

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF LOUISIANA

UNITED STATES OF AMERICA	*	CRIMINAL NO. 18-051
v.	*	SECTION: "M"
STEVEN DUNCAN	*	
a/k/a "Guppy"	*	
	*	
	*	
	*	

FACTUAL BASIS

The above-named defendant, **STEVEN DUNCAN**, a/k/a "Guppy," has agreed to plead guilty to Count One of the Third Superseding Indictment, in which he is charged with conspiracy to distribute and possess with the intent to distribute one kilogram or more of heroin. Should this matter have proceeded to trial, the United States of America would have proven beyond a reasonable doubt, through the introduction of relevant, competent, and admissible testimonial, physical and demonstrative evidence, the following facts to support the allegation against defendant **STEVEN DUNCAN ("DUNCAN")**:

*Background*

The Federal Bureau of Investigation ("FBI") and Drug Enforcement Administration ("DEA") have been conducting a long-term narcotics trafficking investigation involving a drug trafficking organization with ties to the New Orleans area. During the course of that investigation, FBI and DEA learned that ALEXANDER MURIEL-DIAZ ("MURIEL-DIAZ"), and his brother, JUAN CARLOS MOSQUERA-AMARI ("MOSQUERA-AMARI"), received kilogram-quantities of heroin from sources of supply in Houston, Texas, including from JAVIER CONTRERAS-CASTILLO ("CONTRERAS-CASTILLO"), CARLOS ALBERTO GONZALEZ

AUSA	<u>JS</u>
Defendant	<u>SD</u>
Defense Counsel	<u>Ry</u>

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VALENCIA (“VALENCIA”) and Harvey VICTORIA-CUELLAR (“VICTORIA-CUELLAR”). MURIEL-DIAZ and MOSQUERA-AMARI then re-sold the heroin to others, including **DUNCAN**.

During the course of the investigation, the DEA and FBI utilized various investigative techniques, including wiretapping orders. Those orders authorized wiretapping over telephones utilized by MOSQUERA-AMARI, RAMOS, and MURIEL-DIAZ, including telephone number (347) 856-1822 (“RAMOS’s Phone”), (347) 574-0426 (“MOSQUERA-AMARI’s Phone”), and (832) 384-2362 (“MURIEL-DIAZ’s Phone”).<sup>1</sup> Through intercepted calls and other investigative techniques, agents identified additional phone numbers, including telephone number (347) 515-5248, (“MOSQUERA-AMARI’s Phone #2”), telephone assigned number (347) 601-5283 (“MOSQUERA-AMARI’s Phone #3”), and telephone number (346) 901-9992 (“VICTORIA-CUELLAR’s Phone”).

***DUNCAN and MURIEL-DIAZ Engaged in a Heroin Transaction***

During the course of this conspiracy, MOSQUERA-AMARI introduced MURIEL-DIAZ to Steven **DUNCAN** (“**DUNCAN**”). MURIEL-DIAZ arranged to supply **DUNCAN** with heroin.

On February 18, 2018, MURIEL-DIAZ traveled from Houston to New Orleans to meet with **DUNCAN** to receive a quantity of money in exchange for heroin. Electronic location information for MURIEL-DIAZ’s Phone indicated that MURIEL-DIAZ traveled from Houston to the Upper Level Bar and Lounge, located at 1901 N. Claiborne Ave., New Orleans, Louisiana.

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<sup>1</sup> Many of these conversations were conducted in Spanish, and were subsequently translated and summarized by members of the investigative team that were fluent in English and Spanish. Where described in this factual basis, the English translation of the original Spanish conversations are provided. Moreover, the quotations are from the summaries of the original conversations, and are not necessarily exact word-for-word translations of the original Spanish conversations.

**DUNCAN** was the registered agent of Another Level Bar & Grill LLC. During this meeting, **DUNCAN** and MURIEL-DIAZ discussed an upcoming heroin transaction. Subsequent intercepted calls revealed that MURIEL-DIAZ expected to receive approximately \$43,000 from **DUNCAN**, but only received approximately \$41,309.

On February 19, 2018, at approximately 9:52 a.m., MURIEL-DIAZ, utilizing MURIEL-DIAZ's Phone, received an incoming call from VALENCIA, utilizing a phone assigned number (346) 204-2029 ("VALENCIA's Phone"). During that conversation, VALENCIA said, "What was I going to tell you? Tell the buddy." MURIEL-DIAZ said, "Yes." VALENCIA stated, "That it was forty one, okay?" MURIEL-DIAZ said, "Oh, okay." VALENCIA said, "Tell him, he told me it was forty three but it was forty one." MURIEL-DIAZ said, "Oh." VALENCIA said, "Unless he [U/I] over there. To see if, if there's something over there. But it's forty one with thirty nine dollars. Okay?" MURIEL-DIAZ asked, "Okay, so are you going to be around there today?" VALENCIA said, "Yes."

At trial, an agent would testify that, during the aforementioned call, VALENCIA and MURIEL-DIAZ discussed money that MURIEL-DIAZ had received from **DUNCAN**. An agent would testify that narcotics traffickers truncate the terminal zeros for dollar amounts when discussing narcotics proceeds, and therefore, when VALENCIA said, "forty one," he was referring to \$41,000. An agent would further testify that, when VALENCIA said, "he told me it was forty three but it was forty one," he was telling MURIEL-DIAZ that **DUNCAN** had not provided \$43,000 as agreed upon, but only \$41,000. An agents would further testify that, in his training and experience, that price is consistent with the wholesale price of one kilogram of heroin in Houston.

Subsequently, on February 19, 2018, at approximately 1:49 p.m., MURIEL DIAZ, using MURIEL-DIAZ's Phone, placed an outgoing call to **DUNCAN**, using a telephone assigned number (504) 451-6316 ("**DUNCAN**'s Phone"). During that conversation, MURIEL-DIAZ said, "Everything looks all good, but everything was forty one, three 'o nine." **DUNCAN** said, "Oh." MURIEL-DIAZ said "Yeah, forty one three 'o nine." **DUNCAN** said, "Alright." MURIEL-DIAZ said, "Check, check, check everything okay? Check everything right." **DUNCAN** said, "Alright." MURIEL-DIAZ said, "Yeah, I'm going to try, I'm going to try to see you, okay? I'm going to try to make something happen."

At trial, an agent would testify that this telephone call refers to the prior telephone call between VALENCIA and MURIEL-DIAZ. Specifically, MURIEL-DIAZ was informing **DUNCAN** that **DUNCAN** had paid \$41,309 instead of the full \$43,000, as agreed. In addition, when MURIEL-DIAZ said he was going to "try to make something happen," he was telling **DUNCAN** that he would try to complete the transaction.

Later that day, at approximately 2:00 p.m., MURIEL-DIAZ, using MURIEL-DIAZ's Phone, placed an outgoing call to **DUNCAN**, using **DUNCAN**'s Phone. During the conversation, MURIEL-DIAZ said, "It's only, it's only seven hundred missing, okay? We found." **DUNCAN** said, "Yeah." MURIEL-DIAZ said, "We found something. It was loose." **DUNCAN** said, "Okay. Alright." An agent would testify that, during this call, MURIEL-DIAZ was informing **DUNCAN** that MURIEL-DIAZ had found an additional quantity of money, and that **DUNCAN** was short only \$700 from the original \$43,000.

On February 27, 2018, members of the investigative team observed MURIEL-DIAZ and VALENCIA arrive at the Upper Level Bar and Lounge in a Toyota Highlander, registered to

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MURIEL-DIAZ. Subsequently, MURIEL-DIAZ went into the Upper Level Bar and Lounge. VALENCIA exited the vehicle but did not enter the bar initially. A short time later, MURIEL-DIAZ exited the bar, and VALENCIA and MURIEL-DIAZ entered the bar together, where they stayed for several minutes.

Subsequently, MURIEL-DIAZ, VALENCIA, and a third individual, JONATHAN ARROYO, exited the bar. ARROYO was carrying a backpack. At that time, all three individuals got into the Highlander, and drove away. Members of the investigative team stopped the Highlander and detained all three individuals. MURIEL-DIAZ provided consent to search the Highlander. Members of the investigative team seized two packages of bundled U.S. currency from inside the vehicle, containing several thousand dollars.


At the time of the stop of the Highlander, **DUNCAN** exited the bar and fled from law enforcement on foot. Members of the team apprehended **DUNCAN** shortly thereafter. **DUNCAN** then gave consent to search the Upper Level Bar. During the search of the bar, members of the team seized several cellphones from a hidden location inside the bar, including **DUNCAN**'s Phone.

If this case had proceeded to trial, a Cooperating Defendant would testify that MURIEL-DIAZ had brokered a deal to sell one kilogram of heroin to **DUNCAN** in exchange for approximately \$43,000.

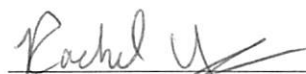
The Government and **DUNCAN** agree and stipulate for the purposes of sentencing that the Government could prove that **DUNCAN** was responsible for one kilogram or more of heroin that were distributed during the course of the conspiracy as a result of his own direct conduct and the reasonably foreseeable conduct of his co-conspirators in furtherance of the conspiracy.

This proffer of evidence is not intended to constitute a complete statement of all facts known by **DUNCAN**, but rather is a minimum statement of facts intended to prove the necessary factual predicate for the guilty plea. The limited purpose of this proffer is to demonstrate that there exists a sufficient legal and factual basis for **DUNCAN**'s plea of guilty to these crimes.

READ AND APPROVED:

  
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MARIA M. CARBONI  
JONATHAN L. SHIH  
Assistant United States Attorneys

11/14/19  
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(Date)

  
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RACHEL YAZBECK, ESQ.  
Attorney for Defendant

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STEVEN DUNCAN  
Defendant

11/14/19  
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