

# ***NEWS RELEASE***

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***OFFICE OF THE UNITED STATES ATTORNEY  
SOUTHERN DISTRICT OF CALIFORNIA  
San Diego, California***

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***For Immediate Release***

## **FOUR DEFENDANTS SENTENCED IN FUNK 49**

**NEWS RELEASE SUMMARY** - December 10, 2007

United States Attorney Karen P. Hewitt announced that four defendants prosecuted federally in “Operation Funk 49” were sentenced today in San Diego before United States District Court Judge Larry A. Burns in connection with their guilty pleas to conspiracy to distribute methamphetamine, distribution of cocaine, and money laundering.

According to Assistant U.S. Attorney Laura E. Duffy, who prosecuted the case, the charges arose as a result of a three-year local, state, and federal law enforcement investigation into an international drug and money laundering organization based in Guadalajara, Mexico. Operation Funk 49 began as a federal investigation in April 2004 when a methamphetamine user living on the streets of San Diego led to the identification of a local multi-pound methamphetamine distributor. Through the hard work and determination of agents of the Drug Enforcement Administration (DEA), Internal Revenue Service, Criminal Investigations (IRS) and Immigration and Customs Enforcement (ICE), the investigation grew into a nation-wide

investigation involving federal law enforcement officials in more than 10 judicial districts (including the Central District of California, Eastern District of New York, Northern District of Illinois, and Northern District of Georgia), and officials in Mexico and South America.

The federal portion of Funk 49 resulted in a total of 31 arrests and the seizure of 596 pounds of cocaine, 193 pounds of methamphetamine, \$2,859,000 in currency, and two single-family residences valued at approximately \$1,000,000 each. The New York and Atlanta parts of the federal investigation involved the prosecution of an October 2006 double homicide committed in Atlanta.

The defendants who were sentenced today before Judge Burns include:

**Gustavo Espinoza** - A United States citizen who was identified during the investigation as a multi-pound methamphetamine distributor and money collector working under the direction of one of the organization's primary distributors in the San Diego area, Felipe Ballesteros. On August 2, 2007, Espinoza pled guilty to conspiracy to distribute methamphetamine, in violation of Title 21, United States Code, Sections 841(a)(1) and 846; and bulk cash smuggling, in violation of Title 18, United States Code, Section 5332(a).

**Robert Galindo** - A United States citizen who was involved in storing methamphetamine and drug proceeds for Felipe Ballesteros. On August 2, 2007, Galindo pled guilty to two counts of using a communication device to facilitate the distribution of methamphetamine, in violation of Title 21, United States Code, Section 843(b). Galindo's plea agreement called for his forfeiture of a single-family residence he owned in Chula Vista, CA.

**Samuel Galindo** - A United States citizen identified during the investigation as the "straw purchaser" of a residence actually owned by Ballesteros. Galindo made monthly mortgage payments on the residence, purchased other assets, and paid monthly bills for Ballesteros using drug proceeds. On August 7, 2007, Galindo pled guilty to conspiracy to launder drug proceeds, in violation of Title 18, United States Code, Section 1956(h). Galindo's plea agreement called for the forfeiture of \$102,000.

**Francisco Fuentes** - A United States citizen identified during the investigation as methamphetamine and cocaine transporter working under the direction of Mexico-based sources of supply. After crossing drugs into the United States, Fuentes delivered them to storage locations and collected drug proceeds to transport back to Mexico. On November 28, 2007, Fuentes pled guilty to possession with intent to distribute 67.3 kilograms of cocaine, in violation of Title 21, United States Code, Section Section 841(a)(1).

Felipe Ballesteros is scheduled to be sentenced on December 17, 2007 before Judge Burns.

United States Attorney Hewitt said, “Funk 49 is truly a model showing how to work a case from the ground up. It demonstrates how everyday law enforcement actions as small as identifying a drug user on our streets can eventually lead to the dismantling of large drug trafficking networks.” U.S. Attorney Hewitt praised all of the federal, state, and local law enforcement officials across the country who were involved in the Organized Crime Drug Enforcement Task Force (OCDETF) investigation. The OCDETF program was created to consolidate and utilize all law enforcement resources in this country’s battle against major drug trafficking.

DEA Special Agent in Charge Ralph Partridge commented, “Today’s sentencing is the result of law enforcement agencies’ tireless efforts as they pursued this drug ring across the country. DEA and its law enforcement partners will continue to employ our combined resources in the fight against these ruthless drug trafficking organizations not only San Diego but cities across the country.”

IRS

“ICE is committed to working with it's federal, state, and local law enforcement partners to secure the nation’s borders and dismantle the drug smuggling organizations that seek to bring dangerous drugs into our communities,” said Michael Carney, Acting Special Agent in Charge for ICE investigations in San Diego.

**DEFENDANTS**

**Case Number: 05cr2078-LAB**

Gustavo Espinoza  
Robert Galindo  
Samuel Galindo  
Francisco Fuentes

**SUMMARY OF CHARGES**

Title 21, United States Code, Sections 841(a)(1) and 846  
Title 18, United States Code, Section 5332(a)  
Title 21, United States Code, Section 843(b)  
Title 18, United States Code, Section 1956(h)

**SENTENCES RECEIVED**

Gustavo Espinoza - 150 months in custody, five years of supervised release and a \$200 special assessment.

Francisco Fuentes - 108 months in custody, five years of supervised release, a \$10,000 fine, and a \$100 special assessment.

Robert Galindo - 96 months in custody, five years of supervised release, \$200 special assessment and forfeiture of the single family residence located in Chula Vista, California.

Samuel Galindo - 37 months in custody, three years of supervised release, \$100 special assessment and the forfeiture of \$102,000.

**FEDERAL INVESTIGATING AGENCIES**

U.S. Drug Enforcement Administration  
U.S. Internal Revenue Service, Criminal Investigation  
U.S. Immigration and Customs Enforcement