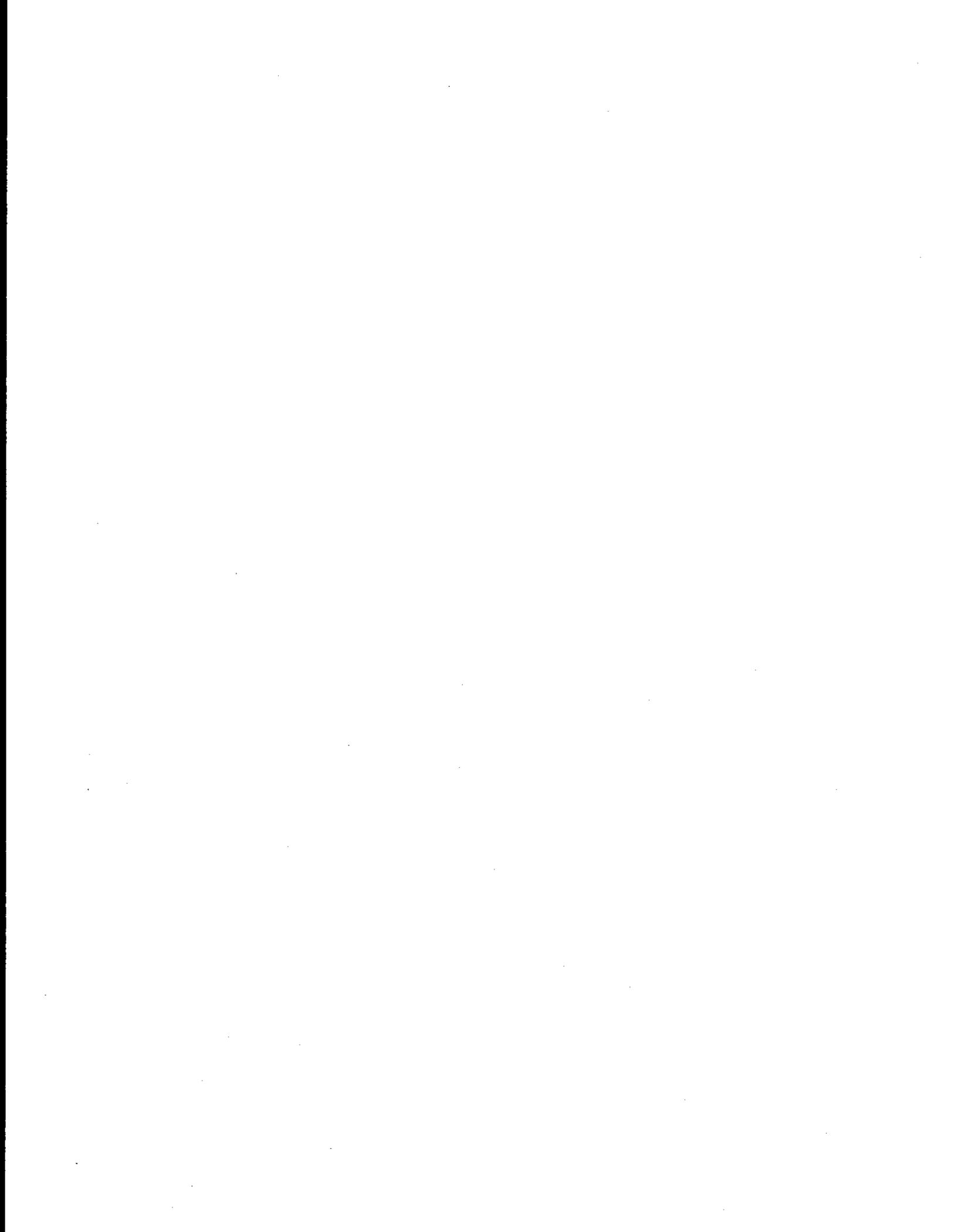


**Exhibit Number: 2**

**[HB 2]**

**From *The Oregonian* Sunday,  
October 03,2004 by *Steve Suo*  
“Unnecessary Epidemic”**

**This exhibit is an article, which cannot be scanned. It exceeds the maximum amount of pages that can be scanned. Ten pages have been scanned for your research. The original exhibit is on file at the Montana Historical Society and may be viewed there.**



# The Oregonian

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## UNNECESSARY EPIDEMIC

The siren of meth fuels crime and ravages communities across the West, but an analysis by The Oregonian shows sustained pressure by government could stop the . . .

### Unnecessary epidemic

Sunday, October 03, 2004

STEVE SUO

A decade ago, federal authorities choked off the supply of chemicals needed to make methamphetamine, a cheap, potent stimulant that was devastating the West.

The drug grew scarce, and rehab centers saw fewer meth patients. Emergency rooms reported fewer meth overdoses. Fewer people were arrested for possessing the drug. Identity theft and car theft -- crimes typically committed by meth addicts -- fell in several Western cities.

Federal agents had vastly improved the quality of life, but they didn't know it.

Within a year, the drug cartels that make most of the nation's methamphetamine found new ways to obtain their ingredients, taking advantage of a loophole left open by Congress. As a result, meth use rebounded, and the epidemic spread eastward. Today, an estimated 1.3 million Americans smoke, snort or inject the drug.

An investigation by The Oregonian shows that Congress and federal authorities could have contained the methamphetamine epidemic, and still can.

The investigation establishes for the first time that methamphetamine traffickers are uniquely vulnerable to government pressure.

Methamphetamine differs from heroin and cocaine, which are distilled from plants grown across vast stretches of South America and Asia. Drug dealers create meth from ephedrine or pseudoephedrine, chemicals used to make cough and cold remedies such as Sudafed. Only nine factories manufacture the bulk of the world's supply.

Deprive traffickers of ephedrine and pseudoephedrine, and the meth trade withers.

Peter Reuter, a leading drug expert and longtime skeptic of the government's ability to disrupt the drug trade, said The Oregonian's findings were startling. Reuter called them the first convincing evidence that government and law enforcement agencies could substantially reduce meth addiction.

The research, he said, shows that tightening control over the supply of meth chemicals would make "a significant difference to the criminal interests" while modestly inconveniencing consumers.

"I have been asked in the course of the presidential campaign, 'Why doesn't anyone talk about drugs?' " said Reuter, a University of Maryland professor who served on the Clinton administration's meth task force.

The answer, Reuter said, is that no candidate has a plausible approach.

"Here, you actually do have a better idea."

The Oregonian found striking correlations between government actions and meth abuse. In two periods -- 1995-96 and 1998-99 -- federal authorities interrupted the flow of chemicals to drug cartels. Each time, crime and addiction fell in tandem as the price of the drug rose.

The Oregonian discovered these previously overlooked successes by examining millions of reports on arrests, emergency room admissions, drug treatment, and the price and potency of meth seized by drug agents.

Until now, federal officials were unaware of the extent to which their policies succeeded.

The U.S. Drug Enforcement Administration began calling for much tighter control over ephedrine and pseudoephedrine nearly two decades ago.

But lawmakers were reluctant to interfere with the legitimate trade and said the DEA had no proof the approach would work. The pharmaceutical industry lobbied its allies on Capitol Hill and in the White House to delay or soften legislation that would have harmed the \$3 billion market in popular cold products.

When Congress finally gave the DEA broad authority over the trade in pseudoephedrine in 1996, the agency did not take full advantage of the powers it had sought.

The agency allowed companies it licensed to continue selling cold medicine, even after 20, 30, 40 written warnings that their products were found in meth labs.

The DEA said it has tightened its registration program since 2000, when a number of officially approved dealers were charged with supplying pseudoephedrine to meth traffickers. In a written statement, the agency said it had "always considered" the control of meth chemicals a "high priority."

Meth abuse is particularly widespread in Oregon, which treats more people for meth addiction per capita than any other state in the country.

The drug, sold in powder or rock form, delivers an intense rush. A few hits cost just \$25. Heavy users stay awake for days, growing paranoid and aggressive before crashing into sleep.

Gov. Ted Kulongoski now calls meth the most pressing crime issue facing the state. Police in Portland and surrounding suburbs say that meth users are responsible for thousands of identity thefts each year.

In rural communities such as Coos County on the Oregon coast, social workers say meth abuse plays a role in most cases of child abuse and neglect.

The story is repeated in communities across much of the country. More people are now in rehab for meth addiction than for cocaine or heroin in 16 states. And recent treatment data show the drug is rapidly drawing new users in places such as Illinois, Kentucky, Alabama and Georgia.

The problem has been slow to reach the attention of national policymakers, in part because the threat remains distant from the nation's major East Coast cities.

Authorities in Portland, Spokane, San Diego and Phoenix report that 25 percent to 38 percent of men arrested for any crime have methamphetamine in their bloodstream. The comparable rates in New York and Washington, D.C., are less than 1 percent.

Nancy Bukar, a lobbyist for the Consumer Healthcare Products Association, argues that the regional nature of the problem weighs against further restrictions on pseudoephedrine products.

"You've got to strike a balance here," said Bukar, whose group represents pharmaceutical companies. "Yes, they're being used in an illegitimate fashion by some people, but the major majority of people are using it for colds and to unstuff noses."

Over the past decade, meth traffickers have displayed an uncanny ability to outwit regulators and obtain their raw materials. But former DEA officials say the government has failed to make a concerted effort to deprive traffickers of two chemicals produced in only four countries.

The Oregonian's study shows that a national strategy to halt the flow of meth chemicals could be accomplished with little effect on consumers and relatively low cost to taxpayers.

## UNNECESSARY EPIDEMIC

### Hidden powerhouses underlie meth's ugly spread

Sunday, October 03, 2004

STEVE SUO

FRESNO, Calif. A cross the West and Great Plains, small-town residents blame the arrival of meth abuse in their communities on the influx of local meth labs.

They are mistaken.

The reality is that 80 percent of meth comes from Mexican drug cartels operating here, in the rural expanses of Central and Southern California. According to the U.S. Drug Enforcement Administration, only 20 percent of the supply is made by local users themselves.

A decade ago, the cartels in California pioneered a technique for industrial-scale production of meth that police dubbed the "superlab."

Built with commercial-grade lab equipment and fueled by hundreds of pounds of chemicals, a single superlab can churn out 100,000 or even 1 million doses of meth in a two-day production run. A typical "user" meth lab can make a maximum of 280 doses at a time.

The cartels' prodigious supply of methamphetamine, sent out across the Plains as far east as North Carolina, created a demand where none existed before. Many of the supply lines lead back to the nation's agricultural powerhouse: the Central Valley of California.

"This," said Carl M. Faller Jr., a Fresno federal prosecutor, "is Colombia for meth."

The influence of the superlabs is overlooked because although they account for the bulk of the drug's production, they represent only 4 percent of the labs. The vast majority of meth labs nationally -- 8,000 of the 8,300 seized in 2001 -- are home-user labs.

Home labs can become an obsessive outlet for users on the multiday runs without sleep known as "tweaking." The designs are primitive and vary widely. They consist of a jumble of over-the-counter pseudoephedrine, household lye and scraped-away matchbook covers. The reaction vessel usually is a jelly jar. The output might provide a cook \$250 to \$500 worth of meth to sell, with two weeks' worth left over for personal use.

Although tweaker labs are costly to clean up when they explode or spill, their role in supplying meth to U.S. users is minor. The main culprit is the superlab.

#### Bubbling glass globes

California superlabs achieve a level of sophistication, uniformity and efficiency seldom seen in tweaker labs.

The superlab's signature is a globe-shaped piece of glassware that drug agents call a "22." Designed for scientific research, the 22-liter reaction vessel could hold the contents of 11 two-liter soda bottles. The 22 sits in an aluminum cradle lined with heating coils. The cradle and globe together sell for \$3,000 to \$4,000.

Inside the glass ball, a blood-red brew of pseudoephedrine, red phosphorus and hydriodic acid reacts to form meth. The temperature dial is turned up to set the mixture bubbling, then down to cook. Orange hoses stretch like octopus arms from the neck of each 22 to a box filled with cat litter, which absorbs reaction gases.

Jerry Massetti, a chemist with the California Bureau of Forensic Services, recalled the first rumors of such monster labs in San Diego in the early 1990s.

"You'd wonder whether it was an exaggeration," Massetti said. "Then you'd hear similar stories of labs in Riverside, Orange County, Los Angeles."

Then the monster headed north, he said, "like a shadow passing over the landscape."

In the Central Valley, the highly standardized superlabs arrived en masse one week in July 1992, according to Massetti's notes and a journal article he wrote at the time. The labs, he wrote, "corroborated rumors about multiple tons of ephedrine being processed in this way."

The biggest Massetti ever saw came eight months later, in a Tulare County fruit-packing shed. The lab was so enormous that operators used a forklift to crush all the cans of Freon emptied during manufacturing. Twelve glass 22s were strung together, creating a capacity of 144 pounds of pure meth per batch. Cut to street purity, that could keep 21,000 serious addicts high for a week.

The labs are so standardized that the first time police found high-thread-count Martha Stewart sheets — used to filter solid meth from surrounding liquids — in one lab, identical sheets were discovered the next day in a lab 100 miles away. The smallest detail, down to the way in which hoses are duct-taped together, is replicated from one superlab to the next.

Police say the cookie-cutter approach reflects the guiding hand of Mexico-based drug cartels, which run the labs in California and distribute the finished product across the country.

Labor comes from migrant workers. California drug agents call these lab operators "mopes" — police lingo for low-level henchmen.

The mopes don't use meth but hire themselves out in standing crews of four or five, available for a weekend's hard work cooking the drug. From the Central Valley, a typical crew of mopes could travel across Pacheco Pass through the Coast Range on a Friday night to the Bay Area. They'd pick up a stash of chemicals from a San Jose storage locker, then return to a small valley town such as Merced, where their employer would secure a secluded barn or farmhouse by bribing a ranch foreman.

After laying in a supply of groceries, the mopes would work for two days without sleep to monitor the delicate reaction. A misstep could cost \$50,000. Some are told their families in Mexico will be killed if they speak to the police. At times, drug agents have come upon mopes in a lab padlocked from the outside.

At the end, a supervisor arrives to haul away the finished meth for delivery.

In Medford, Ore., police say 15 major dealers ferry the drugs regularly from the Central Valley. In Woodburn, Ore., police once seized 30 pounds of meth shipped directly by a top member of the Amezcua cartel in Southern California. The local dealers had customers up and down Interstate 5, from the Portland suburbs to the Grants Pass area of Southern Oregon.

#### **Patron saint of traffickers**

The Central Valley offers a perfect locale for the mopes to hide their work.

Blinding dust billows across county roads. Derelict outbuildings, rusting farm implements and 100-foot stacks of wooden pallets dot mile after mile.

Through long experience, the 20-member Fresno Methamphetamine Task Force has learned the routine of catching mopes in the act.

Team members cull junk mail at lab waste dumps for addresses. They watch abandoned farmhouses where the occasional car has been seen to come and go. On a stakeout, they'll ask permission to park in a rancher's yard by saying they're investigating the theft of farm implements.

If they're lucky, they'll sneak up on what Fresno Sgt. Don Mitchell calls a "real nice lab" — 22s bubbling, surrounded by a smell some liken to rotting citrus.

Agents tell of moonlit "low crawls" with camouflage and automatic weapons through rows of grapevines; of the leg broken in a fall through a rotting barn roof; of mopes who ran, or "leg bailed," and ones who slowed down long enough to be deported.

Whether the mopes get caught or get away, they often leave behind relics of Jesus Malverde — the mustachioed 19th-century bandit whom Mexican traffickers have made their patron saint. The relics offer prayers like this one, printed on a container of incense:

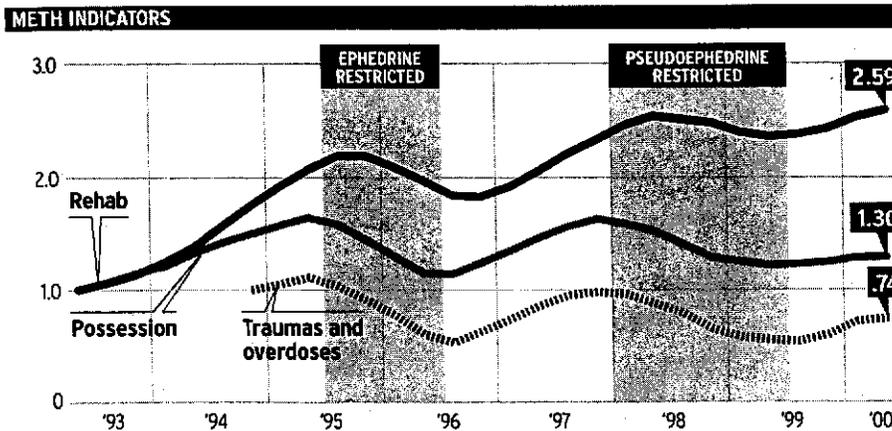
"You that dwell in heaven near God, hear the sufferings of this humble sinner.

"Oh Miraculous Malverde, Oh Malverde my Savior, grant me this favor and fill my heart with joy.

"Grant me good health, Lord, give me peace, give me comfort, and I will rejoice."

## METH ABUSE DROPS AFTER RESTRICTIONS ON CHEMICAL INGREDIENTS

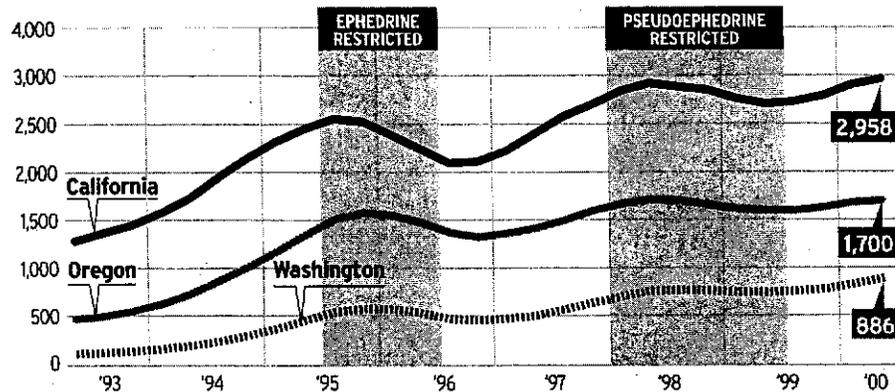
The two major declines in meth purity were matched by falling meth abuse. The chart below shows three indicators: meth possession arrests in California; meth rehab patients in Oregon, Washington and California; and meth-related traumas and overdoses nationally. In this chart, the number "1" denotes the starting value for each statistic. A "2" represents a doubling and "3" a tripling.



Sources: California Department of Justice; Drug Abuse Warning Network (DAWN); California Department of Alcohol and Drug Programs; Washington Division of Alcohol and Substance Abuse; Oregon Office of Mental Health and Addiction Services

### REHAB PATIENTS

One indicator with data available across multiple states was the number of meth addicts admitted to rehabilitation programs. In Oregon, Washington and California, the pattern was identical, despite local differences in financing treatment. The chart shows the number of patients in each quarter. California figures were divided by 3 to fit on the same scale as the smaller states of Oregon and Washington.



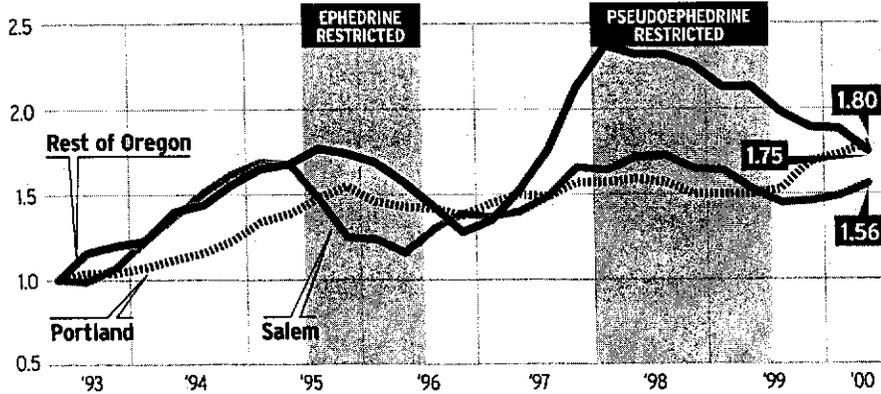
Sources: California Department of Alcohol and Drug Programs; Washington Division of Alcohol and Substance Abuse; Oregon Office of Mental Health and Addiction Services

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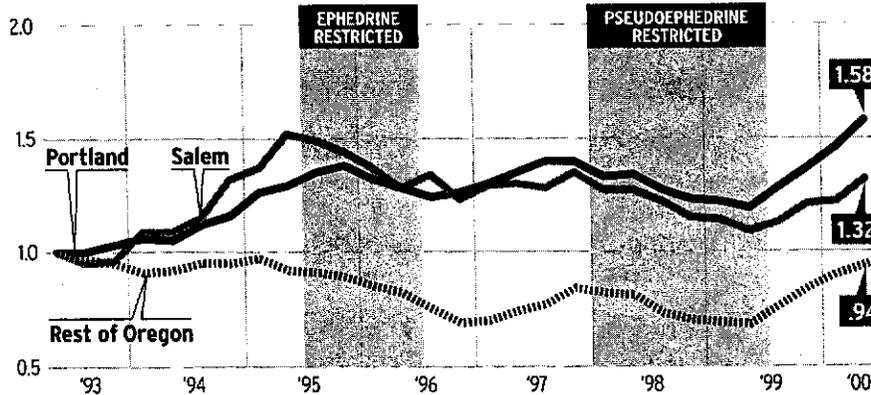
## METH-RELATED CRIMES DROP AFTER RESTRICTIONS ON CHEMICAL INGREDIENTS

In Oregon, police say identity theft, which often appears in crime reports as forgery or fraud, is overwhelmingly committed by meth users. These indicators also fell during periods when meth purity was falling. These charts show crimes reported to police in each location. In this chart, the number "1" denotes the starting value for each statistic. A "2" represents a doubling.

### FORGERY CASES



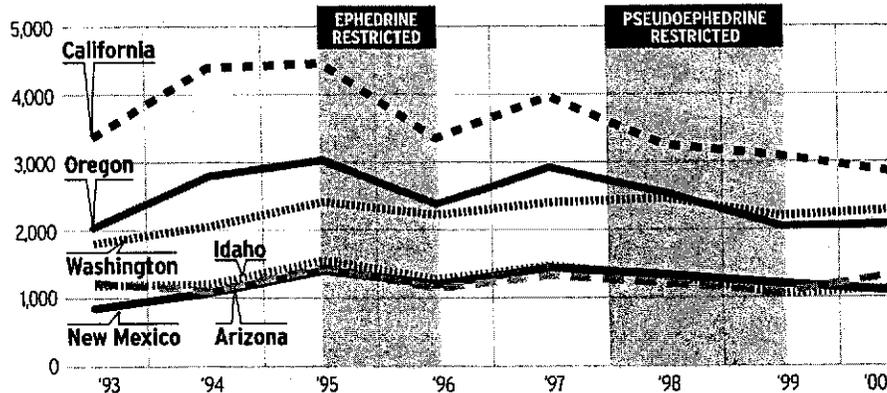
### FRAUD CASES



Sources: Oregon State Police Law Enforcement Data System; Portland Police Bureau; Salem Police Department

### CAR THEFTS

In rural areas across the West, vehicle theft – another crime disproportionately linked to meth users – showed a similar pattern. This chart shows annual numbers of stolen cars in counties located outside of metropolitan areas in Arizona, New Mexico, California, Oregon, Washington and Idaho.

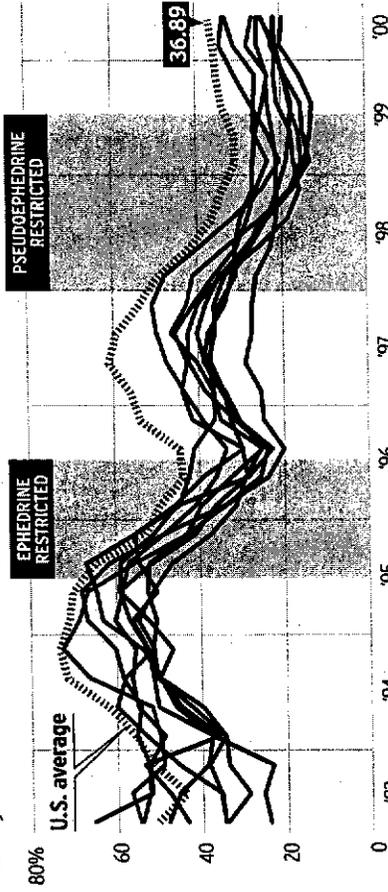


Source: FBI Uniform Crime Reports

Notes on all charts above: The chart on car thefts shows annual totals. In all other charts, each point represents an average of the preceding four quarters of data. The average purity by state, shown in the first chart of the series, was computed directly from the DEA's database of drug seizures. The U.S. average purity was calculated by the RAND Corp. and compensates for variations in the way data are collected over time in different states.

### METH POTENCY DROPS AFTER RESTRICTIONS ON CHEMICAL INGREDIENTS

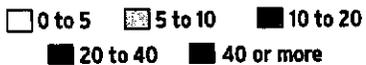
The chart below shows the purity of meth, or how much the drug is diluted with additives. The lines represent purities in Arizona, California, Colorado, Missouri, New Mexico, Nevada, Oregon, Texas and Washington as well as the U.S. average.



Sources: U.S. Drug Enforcement Administration System to Retrieve Information from Drug Evidence (STRIDE); RAND Corp.  
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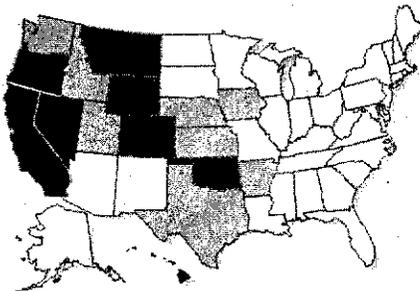
## THE SPREAD OF METH

REHAB ADMISSIONS FOR METH PER 100,000 RESIDENTS

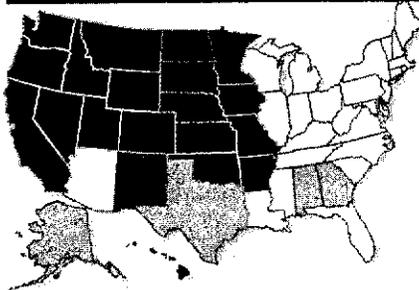


Methamphetamine abuse, as measured by the number of people entering rehab centers, spread eastward during the past decade while intensifying in the West. The maps below show the number of people treated for meth abuse per 100,000 residents age 12 and older.

1992



1997



2002



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# Meth superlab

Contrary to popular belief, most meth users do not operate meth labs. An estimated 80 percent of the U.S. supply comes instead from organized drug cartels, which manufacture meth for national distribution in a small number of massive California "superlabs." Pioneered by Mexican drug runners in the early 1990s, these labs require enormous volumes of the essential chemicals ephedrine or pseudoephedrine. Traffickers extract these interchangeable ingredients from cough and cold pills sold on the black market.

**1. Grind tablets**  
Tablets of ephedrine or pseudoephedrine are ground to a powder in a blender.

**2. Mix with solvent**  
Ephedrine or pseudoephedrine adheres to the solvent, separating it from white tablet binder.

**3. Filtering binder**  
The binder is removed with a filter. The remaining solvent is cooked away on low heat, leaving pure pseudoephedrine.

**4. Add red phosphorus and acid**  
Mixed in on low heat, the pseudoephedrine changes to methamphetamine, but is too acidic.

**6. Add caustic soda**  
Gives meth a base. This process creates intense heat, so ice is used to cool the reaction.

**7. Add Freon, separate liquid meth**  
The meth sticks to the Freon and settles to the bottom, where it is drained out using a spigot.

**8. Bubble hydrogen chloride**  
The gas turns the meth into a salt, lowering its acidity. The meth is now consumable, but still wet.

**9. Drying**  
The finished meth is poured onto a filter cloth and dried.

**10. Cutting**  
The dry meth is weighed, diluted with additives, and packaged.

**"BUBBLING 22"**  
At the center of the operation are four globe-shaped flasks on aluminum bases. These 22-liter glass balls with electric heaters are the superlab's signature feature. Each one sells for \$3,000 to \$4,000 on the street and will make 110,000 doses of meth. Many superlabs string together multiple "22s" for even bigger production.

