

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA**

**UNITED STATES OF AMERICA**

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**CRIMINAL DOCKET NO. 09-209**

**v.**

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**SECTION: "L" (3)**

**LANCE GASSEN**

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**FACTUAL BASIS**

The above-named defendant, **LANCE GASSEN**, has agreed to plead guilty as charged to Counts One through Four of the Indictment now pending against him. Should this matter have proceeded to trial, the United States of America would have proven beyond a reasonable doubt, through the introduction of relevant, competent, and admissible testimonial, physical and demonstrative evidence, the following facts to support the allegation against the defendant, **LANCE GASSEN** ("**GASSEN**"):

Unless stated otherwise, all of the facts set forth herein occurred within the Eastern District of Louisiana.

On or about June 24, 2009, a reliable confidential informant (C/I) informed Drug Enforcement Administration (DEA) agents that he could arrange a meeting with an individual known to him as "Malibu Chris," who could provide him with a source for MDMA. Agents subsequently

identified "Malibu Chris" as Christopher Krumholt. The C/I further advised agents that earlier in the day Krumholt asked the C/I to pick him up at the Wyndham Hotel in New Orleans so that he could take the C/I to Metairie and introduce him to his source of supply for MDMA tablets.

Prior to the C/I meeting with Krumholt, agents conducted an integrity search of the C/I with negative results and provided him with a self monitoring device and digital recorder. The C/I, followed by agents conducting surveillance, then drove to the Wyndham Hotel to pick up Krumholt.

At approximately 5:52 p.m., the C/I arrived at the Wyndham Hotel. Krumholt entered the C/I's vehicle and directed the C/I to drive toward Metairie, Louisiana. While headed toward Metairie, the C/I asked Krumholt, "Will I be able to get 500 tomorrow?" referring to purchasing MDMA tablets from the SOS. Krumholt responded, "Uh-huh. Yeah". The C/I then asked, "Could I get some tonight to try?" and Krumholt replied, "Yeah."

As they arrived in Metairie, Krumholt directed the C/I to drive to 2720 Independence Street, Apartment C. Minutes after arriving at the address, Krumholt's SOS, later identified as **LANCE GASSEN** ("**GASSEN**"), driving a silver Ford F-150, parked next to Krumholt and the C/I. The three of them went into Apartment C, later determined to be **GASSEN**'s residence.

Once inside the residence, Krumholt told **GASSEN**, "He wants to get 500 tomorrow.", referring to the C/I's request to purchase 500 MDMA tablets. **GASSEN** showed the C/I approximately 500 MDMA pills he had in his possession and sold the C/I five (5) tablets for \$30.00 as samples. The C/I told **GASSEN** that he (**GASSEN**) could call him the next day to sell him the tablets. They agreed to a price of \$6.00 per tablet. Krumholt then asked **GASSEN**, "Do you want me to give him your 601 number?" **GASSEN** responded., "Yeah that's fine" and told the C/I to call him when he was ready. The C/I and Krumholt then left **GASSEN**'s residence and returned to the

Wyndham Hotel. After dropping Krumholt off at the hotel, the C/I returned to the agents and gave them the five MDMA tablets he purchased from **GASSEN**. The tablets were then analyzed at the DEA laboratory by Senior Forensic Chemist Betsy Gonzales on July 24, 2009. All five tablets tested positive for MDMA and had a net weight of 1.38 grams.

On June 25, 2009, the C/I and **GASSEN** agreed to the sale of 500 MDMA tablets by **GASSEN** to the C/I as discussed the previous day. At approximately 5:15 p.m., agents met with the C/I, conducted an integrity search with negative results, and provided him with \$3,000.00 of official agency funds along with a self-monitoring device and digital recorder to record the transaction. Agents established video surveillance at **GASSEN's** residence prior to the transaction.

At approximately 6:13 p.m., the C/I arrived at **GASSEN's** residence where **GASSEN** gave the C/I approximately 500 pink tablets contained in five (5) clear plastic baggies. The C/I gave **GASSEN** the \$3,000.00 of official agency funds, left the residence and turned the tablets over to the agents. The tablets were then analyzed at the DEA laboratory by Senior Forensic Chemist Betsy Gonzales on July 24, 2009. The total count of the tablets was 507.7, all of which tested positive for MDMA and had a net weight of 157.4 grams.

On June 29, 2009, the C/I and **GASSEN** negotiated a sale of 500 MDMA tablets by **GASSEN** to the C/I for \$6.50 per tablet totaling \$3,250.00. They agreed to make the transaction the following day at **GASSEN's** residence.

On June 30, 2009, agents conducted an integrity search of the C/I with negative results and provided him with \$3,250.00 of official agency funds along with electronic recording devices to record the transaction. Agents also established video surveillance near **GASSEN's** residence prior to the transaction.

At approximately 2:02 p.m., the C/I arrived at **GASSEN's** residence where **GASSEN** gave the C/I five (5) clear plastic bags containing approximately 500 MDMA tablets. The C/I gave **GASSEN** the \$3,250.00 of official agency funds. **GASSEN** told the C/I that he was expecting a shipment of MDMA tablets from his SOS and that he would let the C/I know when it arrived. The C/I then told **GASSEN** that he would be interested in buying one thousand (1000) tablets in the future. The C/I left **GASSEN's** residence and turned the tablets over to the agents who field tested the tablets. The tablets tested positive for the presence of MDMA.

The tablets were analyzed at the DEA laboratory by Senior Forensic Chemist Betsy Gonzales on July 16, 2009. The total count of the tablets was 504.8 tablets, all of which tested positive for MDMA with a net weight of 126.2 grams.

On July 8, 2009, agents obtained a federal search warrant to search **GASSEN's** residence at 2720 Independence Street, Apartment C, Metairie, Louisiana. Prior to the execution of the warrant, agents learned from the C/I that **GASSEN** was preparing to meet with his source of supply.

At approximately 4:30 p.m., agents observed **GASSEN** exit his residence, enter the F150 and drive to 2444 Helena Street, Kenner, Louisiana. **GASSEN** entered Suite A at 2444 Helena Street. At approximately 4:57 p.m., agents observed **GASSEN** and an unknown white male, later identified as Jared Folks, exit Suite A. **GASSEN** entered his vehicle and Folks entered a black Toyota Tundra bearing license plate number X071467. The vehicle is registered to Folks at 2444 Helena Street, Suite A, Kenner, Louisiana. Agents followed **GASSEN's** vehicle to the 3000 block of Independence Street where they then arrested **GASSEN**. Agents searched **GASSEN's** vehicle and seized ten (10) clear plastic baggies with knotted ends each containing orange tablets. The tablets were analyzed at the DEA laboratory by Senior Forensic Chemist Betty Gonzales on July 31, 2009. The total count

of the tablets was 1000, all of which tested positive for 1-Benzylpiperazine and had a net weight of 296.4 grams of 1-Benzylpiperazine.

At approximately 5:15 p.m., agents read **GASSEN** his Miranda rights. **GASSEN** then agreed to answer questions and identified Folks as his source of supply. **GASSEN** told agents that he had just obtained 1000 MDMA tablets from Folks at 2444 Helena Street, Suite A, Kenner, Louisiana. **GASSEN** further stated that he had just given Folks \$2,500.00 as payment in full for 1000 MDMA tablets he obtained from Folks two weeks earlier. **GASSEN** told the agents that he planned to sell the 1000 MDMA tablets and give \$6,000.00 to Folks later in the evening. **GASSEN** confirmed to the agents that Folks drives a black Toyota Tundra.

At approximately 5:30 p.m., agents executed the search warrant at **GASSEN**'s residence and seized the following:

One clear plastic ziploc bag containing a quantity of white tablets bearing a spade insignia. The tablets were analyzed at the DEA laboratory by Senior Forensic Chemist Betty Gonzales on August 24, 2009. The total count of the tablets was 819.1, all of which tested positive for MDMA and had a net weight of 206.5 grams.

One clear plastic baggie with a knotted end containing a quantity of pink tablets bearing a horseshoe insignia. The tablets were analyzed at the DEA laboratory by Senior Forensic Chemist Betsy Gonzales on July 31, 2009. The total count of the tablets was 100, all of which tested positive for 1-Benzylpiperazine and had a net weight of 29.5 grams of 1-Benzylpiperazine.

One clear plastic baggie with a knotted end containing a quantity of pink tablets bearing a "HH" insignia. The tablets were analyzed at the DEA laboratory by Forensic Chemist Ted Chapman on September 9, 2009. The total count of tablets was 50, all of which tested positive for MDMA and had a net weight of 15.7 grams.

One clear plastic ziploc bag containing a quantity of yellow tablets bearing a footprint insignia. The tablets were analyzed at the DEA

laboratory by Forensic Chemist Ted Chapman on August 14, 2009. The total count of the tablets was 63.7, all of which tested positive for MDMA and had a net weight of 17.6 grams.

One digital scale.

One black zipper bag, miscellaneous plastic baggies and money wrappers.

At approximately 6:30 p.m., in the presence of the agents, **GASSEN** placed a consensual recorded call to Folks to arrange a meeting. Folks and Gassen agreed to meet at the Shell gas station located at the corner of Causeway Boulevard and Veterans Boulevard in Metairie, Louisiana. At approximately 6:45 p.m., agents arrested Folks after he arrived at the Shell station. Agents seized a quantity of United States currency from a white envelope in Folks' shorts pocket and read him his Miranda rights. Folks informed the agents that he understood his rights and agreed to answer questions. Folks told the agents that the white envelope contained \$2,500.00 that he received from Gassen earlier that evening as payment for 1000 MDMA tablets he gave to Gassen at 2444 Helena Street, Suite A in Kenner. Folks further informed the agents that he was at the Shell station waiting for Gassen to bring him \$6,000.00 as proceeds from the sale of the tablets and that Gassen owed him approximately \$13,000.00 for previous MDMA transactions over the past month.

**FOLKS** also identified his source of supply as Cesar LNU from Houston, Texas. According to **FOLKS**, Cesar LNU provided **FOLKS** with 4,000 MDMA tablets to sell. **FOLKS** told agents that he still owes Cesar LNU \$13,000.00 for the tablets.

**FOLKS** consented to a search of his residence located at 606 Harrison Avenue, New Orleans, Louisiana. Found in a safe in **FOLKS**' bedroom were the following:

\$400.00 in United States currency

One Cartier Roadster wrist watch

One diamond Polanti wrist watch

One 14 karat white gold diamond engagement ring

Other items found in **FOLKS'** home included the following:

One United States of America Passport for Jared Folks

Two digital scales

One black briefcase containing a DET-2 Frequency Counter

For sentencing purposes, the Government and defendant, **GASSEN**, agree that **GASSEN** should be held responsible for 3053.9 tablets which he distributed and possessed with the intent to distribute during the course of the conspiracy. Of those tablets, 1953.9 of them consisted of MDMA with a net weight of 524.78 grams and the remaining 1100 tablets consisted of 1-Benzylpiperazine with a net weight of 325.9 grams.

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LANCE GASSEN (Date)  
Defendant

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