

United States Marshals Service



FOR IMMEDIATE RELEASE
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ALLEGED LEADERS OF MAJOR DRUG TRAFFICKING RING FACE FEDERAL CHARGES

Eleven arrested in Four States U.S. Marshals Searching for a twelfth suspect

Federal officials said today they have broken up a major marijuana and cocaine trafficking ring and arrested its organizers. The ring is alleged to have operated throughout the United States, importing drugs from South America and Mexico. The group is also responsible for marijuana growing cooperatives, both indoors and on public lands. The organization is alleged to have reaped over \$20 million in drug proceeds over a 30 year period.

Eleven men, described in a 196-page federal indictment as key players in the ring, were arrested today in Oregon, Washington, California, Colorado, and Idaho. The indictment was handed down by a grand jury in Boise, Idaho in June, but was kept under seal pending today's arrests. The arrests were made by members of the U.S. Marshal Service Oregon Fugitive Task Force, agents of the Internal Revenue Service (IRS), and the Drug Enforcement Administration (DEA), assisted by various state, county, and city law enforcement agencies.

The indictment seeks forfeiture of proceeds from drug trafficking, including \$20 million in cash, a variety of business interests, airplanes, boats, vehicles, and real property in Oregon, Washington, Idaho, California, Hawaii, and Colorado.

Arrested today were Kent Allen Jones, (51), of Vancouver, Washington; Gregory Frank Sperow, (55) currently a federal prisoner housed at FCI Terminal Island, San Pedro, California; Mark Daniel Kitzman, (49), of Lake Oswego, Oregon; Harold Carl Ballenger, (54), of Bend, Oregon; Dennis Bruce Hammonds, (59), of Medford, Oregon; Jerod Lee Keyser, (31), of Priest River, Idaho; Robert David Long, (52), of Eugene, Oregon; Mark M. Alders, (54), of Lakeside, Oregon; Damon John Marsh, (37), of Portland, Oregon; Mark William Pursley, (32), of

Vancouver, Washington; and Dale Eugene Barker, (55), of Evergreen, Colorado. Gerald Francis McDonald, (55), of Costa Mesa, California remains a fugitive. The U.S. Marshals Service is actively seeking the whereabouts of McDonald. Anyone with information regarding this fugitive can contact the U.S. Marshals at (503) 326-2209.

According to the indictment, the ring had its origins in a group of high school friends from Roseburg, Oregon, with other friends and family members added over the years. The group's early activities centered around growing and selling marijuana, but later expanded to include smuggling large quantities of drugs from Mexico and South America, smuggling and selling cocaine, and manufacturing methamphetamine. All told, the ring is alleged to have sold thousands of tons of drugs over the years to buyers as far away as New York, Ohio, Kentucky, and Pennsylvania.

In addition to various drug distribution and money laundering charges, six of the men – Jones, Sperow, Kitzman, McDonald, Ballenger, and Hammons – are charged with operating a Continuing Criminal Enterprise. That charge carries a mandatory minimum penalty of 20 years.

The Idaho resident, Jerod Keyser, is a mortgage broker from the Priest River area. He is charged with money laundering involving his company, Infinity Finance, and its loans to Jones and others to buy property used in their drug business.

The properties the indictment seeks to forfeit are located in Priest River, Idaho; Portland, Eugene, Roseburg, Lake Oswego, Bend, Hillsboro and Lakeside, Oregon; Vancouver, Washington; Los Angeles, Adelaide, Newbury Park, Lancaster, Canoga Park and Mendocino County, California; Evergreen and Pine, Colorado; and Kihei and Kahuka, Hawaii.

In addition to the U.S. Marshals Service, IRS, and DEA, agencies involved in the investigation include the;

Portland Police Bureau

Oregon Department of Justice

U.S. Marshals Oregon Fugitive Task Force

U.S. Marshals Pacific Northwest Fugitive Apprehension Task Force Western District of Washington

Oregon State Police

Clackamas County Parole and Probation
Multnomah County Parole and Probation
Douglas County Interagency Narcotics Team
Westside Interagency Narcotics Team
Washington Regional SWAT Team

The U.S. Marshals Oregon Fugitive Task Force is made up of personnel from the U.S. Marshals Service, the Portland Police Bureau, the Oregon National Guard, the Douglas County Sheriff's Office, the North Plains Police Department, the Multnomah County Department of Community Justice, and the Clackamas County Department of Community Corrections. In 2005, the U.S. Marshals Service cleared 89,687 felony warrants, including 38,417 Federal warrants and 51,270 state and local warrants. For more information about the U.S. Marshals Service and the Oregon Fugitive Task Force, go to www.usmarshals.gov.

** ATTACHED IS A PHOTO OF FUGITIVE Gerald Francis McDonald age 55 of Costa Mesa, California **

For More information regarding this criminal case please contact;

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Requests for information regarding the fugitive please contact Deputy Eric Wahlstrom (503) 326-7811

