

Notice: I have redacted the day from the birth dates because of local rules on privacy. These dates appear in full on the official version of the indictment on file at PACER. The birth date for defendant Jones has been amended by court order as it was not correct.

IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF MISSOURI
ST. JOSEPH DIVISION

UNITED STATES OF AMERICA,	) No. _____
	) COUNT ONE: All Defendants
Plaintiff,	) 21 U.S.C. §§ 841(a)(1), (b)(1)(A) and 846
	) Conspire to distribute metamphetamine
v.	) NLT 10 Years and NMT Life Imprisonment
	) NMT \$4,000,000 Fine
JAMES ALLEN JACOBS, JR.,	) NLT 5 Years Supervised Release
a/k/a "Jake"	) Class A Felony
[DOB: 03 /1984])
	) COUNT TWO: Defendants Jacobs, Smith,
JOHNNY ERWIN SMITH,	) Wilson and Gangel only
[DOB: 11 /1966]	) Conspire to distribute heroin
	) 21 U.S.C. §§ 841(a)(1), (b)(1)(B) and 846
AMANDA LYNN SCATES,	) NLT 5 Years Imprisonment
[DOB: 11 /1980]	) NMT 40 Years Imprisonment
	) NMT \$2,000,000 Fine
LINDSEY NICOLE HILLYARD,	) NLT 4 Years Supervised Release
[DOB: 01 /1982]	) Class B Felony
)
JEFFERY MARSHALL JONES,	) COUNT THREE: Defendant Jacobs only
[DOB: Changed to: 12 /1962]	) Possess firearms & drug trafficking / violence
	) 18 U.S.C. § 924(c)
TERRY WAYNE THOMAS,	) NLT 5 Years Imprisonment (Consecutive)
[DOB: 08 /1953]	) NMT \$250,000 Fine
	) NMT 3 Years Supervised Release
WILLIAM CHESTER GARRETT,	) Class C Felony
a/k/a "Butch")
[DOB: 03 /1968]	) COUNT FOUR: Defendant Jacobs only
	) Felon in possession firearm, aid and abet
TIM MICHAEL WILSON,	) 18 U.S.C. §§ 922(g)(1) and 924(a)(2) and
[DOB: 10 /1987]	) 18 U.S.C. § 2
	) NMT 10 Years Imprisonment
RICHARD MARK GANGEL,	) NMT \$250,000 Fine
a/k/a "Dicky"	) NMT 3 Years Supervised Release
[DOB: 03 /1982]	) Class C Felony
)
Defendants.)
)
)
)

-) COUNT FIVE: All Defendants
-) **Money laundering conspiracy**
-) 18 U.S.C. §§ 1956 (a)(1)(A)(i) and (h)
-) NMT 20 Years Imprisonment
-) NMT \$500,000 Fine
-) NMT 3 Years of Supervised Release
-) Class C Felony
-)
-) \$100 Mandatory Special Assessment Each Count

INDICTMENT

THE GRAND JURY CHARGES THAT:

COUNT ONE

On or between January 1, 2010 and March 1, 2011, in the Western District of Missouri, JAMES ALLEN JACOBS, JR. (a/k/a “Jake”); JOHNNY ERWIN SMITH; AMANDA LYNN SCATES; LINDSEY NICOLE HILLYARD; JEFFERY MARSHALL JONES; TERRY WAYNE THOMAS; WILLIAM CHESTER GARRETT (a/k/a “Butch”); TIM MICHAEL WILSON; and RICHARD MARK GANGEL (a/k/a “Dicky”), defendants herein, did knowingly and intentionally, combine, conspire, confederate, and agree with each other and others, both known and unknown to the Grand Jury, to distribute a mixture or substance containing a detectable amount of methamphetamine, a Schedule II controlled substance, in an amount of five hundred (500) grams or more, contrary to the provisions of Title 21, United States Code, Sections 841(a)(1), (b)(1)(A) and 846.

COUNT TWO

On or between January 1, 2010 and December 16, 2010, in the Western District of Missouri, JAMES ALLEN JACOBS, JR. (a/k/a “Jake”); JOHNNY ERWIN SMITH; TIM

MICHAEL WILSON; and RICHARD MARK GANGEL (a/k/a "Dicky"), defendants herein, did knowingly and intentionally, combine, conspire, confederate, and agree with each other and others, both known and unknown to the Grand Jury, to distribute a mixture or substance containing a detectable amount of heroin, a Schedule II controlled substance, in an amount of one hundred (100) grams or more, contrary to the provisions of Title 21, United States Code, Sections 841(a)(1), (b)(1)(B) and 846.

COUNT THREE

On or between August 01, 2010 and December 16, 2010, in the Western District of Missouri, JAMES ALLEN JACOBS, JR. (a/k/a "Jake"), defendant herein, during or in relation to a crime of violence or drug trafficking crime and in furtherance of a crime of violence or drug trafficking crime, both for which he may be prosecuted in a court of the United States, that is, those crimes set out in Counts One and Two of this indictment, all allegations of which are incorporated herein by reference, used, carried and possessed firearms, to wit: unknown make and model revolver as seen in defendant's hand in photo on defendant's phone; Ruger model 10/22 .22 caliber rifle serial number 236-92903; J.P. Sauer & Sohn model Western Marshal .357 caliber revolver serial number 3/24291; and Miroku .38 caliber revolver, serial number 31702, all contrary to the provisions of Title 18, United States Code, Section 924(c)(1)(A)(i).

COUNT FOUR

On or about December 16, 2010, in the Western District of Missouri, JAMES ALLEN JACOBS, JR. (a/k/a "Jake"), defendant herein, aided and abetted by others, having been convicted of at least one crime punishable by imprisonment for a term exceeding one year, did knowingly possess, in and affecting commerce, firearms, to wit: unknown make and model

revolver as seen in defendant's hand in photo on defendant's phone; Ruger model 10/22 .22 caliber rifle serial number 236-92903; J.P. Sauer & Sohn model Western Marshal .357 caliber revolver serial number 3/24291, and; Miroku .38 caliber revolver, serial number 31702, all which had been transported in interstate commerce. All contrary to the provisions of Title 18, United States Code, Sections 922(g)(1) and 924(a)(2) and Title 18, United States Code, Section 2.

COUNT FIVE

On or between January 1, 2010 and March 01, 2011, in the Western District of Missouri, JAMES ALLEN JACOBS, JR. (a/k/a "Jake"); JOHNNY ERWIN SMITH; AMANDA LYNN SCATES; LINDSEY NICOLE HILLYARD; JEFFERY MARSHALL JONES; TERRY WAYNE THOMAS; WILLIAM CHESTER GARRETT (a/k/a "Butch"); TIM MICHAEL WILSON; and RICHARD MARK GANGEL (a/k/a "Dicky"), defendants herein, and others, both known and unknown to the grand Jury, knowing that the property involved in the financial transactions represented the proceeds of some form of unlawful activity, did knowingly and intentionally combine, conspire, confederate and agree with each other and others, both known and unknown to the grand jury, to conduct financial transactions which in fact involved the proceeds of a specified unlawful activity, to wit: the conspiracy to distribute controlled substances contrary to the provisions of Title 21, United States Code, Section 841(a)(1) and Title 21, United States Code, Section 846 charged in Counts One and Two, with the intent to promote the carrying on of that specified unlawful activity, in that cash obtained from drug sales was then used, in whole or part, to purchase additional drugs for sale, and at least one vehicle (a motorcycle) was taken in payment of a drug debt, all thus promoting the drug conspiracy.

All in violation of Title 18, United States Code, Sections 1956(a)(1)(A)(i) and (h).

The object of the conspiracy was to use drug sale proceeds to continue and promote the drug trafficking conspiracy charged in Counts One and Two of this indictment.

The manner and means by which the conspiracy was sought to be accomplished included, among others, the following:

1. It was part of the conspiracy that its members would and did buy and sell illicit drugs.
2. It was further a part of the conspiracy that its members would and did obtain proceeds in one way or another form said buying and selling of illicit drugs.
3. It was further a part of the conspiracy that its members would and did use the said proceeds to further promote the buying and selling of additional drugs.

In furtherance of the conspiracy and to effect the objects of the conspiracy, the following overt acts, among others, were committed in the Western District of Missouri and elsewhere:

1. During the conspiracy period, JACOBS stated that defendant JONES owed him several thousand dollars for drugs he had provided to him.
2. On or about July 18, 2010, Defendant JACOBS had a motorcycle belonging to defendant JONES removed from JONES' possession by defendant GARRETT and placed into JACOBS' possession.
3. Defendant THOMAS obtained ounce quantities of methamphetamine at a time from defendant JACOBS for \$2250.00 per ounce and would re-supply on a daily basis between approximately May and August, 2010.

4. In June of 2010, defendant THOMAS gave \$600.00 to defendant JACOBS for prior drugs obtained JACOBS. Following that payment, JACOBS gave THOMAS one-half ounce of methamphetamine.

5. Between September and November of 2010, JACOBS stated that he had obtained two specific firearms and "come Monday" he was going to start shooting people "in the head" that owed him money for drugs.

6. During the conspiracy period, JACOBS' sent a text message to another individual. The text said JACOBS wanted his "\$4,000.00" and wanted his "heroin back".

7. Between April and August of 2010, defendant WILSON obtained over one kilo of methamphetamine from JACOBS, SMITH, and JONES, sold that methamphetamine for more than he paid for it and then used part of those proceeds to purchase more methamphetamine for sale.

A TRUE BILL.

Dated: 3/1/11

/s/ Carver K. Bonine
FOREPERSON OF THE GRAND JURY

/s/ Bruce Rhoades
Bruce Rhoades
Assistant United States Attorney