Press: Mexican president calls migration 'inevitable,' demands more U.S action on weapons

September 27, 2007

PUERTO PENASCO, Mexico - Mexican President Felipe Calderón told U.S. governors Thursday that immigration is an inevitable, natural phenomenon and he urged the U.S. Congress to approve reforms that would allow more Mexicans to work legally north of the border. Calderón demanded that the United States respect "the right to work wherever one can make the greatest contribution."

"Immigration is a natural phenomenon that is economically and socially inevitable," he told the meeting in this Baja California seaside resort town. In a rare acknowledgment of the costs of migration for Mexico, Calderón said his country "doesn't not celebrate migration ... our best people are the ones who go." Immigration and border security were among the top issues at the meeting, the 25th annual such event between Mexican and U.S. governors from states along the two countries' common border.

HOCR DOJ 006351

Mexican officials were focused on stopping the illegal flow of U.S. weapons into Mexico and protesting expansion of U.S. border fencing. For the Americans, the drug trade, migration and border security topped the list. On Monday, the U.S. government announced plans to erect about 370 miles (600 kilometers) of fencing and 200 miles (320 kilometers) of vehicle barriers by the end of 2008. Tension over the fences - which have drawn criticism from environmentalists, land owners and politicians both in Mexico and the United States - surfaced at the meeting. "This is the great tragedy," said Carlos de la Parra, a participant in the conference's environmental panel, as he pointed to a map of proposed border fences separating nature reserves. Mentioning a list of wildlife that migrates across the border, Parra, of Mexico's Colegio de la Frontera, noted "these animals don't cross the border to shop. They do it out of necessity." California Gov. Arnold Schwarzenegger, who has opposed the border fencing, praised Mexico and its cooperation with its northern neighbor. "The relationship has become stronger and stronger each year," he said. "We have become more than just good neighbors. We have become great friends." Describing his many visits to Mexico since his first one 40 years ago, Schwarzenegger lifted a line from his movie "Terminator," quipping, "I always look forward to saying, 'I'll be back.'"

Eduardo Bours, governor of the border state of Sonora, called for more border crossings, saying those that exist between Arizona and Sonora are saturated. "There are lines of three, four and five hours, and so we have to invest much more in border crossings," he said. He also called for a crackdown on U.S. weapons that "cross the border all too easily." Calderón said weapons illicitly smuggled in from the U.S. had been responsible for killing dozens of Mexican policemen. While all the Mexican governors were scheduled to attend, half of the U.S. contingent of governors - New Mexico's Bill Richardson and Texas' Rick Perry were not coming. Richardson, who is making a presidential bid, did not give a reason for his absence; Perry's office cited a scheduling conflict.

HOCR DOJ 006352

Exhibit 223

Exhibit 223

From: Carroll, Carson W.
Sent: Friday, September 28, 2007 2:27:33 PM
To: Hoover, William J.
Subject: Phoenix FD SWB Investigation

Last night (9/27/07) from 8 PM to 1 AM this morning the ATF MCO were working closely in coordination with the ATF Phoenix AZ. Field Division and the Government of Mexico (GOM) i.e., Aduanas, PGR, CENAPI and AFI, regarding weapons going south through the US/Mexico Nogales, AZ. Border.

Phoenix Group II, Special Agent Hope MacAllister though Multiple Sales identified several suspects ([REDACTED]; [REDACTED]; and [REDACTED]) purchasing numerous weapons at an FFL located in Phoenix, AZ. Border Crossing queries identified that these individuals crossed the U.S./Mexico Nogales, AZ. Border on the 21st and 24th of September, at which time they purchased 19 (nineteen) weapons.

On September 27, 2007, Phoenix Group II, were conducting surveillance on said FFL in Phoenix, AZ., and identified these same individuals purchasing additional weapons. Assistant Attaché Bazan was subsequently contacted regarding this surveillance operation and immediately contacted and notified the GOM for a possible controlled delivery of these weapons southbound to the Nogales, AZ., US/Mexico Border.

The ATF MCO, S/A MacAllister and AFI were simultaneously on the phone until the suspect vehicle crossed. Phoenix AZ. ATF agents observed this vehicle commit to the border and reach the Mexican side until it could no longer be seen. We, the ATF MCO did not get a response from the Mexican side until 20 minutes later, who then informed us that they did not see the vehicle cross.

For the first time we are working hand in hand with the GOM and providing them with what they want and this is what we get! This is what I would like to report to the GOM during the upcoming high-level US/Mexico contact (SLEP) meeting. The ATF MCO is currently obtaining names of those Mexican supervisors that were on scene and will have a meeting here in Mexico with the various different heads of agencies that participated in this joint international operation. D.

HOCR ATF - 002269

Exhibit 224

Exhibit 224

To: Carroll, Carson W. RC-1
Cc: Torres, John A. RC-1; Golson Sr., Michael A. RC-1
 Champion, Robert R. RC-1; Webb, J. Dewey RC-1
Bcc: Ballesteros, Jose J. RC-1
From: Newell, William D.
Sent: Tue 10/2/2007 6:10:24 PM
Subject: FW:

We are potentially going to give it another shot this weekend if everything goes as planned. They have already purchased another dozen or so firearms since returning from Mexico last weekend. They are up to about 250 of the "weapons of choice" so if this goes we'll be able to cement our role as the lead firearms trafficking agency on this side of the border and score some major points with the Mexicans, thus ensuring that they clearly understand we are willing and able to do these very sorts of things to address their very vocal concerns.

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division

Office - RC-1

From: Newell, William D.
Sent: Tuesday, October 02, 2007 11:03 AM
To: Aguilera, Davy; Needles, James R.
Subject: RE:

Davy, I just talked to Ramon and he should be briefing you on the fact that these folks have already purchased an additional dozen or so guns since returning last week. We highly suspect they are going to be headed south again this weekend and are willing to put in the time and effort with surveillance, etc. to give this another shot. That being said we need to ensure we've got this deal covered at both Nogales bridges this time, preferably with someone from the MCO there if at all possible. Jim Needles is here now as ASAC and he's all over it. I support doing this again 100% and so do the agents.

HOCR DOJ 006364

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division

Office - RC-1 [REDACTED]

From: Aguilera, Davy

Sent: Tuesday, October 02, 2007 10:59 AM

To: Thomas, Robert P.

Cc: Bazan, Ramon G.; Orellana, Juan F. (HQ); Newell, William D.; Quinonez, Louis A.; MacAllister, Hope A.

Subject: FW:

FYI:

The ATF MCO spoke to the several (participating) heads of the Mexican agencies regarding the outcome of this joint international operation. Bottom line, the ATF MCO was dealing with a person from Mexican Customs (Aduanas) who was trying very hard to assist the ATF MCO due to his good standing, position and relationship with this office; however, the person that he was in contact with at the other end was not as sincere. I am sure that there are other factors that we can only assume and or may never know about. None the less, we made sure that all the various agencies were made aware of this incident to include our U.S. Mission law enforcement counterparts.

We attended a meeting yesterday with RC-1 [REDACTED] with PFP,

HOCR DOJ 006365

who has provided the ATF MCO with the names of our double vetted Mexican counterparts along the U.S./Mexico Border for future joint operations.

I also discussed this with SAC Newell, who graciously was in agreement to try this again. These are the types of operations that the Mexicans want to bring up in the upcoming high level contact (SLEP) meeting.

I would like to thank SAC Newell and his agents who have put a lot of effort in to this investigation and for willing to do this again! Thank you all very much! D.

From: Aguilera, Davy
Sent: Friday, September 28, 2007 12:04 PM
To: Thomas, Robert P.
Cc: Orellana, Juan F. (HQ); Bazan, Ramon G.; Newell, William D.; Quinonez, Louis A.; MacAllister, Hope A.
Subject:

Bob,

Last night (9/27/07) from 8 PM to 1 AM this morning the ATF MCO were working closely in coordination with the ATF Phoenix AZ. Field Division and the Government of Mexico (GOM) i.e., Aduanas, PGR, CENAPI and AFI, regarding weapons going south through the US/Mexico Nogales, AZ. Border.

Phoenix Group II, Special Agent Hope MacAllister though Multiple Sales identified several suspects (Fidel Fernandez; Carlos Morales; and RC-4 [REDACTED] RC-4 [REDACTED] purchasing numerous weapons at an FFL located in Phoenix, AZ.

HOGH DOJ 006366

Border Crossing queries identified that these individuals crossed the U.S./Mexico Nogales, AZ. Border on the 21st and 24th of September, at which time they purchased 19 (nineteen) weapons.

On September 27, 2007, Phoenix Group II, were conducting surveillance on said FFL in Phoenix, AZ., and identified these same individuals purchasing additional weapons. Assistant Attaché Bazan was subsequently contacted regarding this surveillance operation and immediately contacted and notified the GOM for a possible controlled delivery of these weapons southbound to the Nogales, AZ., US/Mexico Border.

The ATF MCO, S/A MacAllister and AFI were simultaneously on the phone until the suspect vehicle crossed. Phoenix AZ. ATF agents observed this vehicle commit to the border and reach the Mexican side until it could no longer be seen. We, the ATF MCO did not get a response from the Mexican side until 20 minutes later, who then informed us that they did not see the vehicle cross.

For the first time we are working hand in hand with the GOM and providing them with what they want and this is what we get! This is what I would like to report to the GOM during the upcoming high-level US/Mexico contact (SLEP) meeting. The ATF MCO is currently obtaining names of those Mexican supervisors that were on scene and will have a meeting here in Mexico with the various different heads of agencies that participated in this joint international operation. D.

Davy Aguilera

HOCR DOJ 006367

ATF Mexico Country Attache

Bureau of Alcohol, Tobacco, Firearms & Explosives

US Embassy - Mexico City, Mexico

Office: RC-1

Fax:

HOCR DOJ 006368

Exhibit 225

Exhibit 225

From: Paskalis, Anne Marie
 Sent: Friday, October 05, 2007 8:59:30 AM
 To: Hoover, William J.
 Subject: Re: PHX case with Mex

Sure. We will work this out. Perhaps a conference call with bill to discuss what if any assurances they have received from usao that this investigation is operating within the law and doj guidelines.

Are you in or at the range

Am

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Hoover, William J.
 To: Paskalis, Anne Marie
 Sent: Fri Oct 05 08:37:27 2007
 Subject: FW: PHX case with Mex

AM,

Would you please look at this MLAT and let me know what it says about law enforcement operations in Mexico.

Thank you,

Billy

William J. Hoover
 Assistant Director, Field Operations
 [REDACTED]

-----Original Message-----

From: Newell, William D.
 Sent: Thursday, October 04, 2007 10:50 PM
 To: Hoover, William J.
 Subject: Re: PHX case with Mex

OK, I know you have reservations but please rest assured that this will go down as planned, as allowed per MLAT (Mutual Legal Assistance Treaty) with Mexico, with full approval of the USAO (confirmed again late this afternoon), and will have big payoffs for us and the Department in addressing Mexico's concerns that we (US) aren't doing enough to address their concerns. Trust me, I'm with Gov't.

Bill Newell
 ATF - SAC
 Phoenix Field Division

HOCR ATF - 002243

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----- Original Message -----

From: Hoover, William J.
To: Newell, William D.; Carroll, Carson W.
Sent: Thu Oct 04 21:56:10 2007
Subject: Re: PHX case with Mex

We can scrap the call for tomorrow.
William J. Hoover
Assistant Director, Field Operations
[REDACTED]

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----- Original Message -----

From: Newell, William D.
To: Hoover, William J.
Sent: Thu Oct 04 20:44:54 2007
Subject: Re: PHX case with Mex

Standard protocol and they (Amb and DCM) are very used to it. Used to do it all the time in Colombia. Davy did tell me he was going to do it and he told me that the Amb was not suprised that the Mexicans missed the load. Also, just got notified that the subjects are heading south with another load of guns right now. Davy is at port of entry on Mexican side. I will advise Carson right now.
Bill Newell

ATF - SAC
Phoenix Field Division

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----- Original Message -----

From: Hoover, William J.
To: Newell, William D.; Carroll, Carson W.
Sent: Thu Oct 04 20:24:21 2007
Subject: Re: PHX case with Mex

Also, did the Mexico Country Office speak to anyone in Field Op's prior to briefing the Ambassador? What exactly did we tell him? Why was this necessary at this time in the Inv?

William J. Hoover
Assistant Director, Field Operations
[REDACTED]

HOCR ATF - 002244

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Hoover, William J.
To: Newell, William D.; Carroll, Carson W.
Sent: Thu Oct 04 20:18:17 2007
Subject: Re: PHX case with Mex

I am not sure what Carson's schedule is tomorrow. As soon as I hear from him I will let you know the time.

I would like to discuss the following: Have we discussed the strategy with the US Attorney's Office re letting the guns walk? Do we have this approval in writing? Have we discussed and thought thru the consequences of same?

Are we tracking south of the border? Same re US Attorney's Office. Did we find out why they missed the hand off of the vehicle? What are our expected outcomes? What is the timeline?

Billy
William J. Hoover
Assistant Director, Field Operations
[REDACTED]

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

Original Message

From: Newell, William D.
To: Hoover, William J.; Carroll, Carson W.
Sent: Thu Oct 04 18:56:13 2007
Subject: RE: PHX case with Mex

Early morning is perfect for me. If you shoot me the issues you want addressed I can hopefully provide you some up to date info by morning. They are out on surveillance right now and the situation is fluid. Just let me know what you want and I'll get it.

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division
[REDACTED]

HOCR ATF - 002245


From: Hoover, William J.
Sent: Thursday, October 04, 2007 3:54 PM
To: Carroll, Carson W.; Newell, William D.
Subject: PHX case with Mex

Carson and Bill,

I would like for the three of us to get on a call tomorrow to discuss this investigation and cover a few issues.

Thank you,

Billy

William J. Hoover
Assistant Director, Field Operations


HOCR ATF - 002246

Exhibit 226

Exhibit 226

From: Hoover, William J.
 Sent: Friday, October 05, 2007 8:22:44 AM
 To: Newell, William D.
 Subject: RE: PHX case with Mex

Wow, I feel so much better.

William J. Hoover
 Assistant Director, Field Operations
 [REDACTED]

-----Original Message-----

From: Newell, William D.
 Sent: Thursday, October 04, 2007 10:50 PM
 To: Hoover, William J.
 Subject: Re: PHX case with Mex

OK, I know you have reservations but please rest assured that this will go down as planned, as allowed per MLAT (Mutual Legal Assistance Treaty) with Mexico, with full approval of the USAO (confirmed again late this afternoon), and will have big payoffs for us and the Department in addressing Mexico's concerns that we (US) aren't doing enough to address their concerns. Trust me, I'm with Gov't.

Bill Newell
 ATF - SAC
 Phoenix Field Division

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----- Original Message -----

From: Hoover, William J.
 To: Newell, William D.; Carroll, Carson W.
 Sent: Thu Oct 04 21:56:10 2007
 Subject: Re: PHX case with Mex

We can scrap the call for tomorrow.
 William J. Hoover
 Assistant Director, Field Operations
 [REDACTED]

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----- Original Message -----

From: Newell, William D.
 To: Hoover, William J.
 Sent: Thu Oct 04 20:44:54 2007
 Subject: Re: PHX case with Mex

HOCR ATF - 002253

Standard protocol and they (Amb and DCM) are very used to it. Used to do it all the time in Colombia. Davy did tell me he was going to do it and he told me that the Amb was not suprised that the Mexicans missed the load. Also, just got notified that the subjects are heading south with another load of guns - right now. Davy is at port of entry on Mexican side. I will advise Carson right now.
 Bill Newell

ATF - SAC
 Phoenix Field Division

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----- Original Message -----

From: Hoover, William J.
 To: Newell, William D.; Carroll, Carson W.
 Sent: Thu Oct 04 20:24:21 2007
 Subject: Re: PHX case with Mex

Also, did the Mexico Country Office speak to anyone in Field Op's prior to briefing the Ambassador? What exactly did we tell him? Why was this necessary at this time in the Inv?

William J. Hoover
 Assistant Director, Field Operations
 [REDACTED]

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----- Original Message -----

From: Hoover, William J.
 To: Newell, William D.; Carroll, Carson W.
 Sent: Thu Oct 04 20:18:17 2007
 Subject: Re: PHX case with Mex

I am not sure what Carson's schedule is tomorrow. As soon as I hear from him I will let you know the time.

I would like to discuss the following: Have we discussed the strategy with the US Attorney's Office re letting the guns walk? Do we have this approval in writing? Have we discussed and thought thru the consequences of same? Are we tracking south of the border? Same re US Attorney's Office. Did we find out why they missed the hand off of the vehicle? What are our expected outcomes? What is the timeline?

Billy
 William J. Hoover
 Assistant Director, Field Operations
 [REDACTED]

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HOCR ATF - 002254

error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Newell, William D.
To: Hoover, William J.; Carroll, Carson W.
Sent: Thu Oct 04 18:56:13 2007
Subject: RE: PHX case with Mex

Early morning is perfect for me. If you shoot me the issues you want addressed I can hopefully provide you some up to date info by morning. They are out on surveillance right now and the situation is fluid. Just let me know what you want and I'll get it.

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division

[REDACTED]

From: Hoover, William J.
Sent: Thursday, October 04, 2007 3:54 PM
To: Carroll, Carson W.; Newell, William D.
Subject: PHX case with Mex

Carson and Bill,

I would like for the three of us to get on a call tomorrow to discuss this investigation and cover a few issues.

Thank you,

Billy

William J. Hoover

HOGRA ATF - 002255

Assistant Director, Field Operations

[REDACTED]

HOCR ATF - 002256

Exhibit 227

Exhibit 227

To: Aguilera, Davy [RC-1]
From: Newell, William D.
Sent: Fri 10/5/2007 4:14:09 PM
Subject: FW: Great Case
Briefing Paper - Phoenix Firearms Trafficking Investigation.doc
Briefing Paper - Phoenix ATF-Arizona Attorney General's Office joint prosecution efforts.doc

Davy, FYI. It might be worth our while to prepare a "International Firearms Trafficking 101" briefing paper outlining the ins and outs of working a case to Mexico, focusing in on the legalities. I have no problem putting it together but want to make sure you have input, especially from the U.S. Mission side.

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division

Office - [RC-1]

From: Newell, William D.
Sent: Friday, October 05, 2007 9:05 AM
To: Paskalis, Anne Marie
Cc: Kenrick, Brian C.; Epstein, Eric M.; Williams, Ronald E. (ATF)
Subject: RE: Great Case

Sure, I'm available for another couple of hours today or all next week. I'm attaching the briefing paper I prepared earlier this week that has the investigation number and other information. As you might know the deal did not go down last night. Unfortunately the Mex Feds overreacted to their embarrassing loss of the vehicle last week at the border by sending way too many people last night and word must have gotten out that crossing the border last night with contraband was not a good idea. That caused the subjects to drop off a large portion of their load of firearms at a previously unknown residence in Nogales (U.S. side) and then head back to Phoenix. Those not familiar with the Nogales area should know that there's a very old smuggling network in place, both north and south bound, and that any "unusual" law enforcement activity at the two ports of

HOCR DOJ 006777

entry is quickly known by all and disseminated to the smugglers. Lessons learned.

I'm also attaching another briefing paper that outlines an innovative approach we are requesting approval to take here in Arizona with the Arizona Attorney General's office. Might as well address both and get it done.

Bill Newell

Bureau of ATF

Special Agent in Charge

Phoenix Field Division

Office : RC-1

From: Paskalis, Anne Marie
Sent: Friday, October 05, 2007 8:41 AM
To: Newell, William D.
Cc: Kenrick, Brian C.; Epstein, Eric M.
Subject: Great Case
Importance: High

Hi Bill:

I think it may be beneficial for you, Brian Kenrick and I to talk about your great case so that I can assure Billy that all angles have been covered by us and the US Attorney's Office. Do you have any time today or Tuesday to discuss via conference call. Please let me know a good time. Also, does this case have an IN number and if so what is it.....

HOCR DOJ 006778

Look forward to talking to you.

AM

Anne Marie Paskalis

Senior Counsel, Field Operations

Bureau of Alcohol, Tobacco, Firearms and Explosives

Office: RC-1

Fax: RC-1

Cell: RC-1

email: RC-1

HOCR DOJ 006779

Exhibit 228

Exhibit 228

From: Needles, James R.
 Sent: Saturday, October 06, 2007 1:18:35 PM
 To: Newell, William D.
 Subject: Re: Phoenix Case

To many middle men/women. I think once you deal with Billy directly we should be fine. If we need anything from Hope let me know additionally I advised her of the status. Also we have contact info for [REDACTED] if we do additional surveillance. Hope the ride went well enjoy the vacation.

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----- Original Message -----

From: Newell, William D.
 To: Needles, James R.
 Sent: Sat Oct 06 11:16:02 2007
 Subject: Fw: Phoenix Case

Did I cover everything? I vented a bit but at this point I think I'm entitled.
 Bill Newell
 ATF - SAC
 Phoenix Field Division

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----- Original Message -----

From: Newell, William D.
 To: Carroll, Carson W.
 Sent: Sat Oct 06 10:56:30 2007
 Subject: Re: Phoenix Case

First, after the 30-45 minute conf call yesterday with Ann Marie, etc I was confident we had cleared up any legal concerns. Ann Marie said as much and was going to meet with Billy personally to discuss. She didn't obviously but chose to brief him via an inaccurate e-mail drafted late on a Friday afternoon before a 3-day weekend. We all know its hard to put 30-45 mins worth of discussion in an e-mail so I'm concerned she didn't get a chance to do this in person because I'm confident Billy would not be as upset.



HOCR ATF - 001905

[REDACTED]

The part that really concerns me and what I'm sure Billy is concerned about is the USAO issue - which is highly inaccurate. We DO have them on-board and as a matter of fact they (Chief of Criminal John Tocchi) recently agreed to charge the firearm recipients in Mexico (if we could fully I'd them via a controlled delivery) with a conspiracy charge in US court. I explained to Ann Marie that they will give us written authorization to proceed with such a case but for what purpose - CYA for us? That's not how I try to operate but if that's what is called for then I'll get it. Also, she mixing apples and oranges when she mentions the Arizona Attorney General's office. That's a whole separate initiative and has NOTHING to do with this case. Her e-mail makes it look like we went running to the AG's office because the USAO was not "on-board" which is NOT true. As a matter of fact I sent you the same e-mail with both attachments and in that e-mail I clearly state that this is a whole separate issue that I wanted to discuss while we were at it!!

Lastly, the US Embassy was fully on-board with this and they are a key player in authorizing any such case. I would have never conceived of pursuing this type of case unless I was assured they knew all about what we were planning on doing, which they did and were very pro doing. They have an entire legal section that handles matters such as extraditions, arrests, MLATs, etc and they were briefed by Davy and fully on-board.

Lastly, I truly appreciate your enthusiasm about this case and I'm sorry I had to damper that as well as get you jammed up - for that I'm truly sorry. I think we both understand the extremely positive potential for a case such as this but at this point I'm so frustrated with this whole mess I'm shutting the case down and any further attempts to do something similar. We're done trying to pursue new and innovative initiatives - it's not worth the hassle.

Bill Newell
ATF - SAC
Phoenix Field Division

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----- Original Message -----

From: Carroll, Carson W.
To: Newell, William D.
Sent: Sat Oct 06 09:55:01 2007
Subject: Fw: Phoenix Case

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----- Original Message -----

From: Hoover, William J.
To: Carroll, Carson W.

HOCR ATF - 001906

Sent: Fri Oct 05 18:34:34 2007
Subject: Fw: Phoenix Case

Carson,

Would you please read through the e-mail from Anne Marie below. I am a more than a little upset by the misinformation received to this point. I do not want any firearms to go South until further notice. I expect a full briefing paper on my desk Tuesday morning from SAC Newell with every question answered. I will not allow this case to go forward until we have written documentation from the U S Attorney's Office re full and complete buy in. I do not want anyone briefed on this case until I approve the information. This includes anyone in Mexico. We will discuss this further next week. Please set up a conference call with SAC Newell for the first thing Tuesday morning. Please allow for the time difference. SAC Newell should understand that I will need complete answers to every question I have had to this point. He can refer to my questions contained in my e-mails of last night and also to the issues listed in Anne Marie's e-mail. Any questions call.

Billy

William J. Hoover
Assistant Director, Field Operations
[REDACTED]

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----- Original Message -----

From: Paskalis, Anne Marie
To: Hoover, William J.
Cc: Kenrick, Brian C.
Sent: Fri Oct 05 17:22:19 2007
Subject: Phoenix Case

Hi Billy:

Brian Kenrick, Tamsin Harrington and I spoke with Bill Newell, Jim Needles and one of the case agents on the Phoenix case. [REDACTED]

[REDACTED] I really think maybe there was a disconnect somewhere when being briefed on this case. [REDACTED] What I would suggest is a better briefing paper with a section specifically on [REDACTED] and the surveillance techniques being employed.

HOCR ATF - 001907

I would also suggest that a section be added on what contact has been made with the USAO. From my discussion today, that office is not yet fully on board with this investigation. They do not like taking these cases without the firearms. Which is why it appears ATF is starting conversations with the state AG's office. Bottom line there is no dedicated prosecutor (state or federal) yet who has accepted this case for prosecution. I recommended that this issue needs to be sorted out.

Finally, we have a call into the Office of International Affairs over at DOJ. We generally want to find out exactly what must be done with respect to DOJ permission before we begin working international cases.

[REDACTED]

We can discuss in more detail on Tuesday but I hope you feel a bit better about this issue. I did discuss getting something in writing and I can explain more on Tuesday.

Have a good weekend.

Brian did I forget anything???????

AM

Anne Marie Paskalis

Senior Counsel, Field Operations

Bureau of Alcohol, Tobacco, Firearms and Explosives

[REDACTED]

HOCR ATF - 001908

From: Needles, James R.
 Sent: Saturday, October 06, 2007 10:49:16 AM
 To: Newell, William D.
 Subject: Re: Phoenix Case

10-4

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----- Original Message -----

From: Newell, William D.
 To: Needles, James R.
 Sent: Sat Oct 06 10:04:29 2007
 Subject: Fw: Phoenix Case

FYI. Carson and I just talked and it appears Billy is not happy, but I'm confident I can work it out on Monday. However until further notice, we need to shut down any further attempts for a while. I will try to iron out and get Billy some hard facts. [REDACTED]

[REDACTED] The thing that confuses me is that I think Ann Marie is combining this case with our AG initiative. That being said however we need to put the brakes to that too until I get this all sorted out.

Bill Newell

ATF - SAC
 Phoenix Field Division

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----- Original Message -----

From: Carroll, Carson W.
 To: Newell, William D.
 Sent: Sat Oct 06 09:55:01 2007
 Subject: Fw: Phoenix Case

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Hoover, William J.
 To: Carroll, Carson W.
 Sent: Fri Oct 05 18:34:34 2007
 Subject: Fw: Phoenix Case

Carson,

HOCR ATF - 001909

Would you please read through the e-mail from Anne Marie below.

I am a more than a little upset by the misinformation received to this point. I do not want any firearms to go South until further notice. I expect a full briefing paper on my desk Tuesday morning from SAC Newell with every question answered. I will not allow this case to go forward until we have written documentation from the U S Attorney's Office re full and complete buy in. I do not want anyone briefed on this case until I approve the information. This includes anyone in Mexico.

We will discuss this further next week. Please set up a conference call with SAC Newell for the first thing Tuesday morning. Please allow for the time difference. SAC Newell should understand that I will need complete answers to every question I have had to this point. He can refer to my questions contained in my e-mails of last night and also to the issues listed in Anne Marie's e-mail.

Any questions call.

Billy

William J. Hoover
Assistant Director, Field Operations
[REDACTED]

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----- Original Message -----

From: Paskalis, Anne Marie
To: Hoover, William J.
Cc: Kenrick, Brian C.
Sent: Fri Oct 05 17:22:19 2007
Subject: Phoenix Case

Hi Billy:

Brian Kenrick, Tamsin Harrington and I spoke with Bill Newell, Jim Needles and one of the case agents on the Phoenix case. [REDACTED]

[REDACTED] I really think maybe there was a disconnect somewhere when being briefed on this case.

[REDACTED] What I would suggest is a better briefing paper with a section specifically on [REDACTED] and the surveillance techniques being employed.

I would also suggest that a section be added on what contact has been made with the USAO. From my discussion today, that office is not yet fully on board with this investigation. They do not like taking these cases without the firearms. Which is why it appears ATF is starting conversations with the state AG's

HOGRA ATF - 001910

office. Bottom line there is no dedicated prosecutor (state or federal) yet who has accepted this case for prosecution. I recommended that this issue needs to be sorted out.

Finally, we have a call into the Office of International Affairs over at DOJ. We generally want to find out exactly what must be done with respect to DOJ permission before we begin working international cases.

We can discuss in more detail on Tuesday but I hope you feel a bit better about this issue. I did discuss getting something in writing and I can explain more on Tuesday.

Have a good weekend.

Brian did I forget anything???????

AM

Anne Marie Paskalis

Senior Counsel, Field Operations

Bureau of Alcohol, Tobacco, Firearms and Explosives

HOCR ATF - 001911

Exhibit 229

Exhibit 229

Responses to Questions by ADFO Hoover
RE: Phoenix to Mexico Firearms Trafficking Case
RC-4

This document serves to respond to several questions posed by ADFO Hoover regarding an international firearms trafficking investigation in support of ATF's Southwest Border "Gunrunner" Initiative, specifically Phoenix Field Division, Phoenix Group II UI#
RC-4

RC-3



2. USAO Involvement: Ann Marie's e-mail to you regarding this is not accurate and concerning to me in that it makes it appear we went running to the Arizona Attorney General's office because the USAO was not "on-board" which is NOT true. As a point

HOCR ATF - 002759

of clarification, I sent her an e-mail earlier in the day on Friday with two attachments, one an earlier briefing paper on this case and another attachment of a briefing paper on another initiative we are exploring with the Arizona Attorney General's office. The two are separate issues and this case has NEVER been discussed with any other office but the USAO in Phoenix. She obviously merged these two initiatives when writing her e-mail to you even though during our conference call we clearly explained the difference when it appeared she was confused at that time too. As for the involvement of the USAO, we have discussed this case with them since early on and most recently have had several discussions with John Tuchi, the Criminal Chief. As a matter of fact during a recent conversation with John Tuchi he agreed that if we could provide enough identifying information of the individuals receiving the firearms in Mexico that he would be willing to explore charging these individuals with conspiracy. It is no secret that we have had prosecution issues with the USAO in Arizona lately, however we are actively pursuing Federal prosecution of this case with them and any information to the contrary is inaccurate.

3. Concern about letting guns walk: We have discussed this at length and I have seriously considered this issue as it relates to how it might reflect on ATF and this field division. I hope you know that I would never consider doing anything that would compromise the reputation of ATF or of this division. Working international firearms trafficking investigations for most of my 18 years with ATF and on the U.S./Mexico border for 7 of those years I understand the added "twist" that these types of cases bring in that once the firearms cross the border they are in essence out of our control. We would have to have at least an additional 3-4 firearms trafficking groups in Phoenix and 1-2 in Tucson to efficiently address all the known firearms trafficking rings out there actively smuggling firearms to Mexico. These are the known rings, not the individuals buying 2-5 firearms at a time. We therefore have to prioritize our targets and hopefully make the biggest impact with a select few cases that we can proactively work. This case to us is one of those.

My thought process about why we should pursue this effort is this: This firearms trafficking ring is responsible for purchasing over 250 "weapons of choice" and taking them to Mexico shortly after purchases are made. Recent intelligence and tracing results from Mexico indicate they are most likely directly supplying the very violent and powerful Arellano-Felix drug trafficking organization. One could argue that why did we wait so long to even "target" this group and why don't we take them off now? Several reasons for this – 1) This group did not come to our attention until mid-summer and once we put all the pieces together, that being all the folks involved, we opened up an investigation and starting working it aggressively. This case is being worked out of Phoenix II (Firearms Trafficking), a group that was very active all summer and did some amazing things considering how short of folks they are. 2) Unfortunately someone buying large amounts of "weapons of choice" in Arizona is not unusual and highly common. Because most of the firearms purchased were long guns their activities didn't come to our attention until some agents from Group II, conducting an investigation into another ring, noticed the sales in several FFL A&D books and did some good proactive follow-up putting the pieces together. 3) Taking off this "straw purchasing" ring would

HOCR ATF - 002760

only create a situation in which another ring would need to be put together by the Arellano-Felix drug trafficking organization. Doing this would never give us the opportunity to find out who the middle-men in Mexico are, and once we were able to do that get the Mexican Federal police contacts to take them off, thus having a greater impact, and more importantly sending a clear message that crossing the border is no longer a safety net for firearms traffickers. 4) The USAO in Phoenix does not aggressively pursue "straw purchasing" investigations and has made it clear on several occasions in meetings with my supervisors as well as in meetings with me personally that they need to have the firearms in custody in order to show a jury that the real intent was to traffic them illegally to Mexico. This is when we in the division started discussions about using this investigation as a "test case" to pursue something we had never tried before but something that would be in line with one of the key elements of "Gunrunner" which is establishing a closer working and trusting relationship with our Mexican law enforcement counterparts. As we know all too well the Mexicans have made it abundantly clear, both publicly and privately, that they don't believe we (ATF and the U.S.) are doing enough to address their serious concerns about firearms being trafficked illegally from the U.S. to Mexico. Having worked in a very similar situation for four years as the Colombia Country Attaché I am keenly aware of the political sensitivities of a matter like this and how an effort by us to reach across the border and work hand-in-hand on a case such as this, especially one involving individuals who are directly supplying a very violent drug trafficking organization, would have tremendous positive benefits to ATF and the U.S. in terms of responding to the Mexicans concerns that we are doing enough. I thoroughly discussed this matter with our representatives in the U.S. Embassy in Mexico City, clearly understanding that any such endeavor would have to be approved by them, the Deputy Chief of Mission (DCM) and ultimately the Ambassador (AMB). Briefing the DCM and AMB on cases such as this is very routine for the U.S. law enforcement representatives in a busy Embassy like Mexico City. They are very used to cross-border law enforcement initiatives and that's why the U.S. and Mexico enjoy a fairly broad Mutual Legal Assistance Treaty (MLAT) regarding the efficient exchange of information to further these very types of cases. The DCM and AMB, as well as their rather large legal team in the Embassy, routinely deal with DEA, FBI, CBP, ICE and the USMS on extradition, arrest, and deportation issues, as well as cross-border controlled delivery of narcotics – something I was involved in for several years as a member of a very active DEA task force on the border in Brownsville, Texas. It is true that an effort such as this one would be something new for them but I assure you that the DCM and AMB are in favor of this effort, and our Attaché and Assistant Attache in Mexico City will confirm this. They too clearly understand the positive ramifications of an effort such as this one being successful as it would show how willing the U.S. is to forge never-before considered relationships to proactively address the firearms trafficking issue.

4. As to expected outcomes and a timeline: We had hoped to work together with a small Mexican Federal police vetted unit and the ATF Mexico Country Office in identifying the recipients of the firearms in Mexico. This would further our criminal case in Arizona as detailed previously and also have a greater impact in that we were actually directly impacting the U.S.-to-Mexico firearms trafficking problem by taking the case across the

border, thus creating a situation that strikes fear into the hearts of the border criminals – U.S. and Mexican law enforcement working closely together. Border criminals and smugglers have long known that their illegal trade is best plied when they have the Mexican law enforcement officials on their rolls and keep them from working hand-in-hand with the hard to corrupt U.S. law enforcement officials. That's why extradition to the U.S. is such a hated subject by drug traffickers and other violent criminals in Mexico and Colombia – they know that once they cross the border into the U.S. all bets are off and they face real justice. By pursuing a case like this, even if not initially successful, we hope to advance that idea and let it be known that ATF is the lead U.S. Federal law enforcement agency that can most directly impact the firearms trafficking problem. It is well-known that DHS has been having high-level meetings with Mexican government officials, most recently in Puerto Peñasco, Mexico where DHS Secretary Chertoff met with his Mexican counterparts and U.S. border Governors, to discuss getting ICE more actively involved in this very issue. If we are truly going to push "Gunrunner" and what it stands for than this type of case is something we need to pursue, and never stop pursuing even if the first 5 attempts fail, the sixth one might just be the one that proves it can be done and cement our role as the agency best suited to deal with this issue.

As for a timeline – this case moved very fast these past few days due to the main subject in this investigation buying and smuggling "weapons of choice" in a very short period of time. His routine lately has been to buy firearms in the middle part of the week and then after work on Thursday immediately drive them south to Nogales, Arizona and then across the border into Nogales, Mexico. This created a situation in which we had to act fast in order to try to pursue our "Gunrunner" goal of establishing a link with our Mexican counterparts in order to further this investigation and have a greater impact. As outline in the briefing paper I forwarded last week our first effort failed when the Mexican Federal officials completely missed the vehicle that we took all the way to the Nogales port of entry and handed off to them. The subjects in this case returned to Phoenix the next day and immediately started buying firearms, which they then took down this past Thursday night. This time the Mexicans overreacted and had a small army waiting on the south-side of the border, along with our Mexico Country Attaché. That amount of activity at either port of entry, either on the U.S. or Mexico side, quickly spreads amongst the smuggling community on both sides of the border. Word quickly gets out that "now is not a good time" for whatever contraband is trying to be crossed, drugs, cash, guns, etc. The smugglers have people who work at the ports of entry, watch the ports of entry and/or take "test drives" through the ports of entry with no contraband to see if any unusual activity is taking place. They are used to "surges" by law enforcement on both sides of the border and know that they are short-lived. Had we had more time we would have better coordinated our efforts with not only a vetted Mexican law enforcement group but also with U.S. Customs and Border Protection (CBP) officials, who we notified days before but who I believe did not think it would happen again so soon. CBP notification is needed in order to get "pass through" authority, that being knowledge and assistance on their part to allow a load of contraband through the port of entry. They are used to doing this with DEA and ICE when assisting with controlled deliveries of narcotics going north from Mexico to the U.S.

HOCR ATF - 002762

5

Lastly, I truly appreciate the enthusiasm the Carson demonstrated about this case and I'm truly sorry that things that were my fault had to damper that as well as get him jammed up with you. Having someone in HQ who champions an effort like this, or any new approach that agents are willing to put in very long hours and a lot of hard work to pursue, is truly appreciated. Whatever the final decision is about us pursuing this or any future efforts of this kind I stand willing to obey that decision and continue to pursue ATF's primary mission – Reduce Violent Crime.

I hope this answers any questions you might have. If not please let me know what additional questions you might have and I will do everything possible to answer them.

Thank you.

Bill Newell
Special Agent in Charge
Phoenix Field Division

HOCR ATF - 002763

Exhibit 230

Exhibit 230

**MEETING OF THE ATTORNEY GENERAL
WITH MEXICAN ATTORNEY GENERAL MEDINA MORA**

Attorney General's Conference Room

November 16, 2007

(Friedrich, O'Connor/Roth, Swartz)

PURPOSE

Mexican Attorney General Eduardo Medina Mora wishes to meet with you to reaffirm the high importance he places on continuing the close bilateral law enforcement relationship he established with Attorney General Gonzales. Attorney General Medina Mora's visit coincides with the fall meeting of the US/Mexico Senior Law Enforcement Plenary ("SLEP"), chaired by DOJ/CRM, which brings together a number of working groups that focus on US/Mexico law enforcement issues.

BACKGROUND

RC-2



HOCR HRNDZ 003239

RC-2

G. Arms Trafficking

Mexico has repeatedly expressed concern regarding the smuggling of weapons from the US into Mexico, which the Government of Mexico asserts has fueled the violence of Mexican drug cartels. See, e.g., "US Guns Behind Cartel Killings in Mexico," *Washington Post*, 10/29/07, A01 (noting the 9/24 assassination of a Mexican state police officer, and an attack on the same day on a federal police office in Tijuana, and stating: "The high-powered guns used in both incidents on the evening of Sept. 24 undoubtedly came from the United States, say police here [in Mexico], who estimate that 100 percent of drug-related killings are committed with smuggled US weapons.")

In response to these concerns, DOJ's ATF has committed significant resources to address the issue of gun smuggling into Mexico. ATF has three attaches in Mexico City, and two TDY agents in Monterrey. During this past week, more than 30 ATF agents and analysts have been meeting at the El Paso Intelligence Center ("EPIC") as part of the Southwest Border Initiative's "Project Gunrunner." ATF's goals are to coordinate Federal law enforcement activities on the U.S. side of the border involving gun smuggling, and to work cooperatively with its counterparts in Mexico to improve information sharing, assist them in improving their training and technological capacity, and increase the number and quality of firearms trace requests from Mexico. One critical part of this effort is to for the USG to fund Spanish E-trace, which would allow Mexican law enforcement submit firearms trace requests to ATF's National Tracing Center.

Of particular importance, ATF has recently worked jointly with Mexico on the first-ever attempt to have a controlled delivery of weapons being smuggled into Mexico by a major arms trafficker. While the first attempts at this controlled delivery have not been successful, the investigation is ongoing, and ATF would like to expand the possibility of such joint investigations and controlled deliveries - since only then will it be possible to investigate an entire smuggling network, rather than arresting simply a single smuggler. To that end, it is essential that a Mexican vetted unit be assigned to work with ATF in this regard. ATF's attache in Mexico City has briefed Attorney General Medina Mora on this attempted controlled delivery, and stressed the importance of such a vetted unit being assigned.

H. Asset Forfeiture/ Money Laundering

HOCR HRNDZ 003240

Exhibit 231

Exhibit 231

Phoenix Field Division After Action Report

Case Number 785045-07-0177

Field Office Phoenix II Case Agent MacAllister

Date of Operation 11/26/07

Operational Plan Number PHX-08-025

Location(s) of Operation
Nogales Port of Entry**Seizure Information**

Firearms (amount) 9

☐ NFA (check if applicable)

Explosives (amount)

☐ ED☐ MilitaryOther significant seizure (vehicle, large quantity narcotics, etc) ☐**Arrest Information**

of ATF Arrests 2 # of Other Agency Arrests (i.e. parole, ICE, State warrants)

Narrative/Comments (if any)

Contact made w/ F/A trafficking suspects at border, 2 arrested for conspiracy to violate Arms Export Act. Nine firearms seized.

HOCR DOJ 006494

Exhibit 232

Exhibit 232

From: Needles, James R.
 Sent: Wednesday, January 02, 2008 4:23:42 PM
 To: Newell, William D.
 Subject: RE: US/Mexico Firearms Trafficking

10-4

-----Original Message-----

From: Newell, William D.
 Sent: Wednesday, January 02, 2008 4:19 PM
 To: Needles, James R.; Mangan, Thomas G.
 Subject: Fw: US/Mexico Firearms Trafficking

We're back in business. Let's discuss when I get back to the office in about 15 mins. I'm at the JOC.

Bill Newell
 SAC - ATF
 Phoenix Field Division

NOTICE: This electronic transmission is confidential and intended only for the person(s) to whom it is addressed. If you have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

----- Original Message -----

From: Carroll, Carson W.
 To: Newell, William D.
 Sent: Wed Jan 02 15:47:12 2008
 Subject: RE: US/Mexico Firearms Trafficking

Thank you Bill. Also...I was wondering if you could have someone do a powerpoint on the recent case where you tried to walk the guns to Mexico.

We are meeting with some Congressional Members to discuss SWB. ..it would be nice to have the pictures included of the guns recovered in the Mexico assassination (one or two of the recovered guns traced back to our suspect?).

It does not need to be to complex or long.

Carson

-----Original Message-----

From: Newell, William D.
 Sent: Wednesday, January 02, 2008 1:37 PM
 To: Carroll, Carson W.
 Subject: RE: US/Mexico Firearms Trafficking

As with all our "Gunrunner" stories over the past 1.5 years we have been
 HOGRAF - 001895

trying to highlight ATF's efforts to keep "weapons of choice" out of the hands of violent criminals, on both sides of the border. We have also been using these times to try to educate the public about "straw" purchasing and the fact that an "innocent favor" might be putting a firearm into the hands of a violent criminal. Our main efforts in doing this are to highlight what ATF contributes to the fight against the very hot topic of border-related violence, something I think we should be doing every chance we get.

As to Robyn's question we have numerous cases and significant intel to back this up, especially several recent cases on which this AP story was predicated - all of which are unsealed (complaints and/or indictments). This info also includes defendant debriefs which we did not get into in the story for obvious reason. Also, the trace data in these cases also confirms this but we did not touch on this for AP story since I have consistently stayed away from the numbers of guns traced and who is doing, or not doing, the tracing. (If you recall in one recent case the seizure of several of these weapons from the very violent Arellano-Felix DTO was a few DAYS).

Also, as part of the Southwest Region OCDETF "Gatekeeper" initiative, of which ATF's "Gunrunner" is an integral part, we have been highlighting the fact that drug cartels in Mexico are using drug proceeds to buy guns and ammo - a well-established fact. We have consistently been saying and it's a well publicized fact that "drugs go north and guns/money go south". This article by the AP was further efforts on our part to highlight these points and bring attention to our efforts on the border to try to stem the illegal flow of these "weapons of choice" south (and west to SoCal). By doing this we are letting folks know we are working hard to address the issues of cross-border violent crime by doing everything within our statutory authority to keep guns out of the hands of criminals. A big point by the Mexicans has been we aren't doing enough and if you notice the unsolicited quote by Mr. Saavedra of the Mexican Consular's Office in Douglas we are addressing their concerns about not working more closely together. I meet regularly with the Mexican Consul General in Phoenix, Mr. Carlos Flores Vizcarra, to discuss these issues and to let him know we are doing everything possible with the resources we have and within the confines of the U.S. law to address his government's concerns. He has never dealt with anyone in ATF before and the efforts we are making with his office is why you see that quote from one of his 3 Deputy Consuls.

My real concern is this however, with all the info from us, DEA, FBI, ICE and Mexican officials highlighting the use of U.S. firearms by drug dealers, etc I'm a little confused by Robyn's question. Is there something else I could do to educate her or is her question based on something else I'm not aware of?

Bill Newell

Bureau of ATF

HOGRAF - 001896

Special Agent in Charge

Phoenix Field Division
[REDACTED]

-----Original Message-----

From: Carroll, Carson W.

Sent: Wednesday, January 02, 2008 10:26 AM

To: Newell, William D.

Subject: FW: US/Mexico Firearms Trafficking

Bill,

See DOJ's question below.

-----Original Message-----

From: Thiemann, Robyn (OLP) [mailto:[REDACTED]]

Sent: Wednesday, January 02, 2008 9:23 AM

To: Carroll, Carson W.

Cc: Kaplan, P. Sam; Hoover, William J.; Carter, Ronnie A.; Zammillo, James A., Sr.; Stucko, Audrey M.

Subject: RE: US/Mexico Firearms Trafficking

See article, below. Do we have evidence beyond the summaries of investigations that support this statement?

"Some of those guns end up in the hands of California gangs or with coyotes herding illegal immigrants into the U.S. But Mangan said a majority of the guns are smuggled into Mexico for use by drug dealers."

HOGRAF - 001897

Happy New Year!

RT

ATF says more guns sent illegally south of the border

By CHRIS KAHN Associated Press Writer

Article Launched: 12/27/2007 04:29:10 PM MST

PHOENIX-Spread across a conference table at the Bureau of Alcohol, Tobacco, Firearms and Explosives in Phoenix are enough weapons to equip several car loads of drug runners.

Agents said Thursday they found the 42 weapons in a storage locker about 10 days ago. The guns were worth \$250,000 in all: Belgian-made "FN" handguns, semiautomatic AK rifles and other pistols. They also found four olive boxes loaded with 50-caliber bullets-ammunition that's big enough to take out an airplane.

"These are, quite frankly, weapons of war," ATF special agent Tom Mangan said as he picked up an assault rifle and examined it.

"The type of fire power you're seeing here is on the increase," he said.

"You're seeing sophisticated weapons, military weapons, assault type weapons, assault pistols, very expensive pistols."

ATF officials said gun runners typically gather large caches of weapons anonymously through "straw" purchases. They might give someone \$100 to go into a gun show or a Wal-Mart and buy a few rifles at a time. They

HOGRAF - 001898

might buy guns over the Internet.

Some of those guns end up in the hands of California gangs or with coyotes herding illegal immigrants into the U.S. But Mangan said a majority of the guns are smuggled into Mexico for use by drug dealers.

Mangan said this year the ATF Phoenix office learned that about 300 assault-type weapons were brought south on one occasion, and another 200 assault-type weapons were smuggled on a separate occasion.

"Certainly, these narcoterrorist organizations, these drug organizations have unlimited source of income, and it's just a matter of getting these guns," Mangan said. "And where do they get these guns? They get them here."

Jim Needles, an ATF agent who was recently transferred to Arizona from New York, said he was alarmed by the kind of weapons agents are finding here.

"You see a lot of firearms seized in New York, but not that sophisticated type of weapon," he said. "You don't see AK-47s. You don't see the 50-caliber type of weapons."

Raul Saavedra, deputy consul at the Mexican Consulate in Douglas, Ariz., said he didn't have data to back up ATF's claim that gun-running is on the rise. But he said the Mexican government has recognized it as a huge problem.

"A lot of the drug violence comes through weapons, and those weapons are bought in the U.S.," Saavedra said.

HOGRAF - 001899

The Mexican government has called on the United States to stop the flow of guns into the country, he said, but America's firearms laws make it hard to stop gun running.

"What's been useful is there has been a lot of cooperation" between the countries to stem the gun trade, Saavedra said.

"If weapons are seized in Mexico, they pass that information to U.S. authorities, and they can track that number to where it was bought, and they can at least confirm if the sale was done legally," he added.

The weapons recently seized by the ATF are among 111 guns the Phoenix office collected this month. Mangan wouldn't provide details about where they were found and where they were headed. The ATF is still investigating the incident, he said.

-----Original Message-----

From: Carroll, Carson W. [mailto:]

Sent: Wednesday, December 19, 2007 5:11 PM

To: Thiemann, Robyn (OLP)

Cc: Kaplan, P. Sam; Hoover, William J.; Carter, Ronnie A.; Zammillo, James A., Sr.; Stucko, Audrey M.

Subject: FW: US/Mexico Firearms Trafficking

Robyn,

HOCR ATF - 001900

See Attached. We can provide additional details regarding trace information if needed.

Carson

HOGRA ATF - 001901

Exhibit 233

Exhibit 233

U.S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives

ATF Operational Plan

Case Number 785085-08-0057	Field Office/Group Tucson Group II	Case Agent Brandon Garcia
Briefing Date and Time 08/09/08 and 08/10/08 0900	Operation Date and Time 08/09/08 and 08/10/08 0930	Staging Area Date and Time 08/09/08 and 08/10/08 0920
Staging Area Location RC-5		
Type of Operation RC-3		
Target Location/Assessment		
Address TUCSON EXPO CENTER 3750 E IRVINGTON ROAD, TUCSON, AZ		Telephone Number (520) [REDACTED]

Description and GPS Coordinates (If applicable)

The target location is the Tucson Expo Center, Tucson, AZ. Primary target location: McMann's Roadrunner Gun Show (take Ajo Way West, turn right onto Alvernon South and turn left on Irvington Road, immediately turn left into Expo Center parking lot [GPS: Lat/ 32.09.41.90 N, Lon/ -110.54.44.25 W])

RC-3

Occupants

Various vendors, to include federal firearms licensees (FFL's), and the general public

Operation Objectives

- 1.) Team members will proceed to Tucson Expo Center and move to assigned locations.
- 2.) Team members will locate, identify and surveil targets from gun show to a final destination.

There is no intel that the identified subjects will be at the Roadrunner Gun Show on Saturday or Sunday.

Neither MEDRANO nor RAMOS are prohibited from purchasing or possessing firearms.

The objective of the surveillance is to determine if MEDRANO and RAMOS are trafficking the firearms to Mexico. An attempt will be made to identify all parties involved in the trafficking ring if one exists. This surveillance is designed for intelligence gathering on a possible trafficking organization to determine the modes of operation for the organization.

HOCR DOJ 006600
ATF Form 3210.7
Rev. 10-1-2005

Case Background

On May 17, 2008, at a Phoenix gun show, Jesus MEDRANO purchased two (2) AR-15 rifles from the FFL at Maddawg Global Marketing (FFL) and Hernan RAMOS purchased one (1) AR-15 from the same FFL.

On May 18, 2008 at the same gun show, Alejandro MEDRANO, Jesus MEDRANO'S brother, purchased two (2) AR-15 rifles from the same FFL.

On May 20, 2008, Alejandro MEDRANO contacted the FFL by phone and purchased eight (8) AR-15 rifles from the FFL. MEDRANO was accompanied by Hernan RAMOS and MEDRANO was driving Hernan RAMOS' vehicle. ATF Agents and TPD Officers conducted surveillance of the purchase. MEDRANO and RAMOS advised the FFL they were driving back to Phoenix but the individuals instead drove to the south side of Tucson and began driving erratically before the surveillance was discontinued due to the risk of compromising the investigation.

On May 23, 2008, Alejandro MEDRANO contacted the FFL and subsequently placed an order for ten (10) AR-15 rifles to be purchased on May 30, 2008. The meetings and phone calls have been recorded and MEDRANO has not made any statements to confirm that the firearms are being trafficked to Mexico or that they are being purchased for another individual.

TECS checks indicate Alejandro MEDRANO and Hernan RAMOS frequently cross the Port of Entry at Douglas, AZ and have crossed near the same times they have told the FFL they were in Phoenix. RAMOS' vehicle is registered to an address in Douglas, AZ.

Based on the types and quantities of firearms MEDRANO and RAMOS are purchasing, it is anticipated that the individuals are trafficking the firearms to Mexico, however, it has not been confirmed by surveillance or statements made by the purchasers. The medical transport vehicle will be the OSC's GOA. The OSC will make the determination on any injury whether to activate EMS or to transport direct to the nearest medical facility.

Tactical Plan (Synopsis)

Agents and officers will conduct surveillance on above described subjects and vehicles from various vantage points [parking structures, entrances/exits, etc]. Agents and officers will monitor movement and firearms purchases. Following any purchases, agents and officers will conduct surveillance on the vehicle and the individuals in an attempt to determine the firearms final destination.

Surveillance will stay with the firearms if they are transferred to additional individuals.

RC-3



It is not anticipated, but if a traffic stop is required, TPD will coordinate the stop if in the Tucson City limits. If outside the city limits, SA Garcia will coordinate with the appropriate department.

If determined that the target vehicle intends to cross into Mexico, SA Garcia will coordinate with Mexican law enforcement to continue the surveillance into Mexico.

If Mexican authorities are unable to respond, SA Garcia will coordinate a stop on the identified vehicle at the Port of Entry into Mexico by US Customs and Border Protection officers.

No enforcement activity is anticipated in the gun show venue. Gun Show security is not aware of this operation.

Exhibit 234

Exhibit 234

To: Gillett, George T. Jr. [RC-1]
Cc: Garcia, Brandon M. [RC-1]
From: Higman, Chuck
Sent: Tue 8/12/2008 8:15:48 PM
Subject: RE: ICE Timeline
 FW: southbound op.msg

Brandon; thanks for the below; Geo, his info is consistent w/ my recollection of the course of events.

- on or about Fri., 08/01 SA Garcia, based on information recd from [RC-4] proposed an op for the weekend of 08/09-10/2008. [RC-4] there was a gun show on the identified weekend at Tucson wherein it was likely that a subject of interest and/or a number of persons would attend who are suspected of "straw" purchasing and trafficking firearms from Tucson and other AZ locations to Mexico.

- on Mon., 08/04 SA from this ofc along w/ TPD SID detectives and officers went to Mesa/Phx to conduct surveillance of identified persons, locations and vehicles. [RC-3]
 [RC-3]

- on the morning of Tues., 8/05, I met w/ SA Garcia and Maynard regarding the surveillance and proposed weekend activity. I asked that an Operations Plan be developed by that afternoon and that the plan needed Phx approval no later than COB Weds. 08/06. SA Maynard, having first discussed and recd concurrence w/ DTA Tanabe, provided me the op plan for my review.

- on Weds., 8/06 I discussed proposed op w/ ASAC Gillett and recd approval / concurrence for action as noted. I asked Garcia and Maynard to make appropriate contact and coordination w/ the POE and w/ ICE personnel.

- on Fri., 08/08/2008, I was advised by SA Garcia and Maynard that contact and coordination had been made w/ CBP, ICE and the USAO.

- during the mid-morning, I conducted an in person brief w/ assigned AUSA Marlowe (who had been briefed re the proposed activity by SA Garcia on 08/06), and S/AUSA Al Kleiner. I fully vetted all the proposed activity including the potential of both an outbound stop and the coordination w/ the Mexican authorities. As part of that mtg., I participated in a conference call w/ GS Juan Mariscal of ICE, wherein I again discussed the potential of both an outbound stop and the coordination w/ the Mexican authorities. I don't remember if Mariscal offered to coordinate w/ the Mexican authorities, but I do recall advising all that coordination w/ CBP was being completed by my office and that the coordination w/ the Mexican authorities was being conducted by the ATF Border Liaison rep (SA Wall). The USAO concurred w/ the proposed activity and GS Mariscal advised that ICE would support this op.

- on 08/08 at approx. 4:30 I spoke to SA Garcia who related the content of a contact w/ GS Mariscal. He further advised that in an effort to assuage Mariscal's concern, he again contacted CBP and recd assurance of concurrence and coordination by CBP command. I agreed to forward a copy of the proposed op to CBP the following morning (attached).

- w/in a few minutes of that contact I spoke to S/AUSA Kleiner who advised that he had just spoken to GS Mariscal who advised that there was ICE concern w/ the proposed op. Kleiner advised that he attempted to assuage ICE concerns by noting that ATF has done these ops previously, that coordination w/ concerned entities had been completed and that his office continued to support the op. I again spoke to Kleiner after the below contact w/ GS Mariscal.

- on 08/08 at 5:24pm, I spoke to GS Mariscal who advised that ICE would not support the concept of letting guns "walk" to Mexico. I again advised of the planning and concurrence by ATF Phx, and I advised Mariscal of the potential for the Mexican cooperation. I advised that ATF would only allow the firearms to transit to Mexico if the ATF Border Liaison recd assurance from Mexico of their intent to proceed - that I

HOCR DOJ 006656

would direct an outbound stop if I was advised that the Mexican authorities would "try," or "might" be able to assign resources. GS Mariscal advised that he wanted to support the ATF initiative but that he was being ordered to stand down pending further ICE review.

- on 08/09, at or about 8:30am, I directed an op briefing near the surveillance target location. That brief was attended by numerous ATF and TPD personnel and by two ICE SA. Within a short period of time after, I sent the email to CBP command and later recd a follow-up cell contact w/ the Douglas POE port director who verbally advised of their concurrence.

I subsequently recd numerous telephone contacts from GS Mariscal who advised of the continued non-support of the proposed activity by ICE, and from S/AUSA Kleiner who related that ofc's continued concurrence.

I contacted and spoke to ASAC Gillett, and provided him the (ICE ASAC) Angel Rascon's telephone number.

Pursuant to ASAC Gillett's agreement w/ ASAC Rascon, I directed discontinued cooperation w/ the Mexican authorities. I participated in a conference call w/ Mariscal and Kleiner wherein I related the decision making process, and I directed both SA Garcia and Sgt. Fuller, TPD accordingly.

-----Original Message-----

From: Garcia, Brandon M.
Sent: Tuesday, August 12, 2008 11:50 AM
To: Gillett, George T. Jr.
Cc: Higman, Chuck
Subject: RE: ICE Timeline

Hello Sir. Below is a summary of events that took place prior to, including, and following the operation on 8.9.08. Attachments include email traffic with ICE in reference to the operation. The email traffic was on Wednesday, 8.6.08. The second and third attachments are in reference to the op plan I sent to ICE and their response.

Prior to the email traffic, on 8.4.08, I contacted Jose Wall ATF and asked if he thought he could get in contact with the Mexican authorities and ask them to assist with a possible surveillance of firearms being trafficked to Agua Prieta, Mexico over the weekend. SA Wall stated he would contact them and ask. SA Wall stated he thought it was a good possibility. I then contacted SA Metzler with ICE and advised him of the op scheduled for the next weekend. I advised SA Metzler of the plan to let the firearms walk to Mexico with the agreement that the Mexican authorities would conduct surveillance of the subjects once they crossed into Mexico in an attempt to locate the "drop house" and possibly the "money guy" in Agua Prieta Mexico. SA Metzler stated he had personal issues toward the latter part of the week and the weekend but would run it by his supervisor and see if they could provide assistance. I advised SA Metzler that if the Mexican authorities would not be able to assist, the plan would be to conduct an outbound stop on the vehicle at the POE. I advised SA Metzler that if they could not provide assistance, I would contact the POE personally and set up the outbound (if needed) in which ICE could tack on the export charges at a later date. SA Metzler stated he understood our plans and said he would get back to me. Several minutes later, SA Wall confirmed that the Mexican authorities were anxious to assist with the operation.

8.6.08- see attachments

I don't recall exactly when, but I believe it was 8.7.08, I received a call from ICE Agent Matt Lowry stating he and another agent would be able to assist with the surveillance. He stated that they received the op plan and also generated their own op plan. He was advised of the briefing time and location.

HOCR DOJ 006657

At 4:30pm on Friday 8.8.08, I received an urgent message from ICE supervisor Juan Mariscal that stated it was imperative that I call him ASAP as he "just realized" we intended on letting the firearms cross the border into Mexico and that I needed POE supervisor approval to let the firearms go through the POE. I immediately returned Mariscal's call and was advised that his SAC just contacted him and said they did not agree with our plan to let the Mexican's assist with the surveillance without Port approval. Juan Mariscal stated he did not look at our op plan but just included it with their op plan when it was submitted for approval. Juan Mariscal stated if we did not get approval immediately then they would not be able to assist ATF with the operation. I stated I understood and advised him I would contact one of the Douglas POE commanders that I knew.

I then contacted RC-1 [REDACTED] with CBP and advised him of the operation that was planned and stated that the ICE supervisor stated I needed Port approval to allow the firearms to cross the border into the Mexican authority's hands. I also asked that if we did not feel comfortable with the Mexican authorities being in place, then it was anticipated that we would take the firearms off in an outbound stop.

RC-1 [REDACTED] advised me he just so happened to be playing golf with Director of CBP Field Ops (who would ultimately make the decision) and he would ask the Director. A few minutes later, RC-1 [REDACTED] contacted me and stated the Director did not have a problem with the operation and just asked that RAC Higman send an email to the Port Commander that would be working at that time with the Op Plan attached. I asked if the email could be sent the following morning in which he stated "yes". RAC Higman sent the email the following morning.

I then contacted ICE supervisor Juan Mariscal and advised him that Director Higginson approved the operation through the port. Juan Mariscal was obviously disappointed that I received approval so quickly and simply stated "I will call you back". I did not hear back from Mariscal but did hear from RAC Higman that he had been in touch with Juan Mariscal and it seemed as though the operation was still going as planned.

On 8.9.08 the briefing went as scheduled with ICE agents present in which the plan was stated just as it was in the op plan. Jose Wall also confirmed that the Mexican authorities were on "stand-by" in Agua Prieta awaiting our phone call and a status update.

Approximately two hours later I was contacted by RAC Higman and advised that the plan was now being changed to conduct an outbound stop on the vehicle. Shortly thereafter, ICE agents on surveillance came across the radio and stated that CBP was going to set up outbound stops at every port in Arizona.

I then contacted SA Wall and advised him that he could call the Mexican authorities off as we were now going to do an outbound stop. SA Wall contacted the Mexican authorities and advised them that we would not need their assistance any further. According to SA Wall, the Mexican authorities were extremely upset and did not appreciate us having them travel to Agua Prieta and then deciding we were not going to proceed as planned. The Mexican authorities, however, stated they would stand by just in case the vehicle made it through the port. The suspects did not arrive at the gun show.

Following the surveillance on 8.9.08, I contacted CBP Commander RC-1 [REDACTED] and advised that the suspects did not show up at the gun show and the operation was concluded for the day but would resume the following day. RC-1 [REDACTED] stated he had heard ICE was not pleased with the plan. I did not elaborate with any details, but I was assured that if we needed CBP's assistance in the future that we were more than welcome to contact them at any time.

This concludes all of my knowledge and involvement associated with this past weekend as I flew out for training on Sunday morning.

Brandon Garcia
ATF Special Agent
Tucson II Field Office
Desk: RC-1 [REDACTED]
Cell: RC-1 [REDACTED]

HOCR DOJ 006658

Fax: **RC-1**

-----Original Message-----

From: Gillett, George T. Jr.
Sent: Tuesday, August 12, 2008 11:04 AM
To: Higman, Chuck; Garcia, Brandon M.
Subject: RE: ICE Timeline

Thank you, Gentlemen.

George T. Gillett
Assistant Special Agent in Charge
ATF-Phoenix Field Division
Office: **RC-1**

-----Original Message-----

From: Higman, Chuck
Sent: Tuesday, August 12, 2008 9:57 AM
To: Garcia, Brandon M.
Cc: Gillett, George T. Jr.
Subject: FW: ICE Timeline

Brandon; per see the below. I recognize that you are in Houston this week for training, pls take a few minutes pursuant to your receipt of this email. I will be out of the office beginning tomorrow, I ask that you complete and direct your response to the ASAC. I will forward my response later today, and will cc you with my recollection of my actions.

I am particularly interested in your telephone exchange w/ Memmo early last week wherein you provided notification of our intended action, and when we forwarded the Op plan. pls cc me with your response.

regards

-----Original Message-----

From: Gillett, George T. Jr.
Sent: Tuesday, August 12, 2008 8:31 AM
To: Higman, Chuck; Wall, Jose T.
Cc: Newell, William D.
Subject: ICE Timeline

Gentlemen -

SAC Newell has a meeting scheduled with the new ICE SAC Matt Allen regarding the events of this past weekend.

Please get with SA Garcia and complete a timeline of events showing who was involved with the planning of this operation, who knew what when. Please attach copies of e-mails, etc., and please be specific. I do not want to have the SAC to have to respond to any of ICE's questions, "I don't know". Hopefully, this meeting will prevent any of these types of incidents from happening again.

I will add my piece to the timeline and provide it to the SAC.

Pleasr have this completed and forwarded to me by 5:00 PM on Thursday.

Thank you,

HOCR DOJ 006659

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Office: RC-1

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HOCR DOJ 006660

Exhibit 235

Exhibit 235

From: Newell, William D.
Sent: Tuesday, August 12, 2008 12:35 AM
To: Gillett, George T. Jr.
Subject: Fw: Meet

He's claiming they were never informed. I want this clarified before he and I meet. I want the "who, when, what" questions answered.

Bill Newell
 Special Agent in Charge
 Phoenix Field Division
 [REDACTED]

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From: Newell, William D.
To: 'matthew.c.allen' [REDACTED]
Sent: Tue Aug 12 00:33:44 2008
Subject: Re: Meet

I'm free in the afternoon of Tuesday the 19th. I need to get some clarification from my folks tomorrow because I was told that your folks were aware of the plan to allow the guns to cross, in close cooperation with both our offices in Mexico as well as Mexican Feds. It might be worthwhile to have ASACs meet to clarify before our meeting. I will tell my ASAC to reach out to the one he dealt with in Tucson first thing tomorrow.

Bill Newell
 Special Agent in Charge
 Phoenix Field Division
 [REDACTED]

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From: Allen, Matthew C
To: Newell, William D.
Cc: Crocker, Richard L
Sent: Tue Aug 12 00:12:45 2008
Subject: Meet

Bill,

I have reported and wanted to check in with you to see if you are available early next week to meet with me and DSAC Rick Crocker from the Tucson office.

One of Rick's groups worked with your guys over the weekend on a surveillance operation at a Tucson gun show. While we had both met in advance with the USAO, our agents left that meeting with the understanding that any weapons that were followed to the border would be seized. On Friday night, however, our agents got an op plan that stated that weapons would be allowed to go into Mexico for further surveillance by LEAs there.

This would be a very sensitive undertaking if this were to be done. Since this hadn't been discussed in advance and we had not had an opportunity to coordinate with our Attache in Mexico, we balked at the plan. The agents in Tucson were able to work it out over the weekend with the understanding that we would sit down to work out a long term way of dealing with these kinds of scenarios beyond this case.

Let me know how your schedule looks anytime on Tuesday the 19th and we can sit down to discuss this.

Regards,

Matt

Matthew Allen
Office of Investigations
[REDACTED] - cell

Exhibit 236

Exhibit 236

From: Zicha, Marjorie L.
Sent: Wednesday, March 16, 2011 3:08 PM
To: Gillett, George T. Jr.
Subject: RE: F/F Summary Chart

George



F&F Summary.xlsx

Attached is the updated firearms recovery chart that cites the following.

- Indicted targets that purchased firearms
- Date targets were entered into N-Force (identified)
- Number of firearms purchased prior to date of entry
- Number of firearms purchased after date of entry
- Number of firearms purchased after date of entry and recovered in the U.S.

Please advise if you have any questions or require additional information.

Additionally, IRS Ramos is preparing a similar chart for the Operation Wide Receiver investigation. This chart is expected to be completed today.

Marjorie Zicha - Senior IRS
 Acting Intel Group Supervisor

- Direct
 - Mobile
 - Fax

-----Original Message-----

From: Gillett, George T. Jr.
Sent: Wednesday, March 16, 2011 7:07 AM
To: Zicha, Marjorie L.
Subject: Fw: F/F chart

Pls see the SAC's comments.

George T. Gillett
 ASAC - Phoenix Field Division
 Cell: [REDACTED]

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----- Original Message -----

From: Newell, William D.
To: Needles, James R.; Gillett, George T. Jr.
Sent: Wed Mar 16 08:57:11 2011
Subject: F/F chart

Did Marge finish the F/F chart showing a breakdown of how many of the 1318 guns we seized? Also, the Wide Receiver chart? Need them asap. Thanks

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F&F Summary.xlsx

Exhibit 237

Exhibit 237

6/14/2011

785115-10

Indicted targets (Purchasers)		Date identified (entered) in investigation	Firearms purchased before target was identified (entered) in investigation	Firearms purchased after target was identified (entered) in investigation	TOTALS	Firearms recovered in U.S. after target was identified (entered) in investigation
Jaime	AVILA	11/25/09	5	47	52	5
Erik	AVILA DAVILA	06/28/10	10	2	12	2
Julio Jose	CARRILLO	03/24/10	35	6	41	3
Alfredo	CELIS	12/10/09	35	99	134	52
Manuel	CELIS-ACOSTA	12/18/09	1	0	1	1
Jacob	CHAMBERS	11/16/09	36	37	73	0
Jonathan	FERNANDEZ	08/10/10	20	29	49	9
Dejan	HERCEGOVAC	11/25/09	26	6	32	1
Jacob	MONTELONGO	01/28/10	8	101	109	2
Josh	MOORE	11/19/09	39	102	141	5
Danny	MORONES	08/04/10	27	0	27	17
Uriel	PATINO	11/20/09	59	661	720	99
Jose	POLANCO	11/25/09	3	0	3	0
Francisco	PONCE	07/21/10	41	0	41	0
Sean	STEWART	12/09/09	62	228	290	54
			407	1318	1725	250

A/GS Phoenix FIG

HOGRA ATF - 001479

Exhibit 238

Exhibit 238

[REDACTED]

From: Newell, William D.
Sent: Wednesday, January 06, 2010 7:00 AM
To: Gillett, George T. Jr.
Subject: LPR use

Have we explored using LPRs in Hope's case? Possibly outside the auto body shop and linked with LPRs southbound on I-19 and westbound on I-10 and I-8?

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

Cell: 602-[REDACTED]

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Exhibit 239

Exhibit 239

From: Newell, William D.
To: McMahon, William G.
Sent: 1/27/2011 8:22:29 PM
Subject: Fw: Avila purchase ROI
Attachments: SKMBT_C25311012718130.pdf

This is the ROI which refers to Avila's purchase of the 3 AKs in January of 2010. As you can see it was due to an SA's following up on another straw purchaser's activity that we came across this info, 3 days after the sale. Buying 3 AKs does not rise to the level of initiating a criminal investigation especially when at that time we were not aware of Avila's role. It was after the fact when he started buying more guns and was seen with Patino that we considered him part of this same organization. After the sale.

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From: Voth, David J.
To: Newell, William D.
Sent: Thu Jan 27 20:14:50 2011
Subject: Avila purchase ROI

Exhibit 240

Exhibit 240

From: Voth, David J.
Sent: Monday, December 14, 2009 10:14 AM
To: Gillett, George T. Jr.
Subject: RE: Latest Trafficking Case

I just spoke with Hope and she stated she sent him the list last week, maybe are talking apples and oranges but according to SA MacAllister she sent Lorren what he requested last week...

Thanks,

Dave Voth

From: Gillett, George T. Jr.
Sent: Monday, December 14, 2009 6:45 AM
To: Voth, David J.
Cc: Zicha, Marjorie L.; Quinonez, Louis A.; O'Keefe, Kevin C.
Subject: Fw: Latest Trafficking Case
Importance: High

Dave -

Please coordinate with Intel and see if Marj can assist with this request.

Thanks.

George T. Gillett
 Assistant Special Agent in Charge
 ATF - Phoenix Field Division
 [REDACTED]

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From: O'Keefe, Kevin C.
To: Gillett, George T. Jr.
Sent: Mon Dec 14 08:03:51 2009
Subject: Latest Trafficking Case

George - I know my folks made contact last week while I was away from the office. DAD McMahon has tasked us with doing a link analysis on Hope's case, in order for him to brief AD Chait, who will in turn brief a DOJ Attorney on new SWB operational plans and use this case as an example. Sorry, if this word did not come down the field ops chain to you all.

My folks are under a time crunch, need to print out link analysis by tomorrow (Tuesday). They still need the Suspect Gun List that NTC provided Hope at the end of last week, in order to complete their chart. Can you please remind her to send it to Lorren Leadmon, Alex Kruthaupt and Kristen Lauffer? Much appreciated.

Call me if you have questions or concerns. [REDACTED] is cell.

Kevin O'Keefe
 Chief, Criminal Intel Div
 [REDACTED]

From: Leadmon, Lorren D.


HOCR ATF - 002275

Sent: Sunday, December 13, 2009 11:53 PM
To: O'Keefe, Kevin C.
Subject:

I HAVE NOT RECEIVED THE SUSPECT GUN LIST FROM PHOENIX WITH THE PURCHASERS NAMES IN ORDER TO COMPLETE YOUR REQUEST.

LORREN D. LEADMON
TEAM LEADER

Field Intelligence Support Team - Southwest Border
Bureau of Alcohol, Tobacco, Firearms and Explosives
Intelligence Operations Specialist



HOCR ATF - 002276

Exhibit 241

Exhibit 241

From: Gillett, George T. Jr.
Sent: Friday, December 04, 2009 10:46 AM
To: Knapp, Joshua G.
Cc: Newell, William D.; Voth, David J.
Subject: SA Hope MacAllister

Categories: F&F

Hello Josh –

Hope MacAllister is scheduled to attend medic tactical re-cert next week in El Paso, TX.

She is the case agent on a southbound firearms trafficking investigation that is being closely monitored by DAD McMahon (FO) and DAD Martin (OSII). We are anticipating significant investigative movement in the next 5-10 days and need Hope to be in Phoenix to coordinate the investigation.

Could she please be excused from re-cert and rescheduled to the March training to satisfy the re-cert requirement?

Thank you, and please contact me if you have any questions.

Exhibit 242

Exhibit 242

From: Gillett, George T. Jr.
Sent: Wednesday, February 10, 2010 10:58 AM
To: Voth, David J.
Cc: Needles, James R.; Newell, William D.
Subject: Fw: Synopsis of investigation

Dave?

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From: McMahon, William G.
To: Gillett, George T. Jr.
Cc: Newell, William D.
Sent: Wed Feb 10 10:57:04 2010
Subject: Re: Synopsis of investigation

Guys,

[REDACTED]

Also, anything new to report on this case? I have to brief Billy and the Director today.

Thanks,

Bill

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From: Gillett, George T. Jr.
To: McMahon, William G.
Cc: Newell, William D.; Needles, James R.; Voth, David J.
Sent: Tue Feb 09 11:45:35 2010
Subject: Synopsis of investigation
 Bill –

Per SAC Newell, I am forwarding a brief synopsis of an approved OCDETF investigation being conducted by Phoenix VII. The case agent is SA Hope MacAllister; the GS is David Voth.

[REDACTED]

Exhibit 243

Exhibit 243

From: McMahon, William G.
 Sent: Saturday, February 13, 2010 10:19:22 PM
 To: Newell, William D.
 Subject: Re: Fast and Furious update

10-4 thanks.

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----- Original Message -----

From: Newell, William D.
 To: McMahon, William G.
 Sent: Sat Feb 13 22:15:02 2010
 Subject: Fw: Fast and Furious update

This is the 700+ gun Strike Force case. Acosta RC-5
 Let's see how long it takes the gun to move, based on previous purchases not long. If the battery dies before it does moves south then we'll have to wait until it's seized to recover the tracker, if we ever do.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 RC-1

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----- Original Message -----

From: Gillett, George T. Jr.
 To: Newell, William D.
 Cc: Needles, James R.
 Sent: Sat Feb 13 20:58:31 2010
 Subject: Fast and Furious update

RC-3 a tracker was delivered today. The main straw purchaser bought the gun and the tracker indicates that it went directly to Acosta's residence.

RC-3

We'll advise if the gun moves south from this point.

George T. Gillett
 ASAC - Phoenix Field Division
 RC-1

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HOGRA ATF - 002523

Exhibit 244

Exhibit 244



U.S. Department of Justice

Bureau of Alcohol, Tobacco,
Firearms and Explosives

Assistant Director

Washington, DC 20226

701140:DCH
3264

MAR 1 2010

MEMORANDUM TO: Julie Wuslich
Chief, Electronic Surveillance Unit

FROM: Assistant Director
(Field Operations)

SUBJECT: Wire Communications Intercept Authorization

An affidavit prepared by Special Agent Hope MacAllister, of the Bureau of Alcohol, Tobacco, Firearms and Explosives, in support of an application for Authorization to Intercept Wire Communications, is attached for your review. The affidavit supports the authorization to intercept the wire communications of Manuel Fabian Celis-Acosta, [REDACTED], [REDACTED], Uriel Patino, Sean Christopher Steward, and other persons yet unknown over a cellular telephone identified as follows:

T-Mobile USA, Inc., cellular telephone assigned number (623) [REDACTED], bearing international mobile subscriber identifier (IMSI) number [REDACTED]. The phone is subscribed to and used by Manuel Celis, [REDACTED] North 75th Lane, Phoenix, Arizona.

The affidavit supports the authorization to monitor incoming and outgoing calls to and from this number.

Special Agent MacAllister's affidavit has been reviewed by our Chief Counsel and contains all the requirements deemed appropriate. We hereby request authorization to proceed with this matter. Should you have any questions, please contact Lisa Kincaid, Chief, Case Management Branch, Field Management Staff, at (202) [REDACTED].


Mark R. Chait

Attachment

Exhibit 245

Exhibit 245

From: Needles, James R.
Sent: Friday, August 06, 2010 5:16 PM
To: Newell, William D.
Subject: RE: Cases ready for indictment

10-4, I'll have a complete list of GRIT cases presented to the USAO for you later today.

From: Newell, William D.
Sent: Friday, August 06, 2010 1:52 PM
To: Needles, James R.
Subject: Fw: Cases ready for indictment

Have Lee Ann or Mary set up a VTC with HQ for the 17th brfing with Dennis. If Dave has a PowerPoint presentation then he'll need to send to HQ so the VTC folks can upload for the conference call. Thanks

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

RC-1

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From: McMahon, William G.
To: Newell, William D.
Sent: Fri Aug 06 16:40:44 2010
Subject: RE: Cases ready for indictment

We can talk next week but I might like to listen in on that brief. Thanks.

From: Newell, William D.
Sent: Friday, August 06, 2010 4:39 PM
To: McMahon, William G.
Subject: Re: Cases ready for indictment

I'm having GS Dave Voth (Phoenix Grp VII Strike Force) brief the USA ref Fast/Furious at 2pm Pacific on the 17th. You want to VTC in?

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

Cell: RC-1

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From: McMahon, William G.
To: Newell, William D.
Sent: Fri Aug 06 16:19:32 2010
Subject: RE: Cases ready for indictment

10-4 Bill. That is great news about the cases regarding GRIT in Tucson and Phoenix. We can talk next week at the SAC Conference but what are our plans between now and October on Fast/Furious?

HOCR ATF - 002739

William G. McMahon
Deputy Assistant Director (West)
Office of Field Operations
Office - RC-1

From: Newell, William D.
Sent: Friday, August 06, 2010 3:40 PM
To: McMahon, William G.
Subject: Fw: Cases ready for indictment

We are putting together about R cases, these from Tucson plus RC or so from Phoenix, for the proposed GRIT press conference scheduled for the 26th. We would have about RC cases from Phoenix but roughly half of the straw purchaser cases we already have USAO approval to indict are tied directly to the RC-5 case. I'm having all of these put together in one document for you. Also, as per the USAO, Fast/Furious will be ready for indictment in early October. There will be two phases, in phase one the main players - approx RC-5 will be arrested followed in phase two by approx lesser involved RC-5 straw purchasers. More to follow.

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)
Cell: RC-1

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From: Gillett, George T. Jr.
To: Needles, James R.
Cc: Newell, William D.
Sent: Fri Aug 06 13:09:53 2010
Subject: FW: Cases ready for indictment

Jim -

Per our discussion, here are the cases that are pending or able to be forwarded to the USAO for indictment in support of the GRIT press conference.

George T. Gillett
Assistant Special Agent in Charge
ATF - Phoenix Field Division
Office: RC-1

From: Nallin, Michael T.
Sent: Thursday, August 05, 2010 5:09 PM
To: Gillett, George T. Jr.
Subject: Cases ready for indictment

Tucson I Cases

RC-2



HOCR ATF - 002740

Exhibit 246

Exhibit 246

From: Newell, William D.
Sent: Friday, January 28, 2011 7:01 PM
To: Gillett, George T. Jr.
Subject: Fw: Contact with SA Dodson

George, as discussed please generate a detailed overview of your last conversation with SA Dodson but also include the earlier conversations from today. I authorize you to use your home computer to do this instead of your BlackBerry. Thank you

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----- Original Message -----

From: Newell, William D.
To: McMahon, William G.
Sent: Fri Jan 28 20:20:59 2011
Subject: Re: Contact with SA Dodson

Gillett just talked to him and asked him 3 times to answer the question "Did you release ANY documentation to anyone regarding this case?". Dodson refused to answer even when given 3 separate direct orders to do so from Gillett.

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----- Original Message -----

From: McMahon, William G.
To: Newell, William D.
Cc: Chait, Mark R.
Sent: Fri Jan 28 20:13:30 2011
Subject: Re: Contact with SA Dodson

10-4 Bill. We need details of what he has done tonight.

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----- Original Message -----

From: Newell, William D.

To: McMahon, William G.

Sent: Fri Jan 28 20:04:38 2011

Subject: Contact with SA Dodson

May have to go pay him a visit tonight because he's not answering any of his contact #s.

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Exhibit 247

Exhibit 247

From: Breuer, Lanny A. [REDACTED]
Sent: Sunday, December 06, 2009 10:33 PM
To: Melson, Kenneth E.; Chait, Mark R.
Subject: Re: Weapons seizures in Mexico

Ken, Absolutely. Will do. See you soon. Lanny

From: Melson, Kenneth E. <[REDACTED]>
To: Breuer, Lanny A.; Chait, Mark R. <[REDACTED]>
Sent: Sun Dec 06 18:04:57 2009
Subject: Re: Weapons seizures in Mexico

Lanny: this is exiting. Have the trial attorney contact Mark Chait who is the AD for Field Operations. I have cc'd him on this email. Look forward to talking with you soon. Ken

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From: Breuer, Lanny A.
To: Melson, Kenneth E.
Cc: Siskel, Edward N. (ODAG) (SMO) ; Hoover, William J.; Weinstein, Jason ; Rosen, Paul ; Raman, Mythili ; Fagell, Steven
Sent: Fri Dec 04 10:17:46 2009
Subject: RE: Weapons seizures in Mexico

Ken,

We think this is a terrific idea and a great way to approach the investigations of these seizures. Our Gang Unit will be assigning an attorney to help you coordinate this effort. Please let us know who will be the POC at ATF on this, and we'll have the Gang Unit folks reach out to that person. I would love to see you to discuss this further and other issues or common interest. I hope you are well.

Best,

Lanny

From: Melson, Kenneth E. [REDACTED]
Sent: Thursday, December 03, 2009 5:46 PM
To: Breuer, Lanny A.
Cc: Siskel, Edward N. (ODAG) (SMO); Hoover, William J.
Subject: Weapons seizures in Mexico

Lanny: We have decided to take a little different approach with regard to seizures of multiple weapons in Mexico. Assuming the guns are traced, instead of working each trace almost independently of the other traces from the seizure, I want to coordinate and monitor the work on all of them collectively as if the seizure was one case. Using the traces as intelligence, and compiling the information from each trace investigation, we can connect the purchases, identify the traffickers and use more serious charges against them. The intelligence analysis and linking of trace data and investigation results will be done at HQ out of our intelligence directorate. I would like to see if you have any interest in assigning a criminal division attorney to work with that group to develop multi-division/district cases and perhaps go to the district with the best venue to indict the case. The level of activity will depend on the number of Mexican seizures, and whether they will trace the guns, or allow us to do it. We do seem to be making progress with our Mexican partners. We are currently working on a case with SSP which might lead us to the first joint arrest in Mexico of a person connect to US arms trafficking. We should meet again just to catch up on where we are in our gun trafficking issues and we could talk about the above idea as well. Let me know what you think. Thanks. Ken.

HOCR ATF - 001985

Exhibit 248

Exhibit 248

RC-1 [REDACTED]

From: Weinstein, Jason
Sent: Sunday, December 06, 2009 11:03 PM
To: Carwile, Kevin; Trusty, James
Subject: ATF idea on weapons seizure investigations

AD Mark Chait will be the POC on the ATF request to have a CRM atty help coordinate weapons seizure investigations. Lanny is very eager to have a GU person hook up with him on this initiative. Thx

Jason M. Weinstein
Deputy Assistant Attorney General
Criminal Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Office: RC-1 [REDACTED]
Cell: RC-1 [REDACTED]

Exhibit 249

Exhibit 249

From: MacAllister, Hope A.
Sent: Thursday, December 17, 2009 2:24 PM
To: English, Tonya A.; Medina, Jose L.
Subject: FW:
Attachments: organization.anb

From: Leadmon, Lorren D.
Sent: Thursday, December 17, 2009 12:05 PM
To: Voth, David J.; MacAllister, Hope A.
Cc: Zicha, Marjorie L.; Kruthaupt, Alex J.; Lauffer, Kristen E
Subject:

David/Hope- Here is the i2 chart that AD Chait requested in reference to your case (he has 2 others from other FD's). He will be given this and the other 2 cases at 3:00 PM by my Division Chief, Kevin O'Keefe and Ray Rowely of Field Ops and I believe that FO DAD and OSII DAD may be participating.

LORREN D. LEADMON
TEAM LEADER

Field Intelligence Support Team - Southwest Border
Bureau of Alcohol, Tobacco, Firearms and Explosives
Intelligence Operations Specialist

HOCR ATF - 001887

Exhibit 250

Exhibit 250

RPTS MERCHANTDCMN HOFSTAD

COMMITTEE ON OVERSIGHT AND
GOVERNMENT REFORM,
U.S. HOUSE OF REPRESENTATIVES,
WASHINGTON, D.C.

INTERVIEW OF: STEPHEN MARTIN

Wednesday, July 6, 2011

Washington, D.C.

The interview in the above matter was held in Room 2247, Rayburn
House Office Building, commencing at 10:00 a.m.

Appearances:

For the HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM:

STEVE CASTOR, CHIEF COUNSEL, INVESTIGATIONS

ASHOK M. PINTO, DEPUTY CHIEF COUNSEL, INVESTIGATIONS

CARLTON DAVIS, COUNSEL

HENRY J. KERNER, COUNSEL

SCOTT LINDSAY, MINORITY COUNSEL

JUSTIN KIM, MINORITY PROFESSIONAL STAFF

For the SENATE COMMITTEE ON THE JUDICIARY:

JASON A. FOSTER, CHIEF INVESTIGATIVE COUNSEL

BRIAN M. DOWNEY, INVESTIGATOR

MATT VIRKSTIS, MINORITY SENIOR COUNSEL

For the U.S. DEPARTMENT OF JUSTICE:

MOLLY GASTON, ATTORNEY ADVISOR, OFFICE OF LEGISLATIVE AFFAIRS

For MR. MARTIN:

GREG SERRES, DEPUTY CHIEF COUNSEL, ATF

Q So you said you were writing down the number of guns that Mr. Patino bought, Mr. Steward had bought, and Mr. Moore had bought. Do you remember at this point how many guns had been purchased total?

A 685-ish.

Q 685.

A Something like that.

Q Okay. This seems like a fairly high number, is that fair to say?

A That's quite a few. That's fair.

Q Okay. So Mr. Leadmon and everybody left the room?

A Yes.

Q What happened next? What was the discussion that ensued?

A From my notes, I asked Mr. Chait and Mr. McMahon, I said, what's your plan? I said, what's your plan? And I said, hearing none -- and I don't know if they had one -- I said, well, you know, there are some things that we can do. Ray Rowley, who was the southwest border czar at the time, asked, how long are you going to let this go on?

BY MR. CASTOR:

Q This is in January 2010?

A January 5th, that meeting, that's correct. Ray has since retired.

So I said, well, here are some things that, you know, we might think of doing. And we had talked about this before, we'd brainstormed stuff, too, with Lorren. Lorren even talked about it. Kevin talked

about it. Kevin O'Keefe had done a lot of trafficking investigations in south Florida -- about identifying some weak straw purchasers, let's see who the weak links are, maybe the super young ones, the super old ones. Pole cameras, you know, put them up to see who is coming and going, to help you with surveillance. The aerial surveillance, the mobile surveillance, trackers. I said, you know, one of the first things I would do is think about putting trackers, to help me keep track of where they're going.

And I said, as far as going into Mexico, I said, have we thought about putting trackers on them and let them -- follow them into Mexico? Dan Kumor said, the Ambassador would never go for that. I said, okay, fine. I said, I'm not going to pursue that anymore, assuming that.

Had we thought about putting trackers on them and following them down to see where they're going across, to see where they go, who they're in contact with, and where they cross the border, we might find out something new and then, you know, interdict. And I got no response. And I wasn't asking for one. I was just, you know, throwing this stuff out.

Q You said this to who again, Mr. Chait?

A Mr. Chait, Mr. McMahon, Mr. Kumor. My boss was there, Jim McDermond, who agreed with me because we talked probably daily.

Q Did any of those folks step up at that time and say, "Oh, no, no, no. We've got another great plan in place"?

A No. No.

Mr. Davis. They were silent?

Mr. Martin. Yes. And I don't know if they had one. I mean, they could have. I don't know.

BY MR. CASTOR:

Q Do you remember if they were nodding their head, giving you any nonverbal cues that, you know, this sounds like a bright idea that you're suggesting?

A Not that I recall, no.

Q Or was it just like a blank look on their face?

A Just listening.

Mr. Kerner. Did you mention Hoover? Was he there, as well?

Mr. Martin. He was not.

So that continued. The tracker was a big thing because, you know, we had talked about trackers before, maybe a month prior, when I found out -- because, to me, that would be a common thing to do, try to put some trackers on stuff, especially if you have .50-cals going.

And I was trying to work with Kevin O'Keefe, and Kevin O'Keefe was trying to work with the ASACs through a side channel to try to get them to contact the people that we could get the trackers from to put on.

Somewhere during the meeting, Mr. Chait said that he had to go to another meeting, and he left. Mr. McMahon said that he had to go check some emails in a classified system, and he left. And then it was just the rest of us talking.

BY MR. DAVIS:

Q Do you feel that the other meeting, checking the emails on

me, you have five or six cartels. That's too many to go through. And the major one's Sinaloa. And that seems to be the one that we're getting a lot of traffic with, with Phoenix. So let's look at the strategy, how we would do investigations, attack the southwest border with the Sinaloa cartel.

So I tasked Ray Rowley, who is in the field ops chain, and Kevin to sit down and come up with some kind of strategy -- and Lorren also -- to how we could get with DEA, identify the structures of the DTO, Sinaloa cartel, who is the head and who the flow chart is so we could see who's who instead of when a gun pops up or a straw purchaser tells us about something, we don't know anything.

ATF doesn't. DEA may, because they have the information but we don't. So that was one task. The other task was, how can we -- rather than just prosecute one straw purchaser over time, how can we take information, how can we stretch it to use firearms to get into the DTOs to find connections in Mexico? So that was the whole purpose.

Q Okay.

A And that was me as an OSII trying to do that for a field ops. It wasn't our strategy. It was something that I could look and say, let's see if we can do this and see if it will fly. Now it took from -- that started, I think, in November, October, November, December of '09 -- I don't remember exactly -- and didn't get published until I think September of '10.

Q What do you mean, published?

A It didn't get put out. It wasn't a final product. So I do

know, and Ray Rowley would know a lot because he was a southwest border coordinator in the field ops and was very involved in it. And I know that he -- again, very outspoken on firearms down in Mexico. And up until the time he left and he retired, nothing happened with it. I think they were just sitting for a while. So -- and then finally in September, it was finalized. It was published and then emailed to the SACs and everybody else.

Exhibit 251

Exhibit 251

Subject: Weapons Seizures in Mexico w/Lanny Breuer
Location: Main DOJ - Room [REDACTED]

Start: 1/5/2010 10:00 AM
End: 1/5/2010 10:45 AM
Show Time As: Busy

Recurrence: (none)

Meeting Status: Accepted

Required Attendees: Breuer, Lanny A. (CRM); Hoover, William J.;
Chait, Mark R.; Kaplan, P. Sam

Optional Attendees: Beard, Jane (CRM); Zammillo, Theresa A.;
Graham-Wyatt, Nina

Resources: Main DOJ - Room [REDACTED]

UPDATED TIME CHANGE FROM 11:00 A.M TO 10:00 A.M. THANK YOU.

Exhibit 252

Exhibit 252

From: Champion, Robert R.
Sent: Thursday, February 25, 2010 12:25 PM
To: Chait, Mark R.; McMahon, William G.; Newell, William D.
Cc: Golson Sr., Michael A.
Subject: FW: Sandoval Investigation synopsis

FYI

Follow up from last night ref. the El Paso connection.

Robert R. Champion
Special Agent in Charge
U. S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Dallas Field Division
[REDACTED]

From: Flores, Oscar B.
Sent: Thursday, February 25, 2010 10:08 AM
To: Champion, Robert R.
Subject: RE: Sandoval Investigation synopsis

Mr. Champion,

[REDACTED]

[REDACTED]

From: Champion, Robert R.
Sent: Thursday, February 25, 2010 8:46 AM
To: Golson Sr., Michael A.; Flores, Oscar B.; Chisholm, Kenneth L.
Subject: FW: Sandoval Investigation synopsis

Oscar,

See the string of e-mails below and please get me the answer.

Thank you,

Robert R. Champion
Special Agent in Charge
U. S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Dallas Field Division
 [REDACTED]

From: Chait, Mark R.
Sent: Wednesday, February 24, 2010 9:21 PM
To: Newell, William D.; Champion, Robert R.
Cc: McMahon, William G.
Subject: Re: Sandoval Investigation synopsis

Were the guys in Texas the couriers ? Thanks
 Mark R. Chait
 Acting Assistant Director
 Field Operations

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From: Newell, William D.
To: Chait, Mark R.; Champion, Robert R.
Cc: McMahon, William G.
Sent: Wed Feb 24 22:17:21 2010
Subject: Re: Sandoval Investigation synopsis

These guns were purchased by our primary suspect in our OCDETF Strike Force case. It's the 900+ gun trafficking case. It's the same case we seized the 41 guns this past Saturday, [REDACTED]
 Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: [REDACTED]

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From: Chait, Mark R.
To: Champion, Robert R.; Newell, William D.
Cc: McMahon, William G.
Sent: Wed Feb 24 21:42:46 2010
Subject: Fw: Sandoval Investigation synopsis

Champ/Bill - do you know the connection to the Phoenix case and any subjects identified in Mexico? Thanks
 Mark R. Chait
 Acting Assistant Director
 Field Operations

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have received this transmission in error, please notify the sender by return e-mail and destroy this message in its entirety (including all attachments).

From: Hoover, William J.
To: Chait, Mark R.; Melson, Kenneth E.
Sent: Wed Feb 24 21:36:35 2010
Subject: Re: Sandoval Investigation synopsis

Mark,

Are we going any further with this investigation? Did we l'd the buyer in Mx? Etc.....

Billy
 William J. Hoover
 Assistant Director
 Bureau of ATF

(O [REDACTED])
 (C [REDACTED])

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From: Chait, Mark R.
To: Melson, Kenneth E.; Hoover, William J.
Sent: Wed Feb 24 21:02:44 2010
Subject: Fw: Sandoval Investigation synopsis

Ken - below are some details of the case involving the 40 firearms in Texas.
 Mark R. Chait
 Acting Assistant Director
 Field Operations

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From: Champion, Robert R.
To: Chait, Mark R.; McMahon, William G.; Webb, J. Dewey
Sent: Wed Feb 24 20:57:09 2010
Subject: Fw: Sandoval Investigation synopsis

FYI,

Here is the follow-up on the investigation with more detail.
 Let me know if you need anything else.

Thanks,

Robert R. Champion
 Special Agent in Charge

Dallas Field Division
 [REDACTED]

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From: Flores, Oscar B.
To: Champion, Robert R.
Cc: Golson Sr., Michael A.
Sent: Wed Feb 24 20:24:07 2010
Subject: RE: Sandoval Investigation synopsis

[REDACTED]

The Case agent subsequently learned that the firearms recovered were purchased by In individual identified as part of an on-going investigation being conducted by the Phoenix VII Field Office.

On 01/21/2010 All 40 Firearms were transported to the Department of Public Safety Laboratory in El Paso, Texas to be entered into the NIBIN system.

SANDOVAL was indicted on 02/10/2010 and is currently in custody awaiting trial.

From: Champion, Robert R.
Sent: Wednesday, February 24, 2010 5:46 PM
To: Flores, Oscar B.
Subject: Re: Sandoval Investigation

Oscar,

Can you provide me some more detail on the case.

Thank you,

Robert R. Champion
 Special Agent in Charge
 Dallas Field Division
 [REDACTED]

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From: Flores, Oscar B.
To: Golson Sr., Michael A.; Champion, Robert R.
Sent: Wed Feb 24 19:36:26 2010
Subject: Sandoval Investigation

Mr. Golson,

The case number for the investigation involving the 40 AK-47 type rifles that are currently being entered into NIBIN by the Department of Public Safety is 781035-10-0016

Let me know what additional information is needed.

S/A Oscar B. Flores
El Paso Field Office
OFC [REDACTED]
FAX [REDACTED]

Exhibit 253

Exhibit 253

From: Champion, Robert R.
Sent: Thursday, February 25, 2010 12:25 PM
To: Chait, Mark R.; McMahon, William G.; Newell, William D.
Cc: Golson Sr., Michael A.
Subject: FW: Sandoval Investigation synopsis

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Special Agent in Charge
U. S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Dallas Field Division
[REDACTED]

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Subject: RE: Sandoval Investigation synopsis

Mr. Champion,

[REDACTED]

[REDACTED]

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U. S. Department of Justice
Bureau of Alcohol, Tobacco, Firearms and Explosives
Dallas Field Division
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 Field Operations

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 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 Cell: [REDACTED]

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To: Chait, Mark R.; Melson, Kenneth E.
Sent: Wed Feb 24 21:36:35 2010
Subject: Re: Sandoval Investigation synopsis

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Are we going any further with this investigation? Did we l'd the buyer in Mx? Etc.....

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 William J. Hoover
 Assistant Director
 Bureau of ATF

(O [REDACTED])
 (C [REDACTED])

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 Acting Assistant Director
 Field Operations

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To: Chait, Mark R.; McMahon, William G.; Webb, J. Dewey
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Thanks,

Robert R. Champion
 Special Agent in Charge

Dallas Field Division
 [REDACTED]

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To: Champion, Robert R.
Cc: Golson Sr., Michael A.
Sent: Wed Feb 24 20:24:07 2010
Subject: RE: Sandoval Investigation synopsis

[REDACTED]

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SANDOVAL was indicted on 02/10/2010 and is currently in custody awaiting trial.

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Sent: Wednesday, February 24, 2010 5:46 PM
To: Flores, Oscar B.
Subject: Re: Sandoval Investigation

Oscar,

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Thank you,

Robert R. Champion
 Special Agent in Charge
 Dallas Field Division
 [REDACTED]

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To: Golson Sr., Michael A.; Champion, Robert R.

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Subject: Sandoval Investigation

Mr. Golson,

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Let me know what additional information is needed.

S/A Oscar B. Flores

El Paso Field Office

OFC [REDACTED]

FAX [REDACTED]

Exhibit 254

Exhibit 254

Chait, Mark R.

From: Chait, Mark R.
Sent: Saturday, July 10, 2010 7:08 PM
To: Newell, William D.
Cc: Vanderplow, Paul D; McMahon, William G.
Subject: Re: GRIT SA detailee extension request

Ok approved. Paul please cover for PFD. GRIT will still end as planned. Thanks Mark R. Chait Assistant Director Field Operations

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----- Original Message -----

From: Newell, William D.
To: Chait, Mark R.
Sent: Sat Jul 10 19:03:52 2010
Subject: Re: GRIT SA detailee extension request

11 total yes, 6 for the Strike Force where they have been an invaluable help on the Fast/Furious case, which we will be taking down. IOIs going home as scheduled.

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 [REDACTED]

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----- Original Message -----

From: Chait, Mark R.
To: Newell, William D.
Sent: Sat Jul 10 18:40:20 2010
Subject: Re: GRIT SA detailee extension request

So its 11 SAs for 30 days. Will we take down the F and F case during this time? Also will all IOIs be going home on schedule?

Mark R. Chait

Assistant Director
Field Operations

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----- Original Message -----

From: Newell, William D.

To: Chait, Mark R.

Sent: Sat Jul 10 18:16:35 2010

Subject: GRIT SA detailee extension request

I'm sending this to you because I just talked to Vanderplow and he thinks Bill is out early next week. He says he has SWB funds to cover this. The Strike Force SAs would be about \$36k and the others who want to extend would be about \$32k for a total of about \$68-69k. All have received their home office approval and I will clear with SACs. The issue I have is do you want to call this a GRIT extension, which technically ends August 6, or just a SWB detail? I don't care either way I just need these folks through mid-Sept, especially as we wind down the "Fast and Furious" case.

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

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----- Original Message -----

From: Newell, William D.

To: McMahon, William G.; Vanderplow, Paul D

Sent: Sat Jul 10 11:02:45 2010

Subject: GRIT SA detailee extension request

The following GRIT SAs, all currently detailed to the Phoenix Strike Force/Gunrunner group, have requested extensions. We desperately need them especially as we wind down the "Fast and Furious" case. All have cleared this extension with their respective RACs and I will clear with their SACs once I get your concurrence on funding.

Ali Berisha (Miami)

~~Kurt Meuris (Louisville)~~

Steven Campbell (Columbus)

Mike Brooks
(Columbus)

Eric Hoxter
(New Orleans)

Lori McLaughlin
(Dallas)

Also, 5 other SAs, assigned to Phoenix and Tucson have expressed a desire to stay but I would prioritize the Strike Force SAs as my first choice.

Bill Newell
Special Agent in Charge
ATF Phoenix Field Division (AZ and NM)
[REDACTED]

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Exhibit 255

Exhibit 255

Chait, Mark R.

From: Chait, Mark R.
Sent: Wednesday, July 14, 2010 4:17 PM
To: Siskel, Edward N. (ODAG) (SMO)
Cc: Hoover, William J.
Subject: Fw: SIR

Ed - this was one of two seizures last evening by our GRIT in Phoenix.
 I will also send you the other.

Mark R. Chait
 Assistant Director
 Field Operations

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----- Original Message -----

From: Significant Activity Report
To: SAR/SIR Message Delivery
Sent: Wed Jul 14 14:16:48 2010
Subject: FW: SIR

From: Voth, David J.
Sent: Wednesday, July 14, 2010 2:16:45 PM
To: Needles, James R.; Newell, William D.; Voth, David J.;
 Significant Activity Report
Subject: SIR
 Auto forwarded by a Rule

DEPARTMENT OF JUSTICE - BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND
 EXPLOSIVES SIGNIFICANT INFORMATION REPORT

DATE: July 14, 2010

FROM: Phoenix Field Division
 FIELD OFFICE: Phoenix VII Field Office

CASE INFORMATION

CASE NUMBER: 785115-10-
 CASE TITLE: CHAMBERS, Jacob, et al
 SPECIAL AGENT: Voth, David
 TELEPHONE NUMBER:

SYNOPSIS OF INCIDENT/ACTIVITY:

Recovery of 73 firearms and 250 AK-47 drum magazines.

NARRATIVE OF INCIDENT/ACTIVITY:

On July 13, 2010 Phoenix Police Department (PPD) [REDACTED] [REDACTED] Auto Service located at [REDACTED] [REDACTED], Phoenix, AZ [REDACTED] numerous firearms in a backroom [REDACTED] being "loaded up." The PPD Detective was aware of this ongoing ATF firearms trafficking investigation (Operation Fast and Furious) and coordinated with Phoenix Group VII agents. This business had previously been identified as being a related business for firearms trafficking activities as part of this investigation. ATF Group VII agents and PPD Detectives went to business to conduct an interview. They obtained consent and subsequently recovered 73 firearms; 20 - AK-47 variant rifles, 1 - Barrett .50 caliber rifle, 1 - AR-15 rifle, approximately 50 - semi-automatic pistols (mainly 9mm caliber), approximately 250 - 75 round drum magazines for 7.62 caliber rounds, as well as other various magazines and assorted ammunition.

The traces of the firearms indicate that many are recently purchased by known straw purchasers in this investigation. Some of the 9mm pistols appear to be used (secondary market) firearms and this recovery happens to coincide with the fact that was just a large Gun Show in Phoenix, AZ the previous weekend (July 9-11, 2010.) Additionally these 250 - 75 round drum magazines retail for over \$100 each.

\$200.00 each, which would be in excess of \$50,000.00 worth of magazines.

This recovery adds to the total of 169 firearms recovered in the previous 25 days by Group VII agents and GRIT agents assigned to Group VII as part of Southwest Border Firearms Trafficking investigations.

Exhibit 256

Exhibit 256

From: Newell, William D.
Sent: Tuesday, July 27, 2010 6:00 PM
To: Chait, Mark R.
Subject: RE: GRIT Closeout Media Opportunity

USA Burke said the Senate stripped the SWB supplemental?

Bill Newell
 Special Agent in Charge
 Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)
 Phoenix Field Division (Arizona and New Mexico)
 [REDACTED]

From: Chait, Mark R.
Sent: Tuesday, July 27, 2010 3:00 PM
To: Newell, William D.
Subject: RE: GRIT Closeout Media Opportunity

Let me check with the DD and get back..thx

Mark R. Chait
 Assistant Director
 Field Operations
 [REDACTED]

From: Newell, William D.
Sent: Tuesday, July 27, 2010 5:37 PM
To: Chait, Mark R.
Subject: Re: GRIT Closeout Media Opportunity

Just met with Arizona USA Dennis Burke. He's free the 26th (Thursday) so why don't you plan on flying into Phoenix Wednesday morning, address the All-Hands Wednesday afternoon and then do the press conference Thursday morning? You could fly back that afternoon. That work?

Bill Newell
 Special Agent in Charge
 ATF Phoenix Field Division (AZ and NM)
 [REDACTED]

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From: Chait, Mark R.
To: Newell, William D.
Cc: McMahon, William G.
Sent: Mon Jul 26 21:00:34 2010
Subject: Re: GRIT Closeout Media Opportunity

I like the idea, however the ATF awards ceremony is the 24th. Does the 25-26th work.
 Mark R. Chait
 Assistant Director

Field Operations

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From: Newell, William D.

To: Chait, Mark R.

Cc: McMahon, William G.

Sent: Mon Jul 26 18:51:36 2010

Subject: RE: GRIT Closeout Media Opportunity

We are planning on having our All-Hands the week of August 23-27. This division has not had one in over 7 years so they are due. We are still awaiting DOJ approval for the hotel but Paul thinks it's going to go through since we avoided all the issues that have delayed other approvals. Therefore, how about we do the press conference on Tuesday the 24th? That way you could come in on Monday and address the employees Tuesday morning before the press conference which we could hold around 1:00pm. I still need to coordinate with the USA though, he's going to want to participate and should. I'll advise as to his schedule asap.

Bill Newell

Special Agent in Charge

Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)

Phoenix Field Division (Arizona and New Mexico)

From: Chait, Mark R.

Sent: Monday, July 26, 2010 3:33 PM

To: Newell, William D.

Cc: McMahon, William G.

Subject: GRIT Closeout Media Opportunity

Bill – we would like to take advantage of the good work during the GRIT and plan a media event which would include DD Melson...I would like to get some ideas regarding the best way to showcase the good work. Consider the best date in August and any case that would highlight the initiative like Fast and Furious or others..Thanks

Mark R. Chait

Assistant Director

Field Operations

Exhibit 257

Exhibit 257

ME~~X~~

[REDACTED]

[REDACTED]

==

FD~~X~~FAST & FURIOUS

- 105 FIA PURCHASES SINCE 3/15/10. (3 BARRETT'S)
- STILL CASH \$9K EACH
- TRACKERS ON CARS x 2
- BOUGHT FN 5.7'S
- APPROXIMATELY \$1M IN CASH PURCHASES.

MONTENEGRO

& PATINO

STRATEGY ?

==

Exhibit 258

Exhibit 258

From: Hoover, William J.
Sent: Wednesday, August 04, 2010 2:34 PM
To: Melson, Kenneth E.; Siskel, Edward N. (ODAG) (SMO) (JMD)
CC: Chait, Mark R.; Michalic, Vivian B.; McMahon, William G.; Michalic, Mark (ODAG) (SMO) (JMD)
Subject: Significant Incident Report
Attachments: 50handleupedited.jpg

Ken and Ed,

Please see the following report from Phoenix re the seizure of a TNW, 50. Caliber, Semi-automatic rifle. I have attached a photo of which represents the rifle seized.

On August 3, 2010 as part of an ongoing Southwest Border Firearms Trafficking OCDETF^{RC-3} investigation being conducted by Phoenix Group VII agents seized a TNW, U.S. Government Model HB M2, 50 caliber semi-auto rifle. This firearm sells at retail for over \$12,000.00. This is the second TNW 50 caliber firearm recovered by ATF agents during and in relation to this investigation. This firearm constitutes a substantial increase on behalf of the organization both financially and with respect to firepower; this firearm must be fired mounted on a tripod or vehicle, fires belt-fed ammunition, weighs over 100 pounds and is over 5 feet long.

Billy

William J. Hoover
Executive Assistant Director
RC-1

HOCR ATF - 002688

Exhibit 259

Exhibit 259

RC-1

From: Breuer, Lanny A.
Sent: Friday, December 04, 2009 10:18 AM
To: Melson, Kenneth E. (ATF)
Cc: 'Siskel, Edward N. (ODAG) (SMO)'; 'Hoover, William J.'; Weinstein, Jason; Rosen, Paul; Raman, Mythili; Fagell, Steven
Subject: RE: Weapons seizures in Mexico

Ken,

We think this is a terrific idea and a great way to approach the investigations of these seizures. Our Gang Unit will be assigning an attorney to help you coordinate this effort. Please let us know who will be the POC at ATF on this, and we'll have the Gang Unit folks reach out to that person. I would love to see you to discuss this further and other issues or common interest. I hope you are well.

Best,

Lanny

From: Melson, Kenneth E. [mailto:RC-1]
Sent: Thursday, December 03, 2009 5:46 PM
To: Breuer, Lanny A.
Cc: Siskel, Edward N. (ODAG) (SMO); Hoover, William J.
Subject: Weapons seizures in Mexico

Lanny: We have decided to take a little different approach with regard to seizures of multiple weapons in Mexico. Assuming the guns are traced, instead of working each trace almost independently of the other traces from the seizure, I want to coordinate and monitor the work on all of them collectively as if the seizure was one case. Using the traces as intelligence, and compiling the information from each trace investigation, we can connect the purchases, identify the traffickers and use more serious charges against them. The intelligence analysis and linking of trace data and investigation results will be done at HQ out of our intelligence directorate. I would like to see if you have any interest in assigning a criminal division attorney to work with that group to develop multi-division/district cases and perhaps go to the district with the best venue to indict the case. The level of activity will depend on the number of Mexican seizures, and whether they will trace the guns, or allow us to do it. We do seem to be making progress with our Mexican partners. We are currently working on a case with SSP which might lead us to the first joint arrest in Mexico of a person connect to US arms trafficking. We should meet again just to catch up on where we are in our gun trafficking issues and we could talk about the above idea as well. Let me know what you think. Thanks. Ken.

Exhibit 260

Exhibit 260

~~LAW ENFORCEMENT SENSITIVE~~

~~SENSITIVE GRAND JURY MATERIAL:~~
~~Restricted by Rule 6(e),~~
~~FEDERAL RULES OF CRIMINAL PROCEDURE~~

U.S. Department of Justice

Criminal Division

Assistant Attorney General

Washington, D.C. 20530

MEMORANDUM TO THE ATTORNEY GENERAL AND DEPUTY ATTORNEY GENERAL

FROM: Lanny A. Breuer
Assistant Attorney General

SUBJECT: Weekly Report for the Week of
January 4, 2010 – January 10, 2010

Upcoming Court Deadlines or Expected Events in Significant Cases

Indictments and Investigations

RC-2



~~LAW ENFORCEMENT SENSITIVE~~

~~SENSITIVE GRAND JURY MATERIAL:~~
~~Restricted by Rule 6(e),~~
~~FEDERAL RULES OF CRIMINAL PROCEDURE~~
HOCR DOJ 003249

~~LAW ENFORCEMENT SENSITIVE~~~~SENSITIVE GRAND JURY MATERIAL:
Restricted by Rule 6(e),
FEDERAL RULES OF CRIMINAL PROCEDURE~~

RC-2

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- *Firearms Trafficking Project:* On January 5, AAG Breuer will meet with ATF Acting Director Melson to kick off a new CRM/ATF Firearms Trafficking Project targeting weapons tied to Mexican Drug Trafficking Organizations

Significant Accomplishments of the Past Week

Litigation

Indictments and Arrests

RC-2

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Deferred Prosecution Agreements

RC-2

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~~LAW ENFORCEMENT SENSITIVE~~~~SENSITIVE GRAND JURY MATERIAL:
Restricted by Rule 6(e),
FEDERAL RULES OF CRIMINAL PROCEDURE~~
HOCR DOJ 003250

Exhibit 261

Exhibit 261

OCGS WEEKLY REPORT
Week of January 14 - Jan 20, 2010

I. Significant Accomplishments of the Past Week

- RC-2
- [REDACTED]
- [REDACTED]
- [REDACTED]

HOCR DOJ 003358

RC-2

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Arizona Gun Trafficking Cases (AZ): TA Laura Gwinn is handling a detention hearing this week for one of the Tucson defendants charged with various gun trafficking offenses. RC-6 have begun for some of the eight defendants charged in the Phoenix gun trafficking case, and the Phoenix-based Operation Fast and Furious has an indictment date of **Jan. 19th** and takedown on the **Jan. 25th**. (L. Gwinn)

- Request from ATF for assistance in Mexican gun cases
 - Ken Melson asked me to assign an attorney to help them initiate multi-district cases relating to seizures of weapons in Mexico
 - specifically, rather than working each trace of a seized firearm independently, the ATF is going to use the traces as intelligence and connect the purchases, identify the traffickers, and use more serious charges based on that evidence
 - the Crim Div has agreed to assign Gang Unit attorney to develop multi-district cases based on this intelligence

RC-2



RC-2

RC-2



• **Mexico Issues**

- At the request of the SWB USAs, I met with them today about how we in the Criminal Division can help us all take a more coordinated approach to combating the flow of guns and money to Mexico
- Also, at Ambassador's invitation, I'm traveling to Mexico the first week of October to discuss same topic there
 - ▶ also invited are Ken Melson, John Morton, and Alan Bersin

HOCR DOJ 003361

RC-2

RC-2

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Mexico Issues

- At the request fo the SWB USAs, I'm going to be meeting with them next week to talk about how we in the Criminal Division can help us all take a more coordinated approach to combating the flow of guns and money to Mexico
- Also, at Ambassador's invitation, I'm traveling to Mexico the first week of October to discuss same topic there
 - ▶ also invited are Ken Melson, John Morton, and Alan Bersin

RC-2

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HOCR DOJ 003362

Exhibit 262

Exhibit 262

[REDACTED]

From: Carwile, Kevin
 Sent: Tuesday, March 16, 2010 9:12 PM
 To: Weinstein, Jason
 Subject: Re: Reminder...

I agree that we should not make a big deal out of x caliber. I think they knew he was on the fast and furious case because I got him to alter his holiday plans to get briefed. My assumption is they got impatient because he was tied up on his latin kings trial in texas.

----- Original Message -----

From: Weinstein, Jason
 To: Carwile, Kevin
 Sent: Tue Mar 16 20:49:03 2010
 Subject: RE: Reminder...

Fast and Furious seems a little different from X-Caliber, because we actually assigned someone to the case -- I assume that ATF HQ knew from you or Joe that Joe would be on the case, or is it possible they thought he would be playing more of a coordinating rather than a litigating role?

-----Original Message-----

From: Carwile, Kevin
 Sent: Tuesday, March 16, 2010 9:00 AM
 To: Weinstein, Jason
 Subject: RE: Reminder...

There are two investigations: the first is Operation Fast and Furious (a number of the straw purchasers are in a car club). It is being worked out of the USAO in Phoenix, AZ. This was one of the two cases we were briefed on at the end of December immediately after the meetings with Ken Melson. I assigned Joe Cooley to the investigation, he got briefed and then started his Latin Kings trial. He just turned his attention back to the case and went to SOD for a briefing on the matter. That is when he learned the USAO now had the case **RC-3**
RC-3. We offered to help but they said they had it under control. The second matter was the X-Caliber case. **RC-2**
RC-2

P. Kevin Carwile
 Chief, Gang Unit
 Criminal Division
 U.S. Department of Justice

-----Original Message-----

From: Weinstein, Jason
 Sent: Monday, March 15, 2010 9:59 PM
 To: Carwile, Kevin

Subject: Reminder...

...to send me the names of the cases ATF HQ asked us to get involved in but which had in fact been shopped to the field.

RC-2



Jason M. Weinstein
Deputy Assistant Attorney General
Criminal Division
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530
Office: RC-1
Cell: RC-1

Exhibit 263

Exhibit 263

MEMORANDUM FOR THE ATTORNEY GENERAL

THROUGH THE DEPUTY ATTORNEY GENERAL

FROM: Kenneth E. Melson
Deputy Director, Bureau of Alcohol, Tobacco, Firearms
and Explosives

SUBJECT: Weekly Report for March 1-5, 2010

EXPECTED LEGISLATIVE OR POLICY DEVELOPMENTS:

- RC-2



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HOCR DOJ 003270

RC-2



- RC-2


- *Bureau of Alcohol, Tobacco, Firearms and Explosives Seizes 41 Firearms En Route to Mexico – Phoenix, Arizona:*

On February 22, 2010, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) reported on the investigation of a firearm trafficking organization operating in Phoenix. ATF agents obtained a court order authorizing the installation of a GPS tracking device inside the polymer stock of an AK-47 type firearm. The firearm was provided by ATF agents to a cooperating Federal firearms licensee (FFL), who sold it to a target of this investigation. ATF agents tracked the firearm from Phoenix to a location in Tucson and then south across the Tohono O'odham Reservation. Agents contacted the U.S. Border Patrol as there is not an established port of entry, wall, or fence on the reservation since it straddles the U.S.-Mexican border. Border Patrol agents made a vehicle stop and recovered 41 firearms. Both women in the vehicle stated they intended to take the firearms into Mexico.

- RC-2


HOCR DOJ 003271

Exhibit 264

Exhibit 264

MEMORANDUM FOR THE ATTORNEY GENERAL

THROUGH THE DEPUTY ATTORNEY GENERAL

FROM: Kenneth E. Melson
Deputy Director, Bureau of Alcohol, Tobacco, Firearms
and Explosives

SUBJECT: Weekly Report for July 19-23, 2010

EXPECTED LEGISLATIVE OR POLICY DEVELOPMENTS:

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HOCR ATF - 002081

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- ***Bureau of Alcohol, Tobacco, Firearms and Explosives Recovers 73 Firearms in “Operation Fast and Furious” — Phoenix, Arizona:***

On July 14, 2010, the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) reported on the recovery of 73 firearms and 250 AK-47 drum magazines from a business in Phoenix. ATF conducted an interview at the business after receiving a tip from the Phoenix Police Department regarding an ATF gun-trafficking investigation. ATF recovered 73 firearms, including 20 AK-47 type rifles, a Barrett .50 caliber rifle, an AR-15 rifle, 50 handguns, approximately 250 75-round drum magazines, and other magazines and assorted ammunition. Firearms traces indicate that many of the items were recently purchased by known straw purchasers. This recovery adds to the total of 169 firearms recovered in the previous 25 days as part of the Southwest Border firearms trafficking investigation.

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HOGRA ATF - 002082

Exhibit 265

Exhibit 265

RC-1

From: Burke, Dennis (USAAZ)
Sent: Friday, November 19, 2010 12:56 AM
To: Hurley, Emory (USAAZ)
Cc: Morrissey, Mike (USAAZ); Cunningham, Patrick (USAAZ)
Subject: Fw: Minutes from 111710 Subcommittee Meeting
Attachments: 111710SubcommitteeMeetingMinutes.wpd; 111710 Attendance.wpd

Check out the notes from this meeting. ATF Director refers to Fast and Furious as a "fantastic" case.

No pressure, Emory....

From: Tsethlikai, Serra (USAE0)
Sent: Thursday, November 18, 2010 02:38 PM
To: Duffy, Laura (USACAS); Burke, Dennis (USAAZ)
Subject: Minutes from 111710 Subcommittee Meeting

Hello Laura and Dennis,

Here are the minutes from the Subcommittee Meeting yesterday to the extent I was able to attend and take notes. Laura can you review and if you agree with them, I will send them off to the rest of the Subcommittee members.

I will be off on annual leave next week - flying to Arizona on Monday morning and will return on the next Monday morning to DC. I will be back in the office on Tuesday, November 30th.

<<111710SubcommitteeMeetingMinutes.wpd>> <<111710 Attendance.wpd>>

Thanks,

Serra M. Tsethlikai

Southwest Border and Immigration Liaison

Executive Office for United States Attorneys

RC-1

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(BB)

RC-1

Exhibit 266

Exhibit 266

From: Chait, Mark R.
To: Melson, Kenneth E.; Hoover, William J.
Sent: 1/27/2011 6:37:41 PM
Subject: Re: AZ

Will do.
Mark R. Chait
Assistant Director
Field Operations

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----- Original Message -----

From: Melson, Kenneth E.
To: Hoover, William J.; Chait, Mark R.
Sent: Thu Jan 27 18:03:42 2011
Subject: AZ

I would like to see tomorrow afternoon all the material (documents) including all reports tantamount to the case record on the defendant who sold the weapons involved in the shooting with the CBP. Also, I think we need to call over to the higher levels of the FBI and find out the results of the forensic testing on the guns that came from our guy. Ken

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