

CR-10-00757-PHX-ROS, June 5, 2012

**UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA**

08:28:01

1					
2					
3					
4					
5	United States of America,	)			
6		)			
7	Plaintiff,	)			
8	vs.	)			
9		)	CR-10-00757-PHX-ROS		
10	James R. Parker,	)			
11		)			
12	Defendant.	)			
13		)	June 5, 2012		
14		)	8:47 a.m.		
15		)			

08:28:01

08:28:01

**BEFORE: THE HONORABLE ROSLYN O. SILVER, CHIEF JUDGE**

**REPORTER'S TRANSCRIPT OF PROCEEDINGS**

JURY TRIAL - Day 4

(Pages 563 through 766)

08:28:01

Official Court Reporter:  
**Elaine Cropper, RDR, CRR, CCP**  
Sandra Day O'Connor U.S. Courthouse, Suite 312  
401 West Washington Street, Spc. 35  
Phoenix, Arizona 85003-2151  
(602) 322-7249

08:28:01

Proceedings Reported by Stenographic Court Reporter  
Transcript Prepared by Computer-Aided Transcription

08:28:01

United States District Court

CR-10-00757-PHX-ROS, June 5, 2012

08:28:01

08:28:01

08:28:01

08:28:01

08:28:01

08:28:01

I N D E X

TESTIMONY

WITNESS	Direct	Cross	Redirect	VD
NORA WHITAKER	572	594		
CERITA WALKER	599	675	706	
EDDIE WALKER	707	717		
KEITH KUHLMAN	721			

E X H I B I T S

Number		Ident	Rec'd
76	Certified Copy of First State Bank records for Cimarron River Ranch LLC account #231142	604	605
77	Signature card for Cimarron River Ranch LLC account #231142 (sub-exhibit to Exhibit 76)		605
130	First State Bank Letter of Due Diligence to Cimarron River Ranch LLC dated August 9, 2007	674	675
131	First State Bank Memorandum of Contact dated August 16, 2007	674	675
155	Commissioner of the Land Office State of Oklahoma ("CLO") Land Lease Contract #8090 between CLO and Cimarron River Ranch LLC ("Lessee") dated October 25, 2006 (sub-exhibit to Exhibit 383)	757	757
156	Commissioner of the Land Office State of Oklahoma ("CLO") Land Lease Contract #8091 between CLO and Cimarron River Ranch LLC ("Lessee") dated October 25, 2006 (sub-exhibit to Exhibit 383)	757	757

CR-10-00757-PHX-ROS, June 5, 2012

1	157	Commissioner of the Land Office State of Oklahoma ("CLO") Land Lease Contract #7504 between CLO and Cimarron River Ranch LLC ("Lessee") dated October 11, 2005 (sub-exhibit to Exhibit 383)	748	749	08:28:01
2					
3					
4	158	Commissioner of the Land Office State of Oklahoma ("CLO") Land Lease Contract #7505 between CLO and Cimarron River Ranch LLC ("Lessee") dated October 11, 2005 (sub-exhibit to Exhibit 383)	756	756	08:28:01
5					
6					
7	159	Commissioner of the Land Office State of Oklahoma ("CLO") Land Lease Contract #7506 between CLO and Cimarron River Ranch LLC ("Lessee") dated October 11, 2005 (sub-exhibit to Exhibit 383)	756	757	
8					
9					
10	182	Certified Oklahoma Tax Commission Records concerning Title History for 2004 Rolls Royce Phantom	590	590	08:28:01
11					
12	183	Oklahoma Application for and Certificate of Title for 2004 Rolls Royce Phantom (sub-exhibit to Exhibit 182)	591	592	
13					
14	184	Desert European Motor Cars Ltd. Records concerning Purchase of 2004 Rolls Royce Phantom	574	575	08:28:01
15					
16	211	\$25,000 Money Wire dated June 15, 2004 (sub-exhibit to Exhibit 76)	632	632	
17					
18	212	\$25,000 Money Wire dated June 28, 2004 (sub-exhibit to Exhibit 76)	633	632	
19					
20	213	\$25,000 Money Wire dated July 21, 2004 (sub-exhibit to Exhibit 76)	637	632	08:28:01
21					
22	214	\$25,000 Money Wire dated July 28, 2004 (sub-exhibit to Exhibit 76)	637	632	
23					
24	215	\$25,000 Money Wire dated August 10, 2004 (sub-exhibit to Exhibit 76)	638	632	
25					
26	216	\$25,000 Money Wire dated August 26 , 2004 (sub-exhibit to Exhibit 76)	639	632	
27					
28	217	\$25,000 Money Wire dated September 8, 2004 (sub-exhibit to Exhibit 76)	639	632	08:28:01

United States District Court

CR-10-00757-PHX-ROS, June 5, 2012

1	218	\$25,000 Money Wire dated September 10, 2004 (sub-exhibit to Exhibit 76)	640	632	08:28:01
2					
3	219	\$25,000 Money Wire dated September 30, 2004 (sub-exhibit to Exhibit 76)	640	632	
4	220	\$25,000 Money Wire dated October 6, 2004 (sub-exhibit to Exhibit 76)	641	632	
5					08:28:01
6	221	\$25,000 Money Wire dated October 19, 2004 (sub-exhibit to Exhibit 76)	641	632	
7	222	\$25,000 Money Wire dated November 15, 2004 (sub-exhibit to Exhibit 76)	642	632	
8					
9	223	\$15,000 Money Wire dated November 30, 2004 (sub-exhibit to Exhibit 76)	642	632	
10	224	\$15,000 Money Wire dated December 23, 2004 (sub-exhibit to Exhibit 76)	642	632	08:28:01
11					
12	225	\$25,000 Money Wire dated February 14, 2005 (sub-exhibit to Exhibit 76)	642	632	
13	226	\$15,000 Money Wire dated March 2, 2005 (sub-exhibit to Exhibit 76)	643	632	
14					
15	227	\$10,000 Money Wire dated April 15, 2005 (sub-exhibit to Exhibit 76)	643	632	08:28:01
16	228	\$5,000 Money Wire dated June 3, 2005 (sub-exhibit to Exhibit 76)	643	632	
17					
18	229	\$5,000 Money Wire dated June 13, 2005 (sub-exhibit to Exhibit 76)	643	632	
19	230	\$32,500 Money Wire dated June 28, 2005 (sub-exhibit to Exhibit 76)	643	632	
20					08:28:01
21	231	\$40,000 Money Wire dated July 7, 2005 (sub-exhibit to Exhibit 76)	644	632	
22	232	\$40,000 Money Wire dated July 20, 2005 (sub-exhibit to Exhibit 76)	644	632	
23					
24	233	\$32,500 Money Wire dated August 3, 2005 (sub-exhibit to Exhibit 76)	644	632	
25	234	\$37,000 Money Wire dated August 30, 2005 (sub-exhibit to Exhibit 76)	644	632	08:28:01

United States District Court

CR-10-00757-PHX-ROS, June 5, 2012

1	235	\$150,000 Money Wire dated October 12, 2005 (sub-exhibit to Exhibit 76)	644	632	08:28:01
2					
3	236	\$150,000 Money Wire dated December 6, 2005 (sub-exhibit to Exhibit 76)	645	632	
4	237	\$15,000 Money Wire dated April 26, 2006 (sub-exhibit to Exhibit 76)	645	632	
5					08:28:01
6	238	\$15,000 Money Wire dated May 12, 2006 (sub-exhibit to Exhibit 76)	645	632	
7	239	\$90,000 Money Wire dated April 17, 2007 (sub-exhibit to Exhibit 76)	645	632	
8					
9	240	\$95,000 Money Wire dated April 18, 2007 (sub-exhibit to Exhibit 76)	646	632	
10	241	\$60,000 Money Wire dated April 19, 2007 (sub-exhibit to Exhibit 76)	646	632	08:28:01
11					
12	242	\$50,000 Money Wire dated April 20, 2007 (sub-exhibit to Exhibit 76)	646	632	
13	243	\$15,000 Money Wire dated May 15, 2007 (sub-exhibit to Exhibit 76)	646	632	
14					
15	244	\$15,000 Money Wire dated June 4, 2007 (sub-exhibit to Exhibit 76)	647	632	08:28:01
16	245	\$45,000 Money Wire dated June 28, 2007 (sub-exhibit to Exhibit 76)	647	632	
17					
18	246	\$15,000 Money Wire dated July 12, 2007 (sub-exhibit to Exhibit 76)	647	632	
19	247	\$15,000 Money Wire dated August 8, 2007 (sub-exhibit to Exhibit 76)	647	632	
20					08:28:01
21	248	Check #0844 for \$43,078.41 dated September 28, 2006, payable to Stewart Title (sub-exhibit to Exhibit 76)	648	648	
22					
23	249	Check #1010 for \$43,078.41 dated December 26, 2006, payable to Stewart Title (sub-exhibit to Exhibit 76)	649	648	
24					
25	250	Check #1089 for \$42,484.02 dated March 20, 2007, payable to Stewart Title (sub-exhibit to Exhibit 76)	651	648	08:28:01

United States District Court

CR-10-00757-PHX-ROS, June 5, 2012

1	251	Check #1226 for \$42,908.01 dated June 28, 2007, payable to Stewart Title (sub-exhibit to Exhibit 76)	651	648	08:28:01
2					
3	252	Check #409 for \$2,753 dated January 14, 2005, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)	652	652	
4					
5	253	Check #410 for \$847 dated January 14, 2005, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)		652	08:28:01
6					
7	254	Check #699 for \$133,500 dated September 11, 2005, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)	654	652	
8					
9					
10	255	Checks #714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 728, 729, and 730, dated December 20, 2005, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)	654	652	08:28:01
11					
12					
13	256	Checks #1030, 1031, and 1032 dated December 20, 2006, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)	657	652	
14					
15	257	Checks #1134, 1136, 1137, 1138, 1139, 1140, 1141, 1142, 1143, 1144, 1145, 1146, 1147, and 1148, dated April 18, 2007, payable to the Commissioner of the Land Office (sub-exhibit to Exhibit 76)	657	652	08:28:01
16					
17					
18	258	Photo 1 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	659	652	
19					
20	436	Photo 1 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	668	668	08:28:01
21					
22	437	Photo 2 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	669	668	
23					
24	438	Photo 3 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	670	668	
25					08:28:01

United States District Court

CR-10-00757-PHX-ROS, June 5, 2012

1	439	Photo 4 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	670	668	08:28:01
2					
3	440	Photo 5 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	671	668	
4					
5	441	Photo 6 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)		668	08:28:01
6					
7	442	Photo 7 of Cimarron River Ranch property located in Kenton, Oklahoma (sub-exhibit to Exhibit 361)	671	668	
8					
9	544	Correspondence Between Cerrita Walker and James Parker, dated November 10, 2002	662	663	
10					08:28:01
11	582	Cimarron River Ranch Leases Map	752	752	
12	597	Additional Business Records from Desert European Motor Cars	574	575	

**RECESSES**

13					
14					
15			Page	Line	08:28:01
16	(Recess at 9:58; resumed at 10:28.)		620	2	
17	(Recess at 11:50; resumed at 1:09.)		667	19	
18	(Recess at 2:28; resumed at 2:49)		720	20	

18  
19  
20  
21  
22  
23  
24  
25

CR-10-00757-PHX-ROS, June 5, 2012

A P P E A R A N C E S

08:28:01

1  
2 For the Government:

3 **PETER S. SEXTON, ESQ.**

4 **WALTER PERKEL, ESQ.**

5 U.S. Attorney's Office

40 North Central Avenue, Suite 1200

Phoenix, AZ 85004-4408

602.514.7500

08:28:01

6 For the Defendant:

7 **MICHAEL LOUIS MINNS, ESQ.**

8 **ASHLEY BLAIR ARNETT, ESQ.**

9 Minns Law Firm, P.L.C.

9119 S. Gessner, Suite 1

Houston, TX 77074

713.777.0772/(fax) 713.777.0453

08:28:01



CR-10-00757-PHX-ROS, June 5, 2012

P R O C E E D I N G S

08:28:01

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

(Court was called to order by the courtroom deputy.)

(Jury enters.)

(Proceedings begin at 8:47.)

THE COURT: All right. Please be seated.

08:48:28

Good morning, everyone.

All right. Let's proceed.

MR. PERKEL: Thank you, Your Honor. The government is going to call Nora Whitaker. We're going to interrupt Mr. Wedepohl's testimony and call a few out-of-state witnesses first.

08:48:39

THE COURT: All right. And that's fine.

MR. PERKEL: Thank you, Your Honor.

THE COURT: Ladies and gentlemen, in order to ensure that people are not sitting here for days, we need to call them out of order on occasion and so that is what we're going to do. But then we'll return to Mr. Wedepohl.

08:48:48

COURTROOM DEPUTY: Please raise your right hand.

NORA WHITAKER,

called as a witness herein by the Government, having been first duly sworn or affirmed to testify to the truth, was examined and testified as follows:

08:49:02

COURTROOM DEPUTY: State your name for the record.

Spell your last name, please.

THE WITNESS: Nora Whitaker. W-H-I-T-A-K-E-R.

08:49:10

NORA WHITAKER - Direct

1 MR. PERKEL: Thank you, Your Honor. 08:49:31

2 THE COURT: You may proceed.

3 MR. PERKEL: Thank you.

4 **DIRECT EXAMINATION**

5 BY MR. PERKEL: 08:49:35

6 Q. Ms. Whitaker, could you please introduce yourself to the  
7 jury?

8 A. My name is Nora Whitaker and I work in California, Desert  
9 European Motorcars, a car dealership.

10 Q. Okay. And without telling us your specific address, do 08:49:47  
11 you live in California as well?

12 A. Yes, I do.

13 Q. And you stated you worked for the Desert European  
14 Motorcars?

15 A. Correct. 08:49:57

16 Q. What is that?

17 A. It's a car dealership for high-priced cars, Rolls Royces,  
18 Aston Martons.

19 Q. I didn't hear the names of cars.

20 A. Rolls Royces, Bentley, Jaguars, Audis, Maseratis. 08:50:11

21 Q. And where is that -- where is the dealership located?

22 A. It's located in Rancho Mirage, which is about 10 miles  
23 from Palm Springs about two miles south of Los Angeles.

24 Q. And you said Rancho Mirage?

25 A. Rancho Mirage. 08:50:36

NORA WHITAKER - Direct

1	Q.	How far is Palm Springs from Arizona?	08:50:37
2	A.	It's about two and a half hours, three hours	
3		approximately.	
4	Q.	And how long have you worked at the dealership?	
5	A.	A year and a half.	08:50:48
6	Q.	And prior to working at this dealership -- let me back up.	
7		What are sort of your duties and responsibilities at	
8		this dealership?	
9	A.	I handle all of the car deals, all of the -- I'm in the	
10		business office and we do the accounting portion and we code	08:50:59
11		all of the car deals and make sure all of the paperwork is	
12		there, gather all of the data and put it into the books and the	
13		registration, the DMV registrations also.	
14	Q.	So when there's a car sale, there's a business office at	
15		your dealership?	08:51:25
16	A.	Yes.	
17	Q.	And you work in that business office?	
18	A.	Yes, I do.	
19	Q.	And when there's a car sale, is it fair to say that your	
20		office keeps records pertaining to a specific car sale?	08:51:28
21	A.	Yes.	
22	Q.	What's some of the information that one would normally or	
23		that the dealership normally keeps in its business records	
24		during a car sale?	
25	A.	Everything from the beginning of the sale, the salesman	08:51:40

United States District Court

NORA WHITAKER - Direct

1 notes, to the end of the sale, which is the DMV registration, 08:51:42  
2 wherever it's done.

3 Q. And before working at the Desert European Motorcars, were  
4 you employed?

5 A. Yes. 08:51:53

6 Q. And where were you employed?

7 A. In Washington state. I worked for a nursery farmer and I  
8 was his controller for two years. And also at the same time, I  
9 worked at a car dealership as the business office manager for  
10 five years at the same period of time. I had two jobs. 08:52:08

11 Q. Okay. And the dealership that you work for now, the  
12 Desert European Motorcars, who is the owner of that dealership?

13 A. Gary Whitaker.

14 Q. And is he related to you?

15 A. Yes. He's my stepson. 08:52:23

16 Q. And as part of your job, it's fair to say that you're  
17 familiar with the records that are produced or maintained by  
18 the dealership?

19 A. Yes, I am.

20 Q. I would like you to take a look at what's in front of you. 08:52:31  
21 It should be Government Exhibits 184 and government  
22 Exhibit 597. The numbers are on the folders.

23 Are these business records from the dealership?

24 A. Yes, they are.

25 Q. And you've had a chance to review these before testifying 08:52:49

United States District Court

NORA WHITAKER - Direct

1 today? 08:52:51

2 A. Yes, I have.

3 MR. PERKEL: Your Honor, at this time I offer

4 Government Exhibit 184 and 597 into evidence.

5 MR. MINNS: No objection, Your Honor. 08:52:59

6 THE COURT: They are admitted.

7 (Exhibit Number 184 was admitted into evidence.)

8 MR. PERKEL: Thank you, Your Honor.

9 (Exhibit Number 597 was admitted into evidence.)

10 BY MR. PERKEL: 08:53:13

11 Q. Let's turn to page seven of Exhibit 184. The screen in

12 front of you also has the page number in case you need it.

13 A. Okay. I've got it.

14 Q. This record here, if you go to just the top portion, what

15 does this record reflect at the top? 08:53:26

16 A. This is the retail installment sale contract. Am I at the

17 right page?

18 Q. That is right. What does that mean, the retail

19 installment sales contract?

20 A. This is the actual contract that the customer has to sign 08:53:39

21 to purchase the vehicle, whether it's a cash deal or financed.

22 It will either go to the bank or stay at the dealership if it's

23 a cash deal.

24 Q. Okay. So this is essentially a contract for the sale of

25 cars. Is that fair to say? 08:53:52

NORA WHITAKER - Direct

1 A. Yes, m'hum. 08:53:55

2 Q. In this top portion of the page, if you look up on the

3 screen, you might see -- who is the buyer that is reflected in

4 this contract?

5 A. Cimarron River Ranch, LLC. 08:54:04

6 Q. Okay. And who is the seller?

7 A. Desert European Motorcars.

8 Q. And that is, in fact, your dealership; correct?

9 A. Yes, it is.

10 Q. And this contract is essentially a contract that pertains 08:54:12

11 to the sale of a car; right?

12 A. Correct.

13 Q. What is the car that is being -- that is reflected in the

14 records of this contract.

15 A. It's a 2004 Rolls Royce Phantom. 08:54:22

16 Q. Okay. And there's a section that says vehicle

17 identification number, is that also known as the VIN number?

18 A. Yes.

19 Q. What is the vehicle identification number?

20 A. I say it in alpha. Sam, Charles, Adam, one, Sam, 68464 08:54:39

21 union, x-ray, zero, 7442.

22 Q. Okay. And is that the vehicle identification number for

23 that car, for that 2004 Rolls Royce?

24 A. Yes.

25 Q. And is that a unique number, that vehicle identification 08:54:58

NORA WHITAKER - Direct

1 number? 08:55:01

2 A. Yes, it is.

3 Q. And that helps the dealership and others basically

4 identify cars?

5 A. Correct. 08:55:05

6 MR. PERKEL: If we could click out and go back to the

7 page, the whole contract. Maybe just the bottom two-thirds of

8 it, if you could highlight that.

9 Q. Let me show you. Let's go to the middle section of that

10 page and there's a section that deals with the financing of the 08:55:40

11 car and the money that is used to purchase the car.

12 A. Correct.

13 Q. Can you tell us the total sales price of that vehicle?

14 A. \$306,650.

15 Q. Okay. And over at the top there's a sales price that says 08:55:57

16 \$306,000. Do you see where it references that?

17 A. Yes, I do.

18 Q. It says there's a section that talks about amount financed

19 or annual percentage rate, et cetera. Was this car financed,

20 the purchase of this car? 08:56:15

21 A. No.

22 Q. How was this car paid for?

23 A. By wire which is what we consider a cash deal.

24 Q. Now, I see a certain section over at the top here where it

25 talks about \$700. I'm just circled it on the screen. That 08:56:26

NORA WHITAKER - Direct

1 \$700, was that financed? 08:56:30

2 A. No. It isn't. Well, it's a future payment. It's  
3 guarantee of a future payment that the customer will need to  
4 pay.

5 Q. Okay. And then if we look at the total sales price here 08:56:41  
6 on the screen in front of you, if you could look at the screen  
7 to your right, you'll see -- is that what you were referencing  
8 before, the 306,000?

9 A. Oh. Yes.

10 Q. Okay. All right. And then going now to the total cash 08:56:54  
11 price here, is this the \$306,650 that you were discussing as  
12 well?

13 A. Yes. That appears to be the final figure.

14 Q. Okay.

15 MR. PERKEL: If we could just click out of the 08:57:19  
16 screen.

17 BY MR. PERKEL:

18 Q. At the top, what is the -- I don't know if you can see it  
19 from there. How much mileage was on the car when it was sold?

20 A. 19 miles. 08:57:31

21 Q. And do you see a signature on that first page?

22 A. Off to the right, yes, on this statement of insurance.

23 Q. And can you read that signature?

24 A. It looks like Sam Parker.

25 Q. Okay. If we could go now to page eight of the document. 08:57:46

United States District Court



NORA WHITAKER - Direct

1 And are there some additional signatures on that page? 08:57:57  
2 A. Yes, there are.  
3 Q. And who do those signatures purport to be?  
4 A. They appear to be the same, Sam Parker.  
5 Q. Now, next to those signatures is a date. Can you tell the 08:58:09  
6 jury what that date is?  
7 A. July 16, 2004.  
8 Q. Isn't that the date that sort of is the official sales  
9 date of the car?  
10 A. Correct. 08:58:21  
11 Q. That's the date that's reflected in the contract; correct?  
12 A. Yes.  
13 Q. And I see the same signature it looks like sort of  
14 throughout the page; is that correct?  
15 A. Yes. 08:58:35  
16 Q. And if we go to the next document, page nine?  
17 A. Okay.  
18 Q. And, again, there seems to be a couple of signatures sort  
19 of at the top?  
20 A. Yes. 08:58:48  
21 Q. Again, that appears to be the signature of Sam Parker?  
22 A. Yes, it does.  
23 Q. And it looks like the same date?  
24 A. M'hum, correct. July 16.  
25 Q. And this is the date on the screen in front of that you 08:58:55

United States District Court

NORA WHITAKER - Direct

1 I'm circling? 08:59:00

2 And now just going to the bottom, there seems to be a

3 signature at the bottom of the seller.

4 A. Yes.

5 Q. Is that -- is that one of the salesman that works for the 08:59:10

6 dealership?

7 A. It appears to be Chris Comet's signature who is one of our

8 high-line salesmen.

9 Q. Okay. I would like to now turn to page 10 of Exhibit 184.

10 Now, what is this document? 08:59:32

11 A. This proves to the State of California that the customer

12 did not drive it on California roads and so the sales tax was

13 not due.

14 Q. Okay. So the document says, "Statement pursuant to

15 section 6247"; is that right? Top of the screen. 08:59:49

16 A. Yes, it does.

17 Q. And why is that important that you have this document?

18 A. So that the dealership is not liable for the sales tax

19 because we're not charging him sales tax.

20 Q. So it would be fair to say that the sale involving this 09:00:06

21 car was a sale that -- in which the customer didn't actually

22 buy the car at the dealership?

23 A. Correct.

24 Q. Or didn't drive the car from the dealership?

25 A. Correct. 09:00:20

United States District Court

NORA WHITAKER - Direct

1 Q. If we could click back to the rest of the page. And if 09:00:20  
2 you could just highlight the bottom two-thirds. Actually, if  
3 we could start a little bit higher.  
4 Again, you see -- does this record reflect the  
5 purchase price in the car itself? 09:00:39  
6 A. Yes, it does.  
7 Q. And you could see the purchase price for \$306,000.  
8 A. M'hum, yes.  
9 Q. And. Now, there's a section that says name and address of  
10 California dealer. That's Desert European Motorcars; correct? 09:00:56  
11 A. Yes.  
12 Q. And just below that there is a line that says this, "This  
13 vehicle will be delivered to me at the following out-of-state  
14 address."  
15 A. Yes. 09:01:06  
16 Q. And can you read that address?  
17 A. 35802 North Meander Way, Carefree, Arizona 85377.  
18 Q. So this was a way that your dealership can prove to the  
19 State of California that this car wasn't driven off the lot;  
20 right? 09:01:25  
21 A. Correct.  
22 Q. No sales tax owed?  
23 A. Yes. It was not owed or due, right.  
24 Q. Okay. Let's turn to page five of the same exhibit. Just  
25 briefly, what is this document? 09:01:40

United States District Court

NORA WHITAKER - Direct

1 A. This is a California bill of sale. We call it a Form 262. 09:01:42  
2 Q. And this reflects much of the same information that we've  
3 already seen?  
4 A. Yes. And it's important for the registration of the  
5 vehicle. 09:01:53  
6 Q. And, again, I see it looks like somebody wrote in the  
7 final cash value of 306,650?  
8 A. Yes.  
9 Q. And you can also see it looks like they typed in the  
10 odometer, the amount of miles; is that right? 09:02:06  
11 A. The miles?  
12 Q. The mileage, excuse me, the mileage on the car?  
13 A. Yes. It was typed in.  
14 Q. Now, let's just back up a second. I know you mentioned a  
15 moment ago that occasionally there are sales done over the 09:02:23  
16 phone rather than in person.  
17 A. Correct.  
18 Q. How often does that happen at your dealership?  
19 A. Very often.  
20 Q. Any reason why? 09:02:29  
21 A. Because we have a lot of out-of-state customers,  
22 out-of-country customers, overseas. We sell all over the  
23 world.  
24 Q. And when there is a sale sort of in house at the  
25 dealership or out of state, is there a specific form a 09:02:45

United States District Court

NORA WHITAKER - Direct

1 salesperson uses when discussing or negotiating the sale? 09:02:47  
2 A. The same form used for all sales and it's the sales  
3 write-up, whether in our out.  
4 Q. I'm sorry?  
5 A. Whether it's in state or out of state. 09:02:59  
6 Q. Okay. Thank you.  
7 Let's turn to page five of Exhibit 597.  
8 A. Yes.  
9 Q. Is this what you call the sales write-up?  
10 A. Correct. 09:03:22  
11 Q. So at the top of the screen, I see there's a -- the form  
12 actually says "sales write-up," is that right?  
13 A. Yes, it does.  
14 Q. Why does a salesperson use the sales write-up form?  
15 A. This is the information that he has to accumulate for the 09:03:40  
16 sale. The information that our Finance Department will need.  
17 Q. And in this case, who is the salesperson? Is his name  
18 reflected on the form?  
19 A. Chris Comet.  
20 Q. And at the top of the form there seems to be the name Jim 09:04:04  
21 Parker. Do you see that?  
22 A. Yes, I do.  
23 Q. And there's also a phone number associated on the form.  
24 A. Yes, there is.  
25 Q. What is the phone number? 09:04:17

United States District Court

NORA WHITAKER - Direct

1 A. There's a fax number and a work phone number. The fax 09:04:18  
2 number is 480-595-8459. And the work phone is 480-595-6458.  
3 Q. Any chance that fax number could be a 6459 or is it too  
4 hard to tell?  
5 A. It appears -- it could be 6459, m'hum. 09:04:37  
6 Q. And, again, it looks like sort of the same details of the  
7 car. What was the asking price at the dealership?  
8 A. The asking price. The MSRP was 330,400.  
9 Q. And the final sales price?  
10 A. 306,650. 09:04:58  
11 Q. If we could click out of there and go to the bottom  
12 portion. Now, is there a record of how this car was to be paid  
13 for in this sales write-up?  
14 A. It says that the owner is to pay the transport cost and it  
15 includes the sales price and -- 09:05:23  
16 Q. And then right above it looks like there's a --  
17 A. Wire transfer.  
18 Q. Oh, wire transfer?  
19 A. M'hum.  
20 Q. Okay. Now, when an individual buys a car, either the 09:05:37  
21 dealership or over the phone, is there -- does the dealership  
22 have any requirements with regards to identifications or things  
23 of that nature?  
24 A. Yes. It's the policy of the dealership and we require a  
25 driver's license or a passport, some kind of identification. 09:05:57

United States District Court

NORA WHITAKER - Direct

1 It's not a state law but we do require it as a policy. 09:06:02

2 Q. And if there's a phone call so the individual actually

3 didn't come to the car dealership and pick out the car but

4 talks about it over the phone, what's the -- how does the

5 dealership get a copy of the driver's license? 09:06:15

6 A. We either -- they either fax it to us, mail it to us, Fed

7 Ex it to us. They get it to us immediately.

8 Q. And I would like to turn now to page seven of the same

9 exhibit. And do you see in front of you, on the screen in

10 front of you, this seems to be sort of a blurry driver's 09:06:44

11 license picture?

12 A. Yes.

13 Q. So this color copy of, it looks like, a photo of a

14 driver's license, this was actually found in the business

15 records pertaining to this car sale? 09:06:55

16 A. Correct.

17 Q. And it's sort of hard to tell, the photo. It seems to be

18 a blurry pictured. Is that fair to say that's an Arizona

19 driver's license?

20 A. Yes. 09:07:05

21 Q. And at the top of the picture, if somebody hand-wrote a

22 few things in there, what is that?

23 A. It appears to be the driver's license number and the

24 expiration date of the driver's license.

25 Q. And are those numbers important with regards to a car sale 09:07:17

United States District Court

NORA WHITAKER - Direct

1 at the dealership? 09:07:21

2 A. Yes, they are.

3 Q. How come?

4 A. They are not as important if it's an out-of-state because

5 California requires the driver's license in order to register 09:07:27

6 the car.

7 Q. Okay. But it's still your sort of business practice to

8 get this kind of information?

9 A. Yes.

10 Q. Let's talk a little bit about the delivery of the car and 09:07:41

11 let's turn to page 11 of Exhibit 184.

12 What is this page?

13 A. This is a billing from the transport company that

14 delivered the vehicle.

15 Q. And what's the name of the transport company? 09:08:14

16 A. First Choice Transport in Corona, California.

17 Q. And is that a company that is used by the dealership?

18 A. Yes, it is.

19 Q. And where was it shipped to? Is there a line?

20 A. It was shipped to Mr. James Parker in Carefree, Arizona. 09:08:31

21 Q. And what is the date of the shipping?

22 A. July 15, 2004.

23 Q. Is that the invoice date?

24 A. Yes.

25 Q. And it looks like somebody wrote on this form a couple of 09:08:43

United States District Court



NORA WHITAKER - Direct

1 notations. Can you just tell us what they are? 09:08:46  
2 A. Oh. That it was on July 16, 2004, Cimarron River Ranch I  
3 believe.  
4 Q. Okay. And then there's a -- it looks like the name of  
5 somebody else. 09:09:05  
6 A. Comet. And it was okayed by I believe Chris but I'm not  
7 positive.  
8 Q. Well, just below the bill to Desert European Motorcars, it  
9 looks like somebody has handwritten the name Parker there. Do  
10 you see it there? 09:09:21  
11 A. Yes. Under the dealership's name, Parker.  
12 Q. What was the cost of transporting the car?  
13 A. \$650.  
14 Q. So the total price of the \$306,000, that was for the car  
15 and then an additional \$650 for delivery? 09:09:34  
16 A. Correct.  
17 Q. And if we could go to just page three. And if you look on  
18 the screen in front of you, it might help as well. Does that  
19 look like the check that was used to pay for the delivery?  
20 A. Yes, it does. 09:10:04  
21 Q. And let's go to page six of the same exhibit. What's  
22 that?  
23 A. That is the receipt that was given to the customer or  
24 mailed to the customer when we receive the check.  
25 Q. Okay. Now, let's talk a little bit about the payment of 09:10:24

United States District Court

NORA WHITAKER - Direct

1 the car. We've seen now that the delivery was paid for with 09:10:30  
2 the \$650 check.

3 I would like you to turn to page 12 of this exhibit  
4 and if we could just enhance. Also if you could see it on the  
5 screen in front of you as well. What is this an image of? 09:10:49

6 A. This an image of a wire transfer that we received into the  
7 business checking account.

8 Q. Now, I see at the top it says Bank of America, is that the  
9 bank that is used by the Desert European Motorcars?

10 A. Yes, it is. 09:11:10

11 Q. And did you receive this page from Bank of America?

12 A. Yes, we did.

13 Q. And you incorporate this as part of your business records?

14 A. Yes.

15 Q. How come do you that? 09:11:20

16 A. It shows proof of payment of the car, that it was a cash  
17 deal, and that we got paid.

18 Q. Okay. And I notice at the top, at the very top of the  
19 screen or top of the document that says, "Attention: James  
20 Parker." 09:11:36

21 A. Yes.

22 Q. And can you tell us the amount that was wired?

23 A. \$306,000 even.

24 Q. And can you tell us the date of the wire again?

25 A. It was on July 14, 2004. 09:11:51

United States District Court

NORA WHITAKER - Direct

1	Q.	And can you tell us where it says "originator," can you	09:11:58
2		tell us where this wire came from?	
3	A.	Belize Bank Limited, International Division.	
4	Q.	And where it says "beneficiary," can you read to us what	
5		that is?	09:12:17
6	A.	That is Desert European Motorcars in Rancho Mirage.	
7	Q.	All right. And where it says "payment details," can you	
8		read to us what it says there?	
9	A.	It says B, dash, O MacKinnon Belize Land & Development.	
10	Q.	So this page here that you use as part of your business	09:12:41
11		records is to reflect essentially the payment for the sale of a	
12		car; is that right?	
13	A.	Correct.	
14	Q.	So if someone walks into the dealership, you might have a	
15		receipt for a check; correct?	09:12:52
16	A.	Yes.	
17	Q.	Or a finance contract?	
18	A.	Right.	
19	Q.	But in this case, it was wired. You actually have to	
20		inspect the wire receipt as part of your business record?	09:13:00
21	A.	Yes.	
22	Q.	Was the 2004 Rolls Royce a brand new car that was sold?	
23	A.	Yes.	
24	Q.	And how do you know that?	
25	A.	If you look at the certificate of origin --	09:13:14

United States District Court

NORA WHITAKER - Direct

1 Q. Okay. Let me pull that up here. It's on page 14. 09:13:17

2 A. And it shows a 2004 year, the Rolls Royce, and dated June

3 30, 2004. So it was purchased brand new.

4 Q. So your dealership actually purchased it from a dealer, a

5 Rolls Royce dealer? 09:13:36

6 A. A manufacturer.

7 Q. Manufacturer?

8 A. Directly, m'hum.

9 Q. Now, I would liked to show you Exhibit 182. Do you see it

10 in front of you? 09:13:58

11 A. Is it different? Yeah.

12 MR. PERKEL: Your Honor, at this time I ask that

13 Exhibit 182 be admitted into evidence. It's a certified public

14 record from the state of Oklahoma Tax commission.

15 MR. MINNS: No objection, Your Honor. 09:14:16

16 THE COURT: It's admitted.

17 (Exhibit Number 182 was admitted into evidence.)

18 BY MR. PERKEL:

19 Q. You spoke about how this deal involved a sale of a car out

20 of state and I'm showing you now I know not a record from 09:14:21

21 Desert European but a record from the state of Oklahoma. Let's

22 turn to page three of that exhibit and we're just rotating it

23 around. Can you tell us, can you read the VIN number at the

24 top of that exhibit to the jury?

25 A. Yes. Sam, Charles, Adam, 1, Sam, 68464, union, x-ray, 09:14:40

United States District Court

NORA WHITAKER - Direct

1 07442. 09:14:50

2 Q. That's the same VIN number that was on the sales contract;

3 is that correct? Take your time.

4 A. I have to go look.

5 Q. It's Exhibit Number 184. 09:15:01

6 A. Yes, it's the same VIN number.

7 Q. And, again, the car appears to be the same car; right?

8 It's a 2004 Rolls Royce?

9 A. Correct.

10 Q. And look at the date of sale. Is that July 16 of '04? 09:15:26

11 A. Yes, it is.

12 Q. They have the purchase price of \$306,695?

13 A. Yes.

14 Q. And it looks like there's even an odometer reading. Do

15 you see it on the screen? 09:15:41

16 A. Yes, I do. 14 miles.

17 Q. Now, what was the excise tax paid on this car just based

18 on reading the record?

19 A. \$9,968.

20 Q. And the total, after adding all of those fees, it looks 09:15:53

21 like it's almost the same; right?

22 A. \$9,981.50, m'hum.

23 Q. And I would like you to turn to Exhibit 183. It should be

24 in front of you as well. Take your time.

25 MR. SEXTON: Your Honor, at this time I ask that 09:16:31

United States District Court

NORA WHITAKER - Direct

1 Exhibit 183 be admitted as a certified public record from the 09:16:32  
2 state of Oklahoma Tax Commission.  
3 MR. MINNS: I have no objection, Your Honor.  
4 THE COURT: It's admitted.  
5 (Exhibit Number 183 was admitted into evidence.) 09:16:40  
6 BY MR. PERKEL:  
7 Q. And let's go to page six of this exhibit and if we could  
8 just highlight the -- sort of the top half of it. The top --  
9 the Exhibit reads an "Application for Oklahoma Certificate of  
10 Title." 09:16:59  
11 A. Correct.  
12 Q. I know this is an exhibit from your dealership but when  
13 one purchases a car, do they have to -- does that individual  
14 have to register that in the state where they live?  
15 A. Wherever they are going to be driving it, yes. Where it's 09:17:12  
16 going to be garaged is what we call it.  
17 Q. Okay. So are you familiar with seeing some of these maybe  
18 not from Oklahoma but from California?  
19 A. M'hum.  
20 Q. Okay. And I see it looks like the same details that we've 09:17:22  
21 already discussed and let's go to the bottom of the screen and  
22 I don't know if you can read that signature at the bottom.  
23 A. Just the J.  
24 Q. Just the J?  
25 A. I can just see a J that looks recognizable. 09:17:51

United States District Court

NORA WHITAKER - Direct

1	Q. Okay. And then let's go to page four of this same	09:17:55
2	exhibit. Do you recognize this as the back to the original	
3	title to the car?	
4	A. Yes, it is.	
5	Q. And what does this page do?	09:18:15
6	A. It gives the customer that purchased the vehicle the title	
7	to the vehicle and he can register it in whatever state he	
8	chooses to live in.	
9	Q. And for out of state sales, is this paper faxed or	
10	overnight to a customer or sent to him?	09:18:36
11	A. Yes, it is.	
12	Q. And so I can see the top. It looks like that contains	
13	sort of the basic details of the car sale.	
14	A. Correct.	
15	Q. And if you go to the bottom of the screen, it looks like,	09:18:47
16	again, some basic details. I don't know if you can tell.	
17	There's a signature for signature of purchaser.	
18	A. Yes.	
19	Q. Can you make out that or is it too difficult still?	
20	A. It could be Jim or John. I can't really make it out.	09:19:02
21	MR. SEXTON: Your Honor, if I could have one moment,	
22	please?	
23	THE COURT: Yes.	
24	MR. PERKEL: No further questions. Thank you.	
25	THE COURT: All right.	09:19:24

United States District Court

NORA WHITAKER - Cross

1 Cross? 09:19:24

2 MR. MINNS: Yes, please, Your Honor.

3 May I proceed, Your Honor?

4 THE COURT: Yes.

5 **CROSS - EXAMINATION** 09:19:36

6 BY MR. MINNS:

7 Q. Good morning, Ms. Whitaker. I'm Michael Minns and I  
8 represent Jim Parker.

9 You've never had the pleasure of meeting me or  
10 Mr. Parker? 09:19:44

11 A. No, I haven't.

12 Q. Well, it's a pleasure meeting you now.

13 You came in from California this morning?

14 A. Yesterday.

15 Q. Yesterday. 09:19:53

16 A. M'hum.

17 Q. Did you drive or fly?

18 A. We drove.

19 Q. I'll be quick. It's a little bit of an inconvenience  
20 being here, isn't it? 09:20:05

21 A. Busy time of the month at work, yes.

22 Q. I'm putting up what has been marked as government  
23 Exhibit 184 and the first question on the first page at the  
24 bottom of the page, it has a number 007684. It has a signature  
25 on July 15, 2008, from S something. 09:20:54



NORA WHITAKER - Cross

1 A. That is Sandi Sheffield. 09:20:58

2 Q. And Sandi Sheffield is signing as a custodian of the

3 records of your company; correct?

4 A. Yes, she is.

5 Q. She doesn't own the company, though? 09:21:09

6 A. No. She's our business office manager.

7 Q. And at the top of the paper, it says Sandi Sheffield,

8 employed by Desert European Motorcars. And, again, she doesn't

9 own Desert European Motorcars?

10 A. Correct. 09:21:32

11 Q. But your company has other people that have to sign for

12 things at times?

13 A. Yes, we do.

14 Q. And here we have a signature on this document Desert

15 European Motorcars and another signature. Whose name is that? 09:21:50

16 A. That is Vicky Liger.

17 Q. Is Vicky Liger signing for Desert European Motorcars?

18 A. Yes. She.

19 Q. But she doesn't own the company?

20 A. No. She doesn't. 09:22:05

21 Q. Now we have a series of signatures. You've identified one

22 of them. This is -- I can't really make out that number. But

23 you can see this number here, whatever it is.

24 A. It looks like 007691.

25 MR. MINNS: Does anyone know how to take that off? 09:22:34

NORA WHITAKER - Cross

1 MR. SEXTON: Here you go. 09:22:38  
2 MR. MINNS: Okay. Thank you.  
3 BY MR. MINNS:  
4 Q. And the signature on here is Sam Parker. He has to sign  
5 there; correct? 09:22:46  
6 A. Correct.  
7 Q. And then on the very next page, it looks like he has to  
8 sign one, two, three, four, five times on that page. Is that  
9 correct?  
10 A. Correct. 09:23:15  
11 Q. And then on the next page, he has to sign one, two, three,  
12 four, it looks like four times on the next page. Is that  
13 correct?  
14 A. Yes. Is that part of the same --  
15 Q. It's part of the same -- 09:23:36  
16 A. The prior page, yes.  
17 Q. At the bottom there's another signature for the seller and  
18 whose signature is that for the seller?  
19 A. I recognize it as Chris Comet who is a salesman.  
20 Q. And since I've never met Mr. Comet or Ms. Comet -- 09:23:53  
21 A. It's a mister.  
22 Q. It's a mister, how I would have trouble understanding.  
23 But you know these people because they work for your family's  
24 company?  
25 A. Yes. 09:24:06

NORA WHITAKER - Cross

- 1 Q. And they are important to the company? 09:24:07
- 2 A. Yes.
- 3 Q. Does this man own the company?
- 4 A. No, he doesn't.
- 5 Q. But he's signing by the thing where it says "seller"? 09:24:15
- 6 A. Correct.
- 7 Q. So, I mean, it's necessary in your business to have other
- 8 people occasionally sign for things?
- 9 A. Yes.
- 10 Q. And, in fact, I imagine you're very proud of your stepson 09:24:34
- 11 owning this impressive business?
- 12 A. Yes.
- 13 Q. So it's in the family but you don't own it?
- 14 A. No, I do not.
- 15 Q. But you probably do a great deal of work for the company? 09:24:52
- 16 A. Yes, I do.
- 17 Q. And you're here on behalf of the company at the request of
- 18 the government today?
- 19 A. Correct.
- 20 Q. The car costs about \$306,000. That's not profit to your 09:25:08
- 21 company?
- 22 A. No.
- 23 Q. You wish it was?
- 24 A. Yeah. It would be nice.
- 25 Q. And neither you nor the salesman is required to put 09:25:20

United States District Court

NORA WHITAKER - Cross

1 that -- report that \$306,000 as your income; correct? 09:25:24

2 A. Correct.

3 Q. And you don't know how many agents work for Cimarron River  
4 Ranch or what their capacities are or what they do or how they  
5 raise funds or any of that? 09:25:49

6 A. No, I do not.

7 Q. It was a pleasure meeting you, Ms. Whitaker.

8 A. Thank you.

9 MR. MINNS: Your Honor, I pass the witness.

10 THE COURT: All right. 09:25:58

11 Anything else?

12 MR. PERKEL: No, Your Honor. Thank you.

13 THE COURT: Okay. You may step down. Thank you.

14 (Witness excused.)

15 THE WITNESS: Do I leave these here? 09:26:05

16 THE COURT: Yes.

17 Your next witness?

18 MR. PERKEL: Thank you, Your Honor.

19 THE WITNESS: The government calls Cerita Walker.

20 CERITA WALKER, 09:26:38

21 called as a witness herein by the Government, having been first  
22 duly sworn or affirmed to testify to the truth, was examined  
23 and testified as follows:

24 COURTROOM DEPUTY: State your name for the record,

25 spell your last name, please. 09:26:50

CERITA WALKER - Direct

1 THE WITNESS: Cerita Walker, W-A-L-K-E-R. 09:26:51

2 COURTROOM DEPUTY: Have a seat up here, please.

3 **DIRECT EXAMINATION**

4 BY MR. PERKEL:

5 Q. Good morning, Ms. Walker . 09:27:16

6 A. Good morning.

7 Q. Could you please introduce yourself to the jury?

8 A. I am Cerita Walker from Kenton, Oklahoma.

9 Q. And Ms. Walker could you please spell your name for the  
10 jury. 09:27:27

11 A. C-E-R-I-T-A, W-A-L-K-E-R.

12 Q. Okay. Thank you, Ms. Walker. You said you're from  
13 Kenton, Oklahoma?

14 A. Yes, sir.

15 Q. And where is Kenton, Oklahoma? 09:27:36

16 A. It's about 160 miles north of Amarillo, Texas.

17 Q. And in what part of the state of Oklahoma is Kenton?

18 A. It's in the little panhandle. If you look at the map of  
19 Oklahoma, you see this little bar across the top of Texas. And  
20 Kenton is in the far northwest corner. 09:27:57

21 Q. So on a map, it's in that sort of weird area that kind of  
22 juts out?

23 A. Yes.

24 Q. And you said it's close to the border of Texas?

25 A. Yes. 09:28:11

CERITA WALKER - Direct

1 Q. How far would you say it is from the border? 09:28:12

2 A. It's about 90 miles north of Dalhart, Texas, and probably

3 75 miles kind of northwest of Trafford, Texas.

4 Q. And how far would you say it is from Amarillo?

5 A. 160 miles north. 09:28:30

6 Q. If you were to go sort of due west, what state would you

7 hit?

8 A. New Mexico.

9 Q. And due north?

10 A. Colorado. 09:28:43

11 Q. And how far would you say Kenton is from Denver?

12 A. About 300 miles.

13 Q. What's the population of Kenton?

14 A. Approximately 20 residents.

15 Q. And do you know everybody? 09:28:58

16 A. Yes.

17 Q. What is the principal source of business or economic

18 activity in Kenton?

19 A. Farm and ranch, in the surrounding areas. Most of the

20 people that live in Kenton proper are retired, elderly people. 09:29:11

21 Q. It's essentially a ranching farming community?

22 A. Yes.

23 Q. And do you own any small ranch?

24 A. Yes, we do.

25 Q. And who runs that ranch? 09:29:24

United States District Court

CERITA WALKER - Direct

1 A. My husband. 09:29:26  
2 Q. What's his name?  
3 A. Eddie.  
4 Q. Same last name, Eddie Walker?  
5 A. Yes. 09:29:31  
6 Q. And can you tell us how many cattle you have, if you know.  
7 A. Well, right now we have about, I'm going to say 65, 70 in.  
8 We used to run about two to 300 head and it got so dry that we  
9 had to sell a lot of our cattle.  
10 Q. What is the largest nearby town to Kenton? 09:29:59  
11 A. Probably Boise City.  
12 Q. And do you know how many people live in Boise City? What  
13 state is Boise City in?  
14 A. Oklahoma.  
15 Q. And is that Boise City, Oklahoma? 09:30:14  
16 A. Yes.  
17 Q. And is that sort of located in the sort of western part of  
18 Oklahoma?  
19 A. Yes. It's about -- from my house, it's 42 miles.  
20 Q. And are you employed? 09:30:30  
21 A. Yes, I am.  
22 Q. What do you do for a living?  
23 A. I am a cashier at the First State Bank in Boise City and I  
24 drive 42 miles one way every day.  
25 Q. And tell us a little bit about Boise City. Is First State 09:30:47

United States District Court

CERITA WALKER - Direct

1 Bank the only bank in Boise City or are there other banks? 09:30:50  
2 A. There is another bank. Right now it's called High Plains  
3 Bank. Used to be First State Bank of Keys. It was a branch of  
4 another bank in another town, but we only have one branch, the  
5 bank that I work for. 09:31:06  
6 Q. So you only have one branch?  
7 A. Yes.  
8 Q. And is that --  
9 A. It's just our bank. We don't have branches.  
10 Q. So you would say First State Bank is a local kind of bank? 09:31:17  
11 A. Yes.  
12 Q. How many employs are at First State Bank currently?  
13 A. 10.  
14 Q. And who is the current president of the bank?  
15 A. Wayne Montgomery. 09:31:27  
16 Q. And how long has been president for?  
17 A. He's been president since January of this year.  
18 Q. And who was the form president?  
19 A. Tim Barnes.  
20 Q. Okay. And when did Mr. Barnes retire? 09:31:38  
21 A. He retired in December this past year.  
22 Q. December of 2011 he retired?  
23 A. Yes.  
24 Q. Now, you said that -- you said you were a cashier?  
25 A. Yes. 09:32:03

United States District Court



CERITA WALKER - Direct

1 Q. What does that mean when you're cashier? What do you do? 09:32:03  
2 A. I kind of do the customer service, do the day-to-day  
3 banking activities. I watch over our four tellers. I do  
4 training. I just make sure that we follow our policies and  
5 procedures that we have in force throughout the bank. 09:32:13  
6 Q. Okay. Would it be fair to say that you help with sort of  
7 the daily operations of the bank?  
8 A. Yes.  
9 Q. And how many people do you supervise?  
10 A. Well, there are 10 employees so there's two officers ahead 09:32:27  
11 of me, a president and a vice president, and the other  
12 employees are under me.  
13 Q. So you're sort of third in the line of -- chain of  
14 command, kind of?  
15 A. Yes, sir. 09:32:42  
16 Q. Do you have any other duties or responsibilities in  
17 addition to being cashier?  
18 A. Secretary to the Board of Directors. I also do internal  
19 control.  
20 Q. Now, when you say Secretary to Board of Directors, is that 09:32:57  
21 different than what one normally thinks of as a secretary?  
22 A. Yes.  
23 Q. How is it different?  
24 A. Well, basically, I am on the Board of Directors and I take  
25 minutes of our meetings and I also do training. 09:33:09

United States District Court

CERITA WALKER - Direct

1 Q. Can you tell us a little bit about your educational 09:33:14  
2 background?

3 A. Got married right out of high school and had some college  
4 and then I continued taking night classes after I was employed  
5 at the bank. 09:33:25

6 Q. How long have you been working at First State Bank?

7 A. I have been there for 33 years.

8 Q. And can you tell us, over the course of your career, long  
9 career there, sort of some of the jobs that you've done and  
10 things that you've done? 09:33:39

11 A. I started out as a bookkeeper. From there I went to a  
12 teller and then I became cashier and internal control.

13 Q. Okay. In front of you I've placed what has been  
14 identified as government Exhibit Number 76. If you could just  
15 take a look only at 76 for now. And just without going through 09:33:58  
16 every page, if you could just look through it and see, does  
17 that look like bank records that were maintained by First State  
18 Bank?

19 A. Yes, sir, it does.

20 Q. Okay. And would it be fair to say that prior to 09:34:26  
21 testifying today, you had a chance to review some of those  
22 records?

23 A. Yes.

24 MR. SEXTON: Your Honor, at this time I ask that  
25 government Exhibit 76 be admitted into evidence. 09:34:35

United States District Court

CERITA WALKER - Direct

1 MR. MINNS: Additional to the original motion in 09:34:53  
2 limine. But objection on those grounds still, Your Honor.  
3 THE COURT: Overruled. It's admitted.  
4 (Exhibit Number 76 was admitted into evidence.)  
5 MR. PERKEL: Thank you, Your Honor. 09:35:04  
6 BY MR. PERKEL:  
7 Q. I would like you to also take a look at Exhibit No. 77,  
8 which is in a separate folder in front of you. 77, is that  
9 just a sub Exhibit of 76?  
10 A. Yes. 09:35:22  
11 MR. PERKEL: Your Honor, I ask that 77 be admitted.  
12 MR. MINNS: No objection at all, Your Honor.  
13 THE COURT: It's admitted.  
14 (Exhibit Number 77 was admitted into evidence.)  
15 MR. PERKEL: Thank you, Your Honor. 09:35:29  
16 BY MR. PERKEL:  
17 Q. Let's publish 77 for the jury.  
18 It's on the screen in front of you but you can use  
19 the folder if you prefer. Do you see that image on the screen?  
20 A. Yes. 09:35:52  
21 Q. What is that image on the screen?  
22 A. That is the signature card for the First State Bank of  
23 Boise City.  
24 Q. And what is a signature card?  
25 A. It shows ownership of an account, the date that it was 09:35:59

CERITA WALKER - Direct

1 opened and possibly closed and who had the rights to conduct 09:36:04  
2 business on that account.

3 Q. So to the top of the screen, it looks like it was in the  
4 name of Cimarron River Ranch; is that right?

5 A. Yes, it is. 09:36:16

6 Q. And are there two addresses associated with Cimarron River  
7 Ranch?

8 A. Yes.

9 Q. And what are they?

10 A. The first one is Post Office Box 32, Kenton, Oklahoma. 09:36:23  
11 That was when the account was originally opened. And then at a  
12 later date, that signature card was changed to reflect an  
13 address change to Canyon, Texas.

14 Q. And what's the full Canyon address, if you can read it.

15 A. 215 Turkey Track Trail, Canyon, Texas. 09:36:43

16 Q. What's the account number that is on that signature card?

17 A. 231142.

18 Q. And the date that the account was opened?

19 A. 4-26-04.

20 Q. And it says there that payable on death to? 09:36:58

21 A. James Parker.

22 Q. Now, who actually signed the signature card? Who actually  
23 signed that as the person -- the persons who could actually  
24 access that account?

25 A. Sam Parker and Rachel Harris. 09:37:18

United States District Court

CERITA WALKER - Direct

1 Q. And does the signature card indicate when this account was 09:37:21  
2 closed?

3 A. Yes. November 16, 2007.

4 Q. And the name Sam Parker, did you ever meet someone who you  
5 knew to be Samuel Parker? 09:37:32

6 A. Yes, sir.

7 Q. And I know that the signature card contains the date of  
8 April 26 of 2004. Did you meet him then or did you meet him at  
9 an earlier time?

10 A. At an earlier time. 09:37:41

11 Q. All right. Could you tell us about how you -- can you  
12 tell us how you got to know or how you met someone by the name  
13 of Samuel Parker?

14 A. Probably back in 2003 my husband hired a young man by the  
15 same of Sam Parker to work for him for a couple of days. He 09:37:57  
16 painted some corrals for us.

17 Q. Did Sam Parker work for your husband for a long time?

18 A. Just probably for a few days, a week at the most.

19 Q. And was it your understanding that Sam Parker was sort of  
20 doing odd jobs and errands in town and painting and things like 09:38:32  
21 that?

22 A. Yes. His parents brought him to Kenton. They had rented  
23 a home, a small house in Kenton, the little town of Kenton, and  
24 left him there without a vehicle and my husband would go pick  
25 him up and bring him to our ranch and he would work those few 09:38:49

CERITA WALKER - Direct

1 days for us. 09:38:52

2 Q. Did you continue to use Sam Parker on the ranch after did  
3 that painting job?

4 A. No, sir.

5 Q. And how come? 09:39:04

6 A. Mainly because when he painted the corrals, he probably  
7 had more paint on him than he had on the corrals. He was -- he  
8 seemed very inexperienced as far as work habits go.

9 Q. What was your overall impression of him, though?

10 A. Sam was a very likeable young man. We really liked Sam. 09:39:27

11 Q. Okay. And so despite that he was a likeable guy and a  
12 nice guy, but it didn't seem like -- it wasn't working out for  
13 you in terms of the work that he was doing on the ranch. Is  
14 that fair to say?

15 A. Correct, sir. 09:39:42

16 Q. And when he first showed up in town and he was looking for  
17 jobs to make some money, do you know where he lived?

18 A. Yes, I knew what house he lived in.

19 Q. And you said that he lived -- you said he lived in Kenton?

20 A. Yes. 09:40:00

21 Q. So is there actually a small town of Kenton, too?

22 A. Yes. Yes. He lived in a small house which is currently  
23 across the street from our little Post Office. We have a post  
24 office in Kenton and that's it. No grocery store, I mean  
25 nothing. If you want to go buy groceries, you drive 40 miles 09:40:20

CERITA WALKER - Direct

1 to the grocery store. 09:40:24

2 Q. And so Sam lived in that town and then did there come a  
3 point in time, after being introduced to Sam and his  
4 temporarily working for you guys, that you met his father, a  
5 James Parker? 09:40:38

6 A. Yes, sir.

7 Q. And looking around the courtroom today, do you see the  
8 father of Samuel Parker in the courtroom?

9 A. Yes, sir.

10 Q. Could you please identify him? 09:40:47

11 A. Yes. He's standing.

12 Q. Okay.

13 MR. PERKEL: Your Honor, let the record reflect that  
14 the witness has identified the defendant.

15 BY MR. PERKEL: 09:40:55

16 Q. Let's now switch to Mr. Parker, the defendant. Can you  
17 tell us the first time that you met the defendant?

18 A. My first time probably was when he and his wife came over  
19 to our house. They drove up. My husband and I were working  
20 out in our yard. This was I'm going to assume about the same 09:41:12  
21 time that we had hired Sam to work for us. And they visited  
22 just outside the yard and we eventually agreed to go eat a  
23 dinner with them one evening. So we had dinner with them at  
24 their house -- at Sam's house.

25 Q. So this is even before the bank account was opened up? Is 09:41:34

CERITA WALKER - Direct

1 that fair to say? 09:41:35

2 A. Yes. Yes.

3 Q. So before April of 2004?

4 A. Yes.

5 Q. And when he drove up, can you tell us what type of car 09:41:44

6 Mr. Parker, the defendant, was driving?

7 A. They were driving a Hummer.

8 Q. And during that conversation, what, if anything, do you

9 remember that he might have said to you and you said to him

10 when he drove up? 09:41:58

11 A. I do not remember. Just casual conversation.

12 Q. And he invited you over to his son's home for dinner, the

13 home in Kenton?

14 A. Yes.

15 Q. And then shortly after did you, in fact, go to that home? 09:42:10

16 A. Yes, we did.

17 Q. Can you tell us a little bit about that visit?

18 A. It was a nice, enjoyable visit. We found out a little

19 bit -- they kind of told us a little bit about themselves and

20 I'm sure we told them about us. We were just very appreciative 09:42:22

21 of being able to know somebody new to Kenton because it's just

22 a small community.

23 Q. Okay. And what did the defendant tell you about what he

24 did for a living?

25 A. He told us that he was a developer in Belize, did some 09:42:36

United States District Court



CERITA WALKER - Direct

1 construction. 09:42:43

2 Q. Did he say anything else in addition to being a developer  
3 in Belize and in construction that you recall?

4 A. Not that I recall, no.

5 Q. And after that dinner with the defendant and his family, 09:43:00  
6 did you socialize with them again after that point in time?

7 A. No. That was the last time. I'm sure my husband probably  
8 talked to Sam or Mr. Parker at some time or another but  
9 personally I never did.

10 Q. I would like to turn your attention back to this exhibit 09:43:21  
11 in front of you, Exhibit 77, page two, which is the signature  
12 card, and you see at the top it says Cimarron River Ranch?

13 A. Yes.

14 Q. When did you first learn about the entity or a business of  
15 Cimarron River Ranch? 09:43:41

16 A. My mailbox -- I live in a rural area. I don't live in  
17 Kenton proper. And my mailbox sets on the road about 300 feet  
18 from the building that they were constructing at that time for  
19 his Cimarron River Ranch.

20 Q. All right. So starting in 2004. So -- let me back up and 09:44:05  
21 withdraw that.

22 Can you tell us what you mean by the building that  
23 was in construction? What do you mean by that?

24 A. They had built it, a nice cabin, and a smaller cabin above  
25 the larger one and they constructed a big, long, building that 09:44:25

CERITA WALKER - Direct

1 was supposed to be a hunting lodge or something. It was kind 09:44:31  
2 of like a wild west building for a motel, restaurant, that kind  
3 of thing.  
4 Q. And so your mailbox is located near where that  
5 construction site was? 09:44:49  
6 A. Yes, sir, about 300 -- maybe 300 yards south of the  
7 building. I would every day, day in and day out, see this as I  
8 come and go back and forth to work.  
9 Q. And where you live, can you tell us how far from the road  
10 that you were living just in terms of -- give us an idea of how 09:45:05  
11 you get to your house. Do you have a long driveway or a short  
12 one?  
13 A. From Kenton, it is two and a half miles on paved road and  
14 you get to my mailbox. And then from my mailbox, it's another  
15 two and a half miles on dirt road to my house. 09:45:20  
16 Q. So your mailbox is sort of at the intersection of the dirt  
17 road to your house and the main road; is that right?  
18 A. Yes. Yes.  
19 Q. So you saw this construction of this big building and a  
20 cabin. Is that what you're saying? 09:45:35  
21 A. Yes. Yes.  
22 Q. What else did you learn about Cimarron River Ranch during  
23 this same time period?  
24 A. I'm not sure what you want me.  
25 Q. Let me withdraw the question and ask you. Did you learn 09:45:51

United States District Court

CERITA WALKER - Direct

- 1 about what the business of Cimarron River Ranch was going to 09:45:54  
2 be?
- 3 A. Well, we just assumed probably that it was going to be a  
4 cattle ranch because that's what people do in that area. They  
5 raise cattle or a hunting lodge. A lot of people hunt and that 09:46:03  
6 big building would have been for hunting also.
- 7 Q. So starting in about 2004 going forward a few years, sort  
8 of fair to say that as you left for work and came back from  
9 work, you saw work being done on that construction site?
- 10 A. Yes. Yes. 09:46:29
- 11 Q. Let's take a look at some of the bank records. I would  
12 like you to look -- prior to testifying, had you had a chance  
13 to review some of the checks associated with this bank account?
- 14 A. Yes.
- 15 Q. And this is a checking account; correct? 09:46:45
- 16 A. Yes, sir.
- 17 Q. Let's go to page 98 of Exhibit 76. If we could just focus  
18 in on the top. The right column, first check. I don't know if  
19 that helps the screen.
- 20 A. Yes. 09:47:09
- 21 Q. There's a company that looks like the check is made out  
22 to. Who does that look like it's made out to?
- 23 A. McNaughton Construction.
- 24 Q. And can you read to the jury the amount?
- 25 A. The amount is \$4,995. 09:47:23

United States District Court

CERITA WALKER - Direct

1 Q. And the date? 09:47:27

2 A. The date is September 23, 2005.

3 Q. Do you know that company, McNaughton Construction?

4 A. I heard of it. It is from I believe, Clayton, New Mexico,

5 which is about 40 miles west of Kenton. 09:47:36

6 Q. And, again, this is a check that came from the -- from

7 that same account that we just spoke of; correct?

8 A. Yes.

9 Q. And at the bottom -- well, let me just --

10 Well, at the bottom of the check, you can see 09:47:53

11 underneath the account number, 231142?

12 A. Yes. Yes.

13 Q. Let's click out of there and go to the -- a check, the

14 fourth check down in the left column. And can you tell us who

15 that check is made out to? 09:48:16

16 A. It is made out to Rachel Harris.

17 Q. And --

18 A. For \$2000.

19 Q. And, again, this is a check that comes from those same

20 bank records? 09:48:27

21 A. Yes.

22 Q. Did you ever meet with someone by the name of Rachel

23 Harris?

24 A. Yes. I knew who she was.

25 Q. Who was Rachel Harris? 09:48:34

United States District Court

CERITA WALKER - Direct

1 A. She was Sam's sister. 09:48:35

2 Q. Let's go to page 99 of that same exhibit and top check on  
3 the left column. Who is that check written out to?

4 A. James Parker and it's signed by Sam Parker.

5 Q. And what's the amount? 09:49:06

6 A. \$400.

7 Q. Let's go to page 132 of the same exhibit and do you see,  
8 in the middle of the screen, it looks like there's two checks.  
9 Let's take the third check, the third check in the left column.

10 A. That is a check payable to Rachel Harris for \$500. 09:49:45

11 Q. And let's click out of there and go to the check  
12 immediately to the right which was the third check down in the  
13 right column.

14 A. Another check payable to Rachel Harris for \$500.

15 Q. All right. Let's go to page 133 of the same exhibit. And 09:50:04  
16 if we could look at the first check in the first column. This  
17 check is to -- made to the order of who?

18 A. Your Pool Service for \$179.15.

19 Q. Okay. Do you know whether in Kenton anybody has a pool?

20 A. No. They do not have pools. 09:50:38

21 Q. Do you know of anybody in that surrounding area that has a  
22 pool?

23 A. There is a man and woman that live in New Mexico that have  
24 a pool in their yard. But that's . . .

25 Q. Okay. Let's go down to the bottom two checks on that same 09:50:58

United States District Court

CERITA WALKER - Direct

1 page. Again, these are checks that are made out to Rachel 09:51:01  
2 Harris?  
3 A. Yes.  
4 Q. Now, let's turn to page 136 of the same exhibit and let's  
5 go to the check up at the top. The top left check. There you 09:51:27  
6 go. The image has been enhanced. Who is that check to?  
7 A. It's payable to James Parker, Jr., for \$3,250.  
8 Q. It looks like there's a little memo that you spent the  
9 money on.  
10 A. Yes. 09:51:47  
11 Q. What does that say?  
12 A. July expenses.  
13 Q. Now, did you ever meet James Parker, Jr.?  
14 A. I met him once.  
15 Q. And who is James Parker, Jr.? 09:51:53  
16 A. He was the other son.  
17 Q. Sam's brother?  
18 A. Yes.  
19 Q. Did he appear to be younger or older than Sam?  
20 A. I thought he was younger. 09:52:03  
21 Q. And on that same page, if we can go to the check, right  
22 column, second check down and that's a check that was to --  
23 A. -- James Parker for \$250.  
24 Q. Now, let's look at the check in the first column, third  
25 one down. Who is that to? 09:52:35

United States District Court

CERITA WALKER - Direct

1 A. Rachel Harris for \$500. 09:52:38

2 Q. Now, let's take a look at the next page, which would be

3 page 137, and it would be the fourth check down in the left

4 column. Who is that to?

5 A. That is to a Don and Lyda Hyde for \$2000. 09:53:01

6 Q. Do you know them, by the way?

7 A. No, I do not know who they are.

8 Q. And what does the memo say?

9 A. It says "Happy Anniversary."

10 Q. And looking through these bank records, did you see one or 09:53:15

11 two other checks made to the same couple, Don and Lyda?

12 A. Yes, sir.

13 Q. And also look at the bank records. Did you see other

14 periodic checks to Sam and Rachel Harris in similar amounts?

15 A. Yes, sir. 09:53:32

16 Q. Let's go to page 149 of the same exhibit. And the bottom

17 check on the right column, who is that to?

18 A. James Parker, Jr., for \$4400.

19 Q. And let's go to page 157 and if you take a look at the

20 check, the left -- excuse me. The first column, third check 09:54:16

21 down. And that looks like a check to -- who is that made out

22 to?

23 A. It's made out to Landlord Realty for \$950.

24 Q. What does it say, if you can read in the notations at the

25 bottom. 09:54:35

United States District Court

CERITA WALKER - Direct

1 A. It says, "Sam Parker rented, Anthem, Arizona," maybe. 09:54:35  
2 Q. And after the rent, does that look like for the month of  
3 September?  
4 A. September.  
5 Q. And at the top of that check, that's the address that 09:54:46  
6 later became associated with Cimarron River Ranch?  
7 A. Yes.  
8 Q. Thank you.  
9 And if we could go now to the second check in the  
10 right column, we're going to get it enhanced here. There you 09:55:03  
11 go. Who is that check to?  
12 A. That is to James Parker, Jr., for \$4,400.  
13 Q. Let's now go to page 164 of the same exhibit. Let's go to  
14 the check in the right column and the one at the very bottom.  
15 Who is that check to? 09:55:46  
16 A. Sun Dial Pool Service for \$571.86.  
17 Q. And what's the memo section say?  
18 A. It says, "Jim Parker, Post Office Box 5722, Carefree,  
19 Arizona," and maybe it's an invoice number and then it also has  
20 an address of 35802 North Meander Way, Carefree. 09:56:05  
21 Q. Now, that address, 35802 North Meander Way, that's not in  
22 Oklahoma; correct?  
23 A. No. That is in Arizona.  
24 Q. And let's click out of there and go to the first column on  
25 the left on the bottom one. 09:56:31

United States District Court



CERITA WALKER - Direct

1                   And the check is to whom? 09:56:37

2       A.     The check is payable to Capital One for \$3646.53.

3       Q.     I don't know if you can see in the memo. Anything you can

4     read from there?

5       A.     It has an account number. 09:56:50

6       Q.     Okay. Let's click out of there and go to page 165. Let's

7     go to the first check on the top left corner. That's a check

8     to?

9       A.     Cox Communications for \$106.90.

10      Q.     Now, in Kenton, do you know -- just because you live 09:57:15

11     there, do you know whether -- do you use Cox?

12      A.     No. We have to use BTCI, our local telephone company, for

13     long distance and cable, which we don't -- we can't even get

14     cable out there. It has to be satellite dish.

15      Q.     Okay. So just based on you living there, you don't 09:57:39

16     believe that there's Cox services?

17      A.     No.

18      Q.     Let's go to the second check in the right column.

19                   Now, this is a check to --

20      A.     Arizona American Water for \$160.12. The memo has Sam 09:58:00

21     Parker. It has his account number with the 40517 North

22     Territory Trail, Anthem, Arizona.

23                   THE COURT: All right. We're going to take a break

24     here for about 20 minutes.

25                   We're in recess. 09:58:26

United States District Court

CERITA WALKER - Direct

1	(Jury departs.)	09:58:28
2	(Recess at 9:58; resumed at 10:28.)	
3	(Jury enters.)	
4	(Court was called to order by the courtroom deputy.)	
5	THE COURT: Please be seated.	10:28:07
6	COURTROOM DEPUTY: Mr. Perkel?	
7	MR. PERKEL: Thank you, Your Honor.	
8	BY MR. PERKEL:	
9	Q. Before we took our break, we were looking at checks like	
10	the one in front of you. Let's now turn to page 170 and the	10:28:14
11	two checks that are -- the first check down in the first row	
12	and the first check down in the second row, can you read us	
13	those checks?	
14	A. The first one has AMK on it for \$750 and the second one	
15	has Visa for \$11,946.	10:28:49
16	Q. Now let's turn to page 171 and let's go to the second	
17	check in the first column and this is a check to Your Pool	
18	Service?	
19	A. Yes. For \$527.65.	
20	Q. Let's go to page 155 and take a look at the check in the	10:29:40
21	first column. Tell us who is that to.	
22	A. It says James Parker, Jr., for \$725 and the memo has	
23	expenses.	
24	Q. Does it look like there's a date next to that?	
25	A. 12-06 I believe.	10:29:59

CERITA WALKER - Direct

1 Q. Let's now go to in the second column, second check? 10:30:04  
2 A. Payable to UTI for \$2150. The memo is for tuition for  
3 James Parker, Jr.  
4 Q. I don't know if you can enlarge the memo but you can read  
5 it clearly. 10:30:25  
6 A. Yes.  
7 Q. And it looks like it says December under the James Parker,  
8 Jr.?  
9 A. Yes.  
10 Q. That's in the memo section? 10:30:30  
11 A. December '06.  
12 Q. And let's go now to the last check in the first column.  
13 A. Payable to Landlord Realty for \$950. The rent is for  
14 December of '06, Sam Parker, 40517 north Territory Trail,  
15 Anthem, Arizona. 10:30:59  
16 Q. Just looking through the records, did you see other checks  
17 that were similar to this one?  
18 A. Yes, sir.  
19 Q. Let's go to page 179. And the check that's in the bottom  
20 of the first column. Who is that check to? 10:31:31  
21 A. It's payable to Roy Young for \$2500.  
22 Q. And do you know a Roy Young in the Kenton, area?  
23 A. Yes, I know who he is.  
24 Q. Does he live in Kenton, do you know?  
25 A. Not currently. He did live there for a while in the 10:31:50

United States District Court

CERITA WALKER - Direct

1 bigger cabin that they had on their ranch. 10:31:54

2 Q. So you say "they," the bigger cabin they had on the ranch,  
3 who are you referring to?

4 A. Cimarron River Ranch.

5 Q. Okay. And did Roy Young work for the defendant? Is that 10:32:04  
6 your understanding?

7 A. Yes.

8 Q. Let's go now to page 186 and there is a check at the top  
9 of the page, to that left. Who is that to?

10 A. Payable to Stan Manske Law Office for \$601.50. 10:32:41

11 Q. What is -- and do you know a Stan Manske in the Kenton/  
12 Boise City area of Oklahoma?

13 A. Yes. Stan Manske is an attorney in Boise City, Oklahoma.

14 Q. I'm sorry, he's an attorney?

15 A. Yes. 10:33:01

16 Q. And do you know where his office is located?

17 A. His office is located right corner to corner on the  
18 southwest side of the bank.

19 Q. Okay. And the bank, again, is Boise City?

20 A. Yes. 10:33:16

21 Q. So the Stan Manske law office is pretty close to the bank.

22 A. Yes.

23 Q. Let's to page 215. And if we could just highlight that.  
24 Can you tell us what that is?

25 A. Yes. This is what we call a counter check. We don't 10:33:39

CERITA WALKER - Direct

1 currently use these any more at our bank; but if a customer 10:33:43  
2 comes in and they don't want to use a personalized check, we  
3 will -- used to use this item and it was a withdrawal from  
4 Cimarron River Ranch for cash for \$7,000 and it was signed by  
5 Sam. And the other item is a cash-out ticket that we use for 10:33:59  
6 our drawers to help balance with at the end of the day.

7 Q. Thank you.

8 And going now to page 232. And you see there's a  
9 check in the middle left column, I don't know if you can read  
10 the pay to the order of. 10:34:29

11 A. This is Bank of America for \$974.32.

12 Q. Now, if you look at the bottom of the check, even below  
13 sort of the copy of the check, there's almost a printout of the  
14 account and the check number.

15 A. Yes. 10:34:48

16 Q. Is that standard procedure of the bank to do that?

17 A. Yes. Since we have images now, all of our images produce  
18 this accounted number and the date the check was processed  
19 with -- along with the amount.

20 Q. Let's go to page 233. The check in the top right corner. 10:35:11  
21 Who is this check to?

22 A. The check is payable to Sudden Link for \$161.30.

23 Q. And is Sudden Link a company in the area where you live?

24 A. No. It's not.

25 Q. Do you know of a Sudden Link? 10:35:30

United States District Court

CERITA WALKER - Direct

1 A. Yes. I do. My daughter lives around the Amarillo area 10:35:31  
2 and their long distance carrier and also TV cable is called  
3 Sudden Link.  
4 Q. Okay. Let's go to page 238 and let's go to at the top  
5 right corner there's a check and can you tell us, the jury, who 10:36:00  
6 that is made out to?  
7 A. Payable to American Express for \$15,471.95.  
8 Q. Now, looking at that memo, I was going to read the memo.  
9 A. It says "pay on account" and then it has, it looks like,  
10 an account number. 10:36:23  
11 Q. Going to the check right below and who is that check made  
12 out to?  
13 A. Payable to Capital One for \$5,600 and the memo is "pay on  
14 account," account number.  
15 Q. And let's go to the third check from the top on the left 10:36:52  
16 column. I don't know. Can you -- pay to the order of?  
17 A. UTI for \$2,150. Tuition for James Parker, Jr., February  
18 2007.  
19 Q. Let's go to page 242. The fourth check in the second  
20 column. Who is that to? 10:37:33  
21 A. American Express for \$1,345, on account number, and it  
22 gives an account number with the name Parker underneath it.  
23 Q. Okay. Now let's go to page 243 and this would be the  
24 fourth check in the first column. Who is this made out to?  
25 A. Panhandle OB/GYN for \$80. 10:38:17

United States District Court

CERITA WALKER - Direct

- 1 Q. Are you familiar with that physician in Kenton, Boise 10:38:21  
2 City, do you know?
- 3 A. No.
- 4 Q. Let's go to page 254 and there is a check in the right  
5 column, third check. Can you focus on that one? And this is 10:38:48  
6 to?
- 7 A. Sundial Pool for \$604.
- 8 Q. Okay. I don't know if it's possible to focus in on the  
9 memo section.
- 10 A. It's an invoice and it looks like it has a number May 10:39:05  
11 2007. I'm not sure what -- maybe 75802. I'm not sure. It  
12 says Carefree, Arizona on it.
- 13 Q. That address, does that still look like one of the other  
14 addresses that you already discussed with us?
- 15 A. Yes. 10:39:55
- 16 Q. Let's now take a look at the check right below that one.  
17 Let's highlight that one. Who is that to?
- 18 A. Capital One Bank for \$3025.58.
- 19 Q. Now, let's go to page 265 and check from the -- in the  
20 right column, the third check down. 10:40:45
- 21 A. It's payable to Arizona American Water for \$88.43.
- 22 Q. Do you know if that is a company out in Kenton, just based  
23 on your living there?
- 24 A. No.
- 25 Q. Now, let's go to -- let's go to page 266 and it's going to 10:41:07

United States District Court

CERITA WALKER - Direct

1 be the fourth check down in the first column. Who is that made 10:41:21  
2 out to?  
3 A. It's payable to Lawn Master for \$649.50.  
4 Q. And the ranch or the western style ranch that you  
5 described earlier, hunting lodge, et cetera, or the cabin, just 10:41:44  
6 based on you driving by there every day, do those two locations  
7 have a lawn?  
8 A. No. No. Not grassy lawn. The lawn is considered rock  
9 and cactus and . . .  
10 Q. Does your house have a lawn? 10:42:03  
11 A. Yes, it does.  
12 Q. Let's go to page 304. Let's focus on the last check on  
13 that page. That's written to James Parker?  
14 A. Yes.  
15 Q. Can you tell us what the amount is? 10:42:30  
16 A. \$600.  
17 Q. What's the memo read?  
18 A. "Payday."  
19 Q. Now, let's go to page 305. Just go to the third check.  
20 Who is that written out to? 10:42:58  
21 A. That one is made out to Samuel Parker for \$1,000.  
22 Q. And the entity at the top?  
23 A. Sunlight Financial, LLC.  
24 Q. Was this check deposited into the bank account?  
25 A. Apparently so, yes. 10:43:18

United States District Court



CERITA WALKER - Direct

1 Q. And let's go to page 313. And it would be the second 10:43:24  
2 check from the top. Who is this made out to?  
3 A. Payable to James Parker, \$600.  
4 Q. What's the date on this check?  
5 A. May 13, 2004. 10:43:41  
6 Q. And let's go to -- in the second column on the same page,  
7 the third check from the top, who is this made out to?  
8 A. Manske Law Office, \$3,055.30.  
9 Q. Same Manske, based on the check?  
10 A. Yes. 10:44:04  
11 Q. And the checks that we've discussed today, just based on  
12 your review of this bank record, would it be fair to say that  
13 these checks are pretty consistent with other checks that are  
14 found?  
15 A. Yes. 10:44:22  
16 Q. Let's turn to a slightly different subject. Did there  
17 come a point in time that First State Bank received a number of  
18 wire transfers from the country of Belize?  
19 A. Yes, sir.  
20 Q. And so I'd like to show you -- I don't know if you could 10:44:37  
21 just maybe pull yourself a little closer to the microphone. I  
22 appreciate that. I would like to show you page 21 of  
23 Exhibit 76.  
24 This is in the same bank records. If we could just  
25 sort of highlight or focus in on the entries there. Do you 10:45:09

United States District Court

CERITA WALKER - Direct

1 recognize this? 10:45:16

2 A. Yes.

3 Q. What is page 21 of this exhibit?

4 A. These are listings of all of the money wires that came in  
5 to our institution. 10:45:26

6 Q. And at the top of the screen, we've highlighted the  
7 incoming wires and it looks like it has an account number.

8 A. Yes. Well, that account number is the bank's account  
9 number.

10 Q. And see the first entry has what date? Maybe we could 10:45:42  
11 focus in on the first entry.

12 A. August 8, 2007.

13 Q. Okay. And then as you go down the column, the entries  
14 seem to -- they sort of go in reverse chronological order.

15 A. Yes. 10:46:06

16 Q. Okay. And is this a record that was maintained or kept by  
17 First State Bank?

18 A. Yes.

19 Q. How did First State Bank get a list of these wires? Can  
20 you explain the process? 10:46:16

21 A. The listing comes -- we can go on what we call Infoweb and  
22 we can print off a history of any customer that we have and  
23 just print a listing out.

24 Q. Okay. So every time the bank receives a wire, would you  
25 receive confirmation from this website? 10:46:36

United States District Court

CERITA WALKER - Direct

- 1 A. Yes. 10:46:38
- 2 Q. And so the bottom -- the top is August 8, 2007. What's  
3 the date at the very bottom of that list?
- 4 A. May 31, 2005.
- 5 Q. And the amounts, if you could just highlight those. So 10:46:53  
6 are those the amounts that correspond to each specific date?
- 7 A. Yes.
- 8 Q. So what's the amount that corresponds to August 8, 2007?
- 9 A. \$15,000.
- 10 Q. And let's take a look at December 6, 2005. What's the 10:47:06  
11 amount that corresponds with that?
- 12 A. December of 2005.
- 13 Q. That's correct.
- 14 A. \$150,000.
- 15 Q. Okay. Let's look down there for a second and go to page 10:47:16  
16 22, the same exhibit. What is this page?
- 17 A. This is a continuation. Actually, the beginning, when the  
18 wires were first presented to the bank in 2004.
- 19 Q. If we can focus in on the dates again. So the date at the  
20 top -- what's the date at the top? 10:47:50
- 21 A. April 14, 2005.
- 22 Q. And what's the amount that corresponds to that wire  
23 transfer?
- 24 A. \$10,000.
- 25 Q. Okay. And the date at the very bottom of that column? 10:47:57

United States District Court

CERITA WALKER - Direct

- 1 A. June 28, 2004 for \$25,000. 10:48:00
- 2 Q. Okay. So the wire transfer dates, if you take a look at
- 3 both pages, would start, according to this record, on June 28,
- 4 2004?
- 5 A. Yes. 10:48:14
- 6 Q. And continue all the way into August of 2007?
- 7 A. Yes.
- 8 Q. And based on the records, was the money being transferred,
- 9 wired into the account the same Cimarron River Ranch?
- 10 A. Yes. 10:48:35
- 11 Q. The same account we've been discussing?
- 12 A. Yes.
- 13 Q. I would like to show you what has been identified as
- 14 Government's Exhibits 211 through 247, and they should be in
- 15 front of you in a folder. 10:48:44
- 16 The general range is 211 to 247. I would like to
- 17 direct your attention back to those pages, pages 21 and 22, I'm
- 18 sorry. Now, let's go to page 22, first. Did you get a chance
- 19 to count these wire transfers before testifying today?
- 20 A. Yes, I did. 10:49:28
- 21 Q. And how many wires -- how many transfers are on there?
- 22 A. 20.
- 23 Q. Is it 20 on this page? If you want to count again, you
- 24 can.
- 25 A. There's 16 on this one and 20 on the other one. 10:49:40

United States District Court

CERITA WALKER - Direct

1 Q. So 16 on this one, which is the date range of starting at 10:49:42  
2 the bottom, June 28 of 2004 until April 14 of '05. That's the  
3 16?  
4 A. Yes.  
5 Q. And then let's go back to the page, the previous page, 10:49:57  
6 which is page 21. Did you get a chance to count the number of  
7 wire transfers here?  
8 A. Yes, sir.  
9 Q. Okay. What did you count?  
10 A. On this page, 20. 10:50:14  
11 Q. So from the range of about May 31 of '05 until August 8 of  
12 2007?  
13 A. Yes.  
14 Q. So how many total wire transfers are reflected in just  
15 these two pages? 10:50:27  
16 A. 36 wires.  
17 Q. And do you know the approximate amount of money that was  
18 wired in from Belize during this time period?  
19 A. Yes, sir.  
20 Q. What's the approximate amount? 10:50:34  
21 A. 1,277,000.  
22 Q. Dollars?  
23 A. Dollars, yes.  
24 Q. All right. Now I want to go back to Exhibits 211 through  
25 247. 10:50:47

United States District Court

CERITA WALKER - Direct

1 Prior to testifying today, have you had a chance to 10:50:49  
2 review some of those exhibits?

3 A. Yes.

4 Q. And these are just some exhibits of Government's Exhibit  
5 76. 10:50:58

6 MR. PERKEL: And, Your Honor, at this time, I ask  
7 that they be admitted into evidence.

8 MR. MINNS: I think it's confusing to admit the same  
9 exhibit twice. So I am objecting to the same exhibit being  
10 moved twice into evidence. 10:51:10

11 THE COURT: All right. When you say sub-exhibits,  
12 what do you mean?

13 MR. PERKEL: Each specific wire was pulled out in its  
14 own exhibit to make it actually more -- to make it clearer and  
15 easier to follow rather than to have to sort through the 10:51:22  
16 checks.

17 THE COURT: All right. Overruled.

18 BY MR. PERKEL:

19 Q. Let's take a look at Exhibit 211.

20 (Exhibit Numbers 211-247 were admitted into 10:51:30  
21 evidence.)

22 BY MR. PERKEL:

23 Q. We'll publish page two for the jury. Let's focus in on  
24 the June 15 date over in the deposit section, middle section:  
25 What does the record reflect? 10:51:53

United States District Court

CERITA WALKER - Direct

1	A.	It shows a \$25,000 deposit on June 15.	10:51:56
2	Q.	And let's go now to page four of this exhibit. And can	
3		you tell the jury, what is this?	
4	A.	This is a deposit slip for a money wire for \$25,000 dated	
5		June 15 to Cimarron River Ranch.	10:52:16
6	Q.	And I see there are some initials on there. Do you	
7		recognize those initials?	
8	A.	Yes, those are the initials for Tim Barnes.	
9	Q.	Now, this date of June 15, this one is actually included	
10		in that list on the previous pages we just looked at. We	10:52:32
11		started at June 28, 2004.	
12	A.	Correct.	
13	Q.	Do you know why, by any chance?	
14	A.	Just assuming it was missed in trying to copy all of the	
15		papers that we did.	10:52:43
16	Q.	Okay. Let's turn now to Exhibit 212 and page 2 of 212 and	
17		let's focus in on the deposit of June 29. Does this statement	
18		reflect that deposit?	
19	A.	It reflects another deposit for \$25,000 on June 29.	
20	Q.	Let's now turn to page four of the exhibit. What's the	10:53:32
21		date reflected in this?	
22	A.	June 28, 2004. Money wire.	
23	Q.	Is "money wire" written on the first line of the deposit	
24		slip?	
25	A.	Yes.	10:53:44

United States District Court

CERITA WALKER - Direct

1 Q. And what is the account number reflected? 10:53:45  
2 A. 231142 which is Cimarron River Ranch.  
3 Q. Now going to page five of the exhibit, what is this sheet?  
4 What is this?  
5 A. This is our confirmation page that we receive on incoming 10:54:03  
6 wires from our correspondent bank.  
7 Q. And we just looked at what you called a deposit slip which  
8 looked like a handwritten form.  
9 A. Yes.  
10 Q. How is that different from what we're looking at in front 10:54:17  
11 of us?  
12 A. This incoming wire is printed off and gives us a paper  
13 trail back to the deposit that we manually make for the  
14 customers.  
15 Q. Okay. So the deposit slip is what you manually fill out, 10:54:29  
16 someone from the bank?  
17 A. Yes.  
18 Q. And then this is a confirmation of a wire coming?  
19 A. Yes.  
20 Q. And let's focus in on the top half of that incoming wire. 10:54:38  
21 Okay. Can you read us the account number at the top?  
22 A. The account number is the top 11023 and that is the bank's  
23 account number at our correspondent bank.  
24 Q. And what's the date?  
25 A. The date June 28, 2004. 10:55:05

United States District Court



CERITA WALKER - Direct

1 Q. And that just below the account? 10:55:10  
2 A. Yes.  
3 Q. And let's go ahead and -- let's go back to that. If we  
4 could just go back to that screen, to the top portion, please.  
5 What is the amount that was wired that is reflected 10:55:29  
6 in there?  
7 A. \$25,000.  
8 Q. And it's a little cut off there but what is the Banker's  
9 Bank, Bank of America at NYC, what is that?  
10 A. Bank of America, NYC is a bank that was generated from 10:55:47  
11 Belize. And from Bank of America, it went to Banker's Bank in  
12 Oklahoma and from Banker's Bank, it came to our bank.  
13 Q. So based on your experience, the banks will often use  
14 other banks to help assist with the wire?  
15 A. Yes. 10:56:06  
16 Q. I probably didn't say that right but can you explain how  
17 that works again?  
18 A. Yes. If a person is wiring out from our institution, we  
19 go through a correspondent bank, a much larger bank, and then  
20 they will send that wire on to the beneficiary bank. And it 10:56:21  
21 may go through several channels before it actually gets there.  
22 Q. The Banker's Bank, which is OKC, that's Oklahoma?  
23 A. Oklahoma City.  
24 Q. Oklahoma City. And that's the correspondent bank for  
25 First State Bank? 10:56:39

United States District Court

CERITA WALKER - Direct

1 A. Yes, it is. 10:56:40

2 Q. And then the bank involved, which is BK America NYC,  
3 that's the Bank of America you think?

4 A. Yes.

5 Q. And that would be the corresponding bank to the Belizean 10:56:50  
6 Bank?

7 A. I would assume so.

8 MR. PERKEL: Let's click out of there and if we could  
9 just highlight the bottom half.

10 Q. Can you tell us from what bank the money was wired? 10:57:02

11 A. It came from Belize Bank Limited, International Division  
12 in Belize City, Belize.

13 Q. And what's the address of that bank?

14 A. 60 Market Square, Post Office Box 364.

15 Q. And the number above the Belize Bank Limited that's 10:57:22  
16 highlighted, what's that number?

17 A. It says it's an identifying number. It would probably be  
18 their bank account number, the Belize Bank.

19 Q. And let's go now to page six of the same exhibit and if we  
20 could focus in on the top portion. And what is the beneficiary 10:57:45  
21 of the wire, the recipient?

22 A. The beneficiary was the First State Bank of Boise City and  
23 then the second beneficiary was Cimarron River Ranch with their  
24 account number, 231142.

25 Q. Okay. So what we've just looked at, this printout, is 10:58:08

United States District Court

CERITA WALKER - Direct

1 almost like a receipt of the wire; correct? 10:58:11

2 A. Correct.

3 Q. And then part of the bank practice is to normally fill out

4 those deposit slips; is that correct?

5 A. Yes, it is. 10:58:23

6 Q. Let's now go on to Exhibit 213 and let's just -- again, go

7 to page two of Exhibit 213 and let's just focus on the two

8 deposits there. Is this a bank statement that just reflects

9 two deposits?

10 A. Yes. Yes. 10:58:45

11 Q. Let's turn to the July 21 deposit. Let's turn to page

12 four of the exhibit. What's the date of the wire for this one?

13 Maybe focus in on the top. We're focusing now. All right.

14 A. The date is July 21, 2004.

15 Q. Okay. And the amount? 10:59:26

16 A. The amount is \$25,000.

17 Q. And the other information on this receipt fairly

18 consistent with what we've just discussed?

19 A. Yes, it is.

20 Q. Shows a wire into Cimarron River Ranch account? 10:59:42

21 A. Yes.

22 Q. Let's go to Exhibit 214 and let's go to page five of that

23 exhibit. Just the top portion of the exhibit. What is the

24 wire date on this exhibit?

25 A. July 27, 2009. Well, the transaction date is 7-28-2004. 11:00:06

United States District Court

CERITA WALKER - Direct

1 Q. Okay. And I do see a July 27 date. Do you know why 11:00:14  
2 there's a difference?

3 A. That was an acceptance date. Probably the date that the  
4 Belize Bank took it in because it is at 9 p.m. at night on our  
5 time which we're not open at that time. 11:00:30

6 Q. And what's the amount reflected?

7 A. \$25,000.

8 Q. And if we can go to page six of the same exhibit. Again,  
9 if you could focus on the top portion. Again, who is the  
10 beneficiary of this wire transfer? 11:00:48

11 A. The beneficiary financial institution is the First State  
12 Bank, Boise City, and the bank account beneficiary is Cimarron  
13 River Ranch, 231142.

14 Q. Okay. Let's go to Exhibit 215, page four. Can you focus  
15 on the top portion? Tell us the date and the amount wired. 11:01:13

16 A. August 10, 2004 for \$25,000.

17 Q. Going to the next page, page five. Who is the  
18 beneficiary?

19 A. First State Bank, Boise City, to Cimarron River Ranch,  
20 account number 231142. 11:01:31

21 Q. And go on to page six of the same exhibit. This, again,  
22 is just a copy -- what is this exhibit?

23 A. It's a copy of a money wire deposit slip.

24 Q. And what's the date on the top?

25 A. August 10, 2004. 11:01:52

United States District Court

CERITA WALKER - Direct

1 Q. This is just another example of the slip that corresponds 11:01:54  
2 to that transaction?  
3 A. Yes, sir.  
4 Q. And I see some initials there. Do you recognize those?  
5 A. Yes, I do. Those are my initials. 11:02:01  
6 Q. Okay. So you, in fact, filled this one out?  
7 A. Yes, I did.  
8 Q. Did you fill out all of these, looking through the  
9 exhibit, these exhibits?  
10 A. Did I fill them all out? No, I did not fill them all out. 11:02:10  
11 I would fill those out until Mr. Barnes was out of the office  
12 all day.  
13 Q. Let's go to Exhibit 216, page five and the top portion of  
14 the screen. What's the date reflected in there?  
15 A. August 25, 2004. 11:02:43  
16 Q. And what's the amount?  
17 A. \$25,000.  
18 Q. And going to page six of same exhibit, who is the second  
19 beneficiary?  
20 A. The second beneficiary, Cimarron River Ranch. 11:02:57  
21 Q. Same account number; correct?  
22 A. Yes, sir.  
23 Q. Going to Exhibit 217, page four, let's go to the top  
24 portion of the exhibit, what's the date of the wire transfer  
25 there? 11:03:15

United States District Court

CERITA WALKER - Direct

1	A.	September 7, 2004.	11:03:16
2	Q.	And the amount?	
3	A.	\$25,000.	
4	Q.	And, again, is the beneficiary the same, Cimarron River	
5	Ranch?		11:03:22
6	A.	Yes, sir.	
7	Q.	And let's go to Exhibit 218, page four. Let's go to the	
8	top portion and what's the date of the wire transfer for this?		
9	A.	September 10, 2004, \$25,000.	
10	Q.	I interrupted you. I'm sorry.	11:03:44
11	A.	\$25,000.	
12	Q.	Okay. And, again, going to the next page, page five, who	
13	is the beneficiary here?		
14	A.	Second beneficiary, Cimarron River Ranch, 231142.	
15	Q.	Okay. Going to Exhibit 219, page four. And this is the	11:04:01
16	top portion of the screen. Can you tell us again the date and		
17	the money that was wired on that date?		
18	A.	September 27, 2004, \$25,000.	
19	Q.	Okay. And, again, this is money wired from Belize Bank	
20	Limited?		11:04:27
21	A.	Yes, sir.	
22	Q.	And if we could click out of there. Again, just go to the	
23	bottom of that screen. And, again, this is the same		
24	information consistent with the other money wire transaction		
25	receipts we saw; correct?		11:04:47

United States District Court

CERITA WALKER - Direct

1 A. Yes, sir. 11:04:48

2 Q. And going on to the next page, page five, what is the

3 recipient or beneficiary of the money wire?

4 A. Cimarron River Ranch, 231142.

5 Q. Okay. Let's go to Exhibit 220, page four. Again, what is 11:05:04

6 the date of this money transfer?

7 A. October 6, 2004.

8 Q. And the amount?

9 A. \$25,000.

10 Q. And if we can click out of there and just go to the bottom 11:05:27

11 portion of the screen. Again, same information, consistent;

12 correct?

13 A. Yes.

14 Q. Belize Bank Limited?

15 A. Yes. 11:05:44

16 Q. And going to page five of the same exhibit and, again, the

17 beneficiary is Cimarron River Ranch?

18 A. Yes.

19 Q. Let's go to Exhibit 221, page four, just the top portion.

20 What was the date of this? 11:06:11

21 A. October 18, 2004.

22 Q. And the amount?

23 A. \$25,000.

24 Q. Same beneficiary?

25 A. Yes. 11:06:23

United States District Court

CERITA WALKER - Direct

1	Q.	Let's now go to Exhibit 222. Page four. What's the date	11:06:30
2		of this money wire transfer?	
3	A.	November 10, 2004.	
4	Q.	And the amount is?	
5	A.	\$25,000.	11:06:46
6	Q.	And this is the same beneficiary, Cimarron River Ranch?	
7	A.	Yes.	
8	Q.	Let's go to page -- Exhibit 223, page four, and let's go	
9		to the top portion and what is the date of this money wire?	
10	A.	November 29, 2004.	11:07:10
11	Q.	And what is the amount?	
12	A.	\$15,000.	
13	Q.	Okay. And, again, going to page five of this exhibit,	
14		again, the beneficiary, Cimarron River Ranch?	
15	A.	Yes, sir.	11:07:31
16	Q.	If you go to Exhibit 224, let's go to page four of	
17		Exhibit 224, top portion. What is the date of this money wire?	
18	A.	12-22-2004.	
19	Q.	And the amount?	
20	A.	\$15,000.	11:07:53
21	Q.	Going to Exhibit 225, page four, what's the date of this	
22		money wire?	
23	A.	February 11, 2005.	
24	Q.	And the amount?	
25	A.	\$25,000.	11:08:22

United States District Court



CERITA WALKER - Direct

1 Q. And to speed things up, this is obviously the same 11:08:27  
2 beneficiary and the same thing that originated the wire?  
3 A. Yes.  
4 Q. And page -- going to Exhibit 226, page four, what's the  
5 date of this money wire from Belize? 11:08:47  
6 A. 3-1-2005.  
7 Q. And the amount?  
8 A. \$15,000.  
9 Q. Going to Exhibit 227, page four, what is the date of this  
10 money wire transfer? 11:09:09  
11 A. 4-14-2005.  
12 Q. And the amount?  
13 A. \$10,000.  
14 Q. And going on to Exhibit 228, page four, let's go to the  
15 top portion, what's the date of this money wire? 11:09:27  
16 A. 5-31-2005 for \$5,000.  
17 Q. Okay. And let's go to Exhibit 229, page five. And the  
18 date of this money wire?  
19 A. June 10, 2005, \$5,000.  
20 Q. And this was wired from Belize to the Cimarron River Ranch 11:09:59  
21 account?  
22 A. Yes.  
23 Q. And let's go to Exhibit 230, page five. And what's the  
24 date of this money wire? Maybe we can focus in more on that.  
25 A. June 28, 2005. 11:10:31

United States District Court

CERITA WALKER - Direct

1 Q. And the amount? 11:10:34

2 A. For \$32,500.

3 Q. Okay. And let's go to Exhibit 231, page four. What's the  
4 date -- let's focus on the top portion. What's the date of  
5 this money wire? 11:10:51

6 A. 7-7-2005 for 40,000.

7 Q. And now let's go to Exhibit 232, page five. Let's focus  
8 on the top portion again. What's the date of this money wire?

9 A. 7-20-2005 for \$40,000.

10 Q. Okay. And just turning back to page four of this same 11:11:22  
11 exhibit, just, again, just to show the jury this is just  
12 another example of a deposit slip for that money wire?

13 A. Yes.

14 Q. Pretty consistent in all of the exhibits?

15 A. Yes, sir. 11:11:38

16 Q. Let's go to page -- let's go to Exhibit 233, page three  
17 and the top portion, and what's the date of this money wire?

18 A. August 2, 2005.

19 Q. And the amount?

20 A. \$32,500. 11:11:56

21 Q. And let's go to Exhibit 234 and it's page four and what's  
22 the date of this money wire?

23 A. August 30, 2005, for \$37,000.

24 Q. Okay. And now let's go to Exhibit 235, page three.  
25 What's the date of this money wire? 11:12:35

United States District Court

CERITA WALKER - Direct

1 A. October 12, 2005. 11:12:36

2 Q. If you could just get back out of there and highlight the  
3 first half of the screen.

4 What's the amount wired on August -- excuse me, on  
5 October 12, 2005? 11:12:48

6 A. \$150,000.

7 Q. If you could get out of the -- get out of there.

8 And the bottom portion of the screen again reflects  
9 where the money was wired from; correct?

10 A. Yes. 11:13:04

11 Q. And going on to Exhibit 236, page four, and this is  
12 another money wire. What's the date of this one?

13 A. December 6, 2005.

14 Q. And what's the amount reflected?

15 A. \$150,000. 11:13:29

16 Q. Okay. And going to Exhibit 237, page three. What's the  
17 amount -- what's the date and the amount wired from Belize on  
18 this date?

19 A. It looks like it's April 26, 2006 for \$15,000.

20 Q. Okay. Going to Exhibit 238, page four. What's the date 11:13:58  
21 that the money was wired from Belize?

22 A. 5-12-2006 for \$15,000.

23 Q. Okay. And going to Exhibit 239, page four. What's the  
24 date that the money was wired, the approximate date that the  
25 money was wired from Belize? 11:14:37

United States District Court

CERITA WALKER - Direct

1	A.	4-17-2007.	11:14:40
2	Q.	And the amount?	
3	A.	\$90,000.	
4	Q.	Going to Exhibit 240, page five. Top portion of the	
5	screen.	What was the amount wired from Belize and what date?	11:14:53
6	A.	The date was April 18, 2007, for \$95,000.	
7	Q.	And going now to Exhibit 241, page five, what date is	
8	reflected	in this wire from Belize?	
9	A.	4-19-2007 for \$60,000.	
10	Q.	And going to Exhibit 242, page five, what amount is	11:15:34
11	reflected	in this wire?	
12	A.	The date is April 20, 2007, for \$50,000.	
13	Q.	And, again, the rest of the information is fairly	
14	consistent	with what we've already seen with regards to where	
15	the money	came from and who was the recipient?	11:15:57
16	A.	Yes.	
17	Q.	Go to Exhibit 243, page four, and what is the date	
18	reflected	in this wire?	
19	A.	5-15-2007 for \$15,000.	
20	Q.	And, again, page two of this exhibit. Again, this is just	11:16:21
21	a statement	that reflects the deposit from that wire?	
22	A.	Yes.	
23	Q.	And all of the exhibits that we discussed have this same	
24	or similar	corresponding bank statement; is that correct?	
25	A.	Yes, sir.	11:16:40

United States District Court

CERITA WALKER - Direct

1 Q. As well as a deposit slip? 11:16:41  
2 A. Yes, sir.  
3 Q. Let's go now to Exhibit 244, page four, and the top  
4 portion of the screen. What's the date associated with this  
5 wire transfer from Belize? 11:16:56  
6 A. 6-4-2007, \$15,000.  
7 Q. And let's go to Exhibit 245, page five and what is the  
8 date reflected with this transfer from Belize?  
9 A. June 28, 2007 for \$45,000.  
10 Q. And let's go to Exhibit 246, page four. What is the date 11:17:24  
11 reflected with regards to this money wire transfer?  
12 A. 7-13-2007, \$15,000.  
13 Q. And Exhibit 247, let's turn to that exhibit and page four  
14 of that and let's highlight the top portion. What is the date  
15 reflected with regards to this money wire from Belize? 11:18:06  
16 A. August 8, 2007, \$15,000.  
17 Q. Now let's turn to Exhibit 248 and that is going to be  
18 page --  
19 COURTROOM DEPUTY: Counsel, this is not admitted.  
20 MR. PERKEL: Oh, sorry. 11:18:25  
21 MR. SEXTON: You went through the ones you wanted to.  
22 MR. PERKEL: That, I think, then, is the remaining --  
23 my mistake. Those are all of the money wire deposits. We went  
24 through them.  
25 11:18:40

CERITA WALKER - Direct

1 BY MR. PERKEL: 11:18:40

2 Q. I would like you to take a look at Exhibits 248 through

3 251. They should be in front of you in a folder.

4 MR. PERKEL: At this time, Your Honor, I would offer

5 these into exhibits as a sub-exhibit of the large exhibit. 11:19:01

6 MR. MINNS: They are already in evidence and since

7 the ruling has already been that duplicative is not erroneous,

8 I have no objection.

9 THE COURT: They are admitted.

10 MR. PERKEL: Okay. Thank you. 11:19:17

11 (Exhibit Numbers 248 through 251 were admitted into

12 evidence.)

13 BY MR. PERKEL:

14 Q. Turning now to Exhibit 248, page two, and let's take a

15 look at checks in the first line of the statement. Let me ask 11:19:33

16 you first, what is this again, this page?

17 A. This is a monthly statement.

18 Q. And if you take a look at the statement, at the top, does

19 it give you sort of the range of the statement?

20 A. Yes. This statement is from 9-29 to 10-31 of 2006. 11:19:50

21 Q. And what's the account number at the top?

22 A. The account number is 231142.

23 Q. This is sort of your typical bank statement; is that

24 correct?

25 A. Yes. 11:20:07

United States District Court

CERITA WALKER - Direct

1	Q.	In terms of a checking account?	11:20:07
2	A.	Yes.	
3	Q.	And the -- again, just at the top it looks like the holder	
4		on this account, what entity?	
5	A.	Is Cimarron River Ranch.	11:20:17
6	Q.	And I want to turn to check number 844. What's the date	
7		corresponding on the bank statement with regards to that check?	
8	A.	October 4.	
9	Q.	And what's the amount?	
10	A.	\$43,078.41.	11:20:36
11	Q.	And now let's turn to page four of the same exhibit and if	
12		we could -- is this the check that corresponds with that line	
13		item in the statement that we just looked at?	
14	A.	Yes, sir.	
15	Q.	And it looks like the same amount, the \$43,078.41?	11:21:00
16	A.	Yes, sir.	
17	Q.	Who is the check made out to?	
18	A.	To Stewart Title & Trust.	
19	Q.	And I don't know if the memo section -- can you	
20		distinguish those numbers or is it two images -- it probably	11:21:11
21		isn't sharp enough.	
22	A.	It isn't quite sharp enough.	
23	Q.	What's the date on that check?	
24	A.	September 28, 2006.	
25	Q.	Let's now turn to Exhibit 249, page one. Let's go to page	11:21:25

United States District Court

CERITA WALKER - Direct

1 two. I'm sorry. Let's focus in on the first check. This is a 11:21:35  
2 different bank statement or -- excuse me. Is this a statement  
3 that corresponds to a different statement period?  
4 A. Yes, sir.  
5 Q. What's the period that this corresponds to? 11:21:47  
6 A. This one basically is January bank statement. The date is  
7 December 29, 2006, to January 31, 2007.  
8 Q. Same account that we've been discussing; correct?  
9 A. Yes, sir.  
10 Q. And in the check that is referenced in the first line item 11:22:02  
11 of the check section of the statement?  
12 A. Yes. Check number 1010 for \$43,078.41.  
13 Q. And so this would be January 3 of 2007; correct?  
14 A. Yes.  
15 Q. Now, let's turn to the next page, page three of the 11:22:21  
16 exhibit and let's focus in on the check. Is this the check  
17 that corresponds to the item that we just looked at on the bank  
18 statement?  
19 A. Yes, sir.  
20 Q. Same amount? 11:22:46  
21 A. Yes.  
22 Q. And, again, this is a check to what entity?  
23 A. Stewart Title & Trust.  
24 Q. Okay. And the date on the check you can see at the top?  
25 A. Yes. It is 10-26-2006. 11:22:56

United States District Court



CERITA WALKER - Direct

1 Q. And now let's go to Exhibit 250 and let's go to page two 11:23:05  
2 of that exhibit. This is a statement for which time period?  
3 A. This would be for March. It's February 28, 2007 through  
4 March 30 of 2007.  
5 Q. And let's focus in on the check from the date of March 26, 11:23:30  
6 check 1089.  
7 A. \$42,484.02.  
8 Q. And let's now go to page three of the exhibit and let's  
9 rotate that one. Now let's focus in on that check and can you  
10 just read us what is contained on that check? 11:23:58  
11 A. It's dated 3-20-2007 to Stewart Title & Trust for  
12 \$42,484.02, and it has payment on account and it has an account  
13 number.  
14 Q. Can you read that account number?  
15 A. 651-00660. 11:24:19  
16 Q. Let's now turn to Exhibit 251, page two. And what  
17 statement period is reflected in this record?  
18 A. This is a July statement. The date June 29, 2007, to July  
19 31, 2007.  
20 Q. And, again, I highlighted the same account number and 11:24:47  
21 entity that we were discussing; correct?  
22 A. Yes.  
23 Q. And let's focus in on the check on July 2. What's the  
24 amount of that check.  
25 A. \$42,908.01. 11:24:58

United States District Court

CERITA WALKER - Direct

1 Q. And now let's turn to page four of the same exhibit. 11:25:01  
2 Again, this is a check to which entity?  
3 A. Stewart Title & Trust and the date June 28, 2007, and it  
4 is to pay on an account 651-00660-0, July 2007 payment.  
5 Q. And what's the amount? 11:25:37  
6 A. \$42,908.01.  
7 Q. Now I would like you to take a look at Exhibits 252  
8 through 258. They should be in the folders in front of you.  
9 Do you see them there?  
10 A. Yes. 11:25:54  
11 Q. Prior to testifying today, you had a chance to look  
12 through some of these exhibits?  
13 A. Yes.  
14 Q. And these are just sub-exhibits of the main exhibit that  
15 pertains to the Cimarron River Ranch account? 11:26:02  
16 A. Yes.  
17 MR. PERKEL: Your Honor, at this time, I ask that 252  
18 through 258 be admitted.  
19 MR. MINNS: They are already in evidence, Your Honor.  
20 THE COURT: They are admitted. Okay. 11:26:12  
21 (Exhibit Numbers 252 through 258 were admitted into  
22 evidence.)  
23 MR. PERKEL: We're not going to go through all of  
24 them.  
25

United States District Court

CERITA WALKER - Direct

1 BY MR. PERKEL: 11:26:18

2 Q. Let's go to page 252, page two. And this is a

3 statement period -- if you could tell the jury.

4 A. Yes. The statement period is 12-31-2004 to January 31,

5 2005. 11:26:33

6 Q. And let's turn to the check that dated 1-20 -- excuse me,

7 that has the -- not the check. Let's turn to the line item

8 with the date of January 20 and it's check 409.

9 A. For \$2,753.

10 Q. Okay. And let's now turn to page four of this same 11:26:51

11 exhibit and let's rotate this one and who is this check made

12 out to?

13 A. This is made out to the Commissioner of the Land Office.

14 It's for a lease number.

15 Q. Let me ask you a question. Do you know who the 11:27:13

16 Commissioner of the Land Office is or what that entity is?

17 A. Yes. Yes. The Commissioners of the Land Office in the

18 state of Oklahoma. They have state school land that goes up

19 for auction every year. The leases run for five years and

20 people can come in and bid on that land for hunting or for 11:27:31

21 grass lease for cattle.

22 Q. When you say school land, what do you mean by that?

23 A. It doesn't belong to anyone but the state of Oklahoma.

24 It's school land.

25 Q. Okay. So that's just the term that you use? 11:27:50

United States District Court

CERITA WALKER - Direct

1 A. Yes. 11:27:52  
2 Q. But it's essentially public land?  
3 A. it is.  
4 Q. And the leases are auctioned?  
5 A. Yes, it is. 11:28:00  
6 Q. And they are used for farming or cattle ranching?  
7 A. Or hunting.  
8 Q. Or hunting?  
9 A. Yes.  
10 Q. Let's turn to Exhibit 254, page two and what's the 11:28:26  
11 statement period in that?  
12 A. September 30, 2005 to October 31, 2005.  
13 Q. Let's turn to the check that is referenced by October 14,  
14 check 699. What's the amount of that check?  
15 A. \$133,500. 11:28:52  
16 Q. And let's turn to page three of this exhibit. Let's  
17 rotate that exhibit around. Is this the same check that is  
18 associated with that exhibit?  
19 A. Yes. CLO stands for the Commissioners of the Land Office.  
20 Q. And looking at Exhibit 255, page two, and do you see -- 11:30:11  
21 let's take a look at the checks that are referenced as checks  
22 714, 715, 716, 717, '18, '19 and 720 and then 721 through 726  
23 and 725 -- 728, 729 and 730. I would liked to now -- what  
24 we're going to do is take a look at each of those checks really  
25 individually. Let's start with page three of the same exhibit. 11:31:10

United States District Court

CERITA WALKER - Direct

1 And is this just another check to the Commissioners of the Land 11:31:17  
2 Office?  
3 A. Yes, it is.  
4 Q. What is the amount?  
5 A. \$2,751.90. 11:31:22  
6 Q. Let's go to page four of the same exhibit and what's the  
7 amount here?  
8 A. \$847.  
9 Q. And let's go to page five of the same exhibit.  
10 A. \$2,085. 11:31:45  
11 Q. Also to the same, Commissioners of the Land Office?  
12 A. Yes.  
13 Q. Or CLO?  
14 A. Yes.  
15 Q. And let's go to page six, what's the amount here? 11:31:52  
16 A. \$3,684.  
17 Q. And let's go to page seven. What's the amount written out  
18 to the Commissioners of the Land Office?  
19 A. 6,675.  
20 Q. And let's go to page eight. What's the amount written out 11:32:11  
21 to the Commissioners of the Land Office?  
22 A. \$3,690.  
23 Q. And let's go to page nine, what's the amount written?  
24 A. \$2,870.  
25 Q. Now let's go to page 10. 11:32:28

United States District Court

CERITA WALKER - Direct

1 A. \$1,489. 11:32:35

2 Q. The same, Commissioners of the Land Office; correct?

3 A. Yes, sir.

4 Q. And let's go to page 11, what's the amount of this page?

5 A. \$18,023. 11:32:50

6 Q. And let's go to page 12, what's the amount here?

7 A. \$27,961.

8 Q. Let's go to page 13.

9 A. \$6,230.

10 Q. And let's go to page 14, the same exhibit, what's the 11:33:14

11 amount written to the Commissioners of the Land Office at this

12 time?

13 A. \$2,980.

14 Q. Okay. I notice in the bottom of the memo section you

15 could see sort of a contract and a lease number. 11:33:26

16 A. Yes.

17 Q. Now, let's go to page 15 of the same exhibit. What is the

18 amount written for that check?

19 A. \$4,855.

20 Q. Let's go to page 16 of the same exhibit. 11:33:44

21 A. \$7,946.

22 Q. And that's also to the Commissioner of the Land Office?

23 A. Yes, sir.

24 Q. And, again, you see another lease and contract number in

25 the memo below? 11:34:02

United States District Court

CERITA WALKER - Direct

1	A.	Yes.	11:34:04
2	Q.	And let's go to page 17 of the same exhibit, what's the	
3		amount made out in that check?	
4	A.	\$13,572.	
5	Q.	And let's go to page 18 of the same exhibit.	11:34:20
6	A.	\$31,440.	
7	Q.	Let's go to Exhibit 256, page three, what's the amount	
8		for -- on this check?	
9	A.	\$800.	
10	Q.	What's the date of this check?	11:34:48
11	A.	12-20-2006.	
12	Q.	Let's go to page four of the same exhibit. Can you tell	
13		us what the date of this check is and the amount?	
14	A.	12-20-2006, \$1,932.	
15	Q.	Written also to the Oklahoma Commissioners of the Land	11:35:14
16		Office?	
17	A.	Yes.	
18	Q.	Let's go to page five of Exhibit 256 and what's the	
19		amount?	
20	A.	\$568.	11:35:29
21	Q.	And the date?	
22	A.	12-20-2006.	
23	Q.	Let's go to Exhibit 257, page four. What's the amount	
24		written -- the amount made out for this check?	
25	A.	\$4,149.04.	11:35:51

United States District Court

CERITA WALKER - Direct

1	Q.	And what's the date?	11:35:55
2	A.	April 18, 2007.	
3	Q.	Let's go to page five of the same exhibit. Can you tell	
4	us	what the amount is?	
5	A.	4-18-2007 for \$13,976.19.	11:36:11
6	Q.	Okay. Let's go to page six of the same exhibit.	
7	A.	April 23, 2007, \$7,727.15.	
8	Q.	Go to page seven of the exhibit.	
9	A.	April 18, 2007, \$7,712.54.	
10	Q.	And page eight of the exhibit.	11:36:54
11	A.	It's April 18, 2007, for \$6,010.24.	
12	Q.	Same Cimarron -- County of the Land Office?	
13	A.	Yes.	
14	Q.	Same Cimarron River Ranch checking account; correct?	
15	A.	Yes.	11:37:15
16	Q.	All right. Page nine of the exhibit. Can you tell us the	
17	amount	of this check?	
18	A.	The amount is for \$3,118.68. It's dated 4-18-2007.	
19	Q.	Okay. And page 11 of the exhibit. I'm sorry.	
20	A.	It's dated 4-18-2007, \$58,545.02.	11:37:45
21	Q.	Okay. Let's go to page 12 of the exhibit. Can you read	
22	us	the amount of this check?	
23	A.	\$13,044.45.	
24	Q.	And what's the date?	
25	A.	4-18-2007.	11:38:13

United States District Court



CERITA WALKER - Direct

1 Q. And let's go to page 13 of the exhibit. 11:38:14

2 MR. MINNS: Pardon me, Your Honor. I'm going to  
3 object to the continuing reading of checks. There's a summary  
4 witness at counsel's table. This witness has no more to add or  
5 subtract from reading a check than we do, the jurors. 11:38:32

6 THE COURT: So how much more time are we -- if we  
7 have a summary witness, then I am going to sustain the  
8 objection unless these are exhibits -- if there's a stipulation  
9 to the admission of the exhibits, then it's not necessary.

10 MR. MINNS: I didn't object to any of them, Your 11:38:52  
11 Honor.

12 THE COURT: Well, I know but I don't know how many  
13 more we have here.

14 MR. PERKEL: Your Honor, there are a few more. I  
15 don't need to go through them more. There's one more 11:38:58  
16 sub-exhibit 258. I just move to admit it and I don't plan on  
17 going through it, if that's fair.

18 THE COURT: Okay. Then it's admitted.

19 And if there are any others that your summary witness  
20 is going to use, then let's just get them admitted. As long as 11:39:11  
21 there's no objection.

22 MR. PERKEL: Okay. Fair enough.

23 BY MR. PERKEL:

24 Q. So 258 is in. Let's take a step back and talk a little  
25 bit about the business of Cimarron River Ranch and your role in 11:39:27

CERITA WALKER - Direct

1 the bank. 11:39:35

2 When you were at the bank, did you have occasion or  
3 did you see either Sam Parker or the defendant enter the bank?

4 A. Yes, sir.

5 Q. Let's talk about the defendant. Did the defendant ever 11:39:44  
6 enter the bank himself to conduct business at the First State  
7 Bank?

8 A. Yes, sir.

9 Q. Can you tell us what happened when he came in to do  
10 something? 11:39:54

11 A. He came in once -- twice perhaps to inquire about the  
12 balance in Cimarron River Ranch. Our tellers would not give  
13 him any information because he was not on the signature card.  
14 So then he would leave and then Sam and Mr. Parker would come  
15 back in and Sam would ask for information, a printout. Usually 11:40:16  
16 we would give our customers a printout of all of the activity  
17 that they have had. That's just a customer service thing that  
18 we do. He would then give to it his father.

19 Q. And you said this printout. Why did the bank have these  
20 printouts? 11:40:41

21 A. The printouts give a current history of your checking  
22 account for that month and we -- as a customer service, we give  
23 that to our customers regularly.

24 Q. Did your bank have online access then?

25 A. No. 11:41:02

CERITA WALKER - Direct

1 Q. So the customers would come in to get a printout of what 11:41:02  
2 they have from the bank?

3 A. Correct.

4 Q. And the times you saw Mr. Parker come in by himself he  
5 actually returned with his son; is that correct? 11:41:15

6 A. Yes. Yes.

7 Q. Now, let's go to the times where they are together  
8 conducting business or getting printouts. Who appears to be --  
9 can you tell us what you saw I guess is the best way of saying  
10 it? 11:41:25

11 A. In our opinion, we assumed that Mr. Parker --

12 MR. MINNS: Excuse me. When the witness said "our"  
13 opinion, it could mean any --

14 THE COURT: Sustained.

15 BY MR. PERKEL: 11:41:33

16 Q. Can you tell us what you remember seeing?

17 A. I remember seeing Mr. Parker and Sam conversing with each  
18 other and then business was conducted at the window.

19 Q. With the defendant, did you have any interactions with him  
20 outside of the bank, business interactions? 11:41:59

21 A. Yes, sir.

22 Q. Can you tell us about that?

23 A. My husband is a rancher and he has state lease also that  
24 we would bid on at the auctions. And one time Mr. Parker  
25 outbid my husband on the land and then some of the lands that 11:42:18

CERITA WALKER - Direct

1 is right -- that borders our land Mr. Parker did not have -- or 11:42:24  
2 Cimarron River Ranch did not have cattle at the time. So my  
3 husband subleased that land from him. So at the end of the  
4 year, I knew I was going to have to send him 1099 for the grass  
5 lease that I had paid him for that current year. So I wrote a 11:42:44  
6 letter, typed up a letter for him telling him that I needed his  
7 tax ID number where I could put a 1099 in the mail to him.

8 He wrote this number on the bottom of the letter,  
9 mailed it back to me. I submitted the 1099, mailed it to him  
10 in Carefree, Arizona, and then I received a letter from the IRS 11:43:07  
11 stating that that social number did not agree with the name on  
12 the 1099.

13 Q. Okay. So what happened after that happened?

14 A. So I made a copy of that letter, mailed to it Mr. Parker,  
15 wrote on the bottom of it and told him that I needed a correct 11:43:28  
16 number to submit this and he wrote on the bottom of that letter  
17 a reply, gave me another number and a copy of a -- it was a  
18 piece of paper that was torn in half with a tax ID number and  
19 an entity on it that he wanted me to submit on the 1099.

20 Q. Okay. And during this time period, did you speak to him 11:43:53  
21 on the phone about this?

22 A. No, I did not.

23 Q. So this was all done in writing?

24 A. Yes.

25 Q. I would like to take a look at Exhibit 544 which should be 11:44:00

United States District Court

CERITA WALKER - Direct

1 in front of you. 11:44:04

2 A. Yes.

3 Q. And do you recognize the -- do you see the front of the

4 papers in there?

5 A. Yes. 11:44:20

6 Q. Is this the correspondence between you and Mr. Parker with

7 regards to the issue with the 1099?

8 A. Yes, it is.

9 MR. PERKEL: Your Honor, at this time I ask that

10 Exhibit 544 be admitted into evidence. 11:44:27

11 MR. MINNS: No objection.

12 THE COURT: It's admitted.

13 (Exhibit Number 544 was admitted into evidence.)

14 BY MR. PERKEL:

15 Q. Let's just turn quickly to page two of the exhibit and if 11:44:32

16 you could highlight just the top portion. What's the date of

17 that?

18 A. November 10, 2002.

19 Q. And who is the letter addressed to?

20 A. The letter is addressed to James Parker, Box 5722, 11:44:46

21 Carefree, Arizona.

22 Q. And how did you have that address for him?

23 A. I don't recall how I may have got that.

24 Q. Can you read the letter to the jury?

25 A. It says, "I am enclosing payment for grass lease to May 11:45:11

United States District Court

CERITA WALKER - Direct

1 23. 11:45:16

2 "I need your tax identification number or Social  
3 Security number in order to file taxes for the end of the year.  
4 I will be sending you a 1099 for the grass lease that I have  
5 paid you for the past year. 11:45:26

6 "Please return the enclosed postage-paid envelope  
7 with your ID number.

8 "Thank you very much.

9 "Sincerely, Eddie Walker," and that's my husband.

10 Q. Did Eddie Walker type out this letter or did you? 11:45:38

11 A. I actually typed it out for him.

12 Q. And he signed it?

13 A. Yes.

14 Q. And let's zoom back out from the letter and let's take a  
15 look at the bottom of the letter. You mentioned an 11:45:45  
16 identification number that was provided by the defendant.

17 A. Yes.

18 Q. Is that what he returned to you with the letter?

19 A. Yes.

20 Q. And then you tried using that number? 11:45:56

21 A. Yes.

22 Q. Tell us again. You submitted a 1099 with that number on  
23 it?

24 A. Yes, I did.

25 Q. And you learned that that wasn't working out? 11:46:04

United States District Court

CERITA WALKER - Direct

1 A. Correct. 11:46:06

2 Q. Let's go to page three of the exhibit. Is this just the  
3 notice from the IRS that the number wasn't --

4 A. Yes. The number and the name did not match.

5 Q. And the date at the top, the notice date is October 6 of 11:46:27  
6 '03?

7 A. Yes.

8 Q. I would like to turn now to the next page, page four of  
9 the exhibit, and just the top portion of the exhibit. Is this  
10 what you then wrote to Mr. Parker? 11:46:45

11 A. Yes. When I sent him a copy of the letter, then I wrote  
12 on the bottom of it, "The Social Security number you gave me is  
13 not a valid number. Please give me your correct social where I  
14 can get the IRS taken care of. Thank you, Cerita."

15 Q. Okay. And let's go to the bottom portion of this 11:47:01  
16 document. This was essentially his response to you?

17 A. Yes, it is.

18 Q. Okay. What -- how did he respond?

19 A. He said, "Cerita, please find enclosed our Oklahoma  
20 corporation FEIN number. It is not a social number. I don't 11:47:16  
21 know why they don't show it in the records.

22 "If it will help, however, you may use my son  
23 Samuel's social number 600-96-9428 as he is part owner in the  
24 corporation.

25 "Thank you. 11:47:35

United States District Court

CERITA WALKER - Direct

1                    "Sincerely, James Parker." 11:47:36

2            Q.    Okay. And then let's go to page five of that same exhibit

3            and I see there's this thing. This was attached to the reply.

4            Is that your writing?

5            A.    Yes, it is. 11:47:48

6            Q.    Let's just go to the right-hand side of that exhibit. Is

7            this is what came from the response from Mr. Parker?

8            A.    Yes, it is.

9            Q.    And this gave you a new tax identification number?

10           A.    Yes. 11:48:03

11           Q.    The number at the top with the nines?

12           A.    Yes.

13           Q.    Did you conduct any other business transactions with the

14           defendant?

15           A.    No, I did not. 11:48:16

16           Q.    This was the only one that you and your husband contracted

17           with?

18           A.    Yes.

19           Q.    Or engaged him?

20           A.    Yes. 11:48:25

21           Q.    Let's take a look at Government Exhibits 436 through 442.

22           They should be in front of you.

23           A.    Yes.

24           Q.    Now, take you back to the testimony about the construction

25           of a lodge or hunting lodge and a cabin. 11:48:55

United States District Court



CERITA WALKER - Direct

1 THE COURT: We're going to stop here, Mr. Perkel. 11:48:59  
2 Ladies and gentlemen, we'll see you back here at 1  
3 o'clock.  
4 We're in recess.  
5 COURTROOM DEPUTY: All rise. 11:49:06  
6 (Jury departs.)  
7 THE COURT: And you may step down. Thank you.  
8 And in order to maybe shorten the time that you are  
9 to go through exhibits with a number of witnesses that are the  
10 basis and the form for the summary witness, if counsel -- and 11:49:56  
11 it sounds like counsel has no objection, perhaps we can save  
12 some time. You may want to highlight some exhibits. But going  
13 through them seriatim is going to take a lot of time,  
14 particularly when you have a summary witness. So that my  
15 strong suggestion to both counsel is over the lunch hour work 11:50:16  
16 on it and see if we can save some time.  
17 MR. PERKEL: Okay.  
18 MR. MINNS: Thank you, Your Honor.  
19 (Recess at 11:50; resumed at 1:09.)  
20 (Jury enters.) 01:09:51  
21 (Court was called to order by the courtroom deputy.)  
22 THE COURT: Please be seated.  
23 Are we ready to go?  
24 MR. PERKEL: Yes, Your Honor.  
25 THE COURT: Okay. 01:10:40

United States District Court

CERITA WALKER - Direct

1 BY MR. PERKEL: 01:10:40

2 Q. Ms. Walker, good afternoon, again. Before we took our  
3 lunch break, I asked you to take a look at Exhibits 436 through  
4 442.

5 A. Yes. 01:10:56

6 Q. Do you recognize those exhibit?  
7 A. Yes.

8 Q. Now, you mentioned earlier that on your way to work, you  
9 passed the Cimarron River Ranch hunting lodge and cabin that  
10 you described earlier today or property that you believe was 01:11:07  
11 the Cimarron River Ranch property. Are those photographs a  
12 fair and accurate depiction of how that property looks?  
13 A. Yes, it is.

14 MR. PERKEL: Your Honor, at this time, I ask that  
15 Exhibits 436 through 442 be admitted into evidence. 01:11:20

16 MR. MINNS: No objection.

17 THE COURT: They are admitted.

18 (Exhibit Numbers 436 through 442 were admitted into  
19 evidence.)

20 BY MR. PERKEL: 01:11:38

21 Q. Let's turn to page 436. If we can publish it for the  
22 jury. What is this a photograph of?  
23 A. This is the building that we consider the wild west.

24 Q. And looking at the building --

25 MR. MINNS: Pardon me. Again, I have my same 01:11:53

CERITA WALKER - Direct

1 objection. The witness says "we considered." So I would like 01:11:55  
2 it --  
3 THE COURT: Right. Sustained.  
4 Ladies and gentlemen, you are to ignore the last  
5 answer to the last question. 01:12:03  
6 BY MR. PERKEL:  
7 Q. Okay. Is this -- can you just in your own -- from your  
8 own point of view, not using the term "we," can he tell us what  
9 this building is?  
10 A. This building sets just right north of my road. I see 01:12:14  
11 this building every morning that I go to work and come home in  
12 the evening, and this building is the exact picture of what  
13 sets right there.  
14 Q. So if we're standing looking at the building, can you tell  
15 us the direction we are looking at? 01:12:34  
16 A. You are looking to the northwest.  
17 Q. So your house -- if I was looking at that building, your  
18 house is sort of south of this?  
19 A. Yes.  
20 Q. And earlier you described the hunting lodge western style 01:12:47  
21 building. Is this what you were referring to?  
22 A. Yes.  
23 Q. Okay. Let's turn now to Exhibit 437, page two. This is  
24 just another photograph of that same building?  
25 A. Yes. 01:13:12

United States District Court

CERITA WALKER - Direct

- 1 Q. Now, earlier you described that there's sort of this rocky 01:13:12  
2 kind of grass. This is what you were referring to?  
3 A. Yes.  
4 Q. This is obviously different than a manicured lawn;  
5 correct? 01:13:22  
6 A. Yes.  
7 Q. Let's go to 438, page two. And again, this is a closer up  
8 photograph. Have you ever walked up to that building?  
9 A. No, I have not.  
10 Q. So this is a fair and accurate depiction of the building 01:13:44  
11 from the road; is that right?  
12 A. Yes.  
13 Q. Now, let's take a look at Exhibit 439, page two. What's  
14 this a photograph of?  
15 A. This is the cabin that Sam lived in. 01:14:07  
16 Q. And is this the cabin that you referred to earlier today?  
17 A. Yes.  
18 Q. If you follow the road, if you see the cabin and you  
19 follow the road, what direction would you be going?  
20 A. North. 01:14:21  
21 Q. So north is following that road that way (Indicating)?  
22 A. Yes.  
23 Q. And where is your property in relation to this cabin?  
24 A. It would be back south.  
25 Q. Back south. 01:14:35

United States District Court

CERITA WALKER - Direct

1           And let's turn to page two of Exhibit 440. This 01:14:41  
2 cabin here you stated in the morning that starting in about  
3 2004 sort of going forward you saw construction at these sites?  
4 A. Yes.  
5 Q. This and the western style building are the sites that you 01:15:09  
6 were referring to?  
7 A. Yes.  
8 Q. So over time you would see -- would it be fair to say that  
9 you saw, sort of, the completion of the building or the  
10 construction as well? 01:15:25  
11 A. Yes.  
12 Q. When you saw this happen, can you describe to the jury  
13 just briefly what you saw during this construction phase?  
14 A. Well, there were people coming and going all the time.  
15 Vehicles, equipment would be there. 01:15:39  
16 Q. And the Hummer that you referred to earlier that you first  
17 saw the defendant in, did you see that car parked there, too?  
18 A. Yes, on occasion.  
19 Q. Let's go to Exhibit 441 -- actually 442, page two. And  
20 this is -- how is this photograph different than the one we 01:16:15  
21 just looked at?  
22 A. It's the front view.  
23 Q. And where in relation is your property?  
24 A. It's still south.  
25 Q. South of this. 01:16:25

United States District Court

CERITA WALKER - Direct

1 Does your property have a specific mailing address or 01:16:35  
2 a mailbox?  
3 A. Yes. I have a mailbox on the dirt road that turns into my  
4 property, and it's two and a half miles north of Kenton.  
5 Q. And do you know what the approximate address for this one 01:16:49  
6 would be?  
7 A. I would say approximately three miles north.  
8 Q. So three miles north of Kenton?  
9 A. Yes.  
10 Q. Is that how addresses are determined in Kenton, just based 01:17:00  
11 on how far north or south of the town?  
12 A. Actually, I have a post office or a mailbox and it has  
13 HC1, Box 60 on it.  
14 Q. Okay.  
15 A. I have rural mail that they have a little post office in 01:17:19  
16 Kenton that people can go actually pick up their mail.  
17 Q. Okay. Now, you described earlier seeing the defendant  
18 drive up in a Hummer. Did you see him in any other vehicles  
19 during the time that you saw him in Kenton?  
20 A. I have seen him in a Rolls Royce. 01:17:46  
21 Q. Can you tell us what happened during that time?  
22 A. One time the Rolls Royce pulled up and parked in front of  
23 the bank and he walked over to Sam Manske's office. And on  
24 several other occasions we've seen that -- or I have seen that  
25 parked in front of Manske's law office. 01:18:04

United States District Court

CERITA WALKER - Direct

1 Q. Did you see him get out of the car when you saw him walk? 01:18:10  
2 A. Yes.  
3 Q. The offices in the First State Bank have windows that face  
4 the street. Okay. And do you remember the color of the car?  
5 A. It's black. 01:18:27  
6 Q. You described earlier the state lands auction of these  
7 lease agreements for public land. Can you tell the jury, did  
8 you go to those auctions?  
9 A. Yes. I attended those auctions with my husband.  
10 Q. And just briefly describe -- can you briefly describe what 01:18:44  
11 happens at those auctions?  
12 A. Everyone is given a list of all of the leases that are  
13 available for auction. Then the auctioneer puts them out and  
14 they are bid on. Most people get those leases back every year.  
15 That is kind of been the history of what has taken place until 01:19:06  
16 Mr. Parker came. And when he came, the leases were increased  
17 dramatically and he took those leases away from the land owners  
18 that had leased them for many, many years.  
19 Q. When you say Mr. -- when Mr. Parker, the defendant -- did  
20 you see him at those auctions? 01:19:33  
21 A. Yes, I did.  
22 Q. Can you tell us what you saw the defendant doing at the  
23 auctions?  
24 A. He usually stood in the background. They set chairs up  
25 where people can sit. A lot of people stand in the back but he 01:19:45

United States District Court

CERITA WALKER - Direct

1 would stand in the back. He was also there with Roy Young. 01:19:48  
2 You could see them converse.

3 Q. Let me ask you this: When someone was bidding on the  
4 rights to lease the land, did you see whether -- did you see  
5 whether the defendant was bidding or can you describe what you 01:20:10  
6 saw?

7 A. Roy Young or whoever else may have been, because it wasn't  
8 just always Roy, you would see them do the actual bidding. You  
9 know, shaking their head or motioning with their hand. But  
10 prior to you, would see Mr. Parker conversing with him. 01:20:29

11 Q. You mentioned earlier that your family also had land that  
12 was leased; is that correct?

13 A. Yes.

14 Q. And did Mr. Parker outbid your family for some of that  
15 land at some point? 01:21:02

16 A. Mr. Parker, no, but an associate of his did, Stan Manske.

17 Q. Was Mr. Parker there when that happened?

18 A. No, he was not.

19 Q. I'd like to show you Exhibits 130 and one 31 and they  
20 should be in front of you. 01:21:27

21 Do you recognize those exhibits?

22 A. Yes, I do.

23 MR. PERKEL: Your Honor, at this point, I ask that  
24 Exhibits 130 and 131 be admitted.

25 MR. MINNS: They are already in evidence, Your Honor. 01:21:43

United States District Court



CERITA WALKER - Cross

1 THE COURT: All right. They are admitted. 01:21:45

2 (Exhibit Numbers 130 and 131 were admitted into  
3 evidence.)

4 MR. PERKEL: Your Honor, if I could have one moment,  
5 please. 01:21:49

6 No further questions, Your Honor. Thank you.

7 THE COURT: All right. Cross?

8 MR. MINNS: Yes, ma'am.

9 May I proceed, Your Honor?

10 THE COURT: You may. 01:22:27

11 **CROSS - EXAMINATION**

12 BY MR. MINNS:

13 Q. Miss Walker, you and I met before in your home town near  
14 the bank at the Pizza Hut; right?

15 A. Yes, sir. 01:22:39

16 Q. And I came up to you and asked if you would speak with me  
17 and your first inclination was you didn't think you were  
18 allowed to speak to me and -- do you remember that?

19 A. Yes, sir.

20 Q. And I told you that, well, you were on the government's  
21 witness list and I have no way of knowing what you are going to  
22 say if you won't speak to me. 01:22:52

23 A. That's right.

24 Q. I kind of begged you to speak to me and you kind of felt  
25 bad for me and you spoke with me. 01:23:02

CERITA WALKER - Cross

1 A. I did. 01:23:04

2 Q. One thing I want to do before we get started, this is a  
3 chart of lawyers and I'm going to ask you one name on here.  
4 Would it be true and correct to say that the lawyer Stan Manske  
5 represented, gave legal advice, to the Parker family and to 01:23:26  
6 Cimarron?

7 MR. PERKEL: Objection, Your Honor. There's no basis  
8 for offering an opinion on that subject.

9 THE COURT: Sustained.

10 BY MR. MINNS: 01:23:44

11 Q. Correct me if I'm wrong, but I thought you already  
12 testified that Stan Manske was working with the Parkers. Did I  
13 hear you correctly or not?

14 A. Working with Parkers. I did make a statement that Mr.  
15 Stan Manske bid on our state lease. 01:24:05

16 Q. Okay. Did he do legal work for the Parkers?

17 A. I assume so because he frequented that office.

18 MR. PERKEL: Objection, Your Honor, to the  
19 assumption. Same question.

20 THE COURT: I'm not quite sure what she testified to. 01:24:22  
21 I know that she -- you identified him as a lawyer; correct?

22 THE WITNESS: Yes.

23 THE COURT: Okay. Let's just leave it at that, then.  
24 Sustained on the assumption but the record stands on what she  
25 did which is identify him as a lawyer. 01:24:44

CERITA WALKER - Cross

1 BY MR. MINNS: 01:24:50

2 Q. Well, if I ask you is there a lawyer that's representing  
3 the Cimarron ranch and the Parkers, do you know if there is  
4 such a lawyer in your town?

5 A. I would say yes. 01:24:59

6 Q. And do you know who that lawyer might be?

7 A. I would think it was Stan Manske.

8 Q. Thank you. And Stan Manske is a very good lawyer;  
9 correct?

10 MR. PERKEL: Objection, Your Honor. 01:25:13

11 THE COURT: Overruled.

12 Can you answer that? Do you know?

13 THE WITNESS: I never had any dealings with him. I  
14 do not know.

15 BY MR. MINNS: 01:25:24

16 Q. Well, his building, you can see his front door from your  
17 back front door; right?

18 A. Yes. Yes, we can.

19 Q. He used to do business with your bank at one time, did he  
20 not? 01:25:33

21 A. He still does business with us.

22 Q. He used to represent the bank?

23 A. If he did, it was years ago.

24 Q. Well, now he's on the Board of Directors of the bank that  
25 competes with your bank; correct? 01:25:50

CERITA WALKER - Cross

1 A. Correct. 01:25:51

2 Q. But to be on the Board of Directors of a bank, someone has  
3 to have -- be held in high esteem in the community; correct?

4 MR. PERKEL: Objection, Your Honor.

5 THE COURT: Overruled. 01:26:02

6 BY MR. MINNS:

7 Q. The judge ruled you may answer that.

8 A. I assume so, yes.

9 Q. And you know Stan Manske's reputation in the community is  
10 as a good attorney; correct? 01:26:14

11 MR. PERKEL: Objection, Your Honor.

12 THE COURT: It's been asked and answered. Sustained.

13 BY MR. MINNS:

14 Q. Now, that house that was put up there on the board.

15 COURTROOM DEPUTY: What exhibit is this? 01:26:43

16 MR. MINNS: 442.

17 COURTROOM DEPUTY: Thank you.

18 MR. MINNS: Yes, ma'am.

19 BY MR. MINNS:

20 Q. Sam Parker built that house. He did the framing himself. 01:26:54  
21 You saw him do it; correct?

22 MR. PERKEL: Objection, Your Honor. The form of the  
23 question.

24 THE COURT: Well, did you see him do that?

25 THE WITNESS: No, I did not. 01:27:08

CERITA WALKER - Cross

1 BY MR. MINNS: 01:27:09

2 Q. You never saw Sam Parker out there building that house in  
3 all the time that you passed? You never saw him doing  
4 construction?

5 A. I did not see Sam. I've seen various people out there and 01:27:17  
6 I knew of one person that did a lot of the construction work.

7 Q. You do not know one way or not whether or not Sam Parker  
8 does framing on houses and did it as a business? You don't  
9 know, yes or no?

10 A. No. 01:27:38

11 Q. So you saw him standing out there not doing anything or  
12 how did you see Sam when you passed by that house as it was  
13 being built?

14 MR. PERKEL: Objection, Your Honor. Calls for an  
15 answer assuming a fact that has not been established. 01:27:50

16 THE COURT: Sustained.

17 BY MR. MINNS:

18 Q. You passed that house every day, you've testified to that,  
19 as it was being built. Did you ever see Sam out there while it  
20 was being built? 01:28:06

21 A. I do not pass that house. I see the house from my  
22 mailbox; and in order to drive by that house, I would have to  
23 turn and go north a half mile.

24 Q. So you have no clue what role Sam played in building the  
25 house that he lived in? 01:28:25

CERITA WALKER - Cross

1 A. Correct. 01:28:26

2 MR. PERKEL: Objection, Your Honor. I ask that the  
3 answer be stricken. It calls for a fact not established.

4 THE COURT: Well, she said she doesn't know.

5 Ladies and gentlemen, you are not to assume anything 01:28:34  
6 from the question such as that he did have a role.

7 MR. MINNS: I think the jury can assume that she  
8 didn't know one way or the other and that was the purpose of my  
9 question.

10 THE COURT: Well, the question was you don't know 01:28:50  
11 what role he had and the way you framed it is the appropriate  
12 way, which is she doesn't know if he had a role or didn't have  
13 a role.

14 MR. MINNS: May I proceed, Your Honor?

15 THE COURT: You may. 01:29:10

16 BY MR. MINNS:

17 Q. After Sam painted ya'll's fence, that's an oil pipe fence;  
18 correct?

19 A. Yes, it is.

20 Q. And when I asked you if you were happy with the job he did 01:29:22  
21 when we visited at the Pizza Hut, you told me he did an  
22 excellent job?

23 A. I may have said excellent. I don't recall saying  
24 excellent. I mean, I was happy with his job. He did get the  
25 fence painted even though he had painted all over himself. 01:29:39

CERITA WALKER - Cross

1 Q. But you told me that you were very happy with the job that 01:29:43  
2 he did?

3 A. Well. It was okay. It got the job done.

4 Q. And you told me that a neighbor had seen the job and hired  
5 him to paint their fence? 01:29:54

6 A. I do not recall saying that.

7 Q. You recall seeing him paint fences for neighbors?

8 A. No.

9 Q. Do you recall talking with private a investigator who was  
10 investigating the Parkers? 01:30:24

11 A. Yes.

12 Q. Do you recall who hired that private investigator?

13 A. No, I do not.

14 Q. You did not ask the private investigator who he was  
15 working for? 01:30:36

16 A. I am going to think it was the IRS.

17 Q. So you talked to a private investigator --

18 A. Oh, the private investigator. That's been so long ago. I  
19 still think it was the IRS.

20 Q. Well, when the IRS met with you, didn't they identify 01:31:05  
21 themselves and say, "We're with the IRS," and show you their  
22 badge?

23 A. Yes.

24 Q. And so the private investigator that did not identify  
25 himself, you're just guessing that he was probably with the 01:31:18

CERITA WALKER - Cross

1 IRS, too? 01:31:20

2 A. See, I do not recall. That's been too many years ago.

3 Q. So this investigation has been going on over 10 years as

4 far as you know?

5 A. Yes. 01:31:34

6 MR. PERKEL: Objection, Your Honor. I think -- I

7 object to the question and ask that it be stricken. I don't

8 think she said 10. She said two years ago.

9 THE COURT: Did you hear it as 10 or two?

10 THE WITNESS: I heard it as 10. 01:31:50

11 THE COURT: She heard it as 10. So the objection is

12 overruled.

13 BY MR. MINNS:

14 Q. Now, you testified about the property and the auctions.

15 These auctions and money for the auctions is how Oklahoma pays 01:32:13

16 for its school bills; correct?

17 A. As far as I know.

18 Q. So the teachers, the schools, students, they want more

19 money to be raised at the auctions; correct?

20 A. I would assume so. 01:32:30

21 Q. But the people bidding, they want to get the lowest price

22 that they can for the land; correct?

23 A. That's correct.

24 Q. And your husband was upset that there was bidding on the

25 property that he had had previously; correct? 01:32:44



CERITA WALKER - Cross

1 A. Yes. It was disheartening to know that someone would come 01:32:50  
2 in and bid it up and take it away from you when that land  
3 wouldn't serve him any purpose.

4 Q. Well, there were kickbacks paid to prevent people from  
5 bidding, were there not? 01:33:09

6 A. I do not know that.

7 Q. There was a great deal of improper conduct and they wanted  
8 the bidding to be open to the public so that someone who didn't  
9 own it couldn't control it and prevent honest bidding; correct?

10 MR. PERKEL: I would object to the form. Your Honor. 01:33:23

11 THE COURT: Sustained.

12 BY MR. MINNS:

13 Q. So it was disheartening when someone else bid on the  
14 property. Your husband would have preferred that there would  
15 be only him bidding; correct? 01:33:38

16 A. That's the way history was.

17 Q. And there began to be some people that were angry because  
18 they wanted history returned where people would be able to get  
19 the property for almost nothing without bidding against  
20 anybody; correct? 01:34:02

21 A. Correct.

22 Q. And this led to litigation; correct?

23 A. Yes.

24 Q. And this is one of the reasons some of the people in the  
25 community hired an ex--IRS agent as a private investigator to 01:34:12

CERITA WALKER - Cross

1 go after Mr. Parker; correct? 01:34:15

2 A. I do not know that.

3 Q. And to this day, you can't remember the name of the  
4 private investigator?

5 A. I would have to look back in the paperwork. 01:34:25

6 Q. If you looked back in the paperwork, is it possible that  
7 you or your husband contributed to paying that private  
8 investigator?

9 A. Oh, no.

10 Q. And you filed, as an officer of the bank, 36 suspicious 01:34:41  
11 activity reports against the Parkers with the government, with  
12 the federal government; correct?

13 MR. PERKEL: Objection, Your Honor, relevancy and  
14 violation of the Bank Secrecy Act.

15 THE COURT: Overruled. 01:34:58

16 Counsel, based upon my ruling before, if you need an  
17 order, you'll have it. However, as I have read the law, the  
18 law provides that the basis of it is for the -- to ensure --  
19 let me talk to counsel at the sidebar just to make it clear.

20 (At sidebar.) 01:35:31

21 THE COURT: Okay. Mr. Perkel, what I asked you on  
22 last Thursday was for you to determine whether or not there  
23 were some records and I didn't hear from you. I did hear from  
24 counsel. But in the meantime, after I got that, I did some  
25 research. It to me, the SAR's law is quite similar to grand 01:35:55

CERITA WALKER - Cross

1 jury secrecy matters, and that is designed to protect the 01:36:01  
2 investigation and to ensure that the investigation is not  
3 interfered with or to ensure that the informants are not  
4 disclosed. It's also to ensure, as in the grand jury  
5 proceedings, that innocent people are not charged. 01:36:19

6 This is no longer an investigation. This is now a  
7 case that -- where the indictment has been returned by a grand  
8 jury and we're now in trial.

9 So the objection is overruled. I understand -- did  
10 you receive a copy of counsel's memorandum? 01:36:43

11 MR. PERKEL: I did receive it Monday evening, Your  
12 Honor, yes.

13 THE COURT: So you understand what his argument is  
14 then?

15 MR. PERKEL: Yeah. And I still don't think that it's 01:36:51  
16 relevant and I also don't think we even produced it. In fact,  
17 there's no mention of suspicious active reports in any of the  
18 trial exhibits. So I --

19 THE COURT: That's fine. There's not in the trial  
20 exhibits but in terms of cross-examination, now that this case 01:37:08  
21 has more than surfaced, the nature of the cross-examination is  
22 a question of credibility with this particular witness and how  
23 many times you filed an objection.

24 So I'm going to allow it.

25 MR. SEXTON: Your Honor, I just think the witness 01:37:27

CERITA WALKER - Cross

1 would need you to sort of direct her -- 01:37:29

2 THE COURT: I can't hear you.

3 MR. SEXTON: To direct the witness that she is

4 permitted to answer that question, that you were ordering her

5 to answer that question even though she may have that concern 01:37:36

6 about the Bank Secrecy Act.

7 THE COURT: Do you do want me to do this in front of

8 the jury?

9 MR. SEXTON: She may hesitate. I just want you to be

10 prepared that she may look to you or to us to say that, "Can I 01:37:47

11 answer that question?"

12 THE COURT: Have you instructed her not to answer

13 because of the Bank Secrecy Act?

14 MR. SEXTON: No.

15 MR. PERKEL: We actually asked her to listen -- 01:37:58

16 THE COURT: To listen to what I would say?

17 MR. PERKEL: Yes.

18 THE COURT: Okay. Then I'll do that.

19 (End sidebar.)

20 THE COURT: Ms. Walker, concerning the Bank Secrecy 01:38:10

21 Act, you may answer the questions that are asked of you.

22 There's no objection to your answering those questions.

23 MR. MINNS: May I proceed, Your Honor?

24 THE COURT: You may.

25

CERITA WALKER - Cross

1 BY MR. MINNS: 01:38:28

2 Q. Ms. Walker, you filed 36 Suspicious Activity Reports on

3 the Cimarron Ranch; correct?

4 A. The bank did, yes.

5 Q. You or the bank president filed a total of 36? 01:38:42

6 A. Yes.

7 Q. And these direct the federal government -- they report the

8 activities to the federal government; correct?

9 A. Yes, that's correct.

10 Q. And sometimes they may lead to indictments; correct? 01:38:57

11 MR. PERKEL: Objection, Your Honor. Calls for --

12 THE COURT: Sustained.

13 BY MR. MINNS:

14 Q. Well you're required, you're trained under banking rules

15 that if you feel there's something wrong, you're not allowed to 01:39:14

16 open the account for the company; correct?

17 A. Correct.

18 Q. And the banking rules that you're taught is that if you

19 discover something wrong, you notify the account holders and

20 close the account; correct? 01:39:28

21 A. We do notify them, yes.

22 Q. And --

23 A. Not always do.

24 Q. You mean you would keep an account open if there was some

25 illegal conduct that you knew was going on or suspected? 01:39:40

CERITA WALKER - Cross

1 A. Not illegal, no, but we would have them let us know what 01:39:44  
2 was going on.

3 Q. And then if you are satisfied, there's nothing improper,  
4 you keep the account?

5 A. Correct. 01:39:55

6 Q. And in this case, you never closed the account. Sam  
7 Parker eventually closed it?

8 A. Correct.

9 Q. So the bank never once, because of anything wrong, closed  
10 the account? 01:40:10

11 A. We did not close the account because Mr. Barnes, who was  
12 our president, wrote a letter to Mr. Parker inquiring about the  
13 wires and he also had a phone conversation with him.

14 Q. But Mr. Parker's son, who was on the account, did close  
15 the account? 01:40:33

16 A. After the conversation with Mr. Barnes, yes.

17 Q. Well, when you and I talked, you told me that you didn't  
18 find that unusual that he would move the account to the  
19 competitor where his lawyer, Stan Manske, was on the Board of  
20 Directors. You didn't find that unusual at all. Do you 01:40:51  
21 remember telling me that?

22 A. No, I do not.

23 Q. What did you tell me about the reason why you thought that  
24 Stan Manske wanted him in his bank?

25 A. I did not say anything to you about him changing banks. 01:41:02

CERITA WALKER - Cross

1 Q. You did not say that it would be customary, since he's on 01:41:06  
2 the Board of Directors, to want the business for his bank?  
3 A. No, I did not.  
4 Q. So they left your bank; correct?  
5 A. Yes. 01:41:19  
6 Q. But while they were there, Mr. Parker came into the  
7 bank -- you've already testified to this -- and he wanted to  
8 see the bank account. Remember?  
9 A. Yes.  
10 Q. But he couldn't because his name is not on it; right? 01:41:32  
11 A. Correct.  
12 Q. He had no right to see the account; correct?  
13 A. Correct.  
14 Q. And every time he wanted to see it, he had to bring one of  
15 his children in with him? 01:41:47  
16 A. Correct.  
17 Q. Was that a little embarrassing for him to have to bring  
18 his children in to see the account?  
19 A. That wasn't our problem.  
20 Q. No, it wasn't your problem. In fact, you were -- you 01:41:58  
21 stood firmly that he had no legal right to look at that account  
22 without those children's blessing; right?  
23 A. Correct.  
24 Q. So you were doing the proper thing by not recognizing him  
25 in any way on that account; correct? 01:42:11

CERITA WALKER - Cross

1 A. Correct. 01:42:14

2 Q. But when Cimarron leased property to your husband, you  
3 sent Mr. Parker the 1099?

4 A. My husband did not rent it from Cimarron River Ranch. He  
5 had the conversation with Mr. Parker. 01:42:36

6 Q. Well, he may have had the conversation with Mr. Parker,  
7 but it was no more in his name than the bank account was;  
8 correct or not?

9 A. Our business with Mr. Parker had no bearing on his bank  
10 account. That was prior to his bank account. That was before 01:42:53  
11 he ever opened up the bank account.

12 Q. Correct me if I'm wrong but I believe you've testified  
13 that the people actually making the bidding, Roy Young, was  
14 doing the actual bidding on the sales and leases for Cimarron;  
15 correct? 01:43:13

16 A. Yes.

17 Q. But you found it very suspicious that Roy Young was  
18 talking with Jim Parker when he made these bids?

19 A. Yes.

20 Q. Did Roy Young talk to anybody else? 01:43:24

21 A. I do not recall that he did.

22 Q. My recollection from your testimony is that Stan Manske  
23 was there, too, and that he talked to him, too?

24 A. Well, when I saw Samuel was the year my husband's lease  
25 came up and we were sitting in the chairs and Manske was 01:43:43



CERITA WALKER - Cross

1 sitting directly behind my husband and he was doing the bidding 01:43:48  
2 on our land.

3 Q. Who was doing the bidding?

4 A. Mr. Manske.

5 Q. He was bidding on your land? 01:43:57

6 A. Yes, for Jim Parker.

7 Q. He said, "I bid for Jim Parker, not Cimarron"?

8 A. No.

9 Q. What did he say that led you to believe he was bidding not  
10 for Cimarron but for Jim Parker? 01:44:12

11 A. He didn't say anything. He was just raising his hand.

12 Q. Well, I'm confused because you just said he was bidding on  
13 your land. Did I misunderstand you? I thought it belonged to  
14 the kids of Oklahoma. It was taxes to pay for the kids in  
15 Oklahoma. 01:44:31

16 A. Well, it was 200 acres of state school land that had been  
17 in the family for 50 years and, yes, we all assumed we've  
18 had -- we consider it ours until the next lease comes -- until  
19 the next lease comes up in five years.

20 Q. Well, if someone is renting, they don't own it; right? 01:44:55

21 A. Correct.

22 Q. So it was never your land?

23 A. Correct.

24 Q. But you acted like it was your land for 50 years?

25 A. Well, we operated it like it was ours. 01:45:09

CERITA WALKER - Cross

1 Q. Were there fights that broke out because people were angry 01:45:13  
2 because they couldn't just get the land without bidding on it?  
3 A. At one state lease auction I witnessed, yes.  
4 Q. Well --  
5 A. Not concerning my husband's 200 acres. 01:45:26  
6 Q. Okay. But you're saying that Jim Parker, who wasn't  
7 there, bid on your land through Stan Manske who was sitting  
8 behind you and your husband?  
9 A. Yes.  
10 Q. That's what you're saying under oath, that he was bidding 01:45:43  
11 for Jim Parker?  
12 A. I assumed he was bidding for Jim Parker.  
13 Q. Did you assume that because if you assume it's his land,  
14 you had been told by the investigators that Mr. Parker could go  
15 to jail for income tax charges? 01:45:57  
16 MR. PERKEL: Objection, Your Honor. Form.  
17 THE COURT: I'm not sure she can answer that yes or  
18 no. But if you can answer it yes or no as to whether or not  
19 you had a conversation with the United States government -- can  
20 you answer that yes or no? 01:46:17  
21 THE WITNESS: Did I have a conversation with the U.S.  
22 government?  
23 THE COURT: About this issue?  
24 THE WITNESS: No.  
25 THE COURT: Okay. 01:46:24

CERITA WALKER - Cross

1 BY MR. MINNS: 01:46:25

2 Q. So what difference does it make to you if it was Jim  
3 Parker's, Cimarron's, Sam Parker's, or Stan Manske's?

4 MR. PERKEL: Objection, Your Honor. Objection for  
5 vagueness. 01:46:40

6 THE COURT: Sustained.

7 BY MR. MINNS:

8 Q. Why are you telling this jury under oath with no  
9 information whatsoever that Jim Parker bid on the land for  
10 himself and not for Cimarron and when he wasn't even there? 01:46:53

11 MR. PERKEL: Objection for form, Your Honor.

12 THE COURT: Overruled.

13 THE WITNESS: Would you ask that question again,  
14 please?

15 BY MR. MINNS: 01:47:14

16 Q. Yes, ma'am.

17 You have testified under oath that you don't know who  
18 the owners are but you've also testified under oath that Stan  
19 Manske was bidding for Jim Parker.

20 A. Yes. We assumed that Manske was bidding on the land for  
21 Mr. Parker or Cimarron River Ranch. 01:47:38

22 Q. Oh.

23 A. We kind of thought they were all one and the same.

24 Q. So you're assuming that it is either Jim Parker's or it is  
25 Cimarron River Ranch. You're assuming that. Why didn't you 01:48:02

CERITA WALKER - Cross

1 say that the first time the question was asked who he was 01:48:05  
2 bidding for?

3 MR. PERKEL: Objection, Your Honor. Argumentative.

4 THE COURT: Sustained.

5 BY MR. MINNS: 01:48:15

6 Q. So as you sit here now, having had this conversation,  
7 right this moment, your most current accurate testimony is that  
8 you assume, based on no evidence, that it either belongs to Jim  
9 Parker or Cimarron River Ranch?

10 MR. PERKEL: Objection to form and argument, Your 01:48:35  
11 Honor.

12 THE COURT: It is argument. It has been asked and  
13 answered. Sustained.

14 MR. MINNS: I'll move on, Your Honor. I would like  
15 to note my request to go into this further for the record, Your 01:48:52  
16 Honor. Thank you.

17 BY MR. MINNS:

18 Q. When you're looking at title, when you are loaning money  
19 to someone, let's say you were going to loan money to someone  
20 to buy a Rolls Royce for Cimarron River Ranch, don't you check 01:49:10  
21 title before you decide whether or not you can loan money on  
22 something?

23 A. I am not a loan officer.

24 Q. Your husband leased the land from whoever wanted --  
25 whoever bought it at the auction; is that correct? 01:49:46

CERITA WALKER - Cross

1 MR. PERKEL: Objection, Your Honor. Calls for a fact 01:49:51  
2 that has not been established.

3 THE COURT: Overruled.

4 THE WITNESS: Okay. Yes, my husband subleased 700  
5 acres that were adjacent to our property. 01:50:06

6 BY MR. MINNS:

7 Q. And what were the names on the lease?

8 A. I do not know. My husband did the dealings with  
9 Mr. Parker.

10 Q. Well, it would seem like you would want to send the 1099 01:50:22  
11 out to whoever --

12 THE COURT: Mr. Minns, ask a question. We're not  
13 going to have these statements in advance of the question.

14 MR. MINNS: I was leading into it, Your Honor. I'll  
15 try -- 01:50:38

16 THE COURT: Let's hear the question. Nothing that  
17 "It seems that".

18 BY MR. MINNS:

19 Q. Aren't you supposed to send a W-9, first of all, instead  
20 of a 1099 on a corporate entity? 01:50:48

21 A. I send a 1099.

22 Q. Okay. So you send the 1099. Aren't you supposed to send  
23 the 1099 to whoever's name is on the lease?

24 A. The state school land lease, we do not send 1099s to at  
25 the end of the year. 01:51:08

CERITA WALKER - Cross

1 Q. I apologize. I thought you just testified that you 01:51:12  
2 subleased it from someone and sent a 1099 to Mr. Parker.  
3 A. We paid a check to Mr. Parker.  
4 Q. You put his name on the check?  
5 A. Yes. Yes. 01:51:27  
6 Q. And was he an agent for himself or was he an agent for  
7 Cimarron?  
8 A. I do not know. The check was made out to James Parker and  
9 mailed to his Arizona address.  
10 Q. Okay. And then he sent you a letter saying that this 01:51:42  
11 should either be Cimarron or my son. That was the crux of your  
12 communications back and forth; right?  
13 A. Cimarron was never mentioned.  
14 Q. Okay. Well, then, he said my son is a part owner of  
15 Cimarron on that letter that you've earlier testified to? 01:51:59  
16 A. Not Cimarron, no.  
17 Q. No. I apologize. I thought you said he said his son was  
18 a part owner of Cimarron on that letter.  
19 A. On the letter he said his son was a part owner of the  
20 corporation which that was not -- I believe Cimarron River 01:52:16  
21 Ranch was not mentioned on that.  
22 Q. What do you believe it was if it wasn't Cimarron River  
23 Ranch?  
24 A. The piece of paper that he attached to the notes that was  
25 sent back to me had High Tech, LLC on it I believe. 01:52:34

CERITA WALKER - Cross

1 Q. I'm putting what has already been admitted, government 01:52:46  
2 Exhibit 544 on. I believe this is a letter that you testified  
3 that you sent him and received back.  
4 A. Yes, it is.  
5 Q. And I believe it says the exact words are, "If it will 01:53:09  
6 help, however, you may use my son Samuel's Social Security  
7 number as he is part owner in the Corp."  
8 A. That's correct.  
9 Q. A lot of people use that Corp. for corporation; right?  
10 A. Yes, that's correct. 01:53:25  
11 Q. So --  
12 A. But there's nowhere on there that it states Cimarron River  
13 Ranch.  
14 Q. So it might be another corporation.  
15 A. The number he gave me was for another corporation, yes. 01:53:33  
16 Q. Well, as a banker, you frequently get mistaken ID numbers.  
17 You write the deposit holder and tell them they have written  
18 the wrong -- number down wrong. This is a common occurrence  
19 inside banks, is it not?  
20 A. It could be, yes. But he did attach a tax ID number with 01:53:56  
21 High Tech, LLC, with that number that he wrote on that first  
22 page.  
23 Q. I'm sorry. I didn't have a question. If you just wanted  
24 to say something --  
25 MR. PERKEL: Objection, Your Honor, to the commentary 01:54:13

CERITA WALKER - Cross

1 by the defendant.

01:54:14

2 THE COURT: If you have an objection, Counsel, then  
3 you can make the proper objection.

4 MR. MINNS: Move to strike. There was no question.

5 THE COURT: All right.

01:54:25

6 MR. PERKEL: Objection, Your Honor. I think she was  
7 answering his question. She finishing her thought.

8 THE COURT: Well, she -- I am going to strike the  
9 answer as unresponsive to the question.

10 Ladies and gentlemen, the last portion you are to  
11 ignore. If that's something that you think is appropriate,  
12 then that depends; Mr. Perkel, we'll see.

01:54:37

13 BY MR. MINNS:

14 Q. The plain truth of the matter is today you're not neutral.  
15 You want the government to win this case; correct?

01:54:56

16 A. I hope something is done that is fair.

17 Q. Well, you want the Parkers out of Oklahoma and you want  
18 Jim Parker to go to jail.

19 A. No, that is not correct.

20 Q. This is the Exhibit 77, the signature card. There's no  
21 Social Security number or tax ID on there, is there?

01:55:34

22 A. No. There's not.

23 Q. That was improper. The bank improperly opened the  
24 account, didn't they?

25 A. At that time those were our old signature cards.

01:55:51



CERITA WALKER - Cross

1 Q. Well, it looks to me that there's a perfectly good place 01:55:55  
2 on here to put the Social Security or tax ID number on it.  
3 A. Yes.  
4 Q. As a matter of fact, if someone was overeager in auditing  
5 your bank, they might file a Suspicious Activity Report on you 01:56:12  
6 for not putting the Social Security or tax ID on there, huh?  
7 A. I would not know that.  
8 Q. You would agree with me that if someone wants to hide  
9 money, putting it an American bank is not a good way to hide  
10 money; correct? 01:57:05  
11 MR. PERKEL: Objection, Your Honor, speculation.  
12 THE COURT: Sustained.  
13 BY MR. MINNS:  
14 Q. You would agree with me that putting it in your bank is  
15 not a good way to hide money if someone wants to hide; right? 01:57:12  
16 MR. PERKEL: Same objection, Your Honor.  
17 THE COURT: Sustained. Argumentative.  
18 BY MR. MINNS:  
19 Q. And you've testified to this already but it appears that  
20 all of the checks are signed by Sam Parker or Rachel, Sam's 01:57:25  
21 sister, Jim Parker's daughter?  
22 A. Yes.  
23 Q. Do you know if Rachel Harris was the bookkeeper?  
24 A. I do not recall.  
25 Q. Pardon? 01:58:05

CERITA WALKER - Cross

1 A. I do not recall. 01:58:05

2 Q. Well, if she was, you would not find \$500 a month an  
3 excessive amount of money for her to pay herself for  
4 bookkeeping, would you?

5 MR. PERKEL: Objection. Speculation. Calls for a 01:58:16  
6 fact not in evidence.

7 THE COURT: Sustained.

8 BY MR. MINNS:

9 Q. You testified also that there was check number 1016 for  
10 \$3,055.30 to the Manske law firm. As a banker, would this be 01:58:31  
11 additional evidence to you that perhaps Stan Manske was doing  
12 legal work for Cimarron River Ranch?

13 A. Since the check was written --

14 MR. PERKEL: Objection. Speculation, Your Honor.

15 THE COURT: Overruled. 01:58:53  
16 You can answer that if you can.

17 THE WITNESS: Since the check was written on Cimarron  
18 River Ranch, I would have assumed he was paying for legal  
19 services.

20 BY MR. MINNS: 01:59:06

21 Q. You testified -- you met Jim Parker and his wife and all  
22 three of his children; correct?

23 A. I have met Sam. I knew of James and Rachel.

24 Q. You never met Jim or Rachel personally?

25 A. No. 01:59:24

CERITA WALKER - Cross

1 Q. You never met any of their grandkids? 01:59:25  
2 A. No.  
3 Q. Now, the only one of the Parker family to actually live in  
4 Oklahoma was Sam Parker?  
5 A. As far as I know, yes. 01:59:38  
6 Q. Now, you also knew Roy Young; correct?  
7 A. Yes, I knew him.  
8 Q. And he had signature authority on one of the accounts, did  
9 he not?  
10 A. Not through our bank, no. 01:59:59  
11 Q. Was that through another bank?  
12 MR. PERKEL: Objection, Your Honor.  
13 THE WITNESS: Speculation.  
14 THE COURT: Sustained.  
15 BY MR. MINNS: 02:00:08  
16 Q. Did you meet Roy Young?  
17 A. I met him at the bank.  
18 Q. Did you have conversations with him?  
19 A. I'm sure I did.  
20 Q. He and Sam were actively working on the ranch, were they 02:00:22  
21 not?  
22 A. I don't recall if they were both there at the same time or  
23 if Roy came in after Sam left.  
24 Q. I'm putting up Government Exhibit 437 on the screen.  
25 Ms. Walker. The jurors have not had an opportunity to actually 02:01:12

CERITA WALKER - Cross

1 stand on the land by that fence so we're all in this courtroom 02:01:16  
2 today just looking at it.

3 But when you're standing there on the land by that  
4 fence, this is a large structure; correct?

5 A. Yes, it is. 02:01:30

6 Q. And it appears to be very sturdy and very well-built, does  
7 it not?

8 A. It appears. It may be. I have never been up by it. I  
9 have been in my car on the highway so . . .

10 Q. Somebody put a lot of work, a lot of money and a lot of 02:01:47  
11 dreams into this structure, did they not?

12 A. Apparently so.

13 Q. And you understand that they were also breeding a very  
14 high-quality cattle on that ranch?

15 A. I do not know. 02:02:16

16 Q. Well, your husband is a cattleman; right?

17 A. Yes.

18 Q. You all had 200, 300 head of cattle at the prime of your  
19 ranching; right?

20 A. Yes. 02:02:25

21 Q. So -- and this is a cattle town; right?

22 A. Yes.

23 Q. So people talk about this all the time, if someone is  
24 going to raise the level of the cattle, do they not?

25 MR. PERKEL: Objection, Your Honor. She's already 02:02:41

CERITA WALKER - Cross

1 answered the question. It's asked and answered. 02:02:43

2 THE COURT: I can't hear you.

3 MR. PERKEL: I'm sorry. It's been asked and

4 answered, Your Honor. Foundation.

5 THE COURT: Sustained. Sustained on foundation. 02:02:49

6 BY MR. MINNS:

7 Q. Did you have any conversations with anybody at any time

8 about the quality of the cattle that Cimarron River Ranch was

9 breeding?

10 A. No. 02:03:05

11 Q. So you had no curiosity about it or no interest in it and

12 no one that talked to you brought it up?

13 A. No.

14 Q. Your husband didn't bring it up either?

15 A. I mean, we talk. I do not know that he ever really talked 02:03:39

16 about their cattle. He's more concerned about his own cattle.

17 Q. Well, you're not -- you and he are not allowed to talk to

18 each other about your testimony in this trial.

19 A. Correct.

20 Q. And he's outside ready to -- 02:03:55

21 A. Yes.

22 Q. If he remembers you and he having a conversation about the

23 cattle, would you say your husband is wrong?

24 A. No. Over ten years.

25 Q. Over the time period that Cimarron River Ranch had cattle 02:04:13

CERITA WALKER - Cross

1 on it? 02:04:15

2 MR. PERKEL: Your Honor, I think she was just about

3 to answer the question, so . . .

4 THE COURT: I think she did answer it so let's move

5 on. 02:04:26

6 BY MR. MINNS:

7 Q. You do understand why Sam Parker probably wouldn't want to

8 give you or your bank his personal Social Security number, do

9 you not?

10 MR. PERKEL: Objection, Your Honor. Argumentative, 02:04:44

11 relevancy.

12 THE COURT: Well, I'm going to sustain it on

13 foundation.

14 BY MR. MINNS:

15 Q. You've previously testified that you asked him for his 02:04:53

16 Social Security number; correct?

17 MR. PERKEL: Objection, Your Honor, foundation.

18 THE WITNESS: Correct.

19 MR. MINNS: I'm trying to -- well, overruled.

20 Overruled. 02:05:04

21 Go ahead. Can you answer that?

22 THE WITNESS: Yes, I did ask him for his social

23 number.

24 BY MR. MINNS:

25 Q. And he told you no. He said you can have the corporation 02:05:11

CERITA WALKER - Cross

1 number or his son's number; correct? 02:05:15

2 A. Yes.

3 Q. And now my question is: You understand why Jim Parker  
4 would not want you to have his Social Security number or your  
5 bank? 02:05:28

6 MR. PERKEL: Objection, Your Honor. Argument.  
7 Relevancy.

8 THE COURT: Overruled.

9 MR. PERKEL: Foundation.

10 THE WITNESS: I asked Mr. Parker for his social 02:05:34  
11 because I made the check payable to Mr. Parker for the grass  
12 lease.

13 BY MR. MINNS:

14 Q. My only question is, you understand why he doesn't want  
15 you to have it, don't you? 02:05:49

16 MR. PERKEL: Objection, foundation, Your Honor.

17 THE COURT: Sustained.

18 MR. MINNS: Ms. Walker, thank you for talking to me.  
19 Your Honor, I pass Ms. Walker.

20 THE COURT: All right. 02:06:29

21 Mr. Perkel, any questions?

22 MR. PERKEL: If I can just confer with co-counsel,  
23 please?

24 THE COURT: Yes.

25 MR. PERKEL: Thank you, Your Honor. 02:06:53

CERITA WALKER - Redirect

**REDIRECT EXAMINATION**

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BY MR. PERKEL:

Q. Just a few follow-up questions. You discussed the Suspicious Activity Reports with Mr. Minns. The bank filed those reports pursuant to federal law. Isn't that true?

MR. MINNS: Leading. I object to counsel --

THE COURT: Sustained.

BY MR. PERKEL:

Q. Can you tell us, is it a requirement to file a Suspicious Activity Report?

A. Yes. We are required to file Suspicious Activity Reports if we believe that money is coming from a sanctioned country that is on FINCEN's list of money laundering.

Q. And in this case Belize, is that one of the countries?

A. Yes, it is.

Q. And you discussed -- Mr. Minns asked you a couple of questions about the auction of the public land, the school land. Just to be clear, did you attend some of the auctions and see the defendant at some of the auctions?

A. Yes.

Q. And the auction that specifically resulted in the bidding of the land that had been in your family, was the defendant not at that auction; is that correct?

A. Was he not there? No, he was not.

Q. Okay.

02:06:53  
  
02:07:02  
  
02:07:13  
  
02:07:41  
  
02:07:57  
  
02:08:12



EDDIE WALKER - Direct

1 MR. PERKEL: No further questions. Thank you. 02:08:14

2 THE COURT: All right. You may step down.

3 (Witness excused.)

4 THE COURT: Your next witness?

5 MR. PERKEL: Thank you, Your Honor. The government 02:08:20  
6 calls Eddie Walker.

7 EDDIE WALKER,  
8 called as a witness herein by the Government, having been first  
9 duly sworn or affirmed to testify to the truth, was examined  
10 and testified as follows: 02:08:56

11 COURTROOM DEPUTY: If you can state your name for the  
12 record and spell your last name, please.

13 THE WITNESS: Eddie Walker, W-A-L-K-E-R.

14 COURTROOM DEPUTY: Thank you, sir. Have a seat right  
15 up here. 02:09:07

16 **DIRECT EXAMINATION**

17 BY MR. PERKEL:

18 Q. Good afternoon, Mr. Walker. Can you introduce yourself to  
19 the jury?

20 A. My name is Eddie Walker. 02:09:35

21 Q. And Mr. Walker where are you from?

22 A. I live in Kenton, Oklahoma, panhandle of Oklahoma.

23 Q. And is Cerita Walker your wife?

24 A. Yes.

25 Q. What is the principal source of business in Kenton and the 02:09:48

EDDIE WALKER - Direct

1	surrounding areas?	02:09:51
2	A. Ranching, running cattle.	
3	Q. And what do you do for a living?	
4	A. I run cattle and do a little farming on the side.	
5	Q. What kind of farming do you do?	02:10:04
6	A. Alfalfa, wheat and feed.	
7	Q. And feed?	
8	A. Yes, sir.	
9	Q. And the feed is for the cattle?	
10	A. Yes, sir.	02:10:11
11	Q. The ranch, do you employ anybody on the ranch?	
12	A. Very few times I have any employment.	
13	Q. And how many cattle do you have on the ranch?	
14	A. Right now I only got 70 head.	
15	Q. And turning to the case at hand, did there come a time	02:10:36
16	when you met a man by the name of James Parker?	
17	A. Yes, sir.	
18	Q. And do you remember approximately when you met him?	
19	A. It has been several years, 10 or 11 years back.	
20	Q. And do you recognize the individual in the courtroom that	02:10:56
21	you knew as James Parker?	
22	A. Yes, sir.	
23	Q. Could you please identify him?	
24	A. Right there.	
25	Q. Is he the man standing up?	02:11:04

United States District Court

EDDIE WALKER - Direct

1 A. Yes, sir. 02:11:05

2 Q. Can you tell us how you first met the defendant?

3 A. I believe it was at the Kenton store through a friend that  
4 was with him at the time by the name of Joe Bud Layton. He  
5 introduced me to him. 02:11:23

6 Q. And this Kenton store, is that pretty close to where you  
7 live?

8 A. Yes, sir. It's within -- as the crow flies, a mile and a  
9 half.

10 Q. And how did you -- why did you go to the store? 02:11:34

11 A. It's just kind of a coffee break time.

12 Q. Okay. And when you went to the store and you met the  
13 defendant, can you tell us what you remember him saying to you,  
14 anything?

15 A. At the time that I first met him, it was mostly about 02:11:58  
16 hunting and deer and wildlife around there in Kenton.

17 Q. Did the defendant tell you what he wanted to do in Kenton  
18 or Cimarron County?

19 A. There was a time that -- later on that we did talk about  
20 liking to buy that place and make kind of a hunting lodge for 02:12:23  
21 hunters and plus themselves.

22 Q. Okay. I'm sorry. I just didn't catch what you said. He  
23 said something about creating a hunting lodge and --

24 A. And just a place for theirselves to come and stay.

25 Q. Oh, a place for themselves. Okay. 02:12:45

United States District Court

EDDIE WALKER - Direct

1           And at some point when you first met him, 10 or 11           02:12:54  
2 years ago, did there come a point of time that you, in fact,  
3 had dinner with him at his son's house?  
4 A.    Yes, sir. We went down and had a nice supper with them.  
5 Q.    And do you remember anything he told you that he did for a           02:13:07  
6 living or what he explained to you --  
7 A.    We got more into it then, yeah. He talked and told me  
8 that he was a developer and, you know, just casual talk.  
9 Q.    Did he tell where you he was developing land?  
10 A.    I don't believe that came up then. Later on we did talk           02:13:27  
11 about that he was developing some stuff in Belize.  
12 Q.    And did there come a point in time that you met his son,  
13 the defendant's son, Samuel Parker?  
14 A.    Yes, sir.  
15 Q.    And how did that take place?           02:13:57  
16 A.    Mr. Parker had asked me to if I would give him some kind  
17 of a job for a while they were gone and I said yes.  
18 Q.    So the defendant asked you if you would mind giving Sam  
19 some work while he was gone?  
20 A.    Yeah. Give him something to do and kind of help him out a           02:14:16  
21 little.  
22 Q.    And you agreed to?  
23 A.    Yes, sir.  
24 Q.    And what did Samuel Parker do?  
25 A.    Odd and end jobs there around the farm. Paint the           02:14:29

United States District Court

EDDIE WALKER - Direct

1	corrals, odd and end jobs.	02:14:38
2	Q. Did Sam work for you for a long time?	
3	A. No, sir.	
4	Q. How come?	
5	A. Well, we kind of run out of things for him to do and I	02:14:43
6	just -- he was a city boy and he worked good while I was there	
7	helping me but he didn't know how to do some things which was	
8	expected from a boy from the city.	
9	Q. How old would you say Sam was when you first met him?	
10	A. He was 17, 18. I think same -- about the same age as my	02:15:16
11	boy.	
12	Q. Did there come a point in time soon after meeting the	
13	defendant that you entered into a business or contractual	
14	agreement with him?	
15	A. With -- not with Sam.	02:15:32
16	Q. Let me rephrase the question. With Mr. Parker, Sam's	
17	father, the defendant. Did you ever enter into any kind of	
18	business relationship with him?	
19	A. A small grass lease adventure, yes.	
20	Q. What's a grass lease?	02:15:48
21	A. It's where I rented some grass from him to run cattle on.	
22	Q. And how many times did you do that?	
23	A. Just for a short while, a year, half a year. I'm not	
24	sure.	
25	Q. And when you decided to rent a piece of land from him or	02:16:02

EDDIE WALKER - Direct

1 sublease a piece of land, did you speak to Mr. Parker about 02:16:07  
2 that?  
3 A. Yes, sir.  
4 Q. And what was the substance of your discussions?  
5 A. We talked about the price of the grass and it was very 02:16:15  
6 short. We both agreed on it and that was about the sum of it.  
7 Q. And did you, in fact, pay him for the lease?  
8 A. Yes. We did. My wife done most of the payments. I made  
9 the deal and I think she said -- made the check out and sent  
10 the check. 02:16:42  
11 Q. Let's discuss the process of these lease agreements and  
12 obtaining a lease. Can you tell the jury about that?  
13 A. I told Jim that if we talked to the state, the state  
14 school people on the state school lease, if it was okay with  
15 them that I would lease that piece of ground which when we 02:17:16  
16 talked to them, they told me it was fine to go ahead and lease  
17 it. There was no problems.  
18 And so that's what we done.  
19 Q. Okay. And you're now referring to that specific business  
20 contract you had with the defendant? 02:17:33  
21 A. Yes.  
22 Q. Okay. Let me shift gears now and talk to you generally  
23 about the bidding process, the auctions that are held in  
24 Cimarron and Kenton.  
25 A. Where. 02:17:47

United States District Court

EDDIE WALKER - Direct

1 Q. Can you tell the jury about those? 02:17:47

2 A. They are held at Boise City, the bidding auctions are held

3 in Boise City, a town that's 40 miles away, and it's open to

4 the public, the auctions are.

5 Q. Okay. And did you ever see the defendant at those 02:18:04

6 auctions?

7 A. Yes, sir.

8 Q. Can you tell us what you saw him doing?

9 A. The first time or two I -- I am not sure on -- after that

10 but the first time or two he was there and he bid it on some of 02:18:18

11 the lands. Stan Manske might have been with him the first time

12 or two but I'm not real sure.

13 Q. When you say the first time or two you saw him bidding,

14 you saw him actually --

15 A. Bid on the land. 02:18:34

16 Q. What was he doing by bidding? How does it work? You

17 raise your hand or --

18 A. Raise your hand, nod your head.

19 Q. And do you remember seeing whether Samuel, now the

20 defendant's son, was he at those auctions as well? 02:18:51

21 A. I never did see him, no.

22 Q. I'd like to show you Government Exhibit 436, page two.

23 It's actually the screen to your right, the photograph. Do you

24 recognize that photograph?

25 A. Yes. 02:19:33

United States District Court

EDDIE WALKER - Direct

1	Q. And what is that?	02:19:33
2	A. Sir?	
3	Q. I'm sorry. What is that a photograph of?	
4	A. It's a photograph of a building that they were building	
5	there.	02:19:41
6	Q. And in addition to this building, did you ever -- did you	
7	know whether they were involved in farming or agriculture or	
8	cattle ranching?	
9	A. I believe that they had started breaking out some farm	
10	ground below that building to farm.	02:19:59
11	Q. And how do you know that?	
12	A. The tractors, plowing the ground.	
13	Q. Okay. And is there anybody working on that farmland	
14	today?	
15	A. Yes, sir.	02:20:18
16	Q. Who is that?	
17	A. I farm it.	
18	Q. And what do you farm there?	
19	A. I farm wheat. I don't farm it for myself. I farm it for	
20	the people that has got the place purchased now.	02:20:27
21	Q. Let me show you government Exhibit 442, page two. Do you	
22	recognize that exhibit?	
23	A. Yes, sir.	
24	Q. And what is that exhibit of? What's that a photograph of?	
25	A. That's a cabin that they had built.	02:21:02

United States District Court



EDDIE WALKER - Direct

1 Q. Did you ever see the defendant operator a motor vehicle in 02:21:09  
2 the Kenton area?  
3 A. Yes, sir.  
4 Q. What did you see him drive?  
5 A. A Hummer. 02:21:19  
6 Q. Let me ask you a few final questions here. Besides the  
7 interaction with Sam at the farm with the painting and you  
8 employing him, did you have any subsequent interactions with  
9 Sam Parker after?  
10 A. I helped him a time, yes, I did. 02:21:35  
11 Q. Can you tell us a couple of those or tell us one?  
12 A. Well, he called me one evening, cold evening, and he had a  
13 heifer calving and he wanted to know if I could help him calf  
14 the heifer.  
15 Q. Tell me what happened when you got there. 02:21:57  
16 A. Well, the calf was already dead but we did go ahead and  
17 get the calf pulled and that was about the sum of the deal.  
18 Q. And just for the sake of the jury, can you tell us, is  
19 pulling the calf another way of saying that the cow that was  
20 having the baby; is that right? 02:22:18  
21 A. Yes. She couldn't have it by herself so she needed some  
22 help.  
23 Q. Okay. And did you ever meet someone by the name of Roy  
24 Young?  
25 A. Yes, sir, I did. 02:22:31

United States District Court

EDDIE WALKER - Direct

1 Q. Can you tell us how you met him? 02:22:32

2 A. The first time I probably met him was just on the road --

3 I think I was building a water gap when they rode up and wanted

4 to know what I was doing. I was building a water gap between

5 Smitty's and the Parker place. 02:22:47

6 Q. And who -- when you say "they rolled up," who was they?

7 A. He had a friend with him. I'm not sure. I think it was

8 one of the Durhams but I'm not sure.

9 Q. Did there ever come a time where Mr. Young, Roy Young,

10 asked you for help? 02:23:08

11 A. Yes, he did.

12 Q. What did he ask you to help with?

13 A. He called and had a cow in a bulk hole. We done this

14 twice, pulled the cow out of the bulk hole in the river.

15 Q. The cow was stuck? 02:23:22

16 A. Yes.

17 MR. PERKEL: Your Honor, if I could have one moment,

18 please?

19 THE COURT: Sure.

20 MR. PERKEL: No further questions, Your Honor. Thank 02:23:55

21 you.

22 THE COURT: All right.

23 Cross?

24 MR. MINNS: Yes, please.

25

EDDIE WALKER - Cross

**CROSS - EXAMINATION**

02:24:00

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BY MR. MINNS:

Q. Good afternoon, Mr. Walker.

A. Good afternoon.

Q. I'm Michael Minns. We have not met before.

02:24:13

A. Glad to meet you.

Q. Pleased to meet you. And I'm the lawyer for Jim Parker.

Prior to today, you recall Jim Parker?

A. Right.

Q. You would never refer to him today as the defendant?

02:24:32

A. No.

Q. And when you had the contract -- you all didn't have a written agreement. You had a handshake?

A. More or less.

Q. Right. And that's the way things are done. You trusted him, he trusted you. He shook your hand; you shook his and you sent him the check?

02:24:43

A. We sent a letter and I'm not sure how that was written down, but there was, more or less, a letter that I had signed with Jim on that state lease for -- but it was done mainly the first time by handshake.

02:25:07

Q. Did it say, "I'm going to pay you \$2000 and I'm going to get X number of acres and I'm going to get them for this many months"?

A. I cannot remember that.

02:25:24

EDDIE WALKER - Cross

- 1 Q. You're an expert experienced cattleman; correct? 02:25:33
- 2 A. Yes. Well, not -- we always learn more.
- 3 Q. Of course. And all of the cattlemen, when they have
- 4 somewhere between 100 to 200, 300 acres, they are going to help
- 5 each other out. The cow may go over to the next door neighbor, 02:25:49
- 6 may fall in a ditch?
- 7 A. Sure, of course.
- 8 Q. And that is the way it works out on the cattle ranches?
- 9 A. Pretty much.
- 10 Q. You kind of know what kind of cattle your neighbor has and 02:26:06
- 11 your neighbor knows what kind of cattle you have?
- 12 A. Well, that is usually true. But their cows were so new
- 13 that I didn't have no idea what kind of cattle they had.
- 14 Q. You and Sam had your hands up inside one of those cows.
- 15 A. No, not inside. 02:26:29
- 16 Q. When you were pulling the --
- 17 A. We put a chain on the back feet that were sticking out and
- 18 pulled. That's as far as that went. We didn't go up inside
- 19 the cow.
- 20 Q. But you've had to deliver calf before that way; right? 02:26:45
- 21 A. Yes.
- 22 Q. But you were close enough to that cow to get a pretty good
- 23 idea of the quality of the cow.
- 24 A. Yes.
- 25 Q. And it was very high quality; correct? 02:26:54

EDDIE WALKER - Cross

1 A. The cow was too small to be having a calf. I am not 02:26:57  
2 saying nothing about the quality, but she was too small to have  
3 got bred and have that calf at that time.

4 Q. Inexperienced cattleman or an accident. Sometimes a young  
5 cow will get calved by accident? 02:27:14

6 A. Yes.

7 Q. So it was either inexperience or accident. The most  
8 experienced rancher can have a cow that gets a calf where she  
9 ought not to?

10 A. Yes. 02:27:27

11 Q. What I'm saying is the breed's problem at birth had  
12 nothing to do with the quality of the cow itself; it was the  
13 age of the cow?

14 A. Yes.

15 Q. But that was a very high-quality cow; correct? 02:27:38

16 A. It was an average, what I would call an average quality  
17 cow.

18 Q. Not above average for that area of the country?

19 A. No.

20 Q. They weren't buying the semen for astronomical prices from 02:27:48  
21 other ranches?

22 MR. PERKEL: Objection, foundation, Your Honor.

23 THE COURT: Sustained.

24 BY MR. MINNS:

25 Q. Do you know if they were buying high-quality semen so that 02:27:58

EDDIE WALKER - Cross

1 they could upgrade the quality of the cattle on the ranch? 02:28:03

2 A. No, I don't.

3 Q. So when you were talking about the quality of the cattle,

4 you were telling your neighbors if they had asked what's going

5 on over at that Cimarron, you would tell your neighbors, "About 02:28:13

6 the same kind of cattle that we have"?

7 A. I would probably say something like that, yeah.

8 Q. Mr. Walker, pleasure to meet you.

9 Have a good day.

10 A. Yes, sir. 02:28:34

11 THE COURT: Anything else?

12 MR. PERKEL: No, Your Honor. Thank you.

13 THE COURT: All right. Ladies and gentlemen, we'll

14 take a break for about 20 minutes.

15 THE WITNESS: You may step down. 02:28:39

16 Thank you.

17 THE COURT: We're in recess.

18 COURTROOM DEPUTY: All rise.

19 (Jury departs.)

20 (Recess at 2:28; resumed at 2:49) 02:28:45

21 (Jury enters.)

22 (Court was called to order by the courtroom deputy.)

23 THE COURT: All right.

24 Your next witness?

25 MR. SEXTON: Will be Keith Kuhlman. 02:49:26

KEITH KUHLMAN - Direct

1 KEITH KUHLMAN, 02:49:31

2 called as a witness herein by the Government, having been  
3 first duly sworn or affirmed to testify to the truth, was  
4 examined and testified as follows:

5 COURTROOM DEPUTY: State your name for the record, 02:49:44  
6 spell your last name, please.

7 THE WITNESS: Keith Kuhlman, the last name is spelled  
8 K-U-H-L-M-A-N.

9 COURTROOM DEPUTY: Please have a seat over here, sir.

10 MR. SEXTON: Ready, Judge? 02:50:10

11 THE COURT: Yes.

12 **DIRECT EXAMINATION**

13 BY MR. SEXTON:

14 Q. Sir, would you introduce yourself to the Court and to the  
15 ladies and gentlemen of the jury? 02:50:15

16 A. My name is Keith Kuhlman. I'm the assistant secretary for  
17 the Commissioners of the Land Office for the State of Oklahoma.  
18 And I have been working with the Commissioners of the Land  
19 Office for approximately 30 years.

20 Q. Now, your current title with the -- is this the Oklahoma  
21 Land Commission? 02:50:28

22 A. That's correct.

23 Q. Is that the correct title that I gave you or is it a title  
24 bigger than that?

25 A. It's actually Commissioners of the Land Office. 02:50:40

KEITH KUHLMAN - Direct

1 Q. What's your current title? 02:50:42  
2 A. Assistant secretary.  
3 Q. And in the pecking order, where does that place you?  
4 A. I would be the deputy director of the agency.  
5 Q. Number two, three, four? 02:50:53  
6 A. Number two.  
7 Q. Number two in command. Okay.  
8 And how long have you had that position?  
9 A. Approximately a year.  
10 Q. And before that position, what did you do? 02:51:01  
11 A. I was the director of real estate management.  
12 Q. And for how long did you do that?  
13 A. Since 1991.  
14 Q. And would you give an overview of what your duties and  
15 responsibilities were as the director of real estate management 02:51:25  
16 for the -- I'm going to use the Oklahoma Land Commission. The  
17 other one didn't work for me. What your duties and  
18 responsibilities were in that regard?  
19 A. Sure. We oversee approximately 750,000 acres of land.  
20 This land is used for -- we lease it out to farmers, ranchers, 02:51:42  
21 businesses. The proceeds from those properties are derived  
22 from rental income, are given to the schools and universities  
23 for Oklahoma. When I say that we oversaw the management of  
24 those properties, we also lease them out to the entities,  
25 whether they be a farmer, rancher or business, set the rentals, 02:52:03

United States District Court



KEITH KUHLMAN - Direct

1 oversee the management of those properties; in other words, go 02:52:08  
2 inspect them, make sure that they are being properly taken care  
3 of and just overall land management.

4 Q. When was this school land management begun in the state of  
5 Oklahoma? 02:52:26

6 A. 1907, statehood.

7 Q. And give a sense to the jury of approximately how many  
8 acres of land in Oklahoma are dedicated to, in essence, raising  
9 funds for various school districts.

10 A. We have approximately 750,000 acres that is under active 02:52:44  
11 management at this point in time.

12 Q. And then how is it configured? How is it that you break  
13 that down in the state for purposes of determining auctions and  
14 bids and regions and who gets the money and things of that  
15 nature? 02:53:01

16 A. Okay. Each property that we have within the state is  
17 designated for a specific trust fund. There are eight trust  
18 funds and the largest is for our common schools, and then we  
19 have an educational institution fund, and then four other  
20 universities get specific funds, and then we have two public 02:53:24  
21 building funds.

22 A section of land, which is 640 acres and a mile  
23 square, was designated as statehood for those specific  
24 educational institutions.

25 When we lease those pieces of property, we do that at 02:53:44

KEITH KUHLMAN - Direct

1 public auction for farms and ranches. We offer them for 02:53:47  
2 five-year leases. It's done at a public outcry. In other  
3 words, it's just like if you would go to a machinery auction or  
4 something like that. If you want to buy that, you raise your  
5 hand until you are the successful bidder. 02:54:01

6 Q. We'll get to that, sort of how you conduct an auction, in  
7 a second.

8 From the standpoint of Cimarron County, approximately  
9 how many acres of land are available in that county for  
10 purposes of school land proceeds? 02:54:18

11 A. Cimarron County is actually our largest land holding. We  
12 have approximately 230,000 acres there. We have one block of  
13 land by itself. And when I say that, there's deeded land  
14 intermingled with it and it's about 200,000 acres.

15 Q. And when you use the word "deeded land," are you drawing a 02:54:38  
16 contrast to the leased land?

17 A. That's correct. There's private owners that have -- or  
18 ranchers that own land, that is intermingled within the school  
19 land?

20 Q. And then to the extent that leases are granted to the 02:54:58  
21 school land, are they generally of a certain duration?

22 A. Yes, sir. They are five years for agricultural leases.  
23 They are five years in extent and that's by constitution.  
24 That's the maximum length of time.

25 Q. And is there a process by which not all of the land is up 02:55:13

KEITH KUHLMAN - Direct

1 for bid in one year? Do you stagger the approximately one 02:55:16  
2 fifth at a time the amount of land in any given year that is up  
3 for renewal or new bids?

4 A. That is correct. We offer one fifth of the leases every  
5 year statewide. So, for example, in Cimarron County, we would 02:55:29  
6 offer one fifth of those acres available. It's actually by  
7 lease numbers, not by total acres, because some of these  
8 ranches are larger than normal. And then like Lincoln County,  
9 which is adjacent to Oklahoma City, we'll offer a fifth of  
10 those numbers up for lease. 02:55:52

11 Q. Now, as the director of real estate management, and let's  
12 focus on the time frame roughly 2003 to 2005-2006 range, do you  
13 have personnel that sort of keep you abreast of what's going on  
14 within the state?

15 A. Yes, sir. The entire agency, we have 55 people that work 02:56:14  
16 within the agency. Of those, we have 10 field personnel that  
17 are scattered throughout the state and they have designated  
18 counties that they look after the land in those areas and their  
19 function is that, again, they look -- go visit the leases,  
20 evaluate the management of those properties, answer questions 02:56:33  
21 that any of the lessees may have, do appraisal work for setting  
22 leases, lease rentals, also setting sale values, doing easement  
23 appraisals, settling oil and gas well damages, several things  
24 like that.

25 Q. And do those people report back to you? 02:56:52

United States District Court

KEITH KUHLMAN - Direct

1	A.	That's correct.	02:56:54
2	Q.	And then the Cimarron County region, did you have a	
3		particular field manager or field agent during roughly the	
4		2004-2005 time period?	
5	A.	Yes, sir.	02:57:04
6	Q.	Who was that?	
7	A.	His name was Jay Clark.	
8	Q.	During the period 2004-2005, did there come a time where	
9		you were getting information from the field regarding some	
10		activities going on in Cimarron County?	02:57:21
11	A.	Yes, sir. I began to receive reports that we had a	
12		gentleman that was interested in leasing a lot of land from the	
13		School Land Commission and that -- and, again, it was just	
14		information that he was talking about lots and lots of acres.	
15	Q.	And did you come to learn who that gentleman was?	02:57:46
16	A.	It was James Parker.	
17	Q.	Now, you subsequently met Mr. Parker?	
18	A.	Correct.	
19	Q.	Do you see him in the courtroom today?	
20	A.	Yes, I do.	02:57:57
21	Q.	Is he the gentleman that just stood up?	
22	A.	That's correct.	
23	Q.	Now, as a result of getting information from your field	
24		manager, what did you decide to do next?	
25	A.	Well, I have to give you a little history first, is that	02:58:08

United States District Court

KEITH KUHLMAN - Direct

1 when we first started doing public lease auctions for these 02:58:14  
2 properties, which was in 1982 and '83 in that country -- and  
3 when I say that, Cimarron County, we had a gentleman named  
4 Dennis Chapman from down in Texas that came up and bid on  
5 several properties, not realizing what he was getting into and 02:58:31  
6 he was a rancher himself.

7           Once he figured out what he was getting into, he  
8 didn't want to have anything to do with the leases. So we had  
9 to reset that auction back up, re-offer those leases. And  
10 throughout the years we, have had that situation in that area 02:58:51  
11 before. And the reason that is is because it's so unique.  
12 It's a big chunk of land but there's also a lot of deeded land  
13 that is intermingled with it and that causes unique issues with  
14 water problems. Also fencing issues and a lot of people just  
15 don't understand how arid that country really is and how 02:59:11  
16 brittle it is when it comes to grazing and livestock-caring  
17 capacities.

18 Q. And so I take from it your comments that part of what your  
19 function sometimes in reaching out to new people in the area is  
20 to educate them about what to expect with leasehold properties 02:59:30  
21 from the school?

22           MR. MINNS: Pardon me. That is a speech and it's  
23 leading. Narrative and leading.

24           THE COURT: Sustained.

25

United States District Court

KEITH KUHLMAN - Direct

1 BY MR. SEXTON: 02:59:41

2 Q. What's the purpose of reaching out to a person who might

3 be coming into the area who is not necessarily from the area?

4 A. Well, first of all, we want to make sure that they

5 understand what they are leasing. We want them to be able to 02:59:52

6 get into one of these leases. It's a five-year lease. It can

7 be a lot of money. And we want to make sure that they are

8 managers and that they are a legitimate entity that can take

9 care of these properties.

10 Q. Now, as to Jim Parker, did you try to arrange any sort of 03:00:13

11 a meeting or conference call with him to discuss those things?

12 A. Yes, sir. And forgive me, I don't know the exact dates

13 but in approximately July of 2005 I arranged to have a

14 conference call with Mr. Parker; his attorney, Stan Manske; and

15 his ranch manager, Roy Young. 03:00:31

16 Q. Do you recall anybody else being on this conference call?

17 A. No, I do not.

18 Q. Do you know who initiated the call as between Mr. Parker

19 and you?

20 A. I did. 03:00:43

21 Q. Was there anybody else on the line besides the four that

22 you've identified including yourself?

23 A. I do not know of anybody other than just those four.

24 MR. MINNS: Pardon me. Your Honor, I didn't

25 understand. Was this a phone conversation or not? Could I ask 03:00:57

United States District Court

KEITH KUHLMAN - Direct

1 one question? 03:01:00

2 THE COURT: I'm sorry. When you say -- when you say

3 ask one question. What's the question concerning?

4 MR. MINNS: I'm trying to determine if this is a

5 phone conversation or a personal meeting. 03:01:12

6 THE COURT: I think he said phone conversation.

7 MR. SEXTON: That is correct.

8 THE COURT: It's a phone conversation.

9 MR. MINNS: Thank you, Your Honor.

10 BY MR. SEXTON: 03:01:21

11 Q. In this conference call, what was discussed between you

12 and Mr. Parker on this conference call that you recall?

13 A. What I remember of the phone conversation, it was very

14 general. It was actually to try and set up another meeting in

15 the future to actually visit Mr. Parker's new ranch operation, 03:01:40

16 which was located adjacent to Black Mesa, and also to just

17 understand what his intent and purpose was for gaining these

18 properties. And also to get an idea of the magnitude, how many

19 acres was he talking about.

20 Q. Do you have any sense of any other substantive 03:02:05

21 conversations you talked about other than to arrange perhaps a

22 face-to-face?

23 A. Not really. I mean, it was just a very general

24 conversation.

25 Q. Did you, in fact, set up a meeting with him? 03:02:18

United States District Court

KEITH KUHLMAN - Direct

1 A. Yes, sir, we did. 03:02:23

2 Q. Approximately when did a face-to-face first occur?

3 A. That would have occurred about a month later and we

4 arranged to meet at Mr. Parker's headquarters there north of

5 Kenton adjacent to Black Mesa. 03:02:34

6 MR. SEXTON: Can we put Exhibit 442, which is in

7 evidence, on the screen?

8 Q. Do you recognize that?

9 A. Yes, sir.

10 Q. Is that where you met? 03:02:54

11 A. Yes, sir. Right on that front porch.

12 Q. On the front porch there?

13 A. Yes, sir.

14 Q. Who was there?

15 A. Stan Manske, Mr. Parker's lawyer; Mr. Parker himself; Roy 03:03:04

16 Young; and Jay Clark, my field man; and myself.

17 Q. Was Sam Parker involved in this conversation in any way?

18 A. No, sir. He was not.

19 Based on that conversation, they -- I understood that

20 he was down by the corral area, which is about 150 yards 03:03:32

21 downhill from there. But I saw somebody down there, but I

22 couldn't tell -- I wouldn't know him if I saw him.

23 Q. But as far as this conversation, he did not participate?

24 A. No.

25 Q. Now, in this conversation with Mr. Parker on the porch, 03:03:50

United States District Court



KEITH KUHLMAN - Direct

1 what did you and he talk about at that time? 03:03:55

2 A. Actually, it was a very wide-ranging conversation.

3 Mr. Parker was in the process of building a -- I can only

4 describe it as a wild west old storefront town type thing and

5 he was telling me about his plans that he had for that. He 03:04:22

6 actually showed me his elevation drawings for those. We

7 discussed what his ideas and thoughts were, that he had planned

8 on putting in, like, a bed and breakfast type operation and

9 actually setting up like a dude ranch type of thing.

10 One of the reasons I was very interested in that 03:04:43

11 actually from our standpoint is we had been trying to get some

12 of our lessees to do some ag tourism type situations out there.

13 So I thought, well, maybe this is something that would be good

14 to start something like that. Maybe that would help out that

15 whole situation with our other lessees. 03:04:59

16 We then discussed in general and I guess actually

17 some specifics about the water situation on a lot of the

18 leases, and I asked him about the number of acres and the

19 extent of the country that he was wanting to lease. He was

20 very up front about that he was wanting to take on a lot of 03:05:24

21 country and when I say that, probably 80 to 100,000 acres at

22 that point in time based on the areas that he was indicating

23 and the ranches that he was indicating.

24 I -- he wanted to know if there was a problem with us

25 having him come in and bid, and of course there's not. That's 03:05:47

United States District Court

KEITH KUHLMAN - Direct

1 what our job is to do is to allow people to come in and bid on 03:05:50  
2 these properties. That's what we do is to raise money for the  
3 schools.

4 And so I wanted to assure him that there wasn't a  
5 problem from our standpoint as long as he was a good lessee. 03:06:01  
6 And when I say "a good lessee," somebody that manages the  
7 property properly, takes care of it.

8 We also advised him about the water issues that are  
9 out there that, again, a lot of the water, because of the way  
10 that land was settled, is on deeded land. They came in and 03:06:19  
11 settled on the draws and things like that. So that's where you  
12 would find the windmills. So we talked about that.

13 Also fencing issues. If he came in and he leased out  
14 a ranch, you have to fence out those deeded land acres because  
15 Oklahoma is a fenced-in state. In other words, you have to 03:06:37  
16 restrain your livestock and keep it off other people's  
17 property.

18 So that can be quite expensive, which also affects  
19 our management because we have to provide a survey showing  
20 where those boundaries are, so that can be quite expensive on 03:06:50  
21 our part. And so we, again, back to making sure that we've got  
22 a legitimate good operator out there. If we go to that  
23 expense, we want to make sure that we've got somebody that's  
24 going to stay hooked up with us as well.

25 Q. In that process, was there any discussion at all about the 03:07:08

United States District Court

KEITH KUHLMAN - Direct

1 capacity or the abilities of Roy Young as a ranch manager? 03:07:11

2 A. Mr. Parker expressed confidence in Roy as a ranch manager  
3 but Roy really did not participate in the conversation that  
4 much that I can delve into. He actually -- the one part of the  
5 conversation that I remember him bringing forward, it was 03:07:37  
6 based, again -- and, again, I'm trying to keep this all in  
7 context of jumping around a little bit.

8 Roy made some comment and it was based upon something  
9 that I had said and I had said, you know, that once if he comes  
10 in and if Mr. Parker comes in and leases a lot of this land, 03:08:04  
11 we're going to be under a tremendous microscope. Everybody is  
12 going to be looking at everything we do out there which, in  
13 turn, is going to be looking at everything you do. So we all  
14 have to work to this as a good partnership. We need to work  
15 together. 03:08:21

16 And Roy, you know, made some off-key comment which  
17 drew a response from Mr. Parker or something like, you know,  
18 that if people mess with me, I can hire a lawyer and sue people  
19 all the time and I've taken people down just like that.

20 The -- 03:08:44

21 Q. Did you react to that comment?

22 A. Not really because, again, you know, at that point in  
23 time, what was there to react to? I mean, I don't want to call  
24 it bluff or bluster but it was just a comment. I mean, just  
25 take them as they come. 03:09:01

United States District Court

KEITH KUHLMAN - Direct

1 Q. Besides the old west town structure that he talked to you 03:09:04  
2 about -- did you actually go visit that?  
3 A. Yes, we did.  
4 Q. Was it fully constructed or in some state of construction?  
5 A. No. It was actually being constructed at that point in 03:09:14  
6 time. The stem walls and the floor joists had been laid at  
7 that point in time and Mr. Parker just showed me his front  
8 elevation plans of what it would look like.  
9 Q. And besides or like a bed and breakfast/dude ranch, did he  
10 talk at all about other amenities that he was hoping to add to 03:09:33  
11 this overall development?  
12 A. Yes. Actually, I mean, he was going to have a little gas  
13 station, gas pump thing out in front so that people could get  
14 gasoline if they pulled up. He was talking about having a  
15 steak house. He was wanted to go raise his own Angus beef and 03:09:50  
16 bring in the finest Angus cattle that he could find and make  
17 that into one of the best steak houses in the western United  
18 States.  
19 Q. Are you a rancher yourself?  
20 A. Yes, I am. 03:10:04  
21 Q. Okay. When we use Angus beef, is that, on the scale of  
22 good to not so good beef, is that some of the best beef?  
23 A. There's a lot of people that think that it is.  
24 Q. Okay. Was there any discussion at all about any stores or  
25 any other structures to be built? 03:10:25

United States District Court

KEITH KUHLMAN - Direct

1 A. There would be within this big building, there would be a 03:10:31  
2 store, mercantile type thing. I believe that was in connection  
3 with the gas station type deal.

4 Q. And then from the standpoint of who he was seeking to  
5 attract to this development, was that discussed in any fashion? 03:10:46

6 A. Yeah. He was really wanting to bring in, attract --

7 Q. High rollers?

8 A. That's what I was going to say. That's not what he said I  
9 don't believe. I think he was wanting to attract a wealthy  
10 clientele that he could bring in. He felt like that he had 03:11:04  
11 enough connections, obviously in the Phoenix area and so forth,  
12 to bring some people in that way.

13 Q. And what kinds of activities were discussed as to when a  
14 person would come visit this location, what were they looking  
15 to do? 03:11:24

16 A. Other than have a good steak, they were talking about  
17 doing the dude ranching type activities where they would go out  
18 and work cattle, do things like that, hunting, no fishing  
19 because, unfortunately, there's not very much water in the  
20 river out there. 03:11:39

21 Q. As he's discussing his ideas for this area, are you being  
22 shown any sorts of architectural plans or other rendering as  
23 he's describing these things to you?

24 A. Yes, sir. He actually had -- the front elevation of that  
25 building which, in architectural parlance, that's just a flat 03:12:02

United States District Court

KEITH KUHLMAN - Direct

1 view of what that property is going to look like if you looked 03:12:07  
2 at it square on. But that -- he didn't show, like, a floor  
3 plan to me or anything, like that just this front -- he had it  
4 rolled up, set of plans.

5 Q. Did they seem professionally produced? 03:12:20  
6 A. M'hum. Yes, sir.

7 Q. And then were there any discussions about even  
8 constructing or laying out an air strip for private commercial  
9 planes to land?

10 A. Yes, there was and I think that was just something that 03:12:36  
11 was in the distant future. He was actually talking about  
12 bringing people on the airplanes to Boise City airport, which I  
13 jokingly laughed at and said, "Well, if you've ever landed  
14 there, you may want to think about that if it's anything more  
15 than a single engine because it's a pretty rough runway." 03:12:58  
16 Q. Was he interested in leasing, buying or a combination of  
17 both as far as the land?

18 A. Actually, he -- of course we discussed leasing to a great  
19 extent and then he also wanted to discuss whether any of the  
20 land was available for purchase. It's been our board's policy 03:13:19  
21 for a number of years not to sell any of these properties for  
22 public auction.

23 Q. To not sell or sell?  
24 A. To not sell.

25 Q. And what was his reaction that he would have to lease and 03:13:31

United States District Court

KEITH KUHLMAN - Direct

1 not be able to buy? 03:13:39

2 A. Well, it was kind of interesting. We kind of got into a  
3 little bit of debate about what would be better for the school  
4 kids of Oklahoma if he purchased it. In other words, if he  
5 paid us this money, we could take it, reinvest it, maybe make 03:13:51  
6 more money for the schools versus just leasing it out to them.  
7 We certainly had a different view of that. We've ran those  
8 same numbers and within the discussions that we had, I asked  
9 him, well, if it's such a great investment -- poor investment  
10 for us, why are you wanting to make that investment yourself? 03:14:10  
11 He didn't have much of an answer for that except to say that he  
12 could do different things with the land than maybe we could.

13 Q. When you were with him, was there any discussion at all  
14 what he had done for a living and how he had made his money in  
15 life? 03:14:32

16 A. Yes, sir. In fact, because the Commissioners Land Office  
17 itself, we do commercial developments as well. We have some  
18 golf courses and things like that.

19 When he said that he did commercial real estate  
20 development, I asked him where, and he said here in the Phoenix 03:14:46  
21 area but then he also said that he did some very high-end  
22 condominium developments in Belize.

23 Q. Do you remember anything else about the conversation that  
24 day? Did you raise with him the concerns of the other home  
25 owners in the area? 03:15:12

United States District Court

KEITH KUHLMAN - Direct

1 A. Yes, I did, and, again, that's where we were talking about 03:15:13  
2 being under the microscope, that as soon as he -- if he would  
3 come in and lease those, people would be looking at everything  
4 that we did on these properties and, in turn, everything that  
5 he did would be scrutinized as well. When I say that, they 03:15:25  
6 would be watching them. You know, when you've got one field  
7 man that's going to be looking over, you know, 250,000 acres or  
8 230,000 acres, he can't concentrate his entire time on one  
9 individual.

10 But so we just wanted to make sure that he was 03:15:41  
11 understanding that, that what he did was going to be looked at  
12 by everybody.

13 And really, Mr. Parker struck me as, you know, he was  
14 a very intelligent man. I mean, just that conversation. He  
15 was a tough guy, too. I mean, he wasn't going to back down 03:16:07  
16 from anybody on trying to bid on these properties. If he  
17 wanted them, he was going to get them.

18 So all in all, it was a -- I think a good productive  
19 conversation.

20 Q. Now, from the standpoint of the state of Oklahoma, the 03:16:26  
21 more that is bid for a particular lease property, the better it  
22 is for the school district?

23 A. Absolutely.

24 Q. Did you in any way broach with him the sensitivities that  
25 some of these pieces of property may have been in families for 03:16:43

United States District Court



KEITH KUHLMAN - Direct

1 a long time? 03:16:46

2 A. Yes.

3 Q. And you might want to tread lightly in some regards?

4 A. Sure. A lot of these ranch families have had these

5 properties for years, literally since statehood. And he was 03:16:57

6 coming in. And if he was going to bid on these, you may have a

7 rancher that has 20,000 acres in his total ranch operation. Of

8 that 20,000 acres, 15,000 of it may be school land. If he gets

9 outbid on that 15,000 acres, he's out of business. You don't

10 just take a 500-cow unit and then stuff them all on 5,000 03:17:23

11 acres. You can't do that.

12 So there was a lot of sensitivity about that and they

13 would have to find a new home for these livestock. But that's

14 the rules of the game. When you lease that land for five years

15 at a time, that's the way it is. 03:17:42

16 Q. After this meeting on the porch, was your next contact

17 with him at the actual auction that took place in 2005?

18 A. Yes, sir.

19 Q. And was that on October 11, 2005?

20 A. That's correct. 03:17:58

21 Q. Where was that held, sir?

22 A. In Boise City, Oklahoma, at the fairgrounds building.

23 Q. And about a fifth of the school land was going to be up

24 for re-leasing at that time?

25 A. That's correct. 03:18:12

United States District Court

KEITH KUHLMAN - Direct

1 Q. Now, what is your role at an auction like the one that was 03:18:12  
2 held on October 11, 2005? What do you do with your staff?

3 A. Sure. We have a staff of approximately seven people that  
4 we take out. We have an auctioneer that is one of our staff  
5 members. Then we also have a group of clerks that work what we 03:18:27  
6 call our back table and that's where at the end of the auction,  
7 an individual will come in and sign or have -- pay us the money  
8 that is due, sign a contract, and we actually print out the  
9 contract with everything done at that point in time there.

10 Then we have another what we call the front table, 03:18:52  
11 and that up there we have our auctioneer. We have -- my role  
12 that day was to operate the bid computer. In other words, when  
13 we had a successful bidder, I would type in the amount of money  
14 that was bid and then the number of the winning bidder. Then  
15 we had what we called an announcer and what he does is he reads 03:19:18  
16 out the lease number, the contract number, legal description,  
17 the number of acres involved, and the minimum bid rice price  
18 for those properties as they are put up for auction.

19 Q. Before the day of the auction, is a lot of the information  
20 that you just described published in a lot of different ways to 03:19:34  
21 let people know that an auction is about to occur and what the  
22 pieces of property are that are up for lease?

23 A. Yes, we do. We actually advertise on the radio. We have  
24 what we call sale bill fliers that we place in cafes and banks  
25 and local places. You guys have probably seen them all 03:19:56

United States District Court

KEITH KUHLMAN - Direct

- 1 yourselves. Then we also do extensive newspaper advertising. 03:19:59  
2 We also -- and when I say that, it has to be in the local  
3 newspaper but also larger circulation newspapers within the  
4 state. Then we also do periodicals for farm and ranch  
5 publications that are coming out at that point in time. 03:20:20
- 6 Q. And before the auction begins, do you have your staff sort  
7 of assess what you think the likely bids and the proceeds that  
8 you can expect based on historical trends to occur at the  
9 auction?
- 10 A. Yes, we do. They actually are field people are 03:20:37  
11 responsible for doing an appraisal prior to the auction and  
12 that appraisal amount of rental then becomes the minimum bid at  
13 the auction.
- 14 Q. Now, when a person wants to bid at an auction and this one  
15 in particular, how do they go about registering to do that? 03:20:59
- 16 A. Okay. They come into the location. They come up and they  
17 register with a lady who inputs the information into the  
18 computer, their name, phone number, address, Social Security --  
19 no, driver's license number. And then we give them a bidder's  
20 registration number. 03:21:20
- 21 Q. And if a person is a successful bidder on a piece of  
22 property, do you require any immediate down payment and  
23 execution of the contracts at that time or is there a  
24 cooling-off period or a 24-hour I've-changed-my-mind period?
- 25 A. I think some of them wish they were. No. We require 50 03:21:40

United States District Court

KEITH KUHLMAN - Direct

1 percent down at the date of auction and -- 03:21:44  
2 Q. When you say 50 percent down --  
3 A. 50 percent of the five --  
4 Q. 50 percent of the five-year lease or the one-year portion  
5 of the five-year lease? 03:21:55  
6 A. The one-year portion of the five-year lease. And keep in  
7 mind when they are bidding on this, if we have a piece of  
8 property that is offered at the minimum bid of a thousand  
9 dollars and it's bid to, say, \$2000, that \$2000 then becomes  
10 their annual rent for the next five years. 03:22:09  
11 Q. At this auction, was James Parker there?  
12 A. Yes, he was.  
13 Q. When you saw him, was he with others?  
14 A. Yes, sir. He was with Stan Manske and Roy Young.  
15 Q. Was Samuel Parker with him at the auction? 03:22:35  
16 A. No, he was not.  
17 Q. At least as to the auction portion when the bidding was  
18 going on?  
19 A. That's correct.  
20 Q. Now, if you would, for the Court and the jury, sort of 03:22:48  
21 describe how this auction went down that day.  
22 A. It was very interesting because approximately five minutes  
23 before the auction, Mr. Parker arrived and hand-delivered to me  
24 an envelope and in the envelope was a letter signed by Sam  
25 Parker as general manager of Cimarron River Ranch that stated 03:23:08

United States District Court

KEITH KUHLMAN - Direct

1 that they were in the process of purchasing some deeded land 03:23:12  
2 within the school land area.

3 And in the process of reviewing title for that, they  
4 found a sublease agreement between a lessee of ours and another  
5 individual to sublease ranch area that was school land, and he 03:23:30  
6 handed that to me and they requested that due to our rules,  
7 which state that we shall refuse to accept a bid on any  
8 property that we should not -- we should disallow this one  
9 individual whose leases were up at this auction from bidding on  
10 that piece of property. 03:23:54

11 Q. Did you, in fact, invalidate that bidder from that process  
12 at that time?

13 A. No, sir, I didn't because, again, this is new information  
14 for me. I mean, I'm just taking it, looking at it. I don't  
15 know if it's correct or not. I mean, I've got to give them 03:24:08  
16 their day in court as well. So I looked at it, thanked him,  
17 stuffed it back in the envelope, and we proceeded to move on  
18 with the auction.

19 Q. Now, give the ladies and gentlemen -- we're all used to  
20 living in little quarter acre lots and not having much of a 03:24:23  
21 backyard. Give them a sense of how much acreage is available  
22 and how -- how inexpensive it is in some ways to lease a huge  
23 amount of acreage on an annual basis?

24 A. The properties that we were offering that day would have  
25 been probably -- I don't know the exact figure but I would be 03:24:46

United States District Court

KEITH KUHLMAN - Direct

1 guessing that we were offering in the neighborhood of 60 to 03:24:50  
2 70,000 acres of land for bid. And, again, if a section of  
3 land, 640 acres, one mile square, well, you know, do you know  
4 the math on that one so you've got -- it's like 10 square  
5 miles, so think about that. And that's how big an area that we 03:25:13  
6 were offering.

7 Now, again, these aren't contiguous acres. They are  
8 kind of here's an area, here's an area, here's an area, and  
9 those areas are called ranch units and they are based upon the  
10 historic ranch unit that that -- that we've had for years and 03:25:29  
11 years.

12 Q. So in the Cimarron area, prior to this auction, what would  
13 be a fair average for per acre for leasing land of this type on  
14 an annual basis?

15 A. About \$3.50 to \$5 per acre. 03:25:51

16 Q. So for \$3.50 for the whole year I can have an acre of  
17 land, if I understand you?

18 A. That's correct. But we're not going to break it down in  
19 one-acre lots.

20 Q. I understand you. 03:26:04

21 Now, as the auction began, tell the jury what  
22 happened.

23 A. We, of course, started the auction. The main activity  
24 that took place that day were on leases that Mr. Parker bid on.  
25 And when I say Mr. Parker bid on them, Roy Young was actually 03:26:24

KEITH KUHLMAN - Direct

1 holder the bidder's card and was raising it up and down. 03:26:30

2 Mr. Parker was standing next to him. Next to him was Stan  
3 Manske, like Roy is in the middle and they were the book ends.

4 And Mr. Parker's leaning against the table like this  
5 (Indicating) and the bidding is proceeding. 03:26:44

6 The first property that was bid on by them I will --  
7 I just wanted to call it the Smith ranch because that's the  
8 area that the former lessee involved his deed of land. They  
9 bid on that --

10 Q. When you say "they," who is they? 03:27:06

11 A. I'm sorry. Cimarron River Ranch.

12 Q. Okay.

13 A. And were the successful bidder. Then there was another  
14 lease that went up and it went quite high and the crowd started  
15 getting very, very restless because the individuals that 03:27:22

16 Mr. Parker's group was bidding against, Cimarron River Ranch  
17 was bidding against, became extremely agitated. And keep in  
18 mind, too, folks, we have highway patrol troopers there and  
19 sheriff's deputies there just in the event that something crazy  
20 goes on. 03:27:41

21 Well, I was afraid that something crazy might go on  
22 at this one because the people were just getting really upset  
23 at the amount of bidding that was going on. The bidding  
24 continued and Mr. -- Cimarron River Ranch group stopped bidding  
25 and then the other individual -- 03:27:57

KEITH KUHLMAN - Direct

- 1 Q. On the second? 03:27:59
- 2 A. That's correct. And Bobby Apple, who was the lessee on  
3 there, got it back. We went ahead and moved on as quickly as  
4 we could because we didn't know if the crowd -- what they were  
5 going to do. And the next property that went up, it went up 03:28:11  
6 extremely high. It was probably the highest one in that area  
7 that I've ever seen. And, again, Cimarron River Ranch got that  
8 particular piece of property.
- 9 Then the final one which involved the Cimarron Trust  
10 Estates, which is -- excuse me, but the letter that was 03:28:27  
11 provided to me, that was the one that involved them. They bid  
12 on it. But it -- it went, you know, it went high. But it  
13 wasn't out of sight like the previous one.
- 14 Q. Give the jury a sense of sort of the dynamics of the  
15 auction room itself in the sense that where were a certain 03:28:46  
16 number of people and where was Mr. Parker, his attorney, and  
17 his ranch hand. Was there like a big divide between them?
- 18 A. Ironically, yes. I mean, say this is the front table.  
19 That's up here (Indicating). The auctioneer is crying the  
20 sale. We have chairs set up in front and there's people that 03:29:09  
21 are setting here but the majority of the crowd, it's ironic,  
22 were over here on this side (Indicating). And then over here  
23 was Mr. Parker and his group and that's how the room was set  
24 up.
- 25 Q. And were your marshals or sheriff's office having to 03:29:28

United States District Court



KEITH KUHLMAN - Direct

1 deal -- 03:29:33

2 A. The highway patrol troopers were on this side and the  
3 sheriff's deputies were in the back.

4 Q. It was a contentious auction?

5 A. Yes. 03:29:46

6 Q. In your years, have you ever seen a more contentious  
7 auction?

8 A. No. That was, by far, the worst one I've ever seen.

9 Q. Now, after the bidding occurred, what's the process that  
10 occurs? What happens after that and the biddings are all over 03:29:58  
11 and the winners do what at that point?

12 A. The successful bidders then come up to our back table  
13 area. They are given a receipt after they pay their 50 percent  
14 down. Then a contract is printed out with the name of the  
15 people and then they can either sign that contract if all 03:30:18  
16 participants are there or they can take that contract back with  
17 them and have the other -- say if there's a husband and wife on  
18 that lease --

19 Q. So they can return that later with all of the signatures?

20 A. Within a specified time on the lease. 03:30:38

21 Q. Now, as to Mr. James Parker, was he available immediately  
22 thereafter to begin this process of --

23 A. Mr. Parker was there, yes, James Parker, but Sam Parker  
24 was not there. They had to go get Sam.

25 Q. Who had to go get him? 03:30:56

United States District Court

KEITH KUHLMAN - Direct

1 A. I -- 03:30:59

2 Q. Did you see who left to go get him?

3 A. No, I do not know who left.

4 Q. How long of a time transpired between the time that the

5 auction ended and Sam Parker arrived? 03:31:10

6 A. I would say close to an hour. All of the people that were

7 there at the auction had already signed out. We had already

8 packed up most of the equipment that we take with us to conduct

9 the auctions and we were just standing around. We had already

10 folded up all the chairs and put them away and we were waiting 03:31:25

11 for him to show up.

12 Q. And as to the leases that were associated with Cimarron

13 River Ranch, did Samuel Parker sign those?

14 A. Yes. He did.

15 Q. Where was Mr. Parker in relation to Samuel Parker when 03:31:40

16 that process of signing was occurring?

17 A. I was standing in the back -- well, in the back, kind of

18 in the middle of the floor and was talking with the two highway

19 patrol troopers and turned around and was really getting

20 impatient that we needed to go to our next auction site 03:31:57

21 wondering, you know, if we were to show up and turned around

22 and here's Sam sitting at the table signing with Mr. Parker

23 over his right shoulder, pointing and instructing him what to

24 do.

25 Q. Now, you have in front of you some exhibits. Would you 03:32:19

United States District Court

KEITH KUHLMAN - Direct

1 start with Exhibit 157, please, and it's a certified record 03:32:25  
2 from the Commissioners Land Office.

3 MR. SEXTON: And we would offer it in at this time.

4 THE COURT: Any objection?

5 MR. MINNS: No. 03:32:48

6 THE COURT: It's admitted.

7 (Exhibit Number 157 was admitted into evidence.)

8 BY MR. SEXTON:

9 Q. If we could focus in the middle of this. Is this one of  
10 the leases that was executed that day? 03:33:02

11 A. Yes, sir, it is.

12 Q. Okay. Let's orient the jury here. Who is the lessee or  
13 the person leasing this property?

14 A. The lessee's name is Cimarron River Ranch, LLC.

15 Q. And then right beneath that is Samuel J. Parker as the 03:33:14  
16 manager?

17 A. That's correct.

18 Q. And what is the annual lease?

19 A. The annual rental on this particular contract is \$76,000.

20 Q. To begin roughly January of 2006? 03:33:27

21 A. January 1, 2006, and expires December 31, 2010.

22 Q. And then right next to the "expires" is the overall cost  
23 of this contract over the next five years?

24 A. That's correct. The contract run is just taking the  
25 76,000 and multiplying that by five and that's \$380,000. 03:33:45

United States District Court

KEITH KUHLMAN - Direct

1 Q. Go to page five of this. When I say page five, your 03:33:55  
2 document may say four of nine, but look in the lower right-hand  
3 corner. It has sort of a Bates stamp right at the bottom. I'm  
4 looking at the page that has -- you can see the screen there to  
5 give you some orientation. It's where the provisions 3.7, 3.9, 03:34:07  
6 3.10. Do you see those?

7 Would you explain to the jury the notion of whether  
8 subleasing of school land is generally allowed or not?

9 A. Subleasing is actually prohibited by statute. And the way  
10 we handle those situations is that -- and we run into them 03:34:30  
11 periodically throughout the year. I mean, it just happens.  
12 And what we do is we contact the people that are involved and  
13 we say, you know, "Look. We found that you're subleasing. The  
14 way to rectify this is that you need to put your name on the  
15 lease contract with them." And if they do that, then we've 03:34:48  
16 solved the subleasing situation. We no longer have to worry  
17 about going to court, litigation or anything like that, but now  
18 you've got a legitimate lessee on that property as well.

19 Q. And then from the standpoint of when a person now is  
20 leasing property and they make improvements to the property and 03:35:09  
21 let's say they subsequently lose the right to lease that. They  
22 don't win the next round of bidding five years later, what  
23 happens or what choices do they have as to any improvements  
24 they have made to the land during the time they were leasing  
25 it? 03:35:26

United States District Court

KEITH KUHLMAN - Direct

1 A. Typically, any improvements that are on the land -- and 03:35:28  
2 that is typically fences. I mean that's the biggest thing that  
3 most people have out there. There may be a windmill. Anything  
4 that -- like a water well or a pond or anything is actually  
5 owned by the state because it's part of the real estate. But 03:35:43  
6 any fences, personal property, those type of things, they can  
7 sell those to the incoming lessee. They don't have to but it's  
8 at their price, whatever they negotiate out. It's their  
9 business, not ours. So that's the way that is handled.

10 If they don't reach an agreement with selling those 03:36:00  
11 improvements, they have to remove them or they can abandon them  
12 in place; and if we feel like that they are an asset to the  
13 trust, then we will accept those. If not, we will clean them  
14 up for them and charge them for the cost of the cleanup of  
15 those improvements. 03:36:19

16 Q. And if you would turn to page nine, sir, and is that the  
17 signature page up at the top there with what looks to be Sam  
18 Parker signing as the manager?

19 A. Actually, I have it on page eight.

20 Q. Of your document. Okay. Go ahead. 03:36:39

21 A. Yes. On page eight. This is the signature page for this  
22 contract?

23 Q. And then, finally, if you look at the lower right-hand  
24 corner, you'll see on page 11 is the description of what is the  
25 leased land? 03:36:56

United States District Court

KEITH KUHLMAN - Direct

1 A. Correct. That is the actual legal description of this 03:36:59  
2 property.  
3 Q. Now, if you look at Exhibit 582 in conjunction with what  
4 you have, is that a grid map of Cimarron ranch for the leases  
5 in question here that have been prepared for illustration today 03:37:12  
6 as to what happened at the auction?  
7 A. Pardon me. Which exhibit?  
8 Q. I'm sorry. I'm ahead of you. It's 582.  
9 A. Okay.  
10 Q. It should be a color map. 03:37:28  
11 A. Yes.  
12 Q. Is that something that you have prepared to sort of  
13 illustrate the various leases in question as it relates to  
14 Cimarron River Ranch?  
15 A. That is correct. 03:37:41  
16 MR. SEXTON: I would offer Exhibit 582 into evidence.  
17 MR. MINNS: No objection, Your Honor.  
18 THE COURT: It's admitted.  
19 (Exhibit Number 582 was admitted into evidence.)  
20 BY MR. SEXTON: 03:37:51  
21 Q. Now, sir, looking back on page 11 of Exhibit 157, is there  
22 a way you could use this color map and give them a sense of  
23 what is being leased in the map that you have there?  
24 A. Okay. Exhibit A, which we're looking at on that  
25 particular contract, it's a five-year ranch unit number six and 03:38:10

United States District Court

KEITH KUHLMAN - Direct

1 the contract number is 7504. The lease numbers, which 03:38:14  
2 designate which trust funds these properties are owned by, is  
3 the 102013. And if you will look in --

4 Can I point this, guys?

5 This right here, if you will look at the bright red 03:38:34  
6 square, that's lease number 102013. That's a section of land.  
7 That's the 640 acres.

8 Then if you look at the 205447, that is -- there will  
9 be a section 13. I need to orient myself. You can barely see  
10 it. 03:39:03

11 THE COURT: You can actually see it on the screen.

12 THE WITNESS: Hey.

13 BY MR. SEXTON:

14 Q. Do that again, what you just highlighted.

15 A. Okay. We're on 205447. 03:39:13

16 Q. Actually -- okay. Which one do you want to do?

17 A. 205447. It's not an Easter egg hunt. It's green. It's  
18 not designated but you can see the pencil writing on there.

19 Yes. Very good. It says 13. You'll see it where it says 13.

20 That is that 205447 lease and then the remaining ranch unit is 03:39:38

21 613241 and that, of course, is the big green area that you can

22 see all through there. It's actually got that -- if you'll see

23 the yellow area that is divided and that green, that is deeded

24 land. That is when we say that how deeded land cuts the place

25 up. That is where that deeded land is. 03:40:04

United States District Court

KEITH KUHLMAN - Direct

1 Q. Let's make it a little simpler. Let's pull back from the 03:40:08  
2 close-in here.

3 As far as Mr. Parker, Cimarron Ranch, what is -- give  
4 the jury the color coding of the areas that are under lease by  
5 him. 03:40:26

6 A. Okay.

7 These are actually four separate ranch units. The  
8 first is the -- involves the 613139.

9 Q. That's the big kind of purplish area on the left-hand  
10 side? 03:40:42

11 A. Right. That is by his ranch headquarters. That  
12 particular property is approximately 5,000 acres in extent.  
13 That one, I don't recall exactly how much that one leased  
14 for --

15 Q. We may get to it in a second. I just want you to orient 03:40:58  
16 the jury, just generally speaking, when they are looking at the  
17 color and on this exhibit, what's land leased to Mr. Parker?

18 A. Right. Actually, all of the --

19 MR. MINNS: Excuse me. Pardon me.

20 Your Honor, the witness has always consistently 03:41:14  
21 testified the land is leased to Cimarron River Ranch. So the  
22 government has been leading him to say Mr. Parker.

23 THE COURT: Well, when you hear leading, you make the  
24 objection, Mr. Minns. And if I find it's leading, I'll sustain  
25 it. 03:41:32



KEITH KUHLMAN - Direct

1 MR. MINNS: I make the objection, leading as -- 03:41:33

2 THE COURT: All right. It's sustained.

3 MR. MINNS: And ask for instructions that the  
4 statement be stricken.

5 THE COURT: And the last statement is stricken. 03:41:40

6 BY MR. SEXTON:

7 Q. As to Cimarron River Ranch leases that we just saw, the  
8 first one that was signed by Sam Parker, would you answer the  
9 question as to which are the leased school areas associated  
10 with Cimarron River Ranch? 03:41:57

11 A. Okay. All of the areas that are color coded and, again,  
12 we went over the one just a little bit ago with the green and  
13 the reds and so forth. Right next to that is another ranch  
14 area that's a ranch unit, which is the 307198, and then south  
15 of that is another block of land in approximately 4,000 acres 03:42:27  
16 which has, looks like, some purple, pink, green and yellow and  
17 all of that is leased to Cimarron River Ranch -- or was.

18 Q. Any others?

19 A. And, again, back up to where your original arrow was on  
20 the 613139, the area just south of that, that is also a lease 03:42:52  
21 area for Cimarron River Ranch.

22 Q. Okay.

23 Do the arrows generally reflect the areas that were  
24 leased by Cimarron River Ranch?

25 A. That's correct. 03:43:06

KEITH KUHLMAN - Direct

1 Q. Would you look at Exhibit 158? 03:43:08

2 MR. SEXTON: I would move 158 into evidence as

3 another certified lease record.

4 MR. MINNS: No objection, Your Honor.

5 THE COURT: It's admitted. 03:43:22

6 (Exhibit Number 158 was admitted into evidence.)

7 BY MR. SEXTON:

8 Q. We can go through this fairly quickly. This is another

9 one that was leased by Cimarron River Ranch as far as the

10 lessee indicating it's Samuel Parker as the manager? 03:43:32

11 A. Yes, sir.

12 Q. What is the amount of the annual rent and the total

13 contract rent?

14 A. For contract number 7505, it's \$73,000 per year for a

15 total contract rent of \$365,000. 03:43:52

16 Q. And just looking on page nine, is it signed by Sam Parker?

17 Appears to be.

18 A. On my page eight, yes, it's signed by Sam Parker.

19 Q. Okay. Exhibit 159, if you would look at that one, sir,

20 next. 03:44:15

21 MR. SEXTON: I would offer that in as a certified

22 lease as well.

23 MR. MINNS: No objection, Your Honor.

24 THE COURT: It's admitted.

25 (Exhibit Number 159 was admitted into evidence.) 03:44:20

United States District Court

KEITH KUHLMAN - Direct

1 BY MR. SEXTON: 03:44:27

2 Q. Another Cimarron River Ranch lease?

3 A. Yes, sir. This is contract number 7506. The annual  
4 rental is \$89,000. The contract rent is \$445,000.

5 Q. Exhibit 155. 03:44:49

6 MR. SEXTON: I would move that in.

7 MR. MINNS: No objection, Your Honor.

8 THE COURT: It's admitted.

9 (Exhibit Number 155 was admitted into evidence.)

10 THE WITNESS: This is contract number 8090. The 03:44:58  
11 annual rental is \$5,000 with a contract rental of \$25,000 with  
12 the name of Cimarron River Ranch, LLC.

13 MR. SEXTON: 156. I offer that into evidence as  
14 well.

15 MR. MINNS: No objection, Your Honor. 03:45:15

16 THE COURT: It's admitted.

17 (Exhibit Number 156 was admitted into evidence.)

18 A. This is lease number 307093, contract number 8091. Annual  
19 rental on it is \$1600 with a contract rental of \$8,000 to  
20 Cimarron River Ranch, LLC. 03:45:40

21 Q. Overall, approximately how many acres of lease land did  
22 Cimarron River Ranch enter into leases?

23 A. At that point in time, Cimarron River Ranch had  
24 approximately 24,000 acres of leased land.

25 Q. Now, after this auction, did you ever have another contact 03:46:11

United States District Court

KEITH KUHLMAN - Direct

1 with Mr. James Parker? 03:46:15

2 A. Yes, on a few more occasions.

3 Q. When was the next time that you can recall after this

4 auction? And the auction was October 11, 2005?

5 A. Again, I don't have an exact date but the next meeting 03:46:26

6 that I had with Mr. Parker was at his attorney's office, Stan

7 Manske's office, in January, February, something like that, of

8 2006. Present at that meeting were Jay Clark, my field man;

9 myself; Stan Manske; and Roy Young.

10 Q. And what did you and Mr. Parker talk about at this 03:46:55

11 meeting?

12 A. In general, that meeting was about establishing some --

13 MR. MINNS: Excuse me. Objection, Your Honor. He

14 said what did you and Mr. Parker talk about. He said in

15 general what was discussed. So the discussion is -- 03:47:10

16 THE COURT: Well, I'm not so sure. You can maybe

17 rephrase, make sure that it is not hearsay.

18 MR. SEXTON: Yes.

19 BY MR. SEXTON:

20 Q. What I'm looking for is what you said to Mr. Parker or 03:47:23

21 Mr. Parker said to you at this time. Don't tell me anything

22 that any of the other participants may have said at this

23 meeting. Do you understand?

24 A. Sure.

25 Q. So now as to you and Mr. Parker, what did you and he talk 03:47:36

United States District Court

KEITH KUHLMAN - Direct

1 about? 03:47:42

2 A. Our discussion was about fencing and also laying out where

3 the deeded land boundaries were.

4 Q. In this discussion, was there any discussion at all about

5 any of his other properties outside of the state of Oklahoma? 03:47:57

6 A. Yes, sir. Actually, Mr. Parker had a real estate brochure

7 at that meeting showing that he was getting ready to sell his

8 house here in Phoenix, the Phoenix area, Carefree, Arizona, and

9 showed that to me.

10 Q. Did he in any way express to you that he was the owner of 03:48:23

11 that house at this meeting?

12 A. Yes. He said he was selling his house. He had it offered

13 for sale.

14 Q. Was there any discussion as to why he was selling it for

15 sale? 03:48:35

16 A. He was moving to Amarillo. He had -- I believe he had

17 already bought a home there or was in the process of buying a

18 home in Amarillo, Texas.

19 Q. And the brochures that you were looking at, describe it

20 for the jury and the Court. 03:48:54

21 A. It was a very nice real estate brochure that showed

22 pictures of Mr. Parker's house and it was a beautiful home, one

23 of the most beautiful homes I've ever seen.

24 Q. Other than talking about that and the fencing issues you

25 talked about, was there anything else that you recall having 03:49:17

United States District Court

KEITH KUHLMAN - Direct

1 been discussed at this meeting in Mr. Manske's office? 03:49:22

2 A. No. That was about the extent of it.

3 Q. When was the next time, if any, that you had a  
4 conversation either over the phone or in person with  
5 Mr. Parker? 03:49:35

6 A. We had a situation on one of the ranch units that Mr. --  
7 that Cimarron River Ranch had leased.

8 Q. Before you get into it, approximately what period are we  
9 talking about here? What year?

10 A. This would have been in March of 2006. Cimarron River 03:49:53

11 Ranch had placed livestock on one of the ranch units that they  
12 had got at auction. We had gone out and surveyed the deeded  
13 land area. The ranch manager had erected an electric fence  
14 around these deeded land areas, and I don't think he actually  
15 knew how to set up an electric fence very good because it 03:50:21

16 didn't work and the livestock were getting over on these deeded  
17 lands. And the deeded land owner who Mr. Parker had just  
18 outbid for these properties was very upset, contacted us, was  
19 going to call the sheriff, have the livestock impounded for  
20 trespassing. So I contacted Mr. Manske originally and then 03:50:38  
21 Mr. Parker contacted me after I told him that there was a  
22 complaint filed or could be filed for the cattle to be removed.

23 Mr. Parker was very responsive. He was out there  
24 literally within hours to try and rectify that situation. He  
25 was fairly upset himself because he didn't want this rancher 03:51:05

United States District Court

KEITH KUHLMAN - Direct

1 going on that leased property to get to their deeded land but, 03:51:08  
2 again, you have to remember, everybody's land is intermingled.  
3 You can't just seal somebody off. So, you know, we were trying  
4 to be good neighbors to everybody and so brought -- you know,  
5 came to the conclusion on it I was very appreciative of 03:51:27  
6 Mr. Parker being out there that soon to help rectify that  
7 situation. The cattle were taken off that deeded land.  
8 Q. Other than that, was there anything more about this  
9 particular contact with Mr. Parker?  
10 A. We discussed -- we were in the process of working on a 03:51:42  
11 land exchange with that particular deeded land owner. There  
12 was an isolated 40 acres that was completely away from this  
13 property that was included with that lease and we were trying  
14 to get -- trade that for a piece of this deed land that was  
15 fenced out so that they would have more grazing acres there 03:51:59  
16 available for the livestock. So, that was --  
17 Q. That was part of your conversation?  
18 A. Yes.  
19 Q. After this contact, do you recall any other contacts you  
20 had either by phone or in person with Mr. Parker? 03:52:13  
21 A. Yes. We had -- okay. Let's see here. I'm kind of  
22 drawing a blank at this point in time. Yes, we had several  
23 other conversations.  
24 Q. Well, were there any conversations regarding the condition  
25 of his cattle? 03:52:35

United States District Court

KEITH KUHLMAN - Direct

1 A. Yes. Unfortunately, we had a horrible blizzard -- 03:52:40

2 Q. Orient the jury as to when?

3 A. This is probably in February of 2007.

4 We had a horrible blizzard in the Panhandle of  
5 Oklahoma, one of these, you know, early -- or late winter ones, 03:52:56  
6 and I mean dumped 16, 18 inches of snow on us and so it was  
7 just a bad situation for anybody that owned.

8 We were in the process of working on another land  
9 exchange that Mr. Parker's -- adjacent to some of Mr. Parker's  
10 lease land again so we could consolidate his acres and get some 03:53:20  
11 deeded land out of there so there wouldn't be any trespass  
12 issues. I had reports given to me that the livestock on --  
13 Mr. Parker's livestock or Cimarron River Ranch's livestock that  
14 was on the property were in horrible shape and that they were  
15 going to be reported to the sheriff for inhumane treatment. 03:53:40

16 Again, as I said, we're under the microscope out  
17 there. So I made the effort to contact Stan Manske, his  
18 lawyer, who is also the Assistant District Attorney for  
19 Cimarron County, so it would have been ironic if he would have  
20 had to prosecute his own client for inhumane abuse of cattle. 03:54:01

21 So I gave him the heads-up on that and told him he  
22 really needs to get that checked out. And could he get with  
23 Mr. Parker and do that.

24 Mr. Parker, again, was fairly responsive on that. He  
25 got back with me within a couple of weeks. He made a trip out 03:54:23

United States District Court



KEITH KUHLMAN - Direct

1 to the ranch with his ranch -- with his ranch manager, Roy 03:54:25  
2 Young, and actually was very defensive about Roy.

3 He said, "You know, there's nothing wrong with my  
4 livestock. They are fine. I don't know what you people are  
5 looking at." And he defended Roy and his -- he said, "They are 03:54:42  
6 well-fed cattle," et cetera.

7 I just iterated to Mr. Parker that, again, there's --  
8 he needs to get the cattle fed because if not, they are going  
9 to get turned in and I believe they started feeding them  
10 probably right after that phone call to Mr. Manske, in a lot 03:55:02  
11 better condition.

12 Q. And at this time, was there any question about lease  
13 payments that you raised with Mr. Parker?

14 A. Yeah. We also discussed the land exchange at that point  
15 in time and what we were trying to do to consolidate it. The 03:55:18  
16 gentleman that owned the deeded land, his name is George  
17 Wilson, and he was getting very, very frustrated with Cimarron  
18 River Ranch's cattle trespassing on his deeded land. He was  
19 more than frustrated. He was downright angry about it.  
20 Because that's his livestock feed they are eating. So he's not 03:55:34  
21 happy.

22 So I was telling him about that and also that, "By  
23 the way, you guys haven't paid your rent. Are you going to pay  
24 your rent?"

25 Well, that kind of upset him because he said, "No, 03:55:48

United States District Court

KEITH KUHLMAN - Direct

1 that can't be right. You know, I deposit money into the ranch 03:55:51  
2 account and Roy Young is supposed to send that in and pay for  
3 it. So I'll it get checked out and get that settled." And  
4 they did. They sent in the rental income within probably 30  
5 days. 03:56:07

6 Q. From the standpoint of the leases, did there come a time  
7 when Cimarron River Ranch did not continue to pay for some of  
8 the leases that they had won at auction?

9 A. Right. Because of the land exchanges that we had done on  
10 a couple of the ranch units, Mr. Parker claimed that that, in 03:56:25  
11 essence, was a sale of the property and so, therefore, he had a  
12 right under the contract to terminate the lease. Of course our  
13 position was that these were exchanged lands. We did nothing  
14 but take an acre for an acre and made his place better, so that  
15 resulted in litigation and he refused to pay the rental on two 03:56:47  
16 of the ranch units, three of the ranch units.

17 Q. Is that litigation still ongoing?

18 A. It is. It is still ongoing.

19 Q. And in this process, we talked earlier, was there a  
20 sheriff's sale that was conducted on some of the leased 03:57:08  
21 properties in order to make good on some of the leasehold  
22 improvements?

23 A. Initially our office was granted summary judgment against  
24 Mr. Parker for nonpayment of rent and then for Mr. Parker to  
25 have the ability to be appeal, he had to place a bond on the 03:57:30

KEITH KUHLMAN - Direct

1 property.

03:57:34

2 MR. MINNS: Excuse me, Your Honor. There's --  
3 Mr. Parker is not a party to that lawsuit. I object to the  
4 witness testifying that there's a judgment against Mr. Parker  
5 when there's a judgment against Cimarron River Ranch.

03:57:47

6 THE COURT: Well, hold on for a second. I take it  
7 your objection is hearsay. I will sustain the objection on a  
8 hearsay basis.

9 And, ladies and gentlemen, you are to ignore the last  
10 answer to the last question.

03:58:02

11 BY MR. SEXTON:

12 Q. Was a sheriff's sale done on some of the leased property?

13 A. Yes, and also some of Cimarron River Ranch's deeded  
14 property.

15 Q. And approximately when did that occur?

03:58:17

16 A. April of 2010.

17 THE COURT: All right. Mr. Sexton, we'll stop here  
18 for the day. As you know, we are concluding today at 4 o'clock  
19 and we will see you here tomorrow and we'll start at 8:30.

20 We are adjourned for the day.

03:58:37

21 (Jury departs.)

22 (Whereupon, these proceedings recessed at 3:59 p.m.)

23 \* \* \* \* \*

24

25

KEITH KUHLMAN - Direct

C E R T I F I C A T E

03:59:18

1  
2  
3 I, ELAINE M. CROPPER, do hereby certify that I am  
4 duly appointed and qualified to act as Official Court Reporter  
5 for the United States District Court for the District of  
6 Arizona.

03:59:18

7  
8 I FURTHER CERTIFY that the foregoing pages constitute  
9 a full, true, and accurate transcript of all of that portion of  
10 the proceedings contained herein, had in the above-entitled  
11 cause on the date specified therein, and that said transcript  
12 was prepared under my direction and control, and to the best of  
13 my ability.

03:59:18

14  
15 DATED at Phoenix, Arizona, this 5th day of August,  
16 2012.

03:59:18

17  
18  
19  
20 s/Elaine M. Cropper

03:59:18

21 \_\_\_\_\_  
22 Elaine M. Cropper, RDR, CRR, CCP  
23  
24  
25

United States District Court