



Drug Market Analysis

2008

North Texas

High Intensity Drug Trafficking Area



NATIONAL DRUG INTELLIGENCE CENTER

U.S. DEPARTMENT OF JUSTICE





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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 coordinated with the HIDTA, is limited in scope to HIDTA jurisdictional boundaries, and draws upon a wide variety of sources within those boundaries.



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PREFACE

This assessment provides a strategic overview of the illicit drug situation in the North Texas 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 North Texas HIDTA.

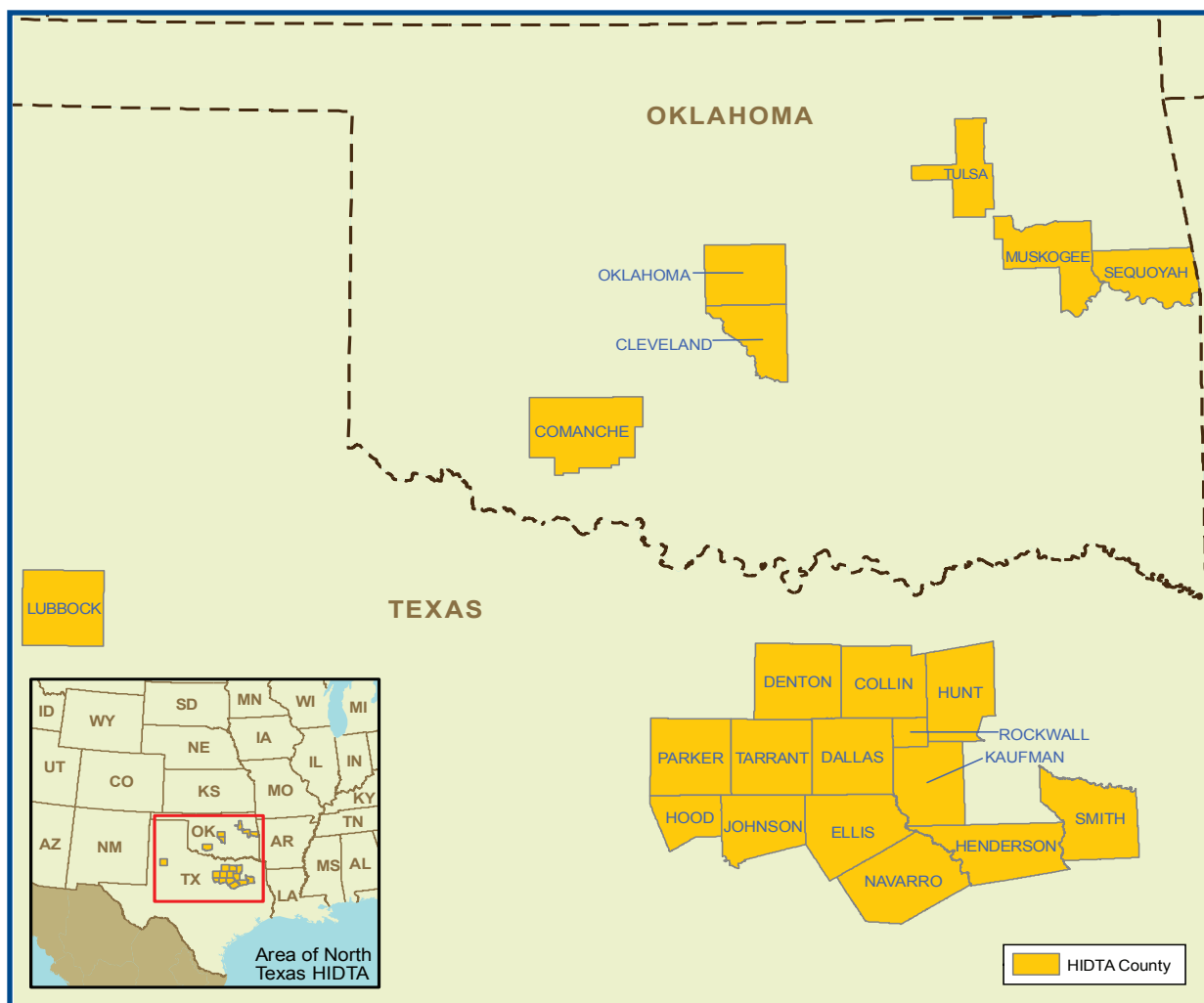


Figure 1. North Texas High Intensity Drug Trafficking Area.



STRATEGIC DRUG THREAT DEVELOPMENTS

- The availability of domestically produced methamphetamine in the HIDTA region has declined annually since 2005 as a result of strict precursor chemical control legislation and successful law enforcement efforts focused on reducing the number of domestic methamphetamine laboratories; however, ice methamphetamine from Mexico has become one of the principal drug threats in the HIDTA region.
- Firearms smuggling from the United States to Mexico poses a serious problem, and it is quite likely that drug traffickers in the Dallas/Fort Worth area are smuggling weapons stolen from area gun shops and pawnshops into Mexico for use in drug trafficking and other illicit activities.
- Drug traffickers both in and outside the North Texas HIDTA region routinely use Dallas/Fort Worth as a staging area for illicit drugs and a consolidation point for bulk currency and monetary instruments¹ generated through their illicit activities and later smuggled into Mexico for eventual laundering or repatriation.

HIDTA OVERVIEW

The North Texas HIDTA region—encompassing 15 northern Texas counties (see [Figure 1 on page 1](#)), most of which are located in the Dallas/Fort Worth metropolitan area, and Cleveland, Comanche, Muskogee, Oklahoma, Sequoyah, and Tulsa Counties in Oklahoma—is a national-level drug transportation and distribution center. Approximately 6.7 million residents (28 percent of the Texas population) reside in the Texas portion of the North Texas HIDTA region, and a significant number of those (over 4 million) reside in

1. Monetary instruments include U.S. or foreign coins currently in circulation, currency, traveler's checks in any form, money orders, and negotiable instruments or investment securities in bearer form, according to U.S. Customs and Border Protection (CBP).

Dallas and Tarrant Counties, which include Dallas and Fort Worth. Over 1.7 million residents (48 percent of the Oklahoma population) reside in the Oklahoma portion of the North Texas HIDTA region, and more than 40 percent reside in Oklahoma County, which includes Oklahoma City.²

Drug traffickers often exploit the extensive transportation infrastructure in the North Texas HIDTA region to transport illicit drugs and return drug proceeds to source areas. They primarily transport illicit drugs to the area overland along interstate, U.S., and state highways; they also use bus lines, railways, and couriers aboard domestic and international aircraft to transport illicit drugs. For example, Mexican DTOs smuggle illicit drugs, namely marijuana, heroin, and cocaine, on Mexican-owned bus lines because of the connections from Mexico to intended destinations (Dallas, Fort Worth, Oklahoma City, Tulsa, and beyond) and the ability of couriers to blend in with the large number of legitimate passengers who also use those services. Drug traffickers also use the U.S. postal service and commercial mail shipping services as conveyances for transporting illegal drugs and their proceeds.

Interstate 35 is the primary north-south transportation corridor leading directly from the Southwest Border at Laredo—one of the busiest ports of entry (POEs) in the United States—to Dallas/Fort Worth and Oklahoma City. Interstates 40 and 44 pass through Oklahoma City, and Interstates 20, 30, and 45 transit the Dallas/Fort Worth metropolitan area. Interstate 27 extends north from Lubbock and connects with I-40 at Amarillo, Texas. (See [Figure 2 on page 3](#).) Although I-10 does not traverse any North Texas HIDTA counties, drug traffickers use that route to access I-20, which passes through Dallas/Fort Worth, extends east into South Carolina, and connects with the I-95 corridor, a major north-south route. While a significant portion of the illicit drugs smuggled into the area from Mexico are destined for distribution in the North Texas HIDTA region, the region also serves as a transshipment

2. Population numbers are based on U.S. Census annual estimates of population for counties as of July 1, 2007.



Figure 2. North Texas HIDTA transportation infrastructure.

point for illicit drugs transported to other U.S. drug markets, including those in Arkansas, Florida, Georgia, Illinois, Kentucky, Louisiana, Michigan, Missouri, North Carolina, Ohio, and Tennessee.

The North Texas HIDTA region also is home to the Dallas/Fort Worth International Airport (DFW), the busiest airport in Texas and the third-busiest in the world. DFW serves 60 million passengers annually and offers nearly 1,900 flights per day. The airport, which is located halfway between the cities of Dallas and Fort Worth, ranks eighth among U.S. airports for nonstop international air travel and has flights to 135 domestic and 36 international destinations, including Mexico, South America, Canada, Central America, Europe, Asia, and the Caribbean.

Almost 65 percent of all international air cargo in Texas is handled at DFW. The airport is also 4 hours or less by air from every major North American market.

DRUG THREAT OVERVIEW

Mexican methamphetamine and cocaine pose the most significant drug threats to the North Texas HIDTA region. Of the 179 local, state, and federal law enforcement agencies that responded to the National Drug Intelligence Center (NDIC) National Drug Threat Survey (NDTS) 2008 on behalf of the North Texas HIDTA, 79 identified methamphetamine as the greatest drug threat to



their jurisdictions; 42 identified powder methamphetamine; 21 identified crack cocaine; and 5 identified powder cocaine. Most respondents also indicated that each of these drugs was readily available in their jurisdictions. Ice methamphetamine has replaced locally produced powder methamphetamine, the result of the enactment of state³ and local precursor chemical control legislation that has dramatically decreased methamphetamine production in the North Texas HIDTA region. Cocaine, both in powder and crack form, continues to be available in the area. Crack cocaine conversion, distribution, and abuse are most problematic in the low-income urban areas of Dallas, Fort Worth, Oklahoma City, and Tulsa. Marijuana, usually commercial-grade Mexican marijuana, poses a serious drug threat to the HIDTA region because it is readily available, frequently abused, and a significant “cash crop” for Mexican DTOs. Heroin, primarily Mexican black tar, is available in the area. White heroin⁴ is also available. The abuse of diverted pharmaceutical drugs—notably hydrocodone, oxycodone (specifically OxyContin), and methadone products—presents a threat to the HIDTA region, particularly among teenagers and young adults. The distribution and abuse of MDMA (3,4-methylenedioxymethamphetamine, also known as ecstasy) and PCP (phencyclidine) pose varying but much lesser threats than methamphetamine, cocaine, marijuana, and heroin in the North Texas HIDTA region.

Marijuana seizure totals declined almost 48 percent overall in 2007 when compared with seizure totals in 2006; however, law enforcement officers assigned to North Texas HIDTA task force initiatives seized more marijuana than any other

3. Officials in Oklahoma passed and enacted House Bill 2167 in April 2004, the first legislation of its kind in the United States.

4. Drug Enforcement Administration (DEA) laboratory testing indicates that most of the white heroin seized in the North Texas HIDTA region is South American in origin; however, investigative data indicate that some white heroin in the area originates in Afghanistan. Uncut white heroin seized in the Dallas/Fort Worth metropolitan area generally is high-purity, typically testing in the range of 80 to 90 percent purity.

illicit drug in 2007. Despite the overall decline in marijuana seizure totals in 2007, hydroponic marijuana seizure totals increased significantly during this period. (See text box.) Powder cocaine seizure totals were slightly higher in 2007 than in 2006, while the total amount of crack cocaine seized declined significantly during this period. HIDTA task force officers report that drug seizure totals for heroin and MDMA more than doubled from 2006 to 2007, yet remained lower than 2005 totals. (See Table 1 on page 5.)

Cannabis Grows in North Texas HIDTA Region

In July and August 2007, law enforcement officers discovered six outdoor cannabis grow operations situated in heavily wooded areas within or surrounding Dallas County. One of the grow sites, located in Grand Prairie (just west of Dallas), covered 5 to 7 acres of land and contained 10,692 cannabis plants—the largest number of plants ever discovered at one time in the Dallas/Fort Worth area. Grow site operators frequently use remote areas of public lands to cultivate cannabis. The number of indoor cannabis grows in the North Texas HIDTA region appears to be stable; most of those operations are conducted in private residences, some of which are rental properties or homes purchased specifically to grow cannabis.

Powder methamphetamine production levels in the North Texas HIDTA region have declined significantly since 2005. National Seizure System (NSS) data indicate that the number of methamphetamine laboratories seized in North Texas HIDTA counties in 2007 was lower than the number seized in either 2006 or 2005. (See Table 2 on page 6.) Most of the methamphetamine laboratories seized during each of those years were in Oklahoma, notably Sequoyah and Tulsa Counties; however, Dallas and Tarrant Counties in the Texas portion of the North Texas HIDTA region also figured prominently in 2005 and 2006, and Tarrant was the principal Texas county for methamphetamine laboratory seizures within the HIDTA region

Table 1. Drug Seizures, North Texas HIDTA Initiatives, in Kilograms, 2005–2007

Drug	2005	2006	2007
Methamphetamine	34.4	314.6	21.6
Powder	10.7	21.8	6.7
Ice	23.7	292.8	14.9
Cocaine	229.3	706.2	770.7
Powder	222.2	690.1	768.4
Crack	7.1	16.1	2.7
Marijuana	6,259.6	9,126.7	4,898.4
Hydroponic	125.6	5.1	206.5
Commercial-grade	6,120.7	7,516.5	4,551.6
Sinsemilla	13.3	234.5	140.3
Not specified	NR	1,370.6	NR
Heroin	6.4	2.2	5.1
Mexican black tar	5.4	2.1	2.2
Mexican brown powder	NR	NR	0.1
Not specified	1.0	0.1	2.8
MDMA (in dosage units)	27,542.0	7,363.0	19,025.2
OxyContin* (in dosage units)	357.0	4.0	NR
Prescription drugs** (in dosage units)	NR	NR	20.0

Source: North Texas High Intensity Drug Trafficking Area Performance Management Process Database.

Note: Some subtotals within the drug types may not add up to the totals of drug types seized because of rounding.

NR—No seizures reported.

*The North Texas HIDTA did not include OxyContin as a category in its Performance Management Process (PMP) in 2007.

**The North Texas HIDTA did not include prescription drugs as a category in its PMP in 2005 and 2006.

in 2007. Almost all of the laboratories seized were small-scale laboratories, capable of producing 1 pound or less per production cycle. Operators of these laboratories usually produce small quantities of methamphetamine for personal use and limited distribution. Law enforcement officers in Sequoyah County seized the only major laboratory—capable of producing 2 to 9 pounds of methamphetamine per production cycle—in 2007. Traffickers in the North Texas HIDTA region typically purchase large quantities of ice methamphetamine from Mexican traffickers because it is often cheaper, higher quality, and easier to obtain than locally produced powder methamphetamine.

Mexican traffickers supply wholesale quantities of illicit drugs—primarily cocaine, marijuana, ice methamphetamine, and heroin—to the North Texas HIDTA region either through sources in Texas, California, and Arizona or directly from Mexico. Once the traffickers transport the drugs to the HIDTA region, they repackage and transship some of them—particularly cocaine and marijuana—to major markets throughout the United States, including Atlanta, Georgia; Chicago, Illinois; Detroit, Michigan; Durham, North Carolina; Nashville, Tennessee; Shreveport, Louisiana; St. Louis, Missouri; and Toledo, Ohio. Mexican traffickers usually transport wholesale quantities of ice methamphetamine



Table 2. Methamphetamine Laboratory Seizures in North Texas HIDTA Counties 2005–2007*

Texas Counties	2005	2006	2007	Total
Collin	1	0	0	1
Dallas	12	9	0	21
Denton	1	0	1	2
Hood	1	0	0	1
Johnson	1	0	0	1
Lubbock	2	0	0	2
Navarro	0	0	1	1
Parker	2	0	0	2
Tarrant	15	3	3	21
Totals for Texas Counties	35	12	5	52

Oklahoma Counties	2005	2006	2007	Total
Comanche	3	1	0	4
Muskogee	6	6	1	13
Oklahoma	12	10**	7**	29
Sequoyah	26	11	19	56
Tulsa	30	33	15	78
Totals for Oklahoma Counties	77	60	35	172
North Texas HIDTA Region Totals	112	72	40	224

Source: National Seizure System, as of May 13, 2008.

*Data are for laboratory seizures only (chemical/equipment and dumpsite seizure incidents are excluded). HIDTA counties not listed had no reported laboratory seizures from 2005 through 2007.

**Methamphetamine laboratory seizures as reported by the Oklahoma Bureau of Narcotics and Dangerous Drugs.

from the HIDTA region to drug markets located most often in the southeastern United States. They also transport heroin to markets outside the HIDTA region for distribution, particularly to cities in the northeastern United States.

Law enforcement officials supporting North Texas HIDTA initiatives arrested members of 73 DTOs in 2007, the same number reported in 2006

and up slightly from 70 in 2005. According to North Texas HIDTA Performance Management Process (PMP) data, most of the DTOs in 2007 included criminals of Hispanic ethnicity who ran international (31), multistate (20), or local (22) drug trafficking operations. Fifty-six of the DTOs were polydrug traffickers who distributed more than one type of drug.

DRUG TRAFFICKING ORGANIZATIONS

Mexican DTOs dominate drug trafficking throughout the North Texas HIDTA region. These criminal organizations have sophisticated command-and-control centers in Mexico and exert nearly total control over drug trafficking operations throughout the Southwest. Several major DTOs are active in the North Texas HIDTA region; however, the Gulf Cartel Trio is the primary organizational threat to the region.

The Gulf Cartel, whose leadership includes Jorge Eduardo Castilla-Sánchez, Antonio Ezequiel Cárdenas-Guillén, and Heriberto Lazcano-Lazcano, currently poses the greatest threat within the North Texas HIDTA region.⁵ This cartel maintains control of the lucrative smuggling routes through Nuevo Laredo/Laredo, Reynosa/McAllen, and Matamoros/Brownsville. From these border cities the Gulf Cartel has easy access to the Dallas/Fort Worth metropolitan area.

Heriberto Lazcano-Lazcano, the Senior Security Chief for the Gulf Cartel, is in charge of the Zeta enforcement organization. The Zetas are the internal security arm of the Gulf Cartel, one of the most powerful drug smuggling organizations in Mexico.

5. In January 2007 the Mexican Government extradited Osiel Cárdenas-Guillén, the former head of the Gulf Cartel, to the United States. Since that time, the Gulf Cartel's leadership structure has undergone an internal struggle, with several individuals vying for control of the cartel. Recent intelligence indicates that the Gulf Cartel may have separated into two organizations: one headed by Castilla-Sánchez and Cárdenas-Guillén, and the other by Heriberto Lazcano-Lazcano.

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 level and midlevel.

Gangs are defined by the National Alliance of Gang Investigators' Association 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.

The original Zetas were members of the Grupo Aeromovil de Fuerzas Especiales (GAFFE), a Mexican special forces group trained to locate and apprehend drug traffickers. In recent years the Zetas have been incorporated into the Gulf Cartel to the extent that the name Zeta and Gulf Cartel are synonymous. Almost all Gulf Cartel members are called "Zetas" within the drug trafficking community, regardless of their status within the organization.

Investigative intelligence indicates that Lazcano's top lieutenant, Miguel Angel Treviño-Morales, controls several transportation and distribution cells located in the North Texas HIDTA region. Several members of Treviño's immediate and extended family have resided in the region for many years. As a result, he has intimate knowledge of and trusted associates in the Dallas/Fort Worth area.

Recent reporting from Mexico suggests that the Gulf Cartel and certain members of Los Zetas have broken ranks. It is believed that Heriberto Lazcano-Lazcano and Miguel Treviño-Morales may be in the process of forming a new cartel. Given the prominence of Treviño's influence within the North Texas HIDTA region, the

formation of a new cartel could signal a further rise in prominence of Dallas/Fort Worth as a major drug trafficking center.

Mexican drug traffickers are the dominant group trafficking illicit drugs in the North Texas HIDTA region; however, gangs and criminal groups also are involved at varying levels in drug trafficking activities in the region. (See text box; see Table 3 on page 8.) Hispanic street gangs, prison gangs, and OMGs that are active in trafficking drugs in the Dallas area include gangs such as Latin Kings, Tango Blast,⁶ Hermanos de Pistoleritos Latinos, and East Side Homeboys. Investigative intelligence indicates that these gangs have formed relationships with Mexican DTOs in order to obtain drugs for local distribution. Intelligence also indicates that Asian criminal groups, primarily Vietnamese, control most of the trafficking and distribution of hydroponic or high-potency marijuana and MDMA in the Dallas/Fort Worth area. Chinese and Korean—and, to a lesser extent, Laotian and Cambodian—criminal groups and gangs are also active in drug trafficking but not to the level of the Vietnamese criminal groups. Asian criminal groups obtain most hydroponic and high-potency marijuana available in the area from established Chinese sources of supply in British Columbia, Canada. However, they also obtain some hydroponic and high-potency marijuana from suppliers in Washington State, namely Seattle, and cultivate cannabis locally for additional quantities of the high-potency drug. Asian gangs are the primary retail-level distributors of hydroponic and high-potency marijuana in the Dallas/Fort Worth area. These Asian criminal groups and gangs also distribute MDMA in the Dallas/Fort Worth area. However, since the availability of MDMA in the area exceeds local

6. The Texas Department of Criminal Justice, Correctional Institutions Division, reports that Tango Blast is a prison clique—a group of offenders who have little or no structure with vague or few, if any, rules and are involved in illegal activity. Generally these groups are formed along racial or geographic lines. Their underlying motive typically is to control their environment. In some instances, prison cliques evolve into street or prison gangs.



Table 3. Drug Trafficking Groups That Distribute Illicit Drugs in the North Texas HIDTA, by Drug

Cocaine	Methamphetamine	Heroin	Marijuana	MDMA
African American Colombian Mexican Street gangs	Asian Mexican OMGs Street gangs	Colombian Mexican	African American Asian Caucasian Mexican OMGs Street gangs	Asian Caucasian Mexican OMGs

Source: National Drug Intelligence Center, *National Drug Threat Assessment 2008*.

demand, Asian criminal groups frequently transship the drug to secondary distribution locations, including Oklahoma City and Tulsa, Oklahoma; Fort Smith and Little Rock, Arkansas; Memphis and Nashville, Tennessee; Shreveport, Monroe, and Baton Rouge, Louisiana; and Kansas City, Missouri.

Drug traffickers operating in the North Texas HIDTA region typically communicate using two-way radios, satellite phones, and direct-connect devices as well as cellular, boost cellular⁷, mobile, and push-to-talk telephones. They generally replace their cell phones with new ones every 30 to 45 days for security purposes and because the phones are low-cost and easy to acquire. Most traffickers have multiple phones, and many use boost or other prepaid cellular phones because no identification is required when obtaining them. Drug traffickers also arrange drug transactions on their cell phones through text messages. Some drug traffickers and street gang members also exploit the Internet for drug-related communications, often using “MySpace” and “Face Page” Internet sites to set up drug transactions and find drug distributors.

7. Boost cellular phones are prepaid (pay-as-you-go) mobile phones with preprogrammed phone numbers. These wireless phones can be purchased without the necessary credit card or credit check required for purchasing phones with monthly mobile service. Different boost phone models offer a variety of features, including walkie-talkie service, voice-recognition dialing, text messaging, voice mail, and the ability to store hundreds of phone numbers. These phones are available at national retailers and convenience stores nationwide.

DALLAS/FORT WORTH AND OKLAHOMA CITY MARKET AREAS

Dallas/Fort Worth and Oklahoma City are the two most significant drug markets in the North Texas HIDTA region. These cities serve as key transshipment and distribution centers for illicit drugs available in the HIDTA region and throughout the United States, particularly in southwestern, midwestern, and eastern drug markets.

DALLAS/FORT WORTH

OVERVIEW

The Dallas/Fort Worth area is a national-level transportation and distribution center for cocaine, marijuana, ice methamphetamine, and heroin in and outside the North Texas HIDTA region. Mexican DTOs control the transportation of wholesale quantities of these illicit drugs to the area for distribution. They further transport illicit drugs from the area to major domestic drug markets throughout the country for distribution.

PRODUCTION

The production of illicit drugs in the Dallas/Fort Worth area is generally limited to crack cocaine conversion, methamphetamine production, and cannabis cultivation. NSS data indicate that law enforcement officers seized only three powder methamphetamine laboratories in Tarrant

Table 4. Drug Seizures by County in the North Texas HIDTA, in Kilograms, 2005–2007*

County	Cocaine (Powder and Crack)			Heroin			Marijuana			Methamphetamine (Powder and Ice)		
	2005	2006	2007	2005	2006	2007	2005	2006	2007	2005	2006	2007
Texas												
Collin	1.23	21.35	113.44	1.20	NR	NR	0	57.15	64.05	0.68	8.61	0.95
Dallas	485.40	762.46	431.32	1.99	17.47	12.66	2,293.54	6,401.94	3,968.64	22.95	91.16	72.75
Denton	19.69	42.75	64.05	NR	2.77	NR	186.88	1,504.68	91.58	2.99	13.55	2.16
Ellis	18.33	63.00	136.98	NR	NR	NR	195.50	NR	NR	NR	NR	NR
Henderson	NR	NR	NR	NR	NR	NR	47.63	NR	NR	NR	NR	NR
Hood	NR	NR	NR	NR	NR	NR	NR	NR	NR	0.91	NR	NR
Hunt	144.08	56.00	NR	NR	NR	NR	125.35	6.80	554.29	0.05	NR	0.07
Johnson	0.01	NR	0.01	NR	NR	NR	0.59	NR	NR	0.24	0.02	NR
Kaufman	1.80	159.31	1.14	0.01	NR	NR	25.96	2.27	31.33	1.36	0.52	0.93
Lubbock	4.28	8.61	0.73	NR	NR	NR	7.21	85.78	1,023.30	3.34	1.22	2.25
Navarro	0.25	NR	NR	NR	NR	NR	0.02	0.06	31.30	NR	NR	0.03
Parker	3.99	0.04	23.02	0.15	NR	NR	401.84	572.84	3,738.04	0.33	0.05	NR
Rockwall	6.09	NR	19.98	NR	NR	NR	2.27	NR	57.15	NR	NR	NR
Smith	24.17	171.10	13.25	NR	0.21	NR	1,560.97	50.41	78.47	0.82	0.66	4.50
Tarrant	88.24	12.33	32.82	1.63	1.71	6.81	193.86	728.81	1,537.04	13.72	27.82	0.92
Subtotal	797.55	1,296.97	836.75	4.97	22.17	19.46	5,041.61	9,410.74	11,175.18	47.36	143.62	84.56
Oklahoma												
Cleveland	NR	NR	23.75	NR	NR	NR	204.57	352.89	210.02	1.81	NR	4.18
Comanche	NR	NR	NR	NR	NR	NR	NR	NR	NR	0.01	NR	NR
Muskogee	7.00	5.00	NR	NR	NR	NR	4.54	77.11	NR	0.09	NR	0.30
Oklahoma City	108.68	328.26	63.03	32.19	NR	NR	1,471.57	697.77	278.96	30.41	0.71	1.77
Sequoyah	NR	4.99	4.26	NR	1.04	NR	4.54	95.25	409.14	10.23	2.18	0.02
Tulsa	4.58	1.23	NR	2.22	NR	2.86	90.76	0.68	0.01	5.70	5.26	2.40
Subtotal	120.26	339.48	91.05	34.41	1.04	2.86	1,775.96	1,223.70	898.13	48.25	8.15	8.67
North Texas HIDTA	917.81	1,636.45	927.80	39.38	23.21	22.32	6,817.57	10,634.44	12,073.30	95.60	151.76	93.22

Source: National Seizure System.

*Data as of March 20, 2008. NSS data is based on voluntary reporting and may not include all seizures occurring in the North Texas HIDTA region. Subtotals and totals may not agree with individual county seizure amounts as a result of rounding.

NR—None reported.

County (which includes Fort Worth) and no laboratories in Dallas County (which includes Dallas) in 2007, a decrease from 12 laboratories seized in those counties in 2006 (three in Tarrant County and nine in Dallas County). (See Table 2 on page

6.) Most of the laboratories were capable of producing small, personal-use amounts of methamphetamine, some of which could have been used for limited distribution.



TRANSPORTATION

Mexican DTOs smuggle multikilogram to multiton quantities of illicit drugs into the Dallas/Fort Worth area, usually overland in private and commercial vehicles, for distribution. Recent law enforcement reporting suggests that some DTOs are instructing transporters to drive their drug loads across the U.S.–Mexico border and into the Dallas/Fort Worth area without making any additional stops along the way. For example, some drug traffickers transport marijuana, methamphetamine, and cocaine through the Eagle Pass and Del Rio POEs directly to the Dallas area before any distribution of the drugs occurs.

Mexican DTOs also smuggle significant quantities of illicit drugs to and through the Dallas/Fort Worth area using bus lines. For example, in February 2008 U.S. Customs and Border Protection (CBP) agents seized 2 pounds of heroin that was concealed in the soles of boots packed inside a suitcase that was being transported on a bus by a passenger from Fort Worth.

DISTRIBUTION

Mexican DTOs are the principal wholesale distributors of methamphetamine, cocaine, heroin, and marijuana in the Dallas/Fort Worth area. Asian DTOs are the principal distributors of MDMA and hydroponic marijuana. According to NSS data, law enforcement officers in Dallas County seized less cocaine, heroin, marijuana, and methamphetamine in 2007 than in 2006, while law enforcement officers in Tarrant County seized increased quantities of all illicit drugs, with the exception of methamphetamine quantities, which decreased significantly. (See Table 4 on page 9.) The seizure totals in Dallas County followed a trend that was similar in the 21 North Texas HIDTA counties—declining seizure totals, with the exception of marijuana seizure totals, which increased dramatically overall during these two periods.

Despite the overall decline in heroin seizures, law enforcement officers in the Dallas/Fort Worth metropolitan area report an increasing presence

of white heroin. For example, in January 2008 officers with the Sheriff's Office in Denton County (directly north of Dallas and Tarrant Counties), along with those working for the Lewisville and Dallas Police Departments, U.S. Marshals Service, and Drug Enforcement Administration (DEA) arrested three illegal immigrants and seized 1 kilogram of white heroin during a traffic stop—a unique incident because white heroin has rarely been seized in the Dallas/Fort Worth area and a significant one because of the recent increase in the amount of white heroin available in the area.

Local independent distributors as well as members of street gangs, prison gangs, and OMGs comprise a significant portion of the midlevel and retail-level drug distributors operating in the Dallas/Fort Worth area. The Dallas Police Department Gang Unit documented 87 street gangs and 3,470 gang members who were active in the Dallas/Fort Worth area in 2007. Bloods, Crips, and East Side Homeboys—which is the largest Hispanic gang in the Dallas area and one of the most violent—are some of the most prominent street gangs that distribute illicit drugs in the area; however, many other gangs also distribute illicit drugs, usually at the retail level. (See Table 5 on page 11.)

Some dealers in the area are devising unique ways to conceal drugs for retail distribution to avoid detection by law enforcement. For example, in late 2007 Dallas area law enforcement officers discovered that some gang members were concealing powder cocaine packaged in small plastic jewelry bags inside Icebreakers breath mint containers (unbeknownst to the product's manufacturer). Police officers were unaware that suspected drug dealers were using the containers for illicit purposes; as a result, drugs that were concealed in Icebreakers containers and carried on the persons of suspected drug dealers were overlooked in drug-related incidents.

DRUG-RELATED CRIME

Local street gangs that distribute illicit drugs contribute to much of the crime that occurs in the Dallas/Fort Worth area. For example, in July 2007 Immigration and Customs Enforcement (ICE)

Table 5. Drug Distribution by Gangs in the Dallas/Fort Worth Area, 2008

Gang	Ethnicity	Type	Drug
Asian Boyz	Asian	Street	Methamphetamine, MDMA, marijuana
Bandidos	Caucasian and Hispanic	OMG	Cocaine, marijuana, methamphetamine
Bloods	African American	Street	Cocaine, marijuana, methamphetamine, heroin, PCP
Crips	African American	Street	Cocaine, crack cocaine, marijuana, PCP
East Side Homeboys	Hispanic	Street	Methamphetamine, cocaine, heroin, marijuana
Hermanos de Pistoleros Latinos (HPL)	Hispanic	Prison	Cocaine, marijuana, methamphetamine
Latin Kings	Hispanic	Street	Cocaine, heroin, marijuana
Mara Salvatrucha (MS 13)	Hispanic	Street	Cocaine, marijuana
Mexican Mafia (La Eme)	Hispanic	Prison	Methamphetamine, cocaine, heroin, marijuana
Tango Blast (Four Horsemen, Puro Tango Blast, Tango Blasters, and Tangos)	Hispanic	Prison (clique)/ Street	Cocaine, methamphetamine, marijuana, heroin
Texas Syndicate	Caucasian	Prison	Cocaine, marijuana, heroin, methamphetamine, MDMA
Tiny Rascal Gangsters	Asian	Street	Cocaine, marijuana, MDMA, methamphetamine

Source: Law enforcement interview data, January through April, 2008.

agents in Dallas, in coordination with many other federal, state, and local law enforcement agencies, arrested 121 violent members of 27 local street gangs during a 7-day action under the Operation Community Shield program.⁸ Most of the arrested gang members were from Fort Worth (47 members) and Dallas (45 members); the remaining gang members were from suburbs located throughout the Dallas/Fort Worth area. Many of those arrested were members of significant street gangs that distribute illicit drugs in the HIDTA

region, such as Asian Boyz, East Side Homeboys, Latin Kings, Mexican Mafia, MS 13, and Puro Tango Blast. (See Table 5.) Most were charged with drug-related and other crimes, including robbery, aggravated assault, and murder.

Gang members and other criminals arrested on drug trafficking violations in the Dallas/Fort Worth area frequently are in possession of firearms, which they typically carry to protect their drug supplies and distribution territories. Many obtain firearms and weapons by burglarizing area businesses, private homes, and vehicles. For example, in November 2007 law enforcement reporting indicates that 17 weapons, including high-powered assault rifles, were stolen from a pawnshop in Mansfield (near Fort Worth); officers also reported a March 2008 burglary of 19 handguns from a gun shop in Fort Worth. Moreover, at least two additional burglaries involving

8. Operation Community Shield is a national law enforcement initiative that partners Immigration and Customs Enforcement (ICE) with other federal, state, and local law enforcement agencies to target violent transnational street gangs. The program was launched in February 2005, and its first operation in March 2005 targeted significant U.S. drug market areas, including Dallas, Texas; Baltimore, Maryland; Los Angeles, California; Miami, Florida; Newark, New Jersey; and Washington, D.C.



Table 6. Adult Drug-Related Treatment Admissions in Texas Counties in the North Texas HIDTA, by Drug, 2005–2007*

Drug by County	2005	2006	2007
Powder cocaine			
Dallas County	283	385	345
Tarrant County	200	207	233
All Texas counties in North Texas HIDTA	678	771	837
Crack cocaine			
Dallas County	1,363	1,388	1,258
Tarrant County	811	749	668
All Texas counties in North Texas HIDTA	2,631	2,685	2,457
Heroin			
Dallas County	1,298	1,404	1,681
Tarrant County	599	524	593
All Texas counties in North Texas HIDTA	2,126	2,183	2,502
Marijuana/hashish			
Dallas County	284	417	513
Tarrant County	365	336	406
All Texas counties in North Texas HIDTA	1,072	1,365	1,573
Amphetamine/methamphetamine			
Dallas County	713	716	642
Tarrant County	985	905	789
All Texas counties in North Texas HIDTA	2,944	2,750	2,564

Source: Texas Department of State Health Services.

*North Texas HIDTA Texas Counties totals have omitted admissions in any drug category with a frequency of less than 10 as a result of the Health Insurance Portability and Accountability Act confidentiality requirements; therefore, actual totals are slightly higher than those represented.

the theft of firearms occurred at Fort Worth area businesses from July 2007 through March 2008. Additionally, stolen and illegally purchased guns, particularly assault rifles, are smuggled to Mexico for use by DTO enforcers, an increasing problem along the border.

ABUSE

Over half of the adult drug-related treatment admissions in the 15 Texas counties located in the North Texas HIDTA region occurred in Dallas and Tarrant Counties each year from 2005 through 2007. According to the Texas Department of State Health

Services (DSHS), the combined number of powder cocaine-, heroin-, and marijuana/hashish-related treatment admissions in Dallas and Tarrant Counties increased overall from 2005 through 2007, while the combined totals for crack cocaine- and amphetamine/methamphetamine-related admissions decreased during the same period. The increasing availability of heroin (Mexican black tar heroin and white heroin) in the Dallas/Fort Worth area and the addictiveness of the drug most likely contributed to the almost 30 percent increase in heroin-related admissions in Dallas County from 2005 to 2007. (See Table 6.)

Abuse of “cheese” heroin—a combination of Mexican black tar heroin and over-the-counter cold products containing diphenhydramine—declined significantly in the Dallas area in the first half of fiscal year⁹ (FY) 2008 as compared with FY2007. The decline was attributed to intense law enforcement efforts to educate the public, particularly teenagers and young adults, on the risks of using this drug combination. Officers with the Dallas Police Department arrested 16 students from North Dallas area high schools from August 2007 through December 2007, down from 82 arrested during the same period in 2006. However, the second half of FY2008 saw evidence of a resurgence in abuse. During April and May 2008, monthly cheese-related arrests in the Dallas Independent School District (DISD) rose from single digits to double digits, with 11 and 17 arrests, respectively. Whether this is an indication of a resurgence in abuse or simply the use of better detection techniques by DISD police is undetermined. Fortunately, there has not been a reciprocal rise in overdose episodes or overdose deaths. It should be noted that in May 2008 a Dallas County jury convicted a 20-year-old man of providing cheese heroin that caused the 2007 death of his girlfriend’s 15-year-old brother. The subject was convicted of delivery of a controlled substance to a child causing death, for which he received an 18-year prison sentence.

ILLICIT FINANCE

The Dallas/Fort Worth area is a primary banking and financial center, making it an attractive area for drug money laundering. The well-developed infrastructure that consists of commercial enterprise, transportation networks, and international finance within the area enhances its appeal to legitimate businesspeople as well as to DTOs, criminal groups, and other drug traffickers who are attempting to launder the significant profits that they generate through their illicit activities.

Drug traffickers in and outside Dallas/Fort Worth routinely use the area as a staging location for bulk quantities of cash and monetary instruments that they generate through their illicit activities. Traffickers based in the Dallas/Fort Worth area typically consolidate drug proceeds generated from the distribution of illicit drugs in the Dallas/Fort Worth area and many other drug markets, including New York City and Chicago, at the same stash locations they use for drugs prior to smuggling the proceeds in bulk to Mexico for eventual laundering or repatriation.

Drug traffickers in Dallas/Fort Worth commonly launder drug proceeds through front and shell companies, electronic wire transfers, and structured bank deposits; they also purchase luxury vehicles, jewelry, and residential properties. Law enforcement reporting indicates that some traffickers in the Dallas/Fort Worth area use drug proceeds to purchase properties that they then quickly resell for cash and, potentially, a substantial profit. According to Financial Crime Enforcement Network (FinCEN) officials, property “flips” typically involve fraudulent appraisals, falsified loan documents, and inflated buyers’ incomes.

Drug traffickers in the Dallas/Fort Worth area also are increasingly using stored value cards to launder illicit drug proceeds. Legitimate and criminal users of these “virtual money” cards store funds on the cards in amounts not exceeding \$2,500; however, a complicit issuing authority can waive the dollar limit, making these cards attractive to money launderers. Stored value cards can be accessed through the Internet, and no names are associated with the cards, thereby providing a degree of anonymity. The owner of a card can authorize another individual to use the card to withdraw funds without requiring any type of identification at the time of the transaction.

9. The fiscal year (FY) for the Dallas Independent School District (DISD) extends from August 1 through July 31.



OKLAHOMA CITY

OVERVIEW

Oklahoma City is a significant regional-level transportation, transshipment, and distribution center for illicit drugs supplied to the North Texas HIDTA region and markets in neighboring states. Mexican DTOs control the transportation of wholesale quantities of most illicit drugs—including marijuana, cocaine, methamphetamine, and heroin—to the area for distribution. Asian DTOs based in Canada are the principal suppliers of MDMA and high-potency marijuana. Mexican DTOs and operatives working on their behalf further transport some of these illicit drugs from Oklahoma City to major metropolitan areas located primarily in neighboring states and the Midwest for distribution. The interstates and other roadways that traverse Oklahoma City and surrounding areas provide ready access to and from the U.S.–Mexico border through Texas and enhance the attractiveness of the Oklahoma City area to drug traffickers as a significant location for the transportation and transshipment of illicit drugs and drug proceeds.

PRODUCTION

Mexican and local independent traffickers, the principal powder methamphetamine producers in the Oklahoma City area, produce less methamphetamine than they did prior to 2004, when Oklahoma officials first enacted precursor chemical control regulations. Data received from the Oklahoma Bureau of Narcotics and Dangerous Drugs indicate that law enforcement officers seized 7 methamphetamine laboratories in Oklahoma County in 2007, a decline from 10 laboratories seized in 2006. Despite the decline in local methamphetamine production, law enforcement officers in Oklahoma City are reportedly seizing an increasing number of abandoned methamphetamine laboratories and their remnants.

Illicit drug production in the Oklahoma City area is generally limited to crack cocaine conversion and small-scale indoor cannabis cultivation.

African American criminals are the primary producers of crack cocaine in Oklahoma City, typically converting powder cocaine to crack cocaine in the city's low-income neighborhoods as needed for distribution.

TRANSPORTATION

Mexican DTOs employ cell members in their transportation networks to smuggle most of the illicit drugs available in Oklahoma City from Mexico through the Laredo and El Paso/Juárez plazas. They typically smuggle drugs overland in private and commercial vehicles equipped with concealed compartments. Law enforcement reporting suggests that an increasing number of smugglers transport illicit drugs in late-model sport-utility vehicles (SUVs). Some Mexican transporters are using couriers on commercial or Mexican-owned bus lines to smuggle illicit drugs, often concealing the drugs in the soles of their footwear or in pieces of luggage. For example, in May 2007 Oklahoma City police officers arrested a man at a downtown bus station when he attempted to board a bus with approximately \$140,000 worth of Mexican black tar heroin in his shoes. The man had cut out the bottoms of his shoes and had inserted the heroin in the shape of an insole into his shoe. In another instance in the last quarter of 2007, law enforcement officers in Oklahoma City seized approximately 2 kilograms of white heroin from the suitcase of a passenger on a bus en route to New York City from El Paso, Texas.

When drug shipments reach their intended destinations in the Oklahoma City area, traffickers frequently store the drugs in stash houses located in residential neighborhoods where their family members or friends reside. However, some traffickers reportedly have purchased 10 to 15 homes in a particular neighborhood for stash purposes only. They often repackage their drug shipments at these locations for further transport and distribution throughout the United States, including Chicago. They use these same stash house locations to store and consolidate bulk quantities of cash and monetary instruments before transporting the illicit

funds to Mexico. Oklahoma City Police Department officers report that since spring 2007, some stash house operators have become increasingly security conscious, monitoring their stash houses by purchasing scanners to intercept images from nonencrypted pole cameras.

Asian and other trafficking organizations based in Canada are the primary suppliers of MDMA and high-potency marijuana in the area. They reportedly exchange some of their MDMA supply in the Oklahoma City area for cocaine, which they then smuggle into Canada.

Law enforcement officers in Oklahoma seized decreasing quantities of illicit drugs and drug proceeds in 2007 on state toll roads, most likely the result of a shift in drug smuggling routes to and through the area. In the last quarter of 2007, Oklahoma Highway Patrol officers reported that as a result of Oklahoma's vigorous highway interdiction operations, drug traffickers were using north-south interstates and state highways in California, Arizona, New Mexico, and Texas to connect with east-west Interstates 70, 80, 90 and, more recently, 20 when transporting illicit drugs from and bulk cash to Mexico, completely bypassing Oklahoma. For example, highway patrol officers at the intersection of I-44 and U.S. Highway 69 seized 26 pounds of cocaine from a man traveling from El Paso through Oklahoma on US 69 with his wife and two children. By using US 69, the driver had intentionally bypassed all but the final toll booth and the highway enforcement patrols at the toll plazas on the Will Rogers Turnpike (I-44), east of Tulsa. (See Table 4 on page 9 for a list of drug seizures by county.)

DISTRIBUTION

Mexican DTOs and criminal groups provide a significant source of supply for the wholesale distribution of illicit drugs in Oklahoma City. They usually obtain their drug supplies, most often cocaine and Mexican ice methamphetamine, from relatives living in Matamoros, Chihuahua, or Sonora, Mexico. Traffickers operating in western Oklahoma generally acquire their

illicit drugs from Chihuahua-based suppliers, while traffickers in eastern and southern Oklahoma most often obtain their drug supplies from Matamoros-based suppliers.

African American and Hispanic street gangs are the principal retail-level distributors of illicit drugs in Oklahoma City. In September 2007 ICE agents in Oklahoma City, in coordination with federal, state, and local law enforcement agencies, arrested 65 violent gang members from eight local street gangs during a 7-day Operation Community Shield action. The gangs included Gran Barrio Central, Barrio Gran Mexicanos, Juarito Sureño 14, LA 36, Los Centrales, Murder-town, South Side Locos, and Sureño 13. Some members of these gangs were charged with various drug-related crimes as well as first-degree rape, assault (including assaulting police officers), and illegal possession of a firearm. Members of African American and Hispanic street gangs, particularly South Side Locos and Juaritos, are working with Mexican DTOs to distribute methamphetamine, cocaine, and other drugs in Oklahoma City. Currently some street gang members who had previously distributed only cocaine are also distributing methamphetamine.

Table 7. Drive-By Shootings in Oklahoma City, 2003–2007

Year	Shooting Incidents
2003	129
2004	192
2005	260
2006	245
2007	142

Source: Oklahoma City Police Department.

DRUG-RELATED CRIME

Law enforcement and anecdotal reporting suggests that a significant amount of violent crime in Oklahoma City is directly linked to the trafficking and abuse of illicit drugs and that the level of violence in the city is increasing. The criminal



activities of traffickers extend beyond the sale of drugs to include receipt of stolen property, use of counterfeit currency/securities, and other criminal acts. Methamphetamine abusers commit similar crimes to obtain money to support their drug addictions. Similarly, drug users may try to finance their addictions by stealing property, committing identity theft, credit card fraud, and other criminal activities. To combat this threat the Oklahoma City Metropolitan Gang Task Force was created in 2006 to combat drug trafficking and its underlying related criminal activity. The members of this task force are the U.S. Attorneys Office, the Oklahoma County District Attorney's Office, the FBI, DEA, ATF, and Oklahoma City Police Department. This Task Force, with the financial resources provided through the Safe Streets program—an FBI violent crime initiative—provides participating local law enforcement agencies, such as the Oklahoma City Police Department, with manpower and financial support to pursue violent gangs through coordinated investigations that are intended to remove gang members from the streets and prosecute them for their criminal activities. Through this coordinated effort, officers attempt to turn violent gang members into cooperating defendants who can provide information relative to unsolved murders, drive-by shootings, and other violent crimes. The work of this Task Force has resulted in hundreds of arrests and prosecutions of street gang members at the state and federal level. Significant other gang-related investigations are ongoing. As a result of the Task Force and the Safe Streets program, the number of drive-by shootings in Oklahoma City has declined significantly since 2005. (See Table 7 on page 15.)

ABUSE

The number of drug-related treatment admissions in Oklahoma County decreased in all major drug categories, with the exception of heroin and marijuana, from 2005 to 2007. The number of cocaine-related treatment admissions decreased by 28 percent, and the number of amphetamine-related admissions (which include methamphetamine admissions) decreased by 18 percent during this 3-year period. Conversely, the number

of heroin-related treatment admissions increased by 66 percent overall from 2005 to 2007, and the number of marijuana-related admissions remained fairly stable, increasing by 2 percent overall during the same time period. (See Table 8 on page 17.)

The number of drug-related deaths in Oklahoma County increased each year from 2005 through 2007. In 2007 Oklahoma County accounted for 22 percent of all drug-related deaths that occurred in Oklahoma and 38 percent of all drug-related deaths that occurred in the six Oklahoma counties that are part of the North Texas HIDTA region. (See Tables 9 and 10 on page 17.) Many of the drug-related deaths in Oklahoma County involved the accidental or unintentional overdose of pharmaceutical drugs. (See Table 11 on page 17.)

Mexican ice methamphetamine has replaced locally produced powder methamphetamine as the drug of choice in Oklahoma City. African American crack cocaine abusers—one of the newest methamphetamine abuser populations in the city—have started to switch to ice methamphetamine abuse because the drug is comparable in price to crack but offers a more potent and longer-lasting high.

Pharmaceutical drugs—particularly hydrocodone, oxycodone (specifically OxyContin), and methadone products—are diverted and abused by an increasing number of users in Oklahoma City. These drugs are often prescribed by physicians at pain management clinics, which are increasing in number throughout the state. Some physicians at these clinics are reportedly prescribing methadone as an alternative to OxyContin because of the public's negative perception of OxyContin based on the potential risk of addiction or death associated with its use. As a result, more drug traffickers than in the past are now diverting and abusing methadone in Oklahoma City.

Oklahoma has also experienced a growth in the number of methadone treatment programs opened throughout the state in recent years. With the increase in the number of these programs, which treat patients for opiate-related addiction, the

Table 8. Adult Drug-Related Treatment Admissions in Oklahoma Counties in the North Texas HIDTA, by Drug, 2005–2007

Drug by County	2005	2006	2007
Crack cocaine			
Oklahoma County	776	599	517
All Oklahoma counties in North Texas HIDTA	1,268	1,062	913
Powder cocaine			
Oklahoma County	177	127	168
All Oklahoma counties in North Texas HIDTA	316	261	308
Heroin			
Oklahoma County	35	25	58
All Oklahoma counties in North Texas HIDTA	63	50	86
Marijuana			
Oklahoma County	630	556	645
All Oklahoma counties in North Texas HIDTA	1,247	1,126	1,189
Amphetamine/methamphetamine			
Oklahoma County	811	697	663
All Oklahoma counties in North Texas HIDTA	1,760	1,553	1,389

Source: Oklahoma Department of Mental Health and Substance Abuse Services.

likelihood of abuse and diversion of methadone from these clinics increases. The ready availability of diverted methadone has resulted in a number of deaths in the city. According to Medical Examiner officials in Oklahoma City, methadone was the primary drug mentioned in 300 drug-related deaths throughout Oklahoma from 2004 through 2006.

Table 9. Drug-Related Deaths in Oklahoma Counties in the North Texas HIDTA, 2005–2007

County	Drug-Related Overdose Deaths		
	2005	2006	2007
Cleveland	16	24	18
Comanche	9	7	12
Muskogee	6	8	14
Oklahoma	88	107	113
Sequoyah	7	9	7
Tulsa	161	133	135

Source: Oklahoma Bureau of Narcotics and Dangerous Drugs.

Table 10. Drug-Related Deaths in Oklahoma, 2001–2007

Year	2001	2002	2003	2004	2005	2006	2007*
No. of Deaths	344	470	467	527	514	567	524

Source: Oklahoma Bureau of Narcotics and Dangerous Drugs.

*Medical Examiner statistics for 2007 are based on reports received, not those still pending. Therefore, the number of drug-related overdose deaths in 2007 may be higher than the total noted.

Table 11. Illicit Drug- and Pharmaceutical-Related Deaths in Oklahoma Counties in the North Texas HIDTA, 2001–2007

Drug Type	County					
	Cleveland	Comanche	Muskogee	Oklahoma	Sequoyah	Tulsa
Illicit	4	4	3	19	2	36
Pharmaceutical	14	8	11	94	5	99

Source: Oklahoma Bureau of Narcotics and Dangerous Drugs.



ILLICIT FINANCE

Similar to money laundering trends in the Dallas/Fort Worth area, Mexican DTOs in Oklahoma City typically consolidate bulk quantities of cash and monetary instruments generated from the distribution of illicit drugs in Oklahoma City and many other drug markets prior to smuggling the proceeds in bulk overland into Mexico for eventual laundering. They often transport cash and monetary instruments in the same vehicles used to smuggle illicit drugs to Oklahoma City.

Drug traffickers in Oklahoma City also use various other means to transfer tens of millions of dollars in illicit drug proceeds to suppliers in Mexico. An increasing number of traffickers transfer proceeds from Oklahoma City to Mexico through wire transfers. Law enforcement officers report that a substantial (70%) decline in the number of bulk cash seizures in the city from 2006 to 2007 correlates with a dramatic increase in the number of electronic wire transfers from Oklahoma City to Mexico. Much of the decline in the amount of bulk cash and monetary instruments seized can be attributed to the same successful highway drug interdiction efforts mentioned previously. These efforts, which often involve Interstates 35 and 40, have forced some traffickers to alter their transportation routes, avoiding turnpikes in favor of less heavily monitored state routes. Other traffickers are smuggling drug proceeds through and from the city during rush hour to blend in with legitimate travelers, thereby making law enforcement detection more difficult.

OUTLOOK

Traffickers appear to have established stronger alliances for drug trafficking purposes. Mexican DTOs are increasingly working directly with Hispanic and African American prison and street gangs in the North Texas HIDTA region, and it is very likely that they will enhance these relationships in the near term. These enhanced relationships most likely will contribute to significant

increases in the flow of illicit drugs to and through the North Texas HIDTA region.

It is likely that the availability of methamphetamine in the North Texas HIDTA region will diminish over the next year. A decrease in the amount of ice and powder methamphetamine seized in the HIDTA region and many other drug markets throughout the United States as of the date of this report can be attributed to precursor chemical control regulations and counterdrug operations in Mexico and the United States. However, a planned “zero tolerance” policy by Mexican authorities banning the use of any pseudoephedrine products in that country beginning in January 2009 very likely will cause shortages in methamphetamine. Some producers will alter their chemical purchases and techniques to produce methamphetamine, but it is unlikely that production operations will reach previous levels.

The increasing development of relationships between Mexican cartels, their enforcers, and high-level members of gangs in the Dallas/Fort Worth area could contribute to increasing levels of violent crime in the area in the near term. Drug traffickers in the Dallas/Fort Worth area very likely will have to take extra security precautions—possibly including violent confrontations with competing traffickers as well as law enforcement officers—to ensure the safe transport and secure stash house storage of their illicit drug shipments.

The recent increase in the number of firearm thefts from gun shops in the Fort Worth area may signify an interest on the part of Mexican cartels or those working on their behalf in obtaining weapons for use in their drug trafficking and other illicit activities from North Texas HIDTA locations. Weapons smuggling from the United States into Mexico and the crimes committed by cartels using those weapons already pose a serious problem in Mexico, and any increase in gun-shop thefts and smuggling from the North Texas HIDTA region could necessitate more vigilance on the part of U.S. military and law enforcement officers in the near term.

While money laundering through house-flipping poses significant problems to the Dallas/Fort Worth area, the current economic decline in the real estate market has diminished some of the threat. However, if the housing market were to become reinvigorated and real estate sales were to increase, it is likely that members of criminal groups and other drug money launderers in Dallas/Fort Worth would again rely heavily on this money laundering technique.

In the near term Mexican DTOs will most likely continue to control the transportation of most illicit drugs to Oklahoma for distribution both in the state and to neighboring states in the region. These Mexican DTOs will quite likely continue to utilize Oklahoma's Hispanic street gangs as a retail distribution network for drugs being sold within the state.

Because of the continued success of highway interdiction programs in Oklahoma, drug traffickers will very likely endeavor to avoid detection by attempting to develop more sophisticated concealment methods and utilize highways that are not as heavily patrolled to transport both drugs and drug proceeds through the state. To avoid the possibility of interdiction entirely, these traffickers are also likely to increase their use of wire transfers to repatriate funds to Mexico.



SOURCES

Local, State, and Regional

Oklahoma

Oklahoma Bureau of Narcotics and Dangerous Drugs
Oklahoma City Metropolitan Gang Task Force
Oklahoma City Police Department
Oklahoma County District Attorney's Office
Oklahoma Department of Mental Health and Substance Abuse Services
Oklahoma Highway Patrol

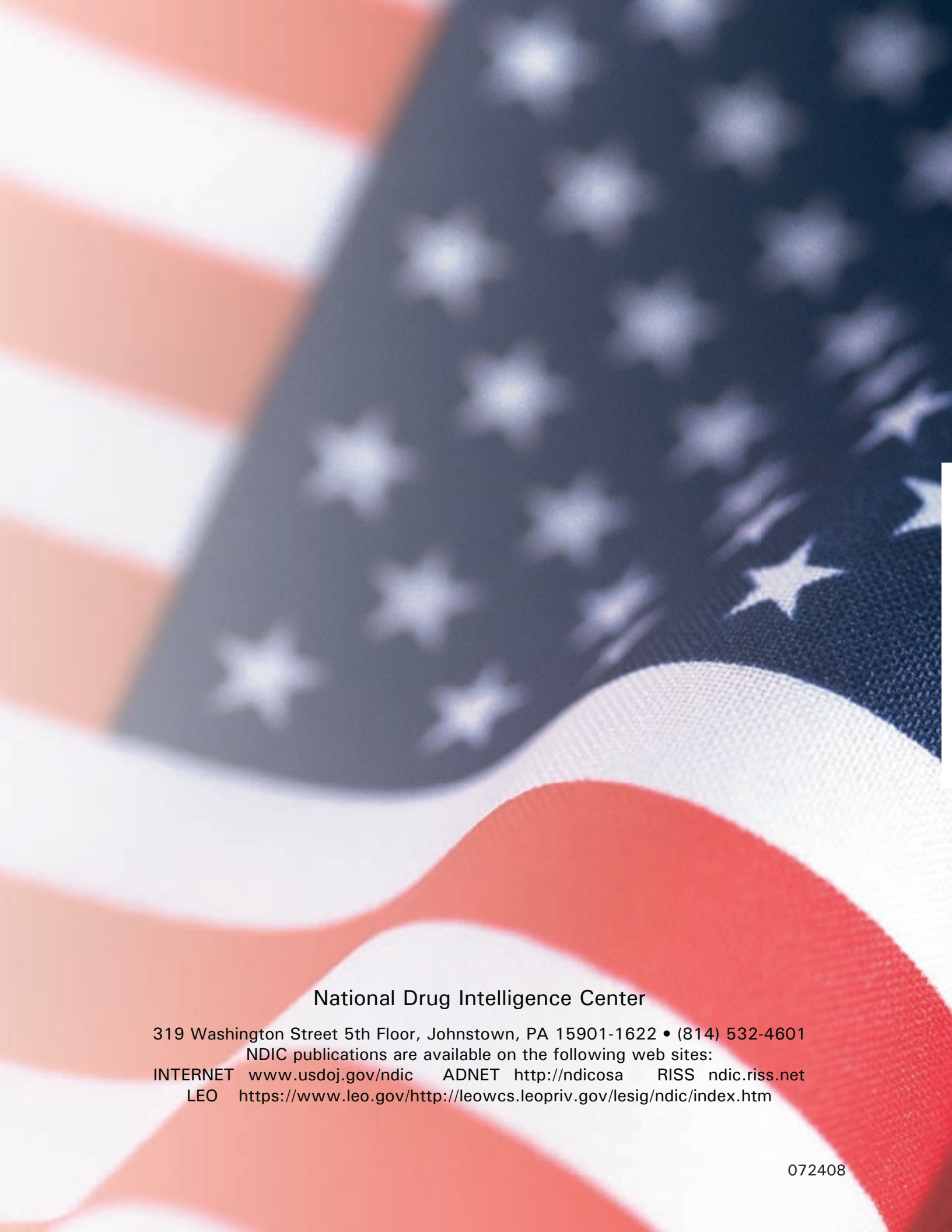
Texas

Dallas Independent School District Police Department
Dallas Police Department
 Gang Unit
 Narcotics Division
Fort Worth Police Department
Garland Police Department
Plano Police Department
Texas Department of Criminal Justice
Texas Department of Public Safety
 Narcotics Unit
 Drug Intelligence Group
Texas Department of State Health Services
Tyler Police Department
 Violent Crime Squad

Federal

Executive Office of the President
 Office of National Drug Control Policy
 High Intensity Drug Trafficking Area
 North Texas
 Regional Intelligence Support Center
U.S. Department of Commerce
 U.S. Census Bureau
U.S. Department of Homeland Security
 U.S. Immigration and Customs Enforcement
U.S. Department of Justice
 Bureau of Alcohol, Tobacco, Firearms and Explosives
 Dallas Field Division
 Criminal Division
 Organized Crime Drug Enforcement Task Force
Drug Enforcement Administration
 Dallas Field Division
 Oklahoma City Resident Office
 Tulsa Resident Office
 El Paso Intelligence Center
 National Seizure System
Federal Bureau of Investigation
 Dallas Field Division
 Houston Division
 Counter Terrorism Intelligence Group
U.S. Marshals Service
 Western District of Oklahoma
 Oklahoma City Office
U.S. Department of the Treasury
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319 Washington Street 5th Floor, Johnstown, PA 15901-1622 • (814) 532-4601

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