

**From:** Newell, William D.

**Sent:** Friday, January 22, 2010 11:30 AM

**To:** [REDACTED] ATF

**Subject:** Fw: Declination on [REDACTED] ATF

FYI, need your help in working with [REDACTED] ATF to prepare for this briefing, shouldn't last more than an hour [REDACTED] DP

[REDACTED] DP

[REDACTED] ATF

[REDACTED] ATF

Bill Newell

Special Agent in Charge

ATF Phoenix Field Division (AZ and NM)

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**From:** McMahon, William G.

**To:** Newell, William D.

**Sent:** Fri Jan 22 10:46:59 2010

**Subject:** RE: Declination on [REDACTED] ATF

Bill,

I just spoke with [REDACTED] ATF from Main Justice regarding this case. [REDACTED] DP

[REDACTED] DP

[REDACTED] DP

Let me know if you think this is doable.

Also, what has the State's reaction been to the declination?

Thanks,

Bill

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**From:** Newell, William D.

**Sent:** Friday, January 15, 2010 6:24 PM

**To:** McMahon, William G.

**Subject:** RE: Declination on [REDACTED] ATF

The meeting was kind of interesting because I had spent all day yesterday updating my Gunrunner presentation specifically focusing on the "trail of death" of [REDACTED] ATF purchased guns. I put together a briefing book for today's meeting containing information on all the seizures directly tied into [REDACTED] ATF and the facts surrounding each incident such as the DTO involved, the death of cops, short time-to-crime, etc. I also included the information of the three seizures surrounding the recent ABL ops in and around Culiacan. All this definitely woke up the USA since I'm guessing he was not aware of any of this but problem was their minds were already made up. The briefing was given by the same supervisory AUSA who we are continuing to battle with over the [REDACTED] ATF so I knew how the meeting was going to go the second I walked into the room. He kept hinting at "well if you had brought this case to us early on we could have worked these issues out...." taking obvious shots at our decision to take the case to the State, which I expected. I hit back with the reasons we didn't take them case to them first, that being no interest in "simple" straw purchasing cases by the USAO, lack of timeliness on getting our agents subpoenas, etc. I explained, again, that when our case first started we didn't suspect [REDACTED] ATF of being involved but that we needed help in "working" the many

straw purchasers we had identified in order to get their cooperation. That support of our efforts early on in this case were non-existent from the USAO so I made the decision to go to the State, which by then had already done a phenomenal job on numerous other unrelated cases. The agents were excited about working with a prosecutor's office that was responsive, interested in helping, etc and the moral of the agents had visibly improved. Once all the arrows in the [ATF] case started pointing toward [ATF] as being directly involved we were already deeply indebted to the State due to all their work in the early stages of this case. I was not going to then tell them "sorry, we now have to take the case to the Federal courts". Would

**ATF**

[ATF] Once I laid out all these reasons today they promised that they wouldn't make those same decisions now and are willing to look at the "corpus delicti" issue again regarding straw purchase cases, etc. Meeting lasted an hour and when I got done they requested a copy of my Gunrunner briefing. Go figure, NOW they get it. I told them I would be happy to lay it all out again for them in much more detail but at my office.

I don't want to make it seem that it was a contentious meeting, it wasn't, just very disappointing but not unexpected. I need to keep working with them because we do have several big cases going on right now with them and they seem to be making the effort to come around. I'll keep plugging away.

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

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**From:** McMahon, William G.  
**Sent:** Friday, January 15, 2010 4:07 PM  
**To:** Newell, William D.  
**Subject:** Re: Declination on [ATF]

Thanks Bill. I will begin working on getting the Crim Division involved.

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**From:** Newell, William D.  
**To:** McMahon, William G.  
**Sent:** Fri Jan 15 17:59:46 2010  
**Subject:** Declination on [ATF]

Just left the USAO [ATF]  
bottom line is I'm ready to brief this to the detailed Criminal Div  
looked at it and is ready to go. It would be best if the Criminal Div  
wrapped up in the "Fast and Furious" case to spare a day. She's

DP

[ATF]

Bill Newell  
Special Agent in Charge  
Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)

Phoenix Field Division (Arizona and New Mexico)  
Office - (602)776-5400



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**From:** ATF  
**Sent:** Thursday, December 06, 2007 1:52 PM  
**To:** Newell, William D.  
**CC:** Needles, James R.; ATF  
**Subject:** FW: Update

**Due By:** Tuesday, January 02, 1601 12:00 PM

Here is the summary for ATF case.

ATF  
ATF Special Agent  
Phoenix II

ATF  
(602) 776-5479 fax

ATF

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**From:** ATF  
**Sent:** Thursday, December 06, 2007 11:31 AM  
**To:** ATF  
**Subject:** Update

Arrest of ATF and ATF

On November 26, 2007, Alcohol, Tobacco, Firearms and Explosives (ATF) agents, in partnership with the Phoenix Police Department, and with the assistance of U.S. Customs and Border Protection (CBP), arrested suspected firearms trafficker ATF in Nogales, Arizona. On this date, surveillance units consisting of both PPD Gun Squad members, ATF agents and PPD Repeat Offenders Program (ROP) surveillance units followed ATF and suspected co-conspirator ATF from Federal Firearms Licensee (FFL) X-Caliber in Phoenix, Arizona to Nogales, Arizona after ATF was observed purchasing several pistols.

While en route to Nogales, ATF S/A ATF contacted Immigration and Customs Enforcement (ICE) Agent ATF who informed her that the Mexican authorities would not guarantee the subjects would be apprehended by their units in Mexico. Since previous attempts to stop the subjects in Mexico had failed and in order to prevent any further firearms to be transported into Mexico, ATF S/A ATF with the significant assistance from ICE Agent ATF contacted U.S. CBP Chief ATF to organize an inspection of the two vehicles in which ATF were traveling. Since the vehicles were traveling in tandem, ATF was able to elude CBP officers at the Mariposa port of entry after witnessing ATF contact and subsequent detention by CBP officers.

Through continued surveillance of ATF's vehicle by ATF agents, PPD gun squad task force officers and ROP members, they were able to observe ATF abandon his vehicle and cross into Mexico in a third vehicle. The owner of the property where the vehicle had been abandoned requested a tow truck and the nine firearms previously purchased by ATF and ATF were recovered during the inventory conducted by the tow truck employee.

On November 27, 2007, due to the diligence of CBP officers involved with ATF arrest, ATF was apprehended coming into the United States at the Grand Avenue port of entry in Nogales, AZ.

As a result of the cooperation and participation of numerous agencies, both subjects were arrested and charged with 18 U.S.C. 371 Conspiracy to Commit, 22 U.S.C. 2778(b)(2) and (c), Exportation of Munitions by Assistant United States Attorney, Shelley Clemens of the United States Attorney's Office, District of Arizona, Tucson Office.

Subsequent interviews of both subjects post Miranda, confirmed that all the firearms they had purchased with the exception of four, had been purchased for the exportation to Mexico. In addition, [ATF] stated that the firearms were being received by local law enforcement in Mexico. [ATF] was able to draw a map of the location in Mexico where the majority of firearms were transferred by him to local law enforcement as well as additional information regarding the ultimate destination of many of the 'AK' style weapons. ATF S/A [ATF] has discussed the possibility with AUSA [ATF] of coordinating a free talk with [ATF] and ATF attaché's from Mexico to further discuss this information.

The case is ongoing.

Special Agent [ATF]  
Phoenix Field Division Group II

[ATF]