

18 MAG 1484

Approved:                     

ANDREW THOMAS

Assistant United States Attorney

Before: THE HONORABLE JAMES L. COTT  
United States Magistrate Judge  
Southern District of New York

- - - - - x  
: UNITED STATES OF AMERICA : SEALED COMPLAINT  
: v. : Violations of  
: : 18 U.S.C. §§ 1028A, 1343  
LAWRENCE H. WOLF, : & 2  
a/k/a "Larry," :  
Defendant. : COUNTY OF OFFENSE:  
: NEW YORK  
: - - - - - x

SOUTHERN DISTRICT OF NEW YORK, ss.:

JUSTIN ROWLAND, being duly sworn, deposes and says that he is a Special Agent with the Federal Bureau of Investigation ("FBI") and charges as follows:

COUNT ONE

(Wire Fraud Affecting Financial Institutions)

1. From at least in or about 2008, up to and including at least or about July 2017, in the Southern District of New York and elsewhere, LAWRENCE H. WOLF, a/k/a "Larry," the defendant, willfully and knowingly, having devised and intending to devise a scheme and artifice to defraud, and for obtaining money and property by means of false and fraudulent pretenses, representations, and promises, that affected a financial institution, did transmit and cause to be transmitted by means of wire, radio, and television communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds, for the purpose of executing such scheme and artifice, to wit, WOLF sought and obtained millions of dollars in credit financing from various lenders based on false claims that WOLF owned valuable oil and gas interests, which claims WOLF transmitted to potential credit issuers by interstate emails and telephone calls.

(Title 18, United States Code, Sections 1343 and 2.)

COUNT TWO

(Aggravated Identity Theft)

2. From at least in or about May 2017, up to and including at least in or about June 2017, in the Southern District of New York and elsewhere, LAWRENCE H. WOLF, a/k/a "Larry," the defendant, knowingly did transfer, possess, and use, without lawful authority, a means of identification of another person, during and in relation to a felony violation enumerated in Title 18, United States Code, Section 1028A(c), to wit, WOLF, in connection with the wire fraud scheme alleged in Count One, transmitted a document bearing the forged signature of a notary public and used that notary's stamp without lawful authority as part of an effort to create a false lease assignment.

(Title 18, United States Code, Sections 1028A and 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

3. I have been a Special Agent with the FBI since 2016. I am currently assigned to a squad responsible for investigating economic crimes, such as violations of the federal securities laws and related offenses, including mail fraud, wire fraud, and bank fraud. I have participated in investigations of money laundering, financial institution fraud, and complex financial crimes, and have made and participated in arrests of individuals who have committed such offenses.

4. The information contained in this Complaint is based upon my personal knowledge, as well as information obtained during this investigation, directly or indirectly, from other sources, including, but not limited to: (a) business and property records; (b) correspondence and electronic communications; (c) publicly available documents, including data on oil and gas wells; (d) conversations with, and reports of interviews with, non-law-enforcement witnesses; (e) conversations with, and reports prepared by, other FBI agents; (f) bank records; and (g) travel records. Because this Complaint is being submitted for the limited purpose of establishing probable cause, it does not include all the facts that I have learned during the course of my investigation. Where the contents of documents and the actions and statements of and conversations with others are reported herein, they are reported in substance and in part. Where figures, calculations, and dates are set forth herein, they are approximate, unless stated

otherwise.

### Relevant Entities

5. At all times relevant to this Complaint, a particular family partnership (the "Family Partnership" or "Partnership") was a corporate entity headquartered in Houston, Texas. The Family Partnership owned and controlled various oil and gas assets. These assets included interests in eight particular wells drilled into a subsurface oil and gas formation in the Natrona and Fremont Counties of Wyoming (the "Wyoming Wells"). Specifically, the Family Partnership owned royalty interests in income from the extraction of oil and gas from the Wyoming Wells (the "Wyoming Wells Royalty Interests").

6. At all times relevant to this Complaint, Summit Group Advisors Inc. and Azure Investment Holdings LLC were corporate entities controlled by LAWRENCE H. WOLF, a/k/a "Larry," the defendant. At all times relevant to this Complaint, Estelle Wolf Oil Properties LLC and Summit Group Advisors LLC were corporate entities that WOLF purported to control. Neither Summit Group Advisors Inc., nor Summit Group Advisors LLC, nor Azure Investment Holdings LLC, nor Estelle Wolf Oil Properties LLC have any legal association or business affiliation with the Family Partnership.

7. At all times relevant to this Complaint, Victim Firm-1 was an FDIC insured bank headquartered in Billings, Montana.

8. At all times relevant to this Complaint, Victim Firm-2 was an FDIC insured bank headquartered in Houston, Texas.

9. At all times relevant to this Complaint, Victim Firm-3 was an FDIC insured bank located in Denver, Colorado.

10. At all times relevant to this Complaint, Victim Firm-4 was an FDIC insured bank located in Midland, Texas.

11. At all times relevant to this Complaint, Victim Firm-5 was a global investment firm headquartered in Manhattan, New York.

### Overview of the Fraudulent Scheme

12. As set forth below, LAWRENCE H. WOLF, a/k/a "Larry," the defendant, defrauded, and attempted to defraud, financial institutions and an investment firm by engaging in a scheme (the "Oil Scheme") to solicit multi-million dollar loans and credit facilities by pledging as collateral oil and gas assets,

including the Wyoming Wells Royalty Interests. In truth, however, the Family Partnership, not WOLF, owned the Wyoming Wells Royalty Interests. WOLF did not have any interest in, or have legal association or business affiliation with, the Family Partnership.

13. LAWRENCE H. WOLF, a/k/a "Larry," the defendant, sought to avoid detection of the Oil Scheme by obtaining new funds to cover old liabilities. Typically, as one loan approached maturity, WOLF approached another lender, expressed interest in moving his oil and gas business to a new bank, and negotiated another credit facility. With respect to funds that WOLF obtained through the Oil Scheme that he did not use to refinance existing debt, WOLF utilized those funds, in part, to spend on lavish personal expenses, including private jets, art, and jewelry.

**WOLF Obtains Millions From Victim Financial Institutions  
Through His Fraudulent Scheme**

14. In investigating the Oil Scheme, the FBI has identified at least five different banking or investment firms (Victim Firms 1 through 5, collectively, the "Victim Firms") that LAWRENCE H. WOLF, a/k/a "Larry," the defendant, deceived as part of his scheme. Other law enforcement officers and I interviewed representatives of the various Victim Firms and reviewed documents related to WOLF, including correspondence, maintained by each of the Victim Firms. Based on those interviews and a review of the Victim Firms' documents, I have learned, in part, the following:

a. On or about June 5, 2008, WOLF executed a promissory note with Victim Firm-1 establishing an approximately \$3.5 million credit facility. WOLF made extensive use of the credit facility: by March 27, 2014, WOLF owed approximately \$2,133,462.66 on the promissory note. To obtain financing from Victim Firm-1, WOLF provided Victim Firm-1 with documents that purported to show ownership interest in millions of dollars of cash and art assets as well as oil well royalty income. Based on a review of a Victim Firm-1 due diligence report identifying material differences between WOLF's claims of wealth and asset ownership, and documents gathered by Victim Firm-1 that showed otherwise, I believe that WOLF's representations were false.

b. On or about March 27, 2014, WOLF, individually and on behalf of Summit Group Advisors LLC and Estelle Wolf Oil Properties LLC, executed a promissory note with Victim Firm-2. Victim Firm-2 provided WOLF an approximately \$40 million line of

credit on the condition, among others, that the proceeds of the loan be used solely to refinance existing loans and to fund acquisitions of oil and gas interests. The credit facility was secured by the assets of Estelle Wolf Oil Properties LLC, which purportedly included dozens of oil and gas interests including the Wyoming Wells Royalty Interests. In connection with the deal, WOLF – holding himself out as the "sole manager" of Estelle Wolf Oil Properties LLC – represented that Estelle Wolf Oil Properties LLC owned the Wyoming Wells Royalty Interests and other assets "free and clear." As set forth in more detail below, however, this was false. Neither WOLF, nor Summit Group Advisors LLC, nor Estelle Wolf Oil Properties LLC owned the Wyoming Wells Royalty Interests.

c. Upon obtaining funds from Victim Firm-2, WOLF used the funds to pay off his liability to Victim Firm-1. WOLF repeatedly made use of the credit facility with Victim Firm-2: By July 16, 2014, WOLF owed approximately \$3,554,149.75 to Victim Firm-2.

d. On or about July 9, 2014, WOLF, individually and purportedly on behalf of Estelle Wolf Oil Properties LLC and the Family Partnership, executed a credit agreement with Victim Firm-3. As part of that agreement, Victim Firm-3 provided WOLF with an approximately \$7 million credit facility. Among other things, the credit agreement included a limitation that the loaned funds "shall be used solely for the funding of capital expenditures relating to the acquisition, exploration, drilling, development and/or workover of oil and gas properties by [WOLF], general working capital purposes, and other uses in the ordinary course of [WOLF's] business." To secure the credit facility, WOLF pledged as collateral the assets of Estelle Wolf Oil Properties LLC and the Family Partnership, which he represented to include the Wyoming Wells Royalty Interests. As set forth in more detail below, however, this was false. Estelle Wolf Oil Properties LLC did not own the Wyoming Wells Royalty Interests and Wolf had no authority to pledge the Family Partnership's assets.

e. Upon obtaining funds from Victim Firm-3, WOLF used these funds to pay off his liability to Victim Firm-2.

f. On or about July 31, 2015, WOLF and Victim Firm-3 executed a revised credit agreement expanding the loan facility to \$13 million. As part of the revised agreement, WOLF represented that he was the registered owner of a "100% Partnership Interest" in the Family Partnership and granted Victim Firm-3 a security interest in the Family Partnership.

During the negotiations, WOLF provided Victim Firm-3 with a number of documents to verify his purported personal wealth and his ownership interest in the Family Partnership, Estelle Wolf Oil Properties LLC, and Summit Group Advisors LLC. These records included: (i) The Family Partnership's formation agreement, which documented WOLF's control and full ownership of the Partnership; (ii) a 2014 IRS Form 1065 showing the Partnership's income for that year; and (iii) a 2013 IRS Form 1065 showing the Partnership's income for that year; and (iv) Wells Fargo and Victim Firm-1 bank account records for WOLF, Summit Group Advisors LLC, Estelle Wolf Oil Properties LLC, and the Family Partnership. WOLF also forwarded a representative of Victim Firm-3 (the "Firm-3 Loan Officer") a purported email from a representative of Victim Firm-1 to WOLF relating to an account balance for the Family Partnership, and reading, in part: "Thank you for the correspondence in regards to [the Family Partnership]. The present balance is presently \$18,775,907.05. There is a pending debit of \$721,000. As bank policy, we do not accept any direct communication from third parties or banks regarding proprietary [sic] customer information."

g. In truth, and undetected by Victim Firm-3, many of the documents WOLF provided Victim Firm-3 were forgeries. From a review of an interview of a Victim Firm-1 representative, for instance, I know that the July 27, 2015 email forwarded by WOLF to the Victim Firm-3 Loan Officer was not sent by a representative of Victim Firm-1. Further, based on interviews with a representative of Wells Fargo, I know that the Wells Fargo account statements provided by WOLF to Victim Firm-3 were not authentic because the banks had no such accounts. Further still, based on interviews with two employees of the Family Partnership ("Employee-1" and "Employee-2"), I know that the Family Partnership's partnership agreement and the 2013 and 2014 IRS Forms 1065 sent by WOLF to Victim Firm-3 were fake and included numerous incorrect entries, including an incorrect mailing address and an incorrect tax identification number for the Partnership.

h. During the course of 2016, concerns about the risk posed by the price of oil and gas led Victim Firm-3 to insist that WOLF enter into financial transactions to partially hedge his financial exposure to falling oil prices. By in or about September 2016, after WOLF failed to provide suitable proof that he had entered into oil hedge agreements as directed, Victim Firm-3 informed WOLF that it would not continue its relationship with WOLF once their lending agreement expired.

**WOLF Attempts, But Fails, to Obtain a Loan from  
An Additional Financial Institution**

15. Based on interviews with representatives of Victim Firm-4, and a review of documents and correspondence maintained by Victim Firm-4, I have learned, in part, the following:

a. Beginning in or about October 2016, an individual representing LAWRENCE H. WOLF, a/k/a "Larry," the defendant ("Associate-1") contacted Victim Firm-4 about the possibility of obtaining a loan from Victim Firm-4 on behalf of WOLF, which would be used, in part, to pay off the remaining balance of the Victim Firm-3 loan. Associate-1 identified himself as WOLF's former banker at Victim Firm-2 who had helped move WOLF's business to Victim Firm-3. Associate-1 explained, in substance and in part, that he was attempting to move WOLF's business to Victim Firm-4 because it was a more traditional oil and gas bank.

b. Eventually WOLF himself began communicating directly with Victim Firm-4, including by a telephone call on or about December 9, 2016, and through an in person meeting on or about December 27, 2016. WOLF sought from Victim Firm-4 a \$15 to \$20 million loan, secured by the assets of the Family Partnership, specifically, the Wyoming Wells Royalty Interests. In connection with the negotiations with Victim Firm-4, WOLF transmitted various HSBC account statements; based on conversations with a representative of HSBC, I know that no such accounts existed and the statements were forgeries.

c. As the loan negotiations continued, a representative of Victim Firm-4 (the "Victim-4 Attorney") developed concerns about the veracity of WOLF's representations. For example, WOLF repeatedly failed to provide title documents to verify his ownership of the Wyoming Wells Royalty Interests.

16. Based on interviews of Victim-4 representatives and two employees of the Family Partnership, Employee-1 and Employee-2, and a review of documents and correspondence maintained respectively by Victim Firm-4 and the Family Partnership, I have learned the following, in substance and in part:

a. In or about March 2017, the Victim-4 Attorney contacted the Family Partnership to investigate his concerns about LAWRENCE H. WOLF, a/k/a "Larry," the defendant. The Victim-4 Attorney spoke to Employee-1, the Family Partnership's

business manager, and Employee-2, the Family Partnership's general counsel. Employee-1 and Employee-2 informed the Victim-4 Attorney, in substance and in part, that (i) WOLF was not affiliated with the Family Partnership in any way, (ii) the Family Partnership had not obtained any loans from Victim Firm-3, and (iii) the Family Partnership had not sought any loans from Victim Firm-4.

b. Employee-1 then contacted Victim Firm-3 and was in contact with the Firm-3 Loan Officer. Employee-1, in substance and in part, informed the Firm-3 Loan Officer that WOLF was not affiliated with the Family Partnership in any way and did not own any of the assets Employee-1 understood WOLF to have used as collateral for the loan from Victim Firm-3. Employee-1 also insisted that Victim Firm-3 remove the lien it had filed against the Partnership's interest in the Wyoming Wells.

c. On or about March 8, 2017, not long after Employee-1 had spoken with the Firm-3 Loan Officer, WOLF called the Family Partnership and spoke to Employee-1. During the ensuing discussion, WOLF, in substance and in part, repeatedly said there had been a "misunderstanding" without further explaining himself. WOLF did not claim to Employee-1 in that call that he had any ownership interest in the Family Partnership.

d. Between the March 8, 2017 conversation and March 20, 2017, WOLF sent a series of emails to Employee-1, Employee-2, or both. In substance and in part, WOLF's emails contained vague promises of a quick resolution. For example, in a March 8, 2017 email, WOLF wrote, "All efforts of disengagement are being taken as discussed. I will maintain constant contact during this process and assure ownership and responsibility." Similarly, on March 13, 2017, WOLF wrote: "This is my responsibility regardless of any other parties. That is my word and those of my actions. Whatever protocols you need me to adhere to during this resolution is [sic] will do!" On a number of occasions, WOLF forwarded the messages he sent to Employee-1 to the Victim Firm-3 Loan Officer.

e. WOLF represented that he would set up a conference call between himself, Employee-1, and a representative of Victim Firm-3. WOLF later called Employee-1 with an individual whom he introduced as "Tom" from Victim Firm-3 already on the line. "Tom," in substance and in part, repeatedly remarked that the matter sounded like a family

dispute; Employee-1 responded, in substance and in part, that it was not a family dispute because WOLF did not own any of the Family Partnership's assets and could not use them as collateral.

f. On a few occasions, Employee-1 contacted, or attempted to contact "Tom," by phone call or text message. Based on Employee-1's interactions with "Tom," during which "Tom" was evasive and vague, Employee-1 began to suspect that "Tom" did not work at Victim Firm-3. The Family Partnership, through counsel, later contacted Victim Firm-3 directly and Victim Firm-3 ultimately released the lien on the Wyoming Wells. Representatives of Victim Firm-3 could not identify for Employee-2 any "Tom" with whom Employee-1 would have spoken.

17. Based on an interview of Victim Firm-4 representatives, and a review of correspondence maintained by Victim Firm-4, I know that Victim Firm-4 declined to enter into any financing agreement with LAWRENCE H. WOLF, a/k/a "Larry," the defendant, or WOLF's companies.

**WOLF Attempts, But Fails, to Obtain Financing from  
An Investment Firm**

18. Based on an interview of the leader of an oil and gas lending team employed by Victim Firm-5 (the "Victim Firm-5 Deal Representative"), and a review of documents and correspondence maintained by Victim Firm-5, I have learned, in part, the following:

a. In or about the spring of 2017, two individuals ("Associate-2" and "Associate-3") contacted the Houston office of Victim Firm-5. Associate-2 and Associate-3 pitched Victim Firm-5 on a credit financing deal for LAWRENCE H. WOLF, a/k/a "Larry," the defendant, whom they described as an extremely high net worth individual.

b. By at least in or about May 2017, WOLF began personally negotiating with Victim Firm-5 to obtain at least \$20 million in credit financing, with the expressed hope of eventually securing \$50 or \$100 million, or more, in additional financing. WOLF relayed to Victim Firm-5, in substance and in part, that he intended to use the funds to refinance the Victim Firm-3 loan and to capitalize a new business that would purchase royalty interests in various oil and gas wells.

c. WOLF and Victim Firm-5 negotiated a deal wherein WOLF's company, Azure Investment Holdings LLC, would agree to

issue interest-bearing notes and Victim Firm-5 would agree to purchase those notes for least \$30 million, with the option to purchase additional notes in the future. Pursuant to the parties draft agreement, WOLF would secure the value of the notes by pledging as collateral Azure Investment Holdings LLC's assets, which WOLF represented to include the Wyoming Wells Royalty Interests.

d. During the course of Victim Firm-5's due diligence investigation, WOLF supplied documents purporting to show the transfers of the Wyoming Wells Royalty Interests from various entities to the Family Partnership, and from the Family Partnership to Azure Investment Holdings LLC (the "Azure Bill of Sale"). WOLF also supplied HSBC bank account statements for himself and his entities; based on conversations with an HSBC representative, I know that no such accounts existed and the statements were forgeries.

e. Members of the Victim Firm-5 Houston-based deal team forwarded certain of the documents provided by WOLF to Firm-5's investment committee in Manhattan, New York. Additionally, on or about May 18, 2017, in an effort to finalize a deal, WOLF met with executives of Victim Firm-5 in their Manhattan, New York offices.

f. The Azure Bill of Sale was purportedly signed by a particular individual as Secretary of the Family Partnership's managing partner (the "Secretary") and notarized by another individual (the "Notary"). Law enforcement officers interviewed the Notary. Based on that interview, and my interviews of Employee-1 and Employee-2, I have learned that (a) the Secretary did not sign the document, (b) the Secretary was not employed by the Family Partnership on the purported signature date on the Azure Bill of Sale, and (c) the Notary did not sign or notarize the Azure Bill of Sale.

19. Based on conversations with a mineral research and leasehold analysis expert (the "Lease Analyst"), a review of a title review report prepared by the Lease Analyst dated June 26, 2017 (the "Lease Analyst Report"), and a review of correspondence maintained by the Lease Analyst, I have learned, among other things, the following:

a. Victim Firm-5 hired the Lease Analyst to conduct due diligence on the purported royalty interests of LAWRENCE H. WOLF, a/k/a "Larry," the defendant.

b. During the course of the Lease Analyst's work, the Lease Analyst spoke to WOLF, who, in substance and in part, repeatedly represented that his businesses owned the Wyoming Wells Royalty Interests.

c. After reviewing, among other things, documents provided by WOLF and county records pertaining to the Wyoming Wells, the Lease Analyst produced the Lease Analyst Report, in which he concluded WOLF had failed to establish his business's ownership of the Wyoming Wells Royalty Interests, and that numerous documents provided to him by WOLF bore facial irregularities or signs of forgery. The Lease Analyst transmitted the Lease Analyst Report to the Victim Firm-5 by email, copying WOLF.

d. On or about June 28, 2017, WOLF emailed a Wyoming Law Firm that had worked with WOLF in connection with the Victim Firm-5 negotiations. WOLF copied the Lease Analyst on the email and wrote, in part, "Please find [the Lease Analyst Report]. If [i]t's helpful perhaps you might all talk to help get this over [the] line." WOLF attached a document that appeared to be the Lease Analyst Report, but was, in fact, a manipulated version of the document. The document sent by WOLF had been changed, among other ways, to falsely suggest that that most due diligence items could wait until after closing the financing deal. The Lease Analyst noticed and responded, in substance and in part, that WOLF had circulated an altered version of his report. Less than an hour later, WOLF replied, in part: "I have just terminated an employee who had no right or purpose (their explanation is immaterial to the action)."

20. Based on an interview of the Victim Firm-5 Deal Team Representative, I know that Victim Firm-5 declined to enter into any financing agreement with LAWRENCE H. WOLF, a/k/a "Larry," the defendant, or WOLF's companies. Instead, Victim Firm-5 notified law enforcement.

#### WOLF's Continued False Representations to Victim Firm-3

21. After failing to secure additional funds from Victim Firm-4 or Victim Firm-5, LAWRENCE H. WOLF, a/k/a "Larry," the defendant, did not repay his outstanding debt to Victim Firm-3. Based on a review of correspondence contained in Victim Firm-3's files, and an interview with a Victim Firm-3 manager, I have learned, in part, the following:

a. By letter dated March 22, 2017, Victim Firm-3

notified WOLF that he was in default on the Victim Firm-3 agreement. As of that date, WOLF owed Victim-3 \$13,055,010.02 including principal, interest, and fees.

b. Notwithstanding the notice of default, WOLF continued to make sporadic representations to Victim Firm-3 about his ability to repay. As late as on or about July 6, 2017, for example, WOLF provided Victim Firm-3 an HSBC account statement for Azure Investment Holdings LLC purporting to show an account balance sufficient to repay the loan in full. Based on conversations with a representative of HSBC, I know that HSBC account statement is another forgery and that Azure Investment Holdings LLC has no such account.

c. As of February 7, 2018, WOLF had not repaid any of the outstanding balance.

**WOLF Utilized Proceeds of His Scheme to Fund  
Lavish Personal Expenses**

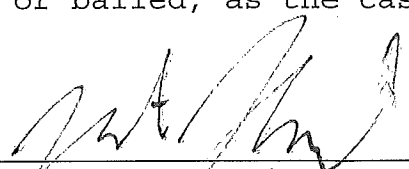
22. Based on a review of account and transaction statements for Victim Firm-2, Victim Firm-3, credit card accounts in the name of LAWRENCE H. WOLF, a/k/a "Larry," the defendant, and a Wyoming bank account in WOLF's name (the "Wyoming Account"), I have learned, in part, the following:

a. WOLF directed loan disbursements from at least Victim Firm-2 and Victim Firm-3 to the Wyoming Account.

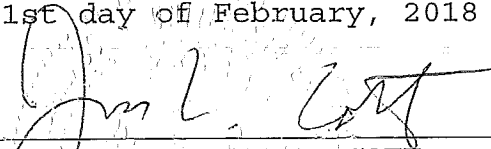
b. WOLF made interest rate payments to Victim Firm-2 and Victim Firm-3 using loan principal.

c. WOLF used large portions of the loan amounts for personal expenses, including (i) an approximately \$63,000 purchase at an art gallery on August 3, 2015, (ii) an approximately \$66,000 purchase on November 12, 2015 through a "VIP Concierge" service, (iii) an approximately \$17,500 purchase on December 28, 2015 at Cartier, and (iv) numerous purchases of private jet services.

WHEREFORE, I respectfully request that an arrest warrant be issued for LAWRENCE H. WOLF, a/k/a "Larry," the defendant, and that he be arrested and imprisoned or bailed, as the case may be.

  
Special Agent Justin Rowland  
Federal Bureau of Investigation

Sworn to before me this  
21st day of February, 2018

  
HONORABLE JAMES L. COTT  
UNITED STATES MAGISTRATE JUDGE  
SOUTHERN DISTRICT OF NEW YORK