



OFFICE OF THE DISTRICT ATTORNEY

P.O. Box 1748 Austin, TX 78767

e-mail: district.attorney@co.travis.tx.us

Telephone 512-854-9400

Fax 512-854-9534

RONALD EARLE
DISTRICT ATTORNEY

ROSEMARY LEHMBERG
FIRST ASSISTANT

For Immediate Release
July 11, 2007

Contact: Ruth-Ellen Gura
512-854-9530

Travis County District Attorney Ronald Earle today released the following statement:

The Travis County Grand Jury indicted fourteen individuals and companies on June 21st, 2007 for their participation in a motor fuel tax fraud scheme that was carried out in Texas between March 2002 and October 2004.

The first set of indictments accuse Sidney Berle Baldon, II, Yousef Ishaq Abuteir, Tracy D. Diamond, Sidney Berle Baldon, Mid-Coast International, Inc. and Mystik Transport, Inc. of violations of the Texas Tax Code for Engaging in a Motor Fuel Tax Fraud Scheme, Blending Motor Fuel, and Evading Motor Fuel Tax. The second set of indictments include indictments against Manuel Molina, Juanita Malkon, MBM Transportation and Peak Wholesale for Engaging in a Motor Fuel Tax Scheme.

State arrest warrants were issued for the above named persons and companies on July 9th. The state indictments were sealed until the return of federal indictments on July 9th for Sidney Berle Baldon, II, Yousef Ishaq Abuteir and Tracy D. Diamond.

The investigation was conducted by the Motor Fuel Tax Fraud Division of the Public Integrity Unit of the Travis County District Attorney's Office, the Internal Revenue Service - Criminal Investigation Division, Immigration and Customs Enforcement, Department of Transportation, Environmental Protection Agency, the State Comptroller of Public Accounts - Criminal Investigation Division and the Harris County Constable's Office Precinct One.

The Motor Fuel Tax Fraud Division is one of the three sections that comprise the Public Integrity Unit of the Travis County District Attorney's Office. It has statewide jurisdiction to prosecute offenses involving fraud in the collection of motor fuel taxes.

"This was a complex investigation that required the cooperation of a number of State and Federal officials and agencies. This kind of teamwork is essential to successfully bringing to justice those who would steal state and federal tax dollars. That teamwork is a major reason for the success of the Public Integrity Unit," said District Attorney Earle.

Each of the indictments is a 2nd degree felony and is punishable by 2-20 years in prison and a fine up to \$10,000.