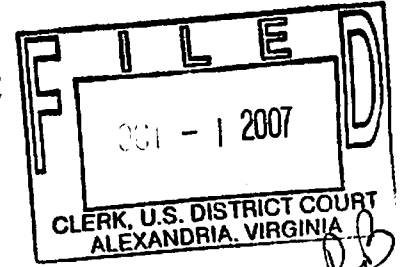


IN THE UNITED STATES DISTRICT COURT FOR THE  
EASTERN DISTRICT OF VIRGINIA

Alexandria Division



UNITED STATES OF AMERICA )  
 )  
 v. )  
 )  
 JAMES N. SELLMAN, )  
 )  
 Defendant. )

Case No. 07mj 884

~~UNDER SEAL~~

**AFFIDAVIT IN SUPPORT OF COMPLAINT AND ARREST WARRANT**

I, Steven L. Meints, being duly sworn, depose and say that:

1. I am a Special Agent (SA) with the United States Army Criminal Investigation Command (CID), assigned to the Washington Metro Fraud Resident Agency at Ft. Belvoir, Virginia. I have been a SA with CID for approximately 10 years.

2. I have been a law enforcement officer for approximately 11 years. Previously, I was employed as a law enforcement officer with the Office of Inspector General for the General Services Administration. My law enforcement training and experience has included the preparation, presentation and service of criminal complaints, and arrest and search warrants. I have received training in general law enforcement and criminal investigations, including investigations of defense procurement fraud, false claims, and conspiracy. I have conducted criminal investigations related to these crimes that have resulted in the arrests and convictions of the offenders involved.

3. The information contained in this affidavit is based upon my personal investigation; the investigation of CID Special Agent In Charge (SAC) Theodore Jurgensen at Bagram Air Base, Afghanistan; the work of auditors for the Defense Criminal Audit Agency (DCAA); and

the work of employees of the Defense Energy Supply Center (DESC), which is located at Ft. Belvoir, Virginia, in the Eastern District of Virginia.

4. Based upon the investigation conducted, I believe that the facts set forth in this affidavit establish that there is probable cause to believe that within the Eastern District of Virginia and elsewhere, James N. Sellman and Wallace A. Ward conspired to defraud the United States and submit false claims for payment to a department of the United States Government, and did cause others to submit such false claims, in violation of Title 18, United States Code, Sections 371, 287 and 2(b).

5. Prior to May 2005, DESC entered into a contract with Red Star Enterprises for Red Star to deliver aircraft fuel on a regular basis to the United States military at Bagram Air Base in Afghanistan. Red Star was responsible for hiring drivers in Afghanistan who would drive fuel trucks from ports where the fuel was delivered to the Bagram Air Base. Once a driver delivered fuel, personnel at the air base were required to complete a Form DD250 showing how much fuel was delivered. One copy of the completed form was supposed to be filed at the air base, while the driver was supposed to provide the original to Red Star. Red Star would then file a claim for payment with the Defense Finance Accounting Service (DFAS), an agency of the United States Department of Defense, in Columbus, Ohio, for the fuel delivered. Each claim submitted by Red Star usually included a request for payment for the fuel that several DD250s showed had been delivered by Red Star drivers. DFAS notified DESC when claims were filed. If officials at DESC questioned whether any claim should be paid, officials at DESC at Ft. Belvoir would obtain a copy of the particular DD250 from DFAS or Red Star, review it, and conduct any necessary investigation.

6. In approximately August 2006, DESC officials communicated with United States Army personnel at Bagram Air Base and began to question whether all of the fuel had been delivered for which Red Star was submitting claims for payment. Officials at the air base did not have copies of several of the DD250s that formed the basis for some of the claims by Red Star that were later reviewed by officials at DESC. SAC Jurgensen obtained copies of many of the DD250s that were in question. These documents bore the purported signatures of individuals who had been authorized to sign the DD250s. These were individuals who were employed by Kellogg, Brown & Root (KBR), a company that had a contract to perform many functions at Bagram Air Base, including receiving the fuel delivered by the Red Star drivers. The individuals interviewed by SAC Jurgensen looked at the signatures and were able to state that the majority of the purported signatures were in fact definitely not their signatures.

7. The DD250s with the forged signatures showed the dates of the alleged fuel deliveries, the amounts of fuel that should have been delivered, and the numbers of the Red Star trucks that were alleged to have delivered the fuel. These DD250s were dated between May and September 2006. SAC Jurgensen obtained copies of the logs for this period that showed the numbers of the Red Star trucks that entered and left the air base to deliver fuel. Copies of the logs, the questioned DD250s, and other documents were provided to DCAA auditors. They concluded that approximately 80 trucks for which Red Star had submitted claims for fuel delivered appeared never to have entered the air base and delivered fuel.

8. In October 2006, SAC Jurgensen interviewed an Afghanistan local national who worked with the KBR movement control team at the Bagram Air Base. The individual reported that a KBR employee, R.L., had told him that R.L. had someone at the fuel yard who would forge and falsify the DD250s. R.L. asked the individual to accept the false forms from

the drivers so that the fuel could be sold off the air base. The individual agreed, and reported that he would receive \$10,000 from certain drivers once they had sold the fuel, would keep \$1,000, and would give \$9,000 to R.L., who in turn would be responsible for paying his associate. The individual said that he had followed this procedure on seven occasions. The individual reported that at one point he had contacted R.L. about a problem with one of the drivers. R.L. responded that he was in the United States at the time, and the individual should contact James Sellman to assist with the problem. Sellman was another KBR employee working in the fuel yard at the Bagram Air Base. The Afghanistan local national told SA Jurgensen that instead of contacting Sellman, he had decided to report the matter to CID.

9. On October 26, 2006, SAC Jurgensen interviewed James Sellman. Sellman admitted that he had been involved with three of the forged DD250s. Sellman stated that R.L. had asked him in about August 2006 to assist R.L. with the scheme. Sellman stated that R.L. brought Sellman DD250s that had already been filled out for fuel trucks that in fact had sold the fuel outside of Bagram Air Base. Sellman stated that he took the forms to the point where trucks delivered their fuel and used the certifying stamp maintained at that location to stamp the forms to show that the fuel had been delivered at Bagram Air Base, when he knew that the fuel had in fact been diverted and sold illegally. Sellman said that he had returned each form to R.L. and received \$1,200 for his efforts.

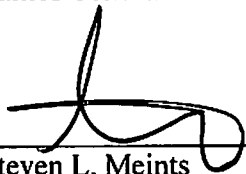
10. On December 2, 2006, SA Brad McCarthy re-interviewed Sellman at the Bagram Air Base. Sellman initially admitted to being involved with seven forged DD250s. Later in the interview he admitted to being involved in the diversion of 45 to 50 fuel shipments at the request of R.L. by completing the DD250s for R.L. Sellman said that he had only been paid by R.L. for about 11 or 12 of the DD250s and had been paid \$11,500 by R.L. Sellman reported

that he had also been involved in a scheme where at the requests of fuel truck drivers, he had falsified their meter readings to show that they had delivered more fuel than they had in fact delivered. Sellman reported receiving between \$300 to \$500 for each of these trucks and said that he had made about \$8,000 to \$11,000 on that scheme.

11. On December 4, 2006, SA McCarthy interviewed Wallace Ward, another KBR employee who worked at the fuel yard at Bagram Air Base. Ward admitted that he had been involved in the scheme with R.L. to divert fuel trucks that were supposed to deliver fuel to Bagram Air Base and to the scheme involving falsifying meter readings for drivers. Ward stated that he had received payments from R.L. and truck drivers that exceeded \$36,000.

12. Based upon my training and experience, and the information provided in this affidavit, I believe that there is probable cause to believe that from in or about May to September 2006, in the Eastern District of Virginia and elsewhere, James Sellman and Wallace Ward committed the offenses referenced in paragraph 4 of this affidavit.

13. Wherefore, pursuant to Rule 4 of the Federal Rules of Criminal Procedure, I respectfully request a warrant to arrest James Sellman.

  
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Steven L. Meints  
Special Agent, U.S. Army CID

Sworn and subscribed before me this 1<sup>st</sup> day of October, 2007

/s/Thomas Rawles Jones, Jr.  
Honorable Thomas Rawles Jones, Jr.  
United States Magistrate Judge