

# Exhibit 3

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IN THE UNITED STATES TAX COURT

**ALS**

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In the Matter of:		)
		)
PRESTON OLSEN & ELIZABETH OLSEN,		)
ET AL,	Docket Nos. 26469-14,	)
	21247-16	)
		)
Petitioners,		)
		)
v.		)
		)
COMMISSIONER OF INTERNAL REVENUE,		)
		)
Respondent.	Consolidated	)

Volume: 2

Pages: 154 through

Place: Provo, Utah

Date: January 22, 2020

<p><b>Plaintiff Exhibit</b></p> <hr/> <p>973</p>
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1 MR. JONES: For what purpose? I mean, what --

2 THE COURT: Well, we'll have to see. I mean, I  
3 think he's entitled to lay a foundation. And then we'll  
4 see if the question is relevant or not.

5 BY MR. SORENSEN:

6 Q Are you familiar with an entity entitled Anstrum  
7 Energy, LLC?

8 A Can you spell it for me?

9 Q Well, it's spelled twice in the documents I have  
10 two different ways, so I'll --

11 A I think they're two different entities is the  
12 problem. I'm aware of both of them, but only because -- I  
13 had never heard of that entity until you emailed my  
14 counsel. Yes.

15 Q Anstrum Energy, LLC?

16 A With a U?

17 Q With the U.

18 A I had never heard of that before.

19 Q Is it interesting that both entities with  
20 different spellings have the same business address?

21 A I didn't know that.

22 THE COURT: I'm not sure that's a proper  
23 question, Counsel. Maybe you can just be more direct.

24 BY MR. SORENSEN:

25 Q Are you aware that both entities have the same

1 mailing address?

2 A I am not aware that they both have the same  
3 mailing address.

4 Q Okay. What is your relationship to Anstram with  
5 an A?

6 A With an A. Actually, I'm the sole principal in  
7 that company.

8 Q Anstram Energy, LLC?

9 A A. With A.

10 Q With an A?

11 A Yes.

12 Q I asked you if you had a business relationship  
13 with Glenda or Neldon Johnson, and you indicated no.

14 A I thought -- no. You said Neldon. I don't have  
15 one with Neldon, but I have had one with Glenda.

16 Q I believe I said both, but okay. What is your  
17 business relationship --

18 A Sorry. I thought you said Neldon.

19 Q -- with Glenda?

20 MR. JONES: Again, I'm not sure where this is  
21 going, if it's relevant to this case.

22 MR. SORENSEN: We're not there yet, Your Honor.

23 THE COURT: I mean, it all goes to his purpose,  
24 motivation in getting involved with the program.

25 MR. JONES: But what year are we even talking



1 about. We're talking about -- when was this entity  
2 formed? I mean, I don't know what it has relevant to the  
3 tax years at issue.

4 THE COURT: Well, I expect counsel will explore  
5 that.

6 BY MR. SORENSEN:

7 Q Again, the question was do you have a business  
8 relationship with Glenda?

9 A Yes.

10 Q And what is that relationship?

11 A The entity Anstram with an A has acquired some  
12 of her contracts to continue to develop this technology.

13 Q And that's an entity that you wholly own?

14 A Yes.

15 Q And how much did you pay for those?

16 A The way it's being worked out is that I pay for  
17 them in kind by developing and then giving her the  
18 projects, the properties back.

19 Q And you valued those properties at how much?

20 A I think around \$50 million.

21 Q And you, in fact, filed a lien against the  
22 receiver in the District Court action; didn't you?

23 A I did.

24 Q On behalf of that entity?

25 A I did.

1 Q And behalf of Glenda Johnson?

2 A On behalf of that entity.

3 Q Well, the notice was recorded and returned to  
4 Glenda Johnson. What is her relationship to that entity?

5 A She is an employee in that entity.

6 THE COURT: Am I right that this all postdates  
7 the tax years at issue?

8 THE WITNESS: That started, like, November 2019.

9 THE COURT: So the idea here was to sort of try  
10 and continue the business that had been shut down?

11 THE WITNESS: Yeah. I'm trying to continue the  
12 technology in some lawful way. I mean, I think it's great  
13 technology.

14 MR. SORENSEN: Your Honor, can I ask a question?

15 BY MR. SORENSEN:

16 Q In fact, the purpose of the lien was try to stop  
17 the foreclosure sale by the court-appointed trustee; isn't  
18 it?

19 A The purpose of the lien --

20 Q Receiver.

21 A -- is that I think there is money owed back to  
22 this entity for work that's been done on those properties.

23 THE COURT: Counsel, I'm beginning to question  
24 the relevance of this.

25 MR. SORENSEN: Okay. We'll move on.

1 THE COURT: This has happened after the District  
2 Court action?

3 MR. SORENSEN: Yes, Your Honor.

4 THE COURT: Three years after?

5 MR. SORENSEN: Just the continued activities of  
6 the Petitioner related to the promoters.

7 THE COURT: But how does that affect anything  
8 for the tax years at issue?

9 MR. SORENSEN: It does not, Your Honor. I  
10 was --

11 THE COURT: Okay. Let's move on to a different  
12 topic.

13 MR. SORENSEN: Let's move on.

14 BY MR. SORENSEN:

15 Q Were you aware in 2014 that the Oregon Tax Court  
16 had issued an opinion relative to this promotion?

17 MR. JONES: I --

18 MR. SORENSEN: It's a question, Your Honor,  
19 about his knowledge.

20 MR. JONES: But what's the scope? We didn't  
21 discuss anything about his --

22 MR. SORENSEN: It's going to go to the actual  
23 business purpose and the knowledge of whether or not he  
24 was conducting a business.

25 MR. JONES: How so?