

For Immediate Release  
August 30, 2011

**OWNERS/OPERATORS OF GUN SHOP IN DEMING, NEW MEXICO ARRESTED  
ON FEDERAL FIREARMS SMUGGLING AND MONEY LAUNDERING CHARGES**

***Owner of New Deal Shooting Sports and His Family Allegedly Sold Firearms  
and Ammunition Knowing They Would Be Smuggled into Mexico***

LAS CRUCES – United States Attorney Kenneth J. Gonzales and Manuel Oyola-Torres, Special Agent in Charge of U.S. Homeland Security Investigations (HSI) in El Paso, Texas, announced the arrests of the owner of a gun shop in Deming, New Mexico, his wife and their two sons on firearms smuggling and money laundering charges in a 30-count indictment that was unsealed earlier today. The indictment, which was filed under seal on August 24, 2011, is the result of an intensive seven-month investigation spearheaded by HSI that later expanded to include the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) and the United States Attorney's Las Cruces Branch Office.

In announcing today's arrests, U.S. Attorney Gonzales said, "Those who sell firearms knowing that they will be illegally smuggled into Mexico to arm Mexican Cartels share responsibility for the violence that has been devastating Mexico. This case serves to put firearms dealers on notice that they will be held accountable for any failure to comply with federal firearms laws designed to keep firearms out of the hands of criminals and to assure the safety of citizens both here and abroad."

"Individuals and businesses involved in the smuggling of weapons and ammunition to Mexico are contributing to violence and criminal activity," added Mr. Oyola-Torres, Special Agent in Charge of HSI in El Paso, Texas. "Preventing the flow of drugs, weapons, money and other contraband across our borders is a national security priority for HSI."

**Rick Reese**, 55, the holder of a federal firearms license and owner/operator of Old

Ironsides, LLC, doing business as “New Deal Shooting Sports” (New Deal) in Deming, New Mexico, was arrested without incident by federal agents this morning in Las Cruces, New Mexico. His wife, **Terri Reese**, 48, and his sons, **Ryin Reese**, 24, and **Remington Reese**, 19, all of whom assisted in operating New Deal, also were arrested in Las Cruces this morning without incident. The defendants are scheduled to make their initial appearances in the federal courthouse in Las Cruces at 8:30 a.m. on September 1, 2011.

The indictment generally alleges that, between April 2010 and July 2011, the defendants conspired to make false statements in connection with the acquisition of firearms and to illegally export firearms to Mexico. It also charges the defendants with conspiring unlawfully to launder proceeds from the sales of firearms and ammunition illegally exported from the United States to Mexico. The indictment seeks forfeiture of the firearms and ammunition involved in the defendants’ alleged unlawful activities, the proceeds of their alleged unlawful activities, the real property on which New Deal is located, New Deal’s assets and licenses, and a money judgment in the amount of \$36,000.

According to the indictment, in July and August 2010, Ryin Reese sold 18 firearms to an individual who arranged to smuggle the firearms into Mexico where they were transferred into the hands of Mexican Cartel members. Ryin Reese allegedly assisted a straw purchaser in completing ATF firearms transaction records in which the straw purchaser falsely represented that s/he was the actual purchaser of the firearms. On August 28, 2010, after receiving a notice from law enforcement that a firearm sold by New Deal had been recovered, Terri Reese allegedly told the straw purchaser about the notice and expressed concern that her phones were being monitored by law enforcement.

The indictment further alleges that, on six occasions between April 20, 2011 and July 29,

2011, the defendants sold an aggregate of 16 firearms and more than 7,000 rounds of ammunition to a confidential informant and undercover agents with the understanding that the informant and agents intended to illegally smuggle the firearms and ammunition into Mexico. The defendants allegedly removed the ammunition from its original packaging and repackaged the ammunition in black canvas bags to conceal it from law enforcement. The defendants also allegedly assisted the confidential informant and undercover agents in completing ATF firearms transaction records in which the informant and agents falsely represented that they were the actual purchasers of the firearms.

According to the indictment, the firearms sold by the defendants included 27 AK-47-type rifles, three AR-15 rifles, two .50 caliber rifles, and two 9 mm pistols, weapons allegedly favored by Mexican Cartels.

Federal Law enforcement officials first became aware of the defendants' alleged unlawful activities in mid-December 2010. Since that time, no firearms or ammunition sold by the defendants were transferred to Mexico or any non-law enforcement entity. All firearms and ammunition purchased by the confidential informant and undercover agents were retained as evidence.

The case is being prosecuted by Assistant United States Attorneys Nathan Lichvarcik and Michael Nammar, and was investigated by HSI with support from ATF, the U.S. Marshals Service, U.S. Border Patrol, U.S. Customs and Border Protection, New Mexico State Police and the Dona Ana County Sheriff's Office.

### **Summary of the Indictment**

Count 1 of the indictment charges all four defendants with conspiracy to smuggle firearms from the United States to Mexico and making false statements in connection with the

acquisition of firearms. If convicted of this charge, each defendant faces a maximum penalty of five years of imprisonment and a \$250,000 fine. Counts 2 through 10 of the indictment charge certain defendants with making false statements in connection with the acquisition of firearms; a conviction on any one of these counts carries a maximum penalty of five years of imprisonment and a \$250,000 fine. Counts 11 through 28 of the indictment charge certain defendants with unlawfully selling and facilitating the sale of firearms knowing that the firearms were intended for exportation from the United States. The maximum penalty for a conviction on any one of the exportation counts is ten years of imprisonment and a \$250,000 fine. Counts 29 and 30 charge all four defendants with conspiring to launder monetary instruments. The maximum penalty for a conviction on each of the money laundering counts is 20 years of imprisonment; Count 29 has a maximum fine of \$500,000.00 and Count 30 has a maximum fine of \$250,000 fine.

### **Charges Against Individual Defendants**

**Rick Reese**, 55, of Deming, NM, is charged in five counts of the indictment: conspiracy to make false statements and smuggle firearms (Count 1); making false statements in connection with the acquisition of firearms (Count 9); firearms smuggling (Count 26); and two counts of conspiracy to launder monetary instruments (Counts 29-30).

**Terri Reese**, 48, of Deming, NM, is charged in seven counts of the indictment: conspiracy to make false statements and smuggle firearms (Count 1); making false statements in connection with the acquisition of firearms (Count 10); three counts of firearms smuggling (Counts 22, 24 & 27); and two counts of conspiracy to launder monetary instruments (Counts 29 & 30).

**Ryin Reese**, 24, of Deming, NM, is charged in 18 counts of the indictment: conspiracy to make false statements and smuggle firearms (Count 1); seven counts of making false

statements in connection with the acquisition of firearms (Counts 2-8); eight counts of firearms smuggling (Counts 11, 12, 14, 15, 17, 19, 20 & 23); and two counts of conspiracy to launder monetary instruments (Counts 29 & 30).

**Remington Reese**, 19, of Deming, NM, is charged in nine counts of the indictment: conspiracy to make false statements and smuggle firearms (Count 1); six counts of firearms smuggling (Counts 13, 16, 18, 21, 25 & 28); and two counts of conspiracy to launder monetary instruments (Counts 29 & 30).

Charges in indictments are only accusations. All criminal defendants are presumed innocent unless proven guilty beyond a reasonable doubt.

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