

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION

**FILED**

OCT 11 2007

10-11-07

NR

**MICHAEL W. DOMINGO  
CLERK, U.S. DISTRICT COURT**

UNITED STATES OF AMERICA

)  
) No. 07 CR 548

v.

JAMES VALENCIA,  
a/k/a Jota, Jay, and Papa,  
WILLIAM ANTHONY MORCIGLIO,  
a/k/a Woody,  
COSME CHACON, and  
a/k/a Meno and Nano,  
VIVIANA HERNANDEZ,  
a/k/a Viviana Salazar.

)  
)  
)  
) Violations: Title 21,  
) United States Code,  
) Sections 841(a)(1), 843(b),  
) 846, and Title 18,  
) United States Code, Sections  
) 1952, 1956, and 2.

) **SUPERSEDING INDICTMENT**

COUNT ONE

**JUDGE LEINENWEBER**

The SPECIAL JUNE 2007 GRAND JURY charges:

**MAGISTRATE JUDGE  
GERALDINE SOAT BROWN**

1. Beginning sometime in or about 1999, and continuing to on or about October 30,

2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
WILLIAM ANTHONY MORCIGLIO, a/k/a Woody,  
COSME CHACON, a/k/a Meno and Nano, and  
VIVIANA HERNANDEZ, a/k/a Viviana Salazar,

defendants herein, conspired with each other and with Kelly Jones, Carlos Jiron, Jesus Abel Roldan, David Acevedo, Marcus Jones, Daniel C. Maldonado, Angel George Melendez, Jr., Nathan Thomas, Diana Munoz, Yolanda Rivera, Iris D. Torres, Martha Llanos, Vibencio Consuegra, Shantell Hill, Ricardo Arnold, Miguel Sanchez, Milena P. Pupo, Luis E. Rivera, Juan Lozada, Sandra P. Velazquez, William Enrique Heins, and Lanell Hughes, and others known and unknown to the Grand Jury, to knowingly and intentionally possess with intent to distribute and to distribute a controlled substance, namely, in excess of a kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance, in violation of Title 21, United States Code, Section 841(a)(1).

2. It was part of the conspiracy that defendant JAMES VALENCIA directed a heroin trafficking organization (the "VALENCIA Organization") which obtained and distributed large quantities of heroin in the Chicago, Illinois area, and elsewhere.

3. It was further part of the conspiracy that defendant JAMES VALENCIA together with Carlos Jiron, Kelly Jones, Jesus Abel Roldan, and other co-conspirators, arranged to have large quantities of heroin transported from New York, Florida, and Texas, to the Chicago area for distribution to others.

4. It was further part of the conspiracy that Kelly Jones and other co-conspirators kept and maintained records ("ledgers") of the quantities of heroin transported by the VALENCIA Organization into the Chicago area, and the quantities of heroin distributed to the Organization's customers.

5. It was further part of the conspiracy that defendant WILLIAM ANTHONY MORCIGLIO, together with co-conspirators Kelly Jones, Yolanda Rivera, and other co-conspirators, on behalf of the VALENCIA Organization, transported large quantities of heroin into and within the Chicago area.

6. It was further part of the conspiracy that after the heroin was transported to the Chicago area, the heroin was stored at various residences in the Chicago area, including at Kelly Jones' residence located on West Warner.

7. It was further part of the conspiracy that after the heroin was transported to the Chicago area, defendants JAMES VALENCIA, WILLIAM ANTHONY MORCIGLIO, together with co-conspirators Kelly Jones, Carlos Jiron, and other co-conspirators, processed and repackaged the heroin for further distribution at various locations, including residences located on Doris Court, Gunnison Avenue, McLean, and at Kelly Jones' residence located on West Warner in the Chicago

area.

8. It was further part of the conspiracy that defendant JAMES VALENCIA, together with co-conspirators Kelly Jones, and Carlos Jiron, supplied or caused to be supplied large quantities of heroin on a regular basis to co-conspirators Martha Llanos, Vibencio Consuegra, Milena P. Pupo, Luis E. Rivera, Juan Lozada, Sandra P. Velazquez, and others. The heroin was typically "fronted" to the customers, meaning the heroin was delivered to the customers and the sellers received full payment later, after the customers sold the heroin.

9. It was further part of the conspiracy that Kelly Jones, Carlos Jiron, and William Heins collected cash proceeds from the sale of heroin by members of the VALENCIA Organization ("cash narcotics proceeds") and delivered, and caused to be delivered, a portion of the cash narcotics proceeds to defendants COSME CHACON and VIVIANA HERNANDEZ, who were engaged in the business of transmitting funds through various wire remitter businesses that they owned and operated in the Chicago area.

10. It was further part of the conspiracy that defendant JAMES VALENCIA, together with co-conspirators Kelly Jones, Carlos Jiron, William Heins, and other co-conspirators caused defendants COSME CHACON and VIVIANA HERNANDEZ to conduct foreign wire transfers of cash narcotics proceeds to individuals associated with the VALENCIA Organization in Colombia and elsewhere.

11. It was further part of the conspiracy that, in late October 2002, defendant JAMES VALENCIA traveled from Colombia, South America to Chicago, Illinois to meet with Kelly Jones, Carlos Jiron, Jesus Abel Roldan, and defendant WILLIAM ANTHONY MORCIGLIO, and others, to discuss the drug trafficking activities of the VALENCIA Organization.

12. It was further part of the conspiracy that the defendants and their co-conspirators used cellular and hardline telephones to communicate with each other and to facilitate their drug trafficking activities.

13. It was further part of the conspiracy that the defendants and their co-conspirators, would and did conceal and hide and cause to be concealed and hidden, the purposes and the acts done in furtherance of the conspiracy, and would and did use coded language, counter-surveillance and other means to avoid detection and apprehension by law enforcement authorities;

All in violation of Title 21, United States Code, Section 846, and Title 18, United States Code, Section 2.

COUNT TWO

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about December 20, 2001, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay, and Papa, defendant herein, together with Kelly Jones, William Enrique Heins, and Lanell Hughes, did attempt to knowingly and intentionally possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance, in violation of Title 21, United States Code, Section 841(a)(1);

In violation of Title 21, United States Code, Section 846 and Title 18, United States Code, Section 2.

COUNT THREE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 16, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Diana Muoz, did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT FOUR

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 17, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, Diana Munoz, and Daniel Maldonado, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT FIVE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 26, 2002, at approximately 6:43 p.m., in the Northern District of Illinois, Eastern Division,

JAMES VALENCIA a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, knowingly and intentionally used a communications facility, namely a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).



COUNT SIX

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 27, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay and Papa,

defendant herein, together with Kelly Jones and Diana Munoz, did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT SEVEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 27, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, David Acevedo, and Angel George Melendez, Jr., did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT EIGHT

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about June 29, 2002, at approximately 12:46 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENICA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT NINE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 6, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay and Papa,

defendant herein, together with Kelly Jones, David Acevedo, and Daniel C. Maldonado, did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT TEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 8, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, David Acevedo, and Daniel C. Maldonado, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT ELEVEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 15, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay and Papa,

defendant herein, together with Kelly Jones, David Acevedo, and Angel George Melendez, Jr., did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT TWELVE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 17, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, David Acevedo, and Angel George Melendez, Jr., knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 19, 2002, at approximately 1:30 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).



COUNT FOURTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about July 19, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay and Papa,

defendant herein, together with Kelly Jones and David Acevedo, did travel in interstate commerce between the Northern District of Illinois and New York, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT FIFTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

Sometime between July 21, 2002 and August 20, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Carlos Jiron, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT SIXTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 15, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Carlos Jiron and Vibencio Consuegra, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of 100 grams of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT SEVENTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 16, 2002, at approximately 5:32 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, defendant herein, together with Carlos Jiron, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT EIGHTEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 18, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Carlos Jiron, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of 100 grams of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT NINETEEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 20, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, defendant herein, together with Kelly Jones, Jesus Abel Roldan, Marcus Jones, and Angel George Melendez, Jr., did travel in interstate commerce between the Northern District of Illinois and Florida, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.

COUNT TWENTY

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 22, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, defendant herein, together with Kelly Jones, Jesus Abel Roldan, Marcus Jones, and Angel George Melendez, Jr., knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT TWENTY-ONE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about August 30, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay and Papa,

defendant herein, together with Kelly Jones, Jesus Abel Roldan, Nathan Thomas, and Yolanda Rivera, did travel in interstate commerce between the Northern District of Illinois and Florida, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.



COUNT TWENTY-TWO

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 1, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Milena Pupo, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT TWENTY-THREE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 1, 2002, at approximately 8:11 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

WILLIAM ANTHONY MORCIGLIO, a/k/a Woody,

defendant herein, together with Kelly Jones and Jesus Abel Roldan, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT TWENTY-FOUR

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 1, 2002, at approximately 9:12 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

WILLIAM ANTHONY MORCIGLIO, a/k/a Woody,

defendant herein, together with Kelly Jones and Nathan Thomas, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT TWENTY-FIVE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 5, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones, Jesus Abel Roldan, Nathan Thomas, and Yolanda Rivera, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT TWENTY-SIX

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 12, 2002, at approximately 10:05 a.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
defendant herein, together with Carlos Jiron, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT TWENTY-SEVEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 14, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Luis E. Rivera, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT TWENTY-EIGHT

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 15, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
defendant herein, together with Carlos Jiron and Iris D. Torres, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT TWENTY-NINE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 17, 2002, at Chicago, in the Northern District of Illinois, Eastern Division,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Carlos Jiron and Juan Lozada, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.



COUNT THIRTY

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 24, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
defendant herein, together with Kelly Jones and Shantell Hill, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-ONE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about September 29, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Ricardo Arnold, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-TWO

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 4, 2002, at approximately 7:21 p.m., in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, defendant herein, together with Carlos Jiron and Iris D. Torres, knowingly and intentionally used a communications facility, namely, a telephone, in committing and in causing and facilitating the commission of a felony violation of Title 21, United States Code, Section 846, namely, conspiracy to possess with intent to distribute and to distribute heroin, as charged in Count One of this Indictment;

In violation of Title 21, United States Code, Section 843(b).

COUNT THIRTY-THREE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 4, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Carlos Jiron and Iris D. Torres, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-FOUR

The SPECIAL JUNE 2007 GRAND JURY further charges:

Sometime between September 18, 2002, to October 14, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Carlos Jiron, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-FIVE

The SPECIAL JUNE 2007 GRAND JURY further charges:

Sometime between October 14, 2002 and October 24, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
defendant herein, together with Kelly Jones and Carlos Jiron, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of 100 grams of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-SIX

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 16, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,

defendant herein, together with Kelly Jones and Miguel Sanchez, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT THIRTY-SEVEN

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 21, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay and Papa, and  
WILLIAM ANTHONY MORCIGLIO a/k/a Woody,

defendants herein, together with Kelly Jones and Yolanda Rivera, did travel in interstate commerce between the Northern District of Illinois and Texas, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952, and Title 18, United States Code, Section 2.



COUNT THIRTY-EIGHT

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 24, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, and  
WILLIAM MORCIGLIO, a/k/a Woody,

defendants herein, together with Kelly Jones and Yolanda Rivera, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of 100 grams of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1) and Title 18, United States Code, Section 2.

COUNT THIRTY-NINE

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 28, 2002, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA a/k/a Jota, Jay, and Papa, defendant herein, did travel in interstate and foreign commerce between Colombia, South America, and the Northern District of Illinois, with intent to promote, manage, establish, carry on, and facilitate the promotion, management, establishment and carrying on of an unlawful activity, namely, conspiracy to possess with intent to distribute and to distribute heroin, in violation of Title 21, United States Code, Section 846, as charged in Count One of this Indictment, and thereafter did perform and attempt to perform an act to promote, establish, carry on and facilitate the promotion, establishment and carrying on of that unlawful activity;

In violation of Title 18, United States Code, Section 1952.

COUNT FORTY

The SPECIAL JUNE 2007 GRAND JURY further charges:

On or about October 29, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa, and  
WILLIAM ANTHONY MORCIGLIO, a/k/a Woody,

defendants herein, together with Kelly Jones and Carlos Jiron, knowingly and intentionally did possess with intent to distribute a controlled substance, namely, in excess of one kilogram of mixtures containing heroin, a Schedule I Narcotic Drug Controlled Substance;

In violation of Title 21, United States Code, Section 841(a)(1), and Title 18, United States Code, Section 2.

COUNT FORTY-ONE

The SPECIAL JUNE 2007 GRAND JURY further charges:

1. Defendants COSME CHACON and VIVIANA HERNANDEZ were engaged in the business of the transmission of funds at various business locations in Chicago.

2. Beginning in or about early 2001, and continuing to on or about October 30, 2002, at Chicago, in the Northern District of Illinois, Eastern Division, and elsewhere,

JAMES VALENCIA, a/k/a Jota, Jay, and Papa,  
COSME CHACON, a/k/a Meno and Nano, and  
VIVIANA HERNANDEZ, a/k/a Viviana Salanar,

defendants herein, conspired with each other and with Kelly Jones, Carlos Jiron, and William Heins, and with others known and unknown to the Grand Jury, to transport, transmit and transfer, and to attempt to transport, transmit, and transfer, funds from a place inside the United States, to and through a place outside the United States, namely Colombia, knowing that the transportation, transmission, and transfer of those funds was designed, in whole and in part, to promote the carrying on of specified unlawful activity, namely, the felonious receipt, concealment, buying, selling, and otherwise dealing in controlled substances, in violation of Title 18, United States Code, Section 1956(a)(2)(A);

3. It was part of the conspiracy that co-conspirators Kelly Jones, Carlos Jiron, and William Heins, and others, collected and received cash from the sale of heroin ("narcotics proceeds") by members of the VALENCIA Organization.

4. It was further part of the conspiracy that, at the direction of defendant JAMES VALENCIA, co-conspirators Kelly Jones, Carlos Jiron, and William Heins delivered amounts of narcotics proceeds often in excess of \$10,000 to defendants COSME CHACON and VIVIANA HERNANDEZ at their business locations.

5. It was further part of the conspiracy that co-conspirators Kelly Jones, Carlos Jiron, and William Heins, and other co-conspirators, typically delivered narcotics proceeds to defendants COSME CHACON and VIVIANA HERNANDEZ in hand-held bags.

6. It was further part of the conspiracy that defendants COSME CHACON and VIVIANA HERNANDEZ maintained lists of several names of individuals who purportedly were to receive the narcotics proceeds in Colombia ("Recipients List").

7. It was further part of the conspiracy that defendants COSME CHACON and VIVIANA HERNANDEZ created or caused to be created a list of false or fictitious names and addresses of persons who purportedly were sending money to the persons on the Recipients List in Colombia.

8. It was further part of the conspiracy that after defendants COSME CHACON and VIVIANA HERNANDEZ received the narcotics proceeds from co-conspirators Kelly Jones, Carlos Jiron, and William Heins, and other co-conspirators, defendants COSME CHACON and VIVIANA HERNANDEZ wired and caused to be wired the narcotics proceeds to the overseas names and addresses contained on the Recipients List.

9. It was further part of the conspiracy that the defendants and their co-conspirators concealed and hid and caused to be concealed and hidden the purposes and the acts done in furtherance of the conspiracy, and used coded language, counter-surveillance and other means to avoid detection and apprehension by law enforcement authorities.

All in violation of Title 18, United States Code, Section 1956(h).

FORFEITURE ALLEGATION

The SPECIAL JUNE 2007 GRAND JURY further alleges:

1. Counts One through Forty of this Indictment are realleged and incorporated herein by reference for the purpose of alleging that certain property is subject to forfeiture to the United States, pursuant to the provisions of Title 21, United States Code, Section 853.

2. As a result of their violations of Title 21, United States Code, Sections 841(a)(1), 843(b), and 846 as alleged in the foregoing Indictment,

JAMES VALENICA, a/k/a Jota, Jay, and Papa,  
WILLIAM ANTHONY MORCIGLIO, a/k/a Woody,  
COSME CHACON, a/k/a Meno and Nano, and  
VIVIANA SALAZAR, a/k/a Viviana Salazar,

defendants herein, shall forfeit to the United States, pursuant to Title 21, United States Code, Section 853(a)(1) and (2): (1) any and all property constituting or derived from, any proceeds the obtained, directly or indirectly, as a result of the violations; and (2) any and all of property used, or intended to be used, in any manner or part, to commit or facilitate the commission of the violations.

3. The interests of the defendants, jointly and severally, subject to forfeiture to the United States pursuant to Title 21, United States Code, Section 853, include, but are not limited to, approximately \$1,000,000.

4. By virtue of the commission of the offenses charged in Counts One through Forty of this Indictment by the defendants, all right, title or interest that any defendant has in the above-described property is vested in the United States and hereby forfeited to the United States pursuant to Title 21, United States Code, Section 853.

5. If any of the property described above as being subject to forfeiture pursuant to Title 21, United States Code, Section 853(a), as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred to, sold to, or deposited with a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value;
- e. has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States to seek forfeiture of substitute property belonging to defendants under the provisions of Title 21, United States Code, Section 853(p);

All pursuant to Title 21, United States Code, Section 853.

A TRUE BILL:

\_\_\_\_\_  
FOREPERSON

\_\_\_\_\_  
UNITED STATES ATTORNEY