



U.S. Department of Justice

*United States Attorney
Eastern District of Arkansas*

FOR IMMEDIATE RELEASE
June 14, 2010

**CONTACT: Jane W. Duke
United States Attorney
501-340-2600**

**FORMER TULSA POLICE DEPARTMENT OFFICER WAIVES
INDICTMENT AND PLEADS
GUILTY TO THEFT OF GOVERNMENT FUNDS**

Little Rock—Jane W. Duke, United States Attorney for the Eastern District of Arkansas; James E. Finch, Special Agent in Charge, Federal Bureau of Investigation (FBI), Oklahoma City Division; and Wayne D. Beaman, Special Agent in Charge, Department of Justice - Office of Inspector General, Dallas Field Office, announced today that John K. Gray a/k/a J.J. Gray waived indictment and entered a plea of guilty to a single count of theft of United States funds. Gray's guilty plea stems from a federal investigation into police corruption in the Northern District of Oklahoma.

During today's proceedings before United States Magistrate Judge T. Lane Wilson, Gray acknowledged his participation in the theft of over \$1,000 of government funds that were used in an undercover sting operation in May 2009. In agreeing to the United States' detailed factual statement, Gray acknowledged that in April 2009, through a cooperating witness with whom he had a pre-existing relationship, he received information about a purported drug dealer distributing pound quantities of methamphetamine from hotel rooms in Tulsa. By utilizing this information from his cooperating witness, Gray believed that he had the opportunity to intercept this large-scale drug dealer. In actuality, the drug dealer was an undercover FBI agent and the cooperating witness was working with the federal authorities investigating police corruption. In both personal meetings and

phone conversations occurring on various dates in April and May 2009, Gray repeatedly expressed interest in having the cooperating witness provide Gray with information about the purported drug dealer's whereabouts when the drug dealer was next in Tulsa.

On or about May 13, 2009, the cooperating witness, under direction of federal authorities, made contact with Gray and told Gray that the purported drug dealer would be coming to Tulsa within the next week. Gray told the cooperating witness to keep him posted on the situation with this drug dealer. On May 18, 2009, federal authorities staged a hotel room sting at the Super 8 Motel on East Archer in Tulsa, Oklahoma utilizing the undercover agent and the cooperating witness. The room was equipped with audio and video recording equipment and was monitored by federal agents in another room. Physical surveillance was conducted by federal agents at various points outside the hotel. The room itself was staged with \$13,000 in Department of Justice funds, which were placed in two separate locations inside the room.

Based on information provided to Gray by the cooperating witness on May 18, 2009, TPD officers JJ Gray, Harold Wells, Nick DeBruin, Bruce Bonham, John McDowell, and Eric Hill all went to the hotel where the undercover agent was staying. The officers all believed the undercover agent either had drugs and/or money inside the hotel room based on information provided by the cooperating witness. At the hotel, the officers took the undercover agent into custody. The undercover agent then gave the officers consent to search the undercover agent's hotel room. Wells and Gray went in to search the room and the video recording shows Gray, on two separate occasions during the search of the room, placing a portion of the cash into his back pants pocket. During the search, Gray contacted the cooperating witness and reported that he had discovered \$8,000 cash in the room, as opposed to the total of \$13,000 actually found.

The money that was taken during the search of the hotel room was divided among some of the officers present, including Officers Gray, DeBruin, Bonham, and Wells. However, after finding the cash in the hotel room, other TPD officers stationed outside the hotel room located a DOJ-OIG agent on surveillance. Upon learning of the discovery of the OIG agent, Gray, Wells and the other TPD officers became suspicious that the situation may be a sting operation. As a result of this suspicion, the money that had previously been taken by the officers was accumulated

later that evening and combined with the rest that had been turned in from the hotel room. Eventually, all funds were reported by the officers and turned into TPD.

Gray faces a potential sentence of up to 10 years imprisonment and a fine of up to \$250,000.

This case was investigated by agents of the Federal Bureau of Investigation and the Department of Justice - Office of Inspector General. The United States Attorney's Office for the Eastern District of Arkansas was appointed by the Department of Justice to handle this matter upon the recusal of the United States Attorney's Office for the Northern District of Oklahoma. The case is being prosecuted by United States Attorney Jane Duke, Assistant United States Attorney Patrick Harris, and Assistant United States Attorney Patricia Harris.

Gray's sentencing is scheduled for October 26, 2010 before United States District Judge James H. Payne. He remains free on a \$5,000 personal appearance bond.

Duke noted that the investigation is ongoing and additional charges and/or defendants are certainly possible.

#