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UNITED STATES DISTRICT COURT  
FOR THE CENTRAL DISTRICT OF CALIFORNIA  
February 2012 Grand Jury

12-00240

UNITED STATES OF AMERICA,

Plaintiff,

v.

JOHN MELVIN WALKER,  
aka "Pops,"  
aka "J,"  
aka "JW,"

NICHOLAS EINAR LATTU,  
aka "Dragon 6,"  
aka "Six,"

NICHOLAS MARTIN BUTIER, III,  
PERRY BROOKS FOREHAND,  
aka "Bucky,"

RYAN SCOTT HUNT,  
RYAN APARICIO MONDRAGON,  
aka "Juan,"

aka "Juanito,"  
aka "Juan Ryan,"

SIERRA MARINA SERHAN,  
aka "Hippy Chick,"  
aka "Pumpkin,"

DANIELLE PAMELA STEBEL,  
aka "Mob Queen,"

ALVIN WESLEY WALKER,

ALAN DAVID NIXON,

MICHAEL ALAN NIXON,

KAREN LEE LETO,

CRAIG LAWRENCE LETO, and

JOHN EUGENE SCANDALIOS,  
aka "JS,"

Defendants.

SA CR No. 12-

I N D I C T M E N T

[21 U.S.C. § 846: Conspiracy to Distribute Marijuana and to Maintain a Drug-Involved Premises; 21 U.S.C. § 856(a)(1): Maintaining a Drug-Involved Premises; 21 U.S.C. § 860: Distribution of a Controlled Substance Near Schools or Colleges; 18 U.S.C. § 924(c)(1)(A): Possession of a Firearm in Furtherance of a Drug Trafficking Crime; 18 U.S.C. § 922(g)(1): Felon in Possession of a Firearm; 18 U.S.C. § 1519: Destruction of Records in Federal Investigation; 18 U.S.C. § 2(a): Aiding and Abetting; 21 U.S.C. § 853: Criminal Forfeiture]

1 The Grand Jury charges:

2 COUNT ONE

3 [21 U.S.C. § 846]

4 A. OBJECTS OF THE CONSPIRACY

5 Beginning on an unknown date and continuing until in or  
6 around November 2011, in Orange and Los Angeles Counties, within  
7 the Central District of California, defendants JOHN MELVIN  
8 WALKER, also known as ("aka") "Pops," aka "J," aka "JW"  
9 ("WALKER"), NICHOLAS EINAR LATTU, aka "Dragon 6," aka "Six"  
10 ("LATTU"), MARTIN NICHOLAS BUTIER, III ("BUTIER"), PERRY BROOKS  
11 FOREHAND, aka "Bucky" ("FOREHAND"), RYAN SCOTT HUNT ("HUNT"),  
12 RYAN APARICIO MONDRAGON, aka "Juan," aka "Juanito," aka "Juan  
13 Ryan" ("MONDRAGON"), SIERRA MARINA SERHAN, aka "Hippy Chick,"  
14 aka "Pumpkin" ("SERHAN"), DANIELLE PAMELA STEBEL, aka "Mob  
15 Queen" ("STEBEL"), ALVIN WESLEY WALKER ("ALVIN WALKER"), ALAN  
16 DAVID NIXON ("ALAN NIXON"), MICHAEL ALAN NIXON ("MICHAEL  
17 NIXON"), KAREN LEE LETO ("KAREN LETO"), CRAIG LAWRENCE LETO  
18 ("CRAIG LETO"), and JOHN EUGENE SCANDALIOS, aka "JS"  
19 ("SANDALIOS"), together with unindicted co-conspirators S.S.,  
20 B.W., S.W., and H.C., and others known and unknown to the Grand  
21 Jury, conspired and agreed with each other to knowingly and  
22 intentionally:

23 1. distribute at least 1,000 kilograms of marijuana, a  
24 Schedule I controlled substance, in violation of Title 21,  
25 United States Code, Sections 841(a)(1) and 841(b)(1)(A)(vii);  
26 and

27 2. maintain a drug-involved premises, that is, a place  
28 for the purpose of manufacturing and distributing marijuana, a

1 Schedule I controlled substance, in violation of Title 21,  
2 United States Code, Section 856(a)(1).

3 B. MEANS BY WHICH THE OBJECTS OF THE CONSPIRACY WERE TO BE  
4 ACCOMPLISHED

5 The objects of the conspiracy were to be accomplished in  
6 substance as follows:

7 1. Defendant WALKER would control nine different  
8 marijuana dispensaries in Los Angeles and Orange Counties,  
9 namely, Alternative Herbal Health ("AHH"), Safe Harbor  
10 Collective ("SHC"), Garden Grove Alternative Care ("GGAC"),  
11 Santa Ana Superior Care ("SASC"), Belmont Shore Natural Care  
12 ("BSNC"), Santa Fe Compassionate Health Care ("SFCHC"), Costa  
13 Mesa Patients Association ("CMPA"), the Whittier Collective  
14 ("TWC") and APCC, aka "San Juan Capistrano Store," ("APCC")  
15 (collectively, the "Marijuana Dispensaries"), and would hire  
16 managers to oversee the daily operations of the Marijuana  
17 Dispensaries; supply the dispensaries with marijuana; share  
18 profits generated at the Marijuana Dispensaries with the  
19 managers at those locations; and direct others, including  
20 defendants LATTU and SERHAN, to deliver records of daily  
21 marijuana sales at the Marijuana Dispensaries to an offsite  
22 bookkeeper.

23 2. Defendant LATTU, who owned a business known as "Shadow  
24 Ops Security," would provide security services to the Marijuana  
25 Dispensaries.

26 3. Defendant BUTIER, and unindicted co-conspirator B.W.,  
27 would manage the daily operations of, and sell marijuana at,  
28 AHH.

1           4.     Defendant FOREHAND, and unindicted co-conspirator  
2 B.W., would manage the daily operations of, and sell marijuana  
3 at, SHC, and defendant FOREHAND would also sell marijuana at  
4 CMPA.

5           5.     Defendant HUNT would manage the daily operations of,  
6 and sell marijuana at, GGAC.

7           6.     Defendant MONDRAGON, and unindicted co-conspirator  
8 H.C., would manage the daily operations of, and sell marijuana,  
9 at SASC.

10          7.     Defendants SERHAN, STEBEL, and ALVIN WALKER would  
11 manage the daily operations of, enter into contracts on behalf  
12 of, and sell marijuana at, BSNC.

13          8.     Defendant ALAN NIXON would manage the daily operations  
14 of, and sell marijuana at, SFCHC.

15          9.     Defendants MICHAEL NIXON, WALKER, and SCANDALIOS would  
16 supply marijuana to SFCHC.

17          10.    Defendants KAREN LETO and CRAIG LETO would manage the  
18 daily operations of, enter into contracts on behalf of, and sell  
19 marijuana at, CMPA.

20          11.    Unindicted co-conspirator S.S. would manage the daily  
21 operations of TWC and deliver records of daily marijuana sales  
22 to A. Tax Services ("ATS"), a bookkeeping services company that  
23 provided services, including tracking profits generated by the  
24 Marijuana Dispensaries, for defendant WALKER and the Marijuana  
25 Dispensaries.

26          12.    Defendant WALKER -- who reported no income generated  
27 at the Marijuana Dispensaries to the federal government -- would  
28 instruct the bookkeeper at ATS to destroy all records pertaining

1 to income generated at the Marijuana Dispensaries shortly after  
2 they were generated and not to create records that fully  
3 identified WALKER's connection to the Marijuana Dispensaries.

4 13. Unindicted co-conspirator B.W. would manage the daily  
5 operations of APCC and deliver records of daily marijuana sales  
6 to ATS.

7 C. OVERT ACTS

8 In furtherance of the conspiracy, and to accomplish the  
9 objects of the conspiracy, on or about the following dates,  
10 defendants WALKER, LATTU, BUTIER, FOREHAND, HUNT, MONDRAGON,  
11 SERHAN, STEBEL, ALVIN WALKER, ALAN NIXON, MICHAEL NIXON, KAREN  
12 LETO, CRAIG LETO, and SCANDALIOS, together with unindicted co-  
13 conspirators S.S., B.W., S.W., and H.C., and others known and  
14 unknown to the Grand Jury, committed various overt acts within  
15 the Central District of California, including but not limited to  
16 the following:

17 Defendant WALKER and TWC

18 1. In 2006, defendant WALKER introduced co-conspirator  
19 S.S. to ATS as his business partner at TWC.

20 2. In 2006, defendant WALKER hired ATS to conduct the  
21 bookkeeping for TWC and to calculate defendant WALKER and  
22 unindicted co-conspirator S.S.'s share of the profits from  
23 marijuana sales occurring at TWC.

24 Defendant WALKER Recruits Unindicted Co-Conspirator B.W.

25 3. In July 2008, defendant WALKER asked unindicted  
26 co-conspirator B.W. to manage APCC in exchange for an even split  
27 of the profits generated from marijuana sales at APCC to be  
28 shared with defendant WALKER.

1 4. In January 2009, defendant WALKER asked unindicted  
2 co-conspirator B.W. to manage AHH in exchange for 40% of the  
3 profits generated from marijuana sales at AHH as part of an  
4 arrangement in which 50% of the profits from marijuana sales at  
5 AHH would be paid to defendant WALKER and 10% of such profits  
6 would be paid to defendant BUTIER.

7 5. In April 2009, defendant WALKER asked unindicted  
8 co-conspirator B.W. to manage SHC in exchange for an even split  
9 of the profits generated from marijuana sales to be shared with  
10 defendant WALKER.

11 Defendant WALKER Pays ATS Bookkeeping Fees for APCC

12 6. On June 10, 2009, defendant WALKER paid ATS in cash  
13 for bookkeeping fees related to APCC.

14 7. On September 19, 2009, defendant WALKER paid ATS in  
15 cash for bookkeeping fees related to APCC.

16 8. On October 8, 2009, defendant WALKER paid ATS in cash  
17 for bookkeeping fees related to APCC.

18 BSNC, CMPA, and SFCHC's Managers and Defendant WALKER's Share of  
19 Profits Generated at Those Marijuana Dispensaries

20 9. On an unknown date prior to November 2011, defendant  
21 SERHAN provided ATS with the daily sales records of BSNC  
22 documenting how much marijuana unindicted co-conspirator B.W.  
23 and defendant WALKER supplied to BSNC.

24 10. On August 3, 2009, defendant SERHAN signed a contract  
25 for the installation of an ATM machine on the business premises  
26 of BSNC in her capacity as manager of BSNC.

27 11. On August 19, 2009, defendant KAREN LETO signed a  
28 Statement of Information for CMPA, which was filed with the

1 State of California Secretary of State on September 25, 2009, in  
2 which defendant KAREN LETO was listed as CMPA's Chief Executive  
3 Officer, Secretary, Chief Financial Officer, and Director.

4 12. On November 30, 2009, defendant ALAN NIXON signed an  
5 application for a Seller's Permit for SFCHC, in which he  
6 identified himself as the Director of SFCHC.

7 13. On December 13, 2009, defendant FOREHAND sent a text  
8 message to unindicted co-conspirator S.W. advising unindicted  
9 co-conspirator S.W. to make sure that someone updated "all of  
10 the different websites with our latest menu."

11 14. On December 23, 2009, defendant ALAN NIXON signed a  
12 Statement of Information for SFCHC, in which he was listed as  
13 the Chief Executive Officer, Secretary, Chief Financial Officer,  
14 and Director at SFCHC.

15 15. Beginning in January 2010, defendants WALKER and  
16 SCANDALIOS agreed that defendant WALKER would keep 66.66%, and  
17 defendant SCANDALIOS would keep 33.34%, of the profits earned at  
18 SFCHC from the sales of marijuana.

19 16. Beginning in January 2010, defendants WALKER, SERHAN,  
20 STEBEL, and ALVIN WALKER agreed that defendant WALKER would keep  
21 67%, defendant SERHAN would keep 13%, defendant STEBEL would  
22 keep 10%, and defendant ALVIN WALKER would keep 10% of the  
23 profits earned at BSNC from the sales of marijuana.

24 Managers Update Defendant WALKER on Marijuana Sales at SHC

25 17. On January 15, 2010, defendant WALKER received a text  
26 message from unindicted co-conspirator S.W. informing him of the  
27 daily gross marijuana sales at SHC and the number of new  
28 customers at SHC.

1 18. On January 16, 2010, defendant FOREHAND sent a text  
2 message to unindicted co-conspirator S.W. asking unindicted co-  
3 conspirator S.W. to send defendants FOREHAND and WALKER the "mid  
4 day" sales figures at SHC.

5 19. On January 16, 2010, defendants WALKER and FOREHAND  
6 received a text message from unindicted co-conspirator S.W.  
7 advising them of the mid-day marijuana sales at SHC and the  
8 number of new customers at SHC.

9 20. On January 17, 2010, defendants WALKER and FOREHAND  
10 received a text message from unindicted co-conspirator S.W. .  
11 advising them of the daily gross marijuana sales at SHC and the  
12 number of new customers at SHC.

13 April 2010 Events at SHC

14 21. On April 2, 2010, at SHC, an unindicted co-conspirator  
15 sold marijuana, advertised as "Area 51," to an undercover law  
16 enforcement officer ("UC") for cash.

17 22. On April 15, 2010, at SHC, an unindicted co-  
18 conspirator sold marijuana, advertised as "Blackberry Kush," to  
19 a UC for cash.

20 23. On April 16, 2010, at SHC, unindicted co-conspirator  
21 B.W. possessed approximately \$13,225 in cash.

22 24. On April 16, 2010, unindicted co-conspirator B.W.  
23 possessed business records for SHC showing that SHC's annual  
24 income for calendar year 2009 was approximately \$2.4 million.

25 25. On April 16, 2010, unindicted co-conspirator B.W.  
26 possessed approximately 36 pounds (or approximately 16  
27 kilograms) of marijuana at SHC.

28

1 Business and Marijuana Transactions by Defendant WALKER and the  
2 Marijuana Store Managers

3 26. On June 10, 2010, defendant ALVIN WALKER signed a  
4 commercial insurance application to insure BSNC for the period  
5 of June 15, 2010 to June 15, 2011.

6 27. On June 21, 2010, defendant CRAIG LETO signed an  
7 agreement with ADT Security Services to have a security system  
8 installed at CMPA.

9 28. On June 25, 2010, defendant KAREN LETO signed a  
10 commercial lease agreement for the business premises of CMPA.

11 29. Beginning in July 2010, defendants WALKER and MICHAEL  
12 NIXON agreed that defendant WALKER would keep 95%, and defendant  
13 MICHAEL NIXON would keep 5%, of the profits earned at SFCHC from  
14 the sales of marijuana.

15 30. On July 30, 2010, defendant HUNT signed a Statement of  
16 Information for AHH, in which he was listed as the Chief  
17 Executive Officer, Secretary, Chief Financial Officer, and  
18 Director of AHH, and which was filed with the State of  
19 California Secretary of State on August 2, 2010.

20 31. On August 25, 2010, defendant KAREN LETO, on behalf of  
21 CMPA, entered into a marketing agreement with Weedmaps.com.

22 32. On September 13, 2010, defendant ALVIN WALKER signed a  
23 Statement of Information for BSNC, in which he was listed as the  
24 Chief Executive Officer, Secretary, Chief Financial Officer, and  
25 Director of BSNC, and which was filed with the State of  
26 California Secretary of State on September 13, 2010.

27 33. On September 17, 2010, defendant STEBEL sent a text  
28 message to defendant WALKER asking whether she should pay

1 defendant MONDRAGON and asking defendant WALKER to provide her  
2 with defendant MONDRAGON's hourly wage.

3 34. On September 18, 2010, defendant WALKER replied to  
4 defendant STEBEL's text message, providing defendant MONDRAGON's  
5 hourly wage and directing defendant STEBEL to pay defendant  
6 MONDRAGON.

7 35. On September 29, 2010, defendant HUNT signed a  
8 Statement of Information for GGAC, in which he was listed as the  
9 Chief Executive Officer, Secretary, Chief Financial Officer, and  
10 Director of GGAC, and which was filed with the State of  
11 California Secretary of State on September 29, 2010.

12 36. In October 2010, defendant LATTU billed GGAC for  
13 security services.

14 37. In November 2010, defendant STEBEL sent a text message  
15 to defendant SERHAN stating that defendant WALKER "feels like he  
16 picked up a tail" and would not be visiting BSNC anymore that  
17 day.

18 38. On December 15, 2010, defendant BUTIER signed a  
19 document with the State of California, Secretary of State, in  
20 which defendant BUTIER was identified as the Director, Officer,  
21 or Member of AHH.

22 39. On January 6, 2011, defendant SERHAN sent an e-mail to  
23 defendants WALKER, STEBEL, and ALVIN WALKER stating that  
24 defendant SERHAN agreed that they should shred documents  
25 relating to cash intake at BSNC at the end of the night.

26 40. On January 26, 2011, using coded language, defendant  
27 LATTU sent an e-mail to defendant STEBEL advising her to place  
28

1 records and money related to marijuana sales in an envelope  
2 marked "Sunny."

3 41. On February 12, 2011, defendant KAREN LETO sent an  
4 e-mail to defendants WALKER and CRAIG LETO regarding the credit  
5 card machine at CMPA.

6 42. In April 2011, defendant MONDRAGON completed several  
7 daily logs of marijuana sales and signed the daily logs as  
8 manager of SASC.

9 43. On April 1, 2011, defendant STEBEL sent defendant  
10 SERHAN a text message stating that "we" paid \$9,979 for security  
11 services for one month.

12 44. On April 1, 2011, defendant SERHAN sent an e-mail to  
13 defendants WALKER, STEBEL, and ALVIN WALKER stating that they  
14 needed to deposit \$14,000 in the bank each week in order to  
15 support their claim to the California Franchise Tax Board that  
16 BSNC earns only \$1,000 to \$3,000 per day.

17 45. On April 6, 2011, defendant WALKER sent an e-mail to  
18 defendant SERHAN approving an increase in the salary of an  
19 employee at BSNC.

20 46. On April 20, 2011, defendant SERHAN sent an e-mail to  
21 defendant WALKER advising him of the daily gross sales of  
22 marijuana at BSNC and the number of new customers.

23 47. On April 23, 2011, defendant KAREN LETO sent an e-mail  
24 to defendant WALKER regarding responses on "weedmaps by CMPA."

25 48. On April 26, 2011, at SASC, an unindicted co-  
26 conspirator sold marijuana to a UC for cash at BSNC.

27 49. On April 27, 2011, at GGAC, an unindicted co-  
28 conspirator sold marijuana to a UC for cash.

1 50. On April 28, 2011, defendant LATTU entered SFCHC  
2 carrying a black briefcase and a black bank money bag.

3 51. On May 14, 2011, defendant STEBEL sent an e-mail to  
4 defendants WALKER, SERHAN, and ALVIN WALKER informing them of an  
5 upcoming meeting with an accountant to discuss the possible  
6 installation of a credit card machine at BSNC in order to "keep  
7 from having a cash issue at the bank," among other reasons.

8 52. On June 18, 2011, defendant WALKER sent an e-mail to  
9 defendants SERHAN, ALVIN WALKER, STEBEL, CRAIG LETO, HUNT,  
10 MONDRAGON, and LATTU informing them of defendant WALKER's  
11 telephone number and advising them to keep the telephone number  
12 to themselves.

13 53. On June 21, 2011, defendant KAREN LETO sent an e-mail  
14 to defendant WALKER asking him to meet at around 11:30 a.m. that  
15 day.

16 54. On June 27, 2011, defendant KAREN LETO sent an e-mail  
17 to defendants WALKER and CRAIG LETO informing them of a customer  
18 who had had a bad experience at CMPA and to whom defendant KAREN  
19 LETO agreed to give 1/8 of an ounce of marijuana.

20 55. On July 11, 2011, defendant ALAN NIXON went to a State  
21 of California, Board of Equalization ("BOE") branch office and  
22 informed the BOE that SFCHC had begun operating on May 1, 2009.

23 56. On August 5, 2011, defendant LATTU sent an  
24 unidentified co-conspirator a text message about lowering the  
25 price of marijuana for sale.

26 57. On an unknown date prior to November 2011, defendant  
27 HUNT received an invoice, dated August 12, 2011, from Weedmaps  
28 Media, Inc.

1           58. On an unknown date prior to November 2011, defendant  
2 LATTU provided SASC an invoice, dated August 24, 2011, charging  
3 SASC \$1,162 for 77.47 "guard hours."

4           59. On August 29, 2011, defendant STEBEL, on behalf of  
5 BSNC, signed a contract with WeedMaps.com.

6           60. On September 1, 2011, defendant KAREN LETO sent an  
7 e-mail to defendants WALKER and CRAIG LETO regarding a promotion  
8 to increase the number of "likes" on CMPA's Facebook page.

9           61. In September 2011, defendant LATTU provided BSNC with  
10 an invoice showing an amount due of \$2,816.82 for security  
11 provided to BSNC from September 8, 2011 to September 14, 2011.

12           62. On September 20, 2011, at SASC, an unindicted co-  
13 conspirator sold marijuana to a UC for cash.

14           63. On September 20, 2011, at SFCHC, an unindicted co-  
15 conspirator sold marijuana to a UC for cash.

16           64. In October 2011, defendant LATTU provided BSNC with an  
17 invoice showing an amount due of \$2,838.42 for security provided  
18 to BSNC from September 9, 2011 to October 5, 2011.

19           65. On October 10, 2011, defendant LATTU sent defendant  
20 HUNT a text message regarding defendant HUNT's work schedule at  
21 GGAC.

22           66. On an unknown date prior to November 2011, defendant  
23 LATTU provided SASC with invoices, dated October 10, 2011 and  
24 October 12, 2011, totaling approximately \$2,346.40 for 156.23  
25 "guard hours."

26           67. On October 14, 2011, at GGAC, an unindicted co-  
27 conspirator sold marijuana to a UC for cash.

1           68. On October 14, 2011, at SFCHC, an unindicted co-  
2 conspirator sold marijuana to a UC for cash.

3           69. On October 21, 2011, defendant MONDRAGON posted, and  
4 caused to be posted, on SASC's price board the prices of  
5 different strains of marijuana per gram, per 1/8 of an ounce,  
6 and per ounce of marijuana.

7           70. On October 28, 2011, defendant HUNT sent defendant  
8 LATTU a text message regarding invoices for marijuana sales at  
9 GGAC.

10 **November 8, 2011 Search Warrants**

11           71. On November 8, 2011, defendant HUNT possessed  
12 approximately 7,653 grams of marijuana, 74 marijuana plants, and  
13 903 marijuana edibles at GGAC.

14           72. On November 8, 2011, defendants WALKER and BUTIER, and  
15 unindicted co-conspirator B.W., stored approximately 120  
16 marijuana plants at AHH.

17           73. On November 8, 2011, defendant HUNT maintained a price  
18 board for GGAC's "2-Gram Special."

19           74. On November 8, 2011, defendant HUNT possessed in the  
20 master bedroom of his residence approximately \$17,439 in cash.

21           75. On November 8, 2011, defendants SERHAN, STEBEL, and  
22 ALVIN WALKER possessed over 16 pounds of marijuana,  
23 approximately \$13,000 in cash, and digital scales at BSNC.

24           76. On November 8, 2011, defendant MONDRAGON possessed  
25 approximately 142 marijuana plants at SASC.

26           77. On November 8, 2011, defendant ALAN NIXON possessed  
27 approximately \$4,680 in cash in a safe at SFCHC.

28

1           78. On November 8, 2011, defendant LATTU possessed a Colt,  
2 Model M1991A1, .45 caliber semi-automatic handgun, serial number  
3 CP13616; \$9,453 in cash; sales receipts; and security schedules  
4 for BSNC, SHC, and SFCHC, at his residence.

5           79. On November 8, 2011, defendant WALKER possessed  
6 approximately \$390,000 in cash; a Berretta, model 21A, .22 LR  
7 caliber pistol, serial number BES12485U; a Nikko, model 5000-2,  
8 12-gauge shotgun, serial number K622859; and a Norinco, model  
9 84S-1, 5.56 caliber rifle, serial number 323358.

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COUNT TWO

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around April 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and PERRY BROOKS FOREHAND, aka "Bucky," each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Safe Harbor Collective, located at 34102 Violet Lantern, Dana Point, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT THREE

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around April 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and NICHOLAS MARTIN BUTIER, III, each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Alternative Herbal Health, located at 3702 E. Anaheim Street, Long Beach, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT FOUR

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around October 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and RYAN APARICIO MONDRAGON, aka "Juan," aka "Juanito," aka "Juan Ryan," each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Santa Ana Superior Care, located at 321 W. 17th Street, Santa Ana, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT FIVE

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around October 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and RYAN SCOTT HUNT, each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Garden Grove Alternative Care, located at 11042 Dale Street, Garden Grove, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT SIX

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around November 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," SIERRA MARINA SERHAN, aka "Hippy Chick," aka "Pumpkin," DANIELLE PAMELA STEBEL, aka "Mob Queen," and ALVIN WESLEY WALKER, each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Belmont Shore Natural Care, located at 5375 E. 2nd Street, Long Beach, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT SEVEN

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around November 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," ALAN DAVID NIXON, MICHAEL ALAN NIXON, and JOHN EUGENE SCANDALIOS, aka "JS," each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Santa Fe Compassionate Health Care, located at 13128 Telegraph Road, Santa Fe Springs, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT EIGHT

[21 U.S.C. § 856(a)(1); 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around November 2010, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," KAREN LEE LETO, and CRAIG LAWRENCE LETO, each intentionally aiding and abetting the other, knowingly opened, leased, rented, used, and maintained a place, that is, Costa Mesa Patients Association, located at 1755 Orange Avenue, Costa Mesa, California, for the purpose of manufacturing and distributing a controlled substance, namely, marijuana, a Schedule I controlled substance.

COUNT NINE

[21 U.S.C. § 860; 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around April 2011, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and PERRY BROOKS FOREHAND, aka "Bucky," each intentionally aiding and abetting the other, knowingly and intentionally maintained a place on 34102 Violet Lantern, Dana Point, California, for the purpose of distributing, possessing with intent to distribute, and manufacturing marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Section 856(a)(1), within 1,000 feet of the real property comprising a private elementary school, that is, Dana Montessori School.

COUNT TEN

[21 U.S.C. § 860; 18 U.S.C. § 2(a)]

Beginning on an unknown date and continuing until in or around April 2011, in Orange County, within the Central District of California, defendants JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," and MARTIN NICHOLAS BUTIER, III, each intentionally aiding and abetting the other, knowingly and intentionally maintained a place on 3702 East Anaheim Street, Long Beach, California, for the purpose of distributing, possessing with intent to distribute, and manufacturing marijuana, a Schedule I controlled substance, in violation of Title 21, United States Code, Section 856(a)(1), within 1,000 feet of the real property comprising a public secondary school, that is, Opportunities for Learning.

COUNT ELEVEN

[18 U.S.C. § 924(c)(1)(A)]

Beginning on an unknown date, and continuing to on or about November 8, 2011, in Los Angeles County, within the Central District of California, defendant JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW," knowingly possessed firearms, namely, (1) a Berretta, model 21A, .22 LR caliber pistol, serial number BES12485U; (2) a Nikko, model 5000-2, 12-gauge shotgun, serial number K622859; and (3) a Norinco, model 84S-1, 5.56 caliber rifle, serial number 323358, in furtherance of a drug trafficking crime, namely, conspiracy to distribute marijuana and to maintain a drug-involved premises, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment.

COUNT TWELVE

[18 U.S.C. § 924(c)(1)(A)]

Beginning on an unknown date, and continuing to on or about November 8, 2011, in Orange County, within the Central District of California, defendant NICHOLAS EINAR LATTU, also known as ("aka") "Dragon 6," aka "Six," knowingly possessed a firearm, namely, a Colt, Model M1991A1, .45 caliber semi-automatic handgun, serial number CP13616, in furtherance of a drug trafficking crime, namely, conspiracy to distribute marijuana and to maintain a drug-involved premises, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment.

COUNT THIRTEEN

[18 U.S.C. § 922(g)(1)]

Beginning on an unknown date, and continuing to on or about November 8, 2011, in Los Angeles County, within the Central District of California, defendant JOHN MELVIN WALKER, also known as ("aka") "Pops," aka "J," aka "JW" ("WALKER"), knowingly possessed firearms, namely, (1) a Berretta, model 21A, .22 LR caliber pistol, serial number BES12485U; (2) a Nikko, model 5000-2, 12-gauge shotgun, serial number K622859; and (3) a Norinco, model 84S-1, 5.56 caliber rifle, serial number 323358, each in and affecting interstate and foreign commerce.

Such possession occurred after defendant WALKER had been convicted of at least one of the following felonies, each punishable by a term of imprisonment exceeding one year:

(1) Transportation/Sell Cocaine, in violation of California Health and Safety Code Section 11352, in the Superior Court of the State of California, County of Los Angeles, Case No. A019197, on or about January 30, 1979;

(2) Possession of Marijuana/Hash for Sale, in violation of California Health and Safety Code Section 11359, in the Superior Court of the State of California, County of Los Angeles, Case No. NA005058, on or about September 2, 1992.

COUNT FOURTEEN

[18 U.S.C. § 1519]

1  
2  
3 On or about November 8, 2011, in Los Angeles County, within  
4 the Central District of California, defendant SIERRA MARINA  
5 SERHAN, also known as ("aka") "Hippy Chick," aka "Pumpkin"  
6 ("SERHAN"), knowingly destroyed and mutilated records and  
7 documents reflecting marijuana sales at Belmont Shore Natural  
8 Care Collective, aka "Belmont Shore Patient Group Collective,"  
9 with the intent to impede, obstruct, and influence the  
10 investigation and proper administration of a matter within the  
11 jurisdiction of a department and agency of the United States,  
12 that is, the U.S. Drug Enforcement Administration.

1 FORFEITURE ALLEGATION

2 [21 U.S.C. § 853]

3 1. Pursuant to Rule 32.2 of the Federal Rules of Criminal  
4 Procedure, notice is hereby given to defendants JOHN MELVIN  
5 WALKER, also known as ("aka") "Pops," aka "J," aka "JW,"  
6 NICHOLAS EINAR LATTU, aka "Dragon 6," aka "Six," NICHOLAS MARTIN  
7 BUTIER, III, PERRY BROOKS FOREHAND, aka "Bucky," RYAN SCOTT  
8 HUNT, RYAN APARICIO MONDRAGON, aka "Juan," aka "Juanito," aka  
9 "Juan Ryan," SIERRA MARINA SERHAN, aka "Hippy Chick," aka  
10 "Pumpkin," DANIELLE PAMELA STEBEL, aka "Mob Queen," ALVIN WESLEY  
11 WALKER, ALAN DAVID NIXON, MICHAEL ALAN NIXON, KAREN LEE LETO,  
12 CRAIG LAWRENCE LETO, and JOHN EUGENE SCANDALIOS, aka "JS,"  
13 (collectively, the "defendants") that the United States will  
14 seek forfeiture as part of any sentence in accordance with Title  
15 21, United States Code, Section 853(a), in the event of any  
16 defendants' conviction under any of Counts One through Ten of  
17 this Indictment.

18 2. Upon such a conviction, such defendants shall forfeit  
19 to the United States the following property:

20 a. All right, title, and interest in --

21 (i) any and all property constituting or  
22 derived from any proceeds obtained,  
23 directly or indirectly, as a result of any  
24 offense set forth in any of Counts One  
25 through Ten of this Indictment;

26 (ii) any property, real or personal, used or  
27 intended to be used, in any manner or part,  
28

1 to commit, or to facilitate the commission  
2 of such offenses; and

3 (iii) any property, real or personal, involved in  
4 such offenses or traceable to such  
5 property.

6 b. A sum of money equal to the total value of the  
7 property described in paragraphs 2(a)(i), (ii) &  
8 (iii). For each of Counts One through Ten for  
9 which more than one defendant is convicted of an  
10 offense, each such defendant so convicted shall  
11 be jointly and severally liable for the entire  
12 amount forfeited pursuant to that count.

13 3. Pursuant to Title 21, United States Code, Section  
14 853(p), each defendant shall forfeit substitute property, up to  
15 the value of the total amount described in paragraph 2(a), if,  
16 as the result of any act or omission of said defendant, said  
17 property, or any portion thereof, cannot be located upon the  
18 exercise of due diligence; has been transferred, sold to, or

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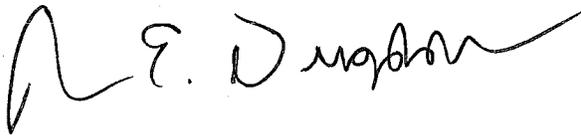
1 deposited with a third party; has been placed beyond the  
2 jurisdiction of the court; has been substantially diminished in  
3 value; or has been commingled with other property that cannot be  
4 divided without difficulty.

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A TRUE BILL

151  
Foreperson

ANDRÉ BIROTTE JR.  
United States Attorney



ROBERT E. DUGDALE  
Assistant United States Attorney  
Chief, Criminal Division

RODRIGO A. CASTRO-SILVA  
Assistant United States Attorney  
Chief, Organized Crime Drug  
Enforcement Task Force Section

ROB B. VILLEZA  
Assistant United States Attorney  
Deputy Chief, Organized Crime Drug  
Enforcement Task Force Section

CHRISTINE S. BAUTISTA  
Assistant United States Attorney  
Organized Crime Drug Enforcement  
Task Force Section