



Rocky Mountain

High Intensity Drug Trafficking Area Drug Market Analysis

June 2007

U.S. Department of Justice

Preface

This assessment provides a strategic overview of the illicit drug situation in the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA), highlighting significant trends and law enforcement concerns related to the trafficking and abuse of illicit drugs. The report was prepared through detailed analysis of recent law enforcement

reporting, information obtained through interviews with law enforcement and public health officials, and available statistical data. The report is designed to provide policymakers, resource planners, and law enforcement officials with a focused discussion of key drug issues and developments facing the Rocky Mountain HIDTA.

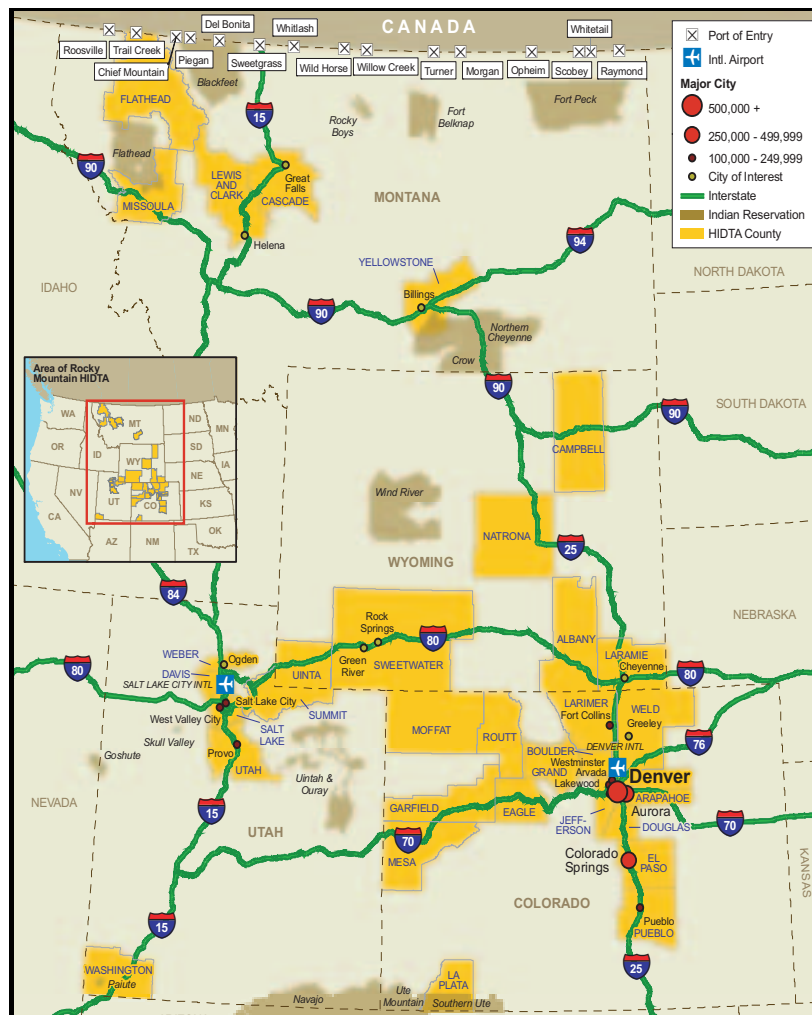


Figure 1. Rocky Mountain High Intensity Drug Trafficking Area.

This assessment is an outgrowth of a partnership between the NDIC and HIDTA Program for preparation of annual assessments depicting drug trafficking trends and developments in HIDTA Program areas. The report has been vetted with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.

Strategic Drug Threat Developments

- Methamphetamine distribution and abuse remain at high levels in the Rocky Mountain HIDTA region despite dramatic declines in local production of powder methamphetamine. Mexican drug trafficking organizations (DTOs) are providing the market with a continuous and abundant supply of low-cost, high-purity ice methamphetamine.
- Methamphetamine-related crime, including property crime (check fraud, currency counterfeiting, identity theft, and mail theft) and violent crime (such as assaults), has increased in the region. This increase has been linked by law enforcement officials to the rising availability and abuse of Mexican ice methamphetamine.
- Cocaine availability and abuse are increasing in major cities and in some rural areas of the HIDTA region, such as southeastern Colorado and central and southeastern Montana. A growing number of cocaine abusers reportedly believe that they can use the drug occasionally without becoming addicted and consider cocaine to be a recreational drug when compared with methamphetamine.
- Rising demand for high-potency marijuana has resulted in increased production of the drug in the HIDTA region. Law enforcement agencies in Denver and Fort Collins, Colorado, and other areas of the region report a significant rise in the number of indoor cannabis grows seized during the past year.
- Heroin abuse is increasing in many areas as a growing number of young, former prescription narcotics abusers transition to heroin use.
- “Cheese,” a low-cost drug combination containing Mexican black tar heroin and the crushed tablets of common over-the-counter (OTC) medications, such as Tylenol PM or

generic cold medications containing the anti-histamine diphenhydramine, is emerging in Boulder County, Colorado. Cheese is popular among 10- to 16-year-old Hispanic juveniles, both males and females.

- MDMA availability and abuse have made a substantial resurgence in Denver; Colorado Springs, Colorado; and Salt Lake City, Utah. Asian criminal groups, Asian gangs, and Caucasian distributors are routinely supplying wholesale quantities of MDMA that they obtain in Canada.

Drug Trafficking Organizations, Criminal Groups, and Gangs

Drug trafficking organizations are complex organizations with highly defined command-and-control structures that produce, transport, and/or distribute large quantities of one or more illicit drugs.

Criminal groups operating in the United States are numerous and range from small to moderately sized, loosely knit groups that distribute one or more drugs at the retail and midlevels.

Gangs are defined by the National Alliance of Gang Investigators’ Associations as groups or associations of three or more persons with a common identifying sign, symbol, or name, the members of which individually or collectively engage in criminal activity that creates an atmosphere of fear and intimidation.

HIDTA Overview

The Rocky Mountain HIDTA region encompasses 34 designated counties in Colorado, Montana, Utah, and Wyoming; the area contains large metropolitan areas as well as expansive, sparsely populated areas, including public and tribal lands. (See Figure 1 on page 1.) The HIDTA region is located between major drug source areas in Mexico and Canada and is linked by interstate highways to major domestic drug markets across the United States. Denver, Colorado Springs, and Salt Lake City,¹ the three largest metropolitan areas in the

1. Denver and Colorado Springs, Colorado, and Salt Lake City, Utah, are the major drug market areas in the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA) region. The most significant drug issues and key developments regarding each of these markets and other areas of the HIDTA are discussed concurrently throughout this report.

region, are significant drug markets and serve as distribution centers for other drug markets in the HIDTA region as well as transshipment centers for illicit drugs supplied to markets in the Midwest and the eastern United States.

Rural areas in the HIDTA region, including 34 national forests, provide traffickers with an opportunity to avoid detection as they engage in illicit activities, including drug smuggling, cannabis cultivation and, to a lesser extent, powder methamphetamine production. Drug smuggling from Canada through remote areas of the HIDTA region is a particular concern for law enforcement agencies. The 585-mile U.S.–Canada border in Montana has 15 official ports of entry (POEs) as well as hundreds of easily accessible, unofficial crossings that are often used by traffickers to transport drugs from Canada into the region in private and commercial vehicles, all-terrain vehicles (ATVs), snowmobiles, and private aircraft, as well as on foot. For example, the Kootenai National Forest, located on the U.S.–Canada border in northwestern Montana and northeastern Idaho—commonly referred to as “The Yaak”—is often used by drug smugglers because of the many off-road routes and packing trails that cross the border.

Drug Threat Overview

Mexican DTOs dominate illicit drug distribution throughout the Rocky Mountain HIDTA region. They have established trafficking networks that provide them with access from sources of supply in Mexico to key distribution centers in the HIDTA region, including Colorado Springs, Denver, and Salt Lake City. Mexican DTOs use these distribution centers to supply illicit drugs to smaller cities in the Rocky Mountain HIDTA region, such as Billings, Montana, and Cheyenne, Wyoming, as well as to markets in the Midwest and the eastern United States. Mexican DTOs and criminal groups also exploit remote areas throughout the HIDTA region to further their trafficking operations. For example, Mexican traffickers use ranches in rural areas to store significant quantities of illicit drugs prior to transport to smaller cities within the HIDTA region and as consolidation points for currency derived from drug sales.

Mexican DTOs have supplied the HIDTA region with a continuous and abundant supply of low-cost, high-purity ice methamphetamine, offsetting significant declines in local powder methamphetamine production that have occurred over the past 3 years. This abundant supply coupled with high levels of demand renders methamphetamine the greatest overall drug threat to the Rocky Mountain HIDTA region. Methamphetamine-related treatment admissions to publicly funded treatment facilities in the area exceed admissions for any other illicit drug. Moreover, methamphetamine abuse in the region contributes to high levels of drug-related crimes such as automobile theft, burglary, currency counterfeiting, forgery, and home invasion, which abusers typically commit to obtain money to support their addictions.

The distribution and abuse of powder and crack cocaine also are significant drug threats, particularly in urban areas of the region. Mexican DTOs have increased the availability of cocaine in some areas of the Rocky Mountain HIDTA region—Colorado (Aurora, Colorado Springs, Denver, and Greeley), Utah (Provo, Ogden, and Salt Lake City), and Montana (Bozeman)—by supplying members of Hispanic street gangs and independent dealers with powder cocaine, which is often converted to crack cocaine. Hispanic street gangs are aggressively expanding their crack cocaine distribution operations in Denver and Aurora. The availability of cocaine (both powder and crack) is increasing in some rural areas of the region, such as southeastern Colorado and central and southeastern Montana.

Mexican black tar and brown powder heroin availability and abuse are rising in some areas of the region, increasing the threat posed by the drug. Historically, heroin distribution and abuse were limited to metropolitan areas, but currently many drug task forces throughout the Rocky Mountain HIDTA region are reporting increased availability and demand for heroin. Law enforcement and public health authorities in Colorado Springs and Denver; Helena, Montana; Provo, Salt Lake City, and St. George, Utah; and western Wyoming have reported increased heroin distribution and abuse in their jurisdictions. This increase is due, in part, to

the emergence of new user groups. Some prescription narcotics abusers, who are unable to obtain diverted narcotics, are switching to heroin. Additionally, teenagers in Boulder County, Colorado, are beginning to use “cheese,” the drug combination containing Mexican black tar heroin and the crushed tablets of common OTC medications.

Marijuana is the most frequently abused illicit drug in much of the HIDTA region. Most of the marijuana available in the region is commercial-grade Mexican marijuana; however, the amount of high-potency marijuana smuggled from Canada is increasing. Cannabis is also being grown at indoor sites in the region. Mexican DTOs and Mexican criminal groups are the primary traffickers of Mexican marijuana; they also cultivate cannabis at outdoor sites on public lands and in other remote areas of the region, such as southeastern Colorado and southwestern Utah. Caucasian and Hispanic local independent dealers and Asian criminal groups are the primary cultivators of cannabis, typically grown indoors, that becomes high-potency marijuana.

The availability and abuse of MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) have made a substantial resurgence, particularly in major cities in the HIDTA region. In the Denver metropolitan area, drug task force officers report increasing MDMA distribution by Asian criminal groups, Asian gangs, and Caucasian distributors, who are routinely supplying MDMA in large quantities. Aurora officials also report that the increasing use of MDMA is causing a rebirth of rave-type activities—smaller gatherings that are less publicized than they had been in the past. At a recent rave event, officers seized over 15,000 dosage units of MDMA from four sources and made so many arrests that the police had difficulty supplying enough officers to transport the arrested individuals. Colorado Springs law enforcement officers report that MDMA distribution by heavily armed African American dealers is a growing threat to the Colorado Springs jurisdiction; these independent dealers had previously confined their drug distribution activities to powder and crack cocaine. Law enforcement authorities in Salt Lake

City also report a resurgence of MDMA distribution and abuse.

The threats posed by diverted pharmaceuticals and other dangerous drugs (ODDs) vary throughout the HIDTA region. Law enforcement agencies in Colorado and Utah report that abuse of diverted pharmaceuticals, particularly OxyContin (oxycodone) and methadone, has been increasing and that many prescription narcotics abusers are transitioning to heroin abuse because of the wide availability and low cost of Mexican black tar heroin. The Colorado Bureau of Investigation Pueblo Region Laboratory noted an increase in psilocybin mushroom investigations during the last 6 months of 2006. The Larimer County and North Metro Task Forces (both north of Denver) report that psilocybin mushrooms are being discovered more often among other drugs during drug interdiction arrests. Law enforcement reporting indicates that these mushrooms are grown in the Boulder area. Additionally, ODDs, including LSD (lysergic acid diethylamide), ketamine, steroids, and GHB (gamma-hydroxybutyrate) are available and abused to a limited extent, primarily in metropolitan areas of the Rocky Mountain HIDTA region. Most LSD available in the HIDTA region is produced in California and transported to Colorado. Ketamine and steroids typically are smuggled from Mexico or mailed to the region as a result of Internet transactions. Caucasian college and high school students are the principal retail distributors and abusers of ODDs.

Drug Trafficking Organizations

Mexican DTOs and criminal groups control most of the transportation and wholesale distribution of methamphetamine, cocaine, heroin, and marijuana in the Rocky Mountain HIDTA region. They maintain connections to sources of supply—often friends or family members—in Mexico, California, Washington, and the Southwest Border area. Mexican DTOs routinely alter their methods of operation to avoid law enforcement detection during the course of their drug trafficking activities. They often compartmentalize drug and bulk currency transportation cells to limit members’

knowledge of the organization's activities and to avoid collocation of drugs and money. When arrested, Mexican DTO members offer little information to law enforcement personnel because members possess limited knowledge of the organization's operations. Moreover, Mexican DTO members easily assimilate into the large Mexican population in the region and often engage in identity theft and use forged documentation, further complicating efforts to identify these individuals. Mexican DTOs and criminal groups also exploit tribal lands in and adjacent to the Rocky Mountain HIDTA region to facilitate their illicit drug operations and evade law enforcement detection.

Asian DTOs and criminal groups are the primary suppliers of high-potency Canadian marijuana (also known as BC Bud) and MDMA in the Rocky Mountain HIDTA region. However, these DTOs are considered a much lower organizational threat by law enforcement officials than are Mexican DTOs and criminal groups. Asian traffickers transport wholesale quantities of BC Bud and MDMA from Canada through Washington into the region for local distribution and for shipment to markets outside the region, primarily in the Midwest and East. They also smuggle these drugs across the U.S.–Canada border in Montana. Law enforcement officials in northwestern Montana report an increase in larger marijuana shipments by Asian traffickers from Canada using fixed-wing aircraft, floatplanes, and helicopters to cross the border. Officials also report that some traffickers hire local individuals as “mules” to cross the northern border in Montana between POEs while carrying 50- to 100-pound quantities of BC Bud, typically in sports equipment bags. These loads are often transported by private vehicles, ATVs, and snowmobiles, as well as on foot. Most of the high-potency marijuana smuggled across the border is transported to distribution centers such as Denver; Salt Lake City; Las Vegas, Nevada; and Los Angeles and San Francisco, California.

Hispanic (primarily Mexican), African American, and Asian street gangs are the principal

retail-level drug distributors in the Rocky Mountain HIDTA region. These gangs are responsible for most of the violent crimes, including assaults, home invasions, and homicides, that take place in metropolitan areas of the region; most violent crime perpetrated by these street gangs relates to drug operations and protection of their distribution areas. Hispanic gangs such as Sureños 13 distribute methamphetamine, cocaine, heroin, and marijuana that they receive from Mexican traffickers. African American street gangs such as Rolling 30's Crips are the primary converters and distributors of crack cocaine in metropolitan areas of the region. Additionally, African American street gangs in Denver distribute PCP (phencyclidine) that they acquire from gang associates who produce the drug in Los Angeles.

Members of outlaw motorcycle gangs (OMGs) such as Bandidos, Hells Angels Motorcycle Club (HAMC), Outlaws, and Sons of Silence distribute methamphetamine and BC Bud in some areas of the region. These OMG members obtain methamphetamine from Mexican traffickers in the area and also transport the drug from California and southwestern states. Members of HAMC, who smuggle significant quantities of BC Bud from Canada into the United States, often cross the Northern Border in British Columbia to enter Washington but more often smuggle the drug from Canada directly into the HIDTA region in Montana.

Production

Powder methamphetamine production in the Rocky Mountain HIDTA region has declined significantly over the past 5 years as a result of state-wide precursor chemical control legislation, aggressive law enforcement efforts, and public awareness campaigns. According to National Clandestine Laboratory Seizure System (NCLSS) data, combined methamphetamine laboratory seizures² in Colorado, Montana, Utah, and Wyoming decreased 83 percent from 2002 (717) to 2006 (123). (See Figure 2 on page 6.) However, local production has not been eliminated because

2. These figures includes seizures of powder methamphetamine laboratories; chemicals, glass, and equipment; and dumpsites.

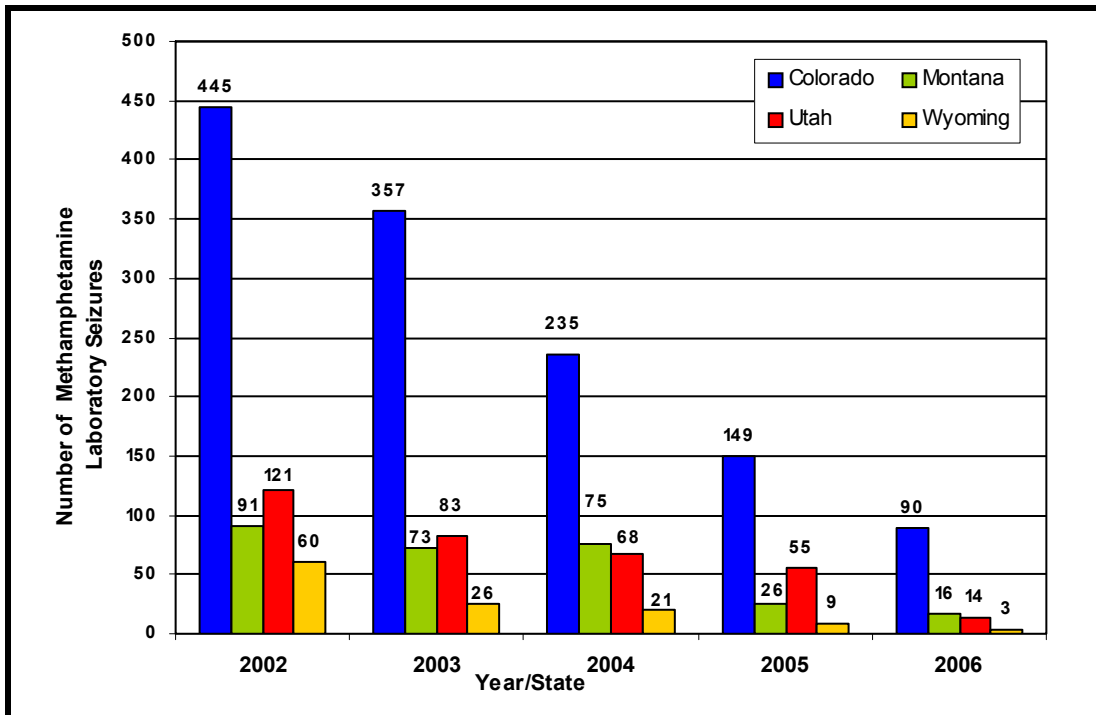


Figure 2. Methamphetamine laboratory seizures in Rocky Mountain HIDTA States, 2002–2006.

Source: National Clandestine Laboratory Seizure System as of April 5, 2007.

some producers have adapted their methods of operation to acquire the necessary precursors or to identify substitute chemicals that can be used to produce methamphetamine. For instance, local methamphetamine producers are forming “crews” to make multiple purchases of pseudoephedrine below legal limits from numerous retailers. Most methamphetamine laboratories in the region are small-scale operations that produce only gram quantities of the drug for personal use or for limited distribution to friends and associates. Mexican traffickers have exploited the significant decrease in local methamphetamine production with wholesale quantities of low-cost, high-purity ice methamphetamine that they produce in Mexico. Consequently, most local distributors prefer to purchase the drug from Mexican DTOs and criminal groups rather than risk the severe penalties associated with methamphetamine production or go through the effort of obtaining the precursors required to manufacture methamphetamine.

Crack cocaine conversion is a significant concern, particularly in Denver, Aurora, Colorado Springs, Ogden, and Salt Lake City, where crack is

associated with high levels of abuse, property crime, and crack-related violence. African American street gangs, Hispanic street gangs, and independent dealers are the principal converters of powder cocaine to crack in the region. They usually purchase powder cocaine in half-pound to 1-pound quantities from Mexican sources and convert it to crack in small quantities at or near distribution sites.

Cannabis is cultivated at an increasing number of grow sites throughout the Rocky Mountain HIDTA region, particularly at indoor sites that produce high-potency marijuana in northern Colorado. For instance, the North Metro Task Force seized 50 indoor grow sites in the Denver metropolitan area during the first 9 months of 2006, a substantial increase from the 10 indoor sites seized in 2005. Caucasian and Hispanic local independent dealers and Asian groups are the primary operators of indoor cannabis grow sites in the Denver area, particularly in the western suburbs of Lakewood and Wheat Ridge and the southern suburbs of Centennial, Englewood, and Littleton. Additionally, law enforcement officials in Greeley, Colorado, report

that Asian traffickers are attempting to establish high-potency cannabis grow houses to supply growing local demand for the drug and reduce reliance on suppliers from Canada and the Pacific Northwest. Sophisticated hydroponic cannabis grows have also become more prevalent in Salt Lake City and larger communities in Utah. A number of experienced grow site operators from the Pacific Northwest have moved to these areas and have assisted local growers in improving grow operations by sharing knowledge and supplying seeds.

Cannabis is also cultivated at outdoor grow sites in the Rocky Mountain HIDTA region, primarily by Mexican DTOs; the marijuana that they produce is primarily commercial grade. The outdoor grow sites operated by Mexican DTOs are typically located on public lands and in other remote areas of the region. The sites are often tended by laborers recruited from Mexico, who live at the sites throughout the growing cycle.

Transportation

Denver, Colorado Springs, and Salt Lake City are the major transshipment and distribution centers in the Rocky Mountain HIDTA region; they are located between major drug source areas in Mexico and Canada and are linked by interstate highways to major domestic drug markets across the United States. DTOs and criminal groups operating in the region transport large quantities of illicit drugs from Mexico and, to a lesser extent, Canada to these cities for distribution within the region. Additionally, traffickers who operate in the Midwest and the eastern United States often transport drugs that they obtain in California, Washington, and Oregon through the Rocky Mountain HIDTA region to their home markets. Interstate highways are commonly used by drug transporters; however, they are altering their methods and routes to use less scrutinized highways in an attempt to avoid heavily patrolled portions of interstates. For instance, the Wyoming Division of Criminal Investigation and Wyoming Highway Patrol in Cheyenne note that while most drug shipments typically traverse the Cheyenne jurisdiction on Interstate 80 eastbound, drug transportation along I-90 eastbound

has increased significantly. Moreover, the Utah Highway Patrol reports an increase in the number and size of high-potency marijuana seizures on less traveled roadways (usually in multihundred-pound loads).

Mexican DTOs operate well-established transportation networks to ship methamphetamine, cocaine, heroin, and marijuana from Mexico and southwestern states to the HIDTA region, particularly Denver, Colorado Springs, and Salt Lake City. They generally transport illicit drugs from Juárez, Nayarit, and Sinaloa, Mexico; El Paso, Texas; and Nogales, Phoenix, and Yuma, Arizona, to Denver and Colorado Springs. However, recent investigations reveal that Mexican traffickers are increasingly transporting methamphetamine through San Diego, California, to the region. From Denver, where Interstates 25, 70, and 76 intersect, Mexican DTOs further transport illicit drugs to other markets in the region, such as Billings, Montana, and Cheyenne, Wyoming, and to major Midwest and eastern drug markets, including those in Chicago, Illinois; Kansas City, Missouri; Minneapolis, Minnesota; and New York City. They also use Salt Lake City as a distribution and transshipment center because of the city's accessibility to Arizona, California, and Mexico as well as to secondary drug markets in the HIDTA region and neighboring states. Most drug transportation by Mexican DTOs takes place using private and commercial vehicles.

Mexican DTOs are employing sophisticated techniques to transport illicit drugs, constantly adapting their methods of operation to avoid law enforcement detection and interdiction of their drug shipments. The North Metro Drug Task Force reports that Mexican DTOs are utilizing low-cost, disposable cell phones to facilitate the delivery of marijuana shipments to the area. For example, the driver of the marijuana shipment is provided with a cell phone and instructions to deliver the shipment to a particular location. When the driver arrives at the location, he calls a number that has been pre-programmed into the cell phone and states that he has arrived. He then leaves the vehicle, taking the cell phone with him. Thereafter, the vehicle is

moved, and the marijuana is unloaded by other organization members at a different location. Once the marijuana has been unloaded, the car is returned to the original location, and the driver is notified on the same cell phone to return and take the load vehicle back to Mexico or another source location. Many drug task forces, particularly those in rural areas with limited law enforcement presence, report that Mexican traffickers also are adapting their delivery methods. Traffickers are now attempting to control the time and, more importantly, the location of the delivery by making last-minute changes to deter law enforcement surveillance and interdiction. Additionally, the Metro Gang Task Force reports that traffickers are transporting smaller drug shipments and looking for alternative routes to transport drugs from the Southwest Border area.

Mexican DTOs are also exploiting the northern tier of the Rocky Mountain HIDTA region, particularly Interstates 15, 25, and 90, to transport illicit drugs from Denver, Colorado Springs, and Salt Lake City to secondary markets in Montana, Wyoming, and neighboring states. These DTOs also transport methamphetamine, marijuana, cocaine, and small quantities of heroin to Montana from Yakima and the Tri-Cities (Kennewick, Pasco, and Richland) in Washington.

Asian DTOs, OMGs (such as HAMC and Bandidos), and Caucasian criminal groups based in British Columbia and Alberta, Canada, also use Interstates 15, 25, and 90 to transport high-potency marijuana and MDMA across the U.S.–Canada border through Washington and western Montana in private and commercial vehicles. Additionally, Asian DTOs often hire local independent drivers to transport high-potency marijuana and MDMA through the Sweetgrass POE in Montana to distribution centers in the Rocky Mountain HIDTA region and throughout the United States. After Asian DTOs, OMGs, and Caucasian criminal groups have delivered drug shipments in the United States, they sometimes accept powder cocaine as payment, subsequently smuggling the drug into Canada. As a result, kilogram quantities

of cocaine are often seized by law enforcement officers at Coutts, Alberta, across the border from the Sweetgrass POE. Moreover, in 2006 an Alberta-based group of Caucasian males were arrested as they attempted to smuggle 30 kilograms of cocaine from Montana into Canada at the Del Bonita POE.

Distribution

Mexican DTOs and criminal groups dominate the wholesale distribution of ice methamphetamine, cocaine, Mexican black tar and brown powder heroin, and commercial-grade marijuana in the Rocky Mountain HIDTA region. They use rural properties near Denver and Colorado Springs as staging areas for storage of wholesale quantities of illicit drugs that they supply to local criminal groups, street gangs, and independent dealers for midlevel and retail-level distribution. Mexican DTOs also supply illicit drugs to distributors in smaller cities in the region, such as Billings and Cheyenne, and to major domestic drug markets, including Chicago; Kansas City; Minneapolis; New York City; Omaha, Nebraska; and Philadelphia, Pennsylvania.

Mexican DTOs have greatly increased the availability of ice methamphetamine in the Rocky Mountain HIDTA region over the past 3 years, supplanting supplies of powder methamphetamine lost to sharp declines in local production. Local powder methamphetamine production has declined to such a degree that it now accounts for less than 10 percent of the methamphetamine available in many areas of the HIDTA region, such as Denver. Mexican DTOs have essentially become the sole suppliers of ice methamphetamine in Denver. They supply Hispanic criminal groups and street gangs, the principal midlevel and retail methamphetamine distributors in the region. Mexican DTOs also supply ice methamphetamine to other distributors, such as Caucasian criminal groups and African American street gangs; however, they typically charge a 15 to 20 percent premium over the price paid by Hispanic criminal groups and street gangs.

While Hispanic criminal groups and street gangs are the primary retail-level distributors of methamphetamine, other distributors may be challenging their dominance. For instance, the North Metro Drug Task Force reports that Sureños 13, a Hispanic street gang, has greatly reduced or stopped its distribution of methamphetamine, while 211 Crew, a group of white supremacists, has begun to distribute methamphetamine in the Denver area. Moreover, Colorado Springs law enforcement officials report that heavily armed African American independent dealers, who formerly confined their distribution activities to crack cocaine, are now selling ice methamphetamine.

Mexican DTOs and criminal groups are increasingly exploiting tribal lands in and adjacent to the Rocky Mountain HIDTA region to distribute illicit drugs, principally methamphetamine. Some Mexican traffickers form business and personal relationships with Native American residents in order to justify their presence on tribal lands, thereby facilitating their drug trafficking operations. For example, a Mexican DTO used the Wind River Indian Reservation in Wyoming as a distribution center to distribute methamphetamine there and on reservations in Nebraska and South Dakota; members of the group were convicted in 2005 for distributing nearly 100 pounds of ice methamphetamine. Members of the DTO relocated to communities near the reservation, developed personal relationships with some residents, and provided them with free methamphetamine samples. Many of the residents who received free methamphetamine became addicted and resorted to distributing the drug on reservation lands to support their addictions; they also generated a customer base on reservation lands by offering free samples. Members of another Mexican DTO befriended residents of the Wind River Indian Reservation to gain access to reservation lands. These DTO members were later able to establish distribution operations on reservation lands; they supplied methamphetamine, cocaine, marijuana, and diverted pharmaceuticals to approximately 20 to 50 residents daily. Mexican traffickers have also established distribution operations on the Blackfeet Indian Reservation

in northwestern Montana; these traffickers supply methamphetamine that they transport from California, Oregon, and Washington to residents of the reservation.

Drug Distribution and Abuse Increase in Wyoming

Wyoming law enforcement officials report that illicit drug distribution and abuse have greatly increased in the northeastern and southwestern sections of the state. These areas are experiencing an energy exploration boom in the oil, gas, and mining industries, resulting in a large influx of transient workers with a great deal of disposable income. Some of the workers abuse illicit drugs, a situation that has caused increased drug demand and drug prices in the area. The increased demand is being met by Mexican traffickers from Denver and Salt Lake City, who are the principal drug suppliers in the area.

Asian DTOs and criminal groups are the primary wholesale suppliers of high-potency Canadian marijuana and MDMA in the Rocky Mountain HIDTA region. These traffickers supply the drugs principally to Asian retail distributors, mostly Asian street gangs, in metropolitan areas of the HIDTA region, particularly in Denver and Salt Lake City. They also supply, to a lesser extent, high-potency marijuana and MDMA to Caucasian retail-level distributors.

Hispanic, African American, and Asian street gangs are the most common retail-level drug distributors, particularly in metropolitan areas of the Rocky Mountain HIDTA region. Hispanic gangs such as Sureños 13 distribute methamphetamine, cocaine, heroin, and marijuana that they receive from Mexican traffickers; however, the North Metro Drug Task Force reports that the Sureños 13 street gang has greatly reduced or stopped its distribution of methamphetamine in the Denver area. Hispanic street gangs are aggressively expanding their retail-level crack cocaine distribution operations in some metropolitan areas of the region. For example, some Hispanic street gangs in Denver and Aurora, Colorado, are occupying areas vacated

by African American dealers who have relocated to the western suburbs to avoid law enforcement scrutiny as well as violent confrontations with the Hispanic street gangs. Despite Hispanic street gang encroachment, African American street gangs such as Rolling 30's Crips remain the primary converters and distributors of crack cocaine in metropolitan areas of the region. African American street gangs in Denver also distribute PCP that they acquire from gang associates who produce the drug in Los Angeles.

Arrest of Crips Street Gang Members in Denver

The largest combined law enforcement effort in Colorado history culminated in April 2007 with the arrests and indictments of more than 50 members and associates of Rolling 30's Crips and Tre Tre Crips on charges of crack cocaine distribution, money laundering, and firearms violations. More than 450 local, state, and federal law enforcement officers, including 12 SWAT teams, participated in the Denver area arrests. During the course of the investigation, officers seized more than 85 kilograms of cocaine, 2 kilograms of crack, 2.5 kilograms of marijuana, \$1.4 million, and numerous weapons, including handguns and assault weapons.

Source: U.S. Attorney's Office District of Colorado.

Caucasian and Mexican independent dealers and OMGs also distribute methamphetamine, marijuana, and Mexican black tar and brown powder heroin in smaller cities and rural areas of the HIDTA region. These independent dealers routinely travel from markets such as Billings, Montana, and Cheyenne, Green River, and Rock Springs, Wyoming, to obtain illicit drugs from Mexican DTOs and street gangs in Denver and Salt Lake City for distribution in their communities. Some African American local independent dealers in Denver obtain MDMA from Canada for local distribution, either by traveling to Canada or by purchasing it from suppliers in Denver.

Abusers and independent distributors of diverted pharmaceuticals such as OxyContin (oxycodone),

Percocet (oxycodone), and Vicodin (hydrocodone) obtain these drugs through doctor-shopping, theft from family and friends, and robberies of retail pharmacies and hospitals. Pharmacy robberies and burglaries in the Denver metropolitan area increased 50 percent in each of the last 2 years, and Salt Lake City officials report that pharmacy robberies, committed primarily by 18- to 40-year-old Caucasian criminals, increased statewide in 2006. Pharmaceutical diversion on tribal lands also is a significant problem. For example, on the Blackfeet Indian Reservation in northwestern Montana, "prescription buying," a scheme in which abusers offer to purchase pharmaceuticals from individuals who have received prescriptions for legitimate medical conditions, is increasing. Throughout the HIDTA region, the number of medical professionals who steal pharmaceuticals such as Percocet and Vicodin from their employers to satisfy their own addictions is increasing and is endangering the care of patients.

Drug-Related Crime

Law enforcement officials report that most of the drug-related violent crime and property crime in the Rocky Mountain HIDTA region is associated with methamphetamine and, to a lesser extent, crack cocaine distribution and abuse. Much of the region's drug-related violent crime occurs in metropolitan areas and includes assaults, home invasions, homicides, and robberies. A large percentage of the violent crime involves street gangs and their protection of distribution operations and territories. The Metro Gang Task Force in Denver reports high levels of street gang violence as Hispanic gangs aggressively force African American street gangs from their traditional urban crack cocaine distribution areas into the suburbs. In Weber and Morgan Counties, Utah, officials report that Hispanic gang and drug-related violence is increasing as gang members employ aggressive tactics and sophisticated countersurveillance techniques against law enforcement officers. Colorado Springs law enforcement officials report that heavily armed African American independent dealers, who formerly confined their distribution activities to crack cocaine, are now selling methamphetamine and MDMA. Law enforcement officials in Larimer

County, Colorado, report an increase in violent crime related to methamphetamine trafficking, particularly to disputes between gang members over drug debts and assaults on law enforcement officers.

High levels of drug-related property crime occur throughout the region; most is linked to methamphetamine trafficking and abuse. Further, the change in methamphetamine supplies from locally produced powder to Mexican ice methamphetamine has widened the scope of methamphetamine-related property crime. Previously, the most common methamphetamine-related property crime facing law enforcement agencies in the HIDTA was the theft of precursor chemicals used to produce the drug locally. Now, however, law enforcement officials are faced with more sophisticated crimes such as check fraud, currency counterfeiting, identity theft, and mail theft, since former local methamphetamine producers and abusers must acquire funds to purchase the drug from Mexican traffickers. For example, the North Metro Drug Task Force reports that local methamphetamine producers and abusers are forming “crews” of 12 to 20 members who band together for the purpose of engaging in criminal activities to acquire money for methamphetamine purchases. Crews recruit individuals who are talented in specific criminal activities, such as auto theft, credit card theft, identity theft, prescription fraud and, in some instances, counterfeiting currency on color printers.

Abuse

Methamphetamine poses the most serious drug abuse problem in the HIDTA region, largely because of high addiction rates and the abundance of low-cost ice methamphetamine supplied by Mexican traffickers. The number of methamphetamine treatment admissions (12,849) to publicly funded facilities in the region during 2005 (the year for which the latest data are available) exceeded the number of admission for any other drug, including marijuana (10,374), crack cocaine (3,391), heroin (3,173), and powder cocaine (1,907). Nearly 57 percent of all treatment admissions occurred in Colorado, which comprises over 54 percent of the region’s population; the remainder occurred in

Montana, Utah, and Wyoming. Moreover, the number of methamphetamine treatment admissions in Colorado more than quadrupled from 2001 (1,558) to 2005 (6,336). Individuals seeking treatment for methamphetamine abuse in Colorado are predominantly Caucasian (over 80%); however, the percentage of Hispanics seeking treatment for methamphetamine nearly doubled from 8 percent in 2000 to 14 percent in 2005.

According to public health agencies in the region, the increased availability of high-purity ice methamphetamine has contributed to a shift in the mode of methamphetamine administration from inhalation and injection to smoking. According to the Alcohol and Drug Abuse Division (ADAD) of the Colorado Department of Human Services, the percentage of methamphetamine abusers in Colorado who inject the drug decreased from 34 percent in 2000 to 21 percent in 2005. During the same period, the percentage of abusers who smoked methamphetamine increased substantially, from 39 percent to 65 percent. Additionally, some Colorado treatment providers report that many cocaine abusers have switched to methamphetamine because of its lower price and longer-lasting euphoric effect. However, the Two Rivers Drug Enforcement Team, which encompasses Eagle, Garfield, Pitkin, and Rio Blanco Counties, indicates that the substitution of methamphetamine for cocaine by abusers in its area has slowed because methamphetamine abuse is viewed as much more dangerous than cocaine abuse.

Cocaine abuse, particularly crack abuse, also is a major concern and is increasing in some areas of the Rocky Mountain HIDTA region. For instance, in 2005 (the year for which the latest data are available), the number of cocaine deaths in Colorado increased to 217, the highest since 1997. Moreover, law enforcement officials in Aurora report that crack cocaine abuse increased in 2006 after a large number of Hurricane Katrina evacuees arrived in the city. Additionally, despite reports from some Colorado treatment providers that many cocaine abusers have switched to methamphetamine, the 16th Judicial Drug Task Force reports that crack cocaine abuse has increased dramatically in southeastern

Colorado because some methamphetamine abusers have begun to experiment with crack in the wake of successful media campaigns and local drug awareness programs that have publicized the dangers of methamphetamine abuse.

Heroin abuse appears to be increasing in many areas of the Rocky Mountain HIDTA region. This increase is largely driven by Caucasian adolescent and young adult prescription narcotics abusers who switched to heroin abuse when they experienced difficulty in obtaining prescription narcotics. Law enforcement officials throughout the HIDTA region report increasing levels of heroin abuse by younger people in rural, suburban, and metropolitan areas. Mexican black tar heroin is the most available and widely used type of the drug.

“Cheese,” a combination of Mexican black tar heroin and crushed OTC nighttime cold medications that contain the antihistamine diphenhydramine (DPH)—such as Tylenol PM—is an emerging concern in Boulder County, Colorado. Abuse of this drug combination was first reported by Dallas, Texas, school district officials in 2005 and has since resulted in at least 18 overdose deaths among Dallas area youth. Cheese typically is light tan in color and has a consistency of powder and granules. Further, it has a 2 to 8 percent heroin purity level and is snorted through a straw by abusers. Cheese is typically distributed in a small paper bindle for as little as \$2 per dose and is popular among 10- to 16-year-old Hispanic juveniles, both males and females.

Marijuana is the most abused illicit drug in the Rocky Mountain HIDTA region. Commercial-grade Mexican marijuana is the primary type abused in the region; however, the abuse of high-potency marijuana has increased dramatically, particularly among Caucasian abusers who have disposable income and are willing to pay higher prices for the drug.

The abuse of illicit drugs, particularly methamphetamine, is a primary concern of tribal leaders on the 15 Indian reservations located in the four states

that compose the Rocky Mountain HIDTA region. (See Figure 1 on page 1.) While most of these reservations are not located in designated HIDTA counties, drug distribution on these tribal lands is extensive and affects the HIDTA region, particularly in the transportation of illicit drugs through the HIDTA region en route to reservation lands. Concerns regarding the abuse of methamphetamine and other drugs are compounded by limited availability of substance abuse treatment facilities and relatively limited tribal law enforcement resources.

Illicit Finance

Bulk cash shipment and money services businesses (MSBs) are the primary methods used by DTOs operating in the HIDTA region to move illicit drug proceeds from the area for laundering. Drug proceeds that remain in the Rocky Mountain HIDTA region are often laundered by traffickers through cash-intensive front businesses and the purchase of tangible assets.

Mexican DTOs use the Rocky Mountain HIDTA region as a staging area to consolidate large amounts of bulk currency that they derive from local wholesale drug transactions and from wholesale transactions in other markets supplied from the region. These DTOs generally transport illicit drug proceeds to consolidation points around Colorado Springs and Denver prior to transporting the money in bulk to areas at or near the U.S.–Mexico border. Thereafter, Mexican DTOs smuggle the proceeds into Mexico for eventual repatriation to the United States. Mexican DTOs compartmentalize their drug distribution and money laundering operations by limiting members’ involvement to one specific responsibility. They accomplish this through the use of cells to minimize risk to the entire organization in the event that one or more members are arrested. In such an operation, one cell transports a particular drug, such as cocaine, from Mexico or the Southwest Border area to distribution centers in Denver, Colorado Springs, or Salt Lake City. A separate cell transports currency in bulk from those cities to Mexico through southwestern states.

Mexican DTOs also use MSBs to electronically wire-transfer illicit drug proceeds to areas along the U.S.–Mexico border and into Mexico. Some Mexican DTOs operate MSBs and hire Mexican nationals in groups of 15 to 30; these individuals receive as little as \$20 per day to transmit funds to locations in the Southwest. Additionally, in some areas of the HIDTA region, law enforcement officials report that bulk currency shipments have decreased and that wire transfers to Mexico have increased, particularly regular transfers in small amounts. Moreover, law enforcement officials report an increase in the number of unlicensed money remitters operating from Mexican-owned businesses in the region.

Retail-level drug distributors, including African American, Asian, and Hispanic street gang members, rarely engage in the bulk transport of drug proceeds from the HIDTA region. Instead, they typically use proceeds generated from retail-level drug distribution to operate cash-intensive retail businesses in which they can commingle drug proceeds, or they purchase expensive personal items such as jewelry, luxury vehicles, and real estate.

Outlook

Significantly lower levels of powder methamphetamine production in the Rocky Mountain HIDTA region will reduce the law enforcement and public health resources necessary to remediate laboratory sites in the near term; however, costs associated with treatment for ice methamphetamine addiction will remain high and may increase, consuming any such savings.

High-potency marijuana production at indoor grow sites is likely to increase in the Rocky Mountain HIDTA region during the next year. The reasons are the rising demand for high-potency marijuana, high profitability, and a desire by wholesale distributors to eliminate costs and the risk of loss associated with transportation of the drug from Canada and domestic production locations outside the HIDTA region.

Local Caucasian and Hispanic producers will increase their production of high-potency marijuana in smaller operations within the region. However, larger, multiple-site operations will quite likely be conducted by Asian DTOs and criminal groups that have already gained a foothold in the region and possess the infrastructure, knowledge, and techniques gleaned from Asian DTO-controlled indoor grow operations in Canada, Washington, Oregon, and California.

MDMA availability and abuse will most likely increase or stabilize at high levels, particularly in Denver, Colorado Springs, and Salt Lake City. Expanding drug trafficking operations by Canada-based Asian DTOs throughout the region have greatly increased the availability of Canadian MDMA in these cities. Asian criminal groups and street gangs and Caucasian distributors routinely distribute multithousand-tablet quantities of MDMA in Denver and Salt Lake City, and African American independent dealers have emerged as significant MDMA distributors in Colorado Springs. Increased availability of MDMA in these cities will quite likely result in higher abuse levels among adolescents and young adults.

Heroin abuse, particularly among adolescents and young adults who initiated drug use with prescription narcotics, will quite likely increase in the HIDTA region. The wide availability and low cost of Mexican black tar heroin as well as difficulties and costs associated with acquiring diverted prescription narcotics will fuel this increase.

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Colorado Department of Public Safety
 Colorado Bureau of Investigation
 Pueblo Region Laboratory
Colorado Springs Police Department
 Vice and Narcotics Investigations
Colorado State Patrol
 Interdiction Unit
Delta/Montrose Drug Task Force
Denver Police Department
 Gang Unit
 Vice & Drug Control Bureau
Eagle County Drug Task Force
Eastern Colorado Plains Drug Task Force
Front Range Task Force
Grand-Routt-Moffat Counties Narcotics Enforcement Team
Larimer County Drug Task Force
Longmont Police Department Drug Unit
Metro Gang Task Force
North Metro Drug Task Force
Pueblo Police Department
San Luis Valley Drug Task Force
Southern Colorado Drug Task Force
South Metro Drug Task Force
Southwest Drug Task Force

State of Colorado

Department of Human Services
Alcohol and Drug Abuse Division

Summit County Drug Task Force
Two Rivers Drug Enforcement Team
Vail Police Department
Weld County Drug Task Force
Western Colorado Drug Task Force
West Metro Drug Task Force

Montana

Central Montana Drug Task Force
Eastern Montana HIDTA Task Force
Great Falls City Police Department
Missoula County Drug Task Force
Missouri River Drug Task Force
Montana Highway Patrol
Northwest Drug Task Force

Utah

Cache/Rich Drug Task Force
Davis County Narcotics Strike Force
Davis Metro Narcotics Strike Force
Emery County Drug Task Force
Midvale Police Department
Salt Lake City Metro Narcotics Task Force
Salt Lake City Police Department
Salt Lake County Sheriff's Office
Taylorsville Police Department
Utah County Major Crimes Task Force
Utah Department of Health and Human Services
Utah Department of Public Safety
Utah Highway Patrol
Wasatch Back Narcotics Enforcement Team
Washington County Drug Task Force
Weber-Morgan Narcotics Strike Force

Wyoming

Cheyenne Police Department

Wyoming Department of Health Substance Abuse Division

Wyoming Division of Criminal Investigation

Central Enforcement Team

Northeast Enforcement Team

Northwest Enforcement Team

Southeast Enforcement Team

Southwest Enforcement Team

Wyoming Highway Patrol

Federal

Executive Office of the President

Office of National Drug Control Policy

High Intensity Drug Trafficking Area

Rocky Mountain

U.S. Department of Agriculture

Forest Service

U.S. Department of Health and Human Services

Substance Abuse and Mental Health Services Administration

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Grand Junction District Office

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District of Colorado

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Other

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