

Guilty Plea from Ex-Lawyer in Continental Resources Fraud Case



An Oklahoma lawyer had pleaded guilty to conspiracy to commit honest services wire fraud just days before his trial began. Blaine Dyer had been accused of using confidential business information to defraud oil and gas company Continental Resources Inc. and was indicted with his cousin, James Dyer, in May 2022. James, also known as “Jimmy,” Dyer pleaded guilty to the same charge a day before Blaine.

According to federal prosecutors, Blaine Dyer had been hired by a former Continental employee, Justin Biggs, to perform title work for the company in 2011. The scheme allegedly began a few years after Dyer took Biggs hunting and offered him kickbacks in exchange for Continental’s underground drilling and leasing plans. Once they had obtained the proprietary information, they used it to acquire valuable lease interests before Continental got to them, according to the government.

The maximum penalty under 18 U.S.C. §1349, governing attempt and conspiracy, is 20 years imprisonment, or a fine of \$250,000, plus a mandatory assessment of \$100 and a term of supervised release of three years. The government agreed that the defendants should receive a downward adjustment for acceptance of responsibility in both cases.

In James Dyer’s case, the government agreed that a sentence between zero and 18 months imprisonment would be appropriate. In Blaine Dyer’s case, the parties didn’t agree on an appropriate sentencing range but agreed that the loss amount, for purposes of sentencing enhancement, doesn’t exceed \$3.5 million.

The indictment of the Dyers came about a year and a half after Biggs pleaded guilty to related charges in separate proceedings. Blaine Dyer’s former law partner, Mitchell K. Coatney, also pleaded guilty to related criminal charges.

Blaine Dyer had already been facing civil claims over the alleged scheme in a lawsuit brought by Continental in state court in April 2020. The guilty pleas by Blaine and James Dyer mark a significant development in the ongoing legal battle over the alleged fraud. The case has raised concerns about the potential misuse of confidential information in the energy industry and has underscored the importance of safeguarding such information.

Overall, the guilty pleas in the Continental Resources fraud case clearly show that white-collar crime will not be tolerated and that those who engage in such activities will be held accountable for their actions. The case also serves as a reminder that even seemingly minor ethical lapses can have severe consequences and that individuals and companies must always act with integrity and following the law.

REFERENCES:

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