

IN AND FOR THE DISTRICT COURT OF TULSA COUNTY
STATE OF OKLAHOMA

STATE OF OKLAHOMA,)
)
) Plaintiff,) CASE NO. CF-2021-304
) v.) JUDGE THOMAS
)
)
) MICHAEL ERIC NELSON,)
)
)
) Defendant.)

DISTRICT COURT WASHINGTON CO OK
JILL L. SPITZER, COURT CLERK
FILED JUN 1 2023
Shelly Bates
BY _____ DEPUTY

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PARTIAL TRANSCRIPT OF JURY TRIAL
HELD ON FEBRUARY 7, 2023, AND FEBRUARY 8, 2023
BEFORE THE HONORABLE LINDA THOMAS
DISTRICT JUDGE

VOLUME 1 OF 2

A P P E A R A N C E S

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Jill L. Spitzer, Court Clerk for Washington County, Oklahoma
Hereby certify that the foregoing is a true correct and full copy of
the instrument herewith set out as appears of record in the Court
Clerk's Offices by Washington County, Oklahoma this
day of _____ 23
By: *[Signature]*
Jill L. Spitzer
COURT CLERK

Reported by: Dee Dee Tanner, CSR

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1 (On February 7, 2023, all parties present, the following
2 transpired in open court within the presence of the jury.
3 This transcript contains only testimony and opening
4 statements. Bench conferences and any other part of the
5 record was not requested and is not transcribed herein.)

6 THE COURT: We are now back on the record on --
7 in State of Oklahoma versus Michael Eric Nelson,
8 Washington County District Court, Case Number CF-2021-304.

9 Both attorneys have announced that they are ready
10 to proceed. Mr. Adams is present with his client,
11 Mr. Nelson, and the State is present through Zoe Gullett.

12 Madam Bailiff, would you please direct the jurors
13 to their place in the jury box.

14 (Whereupon, the jury entered the courtroom.

15 Instructions of the Court were read and are not
16 a part of this transcription. Thereafter,
17 proceedings resumed as follows:)

18 THE COURT: At this time, Ms. Gullett, you may
19 read the Information and the plea of the defendant,
20 followed by your opening statement.

21 MS. GULLETT: Thank you, Judge.

22 In the District Court of the Eleventh Judicial
23 District of the State of Oklahoma, sitting in and for
24 Washington County. The State of Oklahoma, plaintiff,
25 versus Michael Eric Nelson, defendant. Case Number

1 CF-2021-304.

2 Information for Count 1, Violation of Oklahoma
3 statute via computer, Section 21 O.S. Section 1958, a
4 felony. State of Oklahoma, County of Washington, I,
5 William B. Drake, the undersigned district attorney of
6 said county, in the name and by the authority of the State
7 of Oklahoma, give information that in said county of
8 Washington and in the State of Oklahoma, Michael Eric
9 Nelson did then and there, unlawfully, willfully,
10 knowingly, and wrongfully, commit the crimes of:

11 Count 1, violation of Oklahoma statute via
12 computer, a felony, on or between the 1st day of June,
13 2020, and the 6th day of September, 2000, and -- or 2022,
14 did unlawfully communicate by e-mail, a computer system,
15 for the purpose of using such access for stalking in
16 violation of Oklahoma Statute Title 21 O.S. Section 1173,
17 William D. Drake, District Attorney, signed by Zoe
18 Gullett, Assistant District Attorney.

19 To this charge, the defendant has entered a plea of
20 not guilty.

21 Ladies and gentlemen, that is the Information or
22 the Indictment in this case, and that is what this case is
23 about. As you heard yesterday at voir dire, we talked a
24 lot about harassment, we talked a lot about stalking, we
25 talked a lot about computers. And as you-all know, we

1 live in a very modern age where you're able to stalk
2 someone, you're able to harass someone without being in
3 their physical presence, and that's what this case is
4 about.

5 The State of Oklahoma has a specific statute for
6 using a computer to violate another statute that the State
7 of Oklahoma has. In this case that we are putting forward
8 to you is that Mr. Nelson used a computer to stalk Cynthia
9 and Anthem Blanchard.

10 You're going to hear from a number of State's
11 witnesses who are going to tell you about the reign of
12 terror that Mr. Nelson has had against Ms. Blanchard and
13 Mr. Blanchard for the last, approximately, four to five
14 years. They're going to tell you about voicemails,
15 e-mails, and certified letters who have been -- that have
16 been sent to the victims in this case, as well as other
17 people that the victims know, and a couple of people that
18 the victims didn't know before the beginning of this case.

19 They're going to tell you about how e-mails and
20 phone calls have been sent to their personal phones and to
21 addresses that they did not share with him. You're going
22 to hear about how Mr. Nelson has never set foot in the
23 state of Oklahoma, in the City of Bartlesville, until this
24 case was filed.

25 Ms. Blanchard is going to tell you about how she

1 moved to Bartlesville in May of 2020, and how she received
2 various e-mails associated -- or different e-mail accounts
3 associated with Mr. Nelson that include vile accusations,
4 and that on those e-mails were various people, not just
5 herself, including business partners, shareholders of her
6 business, family, friends, as well as a couple of media
7 sources.

8 She's going to tell you about receiving a voicemail
9 from the defendant and how on that voicemail -- you're
10 going to hear the voicemail -- the defendant talks about a
11 blood feud between his family and her family. She's going
12 to tell you about opening up a business in Bartlesville
13 right over on Frank Phillips in the old courthouse. She's
14 going to tell you about how they were getting some
15 publicity from opening up that business here through the
16 Examiner Enterprise and the Bartlesville Radio, how there
17 were a couple of articles written about them, that those
18 articles were published online, and that they received --
19 that she received a certified letter from the defendant to
20 that address. She's going to tell you about that letter,
21 and then you're going to get to see the letter, what it
22 says, all the accusations in it, all the things that it
23 says.

24 You're then going to find out about an e-mail that
25 was sent to the city manager, Mike Bailey, telling the

1 city manager all these vile things about the Blanchards,
2 about Cynthia Blanchard, about their business, about the
3 new business that opened up on Frank Phillips. They're
4 going to tell you about how they had to get the City
5 Attorney involved.

6 You're going to hear from a criminalist with OSBI
7 who's going to explain to you that she received
8 Mr. Nelson's phones, analyzed those phones, took data off
9 of those phones, and returned that data to the
10 Bartlesville Police Department, specifically to Detective
11 Lewis, who's here.

12 And then Detective Lewis is going to take the stand
13 and he's going to tell you how he poured over 96,000 pages
14 of data, looked through all that data, and found that
15 Mr. Nelson, through his phones, searched Bartlesville,
16 Cynthia and Anthem Blanchard, and HeraSoft, which is the
17 company that is over on Frank Phillips.

18 Finally, you're going to hear from two individuals
19 who are shareholders of the companies owned by Cynthia and
20 Anthem Blanchard who were contacted in September of 2022,
21 by Mr. Nelson. One was contacted and had a conversation
22 over the phone with Mr. Nelson, who, once again, said
23 things of vile nature about the Blanchards, and he's going
24 to testify as to what that conversation was about. He's a
25 shareholder in their company. And then you're going to

1 hear a voicemail that was left on the phone of another
2 shareholder. And you'll hear what Mr. Nelson has to say
3 about the Blanchards to that individual.

4 At the end of this, I'm going to ask you to keep in
5 mind everything that you hear, everything that you see,
6 because we talked about in voir dire that stalking,
7 harassment is not just a one-time thing. It is over time,
8 it is a course through time.

9 So there will be a beginning of a sort, but it's
10 not the beginning, there will be things that happened, and
11 then there will be these things at the end that we're
12 going to talk about. And I ask you to consider all of
13 those as you listen to this today, because at the end of
14 this trial, the State of Oklahoma is going to ask you to
15 find Mr. Nelson guilty, and we are going to ask to you
16 assess punishment appropriate for that.

17 Thank you, ladies and gentlemen.

18 THE COURT: Mr. Adams.

19 MR. ADAMS: Michael Nelson's a whistle-blower.
20 Cynthia Blanchard is the one -- and her husband and a man
21 by the name of Chad Koehn and a group of friends are
22 people that he's trying to blow the whistle about. They
23 went to the Bartlesville Police Department even before
24 they had any association to do with Bartlesville because
25 Cynthia Blanchard's from here, so that they could complain

1 and claim that they were a victim because they were
2 attempting to silence Mr. Nelson, and they were attempting
3 to stop him from informing people about their criminal --
4 fraudulent criminal behavior.

5 So here's what this case is about and here's what I
6 anticipate the evidence to show. It's a very confusing
7 case and I'm boiling it down, so I'm going to try to give
8 it to you as clear as I -- as clearly as I can.

9 In November of 2018, okay, Michael Nelson is living
10 in Las Vegas. The Blanchards have a house in Santa
11 Monica, but it's unclear exactly where they live. They're
12 people that call themselves perpetual travelers, and that
13 would described the Blanchards. Okay?

14 Anthem Blanchard, the husband, which he may or may
15 not testify, he says on his Facebook that he lives in
16 Texas. Okay? I'm not sure where they live, even to this
17 day. They filled out paperwork in Puerto Rico and had an
18 apartment in Puerto Rico so they could get a tax benefit
19 in Puerto Rico and not have to pay taxes. Okay? And so
20 they -- there's stuff on the Puerto Rican website that
21 says they live in Puerto Rico.

22 It's my understanding that they also had an
23 apartment in Dubai for the same reason. And based on
24 their social media posts, you can prove that they were
25 there for months.

1 But they got sued in the Cayman Islands, okay,
2 because they had a company there. And they also -- when
3 they got sued -- at the time they're claiming they live
4 here in Bartlesville, they got sued in Texas by American
5 Express for over a hundred thousand dollars, and the
6 lawsuit there alleged that the residency was -- at least
7 Anthem's residency was Texas. And we'll be able to ask
8 Ms. Blanchard whether her and her husband lived together.

9 It is rather confusing, so this is one of the
10 things I'm hoping to figure out during the trial, but I
11 don't want to get off track.

12 Michael Nelson is living in Las Vegas in November
13 of 2018. He's working for one of the various, many
14 different, companies that the Blanchards own because they
15 keep starting companies -- they'll start new companies,
16 start new companies, start new companies, some companies
17 will merge into other companies. It's very difficult to
18 figure it out -- what's going on. But he's working for a
19 company by the name of Anthem Vault.

20 Anthem Blanchard is the adoptive son of a guy that
21 was really involved in the gold industry, and he was named
22 Anthem. Supposedly named after Ayn Rand's book *Anthem*.
23 Okay? He's the husband, and he was involved with the gold
24 business. He met Michael in Las Vegas. So he had what he
25 would -- what he did is -- this Anthem Vault business,

1 what they would do is they would produce gold. They would
2 sell gold, but they would buy a bar of gold, okay, and
3 then they would sell -- let you buy a piece of it.

4 So, like, you could buy, like, a gram of gold out
5 of this kilo bar. But the issue with a business like that
6 is: Are you selling more gold -- because nobody knows how
7 much you're selling -- than you actually possess?

8 Well, Michael's working for the company and he's a
9 computer programmer. One of the things he does is he
10 programs computers. So he wrote them a piece of a program
11 which is based upon blockchain technology, which I don't
12 pretend to know a whole lot about. But my understanding
13 is they got these -- blockchain is the same thing like
14 these Bitcoin which has been in the news lately with some
15 of these -- some of these issues. And the technology's
16 supposed to secure -- be secured to tell people what
17 you're actually doing.

18 So he sends this blockchain -- he builds this
19 blockchain so that he can verify, basically, if you do --
20 if you do an audit, that, Hey, this is the amount of gold
21 we actually have, this is the amount of gold that we've
22 actually sold. And then the auditors can come in and say,
23 well, this is what they did, and just to prove to people
24 that, Hey, I'm not selling you, you know, something that I
25 don't own. That was what -- that was kind of the starting

1 of it.

2 Well, the Blanchards never were interested in
3 actually putting that into place. They never would hire
4 an accountant to do the audit or anything. But they had
5 the gold and they would put the gold up on video where
6 people could see the gold. You can see the gold. I don't
7 know where it's at, but you could see it -- that they got
8 gold, Hey, they got some gold up here, give me your money
9 on the spot. You can trust me, I've got the gold.

10 So what happens is this blockchain technology is
11 the same type of technology that's used with, like,
12 cryptocurrency, FTX, you know, some of this stuff that's
13 going on, Bitcoin, all this stuff, you know. It's rather
14 confusing to somebody like me. And I think that the
15 theory is that they send this chain out and people do
16 these complicated math computation to verify that it's
17 accurate or something. I don't know. But that's -- it's
18 based on that technology.

19 So what happens is, is that they want to issue a
20 cryptocurrency. So they have Michael write the
21 cryptocurrency technology. So he writes it, and it is
22 actually a lot less complicated than the other one that he
23 wrote. So he writes this cryptocurrency technology, and
24 they issue this, and it launches in November of 2018, and
25 it's called HERC, which is like H-E-R-C, HERC. Okay?

1 So then let me pick up the story here. They're
2 going to have a company conference call on November the
3 8th of 2018. And in preparation for the company
4 conference call, Michael sends an e-mail to Cynthia
5 Blanchard, which we should hear from, and a guy by the
6 name of Paul Aubert or Aubert. It's A-U-B-E-R-T. And I
7 may be mispronouncing it. He's a lawyer. He's the senior
8 vice president of Anthem Vault, which is launching this
9 cryptocurrency, and the general counsel, okay? And he's
10 in Texas where Anthem claims that he lived. And I think
11 this company was incorporated in Texas, this Anthem Vault
12 company.

13 So what happens is Michael has heard from talking
14 to people in the company that what's going on is that
15 Anthem, which is Cynthia's husband that the company's
16 named after, has been getting individuals, including
17 people here in Bartlesville, okay, that were associated --
18 because Cynthia's from, I think, Dewey or something, and
19 she grew up here. And so she's got family down here, and
20 some of her family has worked for her.

21 But she's -- he's getting those people to get on
22 the -- they call them wallets. It's, like, where they
23 sell these cryptocurrency things. It's like a wallet.
24 It's not like the stock market, but they get on these
25 wallets and -- to buy this cryptocurrency that they're

1 issuing. Because they're issuing this cryptocurrency at
2 40 cents apiece to the public, they're selling for 20
3 cents apiece to people that they know, and they're trying
4 to pump up the price. Okay?

5 So what they're doing, it's a form of -- kind of a
6 variation of what you would call "pump and dump" with the
7 stock market. It's a variation of a self-dealing, you
8 know, type of thing. Okay? And -- but it's foolish in
9 the sense that with the blockchain technology, people that
10 really know what you're talking about or that really
11 understand it, not somebody like me, but somebody that
12 really understands what's going on, they will be able to
13 tell something's not right about this because there's all
14 these transactions that are coming from this slight few
15 and it doesn't appear to be organic, I guess you could
16 say. Okay?

17 So Michael catches wind of this, that this is going
18 on. Okay? And, in fact, Anthem had asked him to do it,
19 too. So Michael sends an e-mail to two people. He sends
20 it to Cynthia, because Cynthia's, like, the president of
21 the company, and he sends it to the general counsel, this
22 Paul Aubert guy down in Texas. And he sends it to them in
23 preparation for this meeting that they've got coming up,
24 this -- I'm calling it a meeting. It's a -- he sends it
25 to them in preparation for this conference call that they

1 got coming up on the 8th.

2 And he just lays it out to them -- let me just tell
3 you this: She talked about the 96,000 pages that they got
4 off of his phone. This will -- this will be an issue, so
5 let me take a side step and explain this so you guys can
6 pay attention to this.

7 They've got his phone when they arrested him, and
8 they searched his phones. They got -- I think they took,
9 like, 11 or 12 gig off his phone. He had an iPhone 8 and
10 an iPhone 7 that had 128 gig apiece. He had almost 250
11 gigs worth of data. So there's a lot of stuff that they
12 didn't get off the phones. Okay?

13 But in his report -- and I say that because of
14 this: Because in this report that they have there -- and
15 I anticipate the evidence will show that it's on page
16 53,846 -- there is a log of e-mails that he -- that he
17 sent to Mr. Aubert and -- and to Cynthia. And the reason
18 that I bring this up is because when you look at it on the
19 log of the e-mails -- there's actually two e-mails, I'll
20 get to the second one -- it puts the time zone as UTC, in
21 some universal time zone code or something, I -- the
22 computers -- instead of, like, eastern or central time or
23 whatever like that.

24 well, that actually means that the e-mails that we
25 have -- that Mr. Nelson still has, you know, like, on his

1 computer and stuff, that it may show a different date.
2 Okay? But I just want to highlight this to you guys and
3 I'll try to ask the questions to ferret out the
4 information so we can, you know, sort all this out.

5 But anyway, let me get back to it -- to the main
6 point.

7 So in this e-mail to Paul -- and he sends it to
8 Cynthia. Now, he doesn't send it to Anthem because he's
9 hoping that they can kind of get Anthem onboard, you know,
10 because the cryptocurrency thing, as some of you guys may
11 know, if you do it right and you get a good one, they all
12 made a lot of money, but just be honest about it, you
13 know.

14 And that's what Mr. Nelson is wanting. He's wants
15 to be honest about it. So he sends this e-mail to
16 Cynthia, the husband of Anthem (sic), and to the general
17 counsel, kind of, you know, let me get this guy in line
18 and this whole thing will be good. And he also tells them
19 that he wants -- he tells Paul, you know, I want a -- I
20 want the phone call to be highly productive. Okay? And
21 he's talking about the November the 8th phone call.

22 But in -- sometimes, as you will probably figure
23 out that Mr. Nelson can be a little strong willed. Okay?
24 A little -- a little Michael Nelson sometimes goes a long
25 way. Okay? He has to spread himself out a little bit. I

1 understand that myself.

2 But, anyway, he goes off in this e-mail and he
3 starts saying, It should be clear as day to all employees
4 not to trade this token on these exchanges. Besides, it
5 looks like market manipulation, and it's not organic if we
6 are pumping the token price is one of the things that he
7 tells them. He's like, Look, we can't do this, and don't
8 be doing it.

9 He goes on into this e-mail and he says -- and he's
10 telling this to the general counsel of the company and to
11 the president of the company, Cynthia Blanchard, who's
12 also the wife of the CEO of the company. And he's telling
13 them, Anthem's asking me to promote HERC to pump the price
14 and get volume trading, is directing me to do something
15 which I believe is illegal and manipulation. And he tells
16 them, Hey, this is where I'm at. And it's a long e-mail,
17 which, you know, hopefully we can get into throughout this
18 case.

19 So that happens on the 8th. Now, I would submit to
20 you that Mr. Nelson, he may not like the description, is a
21 bit naive, you know, believing that all he had to do was
22 point out that it was illegal and they would stop it,
23 but --

24 So let's fast-forward to February the 24th of 2019.
25 okay? So that's about three months later, maybe three and

1 a half, I don't know. February 24th, 2019. Michael sends
2 a test message to a board member of Anthem Vault. Now,
3 Michael used to be on the board, but he wasn't on the
4 board anymore, okay? And they all kind of started backing
5 away from him when he -- when he staked out his position.
6 And he also, by the way, in the call on November the 8th,
7 he said it all to everybody, hey, this is -- no, can't do
8 it, no.

9 So what happens is -- so Michael has a call. He
10 sends a test message to a guy by the name of Mark
11 Heatwole, which is like H-E-A-T-W-O-L-E. I may be
12 mispronouncing it. I'm sure Ms. Blanchard can pronounce
13 it properly.

14 So, anyway, he sends this -- he sends him a text
15 message to him. And in this test message, Michael tells
16 them -- you know, he says, Hey, Mark, I sent you a
17 birthday text, I didn't hear back from you. I received an
18 e-mail I'd like to discuss with you on the DL. And then
19 he puts -- you know, for people like me -- down low, you
20 know, privately -- concerning a three-million-dollar
21 investment. This is Michael Nelson, which to --

22 You know, Mr. Heatwole responds back, Mike, I just
23 landed in LAX, I'll call you when I've got to my car,
24 okay? So this -- so what happens, Michael's talking on
25 the phone to Mark Heatwole who's a board member, and at

1 the same time, he's texting with both Anthem and Cynthia
2 about this three-million-dollar investment.

3 And the deal is, is that he has learned, okay, from
4 another individual that there was a three-million dollar
5 investment and that that money was making market, that
6 they were using that money to pump up the token. Okay?
7 which got up to 54 cents and is now, like, 1/1000th of a
8 penny. If you had a thousand of them, you'd have a little
9 over a penny. Okay? But that's -- so that's what -- so
10 that's what sets this whole thing up.

11 Now, he's working for the company at the time,
12 okay? And so he's on the phone with Mark Heatwole, and
13 Mark tells -- and Mark's, like, well, what's the problem?
14 You know, what's the problem? Yeah, you know, but what's
15 the problem with that, you know? Well, at the same time
16 he's texting Anthem Blanchard and Cynthia Blanchard, and
17 he's asking where's the three million dollars? I know
18 it's not making market because I have e-mails to Paul --
19 the general counsel, the one that he sent back in November
20 -- in a phone convo with Paul he assured me the company
21 would not make market.

22 Now, something I neglected to tell you the first
23 time is that he followed up that e-mail with Paul with a
24 telephone call, okay, before the big call, you know, and
25 they -- there were other e-mails back and forth.

1 Anthem responds, who has a Texas phone number, Calm
2 the F down or you're fired right now. Then he calls him
3 an MF'er. And then he calls him a bigot. And he says,
4 And I will make sure you have un -- all you have unearned
5 is given back to the company. You better shape up right
6 the F now.

7 I mean, he's not using the abbreviations, but I
8 don't want to say that language.

9 And then, you know, he starts telling him that
10 he'll make sure that he has to pay back all unearned money
11 to the company. It's, you know, a financial threat. You
12 know, Michael doesn't have the resources that the
13 Blanchards do, you know.

14 And, you know, Michael responds, says, Hey, you
15 know, that's a threat. After all these years -- he'd been
16 with them, like, seven years -- and you think you can take
17 from my family, you know. He's, like, it's personal. So
18 Blanchard tells him, Hey, you know, according to the
19 company records -- not that it's true -- but according to
20 the company records and accounts, that they've been way
21 overpaying him, and that you work so little the admin team
22 thought you were on sabbatical, yada, yada. They put him
23 on sabbatical when they found out he wouldn't go along
24 with their little criminal scheme.

25 He goes on to tell them -- and then Michael says,

1 well, federal court then. Michael's threatening them to
2 report this to the federal authorities. We'll take this
3 to federal court if you want -- you know, if you guys are
4 going to do this, to which Anthem said -- you know, he
5 responds and tells him, You're lucky if the company didn't
6 take back -- in all caps which they say is, like, yelling
7 in text messages -- hundreds of thousands of dollars. And
8 he says, Loony bin for you. And he likes to make fun of
9 Michael sometimes. And even made a comment about short
10 bus, trying to call him like he's, like, you know,
11 retarded on something.

12 Michael is undeterred, as is his personality to be
13 undeterred, and he just asks, where's the three million
14 dollars? And that's when Anthem says, You're fired, and
15 starts telling him to get a job and go ask his brother for
16 a job, and all this.

17 So, now, that's how he got fired via text while
18 he's talking to Mark. Then, next thing you know, the
19 Blanchards go into this, like, discrediting Michael mode.
20 Okay? And what they do is they start claiming that he was
21 fired, not because he was asking about the three million,
22 they claim he was fired because he threatened a board
23 member's life on a phone conversation. And this Mark guy
24 starts -- starts saying, Oh, well he threatened my life
25 and that's why Anthem fired him. And this would later

1 put into a request for a restraining order by Cynthia
2 herself. Okay?

3 And as I have a tendency to do, I left out a key
4 point. Okay?

5 At one point during the conversation, Anthem
6 threatens Michael in another way, not just in money. And
7 what he says to him is: Because if you try anything,
8 these texts already prove you guilty of collusion. But he
9 might have been excited when he typed it because he didn't
10 hit -- instead of hitting the space he hit the V, so prove
11 and you is covered by a V, instead of separated by a
12 space. But anyway, prove you guilty. So, basically, what
13 he's saying is, Bud, you better shut up, or you're going
14 to find yourself charged, too.

15 Now, Michael had not sent that e-mail to Blanchard
16 -- to Anthem. He sent it to Cynthia. Maybe we can figure
17 out, you know, who's -- I don't know, I'd like to know
18 whether Cynthia ever had that discussion with Anthem or
19 not, you know. But anyway, so what happens -- and like I
20 said, the logs in the -- on the phone that -- out of this
21 96,000 pages that they got, the logs of the phones, they
22 do the UTC time. Okay? So it may show differently than,
23 you know, what he has to say.

24 But anyway, Michael reforwards or resends, I guess,
25 I don't know, however you call it, but he sends that

1 e-mail that he had previously sent to Cynthia and to the
 2 general counsel, he sends it back, but this time he just
 3 sends it back to the general counsel. And he changes the
 4 subject call, dot, dot, dot, remember this, you know.
 5 This is market manipulation, it's wrong/illegal, and you
 6 had agreed that it was wrong and illegal.

7 He sends it back to the general counsel, which is
 8 Michael saying, Hey, buddy, I got proof that I wasn't
 9 involved in this scheme. I warned you guys, told you guys
 10 not to be doing this scheme, not to be doing this stuff.
 11 So -- and -- and he's got the e-mails. So he sends it to
 12 them saying, Hey, you can't be charging me, I got proof.
 13 Okay?

14 They go on a campaign against Michael. Eventually,
 15 she requests a civil harassment restraining order in
 16 California. Okay? And she is -- and attached to the
 17 civil restraining order in California, she has a --
 18 statements from Paul, from Mark Heatwole, okay, the guy
 19 that Michael was talking to when Anthem fired him. And
 20 that's what he says in his statement that Cynthia has
 21 attached to her request for a restraining order that she's
 22 adopted her belief in. And he says, Oh, during the
 23 conversation he got fired. But then in the restraining
 24 order, Cynthia claims that he actually got fired for
 25 threatening this guy, you know.

1 And also attached there are e-mails that Cynthia
2 and Anthem and Paul Aubert, this lawyer down in Texas --
3 which the lawyer's a lot better at articulating it in a
4 way that Michael looks a lot better than they are -- they
5 start attaching letters and e-mails, and they started
6 sending these out -- these e-mails -- attacking Michael.

7 And they start saying that, you know, he threatened
8 our board of director, we documented this with the police,
9 and they start saying that we filed police reports about
10 him and they accuse him of hacking -- into illegal hacking
11 their computers, and they accuse him of other -- making --
12 making claims from nefarious activities being committed by
13 the company. They didn't use the word "vile," and this
14 might be the only thing that we will agree on in the case,
15 is that what they're doing is vile. Okay? And he's
16 making vile accusations, but they're true.

17 And -- but they claim it's nefarious activities,
18 and they start sending these out, I mean, to literally
19 just hundreds of people, all these people that are in the
20 community that he's known for years. They've destroyed
21 his reputation.

22 Well, a lot of these people have got money invested
23 in this, too, and they start basically claiming that
24 Michael is going to hurt the company, he's going to hurt
25 our investment, he's going to -- you know, we're going to

1 lose money because of Michael, and he just gets attacked.
2 I mean, he's just pummeled.

3 And, eventually, what he does is he pulls down all
4 of his social media, all of it. Doesn't want any trace
5 because if he's -- any trace at all, then he'll go ahead
6 and get attacked. Michael is talking with a guy that used
7 to be there that he knew before that had tried to -- tried
8 to warn him, you need to stay away from these people,
9 these people are not who they pretend to be. And his name
10 is Tom Wingert. And that's in -- will be in some of the
11 stuff -- in some of the e-mails and stuff.

12 So, anyway, what happens is -- I can fully move
13 this -- move this thing along -- is they get a -- and
14 we'll be talking about these messages and stuff, but they
15 get a e-mail from an individual by the name of Brett
16 Dunaway, and he's from Mississippi. And Dunaway runs a
17 bunch of businesses in Mississippi, and he's one of the
18 Blanchards' associates and friends and he's invested in
19 their company.

20 And what had happened, it's just like Michael had
21 thought that he could trust the general counsel and the
22 other board member, Tom Wingert, who Mike -- had tried to
23 warn Michael before, he -- Tom Wingert reached out to this
24 Dunaway and he tells him, Hey, the Blanchards are still
25 into robbing. They're doing things they shouldn't be

1 doing. We need to get some lawyers together get some
2 money together, and we need to go sue these people before
3 they blow it all.

4 And I -- we don't know anything about the
5 conversation, but we know that Dunaway sent that to Anthem
6 because Cynthia attached it in her request for the
7 restraining order. And Anthem sent that and turned to --
8 to the lawyer and to Cynthia. And in that, Dunaway tells
9 him, he goes, they need to be stopped -- talking about
10 Michael and talking about Wingert -- they need to be
11 stopped. And he's concerned that if our company doesn't
12 put a stop to it, that it's going to hurt the impact of
13 the company in the future.

14 And that was on March the 28th of 2019. The next
15 day -- now, Cynthia is supposedly living in California at
16 this time. And I believe the evidence will be from her --
17 or the claim from her is that she established residency
18 here in Washington County in May of 2020, but we'll just
19 have to see what she says. But -- and this is a full year
20 before, okay, March of 2019, she files a police report
21 with Bartlesville.

22 Michael was living in Las Vegas and Rhode Island.
23 It had nothing to do with Bartlesville. The only
24 connection to Bartlesville is that she's from here and she
25 knows people and that some of the people that were in here

1 in Bartlesville were more involved with pumping up the
2 cryptocurrency.

3 But anyway, she tries to get -- but one of the
4 issues -- and I'm going to ask her -- is that, you know,
5 when you file for a protective order or a restraining
6 order in a lot of states, that they want you to file a
7 police report saying that you filed a police report, you
8 know. So that may or may not have been the police, but
9 who knows. Nothing ever happened with that original.

10 So that was on the next day after she got that
11 e-mail from Dunaway saying, Hey, they need to be stopped.
12 So they go and continue to try to stop him. And then she
13 filed for her protective order in California on April the
14 11th of 2019.

15 Michael just gets beat down, decimated. He pulls
16 all his social media stuff up and he actually goes to
17 Spain and had started the process sometime before to move
18 to Spain. His brother lives in Spain. He's got a niece
19 in Spain. And he's, you know, wanting to be there, you
20 know, with his brother. Okay? And he's basically, like,
21 forget all this craziness, all these crazy people, I'm
22 going to Spain.

23 while he's in Spain, he's working in, like,
24 building furniture and posts something on social media.
25 Boom, he gets hit again. So he had to take it down. Lost

1 his job over it because of it. And he wants nothing to do
2 with the Blanchards at all.

3 And then in 2020, as you guys all went through,
4 COVID hit. And now here, you know, we're not as
5 restrictive, but in Spain, they locked down. Okay? Stay
6 in your apartment. You can't come out. They're fogging
7 the streets, all this. He can't work. He works on the
8 computer. He's not from Spain, you know. And he ends up
9 -- he's, like, man, I -- he's gotta have some money, you
10 know, to survive because he's not a Spanish citizen and he
11 doesn't want to mooch off his family and he's burning
12 through his assets. So he files a request for
13 unemployment in Nevada because he worked for them for
14 seven years, and he puts an unemployment claim in.

15 This starts off a whole new -- a whole new line of
16 -- once they get to the unemployment claim, they try this
17 claim again that she put in the restraining order. They
18 try this claim again saying, Hey, look, he got fired for
19 cause, we don't have to pay him unemployment for
20 threatening the life of a board member. But the stuff
21 that Cynthia attached to a restraining order in California
22 came back to bite them and they lost. They were required
23 to pay Michael the unemployment. He had a little card --
24 a little debit card and stuff. So he's able to get
25 through there and survive.

1 But this just starts just another -- just pounding,
2 after pounding, after pounding, and they're just going
3 after him, just going after him, going after him. They
4 even got a guy that was a former board member, okay, on
5 there that was a financial guy that was raising money for
6 their company that has since been suspended because he was
7 raising it in a way that he wasn't supposed to be raising
8 it. They even got him to sue Michael up in Kansas with
9 the same lawyer that they got. And they were just
10 pounding him and pounding him and pounding him.

11 Michael comes back to the United States when Spain
12 unblocksdown. Spain, they're still kind of restricting.
13 And then, in -- I can't even think of the date, but I'm
14 sure we'll find out. And -- either 2021 or 2022, he's
15 going to fly back out to Spain. And he's never been
16 arrested in his life; had a security clearance.

17 He's standing in line at the Newark airport and
18 these people come up and say, Hey, can I talk to you?
19 He's got an arrest warrant on this case. They throw him
20 in jail in the Newark jail. Not a nice place. And he
21 sits in there for, like, a month. Then they drag him back
22 here to Oklahoma. The first time he's ever been arrested.
23 And this case bumps along and here we are today.

24 This case is about free speech. This case is about
25 them trying to silence a whistle-blower. And the State of

1 Oklahoma has charged the wrong people.

2 THE COURT: Thank you, Mr. Adams.

3 At this time, before the State calls its first
4 witness, I'm going to invoke the Rule of Sequestration.
5 Ladies and gentlemen, what that means is that if there's
6 anybody in the courtroom that is going to testify, they're
7 going to be directed to step out into the hallway until
8 after they testify. That keeps witnesses from testifying
9 after they've already heard someone else testify.

10 So, Mr. Adams, do you have anyone in the room that
11 you intend to call as a witness?

12 MR. ADAMS: No, Judge.

13 THE COURT: Okay. Ms. Gullett, do you?

14 MS. GULLETT: No, Judge, I do not.

15 THE COURT: If, during the course of the trial,
16 you do have a witness come in inadvertently or
17 unknowingly, please remind them that they need to stay in
18 the hallway.

19 Okay. The State may call its first witness.

20 MS. GULLETT: Thank you, Judge.

21 The State of Oklahoma calls Cynthia Blanchard.

22 THE COURT: Ma'am, if you will raise your right
23 hand, please.

24 THE WITNESS: I will.

25 THE COURT: Okay. Come over here.

1 THE WITNESS: I'm sorry. Sorry.

2 THE COURT: That's all right.

3 THE WITNESS: I got it.

4 THE COURT: Swear to tell the truth, the whole
5 truth, and nothing but the truth, so help me God?

6 THE WITNESS: I do.

7 THE COURT: Ma'am, if you'll have a seat there.
8 Pull that microphone up in front of you close enough to
9 your mouth that you can speak directly into it.

10 Ms. Blanchard, I want to remind you that -- or to
11 tell you that this court reporter is trying to take down
12 everything that's said in the courtroom, so I need you to
13 be aware that you need to speak clear -- clearly enough,
14 loudly enough. Sometimes people have a tendency to talk
15 over one another. Please listen to her question and then
16 answer it, and when she's -- when you're finished, she
17 will ask her next question. So if I stop you during the
18 course of your testimony and remind you of that --

19 THE WITNESS: Uh-huh.

20 THE COURT: -- don't be alarmed because I have
21 to do that on almost every witness, so --

22 THE WITNESS: That's fine. I understand.

23 THE COURT: We just --

24 THE WITNESS: Sorry. Sorry.

25 THE COURT: The court reporter would greatly

1 appreciate it if you'd keep that in mind.

2 MS. GULLETT, you may inquire.

3 MS. GULLETT: Thank you, Judge.

4 WHEREUPON, CYNTHIA BLANCHARD, having been duly sworn

5 to tell the truth, the whole truth, and nothing but

6 the truth, was examined and testified as follows:

7 **DIRECT EXAMINATION**

8 **BY MS. GULLETT:**

9 Q. Ms. Blanchard, can you please state your name and

10 spell your last name for the record.

11 A. I'm Cynthia Blanchard, B-L-A-N-C-H-A-R-D.

12 Q. Thank you, ma'am.

13 And, Ms. Blanchard, are you familiar with a Michael

14 Eric Nelson?

15 A. Yes, I am.

16 Q. And how long have you known Mr. Nelson?

17 A. I believe we met him in 2007.

18 Q. When you say "we," who are --

19 A. My --

20 Q. -- you referring to?

21 A. My husband and I.

22 Q. And how do you know Mr. Nelson? In what capacity?

23 A. He was an employee of ours later, but in the

24 beginning, he became an acquaintance, friend, and then my

25 husband hired him maybe in 2008 as a consultant to do some

1 search engines optimization work for a company he used to
2 work for.

3 Q. And where were you guys located at when you met
4 Mr. Nelson?

5 A. In Las Vegas.

6 Q. And is that where Mr. Nelson was?

7 A. Yeah. He lived there.

8 Q. Is Mr. Nelson currently employed with any companies
9 associated with you or your husband?

10 A. No.

11 Q. How long was he employed with you or your husband's
12 companies, or anyone associated --

13 A. He came to us in the -- 2013 and, apparently, a
14 company that he had folded or something of that nature. I
15 don't know. He talked to my husband, and he asked if he
16 could work for our company. And Anthem, my husband, hired
17 him as a consultant. And he was in that role for two
18 years, until he came to us in 2015, and asked to become an
19 employee because he had hurt his wrist and he wanted to
20 get health insurance, and we said, okay. So he became an
21 employee in 2015.

22 Q. Okay. But he's been doing some sort of work since
23 2013 for your company?

24 A. Yes, until he was fired.

25 Q. And that brings me to my next question.

1 A. Sorry.

2 Q. You're fine.

3 What was his last day? If you know, the exact day
4 or month --

5 A. Yeah.

6 Q. -- that he worked for you guys?

7 A. He was fired the evening of February 24th of 2019,
8 and his official termination letter was sent in the
9 morning of the 25th of February in 2019.

10 Q. Okay. Are you aware of the circumstances under
11 which he was fired?

12 A. Yes.

13 Q. Were you involved in part of that discussion?

14 A. I witnessed part of that discussion. I mean, when
15 they were texting -- my husband was texting with him when
16 one of our board directors called him to inform my husband
17 that Mr. Nelson had threatened to shoot him because he
18 wasn't agreeing with some of the accusations that
19 Mr. Nelson was trying to accuse us of.

20 Q. All right. Which board member was that?

21 A. That was Mark Heatwole.

22 Q. And without going into a lengthy, drawn-out
23 explanation of what Mr. Nelson was accusing you guys of,
24 can you kind of sum up --

25 A. Yeah.

1 Q. -- what you believe Mr. Nelson's complaint was with
2 you and your husband and the company?

3 A. Mr. Nelson got it in his head that we were, quote,
4 stealing from our company, and that we were doing all sort
5 of nefarious, bad things, and he got agitated that weekend
6 and he just went on a rampage. And when he called one of
7 our board directors that evening of the 24th, to voice his
8 -- whatever he was thinking was happening, the board
9 director was absolutely, like, No, I don't believe a word
10 you're saying; that's not true, that's not true. And he
11 got so aggravated that he just got enraged, and that's
12 when he threatened to shoot Mark Heatwole.

13 Q. So you said that he was officially terminated on
14 the 25th of February?

15 A. Yes. That was when our legal counsel sent his
16 letter.

17 Q. Okay. And silly question, but was the 25th of
18 February of 2019, the last time you ever heard from
19 Michael Eric Nelson?

20 A. No. No. No.

21 Q. Okay. Have you chosen to keep in contact with --

22 A. No.

23 Q. -- Mr. Nelson?

24 A. No.

25 Q. You have to let me finish my question --

1 A. Sorry.

2 Q. That's all right.

3 -- before you answer. Okay?

4 All right. So you have not chosen to keep in
5 contact with him?

6 A. No.

7 Q. So based on contact -- who has initiated contact
8 between you and Mr. Nelson --

9 A. Mr. Nelson.

10 Q. -- during that time?

11 A. Mr. Nelson.

12 Q. What type of contact has Mr. Nelson had with you
13 since February 24th of 2019?

14 A. He immediately started to send hundreds of e-mails
15 accusing us of, oh, my gosh, Ponzi scheme, stealing from
16 the company, talking old women and men out of their money
17 and traveling around the world and using their money, and
18 just -- you name it, he accused us of it. And it was
19 relentless. Relentless. Relentless. I never responded.

20 Let me put it this way: By April 11th of 2019,
21 there were 600 printed pages of e-mails and texts and
22 harassment that I literally even took down to the Santa
23 Monica Police Department where we had a second home
24 because he had taken that address and blasted it
25 everywhere, and I was petrified. I was petrified that he

1 would come physically and harm us because he was so
2 enraged.

3 Q. So, Ms. Blanchard, did you -- again, silly
4 questions, but I've got to ask them -- did you ever wish
5 to receive any kind of contact from Mr. Nelson like this?

6 A. No.

7 Q. As far as the contact goes, was the contact only
8 with you or was it --

9 A. No.

10 Q. -- with anyone else?

11 A. I'm sorry, I did it again.

12 I'm -- no. Anybody we were associated with -- and
13 that means family, friends, our employees, our advisors,
14 our board of directors, consultants -- he just would go
15 after anybody that was associated with us. Horrendous,
16 aggressive, threatening; it just didn't stop.

17 Q. All right. So, Ms. Blanchard, you know that we're
18 right now in Washington County in Oklahoma?

19 A. Yes.

20 Q. All right. So when did you come to reside in
21 Oklahoma?

22 A. When COVID hit, we had a second home that we rented
23 in Santa Monica, and we got stuck there when lockdown
24 happened. And at the end of April, my parents' 68th
25 wedding anniversary was happening, and my husband and I

1 didn't want to miss that -- and they live here in
2 Washington County, so we ended up putting our dogs in the
3 car and driving for three days. And when we got to
4 Oklahoma, it was a breath of fresh air.

5 We stayed and celebrated with them. And then we
6 were trying to decide what to do, and that's when the
7 Santa Monica riots happened. And that was it. We said,
8 nope, we're not going back. We hired someone to pack up
9 that home -- it was a rental, so our lease, fortunately,
10 was at the end -- and we stayed here. And we lived with
11 my parents while we started looking for a home. And it
12 took about five months, but we finally found a home.

13 Q. So when do you think that you guys officially moved
14 in with your parents?

15 A. I would -- we made that decision at the end of
16 May --

17 Q. Okay.

18 A. -- of -- of 2020.

19 Q. 2020?

20 A. Yeah.

21 Q. Okay. And then you said that it took you a while
22 to find a home to buy?

23 A. Yeah.

24 Q. When do you think that you guys purchased your
25 home?

1 A. We closed on our home on November 10th. We made
2 the offer, I think, in September.

3 Q. Same year?

4 A. Oh, yeah. I'm sorry, 2020.

5 Q. And is that home in Washington County?

6 A. It is.

7 Q. And have you -- since you bought the home in
8 November of 2020 and/or stayed with your parents and
9 decided to live with your parents in May of 2020, have you
10 moved from -- have you moved your residence from
11 Washington County?

12 A. No.

13 Q. Are you still a resident of Washington County
14 today?

15 A. Yes.

16 Q. Since you've moved to Washington County, have you
17 had any contact with Mr. Nelson in any way?

18 A. I have not.

19 Q. Okay. Has Mr. Nelson contacted you in any way?

20 A. Yes, he has.

21 Q. All right. What types of contact has he had with
22 you since you became a resident of Washington County?

23 A. He sent aggressive e-mails, one to my personal
24 e-mail. I had blocked him when he started this activity
25 right after he got fired, but he had another e-mail

1 address that he used, and the date of that was October
2 20th of 2020. He sent a personal e-mail to my e-mail and
3 it included, I think, my husband's stepdad and just random
4 other people, basically aggressive, what -- he cussed in
5 it, what are you doing, dah, dah, dah. You know, just
6 that typical ranting that he did.

7 And it was shocking because I had blocked him, and
8 all of a sudden, here comes another rant. I blocked the
9 -- it was an iCloud account. I blocked it. And then the
10 next day, he sent an e-mail to a company address at the
11 Anthem Vault address that I was included in, and there
12 were -- oh, my gosh, probably 50 or 60 people on that --
13 same thing, ranting. They're a Ponzi scheme. They are
14 criminals. They have -- you know, just everything -- I
15 mean, it just didn't stop. And then we believe he uses
16 aliases. And when he uses aliases, that ranting gets even
17 more aggressive and threatening.

18 Q. So as far as the e-mails to the, like, 50 or 60
19 people, you said --

20 A. Yeah.

21 Q. -- do you recall what day -- well, I understand
22 there's probably a lot.

23 A. Yeah.

24 Q. Do you remember a date of one of those e-mails?

25 A. Yes. The one, like I said, to my personal e-mail

1 was October 20th of 2020. The one to the business e-mail
2 was the 21st of October, 2020, and then there was another
3 one on the 23rd, and then I was taken out of the e-mail
4 chain. There were just a few more that went back and
5 forth that were sent to us from some of the people,
6 including my husband's stepmother, of course, my husband's
7 stepfather again. Oh, my gosh, there were employees' --

8 Q. Okay.

9 A. -- e-mail, and so --

10 Q. So, Ms. Blanchard, you've testified about this
11 situation before?

12 A. Uh-huh.

13 Q. Is that a "yes"?

14 A. Yes. Sorry.

15 Q. And that was at the preliminary hearing?

16 A. Yes.

17 Q. Okay. During the preliminary hearing, were you
18 asked about some e-mails that went around and that you
19 received?

20 A. Yes.

21 Q. At that time, did you give a specific e-mail
22 address that you would have received e-mails at?

23 A. I did.

24 Q. What e-mail address did you -- do you recall giving
25 at --

1 A. Yeah.

2 Q. -- that preliminary hearing?

3 A. I gave an e-mail -- we have subsidiaries in the
4 company, and Anthem Gold was one of the subsidiaries,
5 Anthem Vault is a subsidiary. And I think I said that
6 those e-mails were sent to Anthem Gold, but they were
7 actually sent to my Anthem Vault e-mail.

8 Q. Is there -- why do you think that you said Anthem
9 Gold instead of Anthem Vault at the preliminary?

10 A. Because there was just so much activity that was
11 going on that I -- I thought it was -- I -- you know, I
12 didn't remember it was Anthem Vault.

13 Q. Did you in any way want to mislead the Court --

14 A. No.

15 Q. -- at that time?

16 A. No. No. No. No. I was surprised I had not said
17 the right thing, but I didn't.

18 Q. Roughly, how many e-mail addresses do you have?

19 A. My personal, and then there are the four business
20 e-mails.

21 Q. So is that a lot to keep track of?

22 A. Let me -- let me count that. Just a second. Yeah,
23 four. Four.

24 Q. So including your personal e-mail, that's five
25 e-mails you have?

1 A. Uh-huh.

2 Q. So is that a lot to keep track of?

3 A. Yes.

4 Q. Okay.

5 MS. GULLETT: Your Honor, may I approach?

6 THE COURT: Yes.

7 Q. (By Ms. Gullett) I'm going to hand you what I've
8 marked as State's Exhibit Number 1. Take a look at that.

9 A. Uh-huh.

10 Q. Okay. Do you recognize that document I just handed
11 you?

12 A. I do.

13 Q. Okay. And does that look like a true and correct
14 document that you've seen before?

15 A. Yes.

16 Q. Okay. Can you explain to me what that document is?

17 A. It is an e-mail from Michael Nelson that's sent to
18 -- there's my husband's stepmother, there's advisors,
19 stepfather, my husband, board of directors, employees,
20 random editors at different -- at different publications,
21 apparently, more board directors --

22 Q. Okay.

23 A. -- and shareholders.

24 Q. What's the date on that e-mail?

25 A. October 21st of 2020.

1 Q. Okay. And what's the time?

2 A. The time was 2:32 a.m.

3 Q. All right.

4 MS. GULLETT: Your Honor, I'd move to admit
5 State's Exhibit 1 through this witness.

6 MR. ADAMS: No objection.

7 THE COURT: State's Exhibit 1 shall be admitted.

8 Q. (By Ms. Gullett) I'm going to hand you what's
9 marked as State's Exhibit 2. Same thing; do you recognize
10 that document?

11 A. I do.

12 Q. And does that look like a true and accurate
13 representation of a document you're familiar with?

14 A. Yes.

15 Q. All right. What is that document?

16 A. Another e-mail from Michael Nelson that,
17 apparently, was part of an e-mail chain that was created.

18 Q. Okay. Same or similar situation?

19 A. Yeah. Same people.

20 Q. All right. And what's the date on that e-mail?

21 A. That is October 23rd of 2020 at 4:55 a.m.

22 Q. All right. Thank you.

23 MS. GULLETT: Your Honor, the State would move
24 to admit State's Exhibit 2.

25 MR. ADAMS: No objection.

1 THE COURT: State's Exhibit Number 2 shall be
2 admitted.

3 MS. GULLETT: Thank you.

4 Q. (By Ms. Gullett) When you saw these e-mails with
5 all the different people listed on them --

6 A. Uh-huh.

7 Q. -- as well as the body of the e-mails, what -- how
8 did you feel?

9 A. I was scared. We had come here, we had made our
10 home here, we had just bought a home here, and all of a
11 sudden, he's enraged and he's going after us again. And I
12 was petrified. To be honest with you, I was petrified
13 that if he found out what our new home address was, which
14 would have been public record once that sale went through,
15 I -- I was scared to death because I knew what would
16 happen. And with the help of this community, they helped
17 us change the way it was purchased so that address was not
18 public. And if he knows where it is, that scares me even
19 more. And he might, because he just is relentless. He
20 digs and digs and digs.

21 Q. After these e-mails were sent in October of 2020,
22 did you receive any other contact from Mr. Nelson?

23 A. Yes, I did.

24 Q. Okay. What type of contact did you receive?

25 A. He left two long-winded, over four-minute-long

1 voicemails on my phone, January 30th of 2021. It was from
2 an unknown number. I had blocked him years ago, but
3 somehow he got around it.

4 Q. How did you know it was Mr. Nelson?

5 A. I -- when I started to listen to one of them -- his
6 voice is very unique and very easy to recognize, and it
7 just sent shivers through me.

8 Q. And you said that you have blocked his phone
9 number?

10 A. Yes.

11 Q. Have you ever at any time unblocked his phone
12 number?

13 A. No.

14 Q. Were these voicemails welcomed by you?

15 A. No. No.

16 Q. And when you received these voicemails on
17 January 30th, you said?

18 A. Of 2021.

19 Q. Where were you when you --

20 A. I was in Bartlesville. I was at home.

21 Q. Okay. And did you immediately listen to them?

22 A. I listened to about two seconds -- well, probably
23 ten seconds, and it was threat, threat, threat. And I
24 couldn't do it. I couldn't do it. And I didn't erase
25 them, I just left them because we had heard so -- there

1 were hundreds of these voicemails that he's left over a
2 period of years, two hundreds -- I can't say a specific
3 number -- but many, many, many people that are associated
4 with us, family, employees, again, same -- same story,
5 same threats, same aggression, same lies about my husband
6 and I and people that are associated with our company.

7 He has no proof. There is no evidence. He has no
8 evidence because there is none. I'm going to go ahead and
9 say this. He's never seen the financials of our company.
10 He doesn't know our personal financial situation. We've
11 put millions of dollars into our company. We paid his
12 salary out of our own pocket many times when we needed to
13 because that's what you do when you're responsible to keep
14 a company healthy.

15 Q. So, Ms. Blanchard, I know this is a lot --

16 A. Yes.

17 Q. -- I know there's a lot going on. I need you to
18 focus on the questions --

19 A. You bet.

20 Q. -- I'm asking. Okay?

21 A. Okay. I'm sorry.

22 Q. You're fine. I know it is --

23 A. It's just too much.

24 Q. There's a lot going on and there's a lot of
25 questions I've got to ask you, so --

1 A. Okay.

2 Q. -- we've got to get through some of these
3 questions.

4 A. You bet. I'm sorry.

5 Q. You're all right.

6 So -- thank you.

7 So we were talking about the voicemails that you
8 had.

9 A. Yes.

10 Q. So you saw them on your phone. You know the date
11 because you saw them and you said you didn't erase them.

12 A. Right.

13 Q. Okay. At any time, did you do anything with those
14 voicemails? Did you give them to anyone or do anything
15 like that?

16 A. No, not until you called in December of '21.

17 Q. Okay. So did you ever provide me with a copy of
18 those voicemails?

19 A. I did.

20 Q. All right. And have you and I listened to those
21 voicemails together?

22 A. We have.

23 Q. Okay. So I'm going to approach with State's
24 Exhibit 3. I'm going to hand you this. Do you recognize
25 this?

1 A. I do.

2 Q. Okay. What is that that I've handed you?

3 A. This is a copy of the voicemails that I sent to
4 you.

5 Q. Okay. And do you see, like, some writing on that
6 disc?

7 A. Yes.

8 Q. What is that writing?

9 A. My initials and the date.

10 Q. Okay. What date is on there?

11 A. I'm sorry. 2-6-23.

12 Q. Okay. And so was that yesterday?

13 A. Yes, it was.

14 Q. All right. So what did you do yesterday? Did you
15 come up to my office?

16 A. Yes.

17 Q. And did you have a chance to view --

18 A. Yes.

19 Q. -- these voicemails again?

20 A. I did.

21 Q. All right. So is this a true and accurate
22 depiction of the voicemails that were on your phone?

23 A. Yes.

24 MS. GULLETT: Your Honor, I'd move to admit
25 State's Exhibit 3 and then publish for the jury.

1 MR. ADAMS: No objection.

2 THE COURT: State's Exhibit 3 shall be admitted
3 and you may publish.

4 MS. GULLETT: Thank you.

5 THE COURT: The court reporter's not taking down
6 what's on the exhibit.

7 MS. GULLETT: Oh, that's fine.

8 THE COURT: Just so you know.

9 (State's Exhibit Number 3 published.)

10 Q. (By Ms. Gullett) All right. There was a lot on
11 that voicemail, so I want to ask you some questions about
12 it.

13 The first half of that voicemail, because,
14 obviously, there were two, got cut off. And did he call
15 you back?

16 A. I -- yeah. There were two voicemails.

17 Q. Okay. So the very first one talks of a blood feud
18 between your family line and his family line. Do you have
19 any idea what that has to do with?

20 A. No idea. It just scared me.

21 Q. Are you aware of Mr. Nelson having any children?

22 A. I don't think he has any children.

23 Q. Okay. Did that strike you as odd that he would say
24 something about his children in that voicemail?

25 A. He had said things about his children in other

1 e-mails to other people, and we didn't know where he was
2 or what he was doing or -- we didn't know. But,
3 apparently, he doesn't have children.

4 Q. There's also a mention of your husband, Anthem,
5 being in the United Arab Emirates?

6 A. Uh-huh.

7 Q. And then he mentioned something about a prince of
8 the U.A.E.

9 A. I have no idea what he's talking about with the
10 prince thing. My husband was in Dubai when that voicemail
11 was left on my voicemail. He was -- we got -- he got a
12 client for our business during that trip. He had -- that
13 was his second trip to Dubai. The first time, he'd gone
14 to speak at a conference. So he did not -- he wasn't in
15 town, but I was.

16 Q. So when you hear things like a prince of Dubai and
17 a prince of the U.A.E. was my bunkmate, what do you take
18 that as?

19 A. I don't -- again, this was after years of
20 Mr. Nelson leaving these sort of long-winded voicemails or
21 these long e-mails that just rattled on about -- I
22 shouldn't use that word -- things that made no sense --
23 things that made no sense. So I assumed that was another
24 one of those that made no sense. These threats and --

25 Q. So would you associate Dubai and the United Arab

1 Emirates as being a wealthy country?

2 A. Yes, I would.

3 Q. So would a prince of a place of the U.A.E., would
4 that be probably a wealthy person?

5 A. Probably, yes.

6 Q. So to have someone tell you that they have someone
7 who's a -- been a bunkmate with them with a wealthy
8 person, with means like the U.A.E., was that a concern to
9 you?

10 A. Yeah, I was petrified. I was petrified. But for
11 the record, that was on the 30th of January of 2021. On
12 the 14th of February, I flew to Dubai for the very first
13 time to meet my husband because he had gone back there. I
14 flew over and back three more times. There was no -- but
15 every time I went, I was afraid. Had -- was there
16 something that had happened that -- that I was going to --
17 I mean, it was horrible. There was, again, no evidence of
18 anything, but it was just these idle threats to harass and
19 scare us.

20 Q. So I'm going to shift from the voicemails to some
21 more things that have happened in Washington County.

22 A. Okay.

23 Q. So you guys have moved here. You live here. Do
24 you have work here --

25 A. Yes.

1 Q. -- in Washington --

2 Okay. What business do you have here?

3 A. The business is Her Software Development Company.

4 Q. And where is that located?

5 A. It is located at the old courthouse on Frank
6 Phillips. That is a building that the company purchased
7 in July of 2021, to put the headquarters of the company
8 there.

9 Q. Okay. And so I am horrible with dates, as you and
10 I have talked about many times, so we're going to make
11 this timeline in our brains.

12 A. Okay.

13 Q. So the voicemails are in January of 2021?

14 A. Yes.

15 Q. And then July of 2021, HeraSoft buys a building.

16 A. Yes.

17 Q. Okay. When was HeraSoft formed?

18 A. HeraSoft was formed in January of 2020, as a
19 subsidiary.

20 Q. Okay. All right. July 2021, building.

21 Okay. At that time, had you had any more contact
22 in July of 2021, with Mr. Nelson, like a voicemail or
23 things like that, that really stand out?

24 A. I didn't personally.

25 Q. All right. So then we get to July and then, let's

1 say, into August of 2021, have you had any contact with
2 Mr. Nelson at that time that stands out to you in August
3 of 2021?

4 A. That he contacted me?

5 Q. Yes.

6 A. Yes.

7 Q. Okay. So what happens in August of 2021?

8 A. On August 26th, I got a call from one of our
9 employees at the courthouse, and they said a certified
10 letter had come for you. I'm like, okay, I'll come down.
11 I had no idea what it was. He had signed for it. And
12 when I opened it, it was from Mr. Nelson. Again, just
13 threats saying things like I was trying -- trying to kill
14 his parents, that I was mentally ill. There's something
15 about Chad Koehn in there because the letter went to Chad
16 Koehn also, the same letter, but it had it addressed to
17 both of us.

18 I had -- it just, again, just -- but the scary part
19 about that is that it came to the courthouse, and I didn't
20 know how he knew about the courthouse. I did not know
21 that our marketing director at the time had put the
22 picture of the courthouse and its address on our website
23 earlier in the month.

24 Q. Okay.

25 A. When that -- oh, I'm sorry. Go ahead.

1 Q. So talking about the website for HeraSoft.

2 A. Uh-huh.

3 Q. What -- other than the picture of the courthouse
4 and the address of the courthouse and HeraSoft, the
5 name --

6 A. Uh-huh.

7 Q. -- what else was on that website that would link it
8 to you? How would someone know if they looked at that
9 website that HeraSoft was associated with you?

10 A. Oh, I'm sorry. Okay. I understand.

11 Q. Yeah.

12 A. Well, yeah, at the time, my picture was on it, my
13 husband's picture was on it, telling them the positions
14 that we held with the company.

15 Q. And what was your position?

16 A. At that time, I was the president of the company.

17 Q. All right.

18 MS. GULLETT: I'm going to show her State's
19 Exhibit 4, the envelope and the letter is inside, 4-A.

20 Your Honor, if I may approach?

21 THE COURT: Yes, ma'am.

22 Q. (By Ms. Gullett) All right. I'm going to hand you
23 State's Exhibit 4, with 4-A inside.

24 A. Okay.

25 Q. So first we're going to talk about 4.

- 1 A. Uh-huh.
- 2 Q. Do you recognize what I've handed you?
- 3 A. Yes.
- 4 Q. All right. What is it that I've handed you?
- 5 A. A certified letter.
- 6 Q. Okay. And is that a true and accurate reflection
7 of a certified letter that you're familiar with?
- 8 A. Yes.
- 9 Q. All right. So what certified letter is this?
- 10 A. This is the letter I was just referring to from
11 Michael Nelson.
- 12 Q. Okay.
- 13 A. So it -- what I'm trying -- I don't know what
14 you're trying to get.
- 15 Q. No, you're fine.
16 what address -- well, what name and address is
17 listed on there?
- 18 A. Okay. Okay. I understand.
19 Cynthia D. Blanchard, president, Hera Software
20 Development, Inc., 501 Southeast Frank Phillips Boulevard
21 -- Boulevard, Suite 102, Bartlesville, Oklahoma 74003.
- 22 Q. What is the return address?
- 23 A. Return mail processing center, 8551 East Anderson
24 Drive, Number 108, Scottsdale, Arizona 85255.
- 25 Q. Okay. So that does not say Mr. Nelson on that

1 outside part?

2 A. It does not.

3 Q. Okay.

4 MS. GULLETT: So, Your Honor, State would move
5 to admit State's Exhibit 4, which is the envelope, with
6 the caveat we're going to through State's Exhibit 4-A as
7 well, so --

8 MR. ADAMS: We have no objection.

9 MS. GULLETT: All right.

10 THE COURT: State's Exhibit 4, which is the
11 outside envelope --

12 MS. GULLETT: Yes, ma'am.

13 THE COURT: -- shall be admitted.

14 Q. (By Ms. Gullett) So I'll have you open the
15 envelope.

16 All right. Now you're looking at the contents of
17 what was in that envelope. Do you recognize that?

18 A. Uh-huh.

19 Q. Is that a "yes"?

20 A. Yes. I'm sorry. Yes.

21 Q. That's all right.

22 So this is marked as State's Exhibit 4-A. So you
23 recognize this document?

24 A. Yes.

25 Q. Is that a true and accurate depiction of a document

1 you've seen before?

2 A. Yes.

3 Q. All right. What is this document?

4 A. This document is the certified letter that was sent
5 to me at the courthouse and it also was addressed to
6 Mr. Chad Koehn.

7 Q. Okay. So this document was inside that envelope
8 when that envelope was sealed?

9 A. Yes.

10 Q. All right.

11 MS. GULLETT: So, Your Honor, the State would
12 move to admit State's Exhibit 4-A.

13 MR. ADAMS: No objection.

14 THE COURT: State's Exhibit 4-A, the letter
15 itself, shall be admitted.

16 MS. GULLETT: Thank you.

17 THE COURT: And, Ms. Gullett, I'm not sure the
18 jurors back behind you can hear you, so you might speak up
19 a little bit louder.

20 MS. GULLETT: Sorry about that.

21 Q. (By Ms. Gullett) Okay. So I'm going to take this
22 from you, but we're going to talk about the letter.

23 All right. So, Ms. Blanchard, that letter you said
24 was addressed to yourself and Mr. Koehn?

25 A. Uh-huh. Yes.

1 Q. What -- what types of things are in that letter?

2 A. Just like I said before, the death threats have to
3 stop, you're mentally ill, you've threatened my parents,
4 he goes on and on about other people. And then he talks
5 about Mr. Chad Koehn and how I have threatened his family
6 again.

7 Q. Just all sorts of stuff?

8 A. Just the same --

9 Q. All right.

10 A. -- constant stuff.

11 Q. So we're going to ask that question.

12 Have you, at any time, threatened Mr. Nelson's
13 family?

14 A. No.

15 Q. Have you, at any time, threatened Mr. Nelson --

16 A. No.

17 Q. -- in any way?

18 A. No.

19 Q. All right. As far as HeraSoft goes here in the --
20 in Bartlesville, was -- did HeraSoft generate any kind of
21 publicity or anything of that nature?

22 A. Yes.

23 Q. All right. What kind of publicity was HeraSoft
24 getting?

25 A. Specifically, there were two different articles in

1 the Bartlesville *Examiner Enterprise*. The first one was
2 in August, and there's a -- there's a program in
3 Bartlesville, I think it's called the Bartlesville
4 Development Program, where they -- if you're accepted --
5 and we were invited into this program -- it encourages
6 businesses to bring employees to Bartlesville. And if
7 they do that, the City will provide \$10,000 to that
8 employee to buy a house or \$20,000 if they build a home.
9 And so it was an incentive program to help businesses
10 attract employees to come and live in Bartlesville.

11 Q. So were -- were you familiar with that article?

12 A. I was.

13 Q. Did you read the article?

14 A. I did.

15 Q. Did you see the article when it was published?

16 A. I did. It wasn't just about HeraSoft, it was about
17 the program, and there was, I think, one other company
18 that was talked about in it. But HeraSoft was definitely
19 talked about in that article.

20 Q. Okay. And so you're familiar with it?

21 A. I am.

22 Q. All right.

23 MS. GULLETT: Your Honor, if I may approach?

24 THE COURT: Yes, ma'am.

25 Q. (By Ms. Gullett) I hand you what's marked as

1 State's Exhibit 5.

2 (Cross-talk.)

3 A. Yeah.

4 Q. (By Ms. Gullett) So what have I handed you?

5 A. The article from the *Examiner Enterprise* that I was
6 just talking about.

7 Q. Okay. And does that look like a true and accurate
8 depiction of the article that you saw in the *Examiner*
9 *Enterprise*?

10 A. Yes.

11 Q. Can you tell me the date of that article?

12 A. The date is August 26th, 2021, at six o'clock a.m.

13 Q. And who was it written by?

14 A. Daisey Creager --

15 Q. Okay.

16 A. -- of the Bartlesville *Examiner Enterprise*.

17 MS. GULLETT: Your Honor, the State would move
18 to admit State's Exhibit 5.

19 MR. ADAMS: No objection.

20 THE COURT: State's Exhibit 5 shall be admitted.

21 Q. (By Ms. Gullett) And in that article, it talks
22 about HeraSoft.

23 A. Yeah.

24 Q. And is there a mention of you or Anthem in that
25 article?

1 A. Personally, I don't think so. I think it's -- I
2 think it's just HeraSoft.

3 Q. Okay.

4 A. I'd to have look at it again. I'm sorry.

5 Q. That's okay.

6 A. The second one definitely was about HeraSoft, and
7 it mentioned us, but that was in September.

8 Q. Okay. Are you familiar with any other articles or
9 publications that happened about HeraSoft from anyone
10 other than the *Examiner Enterprise* as we talked about
11 them?

12 A. I think it was on the radio website.

13 Q. Okay.

14 A. Yeah.

15 Q. Are you familiar with that happening, the radio
16 having --

17 A. Yes.

18 Q. -- an article?

19 A. Yes.

20 Q. Okay. I'm going to hand you what's marked as
21 State's Exhibit 6. If you'll take a look at that.

22 Do you recognize that?

23 A. I do.

24 Q. Okay. And what is that that I've handed you?

25 A. It is the Bartlesville Radio website. They have --

1 what do you call it? You know, they have the news and
2 they have different weather, you know, local news, and
3 this was from there.

4 Q. So an article by the Bartlesville Radio?

5 A. Uh-huh.

6 Q. And do you know what day that was from?

7 A. This says it was posted August 25th at 8:49 a.m.,
8 and updated August 25th, 2021 -- sorry, it was 2021 -- at
9 9:16 a.m. Did I say a.m. or p.m. earlier?

10 Q. I don't recall.

11 A. It's 8:40 -- I'm sorry. It was 8:49 a.m. and
12 updated at 9:16 a.m., on the on 20 -- on August 25th,
13 2021.

14 Q. Thank you.

15 A. Sorry about that

16 MS. GULLETT: Your Honor, the State would move
17 to admit State's number 6.

18 MR. ADAMS: No objection.

19 THE COURT: State's Exhibit 6 shall be admitted.

20 Q. (By Ms. Gullett) Now this --

21 THE COURT: Hang on.

22 MS. GULLETT: Sorry.

23 Q. (By Ms. Gullett) Now, this article from the Radio,
24 does it, as far as you're aware, mention you and Anthem by
25 name?

1 A. Not specifically, no.

2 Q. What does it show on there?

3 A. Again, that HeraSoft was accepted into this program
4 and what the program is and how it incentivizes companies
5 to bring employees into Bartlesville and help them to want
6 to stay in Bartlesville.

7 Q. All right. So these articles came out around the
8 25th, 26th --

9 A. Uh-huh.

10 Q. -- of August 2021?

11 A. Yes.

12 Q. After that time, did you receive any communication
13 -- did you receive any concerning communication about
14 Mr. Nelson reaching out to anyone?

15 A. Yes.

16 Q. Who did you hear from?

17 A. I actually heard from one of our employees at the
18 time, and he had received an e-mail from, I believe, David
19 Wood, who runs this program, because somebody had e-mailed
20 the city manager and, I believe, his assistant, that
21 somebody was Michael Nelson, and warning them about the
22 Blanchards and how we were a Ponzi scheme and how we were
23 criminals and we had come to Bartlesville to steal
24 everything from everybody, from what I remember. He
25 didn't say it like that, but that was the insinuation.

1 Q. Okay. So you were aware that there had been an --
2 an e-mail to the -- to the city manager?

3 A. I was aware, but I did not know until Monday
4 morning about that because the employee that received that
5 e-mail was in a different office. If it's okay -- tell me
6 if I shouldn't go on and explain this part. But when I
7 got the certified letter on the 26th, it scared me
8 terribly. I went directly to the police department to
9 file a report.

10 Q. Okay.

11 A. The police department encouraged me to go to Ray of
12 Hope to get a protective order. I went to Ray of Hope. I
13 filled out the paperwork. But in talking and finding out
14 more about how it works, I didn't go ahead and complete
15 that completely until Monday morning when I found out that
16 Mr. Nelson had e-mailed the city manager. And that
17 petrified me because I thought, oh, no, his reign of
18 terror was going to come into this community.

19 I was horrified, and I was also scared for everyone
20 that's in Bartlesville who is close to us. And that
21 includes my family, my 91-year-old mother and 94-year-old
22 father, my sister, my nieces, my nephews, the tenants in
23 our building, our employees. It scared me, so that's when
24 I went and I said I -- we need a protective order.

25 Q. Okay. So, Ms. Blanchard -- and you've kind of

1 answered this question -- but these contacts from Mr.
2 Nelson from the time that Mr. Nelson was fired with the
3 incident of him threatening a board member that you're
4 aware of --

5 A. Uh-huh.

6 Q. -- to the time that he sends you a certified letter
7 and there's contact with the city manager of
8 Bartlesville --

9 A. Uh-huh.

10 Q. -- how has this entire time made you feel?

11 A. Terrified. Walking around never knowing when his
12 rage is going to happen and he's going to come out and
13 accuse us -- it's all lies. He doesn't have any evidence
14 of any of the things that he's accused us of, anything,
15 because he doesn't have access to any of our finance -- he
16 doesn't. Unless he's -- unless he's hacked and gotten in
17 there illegally. Terrified.

18 He has contacted shareholders who -- he shouldn't
19 have shareholder information. How did he get that? It's
20 not public. It's not public. So he stops at nothing, and
21 then he doubles down, which is even more frightening
22 because he has erratic behavior, which makes him
23 unpredictable, and that makes him very dangerous, and I'm
24 scared of him.

25 Q. Thank you, Ms. Blanchard.

1 MS. GULLETT: I have no further questions,
2 Judge. I pass the witness.

3 THE COURT: We're going to take a break for the
4 court reporter's sake, and probably the jurors would like
5 a break as well. It is just a couple of minutes after 11.
6 We're going to take a 15-minute break. So if you will be
7 back in the jury room in 15 minutes, the bailiff will
8 bring you in when it's time for you to come back in.

9 So, thank you, ladies and gentlemen. We'll be in
10 recess.

11 (Whereupon, a brief recess was taken.

12 Thereafter, proceedings resumed as follows:)

13 THE COURT: Okay. We are now back on the record
14 in the State of Oklahoma versus Michael Eric Nelson.

15 Mr. Adams, are you ready to proceed?

16 MR. ADAMS: Yes, Judge.

17 THE COURT: And, Ms. Gullett, are you ready?

18 MS. GULLETT: Yes, Judge. Thank you.

19 THE COURT: Madam Bailiff, would you please
20 direct the jurors to their place in the jury box?

21 Would both of the attorneys take a look around and
22 make sure you are -- don't have any of witnesses in the
23 courtroom. There's one extra person that I don't
24 recognize.

25 THE BAILIFF: All rise.

1 THE COURT: Ms. Blanchard, I would remind you
2 that you are under oath.

3 And, Mr. Adams, you may cross-examine the witness.

4 CROSS-EXAMINATION

5 BY MR. ADAMS:

6 Q. Now, Ms. Blanchard, on April the 11th of 2019, you
7 filed a request for a civil harassment restraining order
8 in California; is that true?

9 A. Yes.

10 Q. And you filed that request and requested the Court
11 out there to give you a civil harassment restraining order
12 against Mr. Nelson?

13 A. Yes.

14 Q. And did you file that in person?

15 A. I did.

16 Q. And you listed an address there of Wilshire
17 Boulevard in Santa Monica?

18 A. Yes.

19 Q. Now, you told this jury that was your second home.

20 A. No. That's a mailbox number.

21 Q. So that's not a home, that's just a mailbox?

22 A. That is a mailbox number, but we did have a home in
23 Santa Monica.

24 Q. Now, you also filed a police report the preceding
25 month, in March of 2019, against Mr. Nelson here in the

1 City of Bartlesville?

2 A. Yes.

3 Q. Okay. And the address you listed on that, that was
4 a mailbox number, too, wasn't it?

5 A. I don't recall.

6 Q. Didn't you have a mailbox number here in
7 Bartlesville?

8 A. I do not recall.

9 Q. Didn't you have a mailbox number in the Cayman
10 Islands?

11 A. No.

12 Q. Now, your husband, on his Facebook page --
13 Do you guys live together?

14 A. We do.

15 Q. Okay. And you've told us that Bartlesville is your
16 home?

17 A. It is.

18 Q. Doesn't your husband on his Facebook page say that
19 he lives in Texas?

20 A. You'll have to ask my husband. I don't go to his
21 Facebook page.

22 Q. Okay. Did you get -- you told us that you
23 established residency here in May of 2020?

24 A. We stayed here. We were living with my parents
25 until we found a home. Yes, that's what I said.

1 Q. But in September, almost October, September the
2 28th of 2020, you got sued in Texas?

3 A. I didn't get sued anywhere, sir.

4 Q. Didn't your husband --

5 You and your husband live together, though, right?

6 A. We live together.

7 Q. Yeah. Your husband got sued in Texas, and it
8 alleged in the lawsuit that he resided in Texas?

9 A. You will have to ask my husband that question.

10 Q. Ma'am, Anthem Vault, Incorporated, are you the
11 president of that organization?

12 A. No, I am not.

13 Q. Are you the CEO?

14 A. I am not.

15 Q. You have nothing to do with Anthem Vault,
16 Incorporated?

17 A. Not at this point. I'm an employee.

18 Q. Okay. You're an employee?

19 A. Uh-huh.

20 Q. But it's -- your husband is the CEO?

21 A. Yes, he is.

22 Q. Do you have anything to do with them at that point?

23 A. You mean, as a married couple or are you referring
24 to the company?

25 Q. As far as the company.

1 A. Yes.

2 MS. GULLETT: Objection, Your Honor.

3 THE WITNESS: It doesn't make sense.

4 THE COURT: Just a moment, please.

5 MS. GULLETT: I would ask him to lay a
6 foundation to when. There's been a lot of dates, so when
7 are we talking about?

8 THE COURT: So I'm going to sustain your
9 objection.

10 And if you'll just give us a time frame of within
11 which you're talking about.

12 MR. ADAMS: Okay.

13 THE COURT: Okay

14 Q. (By Mr. Adams) At one point, you were listed as the
15 CEO of Anthem Vault?

16 A. No.

17 Q. Have you ever had any relationship with Anthem
18 Vault?

19 A. Yes.

20 Q. Okay. And what is that?

21 A. I was the president of Anthem Vault.

22 Q. When?

23 A. Anthem Vault was incorporated in 2011. Anthem
24 Vault was launched, I believe, as a live company with a
25 website in, I believe, December of 2012, and I remained in

1 that position. And then we created a holding company and
2 then I was the president of the holding company at that
3 time. I have not been in that position.

4 Q. At what time?

5 A. You know what, I don't recall. I can't give you a
6 specific. I'm not going to answer that if I don't know
7 specifically.

8 Q. So you're refusing to answer?

9 A. No, I'm not refusing to answer. I'm saying that I
10 don't know the specific date, because that will come back
11 if I don't answer correctly, so I understand I shouldn't
12 speculate.

13 Q. Okay.

14 A. I know around about, but I'm not going to --

15 Q. But you know what I'm talking about with this
16 lawsuit, right?

17 A. You'll have to ask my husband.

18 Q. Okay.

19 A. It has nothing to do with me.

20 Q. Doesn't it -- isn't it in that exhibit that just
21 got introduced where Mr. Nelson is explaining to the
22 people of the City of Bartlesville that the people that
23 they just agreed to give economic incentive money to just
24 got sued for over a hundred thousand dollars by American
25 Express in Texas?

1 MS. GULLETT: Objection, Your Honor, facts not
2 in evidence.

3 MR. ADAMS: It is in evidence.

4 THE COURT: Just a moment.

5 Your objection?

6 MS. GULLETT: The e-mail from the City of
7 Bartlesville has not actually been introduced yet. That
8 is not one of the e-mails that has been intro -- or to the
9 City of Bartlesville has not been introduced yet. That
10 would be through two other witnesses who have not come in.

11 THE COURT: Okay. At this time, I'm going to
12 sustain the objection.

13 Q. (By Mr. Adams) In the e-mail to the Bartlesville
14 Development Agency, doesn't he discuss -- doesn't he
15 discuss this, this American Express lawsuit?

16 A. I don't recall.

17 Q. You don't recall?

18 A. I don't.

19 Q. And so you're telling -- are you telling us that
20 you know nothing about your husband that you live with and
21 the company that you used to be involved with getting sued
22 for over a hundred thousand dollars in Texas around-about
23 the time that you persuaded Bartlesville to give you guys
24 some economic incentive money?

25 A. This had to do with my husband. I am familiar with

1 it, but I am not familiar with it enough to answer your
2 questions. So I don't want to say anything that I don't
3 have a knowledge base on.

4 Q. Okay. But you -- you will admit that you have
5 knowledge of it?

6 A. I did have knowledge of it, but it wasn't to me, it
7 wasn't about me, and it was something I think was settled.
8 But you can ask my husband.

9 Q. Okay.

10 A. Please feel free to do that.

11 Q. Okay.

12 A. Okay?

13 Q. Well, I will ask your husband --

14 A. Okay.

15 Q. -- when I have an opportunity.

16 A. Okay.

17 Q. Okay. Now, let's talk about -- in the same time
18 frame, you guys got sued in the Cayman Islands, too,
19 right?

20 THE COURT: So, Mr. -- Mr. Adams, you keep saying
21 in the same time frame, but we've talked about several
22 different time frames, so if you will talk about which
23 time frame you are specifically addressing.

24 MR. ADAMS: Okay.

25 Q. (By Mr. Adams) June the 30th of 2020, didn't your

1 companies, HERC CEZC and AG HERC, Incorporated get sued in
2 the Cayman Islands?

3 A. I'm aware of that.

4 Q. Okay. Did you get a copy of the lawsuit?

5 A. No, I did not. That goes to our legal department.
6 But I will say this: I do know about this one. We had
7 rented office space as part of the Cayman Enterprise City,
8 which is an organization that helped companies provide,
9 like, incubator and office space, and it was a real
10 community when we had a company down there.

11 We were advised to go to Cayman Islands from a
12 representative Deloitte of San Francisco, because that was
13 in a jurisdiction that was favorable for the -- it was
14 called protocol. After two years, we had completed the
15 protocol, we didn't need to be in Cayman anymore. We
16 informed the Cayman Enterprise City that we would like to
17 end the relationship.

18 COVID hit. It became a little nutty, and we were
19 having a hard time with any interaction for a while. And
20 then all of a sudden, we found out that there was, like, I
21 think it was \$10,000 they said that we owed -- it might
22 have been 20, I don't remember. See, again, I don't
23 remember the dates -- I mean, the price. But it was a
24 small amount of money they said we still owed. It was
25 settled, I believe for \$19,000, and they were fine with

1 it. They were grateful.

2 So it was a local, Hey, you guys haven't paid.
3 Well, yeah, tried to work with you, but then all craziness
4 because of COVID hit, so it was very minor.

5 Q. Now, do you -- you would agree with me, ma'am -- or
6 would you agree with me that if a community had decided to
7 give a business tax-payer money -- which is what you
8 received, right, economic incentive is tax-payer money,
9 that -- that city or that community may want to know that
10 the people that they just gave this money to have got
11 these pending lawsuits out there? Don't you agree that
12 that's at least relevant for them to know that
13 information?

14 A. You would have to ask the City.

15 Q. I'm talking to you.

16 A. I know you're talking to me and I'm answering.
17 (Cross-talk.)

18 THE COURT: Just a moment, ma'am. Ma'am, listen
19 to his question.

20 THE WITNESS: Okay.

21 (Cross-talk.)

22 THE COURT: Ma'am.

23 THE WITNESS: Go ahead.

24 THE COURT: Listen to his question. Don't talk
25 over one another.

1 Q. (By Mr. Adams) wouldn't you agree that that would
2 be a legitimate thing for that community to at least look
3 at and consider whether they've given the money to
4 somebody they shouldn't give it to?

5 MS. GULLETT: Objection, Your Honor, calls for
6 her to speculate. She doesn't work for the City. She's
7 not the city manager, and she's not in the City's
8 employment.

9 THE COURT: Okay. Your objection is sustained.

10 Q. (By Mr. Adams) well, that's -- the stuff that he
11 said about you was true, right? When he told them that
12 you had these lawsuits, that -- that was true, right?

13 A. (No response.)

14 MS. GULLETT: Objection, Your Honor. He said a
15 lot of stuff, so I don't think she can answer that
16 question.

17 MR. ADAMS: I'll get more specific.

18 THE COURT: If you would, that would be very
19 helpful. Thank you.

20 Q. (By Mr. Adams) when he told the Bartlesville
21 Development Association in that communication that you had
22 -- there had been this lawsuit filed in Texas from
23 American Express for over \$120,000, that was the truth --
24 that was true?

25 A. He said we were a Ponzi scheme. He said

1 accusations that were incorrect.

2 Q. Okay. We'll get to the Ponzi scheme --

3 A. Well, I'm just answering your question.

4 THE COURT. Ma'am. Ma'am. Listen just a
5 moment.

6 Mr. Adams, repeat your question.

7 Listen to his question and just answer it.

8 THE WITNESS: Okay.

9 THE COURT: Answer what he asks you.

10 THE WITNESS: Try again.

11 Q. (By Mr. Adams) when he said that you guys had been
12 sued in Texas for over \$120,000, that was true?

13 A. As far as I know, that was a settled case, but you
14 have to ask my husband. He was involved with it and our
15 legal counsel was involved with it. It was settled. It
16 was settled. And, again, this was part of COVID time, so
17 I know that there was interaction, but I don't know the
18 details.

19 Q. When he informed the Bartlesville Development
20 Agency that you had been sued in the Cayman Islands, that
21 was true?

22 A. In reference to the e-mail that I think you're
23 referring to -- if I'm understanding you correctly,
24 you're asking about that e-mail that was sent to the city
25 manager; is that correct?

1 Q. No, I'm talking about the one that was sent to the
2 Bartlesville Development Agency.

3 A. As far as I know, it was sent to the city manager,
4 and -- her -- his assistant.

5 THE COURT: Mr. Adams, are you referring to a
6 specific exhibit that has been admitted?

7 MR. ADAMS: I'm referring to exhibits that have
8 been given to me by the State, Judge. But I'm going to
9 move on to the next issue.

10 THE COURT: Okay. Thank you.

11 Q. (By Mr. Adams) Now, ma'am, you take issue with the
12 fact that he is claiming and he was telling people that
13 you guys were conducting a Ponzi scheme. Is that -- did I
14 hear you say that earlier?

15 A. Could you repeat what you just said, please.

16 Q. Did I hear you say earlier that you were
17 complaining that Mr. Nelson was telling people that you --
18 your companies were conducting a Ponzi scheme?

19 A. I was stating a fact that he's been telling people
20 that.

21 Q. And you're complaining about that because you're
22 saying that it's not true?

23 A. It is not true.

24 Q. Okay.

25 A. I don't think I used the word "complain."

1 Q. Okay. You're saying it's not true?

2 A. It's not true.

3 Q. Okay. Now, isn't it true that -- what's the name
4 of the -- you guys had a token called HERC, right?

5 A. Yes.

6 Q. H-E-R-C?

7 A. Yes.

8 Q. And isn't it true that the chief marketer, one of
9 your advisors for that company, was indicted and pled
10 guilty to a federal Ponzi scheme in the bit club
11 prosecution?

12 MS. GULLETT: Objection, Your Honor. Calls for
13 her to testify to hearsay. We don't have anything --
14 there's no one here to testify to that.

15 Q. (By Mr. Adams) If you know.

16 THE COURT: Just a moment. I'm going to sustain
17 her objection, so move on to your next question.

18 Q. (By Mr. Adams) Ma'am, Joby Weeks used to be one of
19 your board advisors, did he not?

20 A. He did.

21 Q. Okay. Joby Weeks was the chief marketer for the
22 Bit Club Mining?

23 MS. GULLETT: Objection, Your Honor. Not
24 relevant. Mr. Weeks has never been to Bartlesville, does
25 not work for HeraSoft and has nothing to do with this

1 case.

2 THE COURT: How is it relevant, Mr. Adams? And
3 if you want to come forward and discuss it, that's okay,
4 too.

5 MR. ADAMS: Judge, I can ask a different
6 question and show the relevance. I'll tie it right up.

7 THE COURT: Okay.

8 Q. (By Mr. Adams) You put out a white paper in your
9 blockchain -- your HERC blockchain, right?

10 A. I did not. Again, this is not something I can
11 discuss with knowledge, and I won't discuss anything I
12 don't know about. You have to talk to the people within
13 the company that has knowledge base about all that.

14 Q. Joby Weeks is no longer one of your advisors, is
15 he?

16 A. No.

17 Q. Now, ma'am, do you guys make -- you say things --
18 you're involved in the market in your company, right?

19 A. No, I am not.

20 Q. Well, you fly around with your husband, right?

21 A. I do. I have. Not this year, but in the past,
22 yes.

23 Q. Okay. And you've gone to conferences with him?

24 A. Yes.

25 Q. And you showed up with interviews on YouTube with

1 him?

2 A. Yes.

3 Q. Okay. And you've gone to Dubai with him?

4 A. Yes.

5 Q. And New York City with him?

6 A. Yes.

7 Q. And, in fact, you're the -- at the time in 2019,
8 you were the president of Anthem Vault, were you not?

9 A. Yes.

10 Q. Now, do you guys say things to people that are not
11 true to look like big shots?

12 A. No. No. And we're not big shots.

13 Q. Doesn't --

14 A. We've been around big shots, we're not big shots.

15 Q. Doesn't your husband claim that he is a diplomat --

16 A. No.

17 Q. -- for the Free Republic of Liberland?

18 A. No, he does not.

19 Q. Ma'am, doesn't he even have a passport that says he
20 has a diplomatic passport for the Free Republic of
21 Liberland?

22 A. You would have to ask my husband.

23 MS. GULLETT: Objection, Your Honor. None of
24 this is relevant to why we are here today, which is a
25 criminal case for Mr. Nelson.

1 MR. ADAMS: It goes to honesty, Judge.

2 THE COURT: You're asking her questions that she
3 can only answer, I believe, through hearsay, unless you
4 can establish it otherwise.

5 MR. ADAMS: Okay.

6 THE COURT: So sustained.

7 Q. (By Mr. Adams) Ma'am, you have a current campaign
8 on a website for HeraSoft, and it is called wefunder?

9 A. Yes.

10 Q. You know about that?

11 A. I do.

12 Q. There's a video of you on the website?

13 A. Not a video of me on the website.

14 Q. Well, a picture of a video of you on the website?

15 A. It's not a picture of a video of me on the website.

16 Q. Would it refresh your recollection if you were able
17 to look at the website?

18 A. There is a picture of my husband and I, but the
19 video doesn't have either of us on it.

20 Q. Okay. So there's a picture of you guys and you're
21 trying to raise money for HeraSoft?

22 A. Yes.

23 Q. And you tell them that you're the co-founder there
24 of HeraSoft?

25 A. Yes.

1 Q. Now, also, it lists the people associated with your
2 company, does it not?

3 A. Yes.

4 Q. And you're listing that to present your company to
5 the public in hopes of raising three million dollars?

6 A. I don't know what that number is. Again --

7 MS. GULLETT: Well, Judge, objection. I don't
8 -- why is this relevant?

9 MR. ADAMS: I'm about to get there, Judge.

10 THE COURT: Wait a minute.

11 If you want to make an objection, stand up and make
12 an objection, and then I'll let him respond.

13 MS. GULLETT: Your Honor, the State would object
14 that this is not relevant. As to the business doings of
15 HeraSoft, what they do or not do has nothing to do with
16 why we're here today.

17 THE COURT: Okay. Mr. Adams, your response?

18 MR. ADAMS: My response is: Is the claim --
19 through this witness -- is that my client is harassing
20 them by claiming that they're running a Ponzi scheme when
21 they were not, and they are presenting things falsely to
22 the public on this website that I would like to
23 cross-examine her about.

24 THE COURT: Ms. Gullett?

25 MS. GULLETT: We have had no evidence that there

1 is anything false going on with HeraSoft.

2 THE WITNESS: Right.

3 THE COURT: I think at this point, Mr. Adams,
4 you are assuming facts not in evidence. If you want to --
5 well, so for that reason, I'm going to sustain her
6 objection. And if you need to rephrase, you may, and
7 let's see if we can get there.

8 Q. (By Mr. Adams) Ma'am, do you guys say anything
9 that's false or misleading on your wefunder website?

10 A. Not that I'm aware of.

11 Q. Okay.

12 A. I didn't put that together, though. I had nothing
13 to do with any of that. You have to ask my husband --

14 Q. Okay.

15 A. -- if you want those answers. I'm serious, I don't
16 know these things.

17 Q. Okay. You know who Josh Gunter is, right?

18 A. I do.

19 Q. He's your nephew?

20 A. No.

21 Q. Is he related to you?

22 A. Not biologically.

23 Q. By marriage?

24 A. No.

25 Q. If you are -- if you're not related by marriage and

1 not related biologically, how are you related?

2 THE WITNESS: Is it okay to answer that?

3 THE COURT: If he asks you a questions, answer
4 it unless --

5 THE WITNESS: He is my cousin's stepson.
6 Cousin's stepson, not related directly.

7 Q. (By Mr. Adams) He's also -- you've got him listed
8 on this website as the chief administrator officer, right?

9 A. Yes.

10 Q. And he also claims that he has a diplomatic
11 passport from the Free Republic of Liberland, does he not?

12 MS. GULLETT: Objection, Your Honor, not
13 relevant what is on the HeraSoft website as far as this
14 witness goes. If Mr. Adams would like to bring in some of
15 these other people and have them testify and then recall
16 this witness, he could do so.

17 THE COURT: Sustained.

18 MR. ADAMS: Judge, I would like an opportunity
19 to respond.

20 THE COURT: Sustained.

21 MR. ADAMS: I would want the record to note that
22 I have not had an opportunity to respond and I object to
23 not having an opportunity to respond.

24 THE COURT: You may ask your next question.

25 Q. (By Mr. Adams) Well, ma'am, let's talk about

1 November the 7th of 2018. Now, on November the 7th of
2 2018, you guys were in the process --

3 When I say "you guys," I'm talking about Anthem
4 Vault.

5 -- was in the process of launching the HERC token?

6 A. It wasn't Anthem Vault.

7 Q. But you were involved with the launch of the HERC
8 token?

9 A. I don't remember the exact date, but it was '18.

10 Q. I'm just saying --

11 A. Again, you have to ask my husband these things, but
12 there was a launch -- to answer your question as well as I
13 can, there was a launch of the HERC token at some point in
14 the timeline, I guess.

15 Q. In fact, you used to have an e-mail address that
16 said cynthia@herc.one?

17 A. Again, a subsidiary of our company.

18 Q. But that was your address, right?

19 A. Yes.

20 Q. So cynthia@herc.one, that's you?

21 A. Yes.

22 Q. And paul@herc.one, who is that?

23 A. Paul is our general counsel -- our in-house general
24 counsel for the company.

25 Q. And is he out of Texas?

- 1 A. He is.
- 2 Q. What's his last name?
- 3 A. Aubert. Would you like me to spell it.
- 4 Q. Is it A-U-B-E-R-T?
- 5 A. It is.
- 6 Q. Now, Mr. Nelson, at that time, was working for
- 7 Anthem Vault?
- 8 A. He was.
- 9 Q. And Mr. Nelson, he had an e-mail address of
- 10 michael@anthemvault, did he not?
- 11 A. Yes.
- 12 Q. Now, Mr. Nelson was working for you guys at the
- 13 time?
- 14 A. Yes. In '18, yes.
- 15 Q. Yeah. And Mr. Nelson sent an e-mail to you at
- 16 cynthia@herc.one and paul@herc.one to discuss with you
- 17 this upcoming call that you guys had about the launch of
- 18 the HERC. Do you remember that?
- 19 A. Upcoming hall? H-A-L-L, hall?
- 20 Q. Yeah. Like, a -- like a, general call for the
- 21 company call or maybe on video?
- 22 A. Oh call.
- 23 Q. Yeah.
- 24 A. Call. I'm sorry. I thought you said hall.
- 25 I don't remember that, no.

1 Q. Ma'am, do you think it might refresh your
2 recollection if you were able to look at a copy of that
3 e-mail address?

4 A. The e-mail address?

5 Q. I mean, not the -- I apologize.

6 Of the e-mail, the printed e-mail, would that
7 refresh your recollection about whether you received that
8 e-mail?

9 A. Sure. Yes.

10 MR. ADAMS: Judge, may I approach?

11 THE COURT: Yes, sir.

12 A. Thank you.

13 Q. (By Mr. Adams) Now, ma'am, that's been forwarded a
14 couple of different times. So you'll have to flip to the
15 -- to the second page there before -- at the bottom of the
16 second page.

17 I printed it large so it could be read.

18 And if you'll just kind of read through that a
19 little bit and see if that --

20 A. That page?

21 Q. The e-mail, it starts on the next page.

22 If you'd read through that a little bit and see if
23 that refreshes your recollection about receiving that
24 e-mail.

25 A. I don't -- I don't recognize this e-mail.

1 Q. Excuse me, ma'am. I didn't hear what you said.

2 A. I don't remember this e-mail. That is my address,
3 I do not remember it.

4 Q. So is it your belief that you never received it, it
5 may have got caught in the trash, or that you just don't
6 recall?

7 A. I don't recall reading this e-mail.

8 Q. Okay. Well, if you don't recall, I guess we'll
9 just have to go about it a different way. Ma'am, have you
10 ever been told -- I'll move on from that.

11 A. Okay. Do I --

12 Q. Yeah.

13 A. -- give it back to you?

14 Q. You can set it to the side.

15 Do you remember, in November of 2018, ever being
16 told by Michael Nelson in any way, shape, or form, that it
17 was important that the employees not be trading the HERC
18 token because it's market manipulation?

19 A. I don't recall any of that. Whether -- again,
20 wrong person to ask.

21 Q. Okay.

22 A. Sorry.

23 Q. Do you ever recall being told by Michael Nelson, in
24 November of 2018, in any shape or form, that your husband,
25 Anthem --

1 I'm sorry, ma'am?

2 A. Well, I --

3 Q. Can I get you --

4 (Cross-talk.)

5 THE COURT: Mr. Adams, if you don't want -- she
6 asked you to come get it, and you didn't. So if you don't
7 want her to look at it, then take it from her.

8 MR. ADAMS: Okay.

9 THE WITNESS: Yes.

10 Q. (By Mr. Adams) Ma'am, in November of 2018, do you
11 recall being told by Michael Nelson in any shape or form
12 that your husband, Anthem, had been asking him to pump the
13 price and get volume trading of the HERC token?

14 A. I do not recall; however, that e-mail says November
15 7th of 2018. I don't recall that e-mail. I don't
16 remember it. I don't recall it. Again, maybe ask Paul
17 Aubert.

18 Q. Yeah. What about your husband?

19 A. You'll have to ask him and my husband, too.

20 Q. Okay. Now, do you recall Mr. Nelson, in November
21 of 2018, complaining that he believed that your husband
22 had asked him to do something that was illegal by pumping
23 the HERC token?

24 A. Again, I don't recall that. I don't believe my
25 husband would ask anybody to do anything illegal; however,

1 I can't speak for my husband. You have to ask him
2 directly.

3 Q. Now, ma'am, your phone number --

4 Let's forward to the day and focus on the day that
5 your husband fired Michael Nelson, February the 24th --

6 A. Uh-huh.

7 Q. -- of 2019. Do you have that in your mind?

8 A. I do.

9 Q. Do you recall that?

10 A. I do.

11 Q. Okay. Now, at the time, your phone number -- was
12 your phone number 310-435-5707?

13 A. Yes.

14 Q. Okay. Now, that's a Los Angeles number?

15 A. Yes.

16 Q. And your husband's phone number was 702-569-3431?

17 A. Yes.

18 Q. And now that's a Texas number?

19 A. No, it's a -- a Nevada number -- Las Vegas number.

20 Q. Okay. Now, do you recall being involved in a -- in
21 the text conversation where your husband fired Mr. Nelson?

22 A. I wasn't involved with that text interchange, not
23 that one, but I was standing next to him when all this was
24 happening.

25 Q. Ma'am, is it possible you just forgot that text

1 exchange?

2 A. I had texted with Michael earlier in the day
3 because he was agitated, and I was trying to calm him down
4 because what he was saying was out of line, not true, and
5 I do recall responding to him mid-day saying, Michael,
6 that's not true, what are you talking about?

7 Q. Okay.

8 A. That's the end of my interaction. And I don't know
9 the details. It's been many, many years, but if that was
10 the same text exchange that my husband was on with him
11 later in the evening, then I was on it, but I didn't see
12 it. So I was standing next to him while he was texting
13 and then -- you know the rest.

14 Q. So are you saying you might have been involved in
15 this text -- you might have been getting sent in this text
16 conversation, but you were paying attention to your
17 husband and not your phone?

18 A. I texted with Michael Nelson earlier in the day.
19 That could have been a text thread that my husband was on,
20 I don't recall, but I quit interacting with him in the
21 afternoon. This was in the evening of February 24th,
22 2019, that the aggression happened, the threat to Mark
23 Heatwole happened, and Anthem texted "You're fired," I
24 think, and then the next morning -- and then he called the
25 general counsel, said, You gotta send a termination letter

1 the next morning. That's what I know.

2 Q. Now, ma'am, do you recall during that conversation
3 that Michael Nelson was asking your husband where the
4 three million dollars was?

5 MS. GULLETT: Objection, Your Honor; calls for
6 hearsay. She says she doesn't recall the conversation.

7 THE COURT: Sustained.

8 MS. GULLETT: More important, I -- more
9 important, I don't know if she was even in it.

10 THE COURT: I -- I think the question was: Do
11 you recall that? That's a yes or no question.

12 THE WITNESS: No.

13 Q. (By Mr. Adams) Were you observing this
14 conversation while it was going on?

15 A. It was a text conversation. I was standing next to
16 my husband. He was -- later -- this was in the evening
17 when he had gotten so aggravated and aggressive. And then
18 Mark Heatwole called my husband -- because I didn't know
19 who he was texting with --

20 Q. Ma'am --

21 A. Okay. I'm rattling on.

22 Q. You're pulling away from the point.

23 A. Okay.

24 Q. So do you -- were you observing this conversation?

25 A. I was observing him having the conversation, but I

1 didn't see the conversations because it was text. Is that
2 what --

3 Q. Ma'am, is it possible --

4 A. I'm not following.

5 Q. -- that you just don't recall it?

6 A. I'm not quite sure what you're asking me.

7 Q. Is it possible that you just might not recall being
8 involved in the conversation, but that it was sent to you
9 on your cell phone?

10 A. Okay. Which part of the conversation are we
11 talking about?

12 Q. The part of the conversation where your husband
13 tells Mr. Nelson to calm the F down or you're fired right
14 now, calls him an MF'er and a bigot.

15 A. Okay. I was not a part of that conversation. He
16 text --

17 This is all text, correct?

18 Q. Yes.

19 A. If my number was on it, I wasn't at my phone. I
20 did not see that interaction.

21 Q. Okay.

22 A. Is that what you're asking me?

23 Q. Yeah.

24 A. Okay. Yeah. I did not see that interaction. If
25 I'm on the trail, I was -- I was standing next to him.

1 Actually, I walked out because he was very upset, and we
2 had --

3 Now, I'm going way off. Yeah, sorry.

4 MS. GULLETT: So, Judge, my understanding is
5 that there is a text conversation. We've heard quite a
6 bit of it talked about. The State of Oklahoma would have
7 no objection to this document coming in. My understanding
8 is that Anthem Blanchard could probably authenticate this,
9 and it sounds like she was present whenever the texts were
10 at least being exchanged.

11 THE COURT: Do you intend to introduce it as --

12 MR. ADAMS: Judge, I --

13 THE COURT: -- an exhibit?

14 MR. ADAMS: -- I agree with the statement. I'd
15 like to introduce it. I understand that the Court
16 probably doesn't want me to introduce my copy with
17 highlights, but I have extra prints of it here. And at a
18 convenient time --

19 Or do you want me to introduce it now so you can
20 talk about it?

21 MS. GULLETT: That's up to you.

22 MR. ADAMS: Okay.

23 MS. GULLETT: Have some of that back --

24 MR. ADAMS: I'll just introduce this now, Judge,
25 with the highlights. If it's a problem -- is that okay

1 with the Court?

2 THE COURT: Well, you need a clean copy of that.
3 Do you have an extra copy?

4 MR. ADAMS: I do. Just in this pile.

5 THE COURT: Okay. I'll give you a moment to
6 find it.

7 MR. ADAMS: Okay. Judge, I'm going to put
8 Mr. Nelson to work, so I can keep moving on.

9 THE COURT: Okay. Let's move on.

10 MR. ADAMS: All right.

11 Q. (By Mr. Adams) So let's talk about this. Is it
12 your claim that you believe -- is it your claim that
13 Mr. Nelson was fired because of threatening Mr. Heatwole?

14 A. That's right.

15 Q. Okay. And when you filed your civil harassment
16 restraining order -- or your request for the civil
17 harassment restraining order, you attached a number of
18 documents to that?

19 A. Well, there were 600 printed pages. They didn't
20 take all of them. They took enough to prove that there
21 was a lot of --

22 Q. Okay. I'm talking about in California.

23 A. Yeah, I know. I'm telling you in California.

24 Q. Okay.

25 A. I -- I walked into the Santa Monica police report

1 -- department, with over 600 printed pages of harassment,
2 and that was only a month and a week or so after he got
3 fired.

4 Q. Okay.

5 A. They told me to go to the courthouse to do this
6 because they were concerned, too. When I went there, they
7 did take it -- they did put a restraining order, submit
8 it. The only reason it was rejected is because we didn't
9 know where he was and they couldn't serve him.

10 Q. Let me stop you.

11 A. Oh. You asked. I'm sorry.

12 Q. You attached --

13 First of all, isn't it true that they denied the
14 restraining order and told you that you could have a
15 hearing because they didn't see how you had alleged that
16 Mr. Nelson --

17 A. No. They couldn't find him to serve him. That's
18 what I was told.

19 Q. Okay.

20 A. So --

21 Q. The judge didn't issue an emergency restraining
22 order. The judge set it down for a hearing?

23 A. Because in California, even with an emergency
24 restraining order, the person has to be served, and no one
25 knew where he was.

1 Q. Have you seen these documents --

2 A. Yes.

3 Q. -- that you attached to this?

4 A. Yes, I have.

5 Q. Okay. Now, one of the things that you attached to
6 this was a police report --

7 well, let me ask you this: You wouldn't have filed
8 that with the Court if you didn't believe it, right?

9 A. Believe what?

10 Q. What you attached?

11 A. Was that Mark Heatwole's police report?

12 Q. Well, anything, is the question. You wouldn't
13 attach anything to the police report that you did not have
14 a belief to be true, right?

15 A. I believe Mr. Heatwole when he was telling us that
16 Mr. Nelson had threatened to shoot him because he was
17 aggravated. So if that's the police report you're
18 referring to, yes, I believed it.

19 Q. You believed the -- you believed the police report
20 that you attached to this restraining order?

21 A. If you will let me know what I attached, I will
22 tell you.

23 Q. Okay.

24 A. I'm pretty sure the only police report out there at
25 that point was -- unless -- I don't -- yeah.

1 MR. ADAMS: May I approach, Judge?

2 THE COURT: Let's stop right here. It's 12:00.
3 We're going to take a break -- take a lunch break.
4 That'll give you an opportunity to find whatever e-mail
5 you were looking for.

6 MR. ADAMS: Okay.

7 THE COURT: We'll just stop there.

8 So, ma'am, we're going to take a lunch break. You
9 may step down.

10 THE WITNESS: Now?

11 THE COURT: Yes.

12 THE WITNESS: Oh, okay. Leave?

13 THE COURT: Yes, ma'am.

14 THE WITNESS: Okay.

15 (Whereupon, a bench conference was had
16 outside the hearing of the jury. This
17 bench conference was not a requested part of
18 this transcript.)

19 THE COURT: Ladies and gentlemen, during the
20 lunch break, I would remind you not to talk about this
21 case to anybody. Don't talk about it amongst yourselves.
22 Don't allow anyone to talk about it in your presence.

23 When you return from lunch, if you would again
24 return to the jury room, and then we will bring you in at
25 a time that is appropriate. So with that being said, it's

1 now 12:00; if everybody will be back here and ready to go
2 at 1:15.

3 MS. GULLETT: Judge.

4 THE COURT: Yes, ma'am.

5 MS. GULLETT: I'm not sure who's going to be
6 able to do arraignments from my office --

7 THE COURT: Oh.

8 MS. GULLETT: -- since they are doing --

9 THE COURT: Okay.

10 MS. GULLETT: -- that trial upstairs. So if we
11 may, may I have 1:30?

12 THE COURT: I think they mistried that one
13 upstairs.

14 MS. GULLETT: They did?

15 THE COURT: I don't know.

16 Let's do 1:30, to be on the safe side and so you
17 guys don't end up sitting in there an extra 15 minutes.
18 So 1:30.

19 (Whereupon, a lunch break was taken.

20 Thereafter, proceedings resumed as follows:)

21 THE COURT: Okay. We are now back on the record
22 in Washington County District Court, Case Number
23 CF-21-304, State of Oklahoma versus Michael Eric Nelson.
24 Everybody is back after their lunch break. And so at this
25 time, Madam Bailiff, will you please direct the jurors to

1 their place in the jury box.

2 (The following took place within the presence and
3 hearing of the jury:)

4 THE COURT: Ms. Blanchard, I would, again,
5 remind you that you are under oath.

6 And, Mr. Adams, you may continue your
7 cross-examination.

8 MR. ADAMS: Your Honor, at this time, I would
9 move to admit Defendant's Exhibit Number 1, which is the
10 text messages that Ms. -- Ms. Gullett had agreed to.

11 THE COURT: And that's a clean copy?

12 MR. ADAMS: Uh-huh.

13 MS. GULLETT: No objection. I'm sorry, I didn't
14 realize --

15 THE COURT: Defendant's Number 1 shall be
16 admitted.

17 What's the date on that, Mr. Adams?

18 MR. ADAMS: Judge, it's a screenshot, but the
19 date -- oh. No, actually, it's on February 24th, 2019, at
20 9:46 p.m.

21 THE COURT: Thank you, sir.

22 Q. (By Mr. Adams) Now, Ms. Blanchard, when you filed
23 this protective order, your request for the protective
24 order you attached -- or restraining orders, as they call
25 them in California, you attached an e-mail that was sent

1 out regarding updates regarding Mr. Nelson. Do you recall
2 that?

3 A. No, I don't.

4 Q. Would it refresh your recollection to see it?

5 A. Yes.

6 MR. ADAMS: Judge, may I approach?

7 THE COURT: Yes, sir.

8 Q. (By Mr. Adams) Now, ma'am, if you'll -- this isn't
9 numbered as much, but --

10 Let's see, seven.

11 Ma'am, if you'll count back in seven pages into
12 that -- at the bottom lower left-hand, it says one of six.

13 A. I'm sorry. Say that once more.

14 Q. I was asking if you'll count in seven pages --

15 THE COURT: Just a moment. Hold on just a
16 minute.

17 Q. (By Mr. Adams) Seven pages from the --

18 THE COURT: Mr. Adams, just a moment. Give our
19 court reporter a moment, please.

20 THE WITNESS: I did not hear what you just said.
21 I was asking --

22 THE COURT: Okay.

23 Q. (By Mr. Adams) Okay. If you would count seven
24 pages from the front.

25 A. Okay.

1 Q. And at the bottom, it should say -- the bottom
2 left-hand, it should say one of six.

3 A. No. It says two of six.

4 Q. Well, then go to the page before it. Do you see
5 that one?

6 A. Uh-huh. Okay. I'm there.

7 Q. Are we on the same page?

8 THE COURT: I don't -- I don't know how she
9 would know that, if you said they're both on the same
10 page.

11 MR. ADAMS: Yeah.

12 Q. (By Mr. Adams) Does it say one of six at the
13 bottom?

14 A. Yes.

15 Q. Okay. And that's the page I'd like to talk about.

16 A. Okay.

17 Q. Now, ma'am, at the top of that, there's a number
18 that's stamped there that says 19-S. Do you see that?

19 A. Yes.

20 Q. Okay. And now, that would be the case number for
21 that temporary restraining order that you filed, wouldn't
22 it?

23 A. I don't know, sir.

24 THE COURT: Mr. Adams, are you asking her to
25 refresh your memory? Because you're asking her questions

1 from that document.

2 MR. ADAMS: Okay.

3 THE COURT: If you would do that properly, that
4 would --

5 Q. (By Mr. Adams) when you looked at that e-mail at
6 the top and refresh your recollection about whether or not
7 you attached that to the temporary retraining order that
8 you filed in California --

9 THE COURT: Okay.

10 Q. (By Mr. Adams) -- against, Mr. Nelson on April the
11 11th of 2019?

12 THE COURT: Okay. What I want you to do is ask
13 her to refresh her memory, retrieve the document from her,
14 and then ask questions from -- ask questions to her, if
15 you would.

16 MR. ADAMS: Okay.

17 THE COURT: Ma'am, if you would read through
18 that, refresh your memory.

19 THE WITNESS: Sure.

20 THE COURT: And when you're finished reading
21 silently, then let us know.

22 THE WITNESS: Okay.

23 THE COURT: And then wait for a question.

24 MR. ADAMS: May I retrieve?

25 THE COURT: Yes, please.

1 Q. (By Mr. Adams) Now, ma'am, you would agree with me
2 -- or would you agree with me that when you applied for
3 this restraining order in California against Mr. Nelson
4 that you attached exhibits to it, e-mails that you had
5 e-mailed out to multiple people accusing him of crimes?

6 A. I didn't e-mail that e-mail. That wasn't me.

7 Q. But your company did?

8 MS. GULLETT: Objection, Your Honor.

9 A. Again --

10 MS. GULLETT: This e-mail -- this letter is
11 written by a Paul Aubert.

12 THE COURT: Okay.

13 MR. ADAMS: Well, Judge, I'm not referring to
14 the letter. I'm referring to the e-mail on the page
15 before.

16 THE COURT: I believe she just said she didn't
17 send that e-mail out, okay? So --

18 Q. (By Mr. Adams) But your company sent it out?

19 A. Yes.

20 Q. A company that you were an officer in?

21 A. Yes.

22 Q. And you forwarded that e-mail, actually, over to
23 your husband and then your husband sent it --

24 A. No, I didn't. It -- I think it was -- I think --
25 well, no. No. Paul Aubert wrote the letter. Anthem, my

1 husband, sent it out to our shareholders. If I recall --
2 and I could be wrong about this --

3 THE COURT: Ma'am, I just need you to just
4 answer the question that --

5 THE WITNESS: I --

6 THE COURT: -- he asked --

7 THE WITNESS: I will try.

8 THE COURT: Ma'am, stop.

9 THE WITNESS: I'm sorry.

10 THE COURT: Stop. Stop just a moment.

11 Listen to his question and then answer the question
12 that's asked.

13 THE WITNESS: Uh-huh. Okay.

14 THE COURT: And if he wants to ask you another
15 question, he'll follow up. Okay? But just answer the
16 question that's asked, and don't add anything to it.
17 Thank you.

18 THE WITNESS: Okay.

19 Q. (By Mr. Adams) So you agree with me -- or would you
20 agree that, to multiple people, you had sent out things
21 attacking his credibility?

22 A. I did not send anything out.

23 Q. The company had sent things out attacking his
24 credibility?

25 MS. GULLETT: Objection, Your Honor. She

1 doesn't speak for the company.

2 THE COURT: Well -- and it's been asked and
3 answered, probably numerous times. So I'm going to
4 sustain your objection. I think it's clear that she did
5 not send out that e-mail and anything about that --
6 anything about that e-mail would be hearsay at this point.

7 MR. ADAMS: Judge, in response to that, for the
8 record, she's adopted it -- the belief of it by attaching
9 it to the petition, so we think it's an exception to the
10 hearsay rule. And I can give the Court a cite if you
11 would like.

12 THE COURT: If you would like to do that, please
13 feel free.

14 MR. ADAMS: It's page 397, Title 12, 2801-B-2-A,
15 B, C, and D, I think it qualifies under all statements,
16 not hearsay -- if the statement is offered against --

17 THE COURT: Why don't you bring that here and
18 let me read it. We can make that argument up here.

19 (Whereupon, a bench conference was had
20 outside the hearing of the jury. This
21 bench conference was not a requested part of
22 this transcript.)

23 Q. (By Mr. Adams) Ma'am --

24 MR. ADAMS: May I approach, again?

25 THE COURT: Yes.

1 Q. (By Mr. Adams) Ma'am, I placed up there for you the
2 temporary restraining order document. Do you see it right
3 there next to you?

4 A. Yes. Do you want me to pick it up?

5 Q. Yeah.

6 And do you recognize that?

7 A. Yes.

8 Q. Okay. And that is a document that you filed in
9 court in California against Mr. Nelson?

10 A. Yes.

11 Q. Okay. And those documents that are attached to
12 that are documents that you took up with you to the
13 courthouse when you went to go do that?

14 A. I took 600 pages of documents with me.

15 Q. Okay. But within those 600 pages, those are the
16 ones that were attached to that restraining order?

17 A. Yes, but I didn't attach them, the court clerk did.

18 Q. Okay.

19 A. She looked through and she just chose the ones that
20 she felt should be attached. It was 600 pages, so --

21 Q. She attached some of the documents you took with
22 you?

23 A. Yes.

24 Q. And you attached that in hopes that a judge would
25 issue a restraining order against Mr. Nelson?

1 A. Until I was told that it wouldn't happen if they
2 didn't know where he was to serve him.

3 Q. But that's the purpose of it, right?

4 A. It was.

5 Q. Okay.

6 MR. ADAMS: Judge, at this time, I would move to
7 introduce this temporary restraining order document as
8 Defendant's Exhibit Number 2.

9 THE COURT: Ms. Gullett?

10 MS. GULLETT: I think I could have an objection,
11 but the State has no objection. I think there's some
12 interesting items in here.

13 THE COURT: Okay. Based on the State not
14 objecting to that, I would admit Defense Number 2, the
15 restraining order.

16 Q. (By Mr. Adams) Ma'am, now we can move on to the
17 next issue.

18 In the voicemail that the State introduced, I
19 believe it's State's Exhibit Number 1, Mr. Nelson is
20 talking about an individual by the name of Chad Koehn.
21 Would you agree with that? Do you remember that?

22 A. Oh, yes.

23 Q. Okay. And now, Chad Koehn is an individual -- and
24 I saw -- well, he's here in the courtroom today, right?

25 A. Yes.

1 Q. Okay. And Chad Koehn is an individual that owns
2 some sort of an investment firm in Kansas?

3 A. Yes.

4 Q. Okay. And he became involved in your company, did
5 he not?

6 A. He became a shareholder.

7 Q. Okay. Wasn't he at your all-hands-on company-wide
8 event that you had here in Bartlesville back -- was it
9 June of 2016?

10 A. No.

11 Q. You're saying he was not?

12 A. No, I'm saying you had the wrong date.

13 Q. Oh, I'm wrong on the day. Could you tell us what
14 day it was?

15 A. It was in June of 2021.

16 Q. Oh, okay. Yeah, I said 2016, didn't I?

17 A. Yeah.

18 Q. Yeah. Trying to do two things at once.
19 So he was there?

20 A. Yes.

21 Q. And he helped you guys raise money?

22 A. I'm not going to answer anything that I don't have
23 a knowledge base on, so you need to ask my husband or Paul
24 Aubert, our general counsel. I will say that Chad Koehn
25 did become --

1 THE COURT: Ms. --

2 A. -- did become --

3 THE COURT: Ma'am.

4 A. -- a board director --

5 THE COURT: Ma'am, hold on just a moment.

6 Listen to the question that he asks you and then
7 answer that question without adding information to it.

8 THE WITNESS: Okay. Let's try it again.

9 THE COURT: Yes.

10 Go ahead and ask your question.

11 Q. (By Mr. Adams) So he became a board member?

12 A. He did.

13 Q. And when you say "board member," you mean like a
14 board of director?

15 A. Yes.

16 Q. And you heard in the voicemail that Mr. Nelson said
17 that he was doing some things and that he had filed some
18 complaints against him?

19 A. I'm sorry. Say that again.

20 Q. You heard in the voicemail that Mr. Nelson accused
21 him of doing some things that he left in that voicemail
22 and said he had filed some complaints against Mr. Koehn?

23 A. I think he said he was going to. I'm not sure if
24 he had done it yet.

25 Q. And since that time, Mr. Koehn, your board member,

1 has been suspended from his occupation, has he not?

2 A. I don't know. I don't know.

3 THE COURT: Okay. That's the answer to the
4 question.

5 THE WITNESS: Okay.

6 THE COURT: Thank you.

7 Q. (By Mr. Adams) Ma'am, did you remove him from the
8 board --

9 A. No.

10 Q. -- when he lost -- so you let a guy continue on the
11 board that lost --

12 A. He stepped down from the board. He stepped down.

13 Q. And you're telling us you don't know whether or not
14 that had anything to do with him raising 1.45 million
15 dollars for your company?

16 A. I'm sorry. I don't know what you're talking about.
17 1.45 million dollars --

18 Q. Yeah.

19 A. -- for our company?

20 Q. Yeah.

21 A. That's incorrect.

22 Q. Did he raise more than that?

23 A. He didn't raise any money.

24 Q. Well, ma'am, didn't you and your husband --

25 A. Okay.

1 Q. -- go up to his place there in Kansas and have a
2 seminar where you were trying to raise money for your
3 company?

4 MS. GULLETT: Objection, Your Honor. It's not
5 relevant to why we're here today.

6 MR. ADAMS: She's saying she doesn't know.

7 MS. GULLETT: She's answered the question.

8 THE COURT: She has answered the question. And,
9 Mr. Adams, I'm still struggling with why any of this is
10 relevant. And you assured me you were going to get to the
11 relevancy, but I have not yet discovered it.

12 MR. ADAMS: I'm just trying to put some context
13 for the statements in State's Exhibit Number 1 that they
14 introduced that my client is making about Mr. Koehn is
15 just to help the jury understand what's really going on
16 here.

17 THE COURT: The objection is sustained.

18 Q. (By Mr. Adams) Well, now, in the letter that the
19 State introduced, I believe it was 4-A, the letter, you
20 know, with the -- the 4 is the envelope and the 4-A is the
21 letter part of it.

22 Do you remember that exhibit?

23 A. Are you referring to the certified letter that was
24 delivered to the courthouse?

25 Q. Yes.

1 A. Okay. Yes, I remember that.

2 Q. And just -- when you're saying "courthouse," are
3 you saying it was delivered to this courthouse --

4 A. No.

5 Q. -- or it was delivered to the old --

6 A. No --

7 Q. -- courthouse?

8 A. -- my fault.

9 Q. Yes.

10 A. The old courthouse, which is now the headquarters
11 of the company.

12 Q. Oh, okay.

13 A. I apologize for that. That's confusing.

14 Q. I just want to be clear.

15 A. I know, yeah. Yeah.

16 Q. Now, do you remember that letter?

17 A. Yes.

18 Q. And in that letter, there's talk about a dead
19 whistle-blower?

20 A. Yes.

21 Q. Okay. Now, just to put this statement into
22 context, you -- did you -- you knew what he was referring
23 to when he referenced that, right?

24 A. I had no idea what he was talking about.

25 Q. Okay. Well, let me ask you a couple more

1 questions.

2 You have an individual -- you were represented by
3 an attorney by the name of Craig Bran?

4 A. We are not represented by him.

5 Q. Okay. But at one time you were represented by
6 Bran, your litigations against him with --

7 A. We had no --

8 Q. -- when you --

9 A. -- litigation against him.

10 THE COURT: Ma'am. Ma'am, let him finish.

11 THE WITNESS: Oh, shoot. I'm sorry.

12 Go ahead.

13 Q. (By Mr. Adams) You had litigation where he was
14 trying to get unemployment from you in Nevada?

15 A. Oh, not my wheelhouse. I can't answer anything
16 about that. Sorry, it's -- it was legal.

17 Q. Okay. Well, but you do understand that at some
18 point, you had -- that there was a battle going on about
19 litigation -- about unemployment, right?

20 MS. GULLETT: Objection, Your Honor. She
21 answered that she doesn't know enough to testify as to the
22 legalities of whether or not the company was dealing with
23 unemployment with Mr. Nelson.

24 THE COURT: The way I understand your question,
25 Mr. Adams, is you're asking her if she knew that there was

1 litigation going on with respect to his unemployment?

2 MR. ADAMS: Yes.

3 THE COURT: Okay. Ma'am, that's a yes or no
4 question. Do you know that?

5 THE WITNESS: I have a question. Can I ask it?

6 THE COURT: No.

7 THE WITNESS: I don't -- I mean, there was an
8 appeal. So, I guess -- does that mean litigation? I'm
9 sorry. I don't know if that means litigation. I knew
10 there was an appeal, that's all I knew. Okay. Sorry, I
11 don't know about that.

12 Q. (By Mr. Adams) So there's an individual that's on
13 the HeraSoft board --

14 MR. ADAMS: Let me go about it in a different
15 direction.

16 Q. (By Mr. Adams) Referencing the statement about the
17 -- the dead whistle-blower. There's an individual that's
18 on your HeraSoft board by the name of Dale Takio, and he's
19 a special cyber projects and business development adviser.
20 Do you know who I'm speaking of?

21 A. He is not on the board. I do know who you're
22 speaking about.

23 Q. All right. So -- but he works for your company.
24 He's a special cyber projects and business development
25 adviser?

1 A. No, he does not work for our company anymore. And
2 he never did. He was a consultant.

3 Q. Ma'am, do you list him on your -- has he -- is he
4 now or has he ever been listed on your website as -- under
5 team, meet our leadership team, on the HeraSoft website?

6 A. I can't answer that. You'd have to ask marketing.

7 Q. Okay.

8 A. Sorry.

9 Q. Ma'am, would you recognize your herasoft.com
10 website?

11 A. Yes.

12 MR. ADAMS: Judge, may I approach and attempt to
13 refresh her recollection?

14 THE COURT: Yes.

15 Q. (By Mr. Adams) Please don't drop it.

16 A. I won't, I promise.

17 Q. Ma'am, I'm handing you my iPad, and do you
18 recognize what is pulled up on the Internet on that
19 website --

20 A. Yes.

21 Q. -- I mean, on the iPad?

22 A. Yes.

23 Q. And what is pulled up?

24 A. A company and four pictures.

25 Q. May I?

1 A. Yes.

2 Q. Does that refresh your recollection about whether
3 or not Mr. Takio was listed on your website?

4 A. He is listed as an adviser.

5 Q. Now, Mr. Takio, at one point, was facing criminal
6 charges and there was a whistle-blower involved in that
7 case, right?

8 A. I don't know. I don't know.

9 Q. Okay. You're saying you have no idea that the
10 member --

11 A. I cannot answer anything about a case like that.
12 I'm sorry, but I can't.

13 Q. You know nothing about that?

14 A. I don't know anything in detail about any of that.

15 Q. Ma'am, do you know much about the people that you
16 have involved with your company?

17 A. He's not involved with our company. He's an
18 adviser, but -- I'm sorry, you're asking the wrong person.

19 Q. And the right person would be whom?

20 A. I've already said it. Either my husband or the
21 legal -- in-house legal counsel, Paul Aubert.

22 Q. And this is a company that HeraSoft, we're speaking
23 to, that you are the co-founder/president of HeraSoft?

24 A. I am not the president.

25 Q. Have you ever been listed on your website --

1 A. Yes.

2 Q. Okay. When did you stop becoming the -- being the
3 president?

4 A. Months ago.

5 Q. How old is the company?

6 A. It was incorporated in January of 2020, after
7 Mr. Nelson was fired.

8 Q. Okay.

9 A. By about ten months.

10 Q. How many companies do you guys have?

11 A. We have active now, I believe, four. They're
12 subsidiaries, just like Amazon. There's a lot of
13 subsidiaries in corporations.

14 Q. In the last ten years, how many companies have you
15 guys had?

16 A. About four there in -- five. Hold on. I don't
17 want to -- six counting the LLC that the old courthouse is
18 under.

19 Q. At one point, you had a company that was registered
20 in Las Vegas?

21 MS. GULLETT: Objection, Your Honor, not
22 relevant to why we're here today.

23 THE WITNESS: None of it is.

24 THE COURT: Sustained.

25 Q. (By Mr. Adams) Ma'am, you told us that you live in

1 Oklahoma?

2 A. I do. I do.

3 Q. Okay.

4 A. I do.

5 Q. Isn't it true that you and your husband completed
6 paperwork to live in Puerto Rico so that you could get a
7 tax benefit?

8 A. We did.

9 Q. And when -- when did you --

10 A. That was 2018.

11 Q. Yeah. So you're saying you left Puerto Rico in
12 2018?

13 A. There is -- I have to think about the dates.
14 Whenever the Hurricane Maria happened, it was right after
15 that -- the January after that, that we got accepted in
16 this program called -- I forgot the name of it, but you
17 could apply, and if they accepted you, then you had to
18 live in Puerto Rico six months and three days, but you got
19 tax benefits from doing that. And we never did live there
20 the full time. We left after ten months.

21 Yeah. It was '18. It was '18.

22 Q. Now, ma'am, this HERC token that you guys had, you
23 guys were selling that for 40 cents apiece?

24 MS. GULLETT: Objection, Your Honor. She has
25 answered a lot of questions about this company, how it

1 works, and as far as the HERC tokens have come up multiple
2 times and she has answered that she does not have the
3 knowledge base to testify to the ins and outs of how that
4 works.

5 MR. ADAMS: I -- she hasn't been asked this
6 specific question.

7 THE COURT: I understand, but how is that
8 relevant as to how -- how -- what those were sold for?
9 How's that relevant to what we're here for?

10 MR. ADAMS: Because she's -- because that's
11 what's in Defendant's Exhibit Number 1, is about the HERC
12 token and that they're creating a market, and that this
13 whole Ponzi scheme thing, that's what it's about. That's
14 why it's bias motive to lie of why they're doing this to
15 Mr. Nelson is because they're trying to stop the fact that
16 they were involved in criminal activity from this pump and
17 dump.

18 THE COURT: But she -- and back to Ms. Gullett's
19 point. She has testified that she doesn't know the ins
20 and out of this HERC token.

21 MR. ADAMS: I don't know what she's going to
22 say. This is the first time I've asked her these
23 questions.

24 THE COURT: Okay. Ask her the question again.

25 Q. (By Mr. Adams) Ma'am, do you know what they -- what

1 that sold for?

2 A. No.

3 Q. Do you know what the value is of it now?

4 A. No.

5 Q. Are you still -- do you have any of your companies
6 still selling this token?

7 A. I don't know.

8 Q. And this is -- and now the company that you have --
9 you guys are into cybersecurity?

10 MS. GULLETT: Objection, Your Honor; it's not
11 relevant.

12 THE COURT: It's not relevant. And, Mr. Adams,
13 you keep referring to your company, this company, the
14 company. I'm not sure which company you're referring to.

15 MR. ADAMS: HeraSoft.

16 Q. (By Mr. Adams) That's cybersecurity, is it not?

17 A. Yes.

18 Q. And that's the company that you received tax
19 incentives to bring to Bartlesville?

20 A. We didn't receive any tax -- oh, tax incentives.
21 We haven't received any monies from that, but, yes, if
22 that's what you're asking.

23 Q. That's what those articles are about, right?

24 A. Yes. The --

25 Q. And it was after Mr. Nelson sent the message to the

1 city attorney or to the Bartlesville Development Agency
2 and was contacting people here in Washington County to
3 tell them what he knew -- or what he believed about your
4 background, that that's when you guys pushed this and the
5 Bartlesville -- filed the police report?

6 A. Sir, I got a certified letter with threats and
7 false accusations accusing me of ridiculous, scary things
8 at the building that we had purchased, who we had tenants
9 in, and this was after years and years of harassment,
10 thousands of pages of e-mails and texts and long-winded
11 voicemails to say to not only me, but anybody that was
12 associated with me, that's why I went and got a police
13 report and that's why I went to Ray of Hope, because I was
14 scared. We didn't know where he was at that point. When
15 I found out --

16 Q. Ma'am.

17 A. -- three days later --

18 I'm sorry. Go ahead.

19 Q. You haven't answered the question.

20 A. I don't understand it then.

21 Q. Okay. Let me try to make it really simple.

22 A. Okay.

23 Q. All this stuff that you just explained, you didn't
24 really push to get Mr. Nelson charged until he reached out
25 to the City of Bartlesville to tell them things about you

1 that you didn't want them to know?

2 A. No. I did a police report the day that I received
3 the certificate -- the certified mail. No. That was --
4 that was the day that I went to the police department.

5 Q. And when did you receive the certified mail?

6 A. August 26th.

7 Q. Okay. And when did Mr. Nelson send an e-mail to
8 the Bartlesville Development Program?

9 A. I believe it was the 26th.

10 Q. So after the 26th is when you went to the police
11 department and started pushing --

12 A. No.

13 Q. -- just to get --

14 A. I went to the police department on the 26th in the
15 afternoon after I received the certified mail. I have
16 testified before that the e-mail that went to the city
17 manager and his assistant happened the same day, but I
18 didn't know about it until the next Monday because -- I
19 don't know if it was David Woods -- somebody from the City
20 sent it to one of our employees who's in a different
21 office. I didn't know that had been sent until Monday
22 morning when I walked into his office and he told me. So
23 I think I've already said that once, but I'm more than
24 happy to clarify that.

25 Q. And you agree that Mr. Nelson had never been here

1 in Oklahoma until he got charged, as far as you know?

2 A. As far as I know, he's never been here until he
3 was, but --

4 Q. Now, on direct examination, you made some comment
5 about him not having children.

6 A. I was asked, and I said I did not believe he did.

7 Q. Okay. How would you know?

8 A. That's what I said, I don't know. I don't believe
9 he does, but he -- I don't know. I believe I said that.

10 Q. Did you -- have you been sending out things other
11 than what we've already discussed -- or your company, to
12 your knowledge, been sending out things, other than what
13 we've already discussed, that would hurt Mr. Nelson's
14 reputation in his work community?

15 A. You lost me. What are you trying to ask?

16 Q. Okay. Other than what we've already discussed,
17 like the letters and the temporary restraining order --

18 A. Uh-huh.

19 Q. -- have you or people -- to your knowledge, have
20 you or people associated with your company been sending
21 out things that would hurt Mr. Nelson's reputation in his
22 work community?

23 A. You would have to ask either the media specialist
24 or my husband or my marketing director.

25 Q. Do you think it would be wrong --

1 A. Not my marketing, the company's marketing director.
2 Apologies.

3 Q. Would it be wrong to try to hurt his prospects of
4 moving on with his life?

5 MS. GULLETT: Objection, Your Honor. It's
6 argumentative.

7 THE COURT: Sustained.

8 MR. ADAMS: No further questions.

9 THE COURT: Ms. Gullett, you may redirect.

10 MS. GULLETT: Thank you, Judge.

11 REDIRECT EXAMINATION

12 BY MS. GULLETT:

13 Q. All right. Ms. Blanchard, there's a lot questions
14 asked. And I'm going to try to go through some questions,
15 something to kind of clarify a few things that were said
16 as quickly as I can.

17 So there was conversation about a police report
18 that was filed with the City of Bartlesville in March of
19 2019. Do you recall filing that police report?

20 A. Yes.

21 Q. why'd you file that police report?

22 A. Because, as I've mentioned a few times, he was
23 sending hundreds of pages of harassing e-mails, texts. It
24 was all coming in, and it was getting scary. We didn't
25 know where he was. And I -- we have an assistant who was

1 afraid to be in the office by herself, and I thought we
2 needed to report it.

3 Q. So in March of 2019, you were not living in
4 Bartlesville?

5 A. No, We were not.

6 Q. So why did you reach out to the Bartlesville Police
7 Department?

8 A. Because we had an admin office here.

9 Q. Did you only file a police report to build up or
10 buffer up your protective order case in California?

11 A. No. No.

12 Q. Okay. I don't want to be callous because I know
13 we're in a cost-of-living crisis. But if a corporation
14 such as ones that you've talked about, like Anthem Vault
15 and all these different companies, is sued for a hundred
16 thousand dollars in Texas, is that a significant amount of
17 money?

18 A. No. And --

19 Q. And, again, in the Cayman Islands, you talked about
20 there was a \$19,000 settlement.

21 A. Uh-huh.

22 Q. Again, we're talking about a corporation.

23 A. Uh-huh.

24 Q. Is a \$19,000 settlement for a corporation a
25 significant amount of money?

1 A. No.

2 Q. There's been a lot of conversation back and forth
3 about what your role has been at these different
4 companies, but also at HeraSoft. And I know you've talked
5 about subsidiaries. So at HeraSoft, you were originally
6 the president?

7 A. Yes.

8 Q. Okay. And you're not right now?

9 A. No.

10 Q. Okay. Will you please briefly explain the
11 difference between a president of a company and a chief
12 executive officer? What are the differences in what a
13 president does and a chief executive officer?

14 A. I can only speak for our company. The CEO is the
15 visionary. He is the face of the company. He -- he
16 drives the company and helps the path of the company
17 expand or shift when necessary.

18 Q. So what does the president do?

19 A. In our company, the president was me, and I worked
20 really hard to make sure that communication was as good as
21 it could be. I did accompany my husband to conferences,
22 and I didn't like speaking on stage, but on occasion, I
23 did. I made sure that the team had interaction with each
24 other. I just made sure that things could go as smoothly,
25 communication-wise, as possible. And I also managed the

1 old courthouse.

2 Q. Okay. So you're saying that -- when you said
3 "communication," are you meaning communication inside the
4 company or outside the company?

5 A. Inside the company.

6 Q. All right. So when we're talking about big
7 decisions made by HeraSoft because that's who's here.

8 A. Uh-huh.

9 Q. And I don't want you to think that I'm belittling
10 you at all. I don't mean that.

11 A. That's okay.

12 Q. But when we're talking about large corporate
13 decisions, who makes those decisions; the president or the
14 CEO?

15 A. The CEO.

16 Q. So when you're asked all of these questions of how
17 does this company work, how does HeraSoft work, how does
18 Anthem Vault work, Anthem Gold work, how does all these
19 different companies work, when you're asked that question
20 and your answer is, I don't know; you have to ask
21 elsewhere --

22 A. Uh-huh.

23 Q. -- are you saying that to be facetious?

24 A. No. I was never involved in the legal department,
25 the accounting department, the -- I'm nervous, I'm

1 blanking -- the development department. I was never
2 involved with those departments. A lot of those questions
3 had to do with those departments, and --

4 Q. All right. So another question that you were asked
5 was about you reaching out to Bartlesville Police
6 Department and wanting to get Mr. Nelson in trouble. And
7 seeing how that's been asked, what other agencies have you
8 reached out to?

9 A. The FBI.

10 Q. Any others?

11 A. Well, the Santa Monica Police Department, years
12 ago.

13 Q. And were you successful in getting the FBI to
14 assist you?

15 A. Yes.

16 Q. All right. And, Ms. Blanchard, we have been
17 talking about a Michael Eric Nelson this morning and this
18 afternoon. Do you see him in the courtroom today?

19 A. I do.

20 Q. Could you please identify where he's sitting and
21 what he's wearing?

22 A. He's sitting directly to your right and he's
23 wearing a gray sports jacket and a striped -- blue,
24 striped tie.

25 Q. Thank you.

1 MS. GULLETT: Your Honor, I'd ask the record to
2 reflect the identification of the defendant, Michael Eric
3 Nelson, by this witness.

4 THE COURT: The record will reflect that she has
5 identified the defendant in this case.

6 MS. GULLETT: Your Honor, with that, the State
7 would pass this witness.

8 THE COURT: Recross, Mr. Adams?

9 RECROSS-EXAMINATION

10 BY MR. ADAMS

11 Q. Ms. Blanchard, I want to make sure that nobody gets
12 confused here.

13 You are telling us that you went to the FBI. The
14 FBI has taken no action or anybody from the Federal
15 Government, against Mr. Nelson to your knowledge, have
16 they?

17 A. I believe they might have in 2019, but I can't say
18 with conviction.

19 Q. He's never been arrested, never been charged, never
20 been nothing. The first time he was arrested is when he
21 was arrested because of your accusations; isn't that true?

22 THE COURT: If you know, ma'am. If you know the
23 answer to say that question.

24 A. I don't know for sure if he's been arrested before.

25 Q. (By Mr. Adams) Well, he worked for you for seven

1 years, right?

2 A. Yes.

3 Q. Used to be on your board of directors?

4 A. For a very short period of time. I had nothing to
5 do with that, by the way.

6 MR. ADAMS: No further questions.

7 THE COURT: Thank you, ma'am. You may step
8 down.

9 THE WITNESS: Thank you.

10 THE COURT: Ms. Gullett, you may call your next
11 witness.

12 MS. GULLETT: Your Honor, at this time the State
13 would call Denise Kramer.

14 THE COURT: Ma'am, if you'd raise your right
15 hand, please.

16 Swear to tell the truth, the whole truth, and
17 nothing but the truth, so help me God?

18 THE WITNESS: I do.

19 THE COURT: Okay. Thank you, ma'am. If you'll
20 have a seat in this chair.

21 THE WITNESS: Okay.

22 THE COURT: Pull that microphone up close enough
23 to your face so that you can speak directly into it.

24 I would just simply remind you also that the court
25 reporter has to take down everything that's being said, so

1 if you'll speak loudly enough and clearly enough so that
2 she can understand you, and allow Ms. Gullett or Mr. Adams
3 to ask you the question and finish it before you begin to
4 talk. Okay?

5 THE WITNESS: Yes, Your Honor.

6 THE COURT: Please state your name and spell
7 your last name.

8 THE WITNESS: Denise Kramer, K-R-A-M-E-R.

9 THE COURT: Ms. Gullett, you may inquire.

10 MS. GULLETT: Thank you, Judge.

11 WHEREUPON, DENISE KRAMER, having been duly sworn to
12 tell the truth, the whole truth, and nothing but the
13 truth, was examined and testified as follows:

14 DIRECT EXAMINATION

15 BY MS. GULLETT:

16 Q. Ms. Kramer, how are employed?

17 A. I am currently employed by the Oklahoma State
18 Bureau of Investigation as a computer forensic examiner in
19 the Internet Crimes Against Children's unit.

20 Q. Okay. And how long have you been employed with the
21 OSBI?

22 A. I have been employed with OSBI for 21 years, but in
23 the capacity of a forensic examiner for the past eight
24 years.

25 Q. And the capacity as a forensic examiner, does that

1 mean with the computers and the phones and all that?

2 A. Yes.

3 Q. OKay. So that's been for eight years?

4 A. Yes.

5 Q. And what kind of training and experience --
6 well, what kind of training do you have that
7 certifies you to be able to do this job?

8 A. I am a certified forensic computer examiner with
9 the International Association of Computer Investigator
10 Specialists. I am also a Cellebrite certified logical
11 operator and a Cellebrite certified physical analyst.

12 Q. And what kind of education do you have?

13 A. I have a Bachelor's degree from the University of
14 Oklahoma in sociology and criminal knowledge.

15 Q. And as far as -- do you go to, like, yearly
16 trainings or do you have to stay up to date on your
17 training, or anything like that?

18 A. Yes, we do. I have a recertification every three
19 years to stay current on my certification, and I have
20 attended over 300 hours of computer and cell phone
21 training hours.

22 Q. And are you up to date on your certification?

23 A. Yes.

24 Q. All right. So you mentioned a lot of different
25 things, so I'm going to try to break it down in a nutshell

1 for the jury and myself. What do you do?

2 A. I examine digital evidence devices. So that can be
3 from cell phones to tablets to computers and the hard
4 drives that are contained within those.

5 Q. And how do you go about typically getting these
6 hard drives to take a look at them?

7 A. So, on computers it will be submitted by a
8 requesting agency, and I will remove the hard drive and
9 then examine those using our forensic software and our
10 forensic tools.

11 Q. And when you talk about different digital evidence,
12 have you had an opportunity to examine digital evidence
13 from cell phones?

14 A. Yes.

15 Q. And as far as a cell phone that we typically carry
16 in our pocket today, what type of technology is inside
17 that cell phone that you're able to look at?

18 A. Many cell phones are -- have Internet capabilities,
19 so we're able to look at e-mails, browsing history through
20 the Internet, text messages, pictures, videos, any kind of
21 application that is downloaded on the phone.

22 Q. All right. Are you familiar with receiving items
23 associated with a Michael Eric Nelson?

24 A. Yes.

25 Q. Okay. And do you recall what types of items you

1 received associated with that name?

2 A. I received two iPhones.

3 Q. Okay. And do you remember what version of iPhones
4 those were?

5 A. There was one iPhone 7, I believe, and an iPhone 8
6 Plus.

7 Q. Okay. And do you recall which agency submitted
8 those to the OSBI?

9 A. Bartlesville PD.

10 Q. Okay. And did you have an opportunity to take a
11 look at those items?

12 A. I did.

13 Q. All right. And I apologize, I've skipped over a
14 very important part.

15 so we talked about you get the item, you look at
16 the hard drive, talked about cell phones, how do you take
17 a look at these items? What do you use to look at a hard
18 drive on a phone?

19 A. So for cell phones, basically, when I get them, I
20 remove the SIM card so that it prevents the cell phone
21 from reaching and -- a signal so that they may not be
22 remote wiped or data be overwritten on the devices. I
23 will put the devices in what we call a Faraday Box, and
24 put them in airplane mode, turn wifi off, turn Bluetooth
25 off if it's on. And then once that is done, I will

1 connect it to our forensic machine and I will run our
2 forensic software, which in this case would be our
3 Cellebrite software to perform an extraction of data off
4 of the device.

5 Q. Okay. And are you trained on how to use this
6 Cellebrite software?

7 A. Yes.

8 Q. All right. Thank you for that. Sorry for skipping
9 over that important step.

10 Okay. So back to these phones that you received.
11 Were you able to take a look at them, hook them up to the
12 forensic software -- or forensic machine, and perform the
13 Cellebrite software?

14 A. Yes, I was.

15 Q. Okay. Starting with the iPhone 7, what did you do?

16 A. The -- I have my report. May I refer to that?

17 Q. Absolutely.

18 MS. GULLETT: May she, Judge? Seeing how she's
19 an expert in this field, I would ask that she be able to
20 refer to her report during her testimony.

21 THE COURT: Mr. Adams, do you have any comment?

22 MR. ADAMS: I have no objection to her referring
23 to it.

24 THE COURT: Okay. Yes, ma'am, you may.

25 MS. GULLETT: Thank you.

1 A. On the iPhone -- it was actually an iPhone 7 Plus.
2 I was able to perform a partial file system extraction
3 because the device was locked with a four-digit pin code.

4 Q. (By Ms. Gullett) Okay. So when you -- sorry. I'm
5 trying to think of all the right ways to ask.

6 So when you say that it was locked with a
7 four-digit pin code, were you able to unlock that phone?

8 A. I was not able to unlock this device. It was not
9 supported for our pin code determination.

10 Q. Okay. Were you able to get some information off of
11 this phone?

12 A. Yes, I was.

13 Q. All right. How did you do that?

14 A. When I connected it to our forensic software, it
15 was able to pull up a summary of the device. It was able
16 to tell me what type of iPhone it was, the version of the
17 operating system that the iPhone was running, and
18 identified some e-mail addresses associated with the
19 device. It was supported for extraction, so I was able to
20 perform a partial file system extraction on the device.

21 Q. Okay. And what e-mail addresses did you look at on
22 this iPhone 7 Plus?

23 A. It identified two e-mail addresses;
24 michaelericnelson@iCloud.com and nelsontelco@gmail.com.

25 Q. All right. Thank you.

1 And did you have an opportunity to examine the
2 Apple iPhone 8 Plus?

3 A. I did.

4 Q. All right. And was that phone locked?

5 A. It was.

6 Q. Okay. And what did you end up doing with that
7 iPhone?

8 A. That particular iPhone was supported for our pin
9 code determination, so I initiated that, and it was able
10 to determine the pin code. At that point, I was able to
11 perform a full file system extraction on that device,
12 having that known pin code.

13 Q. And on this phone, did you locate any e-mail
14 addresses associated with this iPhone 8 Plus?

15 A. I did.

16 Q. And what e-mail addresses did you locate on that
17 phone?

18 A. Michaelericnelson@iCloud.com,
19 nelsontelco@gmail.com, and padrimiquel@iCloud.com.

20 Q. If you don't mind, will you spell that last one for
21 the court reporter.

22 A. P-A-D-R-I-M-I-Q-U-E-L.

23 Q. Thank you, ma'am.

24 And so after you have performed these examinations
25 of the phone, the Cellebrite and such, what happens with

1 all this data?

2 A. I take the extractions and I parse it using a
3 different software tool through Cellebrite, and I'm able
4 to generate a report which then I copy over to a thumb
5 drive and give back to the requesting agency for further
6 review.

7 Q. So did you at any time search through these phones
8 for any specific information?

9 A. I did not.

10 Q. Did you -- do you write a report while you're doing
11 this?

12 A. Yes, I do.

13 Q. Okay. And what did you do with those reports?

14 A. They are disseminated to the requesting agency.

15 Q. Okay. And in this situation, did you write one or
16 more reports?

17 A. I wrote two reports. The first report contained
18 the iPhone 7 Plus and the 8 Plus, before the pin code was
19 determined. Once the pin code was determined for the
20 iPhone 8 Plus and I performed those additional
21 extractions, I then generated a second report for that
22 device only.

23 MS. GULLETT: Your Honor, if I may approach?

24 THE COURT: Yes.

25 Q. (By Ms. Gullett) I am going to hand you what is

1 marked as State's Exhibit Number 7. Do you recognize that
2 document?

3 A. Yes, I do.

4 Q. All right. And is that a true and accurate
5 depiction of a document you're familiar with?

6 A. Yes, it is.

7 Q. All right. Can you tell me what that is?

8 A. This is my forensic examination report.

9 Q. Okay. And what report number is that?

10 A. Report Number 1.

11 Q. And what case number is that?

12 A. It is OSBI Lab Number 2022-001177.

13 Q. And who is it pertaining -- who's the subject?

14 A. The subject is Michael Eric Nelson.

15 Q. And then who is the department you are reporting it
16 to?

17 A. It's reported to Bartlesville Police Department.

18 Q. All right. Thank you, ma'am.

19 MS. GULLETT: Your Honor, the State would move
20 to admit State's Exhibit 7.

21 MR. ADAMS: No objection.

22 THE COURT: State's Number 7 shall be admitted.

23 MS. GULLETT: Thank you.

24 Q. (By Ms. Gullett) I'm going to hand you State's
25 Exhibit Number 8. And do you recognize that document?

1 A. I do.

2 Q. And is that a true and accurate depiction of a
3 document that you are familiar with?

4 A. It is.

5 Q. All right. Would you please describe what that
6 document is.

7 A. This is my forensic examination report, Report
8 Number 2.

9 Q. All right. And what's the OSBI case file number on
10 there?

11 A. It is OSBI Lab Number 2022-001177.

12 Q. And who is the subject?

13 A. Michael Eric Nelson.

14 Q. And who is the agency that you would be reporting
15 this back to?

16 A. Bartlesville Police Department.

17 Q. All right. And I would ask -- so you said on --

18 MS. GULLETT: Oh, sorry, Your Honor. State
19 would move to admit State's Exhibit 8.

20 MR. ADAMS: No objection.

21 THE COURT: State's Number 8 shall be admitted.

22 MS. GULLETT: Thank you.

23 Q. (By Ms. Gullett) So you said that you were able to
24 perform a full extraction of the iPhone 8 Plus?

25 A. Yes.

1 Q. Okay. And then you created a thumb drive?

2 A. That is correct.

3 Q. Did you label that thumb drive with a specific
4 label?

5 A. I did.

6 Q. What did you call that thumb drive?

7 A. That particular thumb drive would be -- the
8 packaging would be labeled with the lab number and the
9 item number, which was Item Number 4.

10 MR. ADAMS: Your Honor, can we approach?

11 (Whereupon, a bench conference was had
12 outside the hearing of the jury. This
13 bench conference was not a requested part of
14 this transcript.)

15 MS. GULLETT: May I approach, Your Honor?

16 THE COURT: Yes.

17 MS. GULLETT: Okay. Thank you.

18 Q. (By Ms. Gullett) I'm going to hand you what I've
19 marked as -- it's going to be Court's Exhibit 1, so I'm
20 going to hand you that.

21 Do you recognize the packaging and what I've handed
22 you?

23 A. I do.

24 Q. Okay. If you'll look inside the packaging, will
25 you -- do you recognize what's in there?

1 A. This is the thumb drive that I produced that
2 contains my exhibit report.

3 Q. Okay. On the outside of that, is there a label?

4 A. Yes, there is.

5 Q. And what does that label entail?

6 A. The label contains our lab number and the item
7 number, and my initials and date.

8 Q. Okay. So the lab number on there, just for -- to
9 keep the record clean, is what?

10 A. 2022-001177.

11 Q. Okay. And the -- sorry.

12 what was the other number? Oh, the -- your
13 initials are on there. What was the other thing that was
14 on there? Sorry.

15 A. The item number.

16 Q. Yes, what is the item number that's on there?

17 A. Item Number 4.

18 Q. Okay. And then your initials. And what date is on
19 there?

20 A. March 30th of 2022.

21 Q. Okay. And why would you have dated it on that day?

22 A. That's the date that I placed the thumb drive into
23 the package and which I sealed the package with my
24 initials and date.

25 Q. All right. Thank you very much.

1 MS. GULLETT: All right. And, Your Honor, with
2 that and the admission -- or with that, the State would
3 pass this witness.

4 THE COURT: Mr. Adams, you may cross-examine the
5 witness.

6 MR. ADAMS: All right.

7 CROSS-EXAMINATION

8 BY MR. ADAMS:

9 Q. All right, ma'am. This report that you -- that
10 you've got, it's, like, 96,000 pages, isn't it?

11 A. I would estimate that to be correct, yes.

12 Q. Okay. Now, the iPhone 8 carries a minimum gig of
13 64 gig; would you agree with that?

14 A. Yes.

15 Q. Okay. But on your jump drive that you got there,
16 you only got, like, 10 other 12 gig, thereabouts. Why,
17 when you do your phone report, is there so much less data
18 that's collected than what's actually on the phone?

19 A. It depends on how much data is actually on the
20 phone. It also condenses the information, so it could be
21 possible that the phone was not full. So if you have a
22 64-gig cell phone and there's only 12 gig of data on the
23 device, then, obviously, my report is not going to be
24 64-gigs. It also condenses it down by producing a PDF.
25 And, in addition to that, our Cellebrite software, our

1 forensic software, is only able to get what information
2 that our forensic software has -- is able to get. So I
3 can't verify that it has extracted all data off of the
4 device.

5 Q. Okay. So it's not an exact copy of the phone?

6 A. No.

7 Q. Okay. And oftentimes stuff is left out?

8 A. I would say more than likely, yes.

9 Q. More than likely, okay.

10 Is it a case where you're, like, making a decision
11 of on this case I want this and on this case I want that,
12 or is it just, like, a standard protocol, we get what we
13 get and this is what we get?

14 A. It's a standard procedure, we get it -- we extract
15 all data possible. And that's why you will see on my
16 report there are multiple extractions, so that I can
17 ensure that I was able extract the most amount of data
18 possible.

19 Q. Okay. So there may be things that are missing from
20 your extraction, things that were on the phone that didn't
21 make it into your extraction?

22 A. Correct.

23 Q. But everything in your extraction came from the
24 phone?

25 A. Yes.

1 Q. Now, you talked about different e-mails on the
2 iPhone 8?

3 A. Yes.

4 Q. Okay. Now, one of them was padrimiguel?

5 A. That is correct.

6 Q. Okay. And is it -- now, that -- do you recognize
7 that to be Spanish?

8 A. I would assume so, but I -- I can't verify that it
9 is in Spanish.

10 Q. Do you recognize that Miguel is also a Spanish
11 version for Michael?

12 A. Yes.

13 Q. And when you're going through the phone, did you
14 see documents that led you to conclude that Mr. Nelson was
15 living in Spain?

16 A. I did not actually go through the data that was
17 extracted. I perform the extraction and generated a
18 report in which I copied to the thumb drive for the
19 requester to further go through.

20 Q. Okay. So it would come back to the Bartlesville --

21 A. That is correct.

22 Q. Were either of these devices that you had damaged?

23 A. I -- yes.

24 Q. Which one?

25 A. The 7 Plus, the screen was cracked and -- I had to

1 refer to the other portion of the report to determine. On
2 the 8 Plus, there was no damage noted.

3 Q. Now, there's cracked and then there's, you know,
4 cracked. I mean, was it, like, shattered?

5 A. Typically, if it's shattered, I will indicate that.
6 So just on the basis of my notes indicating that the
7 screen was cracked, I -- I don't recall without seeing the
8 device, but I -- I -- I don't think it would have been
9 shattered.

10 Q. Okay. So is it fair to say that, based on your
11 standard practice, you would have listed if it was
12 shattered, and since you didn't list it, you would think
13 that it probably wasn't shattered?

14 A. Correct.

15 Q. But that because you listed that it was cracked,
16 that you know it had some damage?

17 A. That's correct.

18 MR. ADAMS: If I could have just one moment?

19 No further questions.

20 THE COURT: Ms. Gullett, do you have any
21 redirect?

22 MS. GULLETT: No, thank you, Judge.

23 THE COURT: Thank you, ma'am. You may step down
24 and you may be excused as well.

25 THE WITNESS: Thank you, Your Honor.

1 THE COURT: We're going to take a short break.
2 Ladies and gentlemen, it's not quite a quarter to
3 three, so we'll take a break until three o'clock.

4 Once again, I'm going to remind you not to discuss
5 the case amongst yourselves while you're here. You
6 certainly may walk outside if you choose to walk outside,
7 use the restrooms, whatever you want to do, but if you'll
8 be back in the jury room and ready to go by three o'clock.
9 Thank you.

10 Take a short break.

11 (Whereupon, a short recess was taken.

12 Thereafter, proceedings continued as follows:)

13 THE COURT: Okay. We are now back on the record
14 after a short break. The State of Oklahoma versus Michael
15 Eric Nelson. Everybody is back and has announced that
16 they are ready.

17 So, Madam Bailiff, would you please direct the
18 jurors to their place in the jury box.

19 The State may call its next witness.

20 MS. GULLETT: Thank you, Judge.

21 At this time, the State would call Craig Piercy.

22 THE COURT: Sir, if you'd raise your right hand,
23 please?

24 Swear to tell the truth, the whole truth, and
25 nothing but the truth, so help me God?

1 THE WITNESS: Yes.

2 THE COURT: Okay. If you'll have a seat there
3 in the witness chair. Pull that microphone up close
4 enough to your mouth that you can speak directly into it.
5 I would just ask you to remember that the court reporter
6 is trying to take down everything that's being said, so if
7 you'll speak loudly enough and clearly enough that she can
8 hear you, she would much appreciate it.

9 Plus, if you would wait until the State or
10 Mr. Adams finishes their question before you begin to
11 answer so you're not talking over one another. We kind of
12 tend to do that sometimes, so -- and I may have to remind
13 you during the course of your testimony, but don't worry,
14 I think I have to remind everybody.

15 THE WITNESS: Okay.

16 THE COURT: Thank you.

17 You may inquire.

18 MS. GULLETT: Thank you, Judge.

19 WHEREUPON, CRAIG PIERCY, having been duly sworn to
20 tell the truth, the whole truth, and nothing but the
21 truth, was examined and testified as follows:

22 DIRECT EXAMINATION

23 BY MS. GULLETT:

24 Q. Mr. Piercy, will you please state your name and
25 spell your last name for the record.

1 A. Craig Piercy. P-I-E-R-C-Y.

2 Q. Thank you, sir.

3 Mr. Piercy, are you from Oklahoma?

4 A. No.

5 Q. All right. Where do you reside at?

6 A. Salina, Kansas.

7 Q. Thank you, sir.

8 And, Mr. Piercy, are you familiar with Cynthia and
9 Anthem Blanchard?

10 A. Yes.

11 Q. How are you familiar with the Blanchards?

12 A. I invested in one of their companies.

13 Q. Okay. And which company is that?

14 A. HeraSoft.

15 Q. I'm sorry. Which one?

16 A. HeraSoft.

17 Q. And how long ago did you invest with HeraSoft, if
18 you know?

19 A. I don't know. Three -- two, three years ago. I
20 don't know.

21 Q. Okay. And do you know a man named Michael Eric
22 Nelson?

23 A. I don't know him personally. I've -- he called me.

24 Q. Have you had any personal dealings with Mr. Nelson?

25 A. Just the phone call he made to me.

1 Q. Okay. Have you had any business dealings with
2 Mr. Nelson?

3 A. No.

4 Q. All right. Other than this phone call you've
5 mentioned, have you had any other contact with Mr. Nelson?

6 A. No.

7 Q. All right. When did you hear from Michael Eric
8 Nelson?

9 A. September, I believe it was.

10 Q. Okay. You remember if it was at the beginning of
11 September? Middle? End?

12 A. Probably beginning.

13 Q. Okay. Do you remember, basically, what -- what was
14 around that phone call?

15 THE COURT: Ms. Gullett, if you would have him
16 identify the year that he's speaking of.

17 MS. GULLETT: I'm sorry, Judge, that's very
18 true. We have been talking about a lot of years. Thank
19 you.

20 Q. (By Ms. Gullett) What year did you receive that
21 phone call? You said the beginning of September?

22 A. 2022.

23 Q. 2022. Thank you.

24 All right. So this phone call that you received,
25 do you -- I guess, first of all, to which phone was that?

1 A. To my cell phone.

2 Q. Okay. And is that a business phone or a personal
3 phone?

4 A. It's the only phone I have. It's mainly business.

5 Q. Okay. All right. And what was this phone call
6 about?

7 A. He just called and asked if I was Craig Piercy and
8 if Melissa Piercy was my wife, and I said yes. And I
9 said, who are you? And he introduced himself. And I --
10 he was getting into some stuff, and I was -- I had a
11 meeting -- I think my boy had tennis lessons I had to get
12 him to, so I told him, you know, could you just call me
13 the next day about nine o'clock in the morning.

14 Q. Okay. So you cut that phone call short?

15 A. Yes.

16 Q. All right. Did he call you the next day?

17 A. Yes.

18 Q. So what's the next day's phone call about?

19 A. He called me and he was -- let's see -- asked me
20 about if I believed I invested in HeraSoft and that there
21 was -- like, Anthem Gold and Redneck Yacht Club, and all
22 this other stuff, and I said, I believe I just invested in
23 HeraSoft. And he said, well, did you know that it's a
24 Ponzi scheme, that they're just trying to get money. And
25 I'm, like, no, I didn't know that. And he goes, well,

1 there's multiple lawsuits. And I said, well, if you have
2 all these information, could you e-mail it to me, and I
3 gave him my e-mail address and --

4 Q. Okay.

5 A. -- I never did receive anything.

6 He asked me about a friend of mine that's also
7 invested in it.

8 Q. And who was that?

9 A. Kelly Dunn.

10 Q. Okay.

11 A. And I just -- he asked me if Chad got him into
12 HeraSoft and I said, No, Kelly Dunn's a long friend of
13 mine. We're actually both home builders and competitors,
14 but we're still friends and partners in other businesses.
15 And I said, I got him in there, I introduced him to Anthem
16 and Cynthia.

17 Q. Okay. Let's break down what you said. You said
18 that Mr. Nelson asked you if Chad got Kelly into HeraSoft,
19 right?

20 A. Yes.

21 Q. All right. Who is Chad that you're talking about?

22 A. Chad Koehn.

23 Q. Okay. Do you know Chad?

24 A. Yes, I do.

25 Q. All right. How do you know him?

1 A. We're friends and I have some investments with him.

2 Q. Okay. And you said Kelly Dunn is another
3 individual you know?

4 A. Yes.

5 Q. And this was a name that Mr. Nelson named?

6 A. Yes.

7 Q. Okay. And as far as you're aware, Mr. Dunn, does
8 he have dealings with the Blanchards?

9 A. Just invested in their company.

10 Q. Sorry. I heard you say that. It went right in one
11 ear --

12 A. He asked about Mark Ritter, too.

13 Q. Okay. And who is Mark Ritter?

14 A. He's a businessman in Salina. I don't -- I'm not
15 friends with him or anything like that. I know who he is
16 because he owned the Coors' distributorship in Salina, so
17 I know.

18 Q. And as far as you're aware, does Mr. Ritter also
19 know the Blanchards?

20 A. I would assume so. I assume they're invested into
21 HeraSoft.

22 Q. Okay. So you said that you provided Mr. Nelson
23 with your e-mail address after he mentioned something
24 about Ponzi schemes, and you said you never received any
25 information?

1 A. No.

2 Q. Are you aware of any issues as far as HeraSoft goes
3 as you as an investor?

4 A. No.

5 Q. What did this -- it's kind of an awkward question.
6 But what did this phone call feel like to you, to get
7 called by someone you didn't know, to tell you this
8 information about a company that you've put money into?

9 A. I didn't know what was going on. It was like -- I
10 believe I asked him if he was an investor, too, and he
11 told me his family bought in for millions of dollars. And
12 he -- I don't know. I'm, like, well, if you're trying to
13 downgrade this company and you're invested in it, why
14 would you do that because you want them to succeed.

15 Q. Did Mr. Nelson explain to you how he got your phone
16 number?

17 A. Yes. I asked him how he got my name and number, he
18 said through SEC filings.

19 Q. Now, just to be clear, for the record, have ever,
20 at any time, provided your phone number to a Michael Eric
21 Nelson?

22 A. No.

23 MS. GULLETT: No further questions, Judge.

24 Thank you.

25 THE COURT: Mr. Adams, you may cross-examine the

1 witness.

2

CROSS-EXAMINATION

3 BY MR. ADAMS

4 Q. Now, sir, did you meet Cynthia and Anthem Blanchard
5 through Chad Koehn?

6 A. I met them through a meeting in Salina, Kansas, and
7 they gave us bill, you know, trying to get investors in
8 their companies, and I decided to invest.

9 Q. Okay. Was Koehn there?

10 A. He was at the first introduction.

11 Q. Yeah. So, and he actually introduced you to them?

12 A. Yes.

13 Q. Okay. You are looking at Mr. Koehn, he's sitting
14 in the audience, isn't he?

15 A. Yeah.

16 Q. He's a friend of yours?

17 A. Of course, he is.

18 Q. Yeah. And you've invested money with him?

19 A. With Chad?

20 Q. Yes.

21 A. My 401(k), my retirement plan's with Chad.

22 Q. Yeah. What did you -- what -- what position did he
23 occupy when you invested that money? What was his title
24 and what would you consider him, like, a broker or
25 something like that, or investment advisor?

1 A. When I invested money, I invested in a lot of
2 different companies. I mean --

3 Q. I mean --

4 A. -- that's what I do.

5 Q. I'm talking specifically with Chad?

6 A. With Chad?

7 Q. Yeah.

8 A. I give him my money once a year for my simple IRA
9 through my companies, and he invests it.

10 Q. He's been suspend. He doesn't that anymore, does
11 he?

12 A. I don't know. He's still got a business.

13 Q. You're not aware of him surrendering his license?

14 A. I heard about him surrendering his license, but
15 he's still got a business. Somebody else in his
16 corporation has a license.

17 Q. Yeah. And are you aware that he surrendered his
18 license because of his involvement with HeraSoft and
19 Blanchards and the way that he raised the money violated
20 the ethics of his license?

21 MS. GULLETT: Objection, Your Honor --

22 A. I --

23 THE COURT: Just a moment.

24 MS. GULLETT: Facts not in evidence. It's not
25 been testified to.

1 MR. ADAMS: I'm asking if he's aware of it.

2 THE COURT: That assumes facts not in evidence.
3 Sustained.

4 Q. (By Mr. Adams) Are you aware of the reason that he
5 -- his license was suspended?

6 A. No.

7 Q. Are you a little bit curious about, Hey, why did
8 the guy, who I trust to invest my money, lose his license?

9 THE COURT: How is that relevant, Mr. Adams?

10 MR. ADAMS: It goes to his credibility. It goes
11 to his bias with his friendship towards Mr. Koehn.

12 THE COURT: It -- whether or not he's curious
13 about it is not relevant to this case.

14 Q. (By Mr. Adams) Did you take any actions to find out
15 why Mr. Koehn might have lost his license?

16 A. No.

17 Q. Mr. Nelson was talking with you about you -- taking
18 your deposition for a lawsuit that he had that was ongoing
19 with Mr. Koehn, wasn't he?

20 A. No. I don't know anything about a lawsuit going
21 on.

22 Q. You don't know that Mr. Koehn and Mr. Nelson are
23 involved in a lawsuit?

24 A. No.

25 Q. How good of friends are you with Mr. Koehn?

1 MS. GULLETT: Objection, Your Honor;
2 argumentative.

3 THE COURT: Argumentative and irrelevant.

4 Q. (By Mr. Adams) And how did Mr. Koehn find out --
5 find out about this telephone call?

6 A. I called and told him.

7 Q. Okay. Do you know how the State of Oklahoma found
8 out about it?

9 MS. GULLETT: Objection, Your Honor, not
10 relevant.

11 THE COURT: Again, not relevant, so sustained.

12 Q. (By Mr. Adams) Would you want to know if you had
13 invested some money into a Ponzi scheme?

14 A. I don't believe it's a Ponzi scheme.

15 Q. Are you aware that one of the former board members
16 associated with the Blanchards was indicted for a federal
17 Ponzi scheme?

18 MS. GULLETT: Objection, Your Honor; assumes
19 facts not in evidence.

20 THE COURT: Sustained.

21 Q. (By Mr. Adams) Have you done anything to see if you
22 might have heard the truth from Mr. Nelson?

23 THE COURT: How's that relevant to what we're
24 here for, Mr. Adams?

25 MR. ADAMS: I'll ask a different question.

1 THE COURT: Thank you.

2 Q. (By Mr. Adams) Are you so much friends with Mr.
3 Koehn that no matter what somebody told you, that you
4 wouldn't investigate? Is your friendship that strong?

5 A. No.

6 Q. Are you so tight with the Blanchards that if
7 somebody tried to give you a warning, that you wouldn't
8 investigate?

9 A. I don't know. I mean, they're not the only company
10 I've invested in. I've invested in many companies, so you
11 know, it's my risk.

12 MR. ADAMS: No further questions.

13 THE COURT: Redirect, Ms. Gullett?

14 MS. GULLETT: Just briefly, Judge.

15 REDIRECT EXAMINATION

16 BY MS. GULLETT:

17 Q. Mr. Piercy, the money that you've invested with the
18 Blanchards, with HeraSoft, with this company, with Mr.
19 Koehn, is any amount of friendship more important to you
20 than your own personal funds?

21 A. No, my money is more important to me.

22 Q. Thank you, sir.

23 MS. GULLETT: No further questions.

24 THE COURT: Mr. Adams?

25 MR. ADAMS: No questions.

1 THE COURT: Thank you, sir. You may step down
2 and you may be excused as a witness in this case.

3 State may call its next witness.

4 MS. GULLETT: Your Honor, at this time, the
5 State would call Elaine Banes.

6 THE COURT: Ma'am, if you would raise your right
7 hand, please.

8 Swear to tell the truth, the whole truth, and
9 nothing but the truth, so help me God?

10 THE WITNESS: Yes, ma'am.

11 THE COURT: Okay. If you'll have a seat in that
12 witness chair, please. Pull that microphone up close
13 enough to your mouth that you can speak directly into it.

14 THE WITNESS: Okay.

15 THE COURT: speak clearly and loudly enough that
16 the court reporter can hear you. And also, if you would
17 allow Ms. Gullett or Mr. Adams to complete their question
18 before you begin to answer, and then they'll let you
19 answer fully before they begin to speak, so that we're not
20 talking over one another. It makes it really difficult
21 for the court reporter.

22 So if you'd please state your full name and
23 spell your last name, please.

24 THE WITNESS: Elaine Banes. B-A-N-E-S.

25 THE COURT: You may inquire.

1 MS. GULLETT: Thank you, Judge.

2 WHEREUPON, ELAINE BANES, having been duly sworn to
3 tell the truth, the whole truth, and nothing but the
4 truth, was examined and testified as follows:

5 DIRECT EXAMINATION

6 BY MS. GULLETT:

7 Q. Ms. Banes, how are you employed?

8 A. I'm an employee of the City of Bartlesville as an
9 executive assistant to the city manager.

10 Q. Okay. And how long have you worked for the City of
11 Bartlesville?

12 A. Twenty-two years.

13 Q. How long have you worked for the city manager's
14 office?

15 A. Twenty-one and a half.

16 Q. And who is the current city manager?

17 A. Mike Bailey.

18 Q. And as part of your job, do you receive e-mails?

19 A. Yes.

20 Q. Do you have an e-mail address?

21 A. Yes.

22 Q. Is it a work e-mail address?

23 A. It is.

24 Q. All right. And for the record, what is that e-mail
25 address?

1 A. R-E-B-A-N-E-S, @cityofbartlesville.org.

2 Q. And have you ever heard the name Michael Eric
3 Nelson?

4 A. Yes.

5 Q. And do you recall on what day you first heard that
6 name?

7 A. August 25th of '21.

8 Q. Okay. And is it possible that could have been
9 August 26th?

10 A. Yes. It was one of those.

11 Q. Okay. And do you recall why you would have heard
12 the name Michael Eric Nelson?

13 A. I received an e-mail from him requesting
14 information.

15 Q. All right. And do you recall what type of
16 information that e-mail was requesting?

17 A. He wanted to know how to reach the city attorney.

18 Q. And for the record, who is the city attorney?

19 A. Jess Kane.

20 Q. And was Mr. Kane the attorney in August of 2021?

21 A. Yes, ma'am.

22 Q. All right. And when you saw this e-mail, did it
23 concern you at all?

24 A. No.

25 Q. All right. Was there -- what type of language was

1 in this e-mail that you saw?

2 A. If I remember correctly, it was pretty
3 straightforward. I'd like to get the information on how
4 to contact the city attorney.

5 Q. What did you end up doing with this e-mail?

6 A. I forwarded it to the city attorney.

7 MS. GULLETT: Your Honor, if I may approach.

8 THE COURT: Yes.

9 Q. (By Ms. Gullett) I'm going to hand you what's
10 marked as State's Exhibit 9. Ms. Banes, do you recognize
11 that document?

12 A. Yes.

13 Q. All right. And is that a true and accurate
14 representation of a document that you have seen before?

15 A. Yes.

16 Q. All right. And what is that document I've handed
17 you?

18 A. It is an e-mail asking for the City of Bartlesville
19 attorney contact information.

20 Q. Okay. And who is the e-mail from?

21 A. Michael Nelson.

22 Q. All right. And what's the e-mail address that it's
23 from?

24 A. Michaelericnelson@icloud.com.

25 Q. Okay. And who's the e-mail to?

1 A. To me, Elaine Banes.

2 Q. And what's the e-mail address that it comes to?

3 A. Rebanes@cityof bartlesville.org.

4 Q. Thank you.

5 And what date was -- is on this e-mail?

6 A. August 26th.

7 Q. And what year?

8 A. 2021.

9 Q. And what time?

10 A. 7:28 a.m.

11 Q. All right. Thank you, ma'am.

12 MS. GULLETT: Your Honor, I move to admit
13 State's Exhibit 9.

14 MR. ADAMS: No objection.

15 THE COURT: State's Number 9 shall be admitted.

16 MS. GULLETT: And with that, Judge, the State
17 has no further questions.

18 THE COURT: Mr. Adams, you may cross-examine the
19 witness.

20 CROSS-EXAMINATION

21 BY MR. ADAMS

22 Q. Ma'am, if somebody had wanted to report something
23 that they thought was inappropriate going on with the City
24 of Bartlesville, the city attorney would be somebody that
25 they could do that to; is it not?

1 A. Yes, sir.

2 Q. And have you got other e-mails in the past
3 requesting to, you know, get the city attorney's e-mail
4 for one reason or another?

5 A. Yes, sir.

6 Q. And did you feel threatened by the e-mail?

7 A. No, sir.

8 Q. Did you feel harassed by the e-mail?

9 A. I did not.

10 Q. And did it make you feel uncomfortable or unsafe in
11 any way?

12 A. No, sir.

13 MR. ADAMS: No further questions.

14 MS. GULLETT: No, thank you, Judge.

15 THE COURT: Okay. Ma'am, you may step down and
16 you may be excused as a witness in this case.

17 THE WITNESS: Okay. Thank you.

18 THE COURT: Thank you.

19 The State may call its next witness.

20 MS. GULLETT: Your Honor, at this time, the
21 State would call Mike Bailey.

22 THE COURT: Sir, if you'd raise your right hand,
23 please.

24 Swear the testimony you're about to give is the
25 truth, the whole truth, and nothing but the truth, so help

1 me God?

2 THE WITNESS: I do.

3 THE COURT: Okay. Thank you, sir.

4 If you'll have a seat in the witness chair there.

5 THE WITNESS: Sure.

6 THE COURT: When you get seated, pull that
7 microphone up close enough to your face that you can speak
8 directly into it. And then I would just ask that you
9 speak clearly and loudly enough that the court reporter
10 can hear you.

11 THE WITNESS: Okay.

12 THE COURT: If you would allow her to finish her
13 question before you begin to answer, and then she will do
14 the same. She'll let you finish before she begins again
15 so that we're not talking over one another.

16 THE WITNESS: Okay.

17 THE COURT: Ms. Gullett --

18 MS. GULLETT: Thank you, Judge.

19 THE COURT: -- you may inquire.

20 MS. GULLETT: Thank you.

21 WHEREUPON, MICHAEL LEE BAILEY, having been duly sworn
22 to tell the truth, the whole truth, and nothing but
23 the truth, was examined and testified as follows:

24 DIRECT EXAMINATION

25 BY MS. GULLETT:

1 Q. Mr. Bailey, will you please state your full name
2 for the record and spell your last name.

3 A. Michael Lee Bailey.

4 Q. Okay.

5 A. B-A-I-L-E-Y.

6 Q. All right. Thank you, sir.

7 And, Mr. Bailey, how are you employed?

8 A. I work for the City of Bartlesville.

9 Q. Okay. And do you have a title?

10 A. I do. I'm the city manager.

11 Q. All right. And how long have you been the city
12 manager?

13 A. Officially, about five years now, I believe.

14 Q. Okay. And where do you work at?

15 A. So I work at city hall, just across the street.

16 Q. All right. And do you know an Elaine Banes?

17 A. I do. She is my executive assistant.

18 Q. And how long has Elaine worked for you?

19 A. She's worked for me ever since I've been there. In
20 fact, she's been at the City longer than I have in that
21 position, so --

22 Q. All right. So, Mr. Bailey, are you familiar with a
23 Michael Eric Nelson?

24 A. A little bit, yes.

25 Q. All right. And why are you familiar with

1 Mr. Nelson?

2 A. Mr. Nelson had sent an e-mail to the City of
3 Bartlesville, and -- it's been a while back -- but that's
4 my -- extent of my experience with him.

5 Q. Okay. And do you recall approximately what month,
6 what year, he would have sent an e-mail to the City of
7 Bartlesville?

8 A. I don't recall exactly. I do know that it was
9 right after we had made an announcement about an economic
10 development assistance to HeraSoft, but I can't recall the
11 date.

12 Q. Okay. If I were to say August of 2021, does that
13 sound about right?

14 A. Yes, ma'am. Okay. Sorry.

15 Q. It's very --

16 A. I thought it was working.

17 Q. It's very finicky, if you get a little bit too far
18 away from it, it doesn't work.

19 okay. So when you said an e-mail was sent to the
20 City of Bartlesville, what does that mean?

21 A. It was sent to me. And in the e-mail there were
22 some indications that Mr. Nelson was indicating that the
23 principals in HeraSoft had been involved in some -- some
24 poor business practices, I suppose. I actually was out of
25 town and didn't -- didn't pay much attention to the e-mail

1 at the time.

2 Q. Okay. And so you have a City e-mail address?

3 A. I do.

4 Q. All right. And is that for work?

5 A. Yes, ma'am.

6 Q. And for the record, what is that e-mail address?

7 A. It's mlbailey@cityofbartlesville.org.

8 Q. All right. And as far as this e-mail that you
9 received, did it come to that e-mail address?

10 A. Yes, ma'am, it did.

11 Q. Okay. And are you aware of if Ms. Banes received
12 an e-mail?

13 A. Yes, I believe she did. I was out of town, and so
14 when I didn't respond, they forwarded it to her instead.

15 Q. Okay. Are you familiar with Cynthia and Anthem
16 Blanchard?

17 A. I am.

18 Q. All right. And how -- what's your familiarity with
19 them? what do you know about them?

20 A. I know that they own HeraSoft and have purchased
21 the old county courthouse here in Bartlesville.

22 Q. Is that off of Frank Phillips?

23 A. Yes, ma'am.

24 Q. Okay. And as far as the Blanchards go, when they
25 came to Bartlesville, were you -- you said there were some

1 incentives or something about businesses coming here?

2 A. Yes, ma'am.

3 Q. Are you aware of them being part of that?

4 A. Yes, they were. The Bartlesville Development
5 Authority extended an incentive to them for locating in
6 Bartlesville.

7 Q. Okay. And as the city manager, can you explain
8 briefly kind of what the purpose of that extension would
9 be?

10 A. Sure. We do have a program. In fact, there's a
11 quarter cent economic development sale's tax that's
12 dedicated for economic development. The Bartlesville
13 Development Authority uses those funds to convince
14 businesses to come to Bartlesville that may have went
15 elsewhere. So it's primarily job creation.

16 Q. Okay. So there's been some testimony about some
17 allegations of nefarious dealings by the Blanchards. Are
18 you aware of any concerns that you have with the
19 Blanchards?

20 A. No, ma'am.

21 Q. Okay. Are you aware of any concerns that you have
22 as the city manager with the company HeraSoft?

23 A. No, ma'am.

24 Q. All right.

25 MS. GULLETT: Your Honor, if I may approach?

1 THE COURT: Yes.

2 Q. (By Ms. Gullett) I'm going to hand you what I've
3 marked as State's Exhibit 10.

4 A. Okay.

5 Q. If you'll take a look at that.

6 A. Thank you.

7 Q. Do you recognize what I've handed you?

8 A. Yes, ma'am.

9 Q. All right. And is that a true and accurate
10 representation of a document that you have seen before?

11 A. Yes, I believe it is.

12 Q. Okay. And what is it that I have handed you?

13 A. You have handed me an e-mail from Mr. Nelson to
14 myself.

15 Q. Okay. And can you tell the court reporter what
16 e-mail address Mr. Nelson e-mailed from?

17 A. He e-mailed from michaelericnelson@icloud.com.

18 Q. And to your -- which e-mail of yours is on there?
19 I know your name's just on there.

20 A. Right, but this would have been my work e-mail
21 address. So mlbailey@cityofbartlesville.org.

22 Q. Okay. And does it have a date on it?

23 A. It does. And you're correct, it's August 25th of
24 2021.

25 Q. All right. Thank you, sir.

1 And do -- does it have a time on it?

2 A. It does, actually. It was received at 5:21 p.m.
3 that day.

4 Q. Okay. Thank you very much.

5 MS. GULLETT: The State would move to admit
6 State's Exhibit 10.

7 MR. ADAMS: No objection.

8 THE COURT: State's Number 10 shall be admitted.

9 MS. GULLETT: Thank you. And with that, the
10 State has no further questions, Judge.

11 THE COURT: Mr. Adams, you may cross-examine the
12 witness.

13 CROSS-EXAMINATION

14 BY MR. ADAMS:

15 Q. Now, sir, you said there's a quarter-cent sales
16 tax.

17 A. Yes, sir.

18 Q. So that's tax-payer money?

19 A. Yes, sir.

20 Q. And so you -- the City of Bartlesville is giving
21 tax-payer money to certain businesses?

22 A. Yes, sir.

23 Q. Okay. And in hopes that those businesses will come
24 to the City of Bartlesville and create jobs for the
25 citizens of Bartlesville?

1 A. Yes, sir.

2 Q. You're the city manager?

3 A. Yes, sir.

4 Q. Is that like a mayor?

5 A. It's -- I'm actually -- I call -- I just call
6 myself the operations director because we have a mayor as
7 well.

8 Q. Oh. Okay. But you -- you have responsibility to
9 the citizens of Bartlesville --

10 A. Yes, sir.

11 Q. -- to spend their money in a effective way?

12 A. Yes, sir, I do.

13 Q. Not to waste it?

14 A. Sure.

15 Q. Okay. And you're -- are you friends with the
16 Blanchards?

17 A. No. No. I'm familiar with them, but not friends
18 with them.

19 Q. Been to any events with them?

20 A. No, sir. Actually, on -- well, they were at a
21 Bartlesville monthly event two weeks ago that I saw them
22 there. But, no, I've never attended anything purposefully
23 to be with them.

24 Q. Do you guys run in the same circles?

25 A. Occasionally, I would say. But I think that's the

1 only time I can think of that we ended up at the same
2 place.

3 Q. Okay. Now, if somebody wanted to report something
4 that they thought was nefarious, you might be one of the
5 people that they do it to, right?

6 A. Yes, sir.

7 Q. And you would want to know, right --

8 A. Sure.

9 Q. -- if you were giving tax-payer funds to people
10 that maybe you shouldn't be giving tax-payer funds to?

11 A. Sure.

12 Q. Okay. And so -- but you are -- you're -- did you
13 do anything to investigate these -- these -- these
14 allegations?

15 A. So the e-mail was forwarded to the Bartlesville
16 city attorney for his attention. And the Bartlesville
17 Development Authority would have performed the due
18 diligence on the company before the assistance was
19 provided.

20 Q. Okay. So just wasn't your area?

21 A. No. Ultimately, it's my area, but other experts
22 would have carried out the actual operation.

23 Q. The actual operation?

24 A. Of investigating Mr. Nelson's claims, yes, sir.

25 Q. Some of these claims that he put in there could

1 have been investigated through a Google search, right?

2 A. I suppose.

3 Q. I mean, he told you -- he told you about a lawsuit
4 where these people were getting sued down in Texas?

5 A. There were a lot of claims in there. I don't
6 recall what they were.

7 Q. So you took no action to see if that was true?

8 A. Personally, no.

9 MS. GULLETT: Objection, Your Honor.

10 THE WITNESS: Oh.

11 THE COURT: Go ahead, Ms. Gullett.

12 MS. GULLETT: He answered that he did take
13 action and that he sent it to the city attorney.

14 THE COURT: Sustained. It's been asked and
15 answered.

16 Q. (By Mr. Adams) You personally took no action?

17 MS. GULLETT. Objection. Again, Judge, it's
18 facts not in evidence.

19 THE COURT: Well --

20 MS. GULLETT: He's misstating the testimony of
21 this witness.

22 THE COURT: He stated that he forwarded it to
23 the authorities he thought was proper, so he did take
24 action.

25 Q. (By Mr. Adams) After you forwarded this to the

1 people to look into this, did you follow back up with them
2 later to see if they had done their job or done anything?

3 A. Again, the Bartlesville Development Authority did,
4 yes.

5 Q. The Bartlesville Development Authority? Are they
6 hired by the City of Bartlesville?

7 A. They're actually an authority of the City.

8 Q. Are they elected or what?

9 A. No, sir. Appointed.

10 Q. They're appointed?

11 A. Uh-huh.

12 Q. And who appoints them?

13 A. They are -- the initial board is appointed by the
14 counsel and then they appoint their own members. It's a
15 five-member board.

16 Q. Now, would it be embarrassing to the -- these
17 government officials if they had agreed to give money to
18 people that were not using it in -- or that maybe were not
19 deserving of the tax-payer funds? would that be kind of
20 embarrassing to you guys?

21 A. I wouldn't want to speak for anybody other than
22 myself.

23 Q. Well, would you be embarrassed?

24 A. I would not want to do that, you're correct.

25 MR. ADAMS: No further questions.

1 THE COURT: Ms. Gullett.

2 MS. GULLETT: No, thank you, Judge.

3 THE COURT: Thank you, Mr. Bailey. You may step
4 down.

5 THE WITNESS: Thank you.

6 THE COURT: And you are excused as a witness in
7 this case.

8 Ms. Gullett, you may call your next witness.

9 MS. GULLETT: So, Judge, this would be the
10 witness that I have on the computer, and so if we could
11 take a break so I could get him all situated.

12 THE COURT: How long do you think his testimony
13 will be?

14 MS. GULLETT: Not too long.

15 THE COURT: Okay.

16 MS. GULLETT: At least not for me.

17 THE COURT: Okay. All right. Let's go ahead
18 then and take, what, ten minutes?

19 MS. GULLETT: Yes.

20 THE COURT: Fifteen?

21 MS. GULLETT: I should be able to get it --

22 THE COURT: Ten minutes?

23 MS. GULLETT: Ten to 15 minutes at the most. If
24 not, I can have this --

25 THE COURT: So it's about 20 minutes -- 22

1 minutes until four. Let's take a break until ten till
2 four, and then we'll come back. She's going to set up a
3 video conference.

4 (Whereupon, a brief recess was taken.

5 Thereafter, proceedings resumed as follows:)

6 THE COURT: We are now back on the record in
7 State of Oklahoma versus Michael Eric Nelson. The jury
8 has not been seated back in the courtroom yet. But as an
9 explanation for the record, I believe -- and, Ms. Gullett,
10 you can correct me if I'm wrong, but your next witness,
11 Mr. Mark Ritter, is not available to testify in person,
12 and your plan was to have him testify over video
13 conference. Due to the unexpected death of his son, he
14 can't be here. He's in Colorado. Apparently, we can't
15 get him hooked up today. He's in a place where he can't
16 get on.

17 It's already after four o'clock, so my intent would
18 be to bring the jurors back in, dismiss them for the day,
19 and then attempt to reach him tomorrow morning. I believe
20 your assistant has talked to him and he would be available
21 9:30 our time, 8:30 his time.

22 MS. GULLETT: Yes, ma'am, that is correct.

23 MR. ADAMS: Judge, I don't know how long the
24 next witness is, but we were hoping to close tomorrow. Is
25 it possible for them to put their investigator up and

1 maybe we stop it even if we're not done -- and I don't
2 want to waste an hour. I mean, I don't know.

3 THE COURT: I -- it's possible, but that's not
4 the way I'm going to do it this evening. I would -- I
5 think it's -- the jurors have heard an awful lot today, a
6 lot of information. Like I said, it's already after four
7 o'clock. By the time we get all that done, it won't -- it
8 would just almost be counterproductive to get started on
9 the investigator and then stop in the middle of it.

10 So, Madam Bailiff, would you please direct the
11 jurors to their place in the jury box.

12 (Whereupon, the jury entered the courtroom.

13 Thereafter, proceedings resumed as follows:)

14 THE COURT: Ladies and gentlemen, technology is
15 great when it's great and it's terrible when it's not. So
16 we're not able to get the next witness on. It's already
17 after four o'clock, so I'm going to go ahead and dismiss
18 you rather than have you wait to see if we could get him
19 on video conference. I'm going to go ahead and dismiss
20 you for the evening. I would remind you again not to talk
21 about this case with anyone, not amongst yourselves or
22 allow anyone to talk to you about the case or in your
23 presence either.

24 we'll take up this case tomorrow. I know the
25 state's going to work on getting their witness here by

1 video conference this evening, make sure it all works, and
2 then, hopefully, tomorrow morning we can get started.
3 We're going to start -- if you'll be here at 9:15 tomorrow
4 morning in the jury room. Then as soon as we get
5 everything set up, we'll call you and, hopefully, by 9:15,
6 9:30, we'll have everything ready to go.

7 Anything further for the record today, Ms. Gullett?

8 MS. GULLETT: No, Judge. Thank you.

9 THE COURT: Mr. Adams?

10 MR. ADAMS: No, Judge.

11 THE COURT: Thank you.

12 We will recess, then, for the day, and we will see
13 everybody back here at 9:15 tomorrow morning. Just be
14 sure and leave your notepads and everything. The bailiff
15 will pick them up. You don't need to do anything with
16 those.

17 (Thereupon, court stood in recess until
18 February 8 2023.)

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C E R T I F I C A T E

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STATE OF OKLAHOMA)
) ss.
COUNTY OF TULSA)

I, Dee Dee Tanner, a Certified Shorthand Reporter in and for the State of Oklahoma, do hereby certify that the foregoing transcript in the above-styled case is a true, correct and complete transcript of my shorthand notes of the proceedings in said cause.

Dated this 16th day of May, 2023.

Dee Dee Tanner

Dee Dee Tanner, CSR, No. 01590



Sharon D. Tanner
State of Oklahoma
Certified Shorthand Reporter
CSR # 1590
My Certificate Expires 12-31-23