

Jonathan O. Hafen (6096) (jhafen@parrbrown.com)

Jeffrey A. Balls (12437) (jballs@parrbrown.com)

Michael S. Lehr (16496) (mlehr@parrbrown.com)

PARR BROWN GEE & LOVELESS, P.C.

101 South 200 East, Suite 700

Salt Lake City, Utah 84111

Telephone: (801) 532-7840

Facsimile: (801) 532-7750

Attorneys for Court-Appointed Receiver Wayne Klein

**UNITED STATES DISTRICT COURT FOR THE DISTRICT OF UTAH
CENTRAL DIVISION**

UNITED STATES OF AMERICA,

Plaintiff,

v.

RAPOWER-3, LLC; INTERNATIONAL
AUTOMATED SYSTEMS, INC.; LTB1,
LLC; R. GREGORY SHEPARD; NELDON
JOHNSON; and ROGER FREEBORN,

Defendants.

**RECEIVER'S REPORT AND
RECOMMENDATION ON GLENDA
JOHNSON'S NON-COMPLIANCE
WITH ORDER REQUIRING
RELEASE OF LIENS**

Civil No. 2:15-cv-00828-DN

District Judge David Nuffer

R. Wayne Klein, the Court-Appointed Receiver (the "Receiver") of RaPower-3, LLC, International Automated Systems, Inc., and LTB1, LLC (collectively "RaPower-3"), as well as certain affiliated subsidiaries and entities and the assets of Neldon Johnson ("Johnson") and R. Gregory Shepard ("Shepard"), hereby submits this report ("Report and Recommendation") to the Court regarding Glenda Johnson's non-compliance with the Court's order to release liens she granted on real properties identified in the Corrected Receivership Order.

I. INTRODUCTION

More than a year after the Corrected Receivership Order (“CRO”) was issued,¹ Glenda Johnson spearheaded a new effort to “[i]nterfere with the Receiver’s efforts to take control, possession, or management of [] Receivership Property.”² She filed a lawsuit against the Court-approved buyer of one of the Receivership Properties. She granted and recorded a lien against a second property that the Court previously had made part of the Receivership Estate. She granted \$42 million in liens against additional properties in Millard County, Utah and Utah County, Utah that the Court included in its asset freeze. The liens were granted to a newly-formed Nevis company pursuant to an oral contract. The Nevis company—which owned the \$42 million in liens—was subsequently sold to Roger Hamblin for \$10.00. Hamblin then filed a lawsuit against Glenda Johnson to enforce the liens and Glenda Johnson answered the lawsuit admitting all the allegations and the validity of Hamblin’s liens.

All this conduct continues despite the Tenth Circuit having affirmed the trial court rulings creating the receivership and the Tenth Circuit having dismissed the separate appeal challenging the Receiver’s authority over assets of the affiliated entities.

The Receiver submits this Report and Recommendation pursuant to his obligation to “promptly notify the Court and counsel for the United States of any failure or apparent failure of any person or entity to comply in any way with the terms of this [CRO] order.”³ The Report and Recommendation describes the results of the Receiver’s investigation, analyzes the effect of the interference, and offers three alternative remedies for the Court.

¹ [Docket No. 491](#), filed November 1, 2018.

² *Id.* at ¶ 35(a).

³ *Id.* at ¶ 42.

II. INVESTIGATION RESULTS

The Receiver's investigation into liens granted by Glenda Johnson and her litigation against the buyer reveals the following:

1. The Corrected Receivership Order ("CRO") gave the Receiver exclusive control over International Automated Systems, Inc. ("IAS") and its assets.⁴
2. Five of the properties identified in the CRO were titled in the name of IAS, giving the Receiver immediate, exclusive control over those properties.⁵
3. On June 6, 2019, the Court granted the Receiver's motion to sell one of these IAS properties, Millard County parcel no. HD-4658-1 (the "Tower Site"), at public auction.⁶ The sale order declared: "The sale of the Property [is] free and clear of interests"⁷
4. The sale of the Tower Site closed on August 5, 2019. The buyer was Wings West, L.C.⁸
5. On August 15, 2019, Glenda Johnson recorded a "Notice of Lien" on the Tower Site with the Millard County Recorder ("Initial Tower Site Lien").⁹ The Initial Tower Site Lien claimed that Glenda Johnson was owed \$9,000,000.00 for "labor and/or materials" that she "provided to or at the request of INTERNATIONAL AUTOMATED SYSTEMS, INC." Glenda Johnson claimed to have provided this labor and materials between January 2004 and August 14, 2019.¹⁰
6. To the extent that Glenda Johnson provided "labor and/or materials" on the Tower Site property between October 31, 2018 and August 14, 2019, she did so in violation of the

⁴ *Id.* at ¶¶ 2-3.

⁵ *Id.* at ¶ 20.

⁶ [Docket No. 689](#), filed June 6, 2019.

⁷ *Id.* at ¶ 1.

⁸ See Receiver's Notice of Sale Results, [Docket No. 743](#), filed August 5, 2019.

⁹ Millard County Recorder, Recordation # 00207237, recorded August 15, 2019 (book 651, page 444).

¹⁰ *Id.*

CRO. To the extent she entered the Tower Site property after August 22, 2018, she violated the Court's asset freeze.¹¹

7. On August 30, 2019, the Receiver filed "*Receiver's Motion for Order Directing Turnover and Transfer of Real Properties Titled in the Name of Glenda Johnson and Funds in Accounts Controlled by Glenda Johnson*," seeking the turnover of 14 properties titled in the name of Glenda Johnson. This included 11 properties in Millard County, Utah, two properties in Utah County, Utah, and one property in Los Angeles County, California.¹²

8. On November 25, 2019, Anstram Energy, LLC was formed in Nevis. Its articles of organization recite that one of its corporate purposes is to "engage in buying and selling of real estate."¹³ Neither Anstram Energy's corporate documents nor Nevis public records identify the owners or managers of Nevis, except to identify a Nevis trust company as registered agent.¹⁴ Glenda Johnson subsequently identified Preston Olsen, a Salt Lake attorney, as the principal behind Anstram Energy.¹⁵ Olsen himself admitted he was the "sole member of Anstram Energy."¹⁶

9. Sometime between Anstram Energy's formation, on November 25, 2019, and December 19, 2019, Glenda Johnson entered into a verbal agreement with Anstram Energy granting Anstram Energy a \$30 million lien on real properties titled in her name.¹⁷ The lien was

¹¹ Memorandum Decision and Order Freezing Assets and to Appoint a Receiver, [Docket No. 444](#), filed August 22, 2018.

¹² [Docket No. 757](#), filed August 30, 2019.

¹³ See Certificate of Formation for Anstram Energy by the Island of Nevis Registrar of Companies and associated document attached as Exhibit 1.

¹⁴ *Id.*

¹⁵ Glenda Johnson Deposition, January 23, 2020 at 161:1 – 163:21 ("Glenda Johnson Deposition"). Glenda Johnson testified she did not know when Anstram Energy was formed or who its owners were. *Id.* at 156:25 – 157:8. She declared she is not an owner or manager of Anstram Energy. Docket No. 925, filed May 14, 2020 at 2.

¹⁶ Declaration of Preston Olsen, [Docket No. 937-3](#), filed June 10, 2020; *Olsen v. Commissioner of Internal Revenue*, Docket No's 26469-14 & 21247-16, Tr. 307:4 – 307:7; 308:11 – 308:14, Jan. 22, 2020 (U.S. Tax Court) ("[Olsen Transcript](#)"). Excerpts from the transcript of Olsen's Tax Court testimony are attached as Exhibit 3.

¹⁷ Glenda Johnson Deposition at 157:13 – 158:21. Olsen testified that the properties were valued at "around \$50 million." Olsen Transcript, 308:19 – 308 – 20. Because the agreement is oral, it is difficult to know which valuation

in exchange for “energy products” she would receive from Anstram Energy in the future.¹⁸

Although she testified in her deposition that she did not recall when she entered into the verbal agreement with Anstram Energy,¹⁹ her June 10, 2020 declaration states the agreement was on or about November 25, 2019—the day Anstram Energy was formed.²⁰

10. Olsen testified that the purpose of the agreement was to allow Anstram “to continue to develop this technology.”²¹ Anstram was to develop the technology and give back to Glenda Johnson the projects and the properties.²²

11. The documents pursuant to which Glenda Johnson purported to grant mechanics’ liens to Anstram Energy were signed and notarized at the offices of Nelson Snuffer.²³

12. On December 19, 2019, Glenda Johnson recorded a notice of lien with the Millard County Recorder on 15 additional real properties located in Millard County, Utah.²⁴ These liens were filed on behalf of Anstram Energy, LLC but the lien, when recorded, was to be mailed to Glenda Johnson.²⁵ The notice of lien includes the signature of Preston Olsen as the person authorized to act on behalf of Anstram Energy.²⁶ The stated lien amount of \$30,000,000.00 was for Glenda Johnson’s contract rights involving these 15 properties.

13. The Notice of Lien recited as a justification: “The receiver Wayne Klein was appointed by a court order and that order is on appeal. The order is likely to be reversed and the

formed the basis for their agreement.

¹⁸ *Id.* at 158:22 – 159:7; Olsen Tax Court Transcript, 308:21 – 308:25.

¹⁹ Glenda Johnson Deposition at 157:25 – 158:17.

²⁰ Second Declaration of Glenda Johnson in Response to Notice of Non-Compliance ECF 923 and Order EDF [sic] 933, [Docket No. 937](#), filed June 10, 2020 (“[Glenda Johnson Declaration](#)”).

²¹ Olsen Transcript, 308:10 – 308:12.

²² *Id.* at 308:16 – 308:18.

²³ Glenda Johnson Declaration at ¶ 3(f).

²⁴ Millard County Recorder, Recordation #00208383, recorded December 19, 2019 (book 667, p. 596) (“[Millard Lien](#)”) (also found at Receiver Exhibit 2160 and [Docket No. 888-1](#)).

²⁵ Olsen testified that the lien was filed on behalf of Anstram Energy. Olsen Transcript 308:21 – 308:25.

²⁶ *Id.* at 2.

receiver's authority removed. The receiver is jumping the gun in wanting these assets before the appeal has been decided by the court of appeals."²⁷ The issuance of the Tenth Circuit Court of Appeals ruling, affirming the Court's judgments, has not resulted in Glenda Johnson or any subsequent assignee of the lien conceding that the lien was invalid.

14. Also on December 19, 2019, Glenda Johnson recorded a \$2,000,000.00 notice of lien with the Utah County Recorder on the home in Payson, Utah.²⁸ The Utah County lien also was filed on behalf of Anstram Energy, LLC. As with the Millard County liens, this lien was for Glenda Johnson's contract rights relating to this property and recited the appeal as a justification for the lien.²⁹ This lien, when recorded, also was to be mailed to Glenda Johnson.³⁰

15. On January 14, 2020, Glenda Johnson recorded a notice of lien with the County Clerk of Howard County, Texas on 627 acres of property titled in the name of the N.P. Johnson Family Limited Partnership.³¹ The lien was for \$10,000,000.00 and was in favor of Anstram Energy. This lien also related to Glenda Johnson's assignment of her contract rights to this property to Anstram Energy and recited the appeal as a justification for the lien.³²

16. Glenda Johnson never owned any rights to the property in Howard County, Texas ("Texas Property"). The Texas Property was titled in the name of the N.P. Johnson Family Limited Partnership ("NPJFLP"). Glenda Johnson was never an owner or agent of NPJFLP.³³ Glenda Johnson previously testified that the Texas Property was owned by the NPJFLP and that

²⁷ Millard Lien at 1.

²⁸ Utah County Recorder, Recordation #134949:2019, recorded December 19, 2019 (also found at [Docket No. 888-3](#)).

²⁹ *Id.*

³⁰ Anstram Energy is company based in Nevis.

³¹ County Clerk: Howard County, Texas Recordation #2020-00000557, recorded January 14, 2020 (also found at [Docket No. 888-4](#)).

³² *Id.*

³³ See Receiver's Report and Recommendation on Inclusion of Affiliates and Subsidiaries in Receivership Estate, [Docket No. 581](#), filed February 25, 2019 at 17-21.

she had no ownership or management role over the NPJFLP.³⁴

17. The Court already had expanded the Receivership Estate to include NPJFLP (“Affiliates Order”).³⁵ The Affiliates Order granted the Receiver exclusive authority over the Texas Property.

18. The lien on the Texas Property was recorded by Glenda Johnson after the Texas Property became exclusive property of the Receivership Estate, making the lien filing a violation of the CRO and the Affiliates Order.

19. The Court approved the sale of the Texas Property on March 2, 2020.³⁶ That sale was “free and clear of interests.”³⁷ The sale closed in April 2020 despite the existence of the Texas lien.³⁸

20. In late January 2020, Preston Olsen’s U.S. Tax Court trial was held.³⁹ A ruling in that case has not yet issued.

21. On February 10, 2020, Glenda Johnson filed a *pro se* lawsuit against Wings West, the buyer of the Tower Site Property.⁴⁰ The lawsuit sought \$9,000,000.00 from Wings West.⁴¹ The lawsuit claims Glenda Johnson provided labor and materials beginning in January 2004 up through August 14, 2019.⁴² Labor and materials provided by Glenda Johnson after August 22, 2018 were provided after the entry of the Asset Freeze.⁴³

³⁴ Glenda Johnson Deposition, May 1, 2019 at 194:5 - 11; 218:8 – 219:8; Glenda Johnson Deposition, January 23, 2020 at 147:18 – 147:25.

³⁵ [Docket No. 636](#), filed May 3, 2019.

³⁶ [Docket No. 867](#), filed March 2, 2020.

³⁷ *Id.* at 2.

³⁸ See Receiver’s Notice of Sale Results, [Docket No. 915](#), filed April 21, 2020.

³⁹ *Olsen v. Commissioner of Internal Revenue*, Docket No’s 26469-14, 21247-16 (U.S. Tax Court).

⁴⁰ *Johnson v. Wings West, LC*, Case No. 200700008 (Complaint), Fourth District Court, Millard County, February 10, 2020 (also available at [Docket No. 888-2](#)).

⁴¹ *Id.* ¶ 3.

⁴² *Id.* ¶ 4.

⁴³ The Complaint attached a copy of the August 15, 2019 lien with a subsequently-added notation on the lien regarding the Receiver “jumping the gun” in selling the property before the appeal ruling was issued.

22. On February 25, 2020, the Court held a hearing on contempt, issuing initial findings of contempt from the bench. These included findings from the bench that Glenda Johnson participated in acts of contempt.⁴⁴

23. On February 29, 2020—four days after the contempt hearing—Glenda Johnson went to Preston Olsen’s home where Olsen prepared an agreement titled “Transfer of Membership Interests” (“Anstram Transfer Agreement”)⁴⁵ The Anstram Transfer Agreement transferred all membership interests in Anstram Energy to a to-be-named transferee.⁴⁶ The stated price for the sale of Olsen’s ownership of Anstram Energy was “ten dollars and other good and valuable consideration”⁴⁷

24. The same day, Roger Hamblin (an associate of Neldon Johnson and the defendant in a suit filed by the Receiver⁴⁸) went to Glenda Johnson’s home and signed the Anstram Transfer Agreement, becoming the owner of Anstram Energy and the three property liens.⁴⁹ Hamblin paid \$10.00 to purchase Anstram Energy.⁵⁰

25. Hamblin had been personally served with the Asset Freeze Order on September 1, 2018 and with the Court’s injunction on October 16, 2018. Hamblin acknowledged receipt of the receivership order on December 4, 2018.

III. SUMMARY OF RELEVANT PRIOR LEGAL PROCEEDINGS

26. Prior Court orders relevant to the liens granted by Glenda Johnson are:
- a. Asset Freeze Order, freezing assets of Receivership Defendants, taking

⁴⁴ Proposed findings and conclusions have been submitted to the Court but not yet entered.

⁴⁵ [Docket No. 937](#), filed June 10, 2020 at ¶ 3(k).

⁴⁶ [Docket No. 937-1](#), filed June 10, 2020.

⁴⁷ *Id.*

⁴⁸ In 2011, just before Neldon Johnson filed for personal bankruptcy, he sold his interests in Black Night and Starlite to Hamblin. Hamblin later reconveyed these interests to Neldon Johnson.

⁴⁹ [Docket No. 937-2](#), filed June 10, 2020, ¶ 6.

⁵⁰ [Docket No. 937-1](#), filed June 10, 2020.

exclusive possession of assets, and enjoining all persons from “pledging, assigning, . . . or otherwise disposing of” Receivership Property (“Asset Freeze Order”).⁵¹

b. Corrected Receivership Order, continuing the Asset Freeze Order and giving exclusive control of Receivership Property to the Receiver.⁵²

c. Affiliates Order, expanding the Receivership Estate to include NPJFLP and other affiliated entities.⁵³

d. Order approving the sale of the Tower Site Property, free and clear of liens.⁵⁴

e. Order approving the sale of the Texas Property, free and clear of liens.⁵⁵

27. The Receiver filed *Receiver’s Ex-Parte Affidavit of Non-Compliance Against Glenda E. Johnson* on March 20, 2020, alleging that Glenda Johnson’s filing of liens and litigation against the buyer of the Tower Site property was interfering with the work of the Receiver.⁵⁶

28. On May 5, 2020, the Court issued its *Order Re: Affidavit of Non-Compliance Against Glenda Johnson*⁵⁷ ruling that Glenda Johnson violated the CRO after having notice of the CRO.⁵⁸ The order required her to dismiss the lawsuit against the buyer of the Tower Site Property, release the Payson Lien, the Texas Lien, and the Millard Lien, and refrain from asserting future liens relating to real property identified in the CRO.

29. The same day, Glenda Johnson partially complied, filing a motion to dismiss the

⁵¹ [Docket No. 444](#), filed August 22, 2018.

⁵² [Docket No. 491](#), filed November 1, 2018.

⁵³ [Docket No. 636](#), filed May 3, 2019.

⁵⁴ [Docket No. 743](#), filed August 5, 2019.

⁵⁵ [Docket No. 867](#), filed March 2, 2020.

⁵⁶ [Docket No. 888](#), filed March 20, 2020.

⁵⁷ [Docket No. 920](#), filed May 5, 2020.

⁵⁸ *Id.* at ¶ 21.

lawsuit against Wings West, the buyer of the Tower Site Property.⁵⁹ The state court granted that motion.⁶⁰ She did not, however, cause any of the three liens to be released and did not file notice with the Court or inform the Receiver of any inability to do so.

30. On May 13, 2020, the Receiver filed a *Notice of Non-Compliance*, informing the Court that the property liens had not been released.⁶¹

31. On May 14, 2020, Glenda Johnson filed a declaration asserting that she had complied with the order to the best of her ability, but averring an inability to get the liens released because the liens she granted to Anstram Energy had been conveyed to Roger Hamblin, as associate of Neldon Johnson, who refused to release the liens.⁶²

32. On May 20, 2020, the Receiver filed a response to the declaration of Glenda Johnson detailing reasons the Receiver believed Glenda Johnson had not satisfied her burden to show the impossibility of complying with the Court's May 5, 2020 order to release the liens.⁶³

33. On June 4, 2020, the Court issued an order finding that "Glenda Johnson's explanation is insufficient to establish present impossibility of compliance" and that her declaration was "vague and incomplete."⁶⁴ The Court required Glenda Johnson to file a declaration detailing her history of dealings with Olsen and Hamblin and provide information about the assignments of the liens.⁶⁵ Glenda Johnson was required to provide this information by June 10.

⁵⁹ *Johnson v. Wings West LC*, Case No. 2007000008 (Motion to Dismiss with Prejudice), Fourth District Court for Millard County, Utah, May 5, 2020 (also available at [Docket No. 923-1](#)).

⁶⁰ The case remains open because the Defendant, Wings West, filed a counterclaim against Glenda Johnson for a wrongful lien. Glenda Johnson also filed a third-party complaint against Thomas Mancini, the government's expert witness in this action.

⁶¹ [Docket No. 923](#), filed May 13, 2020.

⁶² [Docket No. 925](#), filed May 14, 2020.

⁶³ [Docket No 929](#), filed May 20, 2020.

⁶⁴ [Docket No. 933](#), filed June 4, 2020 at 3.

⁶⁵ *Id.* at 4.

34. In the interregnum, on June 8, 2020, Roger Hamblin filed a lawsuit against Glenda Johnson claiming that Hamblin was due \$30 million from Glenda Johnson “for labor and/or materials [he] provided” and that he provided the labor and/or materials between January 2012 and April 14, 2020.⁶⁶ Hamblin’s complaint does not identify what labor or materials he provided between 2012 and 2020. To the extent Hamblin supplied labor or materials on properties owned by Glenda Johnson after August 22, 2018, that labor and materials were provided in violation of the Asset Freeze Order.

35. Any doubt about the collusion of Glenda Johnson and Hamblin was removed by Glenda Johnson’s answer to Hamblin’s complaint. On June 22, 2020, Glenda Johnson filed an answer to Hamblin’s complaint that—in its entirety—responded “I agree with the alligations [sic] I have no defense.” A copy of Glenda Johnson’s answer is attached as Exhibit 2.

36. On June 10, 2020, Glenda Johnson filed a declaration in response to the Court’s June 4, 2020 order, asserting she has complied with the Court’s order to the best of her ability.⁶⁷ Her response included a copy of the Anstram Transfer Agreement,⁶⁸ a declaration by Roger Hamblin,⁶⁹ and a declaration by Preston Olsen.⁷⁰

IV. DISCUSSION AND ANALYSIS

37. Glenda Johnson was the originator and driver of the plan to impose liens on properties titled in her name and in the name of NPJFLP. In October or November 2019, she “decided” to sell her interests in real properties associated with the solar lenses.⁷¹ She communicated that desire to Preston Olsen.⁷²

⁶⁶ *Hamblin v. Glenda Johnson*, Complaint at 2 (Fifth District Court for Washington County) Jun. 8, 2020.

⁶⁷ [Docket No. 937](#), filed June 10, 2020.

⁶⁸ [Docket No. 937-1](#), filed June 10, 2020.

⁶⁹ [Docket No. 937-2](#), filed June 10, 2020.

⁷⁰ [Docket No. 937-3](#), filed June 10, 2020.

⁷¹ [Docket No. 937](#), filed June 10, 2020 at ¶ 3(a).

⁷² *Id.* at ¶ 3(b).

38. Olsen suggested to Glenda Johnson that creation of a Nevis based company would be the best way to hold assets he would purchase from her.⁷³ Olsen formed Anstram Energy on November 25, 2019 and entered into an oral agreement with Glenda Johnson for Anstram Energy to purchase Glenda Johnson's interest in real properties.⁷⁴

39. Sometime "shortly" after Olsen's January 2020 Tax Court trial, Hamblin told Glenda Johnson he was interested in securing his interests in her assets.⁷⁵ She suggested Hamblin contact Olsen. Glenda Johnson met with Olsen on February 29, 2020, at which time Olsen prepared the Anstram Transfer Agreement, transferring Olsen's interest in Anstram to a to-be-named transferee.⁷⁶ The same day, Hamblin went to Glenda Johnson's home and inserted his name in the Anstram Transfer Agreement (as the transferee) and signed the agreement.⁷⁷

40. Hamblin paid Olsen \$10.00 for the interests that Anstram Energy acquired from Glenda Johnson.⁷⁸ The interests that Hamblin acquired from Anstram Energy for \$10.00 included the \$30 million oral contract between Glenda Johnson and Anstram, the \$30 million lien on the Millard County Properties, the \$2 million lien on the Payson Property, and the \$10 million lien on the Texas property. The \$10.00 purchase price for Anstram is itself a tiny fraction of the cost paid to create Anstram Energy, which cost included a \$250 filing fee paid to the Nevis Financial Services Regulatory Commission⁷⁹ and fees for the required registered agent in Nevis.

⁷³ *Id.* at ¶ 3(c).

⁷⁴ Glenda Johnson Deposition, 157:13 – 157:34. Because the agreement is oral, the Receiver cannot determine what rights in the Texas Property Glenda Johnson purported to convey to Anstram Energy and when.

⁷⁵ [Docket No. 937](#), filed June 10, 2020 at ¶ 3(i).

⁷⁶ *Id.* at ¶ 3 (j) – (k).

⁷⁷ See Declaration of Roger P. Hamblin, [Docket No. 937-2](#), filed June 10, 2020 at ¶¶ 3, 6; Anstram Transfer Agreement, [Docket No. 937-1](#), filed June 10, 2020.

⁷⁸ [Docket No. 937-1](#), filed June 10, 2020; Declaration of Preston Olsen, [Docket No. 937-3](#), filed June 10, 2020 at ¶ 13.

⁷⁹ See <https://www.nevisfsrc.com/services/llcs/> (last visited June 29, 2020).

41. After this Court required (on June 4, 2020) that Glenda Johnson provide further explanation about her inability to obtain releases of the liens, Hamblin filed a friendly lawsuit against Glenda Johnson (on June 8, 2020) for \$30 million.⁸⁰ Glenda Johnson's answer to Hamblin's complaint agreed with all of Hamblin's allegations and stated that she had "no defense."⁸¹

42. In preparing her Court-required response, Glenda secured (and filed) a declaration from Roger Hamblin.⁸² In it, Hamblin declares that he is the sole owner of Anstram Energy and that he refused her requests to release the three property liens.⁸³

43. It defies credulity to believe that Hamblin's \$10.00 purchase of Anstram Energy and the resulting claim to \$42 million in property liens was an arms-length transaction.

44. Neither newly-formed Anstram Energy nor Hamblin have any apparent ability to "continue to develop this technology."⁸⁴

45. Moreover, Anstram's plan to develop the technology and give the projects and properties back to Glenda Johnson suffers from the fatal flaw that all the properties were subject to the asset freeze, all the patents and technology are the exclusive assets of the Receivership Estate, and any efforts to utilize the technology or towers or equipment was barred by the CRO.⁸⁵ Thus, Glenda Johnson could not convey the technology or the property and could not develop the technology without violating the CRO.

46. Glenda Johnson's claims to have diligently attempted to secure a release of the three property liens are not credible when: a) she originated discussions with Preston Olsen to

⁸⁰ See ¶ 34, above.

⁸¹ Exhibit 2.

⁸² [Docket No. 937-2](#), filed June 10, 2020.

⁸³ *Id.* at ¶¶ 6 -10.

⁸⁴ See Olsen Transcript, 308:11 – 308:12.

⁸⁵ [Docket No. 491](#) ¶¶ 2-5, 8, 20.

grant liens on the three properties to Anstram Energy, b) she entered into a \$30 million oral agreement with a newly-created Nevis company, assigning to it her interests in assets, c) she met with Olsen at the office of Nelson Snuffer to sign the lien documents,⁸⁶ d) she recorded the property liens on behalf of Anstram Energy and listed her address for delivery of the recorded liens, e) she suggested to Hamblin that Hamblin purchase Anstram Energy, f) she went to Preston Olsen to have Olsen prepare the Anstram Transfer Agreement, g) she had Hamblin come to her house to sign the Anstram Transfer agreement as the transferee, h) she secured a declaration from Hamblin affirming her statements that he refuses to release the liens, i) Hamblin paid only \$10 for Anstram Energy and the lien interests, and j) she admitted all the allegations of Hamblin's lawsuit against her and said she had no defenses to Hamblin's claims to a \$30 million lien on the properties.

47. All this occurred when Glenda Johnson affirmed that she “never had authority to grant . . . the mechanics’ liens”⁸⁷ and does not assert that they are valid.⁸⁸

48. Glenda Johnson still has not provided all the information regarding the liens required by the Court’s June 4, 2020 order. This includes:

- a. What amounts Preston Olsen and Glenda Johnson believed Glenda Johnson was owed under her “claims and rights,” who owed those amounts to Glenda Johnson, and how those amounts were calculated;⁸⁹
- b. Whether the persons or entities supposedly owing monies to Glenda Johnson were entities already in the Receivership Estate and therefore covered by the

⁸⁶ See [Docket No. 937-2](#), filed June 10, 2020 at ¶¶ 5-6.

⁸⁷ [Docket No. 937](#), filed June 10, 2020 at ¶ 4.

⁸⁸ *Id.* at ¶ 5.

⁸⁹ See Olsen Declaration, [Docket No. 937-3](#) at ¶ 4.

terms of the CRO;⁹⁰

c. How much Anstram Energy paid Glenda Johnson for her rights to the real properties and her interests in the solar energy scheme;

d. How the purchase price was determined;

e. What Glenda Johnson did with the funds she received from Anstram Energy for the interests she assigned to Anstram;

f. Whether Hamblin paid any consideration to Olsen beyond the \$10.00 amount specified in the Anstram Transfer Agreement;

g. How the price for Hamblin's purchase of Anstram Energy was determined;⁹¹

h. Whether, when, how, and by whom Prestige Trust Company⁹² was notified that Anstram Energy had been sold to Hamblin;

i. When Olsen received notice of the CRO and the Court's bench-issued contempt ruling on February 25, 2020;

j. When Hamblin became aware of the February 25, 2020 initial contempt rulings;

k. Glenda Johnson's other dealings with Preston Olsen and Roger Hamblin.⁹³

For example, Glenda Johnson's June 10 declaration did not identify the lawsuit that Roger Hamblin had filed against her two days earlier; and

l. Olsen and Hamblin's histories of relationships with any of the

⁹⁰ If so, the conduct of Glenda Johnson, Olsen, and Hamblin might be evidence of civil or criminal contempt.

⁹¹ If the ultimate purchase price was \$10.00, that suggests the liens have little or no intrinsic value and have been created and recorded simply to impede and interfere with the work of the Receiver.

⁹² This is the registered agent for Anstram Energy in Nevis. See Exhibit 1.

⁹³ This information was specifically identified in the Court's June 4 order ([Docket No. 933](#)).

Receivership Defendants and Affiliated Entities. This would include information on any positions Hamblin held with Receivership Entities, entities he created or controlled relating to the solar energy scheme, IAS shares granted to him, his ownership role of other Nevis companies created by Neldon Johnson, his role as a distributor for Receivership Entities, and commissions he and his companies received for the sales of solar lenses. It would also include information on Olsen's ties to Receivership Defendants, his role as a trial witness in the government's enforcement action, and his disputes with the Internal Revenue Service regarding tax credits and deductions he has claimed relating to solar lenses.

49. These actions constitute interference with the Receiver's efforts to take control of Receivership Property,⁹⁴ hinder and obstruct the work of the Receiver,⁹⁵ risk diminishing the value of Receivership Property by imposing liens against Receivership Property,⁹⁶ harasses the Receiver,⁹⁷ and interferes with the Court's exclusive jurisdiction over the Receivership Estate.⁹⁸

V. RECEIVER'S RECOMMENDATIONS

The Receiver makes three alternative recommendations to the Court.

Alternative One: Declare Liens Invalid.

The first alternative is the simplest. The Court can declare that the three property liens are invalid and direct the Receiver to file with the county recorders of Millard County and Utah County an order of the Court invalidating the liens. There are multiple reasons justifying such an order:

⁹⁴ [Docket No. 491](#) at ¶ 35(a).

⁹⁵ *Id.* at ¶ 35(b).

⁹⁶ *Id.* at ¶ 35(c).

⁹⁷ This also has the effect of increasing the costs of administering the Receivership Estate.

⁹⁸ *Id.* at ¶ 35(d).

- The Court has already declared that the filing of the liens violated the CRO.⁹⁹ As such, the filing of any liens prohibited by court order should be deemed ineffective in creating valid liens on properties identified in the CRO.
- The agreement underlying the liens is itself likely invalid. The Court previously ruled: “Further, ‘there are persuasive reasons to believe the agreement [with Anstram Energy underlying the liens] is invalid, if it exists at all.’”¹⁰⁰ The Court could use this occasion to declare that Glenda Johnson’s oral agreement with Anstram is invalid, thereby making the liens invalid.
- Glenda Johnson’s claims of “contract rights, including obligations involving these properties”¹⁰¹ appears to derive from rights she claims under a contract between her and Solstice—a contract of doubtful authenticity that was first revealed in court filings after the deadline for Neldon and Glenda Johnson to deliver all company records in their possession.¹⁰² The Court could declare that the Solstice agreement is invalid, or at least insufficient to grant Glenda Johnson any contract rights involving the real properties.¹⁰³
- The consideration paid by Hamblin for the liens appears to have been \$10.00, signaling that the parties themselves deemed the liens to have little intrinsic value. In fact, given that Olsen appears to have sold Anstram Energy to Hamblin for a fraction of what Olsen paid to create Anstram Energy and that Anstram Energy’s only assets are these liens, the

⁹⁹ “Glenda Johnson violated the Corrected Receivership Order by filing the [various liens].” *Order Re: Affidavit of Non-Compliance Against Glenda Johnson*, [Docket No. 920](#), filed May 5, 2020 ¶ 20. Further, “Glenda Johnson admitted that her purpose in filing the Millard County Lien was to hinder the Receivership.” *Id.* at ¶ 11.

¹⁰⁰ [Docket No. 933](#), filed June 4, 2020 at 4 (footnote omitted).

¹⁰¹ See Millard Lien ([Docket No. 888-1](#)), Payson Lien ([Docket No. 888-3](#)), and Texas Lien ([Docket No. 888-4](#)).

¹⁰² [Docket No. 784-1](#), filed November 11, 2019.

¹⁰³ At the February 25, 2020 hearing on contempt, the Court stated: “And the information that I’ve read in the briefing on the Solstice Agreement is incredible in the sense that it is just not believable. It approaches the ridiculous to suppose that a \$35 million handwritten agreement with unintelligible terms could somehow be relied on them having been produced very late in this proceeding as creating enforceable obligations or rights.” Tr. 98:19 – 98:25.

purchase price is evidence that the liens have no value.

- Glenda Johnson herself admitted she “never had authority to grant . . . the mechanics’ liens.”¹⁰⁴
- The lien on the Texas Property has already been invalidated because the property has been sold, which sale was free and clear of liens.¹⁰⁵
- The Tenth Circuit’s ruling, affirming the Court’s judgments against Receivership Defendants, eliminates Glenda Johnson’s stated reasons for recording the liens—as preventing gun jumping and unwarranted control by the Receiver.

Alternative Two: Incarcerate Glenda Johnson.

The Court’s May 5, 2020 order warned Glenda Johnson that her failure to release the liens would result in a bench warrant being issued. After Glenda Johnson claimed impossibility, the Court listed the actions she would have to take to demonstrate impossibility. She has failed to provide all the information specified by the Court to demonstrate impossibility. Therefore, the Court could order the marshals to incarcerate her until all the information identified by the Court in its June 4, 2020 order is provided.

The Court also could require, as a condition of her release from incarceration, that she respond under oath to questions by the Receiver relating to the liens and her dealings with Hamblin and Olsen. This questioning would occur while she is in custody and her release from custody would be conditioned upon the Receiver’s reasonable determination that she has been cooperative and appears to have been truthful in her testimony.

Alternative Three: Further Investigation.

The Court could direct the Receiver to further investigate whether Olsen, Hamblin, and

¹⁰⁴ [Docket No. 937](#), filed June 10, 2020 ¶ 4.

¹⁰⁵ *Id.* at ¶ 20. Moreover, Glenda Johnson had no authority to grant a lien on behalf of the NPJFLP. *Id.* at ¶¶ 18-19.

Glenda Johnson have engaged in contempt of court. This investigation could include the Receiver taking sworn testimony of Olsen and Hamblin to determine what discussions were had between them and with Glenda Johnson; when Olsen and Hamblin received notice of the Asset Freeze Order, the CRO, and the two contempt rulings against Glenda Johnson; the actual amount of consideration paid by Anstram Energy, Olsen, and Hamblin for the liens and property interests they received; the sources of those funds; how the purchase price was determined; what the amounts were that Anstram Energy and Glenda Johnson felt were owed to Glenda Johnson; how those amounts were determined; the basis for the debt; who owed those amounts; whether the liens were based on obligations already addressed in the CRO; and the extent to which the Court's ruling at the February 25, 2020 contempt hearing led to the February 29, 2020 meeting between Glenda Johnson and Olsen. At the conclusion of that investigation, the Receiver could determine whether to file a motion for an order to show cause against Olsen, Hamlin, or Glenda Johnson. At a hearing on such a motion for order to show cause, the Court could determine whether to make a referral to the United States Attorney for Utah for investigation of possible criminal contempt.

V. CONCLUSION

Glenda Johnson failed to provide all the information identified by the Court as necessary to demonstrate the impossibility of her compliance. Accordingly, she has not carried her burden of showing impossibility.

The information provided by Glenda Johnson, Olsen, and Hamblin evinces collusion by these parties to retain the liens and defy the requirements of the CRO and other court orders. Glenda Johnson had a central role in creating the liens and in transferring ownership of Anstram Energy from Olsen to Hamblin. Hamblin has assisted Glenda Johnson in pretending to show

impossibility at the same time that Hamblin declares his refusal to release the liens and even files a sham lawsuit against Glenda Johnson two days before her deadline for showing impossibility—to create the appearance that Glenda is unable to secure the releases of the liens. All this occurs when the parties themselves have valued Anstram Energy and the liens it owns at \$10.00.

To remedy the violations of the CRO and Glenda Johnson's failure to demonstrate impossibility fully and legitimately, the Court could declare the liens invalid and direct the Receiver to record that order with the appropriate county recorders. The Court could incarcerate Glenda Johnson until she demonstrates genuine impossibility and provides sworn testimony to the Receiver regarding her dealings with Hamblin and Olsen. The Court could direct the Receiver to conduct further investigation and decide whether to recommend contempt proceedings against, or a criminal referral of, Olsen, Hamblin, or Glenda Johnson.

The Receiver stands ready to assist the Court in the manner the Court deems most effective in enforcing the mandates of the CRO.

DATED this 30th day of June 2020.

PARR BROWN GEE & LOVELESS

/s/ Jonathan O. Hafen

Jonathan O. Hafen

Jeffrey A. Balls

Michael S. Lehr

Attorneys for Receiver

CERTIFICATE OF SERVICE

IT IS HEREBY CERTIFIED that service of the above **RECEIVER'S REPORT AND RECOMMENDATION ON GLENDA JOHNSON'S NON-COMPLIANCE WITH ORDER REQUIRING RELEASE OF LIENS** was filed with the Court on this 30th day of June 2020, and served via ECF on all parties who have requested notice in this case.

/s/ Michael S. Lehr _____