

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA**

UNITED STATES OF AMERICA	*	CRIMINAL NO.: 14-297
v.	*	SECTION: "R"
MICHEGEL BUTLER	*	VIOLATION: 18 U.S.C. § 371
	*	
*	*	*

FACTUAL BASIS

Defendant, **MICHEGEL BUTLER**, ("**BUTLER**"), has agreed to plead guilty to Count One of the Superseding Bill of Information, charging him with one count of conspiracy to commit wire fraud, in violation of 18 U.S.C. § 371. Should this matter have gone to trial, the government would have proven, beyond a reasonable doubt, through the introduction of competent testimony and admissible, tangible exhibits, including the testimony of Special Agents of the United States Secret Service, Postal Inspectors of the United States Postal Inspection Service and employees of the Gulf Coast Claims Facility ("**GCCF**") and others, the following facts, to support the allegations charged in the Superseding Bill of Information now pending against the defendant, **MICHEGEL BUTLER**.

On April 20, 2010, an explosion and fire occurred on the Deepwater Horizon, an oil rig in the Gulf of Mexico where British Petroleum ("**BP**") had been drilling a well. An employee of the GCCF would testify that between May 1, 2010 and August 23, 2010, BP administered and settled claims on its own as a result of the Deepwater Horizon oil spill. Commencing on and after August 23, 2010, BP established the GCCF for the purposes of administering, mediating, and settling certain claims of individuals and businesses for losses incurred as a result of the

Deepwater Horizon incident. Specifically, the GCCF began receiving and processing any and all claims as a result of the Deepwater Horizon oil spill on and after August 23, 2010 and BP ceased receiving and processing said claims. The GCCF required any individual filing a claim on behalf of themselves, a business, or other individuals for a temporary or permanent loss or reduction in profits due to the oil spill to submit truthful and honest claim forms with truthful and honest documentation to prove that they or their business lost profits as a result of the oil spill. Emergency Advance Payments for damages resulting from the oil spill were available from August 23, 2010 through November 23, 2010.

On or about December 2010, **BUTLER** was interviewed by investigators employed by the GCCF. **BUTLER** admitted that he participated in a conspiracy with Hardell Mack (“Mack”) and C.E. to recruit potential claimants, promising that they could expedite the claims process and get the money back faster. The three men had a meeting at Mack’s office to discuss how to recruit and file the false BP claims. M.W. worked as an administrative assistant for Mack and agreed to process the BP claims over the internet. The men agreed to bring a claimant’s personal information to M.W. to process over the internet and submit to the GCCF.

BUTLER successfully recruited one false BP claimant, L.W. L.W. gave **BUTLER** his social security number and a copy of his identification card to file the false claim with the GCCF via the internet. The false claim stated that L.W. was a commercial fisherman working on a shrimp boat owned by Captain M.H. in Venice, Louisiana. The false claim was transmitted by means of wire communication, and interstate commerce from Louisiana to Ohio. As a result, on or about October 22, 2010, **BUTLER** received a check from GCCF in L.W.’s name for \$28,800. **BUTLER** and L.W. met at the bank to cash the GCCF check. L.W. kept only about

\$9,000 from the GCCF funds he received, and the remainder of the claims proceeds was shared among **BUTLER**, Mack and C.E.

Both the government and the defendant, **MICHEGEL BUTLER** do hereby stipulate and agree that the above facts set forth a sufficient factual basis for the crime to which the defendant is pleading guilty and that the government would have proven these facts beyond a reasonable doubt at trial.

MICHEGEL BUTLER (Date)
Defendant

JULIA K. EVANS (Date)
Assistant United States Attorney

JOHN T. FULLER (Date)
Counsel for Defendant

THEODORE R. CARTER, III (Date)
Assistant United States Attorney