



U. S. Department of Justice
Drug Enforcement Administration

Field Division

www.dea.gov

June 30, 2004

Mr. Glenn A. Fine
Inspector General
U.S. Department of Justice
950 Pennsylvania Avenue, NW, Suite 4322
Washington, D.C. 20530-0001

Dear Mr. Fine:

Attached as self-explanatory is a copy of my official correspondence with Mr. John Gaudio, Special Agent in Charge, Department of Homeland Security, Bureau of Immigration and Customs Enforcement in [REDACTED], Texas. A copy of the letter to Mr. Gaudio was also transmitted to the Office of the United States Attorney for the Western District of Texas. At the time I objected to the handling of the [REDACTED] investigation. (See attachment).

The principal reason for transmitting this to you is the sense of frustration and outrage I feel at the mishandling of a criminal investigation which resulted in the unnecessary loss of human lives in the Republic of Mexico, and endangered the lives of Drug Enforcement Administration (DEA) Special Agents and their families stationed in [REDACTED], Mexico.

Upon reading the attached letter you will note my actions were well within the bounds of my ethical obligations as well as my personal and professional perception of right and wrong. I cannot accept any reason why a confidential source of U.S. law enforcement was allowed to participate in a crime spree that yielded thirteen unwarranted dead individuals as a result of our doing and supervision.

I have found past behavior on the part of DEA officials to be grossly unlawful and inappropriate, and as a result I have brought action against DEA for such conduct. In a letter proposing settlement on a pending suit and whistleblower action I have filed against the DEA, the agency suggests that I failed to exercise good judgement for objecting to, and reporting the aforementioned homicides in [REDACTED], Mexico. This is a position taken by DEA as a result of pressure and undue influence from the United States Attorney for the Western District of Texas.

Aside from the aforementioned political influence, I most disturbingly find DEA's specific position suggesting poor judgement on my part to be callous, unethical, vindictive, and unlawful. It is my contention that since the DEA is now criticizing my reporting of the criminal events in question, and is threatening me with an unwarranted and undeserved performance rating, by so doing the DEA is endorsing silence with respect to the activities of the other two agencies. This is unacceptable and I am requesting that it be addressed with an investigation at your level.

Had I found any of my subordinates to have approved and/or participated in any of the foregoing alleged illegal acts, I would have personally sought prosecution of the responsible individual(s) for,

while under color of law, allowing the wrongful killings of human beings in Mexico in furtherance of gathering drug related information and possibly a criminal prosecution in the United States.

I trust you will take appropriate action in this matter.

Respectfully,

Sandalio Gonzalez
Special Agent in Charge

Attachment

cc: U.S. Office of Special Counsel

H



U. S. Department of Justice

Office of the Inspector General

August 12, 2004

Mr. Sandalio Gonzalez
Special Agent in Charge
[REDACTED] Field Division
Drug Enforcement Administration
[REDACTED]

Dear Mr. Gonzalez:

We received your letter of June 30, 2004, in which you requested an investigation of the conduct of certain Drug Enforcement Administration (DEA) officials in connection with your pending whistleblower litigation against the DEA. Thank you for referring this matter to us. However, because the matters you raise relate to your pending whistleblower litigation, we have decided not to initiate another investigation into the matter. Please feel free to contact us with additional information or concerns.

Sincerely,=

A handwritten signature in cursive script that reads "Carol F. Ochoa".

Carol F. Ochoa
Director
Office of Oversight & Review



U. S. Department of Justice
Drug Enforcement Administration

[REDACTED] Field Division
[REDACTED]
[REDACTED]

www.dea.gov

June 30, 2004

The Honorable Scott J. Bloch
Special Counsel
U.S. Office of Special Counsel
1730 M Street NW, Suite 218
Washington, D.C. 20036

Dear Mr. Bloch:

Attached for your information and whatever action you deem appropriate are copies of correspondence containing what I believe to be protected disclosures that I've mailed to the Inspector General of the Department of Justice.

If you have any questions regarding this matter I can be reached at [REDACTED]

Respectfully,

[REDACTED]
Sandalo Gonzalez
Special Agent in Charge

Attachment



U. S. Department of Justice
Drug Enforcement Administration
Field Division

[REDACTED]

www.dea.gov

June 30, 2004

Mr. Glenn A. Fine
Inspector General
U.S. Department of Justice
950 Pennsylvania Avenue, NW, Suite 4322
Washington, D.C. 20530-0001

Dear Mr. Fine:

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alleged illegal acts, I would have personally sought prosecution of the responsible individual(s) for, while under color of law, allowing the wrongful killings of human beings in Mexico in furtherance of gathering drug related information and possibly a criminal prosecution in the United States.

I trust you will take appropriate action in this matter.

Respectfully,



Sandalio Gonzalez
Special Agent in Charge

Attachment

cc: U.S. Office of Special Counsel



U. S. Department of Justice
Drug Enforcement Administration
[REDACTED] Field Division
[REDACTED]
[REDACTED]

www.dea.gov

February 24, 2004

Mr. John Gaudio
Special Agent in Charge
Department of Homeland Security
Bureau of Immigration and
Customs Enforcement
[REDACTED]
[REDACTED]

Dear Mr. Gaudio:

Since our meeting on January 25, 2004, and our telephone conversation on February 14, 2004, I've had an opportunity to digest what you've said as well as to conduct a careful review of the material in this case. I am now writing to express to you my frustration and outrage at the mishandling of the [REDACTED] investigation that has resulted in unnecessary loss of human life in the Republic of Mexico, and endangered the lives of Special Agents of the Drug Enforcement Administration (DEA) and their immediate families assigned to the DEA Office in [REDACTED] Mexico.

There is no excuse for the events that culminated during the evening of January 14, 2004, and absent a complete and logical explanation of these events, which led to the emergency evacuation of our personnel and their families in [REDACTED], I have no choice but to hold you responsible for this unfortunate situation.

Rather than join with others in petty finger pointing, I will limit this letter to the following irrefutable facts:

- This chain of events began when hired killers working for [REDACTED] went to the residence of a DEA agent in [REDACTED], and later caused local police to make a traffic stop of the agent's vehicle which at the time was occupied by the agent [REDACTED]. We must not forget this.
- During the early part of 2002, my office initiated Operation Sky High, a U.S. multi-agency bilateral investigation with Mexican federal authorities, targeting the [REDACTED] organization ([REDACTED]). Coordination meetings in [REDACTED] so were convened among the participants, which included DEA, FBI, BICE, the U.S. Attorney's Office (USAO), and Mexican federal officials representing the Office of the Attorney General (PGR). Everyone agreed to work together and do everything possible to disrupt and/or dismantle the [REDACTED] on both sides of the border. To this date, the only U.S. agency that has honored that gentleman's agreement is the DEA.

- From the very beginning, BICE personnel and the prosecutor from the USAO have exhibited an unfounded and indeed inexcusable lack of trust of DEA personnel, in particular the agents stationed in Mexico. Allegedly, our agents in Mexico share too much information with their Mexican counterparts. This mistrust is insulting and runs contrary to the agreement made at the start of Operation Sky High.
- DEA agents in both [REDACTED] and [REDACTED] have honored every request made by your agents, as well as by the prosecutor, to not share information with Mexican authorities even though these requests, and the attitude in general of your agents and the prosecutor, go against the spirit of cooperation agreed upon by everyone present at the Operation Sky High meetings in [REDACTED].
- On/about August 5, 2003, while working for your agency, the BICE confidential source identified as [REDACTED], participated in a murder in [REDACTED]. Shortly thereafter the actions of the CS were misrepresented to Mexican authorities that were told via official BICE correspondence that the CS had merely "witnessed" a murder and would soon be available to provide testimony to the PGR. The CS was in fact a participant in the torture/murder of [REDACTED], as reflected in his debriefing report dated August 25, 2003, which clearly states that the CS supervised the murder. (When considering this situation, it is not surprising to me that people in your agency and the USAO would be concerned about DEA agents sharing "too much information" with their Mexican counterparts). While DEA personnel have done everything possible to assist Mexican officials without compromising BICE information, BICE personnel have thrown obstacles in our way and concealed vital information that could have saved lives.
- Following the murder of [REDACTED] in August 2003, your agents requested several country clearances for the CS to travel to [REDACTED], and they continued sending the CS to [REDACTED] while failing to report his activities to DEA as required by our own internal agreements. I have been told that over 200 reports of investigation were written regarding this case by BICE [REDACTED] and that none of these were distributed to your own personnel assigned in Mexico.
- BICE agents failed to provide DEA agents in [REDACTED] with the exact location where the body of [REDACTED] was buried, stating that the information given by the CS was vague, thereby obstructing a murder investigation in Mexico, and eventually placing the lives of DEA agents and their families in [REDACTED] in grave danger. During his debriefing by BICE agents, the CS admitted to the killing of [REDACTED] as well as to knowing the exact location of the burial site because following the debriefing, he went back to the house in [REDACTED] to give money to [REDACTED]. This information is in the BICE debriefing report dated August 25, 2003.
- On August 11, 2003, DEA Group Supervisor [REDACTED] was asked by Associate SAC [REDACTED] to convene a meeting with FBI, DEA and BICE personnel to discuss the CS/murder issue as well as the issue of Mexican police corruption. The meeting was scheduled to take place in the DEA office on August 15, 2003 at 2 PM, however, BICE personnel did not show up as scheduled, and GS [REDACTED] BICE counterpart notified him that the meeting had been cancelled.

That was the last time we heard about the issue until recently.

- Following the August 2003 murder of [REDACTED], BICE personnel and the prosecutor ignored well founded recommendations made by DEA agents to arrest [REDACTED] and "take down" the case, thereby allowing at least [REDACTED] other murders to take place in [REDACTED], in what can only be described as a display of total disregard for human life, and disrespect for the rule of law in Mexico. Much of this, I'm told, to protect the drug case against [REDACTED] and a [REDACTED] case in which the CS is a witness.
- On/about December 19, 2003, your office submitted a request to lure [REDACTED] into the U.S. without the requisite ASAC level coordination with my office or with DEA in Mexico City. This was after DEA agents assisted and participated in the drug case against [REDACTED], since it fell under the umbrella of Operation Sky High. During our telephone conversation you referred to the matter of the lure as a "minor issue".
- [REDACTED] and the CS were allowed to continue their activities in Mexico following the August 2003 murder of [REDACTED], and on January 14, 2004, DEA agents and their families stationed in [REDACTED] were and remain evacuated from their residences because hired killers working for [REDACTED] tried to identify two of our agents through your CS under the ruse of a traffic stop.
- [REDACTED] and others, with the assistance and participation of the CS, committed a series of murders in [REDACTED] that have shocked the conscience of decent, law-abiding citizens on both sides of the border.
- Following the evacuation of our personnel in [REDACTED], BICE agents, with your concurrence, refused to immediately present the CS to Mexican federal authorities so that his testimony could be used as the probable cause necessary to arrest the corrupt police officials in [REDACTED]. Your failure to present the CS to Mexican federal officials resulted in a one-week delay before probable cause could be established to search for the dead bodies. These officials told our Attaches in Mexico that they would not have had to wait to discover the bodies prior to arresting the corrupt officers. Now these dangerous killers are at large. To make matters worse, you would not allow the CS to call [REDACTED] so that Mexican federal authorities could arrest him for his participation in the murders. You and the prosecutor until last week refused our repeated requests for direct access to the CS so that we could at least attempt to resolve the threat. In fact the prosecutor stated that she had ordered BICE personnel to refuse DEA access to tapes of the CS, while expressing concern regarding our (DEA) sharing of information with Mexican federal authorities. You allowed a prosecutor to make an operational decision that interfered with the investigation of a threat against the lives of fellow U.S. federal agents and their families.
- It was not until our Chief of Operations met with his counterpart in your agency that you agreed to allow our agents direct access to the CS, however, you then placed restrictions on that access that are inconsistent with both the spirit of cooperation that should exist between our two

agencies, and with good law enforcement practices and procedures. Your reasoning for doing this was that, in your view, DEA agents were targeting the CS and you could not allow that to happen. (In light of that, we cannot help but wonder why you would go to such extreme lengths to protect this "homicidal maniac" informant. In fact, the procedures employed in the handling of this informant, the fact your agents continued working with him after he tried to run a 100 pound load of marijuana behind our back last June, and his incredible story after he tape recorded the murder of [REDACTED], leads me to conclude that the informant may have been controlling the agents). BICE agents allowed the CS to continue on an unabated crime spree while under their so-called control.

- The restrictions you placed on our interview of the CS had the effect of obstructing the investigation of the threat against our agents, a threat that should have never taken place, and that came about as a result of cold killers who went to an agent's residence, and later caused local police to make a traffic stop of the agent and his family for purposes of identification and possibly their abduction and murder.
- This situation is so bizarre that even as I'm writing to you it is difficult for me to believe it. I have never before come across such callous behavior by fellow law enforcement officers. The bottom line is that as a result of these actions, [REDACTED] and other murder suspects are now fugitives. There was no logical reason to prevent the CS from calling [REDACTED] a so Mexican authorities could arrest him. What is more important here, the safety of agent personnel and their families, or a drug and cigarette smuggling cases? [REDACTED]'s subsequent indictment for murders that occurred after August 5, 2003, that could have been prevented, is disturbing.
- You mentioned during our telephone conversation that one of our [REDACTED] agents "lost his cool and made a fool of himself" while trying to obtain information regarding the threat. I strongly disagree with your assessment in that regard, and propose to you that while there may be fools involved in this debacle, not one of them is employed by the DEA. I suggest that just for a moment you put yourself in that agent's shoes. What would you have done if you and your family had been threatened by [REDACTED] killers and I refused you access to a DEA informant who might be of help in the case?
- Your CS knew on January 13, 2004, that [REDACTED] was planning a "[REDACTED]" for the Parsioneros house the following day, and nothing was done about it until [REDACTED] called your CS on the night of the 14th to check the names of our agents. By that time, three more human beings had been tortured and killed.
- You told me that it was not until January 25, 2004 that you learned of the CS' involvement in murders other than the one on August 5, 2003.
- You also told me that your agents will no longer work with DEA personnel assigned to the [REDACTED] Resident Office. This is unacceptable and goes against the spirit of cooperation inherent in the reasons for creating the Department of Homeland Security.

Mr. John Gaudio
02/24/2004

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It appears to me, after reading the statement given by the CS to the Mexican authorities, that the CS' handlers may have known about the "[REDACTED]" scheduled for January 14th, and perhaps others prior to that. This of course begs the question, if the killers had not called the CS to check on our agents on January 14, how many more dead bodies would we have by now?

Now, six months after the murder of [REDACTED], the PGR has testimony from several members of [REDACTED]'s killing circle. The PGR knows that U.S. authorities could and should have taken steps to stop these assassins. Both of our agencies have spent countless hours building trust and sharing sensitive information without compromise with trusted counterparts in Mexico. However, the developments in this case have, to say the least, strained that relationship and set us back years.

Our Regional Director in Mexico and I have been discussing this at length on a daily basis. We both find this situation appalling and he concurs with my comments.

[REDACTED]

Sandalio Gonzalez
Special Agent in Charge

cc: Chief AUSA, [REDACTED]
Regional Director, Mexico City ✓

**U.S. OFFICE OF SPECIAL COUNSEL**

1730 M Street, N.W., Suite 201
Washington, D.C. 20036-4505

July 2, 2004

Mr. Sandalio Gonzalez
[REDACTED]

Re: OSC File No. DI-04-2271

Dear Mr. Gonzalez:

This will acknowledge receipt of the above-referenced disclosure matter by the Disclosure Unit of the Office of Special Counsel (OSC). A member of our staff may contact you to discuss this matter if any additional information is needed to consider this case. Please provide the telephone number where you wish to be contacted, if you have not already done so. For overseas telephone numbers, please include country codes; we do not have access to Autovon.

Please bear in mind that each year OSC receives a large number of matters concerning disclosures of information of a violation of law, rule, or regulation, gross mismanagement, a gross waste of funds, an abuse of authority or a substantial and specific danger to public health or safety. In addition, it is important to note that OSC does not have the authority to investigate disclosures and, therefore, does not conduct its own investigations.

We attempt to handle all cases as expeditiously as is possible. Cases are generally processed in the order in which they are received. However, allegations of substantial and specific dangers to public health and safety are given priority.

If you wish to write us again concerning this matter, please include the file number listed above. We can also be reached by telephone at (202) 254-3640 or on our toll free number at (800) 572-2249.

Sincerely,

A handwritten signature in cursive script, appearing to read "Catherine A. McMullen".

Catherine A. McMullen
Chief, Disclosure Unit

CAM/mjr

8/31 JENNIFER PENNINGTON