



The United States Attorney's Office

Eastern District of Louisiana

Press Releases

FORMER SHELL OIL EXECUTIVE PLEADS GUILTY TO INCOME TAX EVASION AND MAIL FRAUD

January 28, 2009

FOR IMMEDIATE RELEASE

GREGORY L. COURTNEY, age 50, formerly a resident of Mandeville, Louisiana, pled guilty in federal court before U. S. District Judge Kurt D. Engelhardt to income tax evasion and mail fraud, announced U. S. Attorney Jim Letten.

According to court documents, while employed as an engineer for Shell Deepwater Development, **COURTNEY** acquired control of Mercury Equipment and Services, Inc., a Shell vendor. This acquisition violated Shell policy. **COURTNEY** then caused Mercury to invoice Shell for a fraudulent maintenance contract for storage boxes on offshore oil rigs. The invoices were paid by checks which Shell mailed to Mercury. Court documents also indicated that little if any maintenance was performed. **COURTNEY** admitted that he diverted more than \$1 million to his personal use from the Mercury maintenance contract. **COURTNEY's** tax liability according to court documents exceeded \$400,000.00 and he admitted that he failed to report the Mercury income to the IRS for the tax years 2001, 2002, and 2003.

COURTNEY faces a maximum term of imprisonment of five (5) years for the tax count and twenty (20) years for the mail fraud count, and a fine of \$250,000 for the mail fraud, and \$100,000 for the tax evasion. The case is set for sentencing on May 6, 2009.

The case was investigated by the Internal Revenue Service, Criminal Investigations Division and the Federal Bureau of Investigations. The case is being prosecuted by Assistant U. S. Attorney Carter K. D. Guice, Jr. of the Financial Crimes Unit.

(Download Factual Basis )