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FILED
U.S. DISTRICT COURT
2018 JAN 10 P 1:15
DISTRICT OF UTAH
CLERK

IN THE UNITED STATES DISTRICT COURT
DISTRICT OF UTAH, CENTRAL DIVISION

<p>UNITED STATES OF AMERICA,</p> <p style="text-align: center;">Plaintiff,</p> <p style="text-align: center;">vs.</p> <p>LEALLEN BLACKHAIR,</p> <p style="text-align: center;">Defendant.</p>	<p>Case: 2:18-cr-00016 Assigned To : Parrish, Jill N. Assign. Date : 1/10/2018 Description: <u>INDICTMENT</u></p> <p>Vio. 18 U.S.C. § 1951 (Extortion Under Color of Official Right) (Counts 1- 9)</p>
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The Grand Jury charges:

At all times relevant to this Indictment:

1. Defendant LEALLEN BLACKHAIR was an enrolled member of the Uintah and Ouray Reservation, Utah ("Reservation").
2. The government of the Uintah and Ouray Tribal Business Committee of the Ute Indian Tribe ("Business Committee") organized the Energy and Mineral Department ("Energy and Minerals") and authorized Energy and Minerals to issue access permits and business licenses to companies engaged in the oil and gas business on the Reservation.
3. Every company conducting oil and gas business on the Reservation was required to possess the access permits while on the Reservation and to list all vehicles found on the Reservation on the access permits.

4. Energy and Minerals employed compliance officers to enforce the compliance by companies with access permits and business licenses. If a company was found in violation of the access permit or business license, the compliance officer was to escort the company from the Reservation until the violation was remedied and refer all violations to defendant BLACKHAIR.

5. Defendant BLACKHAIR was employed as the supervisor of compliance for Energy and Minerals. As part of his employment activities, Defendant BLACKHAIR assessed and collected fines from companies found in the violation of the access permit or business license.

6. Defendant BLACKHAIR maintained a personal bank account at Mountain America Credit Union ("MACU"), account number ending in 0375.

7. During the time period from the beginning of August 2010 to the end of May 2013, defendant BLACKHAIR used his official position as the supervisor of compliance for Energy and Mineral to personally obtain approximately \$110,000 from approximately sixty-six companies and individuals, including the companies described below, by requiring them to pay him a donation for tribal athletic teams, tribal athletic events and memorial funds in exchange for his agreement to waive the payment of fines for access permit, business license and other violations.

8. Rocky Mountain Crane Service, LLC ("Rocky Mountain") was a Utah limited liability company engaged in the oil and gas business on the Reservation.

9. Drilling and Completion Technologies, Inc. ("Drilling and Completion") was a Utah Corporation engaged in the oil and gas business on the Reservation.

10. D & S Swabbing, Inc. was a Utah Corporation engaged in the oil and gas business

on the Reservation.

11. KB's Insulation & Oilfield Services ("KB's Insulation") was a business engaged in the oil and gas business on the Reservation.

12. Single Shot Trucking, Inc. ("Single Shot") was a Utah Corporation engaged in the oil and gas business on the Reservation.

13. Mascaro & Sons Transportation, LLC ("Mascaro & Sons") was a Utah limited liability company engaged in the oil and gas business on the Reservation.

14. Star Hotshot Services, Inc. ("Star Hotshot") was a Utah Corporation engaged in the oil and gas business on the Reservation.

15. Searle Bros. Construction Co. ("Searle Bros") was a Wyoming Corporation engaged in the oil and gas business on the Reservation.

Count 1
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about February 6, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$2,000

not due him from Rocky Mountain, with Rocky Mountain's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

Count 2
18 U.S.C. § 1951
(Extortion Under Official Color of Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about January 11, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$2,500 not due him from Drilling and Completion, with Drilling and Completion's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

Count 3
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about March 25, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$1,000 not due him from Drilling and Completion, with Drilling and Completion's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

Count 4
18 U.S.C. § 1951
(Attempted Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about February 1, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully attempt to obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant attempted to obtain a payment of \$2,000 not due him from D & S Swabbing, with D & S Swabbing's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

Count 5
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about February 11, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$1,000 not due him from KB's Insulation, with KB's Insulation's consent, under color of official right. All in violation of 18 U.S.C. § 1951.

Count 6
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about February 12, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title

18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$2,000 not due him from Single Shot, with Single Shot's consent, under color of official right.

All in violation of 18 U.S.C. § 1951.

Count 7
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about February 20, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$2,000 not due him from Mascaro & Sons, with Mascaro & Sons's consent, under color of official right. All in violation of 18 U.S.C. § 1951.

Count 8
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about March 9, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$1,000 not due him from Star Hotshot, with Star Hotshot's consent, under color of official right. All in violation of 18 U.S.C. § 1951.

Count 9
18 U.S.C. § 1951
(Extortion Under Color of Official Right)

The factual allegations set forth in paragraphs 1 through 15 of this Indictment are incorporated herein by reference and realleged as though fully set forth herein.

On or about March 8, 2013, in the Central Division of the District of Utah,

LEALLEN BLACKHAIR,

the defendant herein, did unlawfully, knowingly and willfully obstruct, delay, and affect commerce, as that term is defined in Title 18, United States Code, Section 1951(b)(3), and the movement of articles and commodities in commerce by extortion, as that term is defined in Title 18, United States Code, Section 1951(b)(2); that is, the Defendant obtained a payment of \$5,500 not due him from Searle Bros, with Searle Bros's consent, under color of official right. All in violation of 18 U.S.C. § 1951.

NOTICE OF INTENT TO SEEK FORFEITURE

As a result of committing the felony offenses alleged in Counts 1 through 9 of this Indictment, which is punishable by imprisonment for more than one year, the above named

defendant shall forfeit to the United States pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), any and all property, real or personal, constituting proceeds deriving from violations of 18 U.S.C. § 1951(a), and pursuant to 18 U.S.C. § 982(a)(1) any and all property, real and personal, used or intended to be used in any manner or part to commit and to facilitate the commission of a violation of 18 U.S.C. § 1951(a) and any property traceable thereto, including but not limited to the following:

- MONEY JUDGMENT in the approximate amount of one hundred and ten thousands dollars (\$110,000), representing the value of the proceeds obtained by the defendant in connection with the above-referenced offenses.

SUBSTITUTE ASSETS

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

- (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 divided without

difficulty; it is the intent of the United States, pursuant to 28 U.S.C. § 2461(c) and 21 U.S.C. §

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