REPORT OF INVESTIGATION

1. PROGRAM CODE

2. SNAME 3. SNUM 4. FILE

5. IDENTITY

6. RELATED FILES

7. GATE PREPARED

8. DATE PREPARED

9. OTHER OFFICERS

10. REPORT #: Debriefing of

SYNOPSIS:

On February 9, 1990, Special Agent Wayne Schmidt and G/S Hector Berrellez debriefed a source concerning intelligence information related to the murder of Manuel BUENDIA-TELSEGIRON, an investigative reporter, narcotics trafficking information relating to Ruben ZUNO-Arce, arms trafficking by GARRANDI MARINOS; and other related intelligence concerning corrupt Mexican Police Officers and elected Mexican officials.

DETAILS:

1. Reported the following intelligence information with regard to the murder of Manuel BUENDIA-TELSEGIRON:

   Manuel BUENDIA-TELSEGIRON was an investigative reporter in Mexico who supported the campaign of PRI party leader and President-elect, Miguel de la Madrid. BUENDIA conducted an investigation into the collusion that existed between Manuel BARTLETT-DIAZ, former Secretary of the Interior, Miguel ALDANA-Ibarra, former head of the Mexican anti-drug program, and Manuel SUBARRA-Herrera, former head of the Directorate of Federal Security (DFS), who were acting in concert with narcotics traffickers.

   Between 1981 and 1985, BUENDIA received information from another reporter, (FNU) ELASCO, in Vera Cruz, that Guatemalan Guerrillas were training at a ranch owned by Israel CARO-Quijano in Vera Cruz. The investigation led to secret operations training at the camp were conducted by the American CIA, using the FS as a cover. In the event any questions were raised as to whether the training operations were a CIA front, the camp site was reported to suffer destruction. Allegedly, representatives of the DFS, which was the front for the training camp, were in fact acting in concert with major drug traffickers to secure a flow of narcotics through Mexico into the United States.

   DISTRIBUTION:

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   12. DATE

   13. DATE

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13. Two individuals who were identified as the murderers of BUENDIA, Comandante (FNU) ESTRELLA and Comandante (DNS) A.M. (DNS), are currently in jail charged with murder. However, they have been protected by the De La Madrid Party since the murder in 1985 and only recently have been incarcerated over the past year as a result of pressure being asserted by the colleagues on the new administration.

14. Allegedly was told by the colleagues of BUENDIA that they had been approached by DEA agents sent by Country Attache Edward Heath (DEA). The agents allegedly physically handed over a principal file, taken from the BUENDIA office, by the DNS, after the murder, and allowed it to be viewed by the colleagues.

15. There was no explanation given by the DEA agents as to how they obtained the file. The colleagues however recognized the file and most of its contents. They indicated that the file was genuine. However, the colleagues also observed that information had been apparently added to the file to implicate BARTLETT-Diaz in CIA arms smuggling and a connection to narcotics traffickers.

16. In exchange for the information in the file, the agents wanted information on DNS credentials signed by Jose Antonio VARRA-Perez and Manuel IBARRA-Barrera which were in possession of various narcotics traffickers at the time of their arrests.

17. It should be noted that the colleagues of BUENDIA are former Communist Party members and are not affiliated with the PRI or any other political party.

18. It has been learned that a person identified as GERHARD T. MERTINS had lived at one time (circs) 1981 to 1985, in Mexico City as owner of a company identified as ENREF, located in Guadalajara. In addition, it has been learned that MERTINS allegedly had a connection to the CIA with regard to arms trafficking.

19. At the time of Manuel BUENDIA's death in early 1985, BUENDIA was allegedly working on a story of arms trafficking by the CIA in Mexico and the CIA's involvement with MERTINS.

20. In 1985 MERTINS was allegedly expelled from Mexico as a direct result of revelations in BUENDIA's story by sources, which linked MERTINS with the CIA.
21. MERTINS worked for the LEAGUE INQUIRER in Mexico, in addition to extreme-right-wing factions of Mexican Politics. MERTINS was arrested in 1989 and later was found dead on a beach. The CIA claims that MERTINS was killed by mortal wounds. 

22. The LEAGUE INQUIRER has learned that the LEMPAS family allegedly controlled vast marijuana plantations in the Taussac and Jalisco areas. This is the same area of Mexico that MERTINS had allegedly sold large quantities of marijuana in.

23. The LEAGUE INQUIRER has learned that the reporter from Vera Cruz (PNU) Valasco before his death in 1985 was allegedly developing information that, using the DFS as cover, the CIA established and maintained clandestine airfields to refuel aircraft loaded with weapons which were destined for Honduras and Nicaragua.

24. Pilots of the aircraft would allegedly load up with cocaine in Barranquilla, Colombia and in route to Miami, Florida, refuel in Mexico at Narcotic trafficker operated and CIA maintained airstrips.

25. The LEAGUE INQUIRER reported that the Cubans were working a similar type of refuel operation, picking up cocaine in Medellin, Colombia and flying it thru Cuba into Miami. 

26. The LEAGUE INQUIRER speculates that Ruben Zuno-Arce not only had a hand in trafficking in Mexico but from other information developed, tends to believe was associated with the Cubans.

27. This may be true is that unknown to any official, a passport seized from Ruben Zuno-Arce at the time of his arrest bore an official Cuban Immigration Stamp which gave Zuno-Arce unlimited immigration access into Cuba.

28. Ruben Zuno-Arce, historically, is a heroin trafficker since early 1970's, had access to numerous airstrips thru an individual identified as Juan Avina-Batiz who had possession of a fake Mexican identification and had access to numerous airstrips.

29. The brother of Juan Avina-Batiz is Eduardo Avina-Batiz, head of the PRI party in JALISCO and deputy of the 9th Congressional District.

30. Eduardo Avina-Batiz is allegedly the former heroin trafficking partner of Zuno-Arce.
of Ruben ZUBIO-Arce.

Apparently 1 month ago (January 1990) AVINA-Batiz and AVINA-Batiz were engaged in conversation when AVINA-Batiz told AVINA-Batiz that the flow of drugs into the United States is the best solution to Latin America's problems. The poisoning of American youth is the best answer to the down trodden Latin American masses in retaliation against the Imperialistic Actions of the United States.

31. Reports that Eduardo AVINA-Batiz is a strong contender for the Governorship of the State of Jalisco following the expected departure of Guillermo COSTO-Vidaurri, uncle of Sara Costa, the former paramour of Rafael CARO-Quintero, who purportedly kidnapped and took her to Costa Rica during his flight from justice after the murder of S/A Enriques Camarena.

32. Also in January 1990 EVA was present at a meeting in the office of EVA ROJAS CONTRERAS in Guadalajara Mexico.

Also present was Juan CARRANZA de Vaca, a former State Judicial Police Officer.

33. EVA ROJAS CONTRERAS is an attorney who has done extensive legal work for Rafael CARO-Quintero and Ernesto Fonseca. During the past three years ROJAS has acted as an aid to General Vincio SANTOYO-Pareda, in the administration and purchasing of properties with large sums of money, the origin of which is unexplained.

34. One of the properties is a ranch in Puerto Vallarta Jalisco adjacent to property owned by Victor RUEDA aka EL FINITO a well known Latin singer who for the past 1 to 1 1/2 years has been associated with gangster elements in the Puerto Vallarta area.

35. The ranch and property adjacent to the ranch were purchased for $600,000.00 U.S. by SANTOYO as a summer residence. The $600,000.00 represents a portion of the money SANTOYO extorted from Miguel FELIX Gallardo and Manuel SALCIDO-Urieta aka Coche Loco when they were arrested at Los Pinos, Guadalajara on November 7, 1989 by elements of the command of SANTOYO. The arrests were a result of information from DEA Mazatlan and Guadalajara offices.

36. COCA was present in November 1998 at GALLARDO's residence. When employees of GALLARDO stated that they needed money to operate the house because GALLARDO had paid one million dollars to SANTOYO as a bribe and that there was no money left for operational expenses.