

ESTES

Billie Sol



BILLIE SOL ESTES

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A TEXAS LEGEND

"THE MAN WHO KNOWS WHO SHOT JFK"

B.S.
PRODUCTIONS

BY BILLIE SOL ESTES

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This book is dedicated with love to my parents, John and Lillian Estes, and to my faithful brother Bob--all have gone on to be with Jesus. They worked so hard and were supportive of me; also to my brother Dr. John L., who supported and helped educate my children while I was in prison; to my brother Word, another wheeler-dealer; to my sisters Joan and Jean, who love me. My rock was my wife Patsy, who loved me for 55 years and gave me my wonderful children, who are the light of my life; to my new bride Dorris, who is my inspiration, lover and friend; and to my grandchildren.....may they all be wheeler-dealers.

Billie Sol, age 79,, Granbury Texas

Chapter One

During my life, I have talked and corresponded with some of our greatest Presidents including Franklin D. Roosevelt, Harry Truman, John F. Kennedy and Lyndon Baines Johnson. I have also known some of our greatest personalities such as Vito Genovese, Dr. Martin Luther King, Robert Kennedy and Jimmy Hoffa. A higher power and a grand vision guided them all. I have always done what I felt was best for my fellow man. I have been called a con man and a saint. Somewhere between these lies the truth.

In 1961, my net worth was over 400 million dollars. I had a beautiful home in Pecos, Texas; a beautiful wife, my childhood sweetheart, Patsy; five beautiful children, Pam, Jan, Dawn, Billie Jr., and Joy. Money is no longer important to me. My family and my roots are important. My beautiful children have grown up and now I have eleven grand-children. My saint of a wife passed away ending a partnership of 54 years--a partnership that included our rise from poverty to multimillionaires--a partnership in which I was sentenced to two different prison terms--a partnership that ended on Valentine's Day with Patsy's death. She was a saint because she stood by me in the best and the worst of times.

My bout with prostate cancer in 1998 led to my decision to tell the true story of my life. We are all mortals and have both a dark side and light side. My dark side has over-shadowed the good things in the public's mind. My friends and family understand my private works toward integration and taking care of the poor. Some have called me a modern day Robin Hood. I want to set the

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record straight. I was the first person to have a televised trial. My story is a simple story.

Tapes have always played a major part in my life, as you will see later. They played the tape of the 1984 Grand Jury Hearing into the death of Henry Marshall. The existence of the tape had been rumored for some time. Grand Jury Hearings and deliberations by law are supposed to be secret. The history of this tape is an interesting side light on my career. I listened to the tape and remembered the day of my release in 1983 from Federal Prison in Big Spring, Texas. I had made a promise to United States Marshall Clint Peoples to tell the truth about the death of Henry Marshall. Clint Peoples called me to collect on that promise. This resulted in my return to testify before yet another Robertson County Grand Jury in Franklin, Texas on March 20, 1984.

As we drove into town, I saw very little change since my first Grand Jury appearance in 1962. Then I had arrived in a convoy of white Cadillac's. Now we were in a single black Cadillac. The Town Square looked the same but there was an addition to the courthouse for a new sheriff's office. I noticed there was a new Dairy Queen and I asked to stop there for a cup of coffee. I have made many million dollar deals in Dairy Queens. I would rather eat a hamburger there than a fancy restaurant meal any time.

In 1961, the County Coroner had ruled that Henry Marshall had died by committing suicide. He had shot himself five times with a bolt action rifle after attempting to kill himself by inhaling the carbon monoxide poisoning from the exhaust of his truck. I knew then and now that he was murdered. Marshall worked for the Department of Agriculture and had responsibility for overseeing the agriculture programs in the State of Texas. My agriculture empire depended on being on his good side. At the time of his death, I was the largest cotton farmer in Texas, had the largest storage facility for government grain and was the largest supplier of fertilizer in Texas. His primary responsibility, at the time of his death, was the cotton allotment program. At that time, the government maintained a minimum market level for cotton prices and in turn set the allotment or number of acres, a farmer was allowed to plant. My brother Bob and I had developed a plan to transfer cotton allotment acres from land under eminent domain to our own use. The scheme was legal and creative. This was

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certainly true of some of my political opponents and certainly true of some people who knew I was contributing some of my profits to then Vice President Lyndon Johnson. The death of Henry Marshall resulted in internal investigations by the Agriculture Department and a congressional hearing to determine Lyndon's and my involvement in a possible scandal. All of the investigations found no basis for the scandal charge against Lyndon. In deed, they failed to show that I did anything illegal in the cotton allotment program.

Nevertheless, I was called before the Robertson County Grand Jury in June 1962. The family had requested the hearing because they refused to believe that Henry Marshall was capable of committing suicide. The Harris County Medical Examiner, Dr. Joseph A. Jachimczyk came from Houston and Marshall's body was disinterred for an autopsy. Dr. Jachimczyk stated before the Grand Jury, "I believe that this was not a suicide." The official autopsy results were introduced to the Grand Jury with a finding of probable homicide, possible suicide. I was called to the witness stand and in every instance, I pled the Fifth Amendment (refused to answer based on self-incrimination). You see I knew the truth. The Grand Jury ruling was death by suicide.

Present at that hearing was Captain Clint Peoples of the famed Texas Rangers. Clint was a true gentleman and a great lawman. As I left the Grand Jury hearing Peoples approached me and said, "Billie Sol, I know most of the real story and so do you. Some day you will tell me the whole truth."

By 1979, Peoples had retired as head of the Texas Rangers and had been appointed United States Marshall for the Northern District of Texas. United States Marshalls are responsible for transporting Federal Prisoners and overseeing the Federal Witness Protection Program in addition to other duties. I was sentenced to my second prison term in a Dallas Federal Court. Marshall Clint Peoples decided to transport me from Dallas to the Federal Prison in Big Springs, Texas. We made the trip by car and during those six hours we talked about a variety of subjects including Henry Marshall. Peoples stated that he had continued to investigate the Marshall death and knew the truth. He asked that I set the record straight. While he never threatened me directly with prosecution, he asked that I give the Marshall family peace of mind. Henry

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Marshall's wife and son were still fighting to clear his name. He appealed to my Christian upbringing, my roots and my honor.

Over the next few years, Peoples visited me in prison and continued to discuss the Henry Marshall case with me. I grew to respect his intellect and his bulldog approach to learning and disclosing the truth. I finally agreed to give testimony under a grant of immunity. Clint Peoples arranged the Grant of Immunity with District Attorney John Pascal and in 1984 I went before the Robertson Grand Jury again. I answered all the questions that were asked. Many of you will read this book just to see what I said. Several direct quotes from the Grand Jury Tapes are used in this book. I hope you take time to learn about this Texas farm boy and why I did the things, I did. Yes, I did testify that President Lyndon Baines Johnson was involved in the murder of eleven people including President John Fitzgerald Kennedy.

Chapter Two

I am Billie Sol Estes, the Texas wheeler-dealer. The first deal that I remember making was with my father at age seven. I convinced him to give me a ewe for Christmas. I had this vision of a large herd of sheep. My vision came true as that ewe formed the foundation of my first large farming operation. The National 4-H Club named me the outstanding Young Farmer of America in 1943 for my farming success. President Franklin D. Roosevelt presented me with a chest of Silver. I always envision my future and follow-through with hard work to make it true. I am known as the King of the Wheeler-dealers of my generation. If I am alive as you read this book, I will make a deal today. It is in my blood and a direct result of my upbringing.

My ancestors believed in God, Family and Country in that order. I was raised in the Church of Christ. The Church of Christ believes only its members will go to heaven. The scriptures are taken literally. The Bible says make music with your voice, therefore, there are not any musical instruments used in the worship service. The Bible says works saves you. Therefore, you must work and earn your way to heaven. The devil is always working to lure you away from Christ.

As a baby, my parents took me to Church at least three times a week-Sunday morning and evening services plus Wednesday night. When I was around two years old, I attended Bible study on Sunday morning. Before the worship service each child made an individual choice to serve God or the devil. My choice was made early in life to serve God. My church took the Ten Commandments literally. Sex was taboo until you were married.

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Marriage is a sacred vow and adultery is a sin. You are to avoid all temptations of the flesh. Later in life, I refused to let boys and girls swim in my pool together. Each sex would take turns swimming for an hour. Desires of the flesh are a temptation of the devil. When President Jimmy Carter said that he sinned by looking at Playboy and lusting in his heart, I understood exactly how he felt.

In my youth, we attended Bible School for a week each summer. Bible School was an intense week of reading and memorizing the Bible. Since I have a photographic memory, I always excelled at Bible School. Revival week, "meetings" as we called them, was another church ritual. It was normally held two or three times a year. There was always a visiting preacher with a fire and brimstone message. He would make you feel guilty for every small sin and make you fear God. Revival time was used to gain new members for the church by either converting the members of other churches or saving souls for the first time. I was saved and baptized during one of the revivals. The revival was conducted in a large tent. In some towns, the city owns a large wooden structure called a tabernacle for all the churches to use. We do not speak in tongues and do not roll in the aisles in rapture. We left that kind of behavior for groups known as the "Holy Rollers."

When I was young my church had one very large fault. They believed the Negro was marked during the time of Cain and Able. When I had great material wealth, I refused to give money to colleges, which practiced segregation. I have paid for the education of over one thousand black students during my lifetime. I gave money to Dr. Martin Luther King Jr. for the civil rights movement. It is wrong to discriminate against any man because of the color of his skin or the language he speaks.

Family heritage or roots are very important to me. Roots determine your ambition, your drive, your pride and ultimately your success in life. My Great Grandfather, William Newton Estes, was born on August 8, 1831 near Fort Payne, Alabama. He was not extremely rich but he did own land and had some slaves. When the Civil War started, he joined the Confederate Army without hesitation. He believed in each state's right to govern its citizens according to majority rule. He rose to the rank of Colonel and died in the winter of 1863 in the Battle of Chickamauga. His

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wife and my Great Grandmother was Christie Allen McCampbell Estes. At the time of his death, they had five sons and two daughters.

The Union Army defeated the Confederate Forces in 1865. Southern life was ruined. The large plantations were broken up. Land was taken from owners and given to Yankees. Many survivors moved to the western frontier. At that time, Abilene, Texas was just beyond the western frontier. There were still hostile Indians within a hundred miles. Indeed, the last Indian fights occurred during the early 1900's. This was also the badlands area, where deserters from both sides of the Civil War had come to escape capture.

Knowing all of this, Christie Estes loaded her seven kids in a wagon and headed for Texas. She sold what was left of her belongings to raise money for the new life. She was lucky and joined a wagon train in Alabama for the nine-hundred-mile trip. On a good day, the wagon train would travel twenty miles. The trip took almost three months. If you have never ridden in a wagon, you can not possibly realize the discomforts of the trip. This wagon was not one of the big Conestoga schooners and did not have springs to soften the bumps. They were lucky in that a trail existed for most of the way. Only the girls would fit into the wagon to sleep at night. The boys slept on the ground underneath the wagon. If it rained, you slept huddled together in the wagon. If you broke something on the wagon, you repaired it. If you wanted fresh meat, you killed a wild animal. If you wanted fresh berries or vegetables, you had to find and harvest them. Most of the time, you ate whatever you could make from beans, flour and rice, The boys took turns with the other wagon families in hunting parties and watching for thieves and Indians.

The wagon train arrived in what is now Clyde, Texas in the middle of summer 1868. My Great Grandmother decided to stop there and left the wagon train when a wheel broke on her wagon. Her first night in Clyde was spent underneath a tree where the Church of Christ currently stands. She stopped because there was a general store and several large ranches in the vicinity. The boys found jobs on the ranches as cowhands. The girls and my Great Grandmother found jobs as cooks on the ranches. My Great Grandmother began to trade in land and soon they settled into a

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stable life. My family has been in the land business every since. My brother, Word Estes, currently operates the real estate operation in Clyde. Formerly it was run by my dad, John Estes.

The ranchers of Texas and Oklahoma used the Chisholm Trail to drive their herds to the railheads. It had the necessary water and grass for the long trip. Most cattle were driven to the railhead at Kansas City, where the cattle were sold to the packinghouses for slaughter. Clyde was very close to the famous Trail. Several of my ancestors actually drove cattle up the trail. The first frontier rail lines opened in Fort Worth in 1885. This later extended through Clyde and Abilene to El Paso.

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Clyde is located about 130 miles west of Fort Worth and 16 miles east of Abilene. It is on the edge of West Texas. The terrain is rolling hills. The native trees are mesquite, oak and pecan. The area has several small creeks, which forms ponds in some areas. The temperature range is from 10-110 degrees Fahrenheit. The summers are dry and hot. Most of the rain comes in the fall and spring. Winter temperatures can vary over a wide range on an hourly and daily basis. When a blue norther blows in from the Rocky Mountains, the temperature can drop fifty degrees in an hour. While snow falls on occasion, the most likely precipitation is sleet or frozen rain.

The area does have prickly pear plants. These plants consist of interconnected leaves about the size of your hand. Each leaf has long thorns scattered around the surface. A typical plant would be about three feet in diameter and around two feet high. They have multiple yellow blooms on the leaf during spring. A pear shaped fruit replaces the bloom. The Fruit turns a deep purple as it ripens. The pear is full of seeds and tastes good on a hot day. The problem is getting them without getting thorns in your hand. During the pioneer days, they were primarily the home of wild animals.

The area around Clyde from Abilene to Fort Worth was settled by Confederate sympathizers. Several of the towns and counties are named after Confederate Generals such as Granbury and Hood. Several of the notorious western outlaws, such as Jesse James and Sam Bass, were regular visitors to the area. Some believe that Jesse James is buried in Granbury. There is also a story of John Wilkes Booth, the assassin of President Abraham Lincoln.

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According to legend, he did not die in Garret's farm in Virginia but escaped to live in Granbury as John St. Helene and later committed suicide in Enid, Oklahoma. While in Granbury he ran a saloon adjoining the local opera house.

To survive in this new life, my Great Grandmother became an active trader. Anything she had was used to trade up to a better life. She was also a very brave woman. She instilled in her children a desire to succeed. She was a God-fearing woman and made sure all of her children went to church. Her fourth son, Solomon Burns Estes, was my grandfather. He worked as a cowhand until he began trading and eventually bought a small ranch. I guess he was the first male wheeler-dealer in my close ancestors. Solomon Estes married Allie Vandelia Hancock on January 8, 1869 in Baird, Texas and they had seven children. Their sixth son, John Levi Estes, is my father. He was born September 20, 1900 near Clyde. Solomon Estes insisted on all of his children going to school. My father attended Abilene Christian College and studied to be a minister. My Uncle, Solomon B Estes, Jr. became a respected physician in Abilene.

My father, John Estes, Sr., was a dedicated Church of Christ member. During his early years, the main source of social life was either the church or barn dances. A barn dance is just what it sounds like. On a ranch, the barn is normally the biggest building. It was big enough to store the grain and hay needed to feed the cattle during the winter. Today, hay is mechanically baled into large bundles. In those days and throughout my childhood, the hay was hauled by wagon to a barn and stored loose. A large ranch would have several barns located in areas close to the cattle feeding ground. The barns were filled in the summer and fall for use in the winter. The ranchers would take turns in having barn dances. Most of the time, each family brought some food and shared with everyone. These were also called covered dish suppers. The entertainment was usually neighbors with guitars, fiddles and home made drums. Occasionally, a traveling band would play. They had the same instruments but were better singers and players. The churches would also have box suppers and cake walks. At these, each single girl would bring either a box supper (picnic basket) or a cake. The single men would bid on the box or cake for the right to eat it with the girl. The money went to the church.

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One night my father went to one of the local ranches for a barn dance. Since his religion banned him from dancing, he could only watch from the outside. This particular night he saw a beautiful young lady, who was the best dancer in the barn. He asked around until he found out her name, Lillian Coffman. He knew she was the one for him. He went to her ranch the next day and introduced himself to her. He asked her father for permission to court her. They were married on June 10, 1921 in the Church.

Dr. Jack Estes, my dad's cousin, delivered my older brother, John Levi, Jr., at my Uncle Sol B. Estes's house. Dr. Jack was my grandfather's cousin and the first of many doctors in the Estes line. John L was the most serious of us kids. Two of his children are dentists, one of whom is both a dentist and a doctor. His granddaughter is a dentist. John L. always worried about everyone else.

My father was a tenant farmer at the time he decided to move to the Texas Panhandle near the town of Allen Reed. Land was three dollars per acre there and he wanted to buy some but my mother did not like the area. I was born in Allen Reed on January 10, 1925. I was born during a "blue norther" or blizzard. They called it a blue norther because the wind and snow came from the north. The sub freezing temperature would chill you to the bone and turn your face blue. My father rode his horse to the neighbor's house to use their telephone to call the doctor. Mother was in labor for almost twenty-four hours. I weighed three pounds at birth. The Doctor called me "Blizzard Bill." My mother liked it so much that she named me Billie Sol Estes. The Sol came from my uncle and my grandfather.

My father raised hound dogs for hunting wild game and making money. He had to sell some of the hound dogs to pay the doctor for his services. I always say "There is no where to go but up when you been traded for hound dogs when you are born." Wheeler-dealer is in my blood.

My sister, Joan, was also born in Allen Reed. Shortly after her birth, we moved back to the Clyde area. My father purchased 320 acres from his uncle John Morrisett for \$67 per acre. The land was located near the small community of Hamby. My mother was happy, because she wanted her children to go to Abilene Christian College.

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My brother, Bobby Frank, was born in Hamby. He was quieter and less outgoing than John L and me. He was my alter ego throughout his life. I was the dreamer, he was the doer. I would describe the painting and he would paint it. In our childhood, I was constantly getting him in trouble. If I thought something I wanted would get me in trouble. I let him do it. In a way, he did that his entire life.

My father was a very stern man. He was not as creative as my mother, but he made up his mind and stayed with it. His philosophy about raising a family was very simple. Everyone contributes. My mother raised hens for the eggs and churned butter. Every child was assigned chores as soon as they could walk. When a child was able to earn money for the family, he went to work. We were poor but we never realized it for there was always food on the table and a roof over our head.

We were taught to work hard, worship God and respect family and country. In our religion, anything was possible if you prayed and worked hard enough. My father and mother believed that all men were created equal regardless of race, color, or creed. Equality was not in our religion but my parents had the good sense to recognize it.

During my childhood the entire family was always busy working. Bobby Frank, John L and I would play cowboys and Indians occasionally. John L was always the Sheriff. We would go fishing and hunting together.

At an early age, my mother recognized my ability to remember things. My mother would read a book to me one time. I could recite the entire book from memory to my brothers and sisters. I have a photographic memory. Looking back, you have to wonder how I had all those memory problems during my legal difficulties.

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I attended school in Fairview, Texas, in a two-room schoolhouse. Most days we walked the two miles to school. My first teacher was Mrs. Thelma Berry, the wife of our neighbor. During my first year, she found that I could perform complex math problems in my head. I never bothered to write the problem down.

A typical school day for me began at 3 a.m.; I walked to our neighbor's dairy to assist in milking the cows. I was back home in time to do my home chores, eat breakfast and walk to school. Even today, I am up at 3 a.m. and cooking breakfast for everyone in the house. I think the clearest in the morning. Before everyone else gets up, I have my day planned and am ready to go. This habit is very good for business. I am the early bird and most of the time I get the worm.

Christmas was always a fun time. It was the one time of the year when we would have fresh oranges and apples. My father would purchase a box of each the first week in December. We also had plenty of pecans, walnuts and peanuts. We took turns roasting the peanuts on the wood stove. Each Christmas my parents asked each of us to write a letter to Santa Claus. We could ask for one toy and clothes. The boys usually asked for guns and the girls asked for dolls. Mother would make clothes for the dolls. Each of us would hang a stocking on the wall and Christmas morning, it was filled with fruit, cookies, nuts and home made candy. My mother could cook the best divinity and chocolate candy. Divinity was reserved for Christmas. It was white with pecans inside it. Christmas day was spent at my Grandfather's house with all my relatives. Christmas dinner was turkey, baked ham and sweet

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potatoes. Each family brought pies, cakes or cookies for dessert. Christmas was my favorite time of the year.

When I was seven years old, I asked Santa Clause for a ewe. I asked my parents for the lamb repeatedly. On Christmas Eve, mother loaded us in the Model A Ford and took us to Clyde for the Christmas parade. When we returned, the Christmas tree was up and all our presents were underneath it. Mine was outside tied to a tree---the ewe. I named the ewe, Merry, from Merry Christmas of course. The ewe was the first part of my grand plan. I knew other farmers did not like to nurse lambs when their mother died. I let everyone know that I would take all orphan lambs. Mr. John Berry, husband of my schoolteacher, and another rancher, Homer Kennard, let me have all of their orphan lambs. They also let me cut the wool off all the dead sheep. In a year's time, the wool and lambs can become significant. I used Mr. Berry's ram to breed my ewes. I worked at a dairy to get more money to buy more ewes, and soon I had accumulated a large herd.

By the time I was nine, Mrs. Berry was letting me skip school to go with her husband to livestock and wool sales. I was a better trader than he and I could do all the calculations in my head. Of course, I had one big failing in school writing. My sister, Joan, did most of my reports. Mike Cochran, writer for the Associated Press, always claimed that I could murder the English language better than anyone else could.

Sheep raising is not as easy as it may seem. By the time I was 10, I had over 20 ewes. These ewes were producing around thirty lambs each year. Sometimes the ewe would have difficulty in delivering the lamb. This would mean I had to deliver the lamb by putting my hand and arm into the uterus and pulling the lamb out. Try doing that and then eat breakfast. I always kept the ewe lambs and sold the male lambs for meat. This meant each male had to be castrated. The method of doing the castration varied. If you cut out the scrotum with a knife and removed the testicle, there was the risk of worms. The preferred method was to break the cord going to the testicle without breaking the skin. The testicle would eventually shrivel up and die from lack of blood. We would break the chord to the testicle by biting the cord through the scrotum sack. This was not a pleasant task. I made a game of it for Bobbie Frank and he did it most of the time. Each day, I had to feed the

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sheep and check them for any disease. As the herd grew, it was more difficult to move the sheep around. I eventually traded for a sheep dog. He was trained to herd the sheep, I could point to a sheep, and he would cut it out from the herd.

Spring was sheep shearing time. We waited until late March or early April until the cold weather was gone. We used a special shear to cut off the wool. The shear was a large scissors and was operated by hand. We caught each sheep and held it down to cut the wool off. It was hard work but not dirty. The dirty work was cutting wool off dead sheep.

I also traded for hogs and cows. Hogs required a different kind of care. They do not forage for food as cows and sheep do. This meant you had to slop (feed) them. They would eat anything, so all of the house scraps and bad milk could be given to them. I made a deal with John Berry for all of his bad or spoiled milk. Later, as the herd grew, I made deals with local cafes for their garbage. The garbage was mixed with grain to make sure the hogs did not get too fat. A fat hog does not make good bacon or ham.

Each year, we butchered two hogs for meat for the family. Hitting them in the head with a sledgehammer and then cutting the throat killed the hogs. The sledge hammer only stunned the hog. By cutting the throat and hanging them in a tree, the blood would drain from the body and not contaminate the meat. All of the boys in the family were responsible for killing the hog and then dunking the body in a steaming hot pot of water. The water was heated outdoors in a large barrel over a wood fire. We would lower the body into the water and then pull it out and scrape the hair off. The hair was removed before any cutting was done on the body.

My father did most of the butchering. The hams and bacon were salted and hung in a smokehouse to cure. In those days, we did not have frozen food freezers at home. The intestinal lining was used as a casing for sausage. The sausage was made from the scraps. The skin and all of the fat pieces were then rendered to make lard. Rendering was done in an outdoor pot over a wooden fire. After the rendering was complete and the lard poured into jars for storage, the leftovers in the pot were used for two things. First, the crisp skin was either eaten as cracklings as a snack or put in food. Second, the miscellaneous stuff was cooked with lye to make lye soap. The lye soap was used to wash clothes and for

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bathing. You have not had a bath until you have felt the sting of lye soap.

A few other notes on life during that time: The toilet was an outhouse. Ours was a two holer and our toilet paper was old catalogs or newspapers. We had to move the outhouse every so often. This entailed digging a new hole for the sewage and moving the old house over to it. Our baths were taken either in a stock tank during the warm weather or in a number 2 wash tub in the kitchen during cold weather. We heated the water in a pan on the kitchen stove. For the first few years, our kitchen stove was wood fired. I will never forget our first kerosene kitchen stove. My mother did not like it for a long time. It did not cook the food right according to her. We could not see any difference.

The heat for the house was a wood burning stove. This meant- we had to cut the wood and that the only heated room was the one with the stove in it. The stove made for a much closer family. We didn't play card games much, because the Church of Christ didn't approve, but dominoes were OK. Until President Franklin Roosevelt and Lyndon Johnson created the Rural Home Electric Cooperation, the homes used either candles or kerosene lamps for light. We did not get electricity until 1946 in Clyde. Some of the richer people did have natural gas lights if they were lucky enough to have a gas or oil well on their property.

Chapter Five

When I was nine years old, I joined the 4-H club. The 4-H Program was founded sometime between 1900 and 1910 to provide local educational clubs for rural youth from ages 9 to 19. It was designed to teach better home economics and agricultural techniques and to foster character development and good citizenship. The program, administered by the Cooperative Extension Service of the U.S. Department of Agriculture, state land-grant universities, and county governments emphasizes projects that improve the four H's: head, heart, hands, and health. I learned about new techniques for raising livestock and crops. As part of the program, you kept financial records of your projects. This program is still in existence.

The Future Farmers of America was another organization for young farmers and it was part of the high school curriculum. I chose to stay in the 4-H Club. Each county had an annual county fair. The county fair included livestock judging, rodeos and a midway with carnival rides and side shows attractions. There were also regional and state fairs. I exhibited my livestock at the county level and at the State Fair in Dallas and the Fort Worth Livestock Show in Fort Worth. I won a bundle of blue ribbons for my hogs, sheep and steers. More importantly, I was able to go the big cities without my parents. The chapters went as groups with the extension agent as a chaperon. Bobbie Frank raised show stock so he and I were alone in the big city.

Our first time at the state fair was for the 1936 Texas Centennial and World Fair in Dallas. I had never seen so many people in one place. Bobbie Frank wanted to spend his time in the side show and carnival ride area. I convinced him to spend time

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with me talking to the other farmers and ranchers. I was interested in buying some cows and wanted to get all the information about the different breeds. I saw some of the first King Ranch Santa Gertrudis. The King Ranch was the largest ranch in the world at that time. They had developed their own breed by crossing normal beef animals with the Brahma breed. I met Robert Kleberg, head of the family, and a United States Congressman. In later years, I would meet Kleberg as an equal and he remembered our conversation at the World Fair. I later learned that Lyndon Johnson was working for Kleberg at that time as a congressional aide. Kleberg suggested it was too early to try the Santa Gertrudis in the Clyde area. I decided to buy Hereford cattle after talking to everyone. It was heartier and well adapted to the weather in the Clyde area. When I returned to Clyde, I traded for some Herefords and began to build my cattle herd.

When I was nine, I started my first business outside of livestock. The government had an assistance program to pay for the removal of prickly pears from the ranch land. The prickly pears were a real nuisance except during drought years. They occupied space, which could grow grass. They also used more water than grass. The government would pay the rancher a set fee per acre to remove the prickly pears. The Department of Agriculture Extension Agent would survey the land and determine the allocation for that particular ranch. I approached the ranchers with the offer to clear the land and let them keep 20% of the money. I paid my brothers and friends fifty percent of the money and kept 30% for myself. The percentages varied with the job and time but I worked that program for over twenty years. It was my introduction to government programs.

This same year, I asked my father to let me hire my brothers and sisters to do my chores around the house. I wanted to spend more time trading with the neighbors and making money outside the farm. He agreed and thus I began my career as a wheeler-dealer. I bought and sold hogs, sheep and cows on a regular basis. I would trade for anything of value. Soon, I was getting furniture, wagons, trailers and farm implements.

By the time I was eleven years old, I had a bank account and was getting loans at the bank. On the first loans, my grandmother was a co-signer. I always paid the loans off on time. Later, I could

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walk into the bank by myself and explain the deal to the banker, Bob Norrel. Most of the time, I obtained a loan without my father. I learned at a young age the value of good credit and leveraging your assets. Homer Kennard, a rancher, liked me for some reason and he would loan me money from time to time. He also gave me a lot of good advice.

My childhood occurred during the great depression and then the great dust bowl. First the Republicans under President Herbert Hoover messed up the economy and made the rich richer. Then the weather turned the land into a blowing dustbowl. I forgave God for the dust bowl because he has to test our faith and that was one big test. We came out of the dust bowl years stronger Christians and human being. On the other hand, I will never forgive the Republicans for subjecting us to President Herbert Hoover.

The great depression increased the power of the wealthy and made beggars of farmers. In 1932, Franklin Delano Roosevelt was elected president. His programs improved the farmer's life. He implemented Social Security for retirement, although the current program is different than originally intended. The original program was meant to supplement savings accounts.

My schoolteachers said the government was supposed to help people in time of need. All you had to do was ask. During the Great Depression, the drought was decimating the farmland. The ranchers were running out of feed for their livestock. When I was fifteen, I wrote to President Roosevelt and requested a list of programs to help my neighbors. Included in the list he sent me, was the surplus grain program. The program was designed to take surplus grains from one area of the country and make it available at below market prices for farmers and ranchers in distressed areas. I approached my banker, Bob Norrel, with a business plan to purchase grain from the government and resale to the ranchers. He approved a loan of three thousand five hundred dollars for the down payment. I placed an order for seventeen train cars of grain. To put this in perspective, my father was making less than three thousand dollars in an entire year. Yes, I had guts, vision and ambition:

The Agricultural Department sent an inspector to Clyde before approving the purchase. He went to my dad's farm and asked for Mr. Estes. Dad said, "Oh, you want my son, he is in school." The

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USDA official thought I was a teacher but Dad cleared it up, "He is a student." Of course, the USDA man was having second thoughts about approving the purchase until I handed him the check for \$3500.00

Now you might wonder how a fifteen-year-old was going to sell the grain, make money and payoff the loan. First, I printed handbills advertising the grain and passed them out to the farmers. By the time the train arrived in Clyde the farmers were waiting in line. I hired boys from the football team to assist me and we loaded the farmer's sacks for them. Some we even delivered in a trailer attached to my convertible. Yes, at fifteen I owned a car and did not pay a cent for it. I traded some odds and ends.

I sold out that trainload and several more. I sold over three million pounds of grain that year. The farmers saved about fifty thousand dollars (\$50,000) over the normal price at the feed store. I repaid my bank loans and made a healthy profit. In addition, the grain for my sheep cost practically nothing. Since I could get low priced grain, I began trading for more livestock while other people were getting out. My herd at that time numbered more than one hundred (100) sheep, more than 40 head of cattle and a lot of pigs. I started out leasing land from my father and ended up leasing land from other ranchers. My operation was too big for our farm.

My childhood sweetheart was Patsy Howe. If I was not making a deal, my mind was on her. I will write more of our love and marriage later, but I now recognize that my first love was making a deal and my second love was she. Bless her heart, she stayed with me for almost all my life and she had to die for me to realize how much she really meant to me.

The deals made during my school days would make a firm foundation for launching my business career. At the age of 19, I owned over 100 sheep, about 60 Hereford cows, around 50 steers and some hogs. I sold most of the sheep and cows for \$3,000.00. I purchased 400 sows and feeder pigs. My sheep had made me about \$38,000 from its humble beginning with Merry. Each 4-H Club Chapter and State selected outstanding members each year. The state winner competed at the national level. Judging was based on leadership, financial success and contribution to farming.

In 1943, I was named the National Blue Ribbon Achievement Champion of the 4H clubs. That year, I was presented a chest of

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silverware from President Franklin D. Roosevelt. He presented it to me at the International Livestock Exposition in Chicago, IL. On April 25, 1944, I received the honor of speaking at the launching of the SS O. B. Martin at the Houston Shipyard. The ship was named after O. B. Martin of Carroll, Texas, the famed father of Texas Agriculture and former director of the Texas A&M College Extension Service. I was there to represent more than 100,000 4H-club members at the launching of the 10,500-ton Liberty Ship. According to the Houston Chronicle "Young Estes frequently borrows up to \$5,000 at any of the banks in Callahan County near his cooperative feed store in Clyde, even though his signature, as a minor, would not be accepted where he is less well known."

Chapter Six

During most of my school years, I really did not have much time for girls. I spent my time tending my stock and making deals. During my sophomore year, everything changed. That year, Patsy Dondalene Howe moved to Clyde. She was the first girl that I ever noticed. She had the prettiest legs that I had ever seen. She was quiet, shy but very intelligent, and beautiful. I knew from the first minute that I was in love. At least I had never felt that way about anyone or anything. As soon as I could work up my nerve and with the encouragement of all my brothers, I decided to ask her for a date. As usual, I had to delegate the asking to someone else. I chose Bobby Frank to ask her for the first date. I knew he would do it right. After that first date, neither of us would ever date anyone else. I guess I liked her because she never stopped listening and I never stopped talking. Except when she said something, I knew I had better listen. My children get tired of hearing of it but "I always knew a good deal when I saw one and she was the best deal I ever made.

We were true childhood sweethearts. In our senior year, we were chosen King and Queen of Homecoming. From our junior year on, we knew we would eventually marry.

Since I was seven years old, I have supported myself. By the time, I was in high school; I carried more money with me than most families had in the bank. I always worked and made money but I believe in sharing. Even in high school, I bought lunch for everybody who did not have money for food. That practice has been with me every since. Our kitchen is always open to anyone who is hungry. I do not know how many thousands of dollars; I

CHAPTER TWO

have spent supporting food kitchens. I have some times been compared to an Italian father. I love to cook and I love to feed people. I have a talent for making money and giving it away gives me pride.

When World War II began, John L joined the Air Force and flew B-17's. He even found time during a training mission to swoop down on my mother as she was hanging out clothes to dry. She was afraid of the planes until John L wrote that he was flying it. I tried to join the armed services but one leg was shorter than the other. As a child, I had a bone disease, Legg-Perthes. I have back pains because of the disease. In 1944, I joined the Merchant Marines, as they were the only service that would take me with the handicap. I turned my farming enterprises over to my father and brothers, while I was away. I served on the ships ferrying soldiers across the Atlantic. I remember going into Le Harve, France after the end of the war.

Chapter Seven

While I was in prison in 1981, I became sick and needed to be hospitalized. The Veterans Administration claimed they could not find my records. To me, it was just my government punishing me for not talking. The records were finally located and now I enjoy veteran's benefits.

While I was away, I wrote Patsy almost every day. I needed her so much. I was bored by life on the ship and passed time by trading with the other marines. I brought home many souvenirs. When I was released in 1946, my first act after checking on my livestock and the second was to ask Patsy to marry me. On July 14, 1946, Patsy and I were married on the ranch of John and Thelma Berry. I really did not want to waste money on a wedding, and John and Mrs. Berry suggested we marry on their ranch. Patsy planned a big honeymoon trip to Ruidoso, NM. I was not really into taking all that time off from making money but we started in that direction. Our first night was spent in the Windsor Hotel in Abilene. It was also our first time to make love. We had lived up to our church commitments and waited until we were married. You very seldom hear of virgins marrying today. The next day we drove to Sweetwater about 40 miles from Abilene and stayed in the Bluebonnet Hotel. That was enough time off for me. I promised Patsy we would have a big honeymoon trip later.

After our marriage, we lived with Grandmother Coffman for a few months then rented an old house in the country. . When our first daughter, Pamela, was about to be born, we moved into Clyde. Patsy was rearranging the furniture, when she began to have back pains. I rode to the house on a tractor and drove her to the hospital. Pam was born prematurely.

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This all happened about the time that I began the barracks business. Bobbie Frank and I were making a good living clearing prickly pears from ranches. I had my livestock but it was time to move on to bigger things. I heard about the barracks business from Cliff Carter. I had met Cliff at an agriculture meeting in Abilene. He seemed to like my way -of doing business and would call me occasionally to talk. I found out later that he was building a network of people all over Texas for Lyndon Johnson. Lyndon was a United States Congressional Representative and was getting ready to run for Senator. Carter told me about the military base closing. The barracks and other building were sold to private investors for removal from the bases. He gave me the contacts and information of bidding. We were always the first to inspect the buildings and meet with the agent. Carter and I were partners in the buildings purchased from the Bastrop Base.

With the end of World War II, many soldiers were coming home and starting families. This resulted in a housing shortage in most parts of the country but most particularly in the South and Southwest. After the war, construction materials were in short supply. The barracks could be cut into smaller buildings and sold as single family homes. One condition of the sale was that they could not be sold in the town where the base was located. This meant that we could buy barracks in Brownwood and sell them in Abilene. We could buy the barracks in Abilene and move them to Brownwood. We turned this operation into our first true family business. Most of the barracks were bought at public auction, but we were able to buy a lot of them without competition.

The whole family worked on this project. Mother decided on the conversion plan for each building type and drew up the blueprints. We would survey the base and decide on a fair bid price. Bobby Frank would be the front man and negotiate the purchase. If we had to bid on the buildings, my mother thought he was able to blend in with the crowd. I was always a little too flamboyant. My father would oversee the moving and selling. Bobbie Frank oversaw the construction. My job was to secure all the financing, both for the initial purchase and the home mortgages for the buyers. I am not sure how many thousands of homes we sold. We did this business for over ten years. We sold homes from Tennessee to California.

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I arranged most of the financing from various church college endowment funds. They proved to be a reliable source and the mortgage paper was a safe investment. Needless to say, this was a very profitable business. The barracks were cheaper than new lumber and the labor was less than a new home. Our prices were about the same. We could supply the home and the financing.

I continued to share my wealth with various partners. I had learned from my prickly pear days to always make everyone a partner. Carter notified me of scheduled closings. I later found out the information was coming from Lyndon Johnson. I gave Carter money to share with his partners, which resulted in fewer bidders and a lower price for the barracks.

I was using trucks to move the barracks and soon I could see benefits in having a relationship with the Teamsters Union. Teamster Union President Jimmy Hoffa became a good friend and partner. Years later, he would offer to loan me twenty million dollars to buy my way out of the 1961 troubles. He was murdered because he became too greedy. At least, that is what Vito Genovese, New York mafia chief, told me years later.

As our businesses began to flourish and more money was available, we would use private planes to survey the barracks. Mother and Bobby Frank would fly into a town and close the deal. My Father would arrive later with the moving crews. In 1954, I met then Governor Frank Clements of Tennessee at a Junior Chamber of Commerce function. We partnered up in the barracks business with an emphasis on Tennessee and Louisiana. This partnership lasted almost six years. It ended as the supply of barracks dried up. We were friends until his death.

My farming operation was growing larger and requiring more attention. I had a small irrigation operation and recognized the future of farming in Texas was irrigation and improved productivity. On one of my trips to El Paso for the barracks business, I stopped in the little town of Pecos. About the only thing I knew about Pecos was from an old folklore poem about Pecos Bill. Pecos Bill was larger than life and somewhat like a western Robin Hood. I was eating a hamburger in this little cafe and starting talking to a local farmer. It seems some irrigation was going on in the county but costs were still too high. I drove out to

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his place and sure enough his grain and cotton was chest high and the prettiest sight I had seen since Patsy's legs.

I loved Patsy very much but my mind was always on the deal. While I was in prison, we wrote to each other constantly. When I could not make deals, my mind was always on her. When she became sick for the last time, I was making deals. The doctor said she had less than fifty percent chance to live. I refused to accept it. Later he told me her chances were less than twenty five percent and recommended removing life support equipment. I refused to accept it even then. I spent day and night with her for almost six weeks. She was in a coma but I talked to her. I know she heard me. I told her of my love and how terrible life would be without her. I know she felt my love. For the first time in my life, I did not feel like making a deal. I was in the midst of writing this book and I could not concentrate on it. Patsy was so unselfish. She devoted her life to the children and me.

Chapter Eight

One business we started early was grain hauling. The farmers needed to haul their grain to the market. We used some of our trucks for that business. Since grain hauling was seasonal, we could slow down the moving of barracks and concentrate on grain for a short time. I would negotiate the contracts with the farmers. One day I was talking to Dub Cook about hauling his grain. He owned a small, irrigated farm near the town of Earth. While we were talking about grain hauling, he mentioned that he was tired of farming and wanted to move to town. . By the time I left that night, I had swapped my house and lot in Clyde for his house and farm. This was my first experience in irrigation and I knew it was not going to be my last. Irrigation could turn barren desert into a desert paradise. When God forgot to make rain, you could still make a crop.

I had a vision that night of a large irrigated farming operation. I could see row after row of chest high cotton stalks. The plants were covered from top to bottom with white fluffy cotton bolls. I could see big irrigation pumps with blue cool water flowing down cement lined irrigation canals. I could see large storage tanks for anhydrous ammonia fertilizer. I could see a big cotton gin with bales of cotton stacked around it. In the distance, I could see grain storage buildings with elevators and a mile long string of railroad cars waiting to be filled. Every where I looked, I saw "Estes Enterprises" painted in big letters.

I woke up the next morning ready to move to Pecos. I called Cliff Carter and discussed the opportunity with him. I suggested I would need assistance in getting the operation off the ground. By

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this time, Lyndon Johnson was a United States Senator and Cliff was his man to see in Texas. He assured me of his and the Senator's support in every way possible. He added, "as long as you support us." I knew what he meant. They would be my secret partner in everything. Some have questioned our relationship and tried to find a paper trail. The object of having a secret relationship is to cover your tracks. Most of our conversations were over the telephone or in person. We transferred the money in cash. The reason the IRS could never find my "hidden" money was because most of it was in Cliff Carter's or Lyndon Johnson's hands.

Assured of Carter's support, I left for Clyde and a discussion with Patsy. I had a hard time waiting for the right moment to break the news to Patsy. Her family had moved almost every year when she was growing up. I knew she would want to stay in Clyde. I waited until after supper and we were alone. I explained my vision to her. I described in detail a big mansion for our family. I reasoned that I had always been able to make a good living. Then I told her the location of the new business and home would be in Pecos. She rolled her eyes upward and said something about a dry arid desert with nothing but coyotes and armadillos to see. She talked about the dust and the heat. At that time, we did not have air conditioning. She discussed leaving family and friends in Clyde. I reminded her again of my previous visions and successes. I told her the family would follow us out there. I had not talked to them yet but I knew they would. After all, we would only be moving 250 miles. Finally, she agreed to go because she loved me.

I did not deserve the love of such a fine woman. She is the only woman that could sexually arouse me. Over the years, I have had many women friends. I was attracted to them because of their intelligence. I have always been attracted to intelligent people. They are also attracted to me.

My siblings were all successful in their chosen fields. John L went to Abilene Christian College and received a Bachelor of Science degree and a teacher's certificate. After college, he taught school for a while and then decided to be a dentist. My father had paid his way, through Abilene Christian but could not afford the dental school cost. I told him to get admitted and I would pay the costs in some way. He was my family and family comes first. He was accepted at the University of Texas Medical Branch in

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Houston and I paid his expenses. After he graduated, he set up his practice in Abilene. During my prison time, he kept my family in food and shelter. He became the father figure to my children in my absence. He repaid me many times over. During all my legal fights, the government always suspected John L was hiding money for me. Nothing could be further from the truth.

My youngest brother, Word, is fifteen years younger than I am. He lived with us in Pecos after he graduated from high school until he married. He worked for us and joined my father in the real estate business in Clyde after I went to prison. Since my father's death, he has owned the real estate business. In fact, he is a pretty good trader. I have two sisters, Joan and Jean. Joan is married to Alfred Lastovica and they own a jewelry business in Temple. Wanda Jean is married to Kenneth Holcombe and still lives in Clyde, Texas.

Bobby Frank was my companion, my sidekick and business partner. He was my right hand man for all those years. He was very detail oriented. I described the picture and he painted it. We were together all of his life. When I went to Prison in 1965, it was the first time we were separated except during World War II. In 1966, Bob had an operation and within six months was back in the hospital. The doctors told the family that he had very little time to live. The warden gave me the choice of seeing him before he died or attending the funeral. The choice was easy. John L paid for my plane ticket from Leavenworth prison to Abilene. I was accompanied by a guard and only allowed to stay a few hours. When I walked into the room, Bob looked up and said, "Hi, Billie." It was as if we had never been apart. We talked, laughed, and cried together. As I left, he said, "We'll be together again soon, Billie." He died a few days later and is buried in the family plot at Clyde.

Chapter Nine

In 1951, I sold all my land in Clyde and Earth and left for Pecos. As we drove into Pecos, I had the vision again. I could see row after row of cotton. The cotton was chest high and covered with white bolls. I could see the big well pumps bringing water from the ground. The blue water was cool and flowing down irrigation canals. I could see workers all over the place. I could see big fertilizer tanks shining in the sun. I could see millions of dollars waiting for me.

When Patsy saw Pecos with its barren, dry land and weathered building, she wanted to turn the car around and head back to Clyde. She stood by me and did not say a word until later. We moved into a small house with some friends for a short time. Ironically, the house had been built from barracks but not from us. Then I traded for a small house, and later a larger house that was built on top of an old army swimming pool. The swimming pool was a few inches of water standing in it all the time. Since I wanted a basement, I converted and repaired the leak soon after we moved in. This house was expanded over the next few years until it was an 8,000 square foot mansion. When we came to Pecos, we had two children, Pam and Jan.

During the first month in Pecos, I joined the local Church of Christ and talked to every one in town about my plan. I have always been able to persuade people to believe in me. Those first *few* months meant the difference between success and failure. I learned who would listen and believed enough to assist me.

My habit of getting up in the morning at three a.m. really paid off. My first hours were spent on strategy for the master plan. I

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identified the major cost components in producing cotton and grain; land, water, fertilizer, labor; seed, equipment; and buildings. Under each of the main heading, I identified the cost elements and control points. I decided to build a vertical and horizontal integrated operation. I was determined to control my expenses by being a supplier to my operation and to other farmers. Now I am not going to say everything was clear to me. However, I can say that I was ready for any opportunity to present itself. I knew certain things would require careful planning. Other things would be targets of opportunity. My goal was to control cost and profit elements either by owning the supplier outright or having a working partner. The most important things were to have access to capital and influence.

The town of Pecos is in the county of Reeves. There is also a Pecos County. Both of these counties had a Department of Agriculture operation. Each County had an office manager and a governing committee comprised of local farmers and businessmen approved by the USDA. I made a point of meeting each committee member and all of the workers in the county offices. They would be important players in any agriculture program and in some instance, sole approval authority for contracts.

I started my famous gift list program during my first year in Pecos. Everyone even remotely concerned with helping me become a success were put on the list. Each Christmas I gave hams and turkeys to everyone. During the summer, some of them received cantaloupes. If I heard someone was sick and needed a little money, I gave it to them.

There were several farmers with small irrigation operations around Pecos. Their operations were small because the water pumps were powered by electricity. Electric powered pumps are too expensive for farming. You must understand we are talking about very large pumps capable of pulling water from a five hundred feet deep well at a rate of more than 5,000 gallons per hour. I decided to attack that problem head on and needed a large company as a partner.

The least expensive fuel for the pumps was natural gas. We did not have a distribution or collection system for natural gas. We could tap into an existing supply system from the oil companies. Most of the gas from oil wells was burned off. A pipeline system for distribution would require several million dollars. I contacted

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Cliff Carter and explained the situation to him. He called me later and told me to call Harvey Morrison at Morrison-Knudsen. They were a large pipeline construction company. Harvey was expecting my call and arranged to fly to Pecos the following week. We worked out an agreement in less than a week. Morrison-Knudsen would supply five million dollars to form Pecos Growers Gas Company for the construction and operation of the gas company. I was a minority stockholder and President. Gas power reduced energy cost by almost 75%. You had to be a fool not to convert and most of the farmers did. Of course, they bought their pumps and gas from me.

My proceeds from the Clyde operation were enough to buy 640 acres of land, clear the land and install irrigation. I began operation with electric water pumps, as the gas construction was not complete. I bought anhydrous ammonia to fertilize the crop and doubled my production over the other farmers. I borrowed \$50,000 at the local bank to plant the first cotton crop. I paid the loan off with the crop and had enough to finance the following year's operation. I did not borrow the money because I had to but rather because it was the prudent thing to do. I wanted my cash for flexibility in other investments. We were still buying and selling barracks, so we were making enough money to assist in financing other ventures. One of the falsehoods surrounding my legend was my arrival in Pecos with nothing but *a* battered old briefcase and *a* dream. That battered old brief case was full of money.

I always liked owning property. During the fifties, I built *a* motor court or motel in Pecos. I owned apartment houses along the coast of Texas and in Oklahoma.

Irrigation requires a distribution system from the water pump to the cropland. At that time, water was moved in ditches from the pump to the field. The water was distributed by flooding the land. Now they use sprayers to distribute water. The distribution ditches were concrete lined. This lowered the loss of water between the pump and the crop. While we were not paying for the water, it saved on fuel. I formed a company to contract with local farmers to build their ditches. The cost for my ditches was greatly reduced. This company was grossing about \$200,000 per year.

After my two successful years with fertilizer, the other farmers realized the value and began looking for fertilizer suppliers. I

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immediately formed a distribution company for fertilizer and arranged with Commercial Solvents and Pennsalt Chemical to be their distributor. I was determined to be the largest distributor in the world, even if it meant selling the fertilizer below cost for a time to get rid of competitors. In 1958, the average distributor paid \$90 per ton for anhydrous ammonia. He would add another \$10 for his overhead and profit. I had a lower cost than most but my price to the farmer was \$60 per ton if I was in competition. I wanted to run my competitors out of business. During 1958, my losses in fertilizer were over \$500,000. This money had been borrowed from Commercial Solvents. Maynard Wheeler, President, of Commercial Solvents asked me to come to New York to discuss the debt.

The New York meeting was a turning point in my career. I envisioned the opportunity to increase my empire by asking for more money from Commercial Solvents. I will never forget the look on Wheeler's face, when I asked for an additional \$400,000 in loans. He was expecting me to come with my hat in my hand and beg for additional time. I believe a good offense is the best defense. After he was over the shock, I explained my reasoning. \$125,000 of the additional money would be used for anhydrous ammonia to capture the market; \$225,000 would be used to expand my grain storage business. The total amount would be collateral by the government storage contract. In the end, he saw it my way. He realized he could control the fertilizer market through me. He knew we would raise the price to the farmers eventually. The final approval for the loan resulted from a conversation between Senator Lyndon Johnson and Wheeler. Johnson told him "If Billie builds the storage facilities, I will make sure they stay full" By the end of 1959, my debt to Commercial Solvents was around 3.5 million dollars.

As part of the fertilizer operation, I formed a partnership with Superior Tank of Amarillo to manufacture storage tanks for the farmers. We would give the tanks to the farmer in return for being their fertilizer supplier. My fertilizer business was done through several companies. Later, I would develop a method of using the farmer's credit to finance my expansion. This operation was legal and is covered in Chapter 4. The Justice Department made it appear to be a scam.

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Every farmer needed to buy tractors and other farm implements. John Deere was the largest manufacturer in the United States. When I heard the local John Deere dealership was in financial trouble, I negotiated a deal to assume their debt and took over the operation without any cash outlay. I arranged with banks in Midland, Clyde and Pecos to finance new equipment for my customers. The key to being a success was making the transaction simple.

As the farmers converted to irrigation, they needed additional barns and buildings to house supplies and workers. I formed a company to sell and construct metal buildings. The government would finance any grain storage building with a 2% interest loan. I was able to obtain approval for any building under that program. These approvals were made locally and my hams and cantaloupes paid off. The farmer could save money by purchasing through me. I contracted with the Worthington Company to build special irrigation pumps to sell through a new operation, Equipment Service Company.

These transactions all occurred during a five-year period. By 1956, I was able to supply the farmers with all their needs. My vision was becoming a reality.

In the meantime, I was buying as much raw land as possible. During my Pecos years, I purchased more than thirty-one thousand acres in Reeves and Pecos County. Some of this land was sold to other farmers for their use. This goes back to my original philosophy of being the only supplier to the farmer. I purchased most of the raw land at \$10 per acre. I sold it to the farmer as a turnkey operation. I cleared the land, installed the irrigation system, and sold them the pumps. I sold them the farming equipment and the buildings. At planting time, I sold them the seed and the fertilizer. Best of all, I could arrange for financing on everything. Some of the financing was from banks, some from my credit line. My deal on seed, fertilizer, and pumps from my suppliers was payment at the time of crop sale. This meant I could provide the same terms to the farmers and collect a financing fee.

I acquired most of the land by trading and talking. When I felt in the mood and heard someone was ready to sell a little land, I would put a bunch of money in my battered briefcase and go to his house. The best way to make a good deal is show up with cash. If

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the seller has to sell for whatever reason, the sight of cash will seal the deal at a lower price than a check. I would hand him cash, hand write a bill of sale, and do the other formalities later.

Pecos is in the heart of the oil country. Before too long, I had oil wells on my properties and acquired oil leases from the ranchers. My oil business was substantial but not big enough to have a separate company. Most of the little ventures were done in the name of Billie Sol Estes Enterprises. These included a trucking operation for hauling grain and livestock.

A little about the economics of raising cotton--on non-irrigated land, the average production was between one-half to three-quarters of a bale per acre. If you fertilized on non-irrigated land, you could average about one bale per acre. On irrigated land, you could use more fertilizer because the water is controlled during the fertilizer process. Since water could be supplied as required, the cotton production increased to almost three bales per acre.

In terms of dollars, the fertilizer and water cost about \$50.00 per acre, the seed and labor cost about \$100.00 per acre. Cotton was selling for an average of \$250 per bale. This meant a net profit of \$600.00 per acre. I bought my land for \$10 per acre and put another \$50 per acre into the land clearing and converting to irrigation. If you do the math, you understand the enormous profits made in farming during the time of low priced land. Surprisingly, the price of cotton is about the same today but the costs have gone up.

During this time, cotton and wheat was under an allotment system. These two crops plus alfalfa hay were the primary crops in the Pecos area. The allotment was based on prior production years. If the land was new to production, you had to negotiate with officials for a fair share. It is important to note at this point, that the local officials enforced the allotment. If you were allocated or allowed to plant 100 acres of cotton, the local official would come out and measure the acres after the crop was planted. If you over planted, he would make you plow it up. My cotton allocation was a little over 2000 acres. My special relationship with the local officials allowed me to over plant and not be penalized. Since your yield was reported to the Agriculture Department, my yield was

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always higher per acre than my neighbors (because my yield was based on the allotment acreage).

Since my roots were in livestock, I had a substantial cattle operation. I raised cattle for beef and milk production. Our dairy farm was the largest in the area with over 1000 cows in production. My excess farmland was planted in alfalfa grass and grains. Thus, I was able to produce all the feed for the cattle operation.

In the space of three years, I was the success story of the century in Texas agriculture. Everything I touched made money. Each successful operation was leveraged to provide expansion money into other businesses or to expand current ones.

Chapter Ten

You have to question how my success came so fast. After all, I was a millionaire before I was thirty. Back then, a million was really a million. Now it is just pocket change. My success came because I believe in taking risks. If the reward is worth the risk, then take it. My business philosophy is based on the Bible.

You win by losing,
Hold on by letting go,
Increase by diminishing, and
Multiple by dividing.

In other words, you must plan to lose occasionally to win, only through losing do you learn. You must let others have control because they will pay more attention to the details than you can. In other words--delegate. You increase by diminishing as the lord says give to the poor and you will be rewarded a hundred fold. I divided the proceeds with everyone. My calculation was 10% to charity, 10% to politicians and 10% for me. Cost usually consumed 70% but if I could lower the cost, the difference was mine.

In each of my operations, there was always a second in command with the authority to run the business. Bobbie Frank ran the farming operation and was involved in everything else as well. He was my troubleshooter. I would define the situation and he would take care of the details. My father was also my advisor and handled situations for me. By 1956, my accounting and business operation was in a dismal mess. I did not have the time to pay

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attention to such details. I remembered an old friend from Clyde, A. B. Foster. I would describe him best as an old maid. I mean this in a complementary way. He paid attention to every detail. He had previously worked for the Internal Revenue Service and Anderson Clayton. I made him my business and accounting manager. This was one of the biggest mistakes I ever made. He cheated me out of all my assets.

The labor for the farms was primarily Mexican Nationals or Braceros. At various times during the fifties, they were legal. I spent lots of money supporting legislation to keep the Braceros quota high. However, most of the labor pool was "wetbacks" or illegal aliens. I had a full time employee working to get green cards for the workers. For over eight years, I employed about 4000 Mexicans during the peak farming season. My farms had sleeping, eating and bathing facilities for the workers. I paid for their health bills. My workers were happy and healthy. Many workers would go to Mexico and return to my farms. Some of my neighbors exploited the workers and had a difficult time keeping a full work force.

Chapter Eleven

In the meantime, I was in contact with Cliff Carter on a regular basis. Lyndon had gotten him the job as United States Marshall for Southern Texas. He was still Lyndon's unofficial campaign manager in between elections and was building the grass roots political organization for him. Carter owned the Seven-Up Bottling Company in Bryan. Bryan was Carter's political base and the headquarters for the United States Department of Agriculture in Texas. He was very active in business and social groups. His access to the Department of Agriculture on a personal basis was very important to his political connections. As the Department was formulating new regulations, Carter knew the persons responsible and would assist in getting the most money from the programs. This access allowed him to design ways around regulations. As new county officials were nominated, Carter made sure the right candidates were approved. In my instance, I nominated farmers, who were my customers and owed me money.

Carter was a high stakes poker player. He played in several groups around the state on a regular basis. He had a poker group in Bryan with lower stakes. There were several employees of Texas A & M University and the Agriculture Department who were in the group. One of the first players was an obscure statistician named Henry Marshall. He would later play a big part in my life.

When I was young, my Uncle L. F. Coffman owned the only funeral home in Clyde. I worked part time for him and helped him embalm his clients. Three things convinced me to get into the business. First, I remembered the old saying-take care of your customer from the cradle to the grave. I was not in the birthing

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business with human beings but I could be in the burying business. Second, the funeral homes in Pecos would refuse to embalm minorities. One of my workers died and his family could not get him shipped back to Mexico. Third, I mentioned it to Cliff Carter and he explained the fringe benefits of running a funeral home. A friend recommended a coroner and I hired him to run the business. We converted an existing building into the funeral home. Soon we had a very profitable operation. The main profit elements are embalming, caskets and head stones. The difference in sales price between two caskets may be a thousand dollars but the cost difference is only a hundred. If a family had money, my salesmen were trained to sell the expensive models. On the other hand, poor families got the best deals. I buried every minority, who died in the Pecos area. I charged whatever they could pay. Most of them could not afford anything. I also transported bodies back to Mexico. A person should be able to return home when he dies.

Fortune Magazine, in July 1962, stated I had spent two hundred and fifty thousand to build the Colonial Funeral Home and had only buried seven people. Both numbers are wrong by several digits.

There are many fringe benefits to owning a funeral home. Did you ever hear of a sheriff pulling over a hearse? There were networks in the state with the real business of hauling dope. I never did that but I did transport money. Some of the money for Cliff Carter was delivered in the back of a hearse. There was lots of money transported for gambling operations. I understand when Benny Benion decided to open the Horseshoe Gambling Casino in Las Vegas; he paid in cash delivered from his Dallas operation in a hearse. Benny controlled sports gambling in Dallas. He could personally take a bet of up to \$1 million dollars without making a telephone call. He used a network of bartenders and other runners to do business. Jack Ruby was a frequent customer of Benny.

Just to show you how times have changed in this world. The current sports gambling boss in Dallas can now take a bet of up to 10 million dollars without making a telephone call. Now he may lay some of the risk off on other people around the country but he does that after the fact. Sports gambling is the biggest single gambling operation in Dallas.

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Cliff Carter was President of the Junior Chamber of Commerce in Texas during 1952. The Chamber is a social organization for businessmen under the age of 35. Each year the state chapter selects outstanding Young Men in Texas. In 1952, I was selected by the state organization for the award. In 1953, Carter was on the board of the National Junior Chamber of Commerce. They select ten outstanding Young Men in the United States. I was one of the ten in 1953. I made political contributions to him for Lyndon's slush fund and Carter took care of me.

The presentation ceremony for the National Chamber was in Seattle, Washington that year. The ceremony was very important to me. I decided to take my first school teacher, Mrs. Berry and her husband, my Father and Mother, and of course, Patsy went with me, as well as many of our friends and relatives.

The other outstanding young men included Douglas R. Stringfellow, United States Congressman from Utah, Carl T. Rowan, reporter for the Minneapolis Star, and Governor Frank Clement, Tennessee. Governor Clement would become a lifelong friend and business partner. We formed Delta Homes Investment Company and pursued the barracks business in Tennessee, Louisiana and Mississippi. Governor Clements bestowed on me the honorary title of Colonel in the Tennessee Army. This was honorary but only given to close business and social acquaintances. It was an excellent recommendation for any business dealing in that state.

In the mid 50's I decided to expand my grain storage and elevator operation beyond Pecos. At the time, the government had a price support system along with the allotments. The idea was to limit production but give the farmer enough money to make a profit each year. If the farmer could get a better price than the support price then he was free to sell to anyone. All excess grain was purchased and stored by the government. This grain could not be sold in competition with the farmers but was intended to be used during drought years. Production was high for several years and the government had to find storage facilities.

In the expansion, I took over existing facilities and in some cases built new ones. Existing facilities were taken over by assuming debt. For some reason, the current owners were having trouble getting grain. The day I took over a facility, the trains

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bringing government grain began to arrive. Lyndon and Cliff kept their promise to keep the storage facilities full. By 1960, I owned six grain storage facilities. When the first wheat shipment was made to Russia during the cold war, the wheat came from my storage facilities.

Some people have speculated over the years that Lady Bird Johnson had assisted me in financing grain storage facilities. I can verify this happened on the Plainview expansion. The existing operation had a high debt load. After I told Carter about the figures and that I did not have enough to meet the margin requirements, he called back and asked me to meet him the following Saturday. He gave me \$500,000 in cash. This was the only time money came my way from the Johnson slush fund. In return, I was to give an additional 10% of the gross sales to the slush fund. This meant on the Plainview operation, the Johnson slush fund was getting 20% of gross sales.

Texas Attorney General Will Wilson tried to find the Plainview relationship with the Johnson's for two years. He was never successful. He had the facts in his hands but could never make the tie. You see we always used false names in communicating. I covered up the payments by taking money from other banking accounts.

I met Carter several times in Plainview. He would simply call the day before and tell me to meet him there. His purpose was to verify they were receiving the correct amount. When I was in trouble with the Kennedy's in 1962, Carter called me to Plainview for a meeting. We discussed the various Agriculture Department situations at that time. My telephone records verify my call to him to confirm the meeting on January 11, 1962. I called him at the Plainview Storage facility at 7:00 p.m.

In 1962, I was the largest contractor to the government for storing grain. My personal contacts within the Agriculture Department would have made me a small operator. I could never have gotten so large without the assistance of Carter and Lyndon. In an Agriculture Department Report that year, they stated my storage facilities were operating at 58.3% of capacity and the average in Texas was 62.9%, therefore I had not received special treatment. The report left out that I had doubled my storage capacity in the past year and the reporting period included the

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capacity under construction. My percentage on the completed facility was more like 91 %. Never believe a government agency that investigates itself.

In the meantime, my family continued to grow with the birth of my third daughter, Dawn, on May 21, 1952, Bill Jr. in 1954 and Joy on September 5, 1956. Our house was growing as well. We had bought the house with two bedrooms, two baths with a living room and den in 1951. We first added a study for me and a guest bedroom. As the family grew, we added a second story. The second story had four bedrooms and was the girl's domain. Bill Jr was assigned the bedroom beside my study.

Later, we added two wings to the house. The first wing was a 55-foot living area with Spanish tile and furnishing. The walls were glass and we kept palm trees and other tropical plants at one end of the room. Later, Dawn had a pet monkey, cheetah, in a cage by the tropical plants. The final addition was the Truman Wing. I named it that because I had a vision of President Harry Truman coming to visit us. That vision never came true, although, he did send me an autographed picture for my study. We also had a complete apartment in the basement for the maids with a kitchen, living area and bedroom.

The house was on a lot the size of a city block. The outdoor area included tennis courts, swimming pool and a patio with a barbecue pit large enough to cook three sides of beef at the same time. I gave many parties. We had a tropical paradise in the middle of the desert. I imported palm trees from the coast and even ordered special plants from Lyndon's Washington, D.C. florist. I had asked Lady Bird about some plants in their backyard, when I was there for a party one time. We corresponded about the plants and eventually I ordered some from her florist. The plants could not live in the Texas heat and died.

The swimming pool was the source of my first conflict with the citizens of Pecos. The kids would invite their school classes over for parties. I insisted that all swimming be segregated by sex. The boys were allowed a half hour and the girls a half-hour. My Church of Christ training was still in good form. Incidentally, the segregation was carried over to adult parties as well. Only married couples were allowed to swim together. If the party was family and children, it was sometimes hard to keep the sexes separate.

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The city also had a public pool. I tried to get it segregated but everyone always voted me down.

Patsy had a difficult time accepting the benefits of money. When I first hired the maids, she still tried to do the work. One thing she did not object to was the chauffeur. I have always had a problem driving. I drive too fast; on the wrong side of the road; run red lights and sometimes even forget I am driving. I am always in trouble with traffic tickets. My license has been suspended a few times. During one of the suspensions, I bought a bicycle and rode it to work. I even had a few accidents on it. The Pecos residents enjoyed talking about my bicycle. I think my problem is my mind is always on something else. I am thinking about deals or situations.

Another thing Patsy was always getting on me about was giving things away. Once I had money, my charity increased a hundred fold. I had always tithed to the church. Now I could always replace my possessions, so I just gave them away if someone needed it. One time I met this family with a girl about the size of Pam. They were having a hard time and the little girl did not have any clothes. I solved that very fast by going home and loading all of Pam's clothes in the car. I even gave her underwear to them. The look on Pam's face was unbelievable when she asked where her clothes were. I tossed her several hundred dollars and told her to go buy a new wardrobe.

Patsy was very religious and believed in feeding the poor. At her suggestion, I built a compound on one of the farms to house the poor and the immigrants. The compound included bunkhouses, bath houses and a big meal area. Any immigrant was welcome. I paid several employees to assist the immigrants in obtaining green cards. After they had green cards, we found jobs for them in the community. They could stay at the compound as long as they needed. The compound also became the starting point for an Underground Railroad. Immigrants would come there and then be shipped to other parts of the country.

I was very active in the church during the 1950's and 60's. I was in church every time the doors opened. I supported the church with all my heart and my money. I was invited to speak at many churches. In fact, I spoke at most of the Churches in west Texas. If I were visiting a town and a revival was going on, I would have

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the chauffeur pull up close so I could hear the sermon. It was at one of these revivals at a black church, I met a young black kid who would have a great influence on my life. We pulled up to this revival and I could not believe the power of god's voice coming from this little black kid. I listened to him there and followed him to the next town. I knew the lord was asking me to work for him. I went to the kid's father and introduced myself. I told him I wanted to pay for the kid's education. As many people as possible must hear his gift. The kid was Floyd Rose. I became his second father. I wanted him to go to Abilene Christian but they would not accept blacks. I talked to McMurry College, a Methodist college in Abilene, and they accepted him. Later in life, I officiated at Floyd's marriage. We have stayed in contact over the years. Floyd was the first black to receive money for education from me. His oldest son is named Billie Sol Rose.

Governor Frank Clements knew of my interest in educating black kids and suggested I meet with Brother Marshall Keebler of Nashville, TN. Keebler was head of the Nashville Christian Institute, a boarding school for black Christian kids. I flew to Nashville and spent the weekend in Keebler's home. I met with A. M. Burton the founder and primary backer of the school. I left there with a commitment to fund a minimum of 100 children per year. I formed the Students Living Endowment Fund with the Institute's permission. Floyd Rose was preaching all over the country by that time. I placed him in charge of the fund. We solicited support for the school with advertisements in church bulletins across the country. Marshall Keebler wrote me many letters over the years crediting me with keeping the Institute open. I personally paid for the education of over one thousand children.

A little while later, I heard from another minister about the Southwest Christian College in Terrell, Texas. The school was about to close for financial reasons. I will never forget the day that I opened my battered briefcase in the admissions office. John Whitley, a student, would tell me later that it was the most money he had ever seen. The President could only pray to the lord in thanks for the gift. I saved that college for over three years until other backers were found.

In the late fifties, I had the honor of meeting Dr. Martin Luther King, Sr. at his church in Atlanta. I spoke before his congregation

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and met his son, Martin, Jr. When Martin, Jr. began the civil rights movement, I was a major contributor and supporter. I funded many of the legal fees for the Civil Rights Movement. If Robert Kennedy had left me alone, I would have been in the marches of the sixties. As it was, when I was indicted and my businesses taken from me, I made a tour through the South in 1964 and spoke at many black churches in Georgia, Alabama and Tennessee.

In 1959, Lyndon Johnson decided to run for President. Cliff decided the time was right for me to openly support him. In late 1959, I begin to collect funds from my business associates for the Johnson campaign. Cliff had advised me to keep as much cash as possible for the slush fund. I began to accumulate cash from my operations. The easiest place was the fertilizer operation. During the spring of 1960, Cliff had asked me to send around \$500,000.00 to Austin for the campaign. I was a couple days late in sending the money. About two in the morning, the telephone rings. I answer it and Lyndon's big voice booms, "Billie, where is the god damn money." He had obviously been drinking a little bourbon and branch. I replied, "Lyndon, do you know what time it is?" He boomed back, "I did not call you to find out the time. Get your man out to the airport and get the damn money down to the perdnales." He then hung up. The money was at his ranch early the next morning.

Chapter Twelve

Clyde was a small town and everyone knew everybody else's business. I learned if you tell a man you will do something then do it. Otherwise, everybody in town will know you did not and are less likely to assist you next time. If I gave my word, it was good as gold. I learned how important the bankers and county officials were to your success. I learned if someone thought you had power, it was almost as good as having it. The fact I wrote President Roosevelt to get information and something happened was important. The fact he presented me with the Chest of Silver in Chicago was important. People believed I could get things from the government. On a local level, the county agriculture agents believed I had access. Therefore, I could get approval for my grain purchase contracts.

In any business effort, there are people who influence the outcome. I made it a point to determine who could have negative as well as positive impact on my business. If they are a negative influence and are required to make the business happen, always make sure they are your partners. I would rather have an enemy as a partner where I can keep an eye on them. I made these observations very early in life.

When I arrived in Pecos, I put those observations to work for me. Joining the church was important for me spiritually, but it was more important from a business standpoint. People knew I was religious and were more likely to believe me. I was also more likely to get a partnership from a church member. I was one of them. My point is there are different ways to get someone to do something for you. It involves sharing money, vision or religion.

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I learned the political side of life early on as well. On a local basis, the sheriff controlled politics in Texas during the first sixty years of the twentieth century. This is still true in some counties even today. In the early days, each town had a sheriff or marshall. The mayor and his cohorts typically hired him. The mayor was an elected official. As the county system of government began to operate in later part of the 1800's, the sheriff was elected on a countywide vote. This was also true of the district attorney, county judge, and the tax assessor collector. County commissioners were elected on a precinct basis and their primary responsibility was to maintain the roads. The county commissioners and the county judge was the governing body of the county. Originally, all of the jobs except sheriff were a part time job. The office holders made their living doing something else. The sheriff was the law and most times, he made up the rules as he went along.

My reason for telling you this is to acquaint you with the essential roles in gaining influence at the county level. It was important to have the right friends in office. For example, if you needed a new road or old road improved to your farm, the county commissioner could do it for you. He had the road graders, caterpillars and other earth moving equipment under his control. If the agricultural department approved some terracing or pond building, he could do the work and bill the Agriculture Department. Since there was a limit on the amount authorized by the Agriculture Department, it was important to be his friend so he would absorb the extra cost in his budget.

The sheriff was the chief law enforcement officer for the county. He was the one worried about bootleggers, gambling, cattle rustlers, etc. on a local level. Now there were honest sheriffs, there were also sheriffs with their own bootlegging or gambling businesses. A bootlegging sheriff would raid his competitors once or twice a month to get his inventory. During this time, the county coroner was a local funeral home director. He had very little if any forensic experience. The sheriff determined his opinion on murder or suicide questions.

On the state law enforcement level, the Texas Department of Public Safety includes two divisions, the Texas Highway Patrol and the Texas Rangers. The Texas Highway Patrol is mainly concerned with enforcing state traffic laws and administering the

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driver's license program. The Texas Rangers are the chief investigators for the state. They will assist local enforcement officers on request or they can do independent investigations. The Rangers were the first law enforcement group at the state level. Their reputation for toughness has been immortalized in several television shows and movies. In real life, they are a tough no-nonsense group of people. They have been used to clean up local governments such as Galveston in the 1950's. Galveston had a notorious section on Post Office Street, where gambling and prostitution were allowed to exist by local authorities. The Rangers were called out by the State Attorney General Will Wilson to clean up the area.

The Rangers were also active in keeping illegal gambling to a minimum. If you look at their record, you can see they are politically inclined in some areas. For instance during the fifties and sixties, a concerted effort was made to clean up the poker games. They never did anything in Dallas for some reason. Sheriff Bill Decker was allowed to do his own policing. This was a lot like using the fox to guard the hen house. Captain Clint Peoples was a tough old Ranger Captain for Company F and you will read more about him and his effect on my life.

In each town and county, there were power brokers or the people behind the local office holders. The power brokers were the local newspaper publishers, bankers, large landowners and church ministers. The power brokers really decided the local elections. Most political contributions came from or through them. I was a power broker because I supplied contributions and was the largest employer in Pecos. I encouraged my employees to follow my votes. Most of them did. The balance of power changed with the advent of television and radio advertising.

The Democratic Party controlled state and local election until the '60's. The first Republican to win a statewide election was John Tower in 1960. He was elected United States Senator to replace Lyndon Johnson, when he was elected Vice President. The democrats were broken into three groups; Conservative, Moderate, and Liberal. The conservatives were John Birch Society members most of the time. They believed in each state having power over the central government in Washington, D.C. and tried to limit the size of government and welfare programs. They were really

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Republicans in disguise. The Moderates would vote for the Conservative or Liberal causes on an issue by issue basis. Most often the compromises were put together by the Moderates.

The Republican President Herbert Hoover brought the Great Depression upon us. I was a child of the depression and saw the farmers suffering. The Republicans did not believe in equality or assisting the poor. They were only concerned with making the rich richer. President Roosevelt implemented his policy called "The New Deal" The New Deal saved the country. It removed the depression. It made me a lifelong Democrat. I am an unashamed Liberal. I believe in equality, charity for the poor and big government. President Lyndon Johnson had the same beliefs as me. He was also a Texan and a member of the Christian Church. He grew up a poor son of a farmer. I liked him and his policies. I like President George Bush because he prays every day.

Texas has both a House of Representatives and a Senate at the state level. Each representative and senator is elected by region. The regions are based on geography and population. Senators represent larger regions than representatives do. The Governor and most executive department heads are elected on a statewide basis. The national government is much the same way except each state is allocated two senators and the Congressmen or House of Representatives is allocated on population.

With all the above as background, let me explain my political gifts. I wanted to control local, state and national politics. I always said I didn't want to be a fat cow, just milk them. I started with the goal to control those who had direct approval over my agricultural programs. This was the county office of the Agriculture Extension Service. As I discussed previously, the County Office had employees as well as a governing board composed of local businessmen. With my companies selling to other farmers, I was a supplier to most of the board. It was simple to make sure they received favorable pricing for their purchases. Most of them were in debt to me after the fourth year of my Pecos operation.

The employees were very easy to influence. The average employee was making less than \$1000 per month. Anything with a perceived value of \$100 was appreciated. I never gave any money to an employee in Pecos or Reeves County. Instead, I gave them ham, beef or cantaloupes. I would just drop by with a small gift or

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have one delivered during the holiday seasons. The employees were later influenced by my apparent connection to politicians. Their job depended on the politician being happy with them. One call to a superior from a Congressman or Senator's staff could cost them their job.

The county elected officials were easily influenced with contributions. My friends and I would discuss the merits of each office holder and then decide whom to support with our contribution. I would give parties at the house and raise money for their campaigns. Within two years, the politicians were seeking my endorsement. They could count the number of my employees and see my importance. I convinced all my employees to register for voting. I also encouraged them to vote for my candidates. The first Congressman to feel my influence was J. T. Rutherford. I raised more than 75% of his campaign contributions. He never failed to vote my way. He was also the first to lose an election because he was my man. This, of course, happened after I was indicted.

Chapter Thirteen

When I first met Cliff Carter, he was just beginning to establish the state network for Lyndon Johnson. Johnson was a Congressman, who wanted to be a Senator in Washington, D. C. As I stated previously, Cliff liked my approach to life and business. At the start of our relationship, he was a good sounding board for my ideas. Little did I know but I was one of hundreds of young people he was contacting.

Cliff was the main recruiter for the Johnson political organization in Texas. In today's terms, he was a political operative. His main function was building an organization to make sure people who would support Johnson did in fact vote. The organization started in each voting precinct and ended in the state headquarters in Austin. There are two hundred and fifty four counties in Texas. In the fifties, there were probably three thousand voting precincts. This would mean three thousand precinct captains and each of them would have support workers. The precinct captain would lead the drive for small contributions and make sure voters went to the polls. Cliff would work with the power brokers and local elected officials to select the precinct captains. Johnson and Carter made sure each of them felt like they were friends and built the organization to support them. Johnson contributed money from his slush fund to the county candidates to gain influence. Their vision was an organization that would outlive both of them. They wanted to build a political machine in each county with them controlling all the counties.

Political recruitment was aimed toward outstanding students in high schools and colleges. Cliff came to see me because of my 4-

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H club awards. The University of Texas and Texas A & M students were favorite targets. Since Johnson had graduated from a small college, he needed to build a loyal following at the state schools. Some businessmen will only hire graduates from their alma mater. Alumni loyalty is seen every week at Texas high school and college football games. An endorsement of a popular football coach will win more votes than a good record in most elections.

The University of Texas has the Friars Club, which is similar to the Skull and Bone Club at Yale. Each club selects its members from the elite student groups. Membership is limited and their meetings are held in secret. President George Bush was a member at Yale for instance. The Friars Club limits its new members to eight senior students each year. They are the brightest and most popular students. Johnson and Cliff attempted to recruit every member of the club. Club members were spread throughout the Johnson organization. Many were on his personal staff in Washington. The others tended to be successful businessmen.

There was one particular Friar who would be recruited and placed in very sensitive positions. He would be convicted of murdering a man in cold blood in 1951. His lawyer for the trial was Johnson's lawyer, John Cofer. Johnson would later assign Cofer to me as my lawyer. The murderer was found guilty and received a suspended five year sentence. He would have a secret government clearance in spite of the clearing agency asking it be denied. This man would work in sensitive defense industry jobs. He would also kill more than eleven people including President John Fitzgerald Kennedy. If you request his FBI file, you will find the data ends with the murder in 1951. His name was Malcolm Everett Wallace. He received special attention from the FBI Director, J. Edgar Hoover and President Johnson.

In any political organization, contributions are the main power source. Cliff and Johnson would collect cash contributions into their coffers and then dole it out to other politicians based on their support. Carter approached me for a donation in the late 40's. I was honored and gave a little cash.

Johnson became a United States Senator in 1948 in a very controversial election. The first primary election ended with Coke Stevenson leading with a margin of 71,460 with vote totals of

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477,077 to 405,617. There were other candidates in the race and Stevenson's total did not exceed 50%. A runoff between the top *two* was set for four weeks later.

In the runoff election, the first returns showed the Stevenson margin had been narrowed significantly by a voter switch in heavily Hispanic counties of Bexar and three counties under the control of Judge George Parr. Bexar County went from a 12,000 majority for Stevenson *to* a 2,000 majority for Johnson. Johnson and Cliff had Sheriff Owen Kilday as their political operative. They spent \$35,000 buying the Bexar County vote.

The Parr counties delivered a 30-1 lead *to* Johnson with a vote count of 10,547 to 368 in the runoff. The unofficial count standing five days after the election was a 113-vote win for Stevenson. Johnson delivered a radio speech claiming victory. The next day, election judges for Precinct Box 13 in Jim Reeves County announced a canvassing had added 200 votes *to* Johnson's total. . So Johnson *won* by 87 votes and earned the title of "Landslide Lyndon." Carter later told me they had stuffed the box with ballots after the first count with names from a local cemetery. Judge Parr controlled South Texas Politics for decades. His man would always win in any election. The Texas Rangers were finally able to bring him down after Johnson was dead. A warrant for his arrest on tax evasion charges was issued the day before he committed suicide on April 1, 1975.

This reminds me of a favorite joke of Lyndon's. It seems there was a crying little Mexican boy, who believed that his dead father had returned from the dead but had failed to visit him. His mother reminded him that his father was dead and the likelihood of him returning was very slim. The little boy responded, "But he was here, I know it for sure, cuz last Saturday, he voted for Lyndon Johnson." Lyndon was never subtle.

In the Box 13 ballot stuffing, John B. Connally was the lead strategist to make sure the stuffed ballots were ruled as valid. Some of the actions taken to ensure Johnson's election included destroying ballots, hiding registration lists and finally, convening the Democratic Party to certify the ballots when Johnson's opponent could not be there. John B. Connally would later be Secretary of Defense under President John F. Kennedy. He was governor of Texas and was wounded when President Kennedy was

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murdered in Dallas, 1963. In his later years, he changed to the Republican Party and ran for President. Many people believe that he betrayed Lyndon. In reality, he was a business partner to the Johnson's for many years.

In 1950, Carter approached me for a bigger contribution. I explained my growth problem and how it limited my cash contribution ability. It was at that time, he suggested an arrangement that would lead to all my legal problems in the 60's. He suggested that having a friend in Washington would make my business grow faster and make more money. He suggested this friend would make sure barriers were removed and federal government projects would be obtained easier. He never put any pressure on me but he was available for calls at any time.

When I moved to Pecos, he came to see me and laid out the program in its entirety. "Billie," he said, "The Senator wants to be your partner. We will show you how to get around government regulations and push business discreetly your way. In return, you are to contribute 10% of your gross sales to our fund. This fund will be used to elect officials who support the Senator and his programs." I thought about the offer and the opportunity. In the end, I agreed.

By this time, I had met Johnson at various political rallies. I believed in his programs. After all, he was a friend of President Franklin Roosevelt. Roosevelt had named him director of the National Youth Administration in 1935. This position allowed Lyndon to meet outstanding young people across Texas. I knew our goals were the same. I believe all great men have vision and are guided by a higher power. Johnson was a man of vision. He certainly had his faults but a man of vision can be blinded to small things. One of his most annoying faults was his dislike for blacks. In private, he used the "N" word, but as a politician, he courted their votes and did make positive contributions to the civil rights movement.

One of the jokes around Washington when he was President reflects how well known his attitude was toward blacks. "It seems a couple times a month, Johnson would tell all the Secret Service guards to let him go away alone. He would get in his car and drive for hours into the desert. He would then stop the car, roll down the

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windows and shout at the top of his voice, n*****, n*****, n*****!!!"

His other big fault was his love of pornography. Some of his staff was assigned to purchase pornographic books, movies and sex toys. I understand one of those assigned to this job was Walter Denkins. This addiction was shared with other friends and staff members. This was a common bond with J. Edgar Hoover. Hoover and Johnson had a love/hate relationship. They were both interested in pornography and they were both paranoid. Each had very sensitive files on the other person. Hoover was retained by Johnson as Director of the FBI because he had so many files on Johnson. By the same token, Johnson controlled Hoover with his files on Hoover's sex life and ties to the Italians.

In 1964, there was considerable pressure from Johnson's staff to make Hoover retire at the mandatory retirement age of 65. Instead Johnson announced that Hoover would serve as long as Johnson wanted him there. Johnson explained it in his own colorful way as follows: "I would rather have him inside the tent pissing out than outside the tent pissing in."

Hoover was a frequent visitor to Texas. Texas was the center of pornography and high stakes poker games during the fifties. Hoover enjoyed betting on horses. One of his annual vacations was a trip to the Del Mar Racetrack near San Diego, California. The Racetrack was owned by John Murchison of Texas. Hoover and Toulson would stay at Murchison's house or the Hotel Del Charro. Murchison would cover all the expenses for the Hoover entourage including all the gambling losses. Most of the expenses were charged to Murchison's insurance company.

Johnson's personal secretary, Walter Jenkins, was arrested three times for soliciting sex from men. The last time occurred after Lyndon was president. The arrest resulted in a scandal and Jenkins had to be fired. I did not even know what a queer was until late in life. We did not have that kind of thing in Clyde, Texas.

Johnson had numerous affairs throughout his political career. His first big financial backer was Charles Marsh. Marsh provided Johnson with money for his personal life as well as campaign contributions. At the same time, Johnson had an affair with Marsh's wife, Alice. The affair lasted almost twenty years. Johnson's true love was Madeline Brown, who had his son.

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I guess the power of the presidency has an effect on the sex drive of the people in office. Presidents Kennedy, Johnson and Clinton certainly had their share of women. It is interesting that Kennedy was attracted to movie stars and entertainers. Johnson was attracted to women with big breasts. Clinton seems to be attracted to chubby girls. My friends in Arkansas tell me that President Clinton is really naive about women and money. Unlike Johnson with an organized approach to raising personal money, Clinton seems to wander along until the need for money comes up. Then he sticks his hand out to whoever is there and asks for money.

After I had agreed to be partner in the program, Lyndon called me to acknowledge our arrangement. He made it clear that Cliff was his spokesman. If Cliff told me something would happen, it was the same as him saying it. Over the years, this proved to be true.

What started out as a contribution for political purposes, grew into contributions to benefit Johnson personally. When I needed half million dollars for the Plainview elevators, Johnson money was made available. The elevators were the turning point in my relationship. With the Johnson investment, came constant checking to make sure I was giving them their full share. Cliff would drop in unexpectedly to verify the books. If they needed money, the first call was to me.

Some have questioned about the lack of a paper trail between Johnson and me. First, our business relationship was confidential. It was a necessity, as disclosure would cause a scandal. Johnson was paranoid about having any scandal affect his political life. This was evident from the start when he refused several offers of money. He wanted to look like a poor farmer. All of his business was conducted in Ed Clark's name. In addition to my scandal, Bobby Baker was indicted in the sixties. He had been Johnson's secretary as Senate Majority Leader. Baker was charged with selling his influence and requiring defense companies to use his vending company in their plants. Johnson was very close and spent more time with him than anyone else during his Majority Leader years. This scandal broke in 1963. President Kennedy sent word for the probe by congress to be completed without interference. After Johnson became president, the congressional

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probe was derailed. Baker was convicted and sent to prison. Johnson, in his later years, was paranoid about anything that reflected on his reputation.

Second, most of my contact with Lyndon was by telephone and originated by him. I placed calls to Carter on numerous occasions. Most of the investigations concerning our contacts covered three years beginning in 1960. Our relationship was mature by then and our routine was established. If Carter needed money, a three-minute call was all that was needed. If I was going to Austin, the money was delivered at the Driskill Hotel. Most of my discreet meetings with Johnson occurred at the Driskill. The same was true with Madeleine Brown's love trysts with Johnson. She would have thirty minutes of sex at the hotel and then Johnson would leave. I saw Madeleine there several times.

During one of our meetings at the Driskill in the mid 50's, Cliff and Lyndon gave me an important assignment. Ralph Yarborough was a rival for Johnson's power. He was more of a thorn in the side than a true rival. He had lost several political contests but he was constantly criticizing Johnson. Cliff and Lyndon wanted to control him without his knowledge. They asked me to become the primary backer for the Yarborough campaigns. Specifically, they had decided it was time to send Yarborough to Washington as the other Senator from Texas. Johnson was Senate Majority Leader at the time. As Majority Leader, he controlled all committee assignments and could bury a fellow senator in minor assignments.

The idea was certainly appealing to me. If my name were openly associated as the power behind Yarborough, my influence would increase throughout the state. I would have direct access to both senators. Yarborough's politics was actually closer to mine than Lyndon's. He was unfortunately not as smart or politically perceptive as Lyndon. I became the leading contributor and fundraiser for Yarborough in West Texas. At one fund raising party in Pecos, I barbecued enough beef to feed more than 2000 people. Yarborough was elected because I delivered the West Texas vote to complement his large majority in the metropolitan areas. He won because of me and I never let him forget it.

His election coincided with my need to have a presence in Washington, DC at the headquarters of the Department of

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Agriculture. Cliff was already giving me names and arranging behind the scene meeting. With Yarborough, I simply gave the names to him and let him arrange the meetings. During my troubles in the early sixties, Yarborough went to the Agriculture Department meetings with me. With my indictment, Yarborough suddenly forgot my name. He told the press, "I met him a couple of times." I paid him back for that statement at the next election. We spread a few rumors in the right places.

My influence extended into Oklahoma and Minnesota. I was in partners with Senator Carl Anderson of Minnesota on a coal project in Utah. It was a clever way to disguise a contribution. The family needed some temporary financing on the coal operation and I supplied the money. Anderson was the influential chairman of the agriculture committee. One of my contacts in the department, William Morris, recommended the contribution. The same was true for United States Congressman, Jim Boren of Oklahoma.

When Lyndon became President, his staff was in constant flux. As an assistant left for private industry, another young recruit took his place. His assistants remained loyal to him.

While Lyndon's presidential staff changed, his personal business managers remained constant. Jesse Kellam was named state director of the National Youth Administration after Lyndon became a congressman. Kellam later became the head of Lyndon's media company, KTBC, a large television and radio operation. A.W. Moursand was the official trustee for the Johnson fortune during Lyndon's presidential years. Moursand had been a trusted friend for years and oversaw the complex business transactions to cover Johnson's financial tracks. The other business advisors included Edward Clark, Donald Thomas, and Morris Jaffe.

The other political power in Texas and National Politics was Sam Rayburn. Rayburn was Speaker of the United States House of Representatives. Rayburn was Lyndon's mentor. I met him several times and was on a first name basis with him. He also had a political fund but it was spent more in other states to keep him in power as Speaker. He and Lyndon worked as a team to make sure Texas received its share of the tax dollars. They continued the tradition of a strong presence of major military bases in the state. They also made sure defense contracts were awarded to Texas companies.

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The defense industry was a major financial backer of Johnson and Rayburn campaigns. Their friends included D. H. Byrd, owner of Temco Aircraft and the Schoolbook Depository building. The depository building is where the attack on President Kennedy originated in Dealey Plaza. Byrd also had a large farming operation in South Texas. The other prime defense contractors were General Dynamics and Bell Helicopter.

In 1963, General Dynamics was awarded a seven billion-dollar defense contract for the TFX fighter over a bid by Boeing Aircraft. The Boeing Aircraft proposal was rated technically superior and everyone expected them to be awarded the contract. A scandal was brewing at the time of the Kennedy Assassination. Navy Secretary Fred Korth was a Texan and friend of Lyndon's. His selection of General Dynamics created a public relations nightmare for the Kennedy administration. When Lyndon became president, the congressional inquiry was quietly dropped.

A little known fact about the battle to win the contract included the girlfriend of President Kennedy, Judith Exner. Kennedy always went after movie stars and other attractive ladies. Exner was introduced to Kennedy by Frank Sinatra. She was also a girl friend of Sam Giancana. Giancana was head of the Chicago Mob operation and provided money and votes for Kennedy. There were rumors that Kennedy talked about secret projects with Exner and she supplied the information to Giancana. The General Dynamics Security Director decided to place a telephone wiretap in her Los Angeles apartment in hopes of getting incriminating information for use against Kennedy. He dispatched his sons to do the dirty deed. After casing the apartment, one son went in while the other watched outside. The entire operation lasted about fifteen minutes. To their surprise, when they opened the mouthpiece to place the bug inside, they found two other bugs were already there. I learned from Vito Genovese that one bug was from the mob and the other from the FBI. Two weeks after the break in, President Kennedy approved the contract to General Dynamics for the TFX.

The Johnson family has always indicated their wealth came because of inheritance from Ladybird's father. This is simply not true. In fact, the inheritance consisted primarily of farmland in East Texas. The Johnson fortune was amassed by gifts from supporters. H. L. Hunt gave the Johnson's an oil field with

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producing oil wells. Johnson government influence was used to acquire the radio station in Austin, Texas after the FCC put its license in limbo. Later the local television frequency was awarded to Johnson in a deal with the Federal Communications Commission. Competition was restricted for several years in the Austin Area. Ladybird profited from purchasing stock in Bell Helicopter before their production was increased to fight the Vietnam War. Perhaps the largest financial backer of Lyndon was George Brown of Brown and Root Construction in Houston.

George Brown was one of the early backers of Lyndon Johnson. The company was primarily involved in oil field construction projects until Johnson became a United States Senator. The company then became a contractor to the Defense Department. They became the largest construction company in Vietnam and built the large air and naval bases. Cliff told me that most of Lyndon's wealth came from George Brown. I met George Brown in the early fifties during a time when Brown and Root was having difficulty arranging a construction bond on a project in Corpus Christi. I talked to my bonding company and arranged for a bond.

One of the first scandals to touch Lyndon occurred in the early 40's. Brown and Root was accused of contributing more than the limit of \$5000.00 to the Johnson campaign. They did this by paying a bonus to key employees and then letting the employees donate the money to the campaign as individuals. The Internal Revenue Service was getting close to indictments when President Roosevelt stopped the investigation. In the 50's, the IRS was again investigating Brown and Root on a similar charge. This time the evidence requested by the IRS was accidentally moved from a secure fireproof area to a wooden house. The house accidentally burned and destroyed the records.

As Senate Majority Leader, Johnson championed the space program. He was responsible for getting the funding necessary to start and keep the astronaut program in operation. The Johnson Space Center is still used for Mission Control. When the Mission Control was being funded, Johnson actively pushed for a location south of Houston. Legislative approval occurred after the location in the middle of large piece of land donated by an oil company was selected. The Oil Company made a fortune developing the

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land surrounding the center. Brown and Root was selected as the construction company for building the Space Center.

There have always been questions surrounding my influence in the Washington headquarters of the Department of Agriculture. First, let me explain the organization of the Department. A Cabinet level Secretary headed the Department. The Secretary was appointed by the President and approved by congress. During the fifties, the Agriculture Secretary was an important political appointment. The appointment normally went to a career politician. Beneath the Secretary were assistants and under secretaries. The Secretary appointed some of them and others were career employees. Career employees were subject to dismissal or demotion by the Secretary. I began my contacts with the Agriculture Department during the Republican administration of President Dwight D. Eisenhower. These contacts were with lower level employees because I did not need special consideration from Washington for most of my projects at that time.

Career employees make most of the decisions on a daily basis. Congressional aides seeking favors for farmers and farmer groups constantly harass them. . They are sensitive to requests because they could be fired if someone really gets upset. When I met someone, I added him or her to my lists. I did not care whether the introduction was made by Cliff or Senator Yarborough. The lists were important and contained names from Pecos to Washington.

I had several lists and each was updated on a regular basis. The primary list was for those with influence and was not sensitive. The second list was for the sensitive names and more private use. Each person on the list received favors at least one time per year. The more influential people would receive multiple favors each year. At harvest time, I would ship cantaloupes to almost everyone on the lists. Cantaloupes are melons and were grown around Pecos.

President John F. Kennedy and Vice President Johnson were on the list to receive cantaloupes each week for five weeks each year. I received a thank you note each week from Evelyn Lincoln, President Kennedy's secretary. I received personal notes from Lyndon. I have a good laugh when some conspiracy guys, try to make my Lyndon letters, proof of a payoff. They insist that cantaloupes were a code name for money. It was just a real thank you. I supported several farmers each year with my cantaloupe

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purchases, since my list was well over five hundred. Each received a box of cantaloupes.

I also gave either a ham or turkey to certain people on the list at Christmas and other holidays. Each member received a Christmas card. Some people received more personal gifts. Other members were given shopping trips to Neiman Marcus. I remember one time; I took Emory Jacobs, Assistant Secretary of Agriculture, to Neiman Marcus on a shopping trip. When he went into the dressing room, I slipped him \$2,000 to pay for the clothes and other expenses. This came out during the congressional hearing in 1962 and he was fired. What most people do not know was that Lyndon's wife, Ladybird, was also at Neiman's that day. This came out during an investigation by Attorney General Will Wilson. He could not make a legal situation from it and therefore never disclosed the coincidence. I wonder what some people will make of this fact. I did see her there and there was a charge slip signed by her dated that day.

The list was important because my name was in front of key people and most gifts were given without any strings attached. With the election of President Kennedy, several people on my list were promoted because of their support of key democratic players. My influence was increased and led to favorable treatment in 1961 and 1962.

As I became more involved with politics and the power structure, I decided it was time to protect myself. I was also doing more complicated business transactions. My business was becoming more hectic. I talked to several people about ways to record conversations on the telephone. This search led me to an engineer in Dallas, who worked for Texas Instruments. I hired him to design a recording machine using the old half-inch reel to reel tape machine. This was the first of many taping operations I have used over the years. I taped my office telephone at home and personal conversations in my den. These tapes remained in my possession until I went to prison in 1965.

Chapter Fourteen

The Fifties were my formative business years. I looked upon it as building a missile platform and the sixties would be my launch for the moon. My wealth was steadily increasing. My organization was established. A. B. Foster had my finances in order. At least I knew how much I had and where it was. I doubt he did because I still made side deals and moved my cash around. My relationship with Yarborough and Lyndon was mature. I knew what to expect from each of them. My political power base was strong in West Texas and I was considering running for the office of senator or governor of Texas.

Lyndon announced as a democratic candidate for President in 1960 and I publicly supported him. His demands for money increased as the campaign became more expensive. I offered him the use my airplanes for transportation. Lyndon was the first to understand the usefulness of air transportation. In the 1948 election campaign, he had used a helicopter to move around the state. This gave him an opportunity to be seen in more places than his opponent.

Most kids used to fantasize about being president. Lyndon practiced from the time he was a child to be president. He believed it was his destiny. He was obsessed and did not hide it from his friends. During the campaign, he assumed he would win. After all, how could anyone vote for Jack Kennedy. He had very little experience in government; he was a playboy and knew nothing about running the country. Johnson did because he studied and understood power. He knew how to exercise power. His control of the Senate had been absolute. If he wanted a law to pass, he knew

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how to gather the votes. He would cajole and threaten until he got his way. He and his mentor, Speaker of the House, Sam Rayburn, controlled the legislative agenda even though President Eisenhower was a member of the Republican Party.

Lyndon always fought hard campaigns. He would do anything to win an election. Two weeks before the Democratic Party Convention, Jack Kennedy's doctor's office was burglarized two times. It was apparent the burglars were after Kennedy's medical records. His health problems with his back were well known but Johnson wanted to find out the real truth. He was hoping to find evidence of venereal and Addison's disease. They were unsuccessful but John Connally raised the health question and Addison's disease during the convention.

Lyndon asked H.L. Hunt to publish a pamphlet attacking Kennedy as a Catholic who would be subservient to the Pope. It also said, Kennedy would destroy religious freedom if he was elected president. Hunt would later apologize for breaking federal election laws after a senate investigation was started. Hunt stated, "I was simply trying to help Lyndon."

The 1960 Democratic Party Convention was held in Los Angeles. Patsy and I went as delegates from Texas. I was a firm supporter of Lyndon Johnson. I was in the Biltmore Ballroom when Lyndon baited Jack Kennedy into a debate. Instead of debating, Lyndon had all of his friends in the room and he launched a bitter personal attack on Kennedy. We cheered him on. Unfortunately, we only got to cheer in that room. Kennedy was elected the nominee on the first ballot with a large majority.

As it became apparent that John Kennedy would be nominated, I advised against accepting the Vice Presidency if it were offered. I did not expect the offer to happen but I was naive about national politics. Money exchanged hands, Lyndon was offered the vice presidency and accepted. John Kennedy did not want Lyndon as the Senate Majority Leader. Kennedy knew Lyndon would fight against every program and attempt to put his programs in effect. Kennedy believed like me--make an enemy a partner. Or better yet make him your Vice President and send him on long trips.

I could tell that most of the Kennedy entourage did not want Johnson on the ticket. They considered him a country hick. Joseph Kennedy and John Kennedy could see the value of Lyndon in

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attracting the southern voter. H. L. Hunt's offer of money was also hard to turn down. Robert Kennedy did not even bother to hide his contempt for Lyndon. I never did like either Kennedy. Bobby Kennedy spent many hours trying to find ways to tie my problems to Johnson. He wanted to make sure Lyndon was not on the ticket in 1964.

I should have recognized the convention as a sign of things to come. I should have had a vision but I did not. The Presidential Campaign brought new pressure for money from Lyndon. He wanted to make sure his presence was felt. The request for money was putting a strain on my cash availability. I was growing rapidly as well, so my cash requirements were growing. My expansion efforts required capital expenditures and growth in farming was dependent on getting more cotton allotments. My lifestyle had changed with the addition of more children and the upkeep on the mansion. I had hired a cook and chauffeur from Los Angeles. My two planes were in constant use by the family. I believe the government said that I drew a salary of over \$250,000 in 1960 (worth about \$2,500,000 in today value). I know I spent more than that on the family.

I talked to my brother and A. B. Foster about ways to increase our profits. One way was to increase cotton production and the other was finding ways to use my customers and fellow farmers' credit for cash flow. I talked to Harold Orr at Superior Tank about increasing the production of fertilizer tanks so we could sell more fertilizer. At the time, we were still having a price war and were at last in a good position to take over the fertilizer industry and increase our prices. The Orr discussion would lead to the anhydrous ammonia tank program and my legal difficulties. The increase in cotton production would lead to my political problems with Robert Kennedy.

I was fighting for my business life on three fronts during 1961 and 1962. These fights were a result of Attorney General Robert Kennedy attempting to coerce me to talk about my relationship with Vice President Johnson. These three fronts were happening simultaneously but I am writing about them separately to make it easier to follow.

The cotton allotment program was an effort by the government to limit production and increase the farmer's revenue. As I

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mentioned previously, each farmer was allotted a certain amount of acreage for planting based on prior production. If a farmer sold his land, the allotment stayed with it. The only time an allotment could be transferred was if the original land was purchased by a government agency under a process called eminent domain. Under eminent domain, the government will attempt to negotiate a price directly with the landowner. If unsuccessful, a judge is asked to set a fair market price and the landowner is required to accept it. This process was used in the building of highways, schools, and government building. During the fifties and sixties, the federal interstate highway system was built across the entire United States. Since the highways were built in rural areas, this meant a lot of farmland was purchased under eminent domain.

If a farmer lost land under eminent domain, the allotment was placed in a state pool. The displaced farmer could reclaim the allotment, if he purchased more land. State pools were scattered throughout the country, but I decided to gain control of the allotments in Oklahoma, Texas and Alabama. I had my lawyer, John Dennison, and Bobby Frank work out a legal way to gain control of the allotments and transfer them to Pecos irrigated land. There were several other farmers in Pecos setting up to do the same thing and we all used John Dennison. Incidentally, none of them were investigated. .

The basic program was simple. We would sell the displaced farmer a piece of land in Pecos. He would transfer the allotment and lease the land back to us to farm. The trick came in executing the program. We naturally wanted to own the allotment eventually. Our deal was to make the ownership less attractive to the purchaser by making the land so it could not be farmed by itself. We did this by selling tracts of land 10-40 feet wide and a mile long. We also sold it without any water rights. A farmer would be crazy to purchase non-irrigated land in West Texas. We had to make the deal attractive to him. Our solution was to sell the land without a down payment. The first payment was due one year after the contract was signed. We would lease the land for fifty dollars per acre and pay the first year's lease at the time the contract was signed. If the first land payment was not paid, the land would revert to me. The first year's payment was for more than the lease. Why would he make the payment?

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The cotton allotment program was under the control of the Department of Agriculture. If an allotment was moved, the county office in the receiving county had to approve the application. The movement within a state did not affect the overall production for that state. If an allotment was moved to another state, the states would have a net gain or loss of cotton production. Each state and county is proud of its farming production. The receiving county was always glad to see a move as it gave them more bragging rights. In West Texas, cotton production volume was very important both politically and to the county Agriculture Committee. I had control of the county committee and employees for reasons stated previously.

The biggest approval problem was at the state or regional Department of Agriculture Service. They could withhold approval of any county action. The power to approve or withhold was in Bryan, Texas under the control of Henry Marshall and his employees. John Dennison and Bobby Frank met with Henry Marshall several times to work out the contract details to comply with federal regulations. I placed Glenn Blake in charge of selling land to the farmers. Glenn had been working for me about a year. He was a good salesman. He also had three or four salesmen working under him. We would go into an area and contact county agriculture agents to obtain a list of farmers with land in the state allotment pool. In some instances, the list was available without charge. In other instances, I understand Blake would pay the agent five dollars for each name on the list. I was never involved in that transaction. I understand the money was paid out of the commission accounts. We began to sell the land in the fall of 1960. Those were really good dealing days. Just like shooting fish in a wading pool. We submitted the first contracts to Reeves County officials on transfers from Alabama in December 1960. The County Committee approved the contracts in January 1961.

There were two memorandums issued by Department of Agriculture officials in Washington. The first was the Bridgeforth Memorandum issued on October 13, 1960. This memorandum held that allotment transfers by deed of sales were valid even though the land could revert to the seller under certain circumstances. It also stated that intent to circumvent regulations could not be read into the contracts. This was the memorandum

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used by John Dennison to prepare my sales agreement. Our agreement included the contract for land sales and a separate lease agreement. Our sales process was going strong when the second memorandum was sent to the regional directors of USDA.

Henry Marshall received the Manwaring Memorandum on December 20, 1960. This memorandum said land sales agreements with side agreements such as our lease was intent to circumvent the regulations and was not to be approved.

On January 17, 1961, my lawyers and the Reeves County officials met with Henry Marshall and J. Taylor Allen, USDA Southwest Regional Director. There was a discussion concerning our agreements. My lawyers and the Reeves County officials left the meeting convinced that our agreements had been approved.

On January 25, 1961, Henry Marshall and his assistant, Leonard Williams, came to Pecos and met with the Reeves and Pecos County officials. The purpose was to explain the use of a new form, CSS178. This form was to be signed by the purchasing farmer and stated their intent to farm the land. The county officials believe Marshall said they were not to investigate the intent of a transaction, but simply accept the agreement at face value. This was different from the interpretation by Marshall to other counties. Leonard Williams did not recall the meetings in conversation with William and Tommy.

Leonard Williams, Henry Marshall's assistant, signed our first batch of transfers after that meeting. Leonard Williams was the primary contact for routine approval of documents. He and Bobby Frank met on several occasions in both Bryan and Pecos. I also met him several times during the approval process.

This was about the time that Senator Yarborough recommended my appointment to the National Cotton Advisory Committee. The National Cotton Advisory Committee was established to advise the Agriculture Department on situations affecting cotton production. This committee held periodic meetings and issued advisory reports. The appointment was considered an honor and underscored my success in the farming community. An Undersecretary to Secretary Orville Freeman approved this appointment.

At this time, a procedure was under consideration whereby the purchasing farmer would have to appear at the county office on

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the receiving end of the transfer to sign form CSS178 in person. This would mean my Oklahoma purchasers would have to come to Pecos to complete the transaction. Our sales process would be made more difficult. I called Cliff Carter and explained the problem. On January 31, 1961, the vice president wrote a letter to Secretary Freeman requesting that in person signing be waived because of the hardship put on certain purchasers. On February 17, 1961, Secretary Freeman responded with the statement that the State Committee (Henry Marshall) could approve excuses from personal appearances. Lyndon sent me a copy of the letter with a handwritten note, "This may be of interest to you. Lyndon."

On February 16, 1961, Leonard Williams approved fourteen more transfers. The CSS178's had been signed in person. On February 17, Amendment 11 to USDA regulations was issued requiring CSS178 to be signed in person.

Oklahoma State Officials were holding up several pool transfers. They were questioning the legality of the transfers. Their real problem was the political ramifications of allotment acreage leaving the state. They were ordered to transfer the allotments by Under Secretary Bieberly on March 27. They were told transfer acceptance was at the receiving county and not subject to review by the sending state.

In the meantime, Ward Jackson of Commercial Solvents wrote me a letter thanking me for recommending Vice President Johnson as a speaker for an association meeting. In the letter, Jackson said both Johnson and Carter had spoken highly of me at the meeting.

The Oklahoma officials were still interfering with the process. On March 17, W. J. Amote, a lawyer, wrote to Congressman Carl Albert and stated our contracts were illegal. Congressman Albert asked the USDA for a meeting to discuss the allegations and at the same time called Vice President Johnson as a courtesy.

Carter called me and we discussed the situation. There appeared to be a consensus building against us within the USDA. Carter's contacts suggested we attempt to gain approval for those contracts in process and then fight to keep the allotments. At the time, our approved and pending allotments represented a little over 3100 acres. I agreed and called my primary contacts in the USDA, Emory Jacobs and William Morris. William Morris was an old friend and was a church member. We had become very close over

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the years and he gave me advice on my newspaper. Emory Jacobs was one of my Neiman Marcus gift friends.

Cliff contacted his friends in the USDA and advised them of our desires. His contacts included John Bagwell, head legal counsel. Bagwell came to our defense during the last days of the situation in December 1961.

We also had questions about our contracts in several Alabama sales. On April 12, Jacobs wrote a letter to Alabama and stated the sales and lease back agreements were not within regulations. He stated the lease back agreement made the transfer invalid. He also sent a letter to Texas and told them "approval limited to request to bona fide transfers as provided by law and regulations." This was the first step in our campaign to allow me to keep all of the allotments but not purchase any more. Jacobs needed to show he was being tough on me.

On April 26, John Dennison and Bobby Frank met with Henry Marshall and Leonard Williams concerning the requests currently in Bryan for approval. Marshall at that meeting stated he had received an inquiry from Speaker of the House, Sam Rayburn about the transfers and had answered it. I had asked Rayburn to let Marshall know that he was interested in the process. This would assist in keeping Marshall in line. Leonard Williams signed the pending requests.

On May 16, Marshall called Ruth Miener at the Reeves County ASC and told her to stop processing CSS178's for the year. She was told to complete the processing of those already in process. The reason for stopping the transfers was it would be too late to plant any more cotton during that planting season.

Fifteen days later, USDA officials, Tucker, Felber and Rooney met in Congressman Albert's office with his aide Mrs. English. She showed them copies of the sales contracts and lease agreements for the Oklahoma transactions. They did not make any copies or write down the names on the contracts. Later that day, Rooney requested a copy of the Oklahoma contracts from Henry Marshall.

On June 2, Henry Marshall prepared a letter in response to the requests. The letter sent copies of the CSS178's, correspondence with Oklahoma and a memorandum from Ruth Minear, Reeves County, stating copies of contracts were not available. This was

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the last official act by Henry Marshall. The June 2 letter was not true. Marshall, Williams and Minear had copies of all agreements including the lease back agreement.

Chapter Fifteen

I am not for sure how Robert Kennedy became aware of my problems with the Agriculture Department. It may have come from someone inside the department or possibly Ralph Yarborough in an attempt to get back at Lyndon. But a concerted effort was made to convince Henry Marshall he should disclose all of his knowledge about Lyndon's relationship with me. Marshall had been around long enough to understand the situation. We received a call from a friend in Bryan, who disclosed the pressure being put on Marshall. He felt Marshall was ready to talk and had overheard plans for a trip to Washington. We arranged a meeting for June 3 to discuss the situation with him. His death was ruled a suicide by Carter's friend, Sheriff Howard Stegall. The next chapter will discuss the Marshall death.

On June 7, Thomas Miller, Southwest Director, visited the Bryan office. At that meeting, Irvin Lloyd and W. M. Hott, Marshall aides, requested an investigation of my transactions. Leonard Williams did not join in the request. Miller agreed and requested the Compliance Division of USD to begin an investigation.

On June 12 and 23, USDA Administrator Rooney requested copies of agreements from Reeves County and Bryan. None were ever forwarded.

On June 27, Pecos ASC approved ninety-seven CSS178 for transfer. Reeves ASC approved thirty-seven CSS178.

Eight days later, ASCS Administrator formally asked the Compliance and Investigative Branch to conduct an investigation into my affairs.

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Leonard Williams approved thirty-one allotment transfers after the investigation was requested. These allotments totaled seven hundred and nine acres. Later, in 2002, Leonard Williams could not remember the details of the transfers and did not remember what the form looked like that he signed. This despite the fact his testimony before Senate Committees was the high point of his career. He does not care to be charged with perjury. I know his answers should have been different. He was in Pecos as the department's representative during all my trials.

On July 11, 1961, Secretary of Agriculture Freeman added my name to the Cotton Advisory Board. This Board was organized to advise the Secretary on policy and procedural matters that affected the cotton industry and was an upgrading of the prior advisory board to a policy review board.

In September, Carl J. Miller, Chief, USDA, Warehouse Branch requested an internal audit to investigate my financial condition as it related to Grain Storage Contracts. Miller was located in Dallas and was in charge of allocating grain storage contracts. He also determined the performance bond contract amounts. We had been working under a \$700 bond for many years. He contacted A. B. Foster for consolidated financial statement for all my companies. We did not have any audited financials at that time.

On September 20, 1961, I was assessed a penalty of \$47,968.34 for transferring and planting cotton on the Alabama transfers. This penalty was assessed from Washington, D.C.

On October 18, 1961, John Dennison and I met with Wilson Tucker, Deputy Director Cotton Division, USDA-Washington. Our purpose was to stop the investigations and reverse the Alabama penalty. Tucker was not receptive to our requests. I saw reasoning was not going to accomplish our goals, so I reversed field. I told him I was prepared to go back to Texas and bring a team of public relations specialists back with me. We would publicize their treatment of me as a vendetta against my beliefs and my church. I told him my political friends would see he was hung from the highest tree in Washington.

Wilson Tucker would later say that I had threatened him. I was only negotiating with him.

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I ordered Senator Yarborough to call Tucker the next day and complain about the treatment I had received. Tucker arranged for us to meet with his boss and my friend, Emory Jacobs. Jacobs was already on board about our shift in strategy to save all previous allotment transfers and stop the process.

On October 27, the Investigative Division report was submitted with fifty one interviews with purchasers of my land. Most of the people stated they did not have any intention of farming the land purchased from me. On November 14, a meeting was held in Under Secretary Horace Greeley's office and a decision was made to cancel my 1962 allotment. No action was taken on the 1961 allotment.

I prepared for the fight of my business career. Now was the time to call in my markers. Cliff told me to wait until the legal counsel had given an opinion on the entire process. In a December 4 meeting, General Counsel John Bagwell was assigned to study the legal ramifications if my allotments were canceled and the Investigative Division was to determine if any farmers made their first annual payment on the land sales.

On December 15, John Bagwell issued a report, which stated my sales contracts were a scheme. However, it appeared I had acted on advice of counsel and his recommendation was cancellation without penalty.

One week later, a meeting was conducted in Under Secretary Horace Godfrey's office. The decision was made to cancel the allotments without penalty. I received official notification on December 26, 1961, a great Christmas present.

Now it was time to begin the real battle. During the first week of January 1962, I talked to all my contacts in Washington. This included the politicians such as Senator Yarborough, Senator Anderson, Representative Hayes, Representative Boren and of course Cliff Carter. Cliff Carter contacted James T. Ralph and John Bagwell, both of whom carried the rank of Under Secretary.

A meeting was arranged in Under Secretary Godfrey's office on January 6, 1962. Senator Yarborough, Representative Hayes and John Dennison accompanied me. Edwin Jaenke, Emory Jacobs and Joseph Moss represented the USDA. I argued all my transactions were in good faith and John Dennison stated he believed our transactions met the regulations in effect at the time. I

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asked for more time to prove my good faith. The decision was made to reinstate my allotments.

Two days later, Thomas Miller and two other persons were sent to Texas to examine the situation and report back. Two reports were issued. Thomas Miller submitted a report recommending retaining *all* of the approved allotments. He would later testify that Jacobs had ordered him to write that recommendation. The other two people did not make a recommendation.

During the next week, I had several telephone conversations with Cliff Carter and Walter Jenkins. These resulted in a meeting with Lyndon and Cliff. I received an invitation to an afternoon reception at Lyndon's house. During the reception, we had another discussion and Lyndon said he would let me know the next day about what he could do. Cliff pulled me aside and suggested there would be a need for money to grease the wheels.

Walter Jenkins called me on January 16 and said he had been instructed to call Under Secretary Murphy on behalf of Johnson. Murphy reported directly to Secretary Freeman. I cashed three checks that day totaling \$145,015 and gave the cash to Cliff Carter.

On January 18, more bad news was sent in the form of a notice to increase the amount of my performance bond on the grain storage from \$700.00 to \$1,000,000. This increase would cost me almost \$100,000. Carter and I discuss this new development and he agreed to find a way to get the bond lowered.

I was invited to attend President Kennedy's first anniversary party. I paid for twenty tickets and invited friends from the Agricultural Department to go with me. Some declined but enough were there to show my influence. It was also my first talk with Robert Kennedy. He approached me and suggested we have lunch together in the not so distance future. I replied favorably to a lunch but declined at that time because of my schedule. Afterwards, I told Cliff about the approach and he suggested I play along and see what was up.

A series of meetings were held with Under Secretary Murphy, General Counsel John Bagwell, Emory Jacobs and other minor officials. On January 24, the decision was made to allow me to keep previously approved allotment transfers. I would have to certify that I had received the first year's payment on the land. This

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meant I would have to find a way to document receipt of payments. I was in the process of solving the problem when I was indicted on April 5, 1962 for interstate commerce of fraudulent Chattel Mortgages. This was not related to the cotton allotment program but to the fertilizer tank program. On April 17, 1962, Secretary Freeman permanently canceled the allotments.

Secretary Freeman was a Johnson supporter but he was caught in a situation he could not control. I now suspect he had Johnson's approval to cancel the allotments. Johnson was afraid of being involved in a scandal.

The fertilizer tank program was a real simple deal. The tanks were used to store anhydrous ammonia, a liquid fertilizer, at the farm location. The tank was a metal cylinder similar to ones used for butane or propane. I needed more cash to support expansion in my farming operation and to support the fertilizer distribution business. The idea was to use someone else's credit to support my growth. I approached some friends with a business proposition. If they would sign a lease contract with me for x number of tanks, and give me a down payment of 20%, I would pay them 10% of the purchase price up front by writing them a check for 30% of the purchase price. They would sign an acceptance sheet with a serial number for each tank to show they had received it. I would also make their monthly payments under the contract.

Superior Manufacturing provided an invoice to me for the tank. I would accumulate agreements until I had enough to sell the paper to a finance company as a bulk purchase. The finance company would pay me the face amount less 20% down payment less a six percent discount fee. I made the monthly payments as they came due. I also gave Harold Orr 10% of the finance company payment to me. For this, he was to keep record of all the serial numbers and manufacture serial numbers in case they were needed. Incidentally, we were going to manufacture the tanks eventually. The fertilizer business was going very fast and Superior was running at capacity.

I had already established a procedure with several finance companies using real tanks. We had approximately 1800 real tanks in customer locations. The finance companies were getting paid for the tanks with very few defaults. If some one defaulted, I simply placed the tank somewhere else; therefore there were zero

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charge backs for the finance company. They were very happy. They also welcomed the new business.

Let me explain the process very clearly. A farmer, an insurance man, or anyone with good credit was approached with the proposal. We stated that we needed additional working capital and were willing to pay them for use of their credit. They were never told that they would receive a tank. They understood we would make the finance payments. Let me make it also very clear. Neither the indictment against me nor any statement by any finance company ever charged me with missing a payment. We paid every payment on time every time.

After we had complete documentation from the lessee and Superior, we would sell the paper in lots of around 100 leases to finance companies. Finance companies were lining up to buy the leases. They considered them very low risk. The discount factor was 6% for low risks. High risks would have been above 10% and would have required us to keep a deposit reserve for charge backs.

The only reason this program was ever examined was because of Dr. John Dunn, owner of the Pecos Independent Newspaper and a John Birch Society member. He was considered a bigot and *an* atheist. His newspaper would not support me in my race for the School Board. He said I would integrate the schools. He said I would bring my religious views into the schools. He thought I would segregate males and females because of my swimming pool rules. He was right. I would have, but that was because I thought it was the right thing to do.

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Nevertheless, I started a competing newspaper and cut the advertising rate in half. He was losing business. He spent most of his time trying to get back at me. He hired an ex FBI agent Dan Smoot to dig up dirt on me. Dan Smoot sent an anonymous report to the FBI in March 1961 alleging my fertilizer deals were a violation of Federal Banking laws. He also sent a copy to Senator John Tower. On May 2, the FBI began an investigation of the allegations. In July, the FBI advised Dunn and Smoot that their investigation found no evidence of violation of banking acts. J. Edgar Hoover told Lyndon about the letter. Carter called to determine the particulars. I explained the entire process to him.

Dunn then assigned his editor, Oscar Griffin, to work on the case. Griffin combed through legal records and discovered I had sold over 15,000 tanks in Reeves County. One transaction was for 450 tanks on a farm of 850 acres. You only need about three for that size of operation. Oscar Griffin would win a Pulitzer Journalism Award for the series. The first article came out on February 12, 1962.

On February 23, 1962, Frank Cain, President, Pacific Finance read the articles and decided to check his assets. He sent eighteen agents to check serial numbers at the locations listed on the leases. They could not find any. They called me and asked for assistance. Well, we had fun that week. I sent Bobby Frank and several other guys with serial numbers and tanks to the area. We would take an investigator to one location while my guys were moving previously examined tanks and changing serial numbers to the next location. We had them driving from one end of the county to the other. Some time we would arrive at a site and the serial

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number paint would still be wet. We almost convinced them, but we just ran out of gas.

Frank Cain asked *for* a meeting in Amarillo. I arrived with my lawyer. I think he expected me to offer some defense. I walked into the room and he started hammering me with numbers. He said, "Our main interest is in getting the loans paid off. Where are the tanks?" I replied, "There aren't any tanks." He said, "Do you mean to tell me, there are no tanks." I said, "Right, there are no tanks." I said, "Frank, I'm guilty. I don't even need a lawyer, I need witnesses." I then offered to sell him some more contracts. I had almost two million dollars worth of contracts in my brief case at the time. He declined because he was a fool. I also told him I could cover the monthly payments just as I had always done. He admitted my accounts were current. I told him if he was worried about the investigation, I would call Lyndon and get it stopped.

That afternoon, I talked with Cliff Carter three different times. He assured me that Lyndon would take care of things. He stated there were plans in the works to relieve the pressure and to sit tight. I believed him.

If you would like to read a good summary of my financial situations, look at Fortune Magazine, July 1962. They are biased toward the government viewpoint.

The summary presented by Fortune is as follows:

Revenue from January 4, 1961 until February 28, 1962

Fertilizer Business

Total Number of Fertilizer Tanks		30,000
Face Value of Mortgage	\$18,100,000	
Discount 6%	1,086,000	
Cash From Mortgage	17,014,000	
10% to Superior	1,701,400	
Net To Estes		\$15,312,600
Fertilizer Sales		
Lester Stone	2,732,684	
Farmers	1,779,096	
Total Fertilizer		\$ 4,511,780
Cotton Sales		
Concrete Ditch Lining	489,165	
	151,743	

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Trenching Business	52,919	
Oil Revenue	26,596	
Interest Income	9,172	
Rental Income	1,298	
Total		\$20,555,274

They claimed over \$9 million dollars was missing. This money was later estimated at \$250 million by the Internal Revenue Service. Fortune also stated I was involved with 12 or more companies and had accounts in five different banks. Well, they were about as intelligent as the finance companies. The bankruptcy trustee would state in his final report that I controlled eighty separate bank accounts and owned or held interest in sixty five corporations. What would you bet are the chances the trustee found all of my bank accounts?

The monthly payment on the tanks was running approximately \$527,751. My income from the grain storage business was sufficient to cover these payments. Again my payments to the finance companies were current.

The Finance Companies involved were Walter Heller (\$6,200,000), CIT (\$5,200,000), Pacific Finance (\$3,200,000) and Kuykendall Investment (\$1,200,000). I want to reiterate at the time of my indictment, all accounts were current.

You are probably wondering about the money and where it ended up. First, we knew we would need a lot more fertilizer tanks as we captured the market. We did intend to build the tanks eventually. We put most of the money into building more grain storage facilities. Lyndon promised to keep them full. I knew the grain storage fees would cover the monthly leases on the fertilizer tanks. Eventually the storage fees would have enough surplus to build the tanks. Of course, a considerable amount went to Lyndons's slush fund. I paid back the original half million and donated a few more to the fund.

There are two things you can do when you get in trouble. Pull into a shell and hope it goes away or fight back and enjoy the battle. I guess I am too dumb to go into a shell. I did have fun on occasions.

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Frank Cain was quoted as saying, "Billie Sol has three personalities. (1) cold blooded and ruthless when he has the advantage. (2) deeply religious and quoting scriptures when it is required and (3) a profane, witty, gregarious personality."

The newspaper article and subsequent investigation brought over seventy five FBI agents and sixteen federal auditors plus IRS agents to Pecos. The Texas Attorney General, Will Wilson, was in on the act and held hearings all over the state. The government supported the local economy *for* months. They even stayed in my motel.

One of the standing jokes in Pecos at that time was about the butter shortage. It seems someone told the agents, butter would coat the lining of the stomach and improve your ability to drink without becoming intoxicated. You see the agents were every where. They would spend hours in beer halls in an attempt to find out information.

It was at this time that I received the first of several calls from the Attorney General's office. The first calls and visits came from assistants. "We don't think you are guilty and we can work out a deal. Just agree to tell us everything." Later the call came from Robert Kennedy himself, "Billie, we know you have been giving a lot of money to Lyndon. Just tell us how much and when and we can give you immunity." My answer was always; "I don't know what you are talking about"

On March 29, 1962 at six in the evening I was arrested at my home. I asked for a chance to tell my children, who were at a school function. The answer was no so my children heard about my arrest on television. The government has no feeling when it comes to family. On April 5, 1962, I was indicted by a federal grand jury on fifty-seven counts of violating interstate commerce laws with respect to the fertilizer mortgages. The worst was only beginning. Cliff called and assured me everything would be ok. I believed him. I knew Lyndon would take care of me.

Chapter Seventeen

According to grand jury testimony, on Saturday June 3, 1961, Henry Marshall left his home in Bryan to spend the day at his 1500 acre ranch near Franklin in Robertson County. Almost every Saturday, he drove the thirty miles to the ranch, where he could relax while tending to his herd of cattle. On this Saturday, he left around 6 a.m. and took his ten year old son, Donald, with him. On the way to Franklin, he picked up a hitchhiker and dropped him off in Franklin. He arrived at the house of his wife's brother, L. M. Owens, around seven a.m. Owens drove a delivery truck for Cliff Carter's Dr. Pepper Bottling company and Donald would spend the day making deliveries with him. Marshall spent a few minutes there and arranged to pick Donald up around 4 p.m. and mentioned he would stop in Hearne to pick up some beef at his frozen freezer locker. At about 7:30 a.m., Marshall stopped by Joe Pruitt's farm to pay his old friend for baling some hay several weeks earlier. Wylie Grace and Lewis Taylor were with Pruitt so Marshall talked with them about cattle prices and the weather for a short time. After writing a check for \$36.00, Marshall left about 8:00 a.m. for his ranch. These three men were the last to see Marshall alive.

Henry Marshall looked like a storybook Texan. His skin was weathered from the Texas sun and his face was etched with many lines. He weighed about 215 pounds and stood six feet and two inches tall. He was normally a quiet man with an easygoing manner. His hair was beginning to gray and he had clear blue eyes. He was 51 years old. One of his legs was slightly shorter than the other and required that he wear a custom-built shoe. His many

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years of working his cows and repairing fence had left him strong and sinewy. Ranchers are notorious for being loyal to a particular brand of car and Henry was no exception. He was a Chevrolet man. He drove a 1960 Chevy Fleetside pickup.

Around five o'clock in the evening, Mrs. Marshall telephoned her brother to see when Donald and her husband would be home. Owens had not heard from Henry since that morning. Mrs. Marshall was concerned as her husband had a history of heart trouble and she feared he might have had a heart problem. Normally Henry was very punctual and considerate of his wife. A little later, Mrs. Marshall again called Owens and asked him to go out to the ranch. Owens worked on the ranch for Marshall and knew the ranch layout. 1500 acres is around one mile wide and two miles long. The farm had two entrances from county roads. Owens entered the ranch through the front gate but could not find Marshall. He went home hoping that he had passed Marshall on the way to the farm or Marshall was in Hearne but Marshall had not returned to the house. Owens decided to do a more thorough search at the ranch and asked his neighbor, Ervin Bennett, to ride out there with him. This time they entered the back gate to the ranch and spotted some tire tracks leading from the gate. They followed the tracks to a small clearing where they found the pickup and beside it on the ground lay Henry Marshall. Owens thought Marshall had had a heart attack and then he saw the blood on the side of the pickup and on the front of Marshall's shirt. Owens left his neighbor there, sped to the sheriff's office, and then home to tell the family.

Robertson County Sheriff Howard Stegall called the Justice of the Peace, Lee Farmer, who also served as coroner. By the time, they arrived at the scene it was dark and they had to use flashlights and headlights to examine the crime scene. Marshall was lying beside the pickup with his rifle beside him. He looked as if he had been setting on the ground and had fallen to his left side. There appeared to be four gun wounds in his left chest and abdomen. Curiously, there was very little blood on his shirt. There was blood on his head from an injury. His wallet, glasses and a razor blade lay on the seat of the pickup. The pickup had bloodstains on the door and rear right fender. The Sheriff looked at the body and declared the death a suicide. The coroner was surprised but did not

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question the Sheriff. The funeral home picked up the body that night and immediately embalmed it. The pickup was taken to the Owens home and the next morning Owens washed and waxed it. No pictures or drawing was made at the death scene.

The funeral home director, Manley Jones, could not believe the death was a suicide and he told Judge Farmer that he believed it was homicide. Nevertheless, Judge Farmer wrote on the death certificate "death by gunshot, self inflicted." For Marshall to commit suicide, he would have had to manually place a bullet in the chamber, fire the rifle, then eject the bullet by pulling the bolt mechanism back and then insert another bullet. He would have had to insert four bullets into the chamber. In addition, he would have to hit himself over the head.

Now I am not saying that the Sheriff was paid off. You have to understand Texas politics. The Sheriff and the Justice of the Peace were elected officials. Contributions for political favors were a way of life in those days. Robertson County was considered the home territory of Cliff Carter. He owned a building there, which he rented to the Department of Agriculture. However, the fact is the Sheriff testified under oath about the absence of any additional footprints or car tracks at the scene. If you look at the official account, he examined the scene after dark and after Owens and Bennett had driven up to and left the scene. They had walked around the murder scene and examined the body. In addition, Bennett had remained at the scene for at least thirty minutes by himself. Do you think he remained in one spot? The Sheriff and the Coroner had driven up in separate vehicles. Do you think the Sheriff told the truth about the absence of footprints and car tracks?

The Marshall family refused to believe that he had committed suicide so they offered a reward of \$2000 for information. They would hire lawyers in an attempt to remove the stigma of suicide from their father and husband's image. The Head of the Texas Rangers, Colonel Homer Garrison, submitted a report, which rejected suicide and was severely critical of the crime scene actions by the Sheriff. Henry Marshall's brother, Bob, was a big landholder in Robertson County and he finally put enough pressure on the Judge that a Grand Jury was selected to look into the suicide in 1962.

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Now I have told you the official version but as you know nothing is ever as it seems.

In my years of doing business with the government, I influenced people by making sure they shared in whatever profit that I made. Henry Marshall was different. He had been under Cliff's influence for many years. I do not know if Cliff ever gave him any money. I do know they occasionally played poker together and that Marshall's brother in law, I. M. Owens was an employee of Cliff's company. Owens had received a head injury in World War II that caused him some mental problems. Some people thought he was crazy but Cliff had a soft heart for friends and veterans. Marshall assisted us by showing us how to structure programs and documents to meet requirements.

Since its beginning during Abraham Lincoln's Presidency, the Department of Agriculture was organized to assist the farmers and ranchers by researching new methods of growing and harvesting crops. They also assisted in marketing crops and livestock to other countries. In the early fifties, their role changed to enforcement as quotas or allotments were imposed on certain crops. Quotas were intended to lower production and increase the price paid to farmers. As with most Government programs, this increased my ability to make money.

Agriculture employees on the other hand were being forced into an adversary role with the very farmer they were trying to help. Henry Marshall was one of those caught in the middle. His entire life was devoted to assisting the farmer and rancher, but now he was being forced to say no more than yes. It was not natural for him. Cliff had been able to smooth talk him into all kinds of things for me and the other farmers looking for government assistance. Suddenly some of those things became a moral dilemma for Marshall. The Cotton Allotment program was the final straw. Now he was faced with regulations from Washington which were in direct conflict with Cliff's requests. In early September 1960, Carter called to tell me that Marshall had sent a report to Washington about the purchasing of Cotton Allotments by farmers in Texas and New Mexico. While the report did not name me, it was clear I was being examined.

I always left the legal side and details to my lawyers and my brother. During the cotton allotment situation in 1960 and 1961,

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my lawyers and Bobby Frank met with Marshall several times to make sure our agreements were legal. The last meeting before things got out of hand was held on January 17, 1961 and my boys came back satisfied that we were on sound footing but concerned that Marshall might create problems in the future.

Chapter Eighteen

Patsy and I went to Washington for the inauguration of President John F. Kennedy and Vice President Johnson on January 20. I had been a heavy contributor to the Democratic Party and was invited to the inauguration and several special parties for those with influence. During a cocktail party at Vice President Johnson's house, Cliff Carter, Malcolm Wallace and I had a brief meeting with the Vice President. Cliff and I expressed our concern about Marshall. Marshall was the one guy in the USDA in Texas with detailed knowledge of Johnson's interest in various agriculture projects. You see I was not the only farmer involved in contributions to Johnson, but I was the one selected by Bobby Kennedy to prosecute. At the meeting, we discussed promoting Marshall to Washington and finding a more favorable person for his position in Texas. Cliff was to contact various people in the Department of Agriculture to find a suitable place for Marshall. This was our strategy until Marshall turned down the promotion.

I returned to Texas to find turmoil all over the place. Marshall had reversed himself during several meetings. I had control over the Reeves County ASC committee and was only having problems at the state level. During 1961, we received approval on 116 cotton allotments purchases. To put it into perspective, these allotments totaled over 3,000 acres. This translated into a cash benefit of between \$750,000 to \$1,250,000 after expenses on a yearly basis. While this was not my biggest cash program, it was certainly profitable.

Over the next four months, Cliff and I talked several times about Marshall. Rumors were rampant about Attorney General Bobby Kennedy trying to find as much information about Vice

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President Johnson's involvement in scandals. My troubles were becoming known and Kennedy began to look at me very carefully. Finally, Cliff asked that I come to Bryan for a meeting in late May. At the meeting, Cliff stated that Johnson was concerned about Marshall and had asked him to "take care of it." He stated "Marshall may go to Washington next week for a meeting with Robert Kennedy." I argued against any violent action. I suggested giving him a lot of money and sending him to Brazil but Cliff said, "We've offered him money and a promotion, we must make sure he does not talk." Cliff called Malcolm Wallace in California.

Now you must realize that this was the first of many suicides, which would occur to people associated with me. Each of these victims could have revealed my connection to Lyndon Johnson. Some of them were talking to federal officials at the time of their death. Over the years, I have asked myself, "How in the world did I get into this mess?" I was and still am a Christian. I wanted to change the world. It seemed more and more money was needed to support my family, my church and my fellow man.

In May 1962, the Marshall family was finally granted a Grand Jury hearing on the suicide ruling. The first action was to exhume the body and perform an autopsy. Most counties, like Robertson, did not require their coroners to have any medical or legal background. The Harris County Coroner, Dr. Joseph A. Jacimczyk, was an exception as he had both legal and medical degrees. He volunteered to perform the autopsy. His county included the city of Houston and he was experienced in examining gunshot wounds. His preliminary findings were a welcome sound to the Marshall family. "Based on my preliminary autopsy examination," Jachimczyk said, "I believe that this was not a suicide."

The Grand Jury was selected the same day that Secretary of Agriculture, Orville Freeman, announced at a press conference that Henry Marshall was the key figure in the investigation into my problems with the agriculture department. This made the Grand Jury hearing the focus of national news coverage. The news media descended on the small town of Franklin. The locals were amazed at the attention. Dan Rather, at that time a television announcer for a Houston Station, broadcast from the steps of the courthouse.

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I received a subpoena to appear before the Grand Jury. I am convinced that Attorney General Bobby Kennedy was behind the Freeman announcement. There were several news leaks given to leading newspapers that President Kennedy was taking an active interest in the mysterious death of Henry Marshall. I had become the scandal of the year and my face would grace the covers of most news magazines that year. I selected one of those covers for the cover of this book.

The Grand Jury was selected by Judge Barron from citizens in the county. During the selection of the Grand Jury in this case, Sheriff Howard Stegall and his deputies rounded up many citizens. Stegall still believed in the suicide ruling and he managed to have his son-in-law, Pryse Metcalfe, Jr., put on the jury. The Jury elected Goree Matthews as its foreman but there was little doubt about who would dominate the proceedings, Pryse Metcalfe. With the preliminary finding from the coroner, the Grand Jury began its formal investigation. The Texas Rangers and the Federal Bureau of Investigation were asked to examine the evidence and testify before the Grand Jury.

Dr. Jachimczyk presented his formal findings, which included some surprises. There had been five shots instead of four in the abdomen and chest and the body had a 15percent carbon-monoxide concentration at the time of autopsy and probably had 30 percent at time of death. The blow to the head could not have come from a simple fall. His Conclusion was "possible suicide but probably homicide." He also stated "If this is a suicide, it is the most unusual one I have seen during the examination of approximately 15,000 deceased persons."

The Grand Jury issued a subpoena requiring the Agriculture Department to turn over the 175 page report dated October 27, 1961 entitled "Billie Sol Estes Pecos, Texas" This report was known to make reference to Henry Marshall. Attorney General Robert Kennedy turned down the request and instead offered 22 pages of excerpts from relevant parts of the report. A Justice Department lawyer flew to Dallas with the excerpts that afternoon and turned them over to Barefoot Sanders, United States District Attorney for the Northern District. After further discussion, Judge Barron was allowed to review the entire document with the agreement that any information given to the Grand Jury would be

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cleared through Sanders. Sanders was a protégé of Lyndon Johnson. Johnson would later appoint Sanders to be a Federal Judge in Dallas. The report was never submitted to the Grand Jury.

FBI Director J. Edgar Hoover wrote on a May 21 memo: "I just can't understand how one can fire five shots at himself." Another agent questioned how a person can inhale a near lethal dose of poisonous gas, pass out, and still have the presence of mind to tuck his shirt back into his pants before he died.

The Grand Jury heard testimony from Nolan Griffin, a gas station attendant who recalled a man stopping by his station around the time of the Marshall suicide and asking directions to the Marshall ranch. He gave him directions and the man stopped by the next day and said "You gave me the wrong Marshall but that's all right, I got my deer lease.

Griffin described the man to a Texas Ranger sketch artist and the sketch was circulated in newspapers across the country. The man wore dark rimmed glasses had dark hair and a scarred dark face. The man had driven a 1958 or 59 Plymouth or Dodge Station wagon. Some said the sketch resembled me, but I never had acne scars.

The Kennedy Administration leaked several stories to the press during the grand jury hearing. Several newspapers carried the story of how interested the President was in the proceeding. Little was said about how much interest was exhibited by the Kennedy family. Throughout the hearing, Bobby Kennedy would call Judge Barron each night to get a report on the day's testimony. Judge Barron was quoted as saying that he talked to President Kennedy one time and Bobby Kennedy 10 or 12 times. Kennedy had also asked FBI Director Hoover to keep him informed. This was all happening at the time the FBI had over 75 agents working on my other cases in Pecos. I was also under pressure by the State Attorney General Will Wilson. Wilson had been an LBJ man but had a falling out with him after Johnson was elected Vice President. Now he was running for Governor and I was to be his meal ticket to the state house.

Judge Barron also recalled that. "Lyndon got into it, took a great interest in it. Cliff Carter wired down and called me about it two or three times. He said Johnson wanted a complete investigation made. He put on a good act." I know Carter called

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because he called me with a report each time he talked to the Judge.

I arrived to testify in mid June 1962. By that time most of my properties and planes had been placed in receivership. I still had my white Cadillac's so my father, two brothers and my two lawyers made a show of it. My lawyers were State Senator W. T. (Bill) Moore of Bryan and John Cofer, who did most of Lyndon's legal work. Cliff had insisted that Cofer be on my team. They wanted to know what I was saying. They did not have to worry. I believe in loyalty and would never turn on my friends. I knew Lyndon would take care of me at the right time. While I was never a member of an Italian family, I believe in their code of honor.

The media had a field day with my appearance. I testified for almost two hours but refused to give answers to most questions. I refused to testify based on my Fifth Amendment rights-refusing to answer questions on grounds that I might incriminate myself. This was the first of many trials in my life. In most of them, I have either refused to testify or I have pled the fifth. While in retrospect it was somewhat naive, I believed Lyndon would protect me.

On June 18, the Grand Jury reported to Judge Barron that it could not decide whether the death was murder or suicide. The jury decided after considering all the "evidence is inconclusive to substantiate a definite decision at this time or to overrule any decision heretofore made." The suicide ruling was sustained. Pryse Metcalfe assisted in the Grand Jury by pressuring everyone to keep the suicide ruling.

Who do you think had the most to gain with that ruling other than me? I did not payoff any person in Robertson County. I did not know who to pay. Cliff did.

After the hearing, Pryse Matthews continued to raise the issue of suicide. At Judge Barron's request, Dr. Jachmiczyk responded to the question of suicide versus homicide in a letter dated August 17, 1962

In response to your request of July 30, 1962, I have studied the two reports which you made available to me. One is the letter dated July 18, 1962, by Colonel Homer Garrison, Jr. and the other is the letter dated July 20, 1962, by Pryse Metcalfe, Jr., a

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Grand Juror. I have, also, reviewed my autopsy file on the case of Henry Harvey Marshall.

After examining each report thoroughly, I find insufficient evidence to change my original medico legal opinion that Henry Harvey Marshall's death is a possible suicide, probable homicide.

.....the scales are tilted more in favor of homicide than suicide pending additional evidence.

In Mr. Metcalfe's report there are a number of points upon which I must comment.....

a. I strongly disagree that the injury to the left side of the forehead and face observed by me during the exhumation autopsy and the laceration and protruding left eyeball described in Colonel Garrison's report were " ...received from falling or agitation of the body during the process of dying" An injury of such severity does not occur from a simple fall.....This type of injury results from a severe blow to the head, either the head striking something, or conversely, something striking the head. Colonel Garrison's investigation indicates that the dent on the truck "... was caused by some type of instrument other than a human hand or head ; it Is far more reasonable to decide that something hit the head in this instance, rather than the head hitting something.

b. Mr. Metcalfe mentions "...the angle of entry of each of the shots and acts of reloading and firing are not difficult with either the left or right hand.. ..." From the nature and extent of the injuries, it is not possible that the decedent, assuming that these wounds were self-inflicted, could have used his right hand. He would have had to pull the trigger with his left hand, and, if anything, only steady the barrel of the gun with his right.

c. Mr. Metcalfe further suggests that the decedent might have made a hood of his shirt and placed it over the exhaust of the vehicle, and thus inhaled the amount of carbon monoxide found in

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the body. The evidence does not support that proposition. If this were done, soot must have necessarily been found on the shirt; no such was found.

d.

e.

i

g. Also, at the time of the autopsy, an additional gunshot wound was found which was never observed either by the family physician examining the body shortly after death, or the mortician at the same time. If so glaring an injury were not noticed, one questions the reliability of their opinion that these injuries were post mortem.

h. ...

I.

Reiterating my initial report of May 22, 1962, based upon reasonable medical probability, this is a homicide; based upon beyond reasonable doubt certitude, this is a possible suicide.

Chapter Nineteen

It was during the Grand Jury hearing that I first met Texas Ranger Captain Clint Peoples. He was present at the hearing and I could feel his eyes on me all the time. After the hearing, he approached me and stated matter of factly, "Mr. Estes, You know and I know the truth, someday you will tell the whole story."

Cliff and I talked after the Grand Jury reached its conclusion. We decided that the Marshall thing was now behind us. We were content the story was finally put to rest.

However, the Marshall family and Texas Rangers were not ready to call it quits. The Rangers were still following up leads. In particular, Captain Clint Peoples would spend his free time and sometime official time gathering information and following leads. At various times during the sixties and seventies, he would show up where I was and ask simple questions. All he was really trying to do was let me know that he was watching. The Texas Rangers were not used in my other cases. The Rangers are the only law agency in Texas that is not required to provide files under the state freedom of information act. Captain Peoples was a man's man. He led the Rangers with an iron fist. No one ever talked back to him and survived. He retired from the Rangers with full honors.

Upon his retirement from the Rangers, Clint Peoples was appointed to the position of United States Marshal for North Texas. (Curiously, Cliff Carter had held the same position in South Texas during the fifties.) The United States Marshal is in charge of transferring federal prisoners and the Federal Witness Protection Program in addition to their other duties. In 1979, I was sentenced to my second prison term in the Federal Penitentiary at Big Spring,

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Texas. Marshall Peoples decided to transport me there rather than assigning it to a deputy.

During the first part of the trip, Peoples talked about every day things such as the weather, cotton growing and cattle prices. Suddenly, he turned to me and said, "Billie Sol, I know about your deals with Cliff Carter and Lyndon. I can prove you knew about the Henry Marshall murder and the other suicides. I also think you have been punished unfairly in these other cases because of the Kennedys. More importantly for you, I want the Marshall family to have peace of mind. I want you to promise to me that you will testify before a court of law about the death of Henry Marshall. I will get you immunity."

I had to think long and hard at that time. It would mean disclosing my secrets in a court of law, something that I had avoided for over twenty years. It would mean admitting my relationship with Lyndon and Cliff. Although they were both dead, I still believed in their vision. I still believed the end justified the means. I believe they were men of destiny and assigned a purpose by God to right the wrongs in our society. Then I remembered the humiliation of jail, the loss of my money, the suffering of my family. I remembered Lyndon having the power to make things right and never doing it. I remembered Lyndon talking about blacks and then acting like he was their friend. I also did not want to be sent to prison for a third time. What if Peoples did have some hard information? Then I decided to talk. I asked Clint to wait until I was out of prison because I feared the retaliation that would occur in prison. He agreed.

My second prison term ended in late 1983. I was released from Big Springs and went home to see my family. Clint Peoples did not wait long to call me and went straight to the point. "Billie Sol," he said, "its time to set things right for the Marshall family. There is a new young District Attorney in Franklin and we can set things up." I gave him the go ahead.

So that is how my testimony before the second Grand Jury happened in March 20, 1984. The new District Attorney, John Pascal, arranged for immunity from prosecution for anything I might tell before the Grand Jury. I would be prosecuted for perjury if I lied to the Grand Jury. As we drove into Franklin, I noticed a new Dairy Queen on the highway. I decided to have a cup of

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coffee there before going to the courthouse. I have many memories of Dairy Queens. They are my favorite place to grab a burger and fries. I have made million-dollar deals over a hamburger. Let those big shots from Dallas do the steaks at fancy restaurants. Dairy Queen represents my roots. You can sit around with common folks and discuss crops and the weather.

This time the County Courthouse was surrounded with those television trucks. I was just a broken down old farmer but I can still draw a crowd. Everyone wants to see Billie Sol, the last of the wheeler-dealers. I am proud of that title because making a deal is better than getting high. I guess the television crews expected a broken down old man but that is not what they got.

With Clint Peoples by my side and giving testimony as well, we spent four and half-hours before the Grand Jury. There have been many versions of my testimony printed in newspapers and reported on television. None of them was accurate because they were not in the room. I was there but my memory is not as good as it used to be. The important thing is the finding of the Grand Jury. Their judgment was as follows:

The opinion of the previous grand jury was that "the evidence is inconclusive to substantiate a definite decision at this time or to overrule any decision heretofore made." Based on the testimony presented today, which was not presented to the previous grand jury, it is the decision of this grand jury, that Henry H. Marshall's death was a homicide, not a suicide. That the parties named as participants in the offense are deceased, and therefore it is not possible for the grand jury to return an indictment.

Signed this the 20th day of March, 1984

Cliff was under instruction from Lyndon to make sure Henry Marshall would never disclose his full knowledge. Cliff called Malcolm Wallace in California and told him to come to Texas. The job was to be done that weekend.

He shot Marshall five times with a rifle. He assumed Marshall was dead so he placed the glasses, wallet, and pencils on the seat of the pickup. After checking the area, he walked back to his station wagon and left.

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In retrospect, Mac was lucky that he was not caught. A good sheriff would have found the footprints, would have checked for fingerprints, and would have noticed there were no shells around the body but then a good sheriff is hard to buy.

Clint Peoples testified that he had first met Malcolm Wallace in 1951. Wallace had shot Douglas Kinser at a small golf course in Austin. Peoples has examined the evidence in that case and taken an interest in Mac. Peoples was surprised Malcolm Wallace was sentenced to a five year suspended sentence after being convicted of murder. It was at that time, he began to suspect there were political reasons for the sentence. Later on, he was requested to supply information to the Office of Naval Intelligence after Wallace filed for a secret clearance to work for Temco Aircraft in Dallas.

He reviewed the records available to him from Department files and noticed the arrests for Driving while intoxicated, the complaints filed by his wife for assault, and the records showed sexual deviant behavior. At that time, oral sex was a criminal offence in Texas and he had been caught in a public place with his wife. Clint had the ONI recommendation that the secret clearance be removed. He also noted that Mac continued to work in a supervisory job with employees working on secret projects. Someone in Washington had overridden the secret clearance removal. I knew that Cliff had arranged for Mac to continue working in that job. The most important thing was the Federal Bureau of Investigation files on Mac stopped at 1951, when Clint pulled the files in 1984. Someone had purged the files. Clint still had access to the Ranger files and they were still complete.

Chapter Twenty

The chaos of the sixties was replaced with devastation. My empire was about to be dismantled and out of my control. Bobby Kennedy was determined to get at Lyndon through me. I was just as determined to keep my mouth shut. The Italian families have their code of silence. So do I. I knew eventually Lyndon and Cliff would take care of me. I did not think a jury would ever find me guilty.

However, before my arrest there were deals in the works to solve my financial problems. The first was from Jimmy Hoffa. Hoffa and I had become friends over a few trucking deals and the bracero situation. I received a call from him in either February or March 1962. He was sending a friend to see me with an offer. The friend turned out to be from Las Vegas and represented the Teamsters Pension Fund. The fund was willing to loan me ten million dollars to negotiate with the finance companies. I was never in default on the fertilizer tank loans. I knew the finance companies would negotiate with a show of green backs. The Union money would be expensive and would require me to give up some control and probably do some things I would not normally do but I was ready to make a deal.

The other offer was from Commercial Solvents in December 1961. They understood the value of being the dominant supplier of fertilizer in Texas. They were also willing to loan me ten million dollars. I would have five years before a payment would be required. Then I would make quarterly payments for five years to repay the loan in full with interest of six percent. At the end of the ten-year period, I would convey the fertilizer operations and all

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equipment debt free to Commercial Solvents. I thought this was a little steep. I was still negotiating with them when I was arrested. By the way, Commercial Solvents did not lose money in their business with me. This was despite the bankruptcy trustee making a farce out of the bankruptcy process.

I was arrested and indicted in April 1962. The charge was interstate transportation of fraudulent securities. At the same time, Harold Orr, Coleman McSpadden, and Ruel Alexander of Superior Tank were indicted on the same charges.

When the agents knocked on the door and told me I was under arrest, I had two questions. "Can I put my shoes on? Can we wait so I can tell my children in person?" They allowed me to put my shoes on. My children would see me on the television news program. I was booked and bond was set at \$500,000. On April 3, Bond was reduced to \$100,000.

On April 4, 1962 a rancher found a body in a car outside of the small town of Clint. Clint is located in the foothills near El Paso. There was a hose running from the exhaust to the inside of the car. In the car was the body of George Krutilek. George was a certified public accountant and had done some work on my company books at one time. The sheriff ruled the death a suicide. The FBI had interviewed Krutilek on April 2 about my finances. He was not seen again until they found his decomposed body. An El Paso pathologist, Dr. Frederick Bomstein, examined the body later and determined that death was not by carbon monoxide. Krutilek was the second person to die because of my relationship with Lyndon Johnson. I do not have immunity in this death. If I were to receive immunity, I would gladly discuss this murder. I would speculate that Malcolm Wallace murdered George.

Four days later, my companies were put into receivership. Harry Moore was appointed trustee and they proceeded to take over the operation of my empire. If they had any sense at all, they would have let me run the businesses. As it was, they did not have the knowledge or desire to run the business. They were like buzzards going after a dead cow. They hurt the poor people and let the rich people make money. They caused a depression in the Pecos area just as bad as President Hoover did to the entire country in 1929. This was all because a John Bircher and Bobby Kennedy teamed up to get me.

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On April 28, 1962 Cliff called me in the morning and asked that John Cofer and I meet Lyndon at the Midland Airport. Lyndon had been to the funeral of his friend, Tom Miller in Austin. On the return trip to Washington, he had the plane stop in Midland. Secret service men escorted us on the plane. We met for almost an hour and discussed my legal problems. Lyndon told us to keep quiet and he would take care of things. He told us to go through the trials and fight like hell. If we lost, he would see that things were made right. He made it clear that I was not to talk. I followed that advice throughout the trials and never took the witness stand.

I realize this meeting has been reported before by J. Evetts Haley and a concerted effort was put forward by the Johnson Camp to discredit the report. Hoover was asked to debunk the story. The records of the Midland Airport were at first sealed and then destroyed for that date. A witness to the plane being there and my boarding it is still alive as I write this book.

In early May, I received a visit from a republican friend, who asked that I meet with a Republican political activist named Lee Potter. He told me Potter might be able to assist me in getting out of trouble. I agreed because I wanted to hear what they had to say. The meeting was set for May 14, 1962 in the Hilton Plaza Hotel in San Antonio. I decided to skip the meeting after I arrived in San Antonio. Lucky for me that I did. Papers at the LBJ Library were uncovered recently, which showed that Lyndon's old friend, Sheriff Owen Kilday, hired a private detective to bug Potter's hotel room. Kilday later sent an invoice for the services of Private Detective Charles S. Bond in the amount of \$84.56 to Lyndon.

Either Lyndon was setting me up or he had a source within my organization to keep track of me. I now believe he had someone on my payroll reporting to Cliff on a regular basis. If I had attended the meeting and talked about the relationship, I would have been dead before nightfall.

Texas Attorney General Will Wilson was running in the democratic primary for Governor. He had been a close friend of Lyndon until Wilson ran for senate to replace Johnson in 1960. Lyndon did not endorse Wilson and the friendship ended. In the democratic primary, Wilson was running a weak race and he decided I would be his meal ticket to the Governor's mansion. In Texas, the Attorney General does not have any power in criminal

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matters. Instead, Wilson scheduled hearings around the state to determine if civil fraud had been committed. These hearings were primarily aimed at the grain storage and fertilizer program. He wanted to tie Lyndon to me. He convened courts of inquiry in Amarillo and Plainview.

Wilson finally filed a civil antitrust lawsuit against Commercial Solvents and me for conspiring to corner the fertilizer market. This suit was dismissed but testimony revealed my shopping trips to Neiman Marcus with various Agriculture Department personnel.

These revelations led to the Republicans in congress calling for an investigation of my dealings with the Agricultural Department. The Democrats tried to stop the investigation as it would be a scandal for the Kennedy Administration. The investigation was approved after President Kennedy sent word to congress to proceed. He was hoping the investigation would lead to a scandal for Johnson. Johnson of course still had his contacts in congress and the committee was stacked with Johnson friends. The House of Representatives established a sub-committee to investigate the grain storage business under the direction of Representative L. H. Fountain of North Carolina. The Senate investigated the cotton allotment program under a committee headed by Senator John McClellan. The Senate Committee included Senator Hubert Humphrey, who would become Vice President to Johnson and Senator Pierre Salinger, President Kennedy's former press secretary.

In June 1962, the Fountain Committee in Congress was investigating the grain storage program. One of their investigators, Robert Manuel, interviewed Carl J. Miller, Chief, Warehousing Branch of the Department of Agriculture in Dallas. Miller was a Cliff Carter contact and arranged for the grain to be moved to my warehouse. In his interview, Miller had said that I had invoked the power of Rayburn and Johnson in my discussions with him. When he testified he changed Johnson's name to Senator Yarborough. After his testimony, Manuel called him to the investigator's table and asked why he had changed the names. Miller simply shrugged and walked away. Later Manuel would state the committee was presented evidence of my giving money orders to several congressmen and Department officials. This testimony was never

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released but Manuel did leak a confidential Agriculture report to a New York Newspaper. He was fired as an investigator.

Will Wilson thought he had the grain storage system all figured out. He requested an audit of the storage facilities. He thought I was being paid more than I should. The audit proved that all the grain was in storage as recorded by the Agriculture Department. He was the first to tie the Plainview operation to the Johnsons but he could never find the proof. Coleman McSpadden told the court of inquiry that I had promised a portion of my holdings and profits to Vice President Johnson.

Wilson had by this time lost the primary election to John Connally and was really a bitter little man. He was the one who assisted in getting the first Grand Jury convened to look at the Henry Marshall murder. He felt that I was involved in some way and would lead him to Lyndon. I was subpoenaed because of his involvement and invoked the Fifth Amendment about self-incrimination to all questions.

After the McClelland Committee concluded its investigation into the cotton allotment program, a detailed list of those accused of working with me was released. It included the following:

Federal Employees:

James T. Ralph, Assistant Secretary, Agriculture Stabilization. Resigned May 16, 1962

Emery E. Jacobs, Deputy Administrator, ASCS, Resigned April 13, 1962

William E. Morris, Assistant to Deputy Administrator, ASCS. Removed May 18, 1962.

Thomas H. Miller, Acting Southwest Area Director, ASCS. Reprimanded June 25, 1962

Lewis W. David, State Executive Director, Texas ASCS. Reprimanded September 27, 1962.

James E. Goad, Member Texas ASC State Committee. Reprimanded September 27, 1962.

John F. Moore, Member Texas ASC State Committee. Reprimanded September 27, 1962.

Weber W. Pool, Member Texas ASC State Committee. Reprimanded September 27, 1962

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ASCS County Committeemen and ASCS County Office Employees

Rufus D. Atkinson, county office manager, Reeves ASCS Office. Removed September 26, 1962

Dwight Bookout, county office manager, Otero, New Mexico ASCS Office. Suspended July 2, 1962 Reinstated July 26, 1962

Bernie Bounds, vice chairman, Otero, New Mexico ASCS Committee. Suspended July 2, 1962-Reinstated July 26, 1962.

John W. Burchett, Chairmen Raines County ASCS Committee. Resigned June 5, 1962.

Russell E. Dill, county office manager, Custer, Oklahoma, ASCS. Resigned May 8, 1962

Louie Dumas, county office manager, McIntosh, Oklahoma, ASCS. Removed August 7, 1962

Earl Long, County Agent, Custer, Oklahoma, ASCS. Resigned May 24, 1962

William P. Mattox, vice chairman, Reeves County ASCS Committee. Removed June 8, 1962

Arthur Stone, Supervisor, McIntosh, Oklahoma, ASCS. Removed August 7, 1962.

Alvin J. Weimer, Supervisor, Reeves County ASCS. Removed May 8, 1962.

Harvey White, Supervisor, Custer, Oklahoma, ASCS. Removed May 8, 1962.

James O. Work, community committee chairman, Pittsburgh, Oklahoma ASCS. Removed August 8, 1962

Details of the charges are available in Senate Report Number 1607, 88th Congress, 2nd Session. The government followed its normal operation of shooting the small fish and ignoring the big ones. The primary contacts of Cliff Carter were ignored completely. It was politics as usual. By the time the report was submitted, Lyndon was President of the United States and effectively squashed any reports leading to him or Cliff.

By now the national press was having a field day. My face was on the front of most major newsmagazines and newspapers across the country. Now the Pecos economy was being supported by the newsmen as well as FBI and IRS agents. Look magazine did an extensive layout on July 31, 1962. They interviewed several

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Pecos citizens. "Taffy" Alley stated, "I admire Estes in a way. He's a damn thief but he's no petty thief. If you're going to get caught stealing, don't go to stealing chickens."

In the mean time, Harold Orr and Coleman McSpadden had gone to trial on the state charges and had been found guilty. Their sentencing was delayed until January 7 so they could testify in my trial.

Cliff Carter had told me to hire John Cofer as my lawyer. Cofer had been involved with several projects for Lyndon including the Malcolm Wallace murder case. Cofer was a well known criminal lawyer. During the time he worked with me, he spent more time using delay tactics than defending me. He advised me against testifying at any trial. Looking back, I should have told the whole story, but I would have been killed.

The trial was moved from Pecos to the East Texas Town of Tyler. It was felt that everyone in Pecos and West Texas had an opinion about me. Cofer hit Judge Otis T. Dunagan with a barrage of pretrial motions, most of which were turned down. The most significant motion was against television cameras in the courtroom. The trial opened on October 24 with the courthouse filled with a maze of wires and cameras. O. J. Simpson had a bigger audience but I was the first.

The state presented its case from October 24 until November 2. Harold Orr testified that he had forged one contract on my orders. He was lying and paid the price for it later. After the state rested, Cofer made several motions including dismissal for lack of evidence. After all motions were turned down, Cofer did not call any witnesses and rested our case. The Jury returned a verdict of guilty and I was sentenced to eight years in prison. Cofer immediately filed a notice of appeal and I was free on bond.

The federal attorneys filed a charge of making false statements to the Commodity Credit Corporation on December 1, 1962. This was in the court of Judge Sarah Hughes, who would administer the oath to Johnson after President Kennedy was murdered. This charge never went to trial. Judge Hughes dismissed for lack of evidence.

On March 15, 1963 my federal trial on charges of transporting fraudulent documents across state lines began in El Paso. The Federal Attorneys completed their case in five days. I again did

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not testify based on John Cofer's advice. I was found guilty and sentenced to fifteen years in prison on March 28. During sentencing the Judge stated, "The record shows that you were the perpetrator of one of the most gigantic swindles in the history of our country."

Well, he was right. It was gigantic but it was not a swindle. Every one of the farmers and finance companies knew what they were doing. They were not swindled; they were my willing partners.

In 1990, when I requested a full pardon from President George Bush, J Kenneth Bradberry, a Special Agent for the IRS assigned to my case from 1962 to 1965 wrote the following:

"...It was during the course of the investigation that I received a file of documents that

other agents had obtained from the files and records of the various finance companies involved with Mr. Estes. Included was an interoffice memorandum from the files of W.I. Heller Company. Wherein an executive of that company wrote that it was critical for them to conceal the fact of their awareness that not all mortgaged fertilizer tanks existed at the very time the transactions were consummated.

...It was my opinion then and now that all parties involved knew the true facts of the transactions. The IRS tax conferee also agreed that there was no basis for the assessment of additional taxes, interest, and fraud penalties, but he was overruled also.

....case was predicated upon politics involving the Kennedy and Johnson factions. While

Mr. Estes may have been guilty of some questionable practices, I do not believe he was guilty of the offenses for which he was convicted twice and sent to prison twice."

At the time of my arrest all of the accounts were up to date. Not a single fertilizer tank payment was past due.

I was released on a \$100,000 bond pending my appeal. My Uncle, Dr. Sol Estes and my brother, Dr. John Estes, signed the bond. I returned home to Pecos to wait for the appeal process.

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At this time, I decided to go on a speaking tour of the black churches I had supported in the South. Many of the churches had preachers and leaders for whom I had paid education expenses. This trip allowed me time to reflect on my life and get right with God. When I came home to Pecos, I saw how many tourists were driving by the house and decided to make some money. I planted a big sign in the yard and charged \$5.00 per head for a guided tour of the mansion. This did not last too long for the city council received too many complaints about the crowds. They passed an ordinance and stopped the tours.

On August 8, the Birchers and the bigots burned a cross on my lawn. On August 9, I was in the front living room. The telephone rang and just as I bent over to pick it up a shot was fired through the window. If the telephone had not rung, it would have killed me.

Chapter Twenty One

I made arrangements the next day and moved to Abilene. We left most of our clothes and other items there. I did not want Patsy or our children to be harmed. The shot either came from the local bigots or was a warning from Wallace that he was watching me. We purchased a beautiful home on the lake in Abilene with some money from my brother.

On November 24, 1964, I was arrested for violating the terms of my bond by traveling out of state. I was released two hours later.

On January 16, 1964, the Texas Supreme Court upheld my state trial conviction. We immediately filed an appeal with the United States Supreme Court. The appeal was based on our inability to get a fair and impartial trial with the television cameras in the courtroom.

On January 20, 1964 the Internal Revenue Service sent me a tax bill for \$18.2 million dollars.

On January 15, 1965, the United States Supreme Court refused to hear my appeal on the Federal Charges from El Paso and I was arrested and transported to Fort Leavenworth, Kansas.

On June 7, 1965, I scored another first. The United States Supreme Court agreed for the first time to hear an appeal from a state criminal court. They set aside my conviction on the state charges. They found that television coverage in the courtroom precluded me from having a fair trial. On the retrial, we made a plea bargain and I received a sentence of three to five years. The sentence was to run concurrently with the federal sentence and meant no additional prison time.

During this time, I was involved in many civil lawsuits. They did not result in any prison time.

Henry Moore, the bankruptcy trustee, was making a good living off my money. He was rewarding the rich. Most of my companies were liquidated. The land and grain storage facilities were sold to Lyndon's good friend Morris Jaffe from San Antonio for seven million dollars. The funeral home is still operated as a funeral home with different owners.

On February 28, 1964, Harold Orr was found dead of carbon monoxide poisoning in his garage. It was ruled an accidental death. A few weeks later, Howard Pratt, the Chicago Office Manager for Commercial Solvents and the person concerned about my operations on a daily basis died of Carbon Monoxide poisoning in his car.

Coleman Wade was a building contractor from Altus, Oklahoma. He had contracted to build most of my grain storage facilities. In 1963, he was flying home from Pecos in his private plane when he crashed near the town of Kermit. Everyone in the plane was killed instantly. Government investigators cleaned up the wreckage and kept the area roped off for days.

I do not have immunity in any of the above deaths. Alexander Ruel told the FBI voluntarily that he had once considered making an investment in Jack Ruby's Carousel Club. I introduced him to Ruby. Ruel hired a private detective to check out Ruby and decided to not invest after finding out Ruby was a queer. This is disclosed in the Warren Commission Volume XXII, Page 883.

Finally in June 1962, I received the Golden Pickle award from the National Pickle Packers Association. This is awarded annually to the person "for getting into the biggest pickle." I have always liked awards and this one was well earned.

Chapter Twenty Two

On January 15, 1965, the United States Supreme Court refused to hear my appeal on the Federal Charges from El Paso. I was arrested and transported to Fort Leavenworth, Kansas. I arrived at Leavenworth on March 5, 1965 at 2:52 p.m. I walked into the prison with my bible. For the first time since we married, I was leaving Patsy for an extended time. I wrote her and the kids every day. She wrote me every day. These letters would make a wonderful book about love. They reveal my optimistic outlook on life under the most trying times. I also wrote letters to my other relatives. Writing kept me from going insane for all those years. We did have three minute phone calls on special occasions like Christmas. We did not have money for her to come visit me very often.

My brother, John L, was a successful dentist in Abilene by that time. He repaid me many times over for paying his way through dental school. He hired Patsy to work in his office and was a father to my children. If it had not been for him, they would have gone on welfare. The IRS hassled him every year with audits. They believed I had given him money to keep.

As I discussed previously, I had installed a taping system on my telephone in 1961. During a conversation with Cliff Carter in early 1965, I disclosed to him the contents of some of the tapes, specifically, the ones dealing with him and Lyndon. I told him the tapes were in a safe place and would only be disclosed in case of my death. The only other person with direct knowledge of the tapes was Jimmy Hoffa. During the period we were discussing a possible loan from the Teamsters, I told Jimmy about the tapes

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after he brought up the rumors about my relationship with Lyndon. He told me the tapes were very valuable and if I ever wanted to disclose them or sell them to call him. I am not going to discuss the entire contents of those tapes. This book is really about my relationship with Lyndon and Cliff. I taped every telephone conversation for a period of four years. These conversations included sensitive discussions about certain aspects of my business with people more dangerous than Lyndon. I was not a saint by any means. Business is business.

The Warden placed me in Cell Block D at Leavenworth Prison. D Block was for the most famous criminals of our time. Alcatraz Prison near San Francisco had been closed and most of the notorious people were sent to Leavenworth. Included in this group were the Hickson Brothers from Oklahoma, John Paul Chase from California and, of course, Vito Genovese and his friends. Most people know Vito as the boss of bosses of the Italian families in the United States. The Hickson Brothers were the most successful bank robbers in the country at that time. Chase was also a bank robber from California. They were all serving life sentences. They became my good friends. I spent many a day in the exercise yard with them. I learned from them that no matter what you do, the more successful in life you become, the nicer you become. They were some of the nicest people I have ever met.

Vito Genovese was the boss of bosses in the Italian families. He had taken over the Lucky Luciano gang after Lucky had been deported to Italy by the Justice Department. Vito was deeply involved with the heroin trade. He was convicted of conspiracy in

1959 and sent to prison. He maintained control over the families from jail. I never did like the term "Mafia" or "Cosa Nostro." To me they are degrading terms. I believe the Italian families have a high value system. They believe in family, roots and loyalty. I have nothing but the highest regard for them. By the same token, I met Vito at one of the low points in my life. I was away from my family and was losing faith in God.

To understand my time in prison, you would have to know the power of Vito. He controlled prison life. He had his loyal soldiers with him and anyone questioning his authority was either beaten up or killed. He sent for me soon after I arrived. We had a conversation in the exercise yard. He informed me that some of his

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friends had requested him to look after me. He understood I had refused to talk about my associates. I was made a small part of his circle of friends. We did not have discussions about his business. We discussed family and friends. He introduced me to hard liquor. I had never been a drinker but Vito insisted I try Chivas Regal.

He told me to check the fire extinguisher at a certain location. It would always have a concealed supply of Chivas. Many people knew of the location but you did not touch it unless approved by Vito. I remember one particular prisoner who drank and bragged about it. The next day, he was beaten up in the yard. I drank from it on occasions but most of the time I did not drink unless I was with Vito. I became an alcoholic. I was an easy drunk as it only took a couple of shots.

Vito's inner circle was always having girls and fine food brought into the prison. I liked the steaks but most of the other food was too rich for me. Hamburgers and chicken fried steaks have always remained my favorite food.

Any time I discuss prison, the inevitable question about sex comes up. I was a country boy with a wife, children and a deeply religious background. As I mentioned earlier, I had never known a queer in my life. Prison life was certainly a rude awakening. I have been told that my boyish looks and physique fit the description on a typical queen in prison terms. A queen is the female role player in a queer relationship. Vito told me early in our relationship that I would have to watch out in prison. He and his boys were taken care of by their girl visitors. He made it clear to the other prisoners that I was under his protection. I was never forced to engage in sex with other men because of that. I will admit there were times when overtures were made to me. It never appealed to me and Vito made sure I was never compromised.

There came a time when Vito pulled me aside and told me there had been a hit ordered on me. He wasn't for sure who was paying and his guys had refused the job. He understood that one of the black gangs had agreed to terms. I called my brother and within a week he arranged for my transfer to Sandstone Prison in Minnesota. The transfer came in December 1966 and it was none too soon. Once I was in Sandstone, my contact with Vito was cut off.

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I vowed to stop drinking and make things right with God. I began to do exercises for the first time in my life. I lost weight. For the first time, I lost my doughboy look. I joined Alcoholics Anonymous and started teaching a Bible course. I attended every religious service held in the prison including Jewish and Catholic services. My spare time was spent writing letters to Patsy and studying the Bible and other religions.

Each prisoner is assigned a work detail and I was no exception. My job was in the supplies warehouse. We had supplies, food, and clothing. I was up at 5 a.m. for breakfast and finished work at 4:30 p.m. The work was not hard and since I could do math in my head, I worked mainly on inventory. After work, I would usually run two miles for my exercise. I guess if you have to spend time in prison, Sandstone is the best available.

During my stay at Sandstone, Patsy came to see me two times. We spent a total of eight days together. Each time, she brought some of the children with her. These were the highlights of my prison time. I missed Patsy and the kids so very much. I hated for them to see me in my prison uniform.

My legal problems were on my mind for the first two years. The State conviction was winding its way through the court system. When the Supreme Court ruled against the state on my televised trial, I was transported to Tyler, Texas for the second trial. We negotiated a plea bargain so my appearance was simply to plead guilty. I was given prison time to run concurrent with my federal sentence. This was the only time I was able to leave prison other than to see Bobbie Frank

We filed a request to be named a pauper. This would cut my legal costs for appeals considerably as court transcripts and fees would be waived. We lost in the district federal court in Texas and appealed to the 5th U. S. Court of Civil Appeals in New Orleans. On December 17, 1966, we lost that appeal. The U. S. Attorneys argued that \$196,000 of my known assets had not been accounted for and that Patsy was still getting \$1500 a month from Pecos Transmix. I had set up a trust fund for Patsy and the kids containing the house in Pecos and Pecos Transmix stock. We also had our home in Abilene and two cars.

Speaking of lawyers, I have had my share of them. I remember Darrell Macintyre from Madison, Wisconsin. He was in prison

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with me at Sandstone. He had been convicted of income tax evasion and sentenced to six months. We talked a lot while he was in prison and he offered to help me. When he got out, he was listed as one of my lawyers in another filing to reduce my prison term. We were not successful in that effort.

After all our appeals had run out on the federal conviction, I decided to ask for a pardon from then President Lyndon Johnson. I believed if we gave Lyndon an opportunity, he would live up to his promises. So in 1968, we filed a petition for a pardon with the Justice Department. Included in the petition were supporting letters from two of the federal prosecuting attorneys in my case. The appeal process for a pardon is time consuming and complicated. After the petition is filed, a pardon attorney is assigned to investigate and make recommendations. If you get past him, then the Attorney General reviews the petition. Finally, the petition is sent to the President for his action. My petition was one of eleven hundred in process at the Justice Department. The petition process is confidential and you never know how you stand until the end. My lawyers were notified that the petition was denied. It was never sent to Lyndon. Of course, he probably told Attorney General Ramsey Clark to bury it.

Ramsey Clark was one of Lyndon's boys who eventually turned against him. He became a leading peace advocate and even today takes on cases for the underdogs. I admire him for some of his efforts but I also believe he was un-American in peace efforts during the Vietnam War. His father was Supreme Court Justice Tom Clark from Texas.

During this time, I began to resent Lyndon. I still believed he was a man of vision but felt he could arrange for me to get out of jail without exposing himself. I subconsciously began to blame all my troubles on him and Bobby Kennedy. Bobby Kennedy is the one who put me in jail. If I could have gained anything by talking then, I probably would have given Lyndon up. The anti-war protests over Vietnam were in full swing and my testimony would have given them another reason to go after Lyndon.

I was in Sandstone Prison when the news came about the assassinations of Martin Luther King, Jr. and Bobby Kennedy. I had met Martin and his father. I had supported them financially. He was a great man, a great leader and a man of vision. Some

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people soar high in the sky with the eagles. Martin was a true eagle. There were rumors in prison about the assassinations. The main one on Martin was that the bigots from St. Louis had funded the operation. I later found this to be wrong after I was out of prison. Bobby Kennedy was an Italian hit from day one. Everyone knew it was just a matter of time but they needed some help from the CIA and the Los Angeles Police Department. They needed a little encouragement from the money people and a deal was made.

My first interview for parole hearing was held in December 1969. The same week Harry Moore completed his work as bankruptcy Trustee and made final distribution of my assets. A federal parole is granted after an interview by a member of the United States Board of Parole. The member makes a recommendation to the Parole Board and the entire board votes on the parole. I was eligible for parole on March 5, 1970. My first request was denied. I could ask for parole again in one year.

During my final year in prison, my oldest daughter Pam began to write a book about our life. She was always sending me outlines and asking me about things. I knew she could never write the real truth because it would have been my death. Pam has always been a lot like me. When she decided to get married, she made Walter Tedford come to Sandstone to ask me for permission. He came into the visiting area wearing jeans and cowboy boots. I asked him one question, "Were you born in Texas." He answered "yes" and I gave him permission. I trusted her judgment.

Pam and Walter came back to Sandstone on Easter Sunday, 1969. They came to discuss the wedding plans and to ask the Warden for permission to fly me to Abilene to give her away at the wedding. When that failed, they asked permission to have the ceremony in the Chapel at Sandstone. The Warden refused all requests. They sent a telegram to President Richard Nixon asking for him to intervene. I did not get to attend the wedding.

In 1970, I was transferred to La Tuna Federal Prison near El Paso. We knew this was a good sign. It meant my chances of being paroled were good. La Tuna was a minimum security prison and most prisoners worked on a large farm owned by the prison. Its most famous prisoner was Joseph Valachi. Valachi was the Italian who first coined the phrase, La Cosa Nostra. He ratted on his fellow Italians and caused several to be sent to prison. I never

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understood why the Italians did not kill him. They had the power to do it in any prison. He died a natural death while I was in La Tuna. I did not meet him.

Another inmate was David Harris, the husband of protest and folk singer Joan Baez. He was convicted of draft evasion. He was still kind of a hot head and was always getting in trouble. I liked to talk to him.

I did not attend the next parole hearing. Patsy and John L did. John L promised to hire me to work on his hog farm. In January 1971 the Parole Board announced I would be paroled on July 12, 1971. This was absolutely the best news I have ever had. I would be on parole until March 15, 1980. During parole you have to report to your parole officer each month. You are not allowed to leave the geographic area without the parole officer's approval. You are required to maintain a job and keep the parole officer informed of your work place. The board gave me the additional restriction to "not engage in any self-employment, or promotional activity without specific prior approval of the United States Board of Parole."

The last requirement hit me where it hurts. How could I exist without wheeling and dealing? I knew I would be back on top in no time at all with a little hard work.

When my parole day came, all I could think about was being with my family. I requested a private dismissal. So at 12:03 a.m., I walked out the front door and hopped into a car with Patsy and my daughters, Dawn and Joy. Billie Jr. was driving. Even at that hour, the press was waiting for me. I had arranged a surprise for them.

Mike Cochran, Associated Press Reporter, was there and wrote at least two fine articles on the escape. He reported:

Acting on a tip, I was camped out at the gate with Ferd Kaufman, an AP photographer from Dallas. Shortly before midnight, a big white car drove up and a big surly guy stepped out. He wore a nasty frown and a string tie anchored by a rock larger than a golf ball.

"Get the hell out of here," he said by way of greeting. While we debated the issue, a car slipped through the gate and sped away. Estes was smiling and waving from the back seat. With Ferd at the wheel of my mustang, we chased Estes into the Franklin

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Mountains above El Paso. In turn, the guy in the big white car raced after us. As we rounded a corner, I remember glancing down the mountainside at the lights of El Paso and thinking this was not only dangerous but just a mite foolish.

Suddenly, the white car pulled alongside and attempted to force us over the cliff. Fright turned to real terror when Fearless Ferd, a typical wire service photographer, released the steering wheel, grabbed his camera and began snapping photos of our mysterious assailant.

Later, I would conclude that the guy was so startled by the flashing camera that he backed off. At any rate, we survived and Estes escaped. With no interview, I wrote about the midnight getaway. Ferd's photo's illustrated the mountain adventure.

The man was John Ernst. His business card read "Crooked John from El Paso." He played high stakes poker and did odd jobs. I had gotten Crooked John out of jail a few times in Pecos. He was a loyal friend and enjoyed having a little fun. He was ideal as my escape buddy. Cochran would later interview Crooked John and write a series of articles about him.

Later on Crooked John sent Cochran two large uncut black Opals. Cochran was foolish enough to send them back. He wrote in an article that one of them was appraised at \$8,000. Crooked John told me they were worth over \$25,000.

The family took a short vacation and headed home to Abilene. Over two hundred friends gave me a welcome home party in Abilene. In my usual way, I had planned the entire party and approved the guest list. The party was a success because everyone wanted to see the Texas Wheeler Dealer.

My life as a pig farmer again was about to begin.

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I'm just one drink away from being a drunk and just one deal away from being back in prison. I'm a compulsive person. I'm a compulsive drinker, and if I smoked, I'd be a compulsive smoker.

Billie Sol, the pig farmer. I knew that Claude Roach, the parole officer, was just waiting for me to make a mistake. Roach had the authority to pull my parole and arrest me. I would then have to fight to get >out again. He said the terms of my parole were to perform manual labor jobs. So, I went to work for John L or at least the newspapers said that I did. I also worked as a janitor for a friend of mine or at least the newspapers said I did.

My arrival in Abilene coincided with Patsy's and my twenty-fifth wedding anniversary. I was determined for life to return to normal and to put the prison years behind me. During my last months in prison, I planned a big party to celebrate my homecoming and our wedding anniversary. Patsy and the kids did a great job.

I arrived home to a loving wife and kids, who were now adults or teenagers. At first, I was at a loss on how to become a father and a husband again. Patsy told me, "Sol, you are home now. I have had to make decisions and raise this family for five years. You are back and you are in charge." Patsy had always stayed in the background and she preferred to do things for poor people or the church. She had always been active in community organizations but she was the quiet leader. When she developed an interest in a project, she made it happen. She was quite an artist

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and was always working on artistic or historical projects. Our house is filled with her paintings.

When I went to prison, she had to be head of the household and make every decision. She did it because she had to, not because she wanted to. With the help of John L, she raised our children through the difficult years. She made sure they went to church and had a good work ethic. If I had been in her situation, I would have had a hard time being both the father and mother. I always admired her intellect, her outward beauty and, most of all, her beautiful soul. God has another angel with him now.

Patsy was an excellent seamstress. Even when we had money, she would make the children's clothes. With me in prison, she was sewing most of the children's clothes. She was able to relax as long as her hands were busy. She was also an excellent cook but the first thing I did on coming home was take over the cooking. I enjoy frying fish, barbecuing meat, cooking breakfast, etc. I opened our house to the homeless again. If you come to my house at mealtime, I will feed you.

My many black friends dropped by to wish me well. Floyd Rose came and we prayed together until late in the night. I attended all the church meetings. I also went to Alcoholics Anonymous. AA is a fine Christian organization. The twelve-step program will work on all kinds of addictions. I am an alcoholic because my body can not cope with the alcohol. I can get drunk on two drinks. I have always had an addictive personality.

In the mean time, I began working on John L's hog farm. We found it was difficult to find laborers to work on the farm, so we sold the hogs and bought some cattle. The cattle business was good and we were cross breeding Hereford, Angus and Brahmas to make a better beef animal. This was something I had learned from Robert Kleberg of the famous King Ranch.

In August, Cliff Carter called and wanted to come to see me. By this time, Lyndon was living on his ranch on the Pedernales. He had decided not to run for President again in 1968. The Vietnam War had been his downfall. The people were tired of seeing their sons and daughters die in a battle for a country on the other side of the world. Cliff was living in Alexandria, Virginia near Washington, D.C. and working as a lobbyist. For example, he

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represented Texas A & M in acquiring research grants for the college. He still had his finger in the Agriculture Department.

At any rate, he dropped by for supper a couple days later. We were reminiscing about the old days and he apologized a few times about my prison time. I told him "you do the crime, you do the time." I was beyond blaming him for my problems. The talk finally got around to Lyndon. Cliff told me how Lyndon had become really paranoid. He was afraid of his place in history being tainted by his early years. Lyndon was dropping contact with the people associated with his dark side. While he was still hungry for money, he no longer had the power to acquire it as he did before. Now he was involved with making money from the money he had acquired. According to Cliff, he was drinking more and living in fear of his past catching up to him. I did not have a conversation with Lyndon after I entered prison.

We had just finished talking about the one car accident in Pittsburgh in which Malcolm Wallace had died. We could not decide whether it was really an accident first. Second, if it were not, had he been murdered or placed in the witness protection program. Often times, a witness's death is faked to throw his pursuers off his tracks. The Federal Witness protection program is run by the United States Marshall organization. When Cliff had been a U. S. Marshall, they had substituted corpses for witnesses in fake car crashes. Cliff had checked with his contacts and could not find the answer one way or the other. He had not asked Lyndon.

We were talking on the patio. We sat down and talked for about thirty minutes. There were three of us on the patio. I am keeping the identity of the third person to myself. He is a loyal friend and I do not wish to see him hurt.

Cliff repeated his comments about the state of Lyndon's mind and health for the recording. The details disclosed about the JFK assassination are included in Chapter 9. Some of the people are still alive and I do not have a death wish. I will go to my grave with their names never passing my lips.

Cliff and I agreed that all great men have a vision. Their vision will cloud their actions and sometimes lead them to do things they would not normally do. I believe the end result sometimes justifies the means. Lyndon was neither a saint nor a devil. He advanced

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the civil rights of blacks and minorities in this country. He did it even though he personally was prejudiced. He advanced the causes for the poor because he had been poor. At the same time, he caused the death of many poor young men and women on the battlefield. The battlefield was not a vision for the country but a vision for his own wealth.

Cliff and I discussed the various murders. In another part of this book, I have detailed my thoughts and knowledge about the assassination of President Kennedy. The murders of common people like Henry Marshall, Harold Orr, Jay Peck and Roscoe White mean very little to the average reader. I am not going to say anything about the common people, other than to say the deaths that started in 1961 did not end until the 1970's.

The dominant issue in the 1968 presidential primaries was the war in Vietnam. Lyndon had won the 1964 Presidential race in a landslide win over Senator Barry Goldwater. Goldwater was a strict conservative and a believer in military intervention around the world. Lyndon had promised a balanced approach with his social programs being the main focus. By 1968, the United States was in a hopeless situation in Vietnam. We were waging a no win war. Lyndon was trying to fight a war on poverty and a war in Vietnam. The poor people were dying in Vietnam and starving at home.

Senator Eugene McCarthy decided to enter the Democratic Primary for President. Lyndon was waiting to test the political waters before declaring himself for another term. McCarthy won some contests where Lyndon did not have to declare but was on the ballot. At that point Lyndon announced he would not be a candidate. Robert Kennedy then entered the contest. Bobby never did have the guts to be the leader. He was, however, a tireless campaigner and soon he was winning the contests. The crucial test was to be the California Primary. If Bobby won there he would probably be the democratic nominee. Bobby was running on a platform that condemned the Vietnam War.

At the same time Dr. Martin Luther King had spent the last year preaching against the war and was beginning to attract a following of whites to complement his large black following. Robert Kennedy and Dr. Martin Luther King, Jr. were murdered in 1968, while I was in prison. I did not have any prior knowledge

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about their deaths. I did not care about Robert Kennedy. He destroyed my life. Dr. King on the other hand was a man of God, a man of vision and a man of destiny. I look forward to walking and talking with Him in heaven.

When they became popular and controlled enough votes to affect the 1968 presidential election, they became candidates for murder. Both of these deaths were ordered by the people behind Lyndon. Their primary interest was in continuing the war for profit purposes. FBI Director J. Edgar Hoover disliked both of the men. Bobby had tried to fire him and King was a black degenerate to Hoover. Hoover had extensive files on both of them. He had assigned agents to cover King on a constant basis and placed wire taps on most of his telephones. He had attempted to discredit King with the disclosure of many sexual liaisons. The attempt had failed. Hoover would make sure the investigation into their deaths was superficial at best. Lyndon was out of the loop on these assassinations. His hands were dirty from prior murders and he was powerless.

Unlike the John Kennedy assassination, which required a massive cover up campaign, Robert Kennedy was killed in a confined space by two people. History books record that Sirhan Sirhan, acting alone, killed Robert Kennedy in the pantry of the Ambassador Hotel in Los Angeles on June 5, 1968.

Kennedy had just finished a speech to his supporters acknowledging his victory in the California Primary. He was now the front runner for the Democratic Nomination in 1968. He was walking through the hotel pantry to another room for a press conference. Sirhan stepped from behind an ice machine and fired eight shots from a twenty-two pistol. After he fired the first shots, he was thrown on a steel table by Kennedy supporters. A wall of people surrounded him. His last shots were fired into the ceiling and ricocheted into the crowd.

The fatal shot entered Kennedy's head behind the right ear on an upward angle. The Coroner's report stated the shot was fired from a gun no more than three inches from Kennedy's head. Two other shots were fired from behind with an upward angle. Not one of the more than fifty witnesses placed Sirhan closer than three feet in front of him and never behind him. Two other guns were drawn that night in the pantry. Both were owned by security

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guards hired by the hotel. At least one eye witness reported on the radio within minutes of the murder that a guard had pulled his weapon and fired. The eye witness also identified the number of shots that hit Kennedy. The Police Department has refused to acknowledge the presence of this witness in the pantry. This despite the radio broadcast being recorded and clearly coming from an eye witness.

The Italians and the Central Intelligence Agency controlled the Los Angeles Police Department and its Ramparts Division. The hotel was owned by the Italians. The entire investigation was conducted at Rampart. Its sole purpose was to report that Sirhan acted alone. Any witnesses testifying otherwise were discredited. I know for a fact that the Italians begged for the opportunity to kill Bobby. They were given permission and opportunity. The other gunman is still alive according to my sources. I have often wondered why the conspiracy buffs have never looked into the common ties between the two Kennedy assassinations. It should be apparent that both assassinations had a traitor in the Kennedy camp.

On November 4, 1962, the Italians had attempted to embarrass the Kennedy's by killing Marilyn Monroe. Everyone knew she was having an affair with both Kennedy's. She was under surveillance and her house was bugged. (Both by the FBI and the Italians.) When the Italians found out that Robert was coming to visit her, they decided to have her commit suicide. This would embarrass him and President Kennedy. They were also interested in locating her diary. The diary could be used for blackmailing several people including the Kennedys. Dr. Thomas Nogiuchi, the Los Angeles Coroner should have followed his instinct. He did not find evidence of sleeping pills in her stomach or intestines. He also did not find any needle marks. He did find a bruise mark on the left hip and back. The medicine was probably injected in the bruise area making it hard to identify. The autopsy was compromised because the stomach and intestines were not subjected to chemical analysis. He listed the death as probable suicide. The Italians told me it was murder.

History also records that James Earl Ray acted alone on April 4, 1968, when he shot Dr. Martin Luther King. Dr. King had come to Memphis to support the predominantly black garbage haulers in

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their fight for better wages. He was staying in the Lorraine Motel in the black section of Memphis. As he was leaving the motel for dinner, a single shot rang out and he was murdered. He was killed by a high powered hunting rifle from across the alley. James Earl Ray had rented a room in a boarding house across the alley from the motel. A bag containing items belonging to Ray and a rifle were found in a doorway close to the boarding room entrance. The only witness to identify Ray was a drunk cab driver, who lived in the boarding house. A white mustang similar to Ray's was seen leaving the area. Ballistic experts have never made a positive match with the bullet fragment from Kings body and test bullets from the rifle.

James Earl Ray was captured in England after a world wide manhunt. He had false passports under different names. James was a two bit criminal with a history of botched robberies. The notion that he had the ability to locate a source for passports in Montreal, Canada without assistance from someone like the CIA or at least a CIA trained agent is unbelievable.

Throughout his prison life, Ray insisted he was working for a Raoul in the gun running business and that he was set up. He stayed with the same story even in his last interview just three days before he died from liver failure. He had been ordered to rent the room and buy the rifle by Raoul. At the time of the assassination, he was attempting to repair a flat tire. When he heard the details of the King assassination, he left town immediately and went to Atlanta. James Earl Ray did not kill Dr. King. I do not know all the details and am not going to speculate very much.

I do know that Raoul existed and that he was acquainted with Jack Ruby. Raoul and Ruby were in the gun running and pornography business for at least three years in the late fifties and early sixties. I have heard that Jack Walter Jenkins gave some of their pornography to Lyndon. Jenkins was in charge of getting smut for Lyndon and was rewarded with all kinds of power in the Motion Picture Industry. For a period of time, I had some investments with Carlos Marcellos of New Orleans. In fact, there is a picture and story in some of the papers of Carlos meeting me at the New Orleans airport and slugging a FBI agent for getting too close. Carlos was familiar with the King killing and knew

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Raoul. As in the Kennedy killing, there was an inside man to make sure Dr. King was outside his room at the Lorraine Motel at the right moment.

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I really do not want to discuss the two assassinations beyond what I have said. Cliff and I did discuss them and I have some opinions but very little information other than what I have mentioned. Cliff left my house that night and died a short time later. Some say it was pneumonia but there were two different stories about where he died. I know I decided to keep my mouth shut for many years because of his death.

After Lyndon died in 1973, I began to breathe a little easier. I knew the other people involved were honorable. In 1974, I needed some influence to make some deals. I was using my contacts with the Teamsters Union Fund to arrange financing for my

friends. Jimmy Hoffa, who at that time had been pardoned by President Richard Nixon and was trying to regain the Presidency of the Teamsters Union, contacted me. He wanted to know if I still had my insurance. I replied positively and he made me an offer. He needed some influence with the Italians to regain his power. Would I be interested in helping him and at the same time help myself? The answer was yes, of course. In return, he would gain their support and I would have a continuing money source for my ventures.

After long agonizing hours of soul searching, I agreed to negotiate with the person. A short time later, Jimmy Hoffa was murdered. I was told after the fact not to worry. My insurance was in safe hands and our agreement was in effect. I will never give the name to anyone. Not because of my fear of dying but because I gave my word to the family. I will not break that word just as I remained silent and went to prison for Lyndon Johnson.

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After Cliff left I turned to making money for my family. I began to look around for deals. I knew it was impossible for me to own or promote anything. I could however be the go between for other people. I had the connections with money sources and everyone I talked to had a deal. I became the stealth wheeler dealer of West Texas. This time I could not be in the spotlight but I could sure be in the background. I made deals with my friends from prison. Many of them were connected to Las Vegas and Dallas. Their power was in cash deals. I understood that very much. I never knew who was going to show up at my front door. I was even scammed by a couple of them but that is on their conscience not mine.

In the meantime, the Internal Revenue Service continued to harass me about my fictional stash of cash from the 60's. In 1972, they re-filed the old tax claims and placed liens on me. By now, they were claiming I owed them over 21 million dollars. Under the law, the IRS could garnish or attach any wages I would receive and any property acquired after 1963. I was able to keep my house and cars in Abilene.

They placed a tax lien against the kid's trust fund for \$332,535. I had put the Pecos house and my stock in Pecos Transmix in the trust fund for the kid's education in 1963. The IRS claimed it was a scam to protect my assets. Doesn't every parent want to educate his or her children? The IRS believes in keeping kids ignorant if they can make their collection quota. In 1973, the courts ruled in favor of the IRS and the trust fund was liquidated. My children had to find other ways to complete their schooling.

I began to work with an old friend of mine, Ray K. Horton of Midland. My official job was as janitor and dispatcher but we were in the wheeling and dealing business.

Ray was a good front man. He had the wheeler dealer reputation and I had access to the money. We were doing real estate deals all over the country. There were always rumors of me being involved in a deal. It seems every time a promoter wanted to get a little publicity, my name was mentioned and stories of my hidden cash were repeated in the newspapers.

Looking back it was comical. I always enjoyed talking to reporters, and given half a chance, I would embellish the stories. One of the most prominent tall tales was that I had bank deposits

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all over West Texas in small banks under the control of lawyers. I did have many lawyers and they would do anything for money but never never trust a lawyer with your money.

In 1975, the IRS advised me that they were investigating my involvement in several real estate deals and deposits in West Texas Bank. They were claiming that Horton was just a front man for me. Every deal they could find with Horton's name on it was investigated. In one instance, we had purchased a ranch near Keller for development purposes. One of the contractors sued our corporation and alleged that I was supplying money for the operation. The IRS jumped on that like a buzzard on a dead cow. They would later find the money had come from the Teamsters Union Trust Fund.

Young men wanting to learn from me were constantly seeking me out. My Pecos story was still in the news on a regular basis. Don Wright was one of those who came to learn. Ray hired him as a pilot and his wife became my secretary. Don was a fast learner. In a very short time he won an oil field lottery and struck oil on the land. He became one of the richest men in Abilene. One of his friends was a lady who worked as Unit Manager for Hertz at the Midland Airport. She was always kidding him about fixing her up with one of his rich friends. One day he casually mentioned my name. She offered to cook him a steak dinner for an introduction. So, Sue Goolsby entered my life.

Now, my daughter in her book, recounts that I was always taking secretaries on business trips with me. I am and was a very religious man. There are times when worldly things tempt even the most pious. I was tempted many times by beautiful, intelligent women. Sue Goolsby was one of the most intelligent women that I have ever known. Intelligence is more appealing to me than a great figure. I have spoken several times to Mensa organizations. Sue and I hit it off immediately. She went to work for the company and traveled with us. Ray was always changing secretaries but Sue was with me for many years.

I get more ideas in a day than most men get in their lifetime. Nevertheless, I can forget where I parked the car the minute I close the door. I can remember details of a deal but I can not keep track of it after the deal is made. I have always had someone to

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keep track of the details. Sue was an ideal person for that role. We complimented each other's talent.

We were constantly traveling around the United States and Canada making deals. We spent considerable time in Las Vegas making deals and having fun. Ray loved to gamble and drink. I did not believe in gambling. Early in life, I had played a little poker for it allowed me to meet people for business. I just never enjoyed the game enough to play it on a regular basis. It was in one of those games in El Paso that I met the Chagra brothers. We did a lot of business through the years. They were the primary gateway for drugs from the French Connections during those days. I was never involved in their drug smuggling but I did make a few deals with them.

On one of our trips to Las Vegas, we were in the elevator at the Caesar's Palace. This bald headed man gets on the elevator, sticks out his hand to shake mine, and says, "Hi, I'm Telly Savalas of "Kojak" I said, "How do you do. I'm Billie Sol Estes of Texas." Everyone in the elevator laughed. I am not bashful and I am not ashamed of how I lead my life. When I meet someone who seems a little shy about asking about my prison years, I bring it up. Prison happened and I can not change it. I will make sure it does not keep me from enjoying life and meeting people.

Patsy knew about my traveling companions and chose to look the other way. She believed in the sanctity of marriage. She met Sue and knew she was traveling with me. I think Patsy almost left me over Sue. Instead, she became more involved in Church projects including a large program for feeding the poor. My relationship with Sue lasted until I was sent to prison the second time. We are still good friends but we only have casual contact. Sue came to Patsy's funeral.

My parole officer, Claude Roach, was in the habit of just dropping by the office or house to check on me. We had two dogs Pyzon, a German shepherd, and Pepi, a poodle. Both of these dogs were too friendly to be watchdogs but they could not stand Claude. Each time he came to the house, Pyzon would try to bite him on the way in and Pepi would try to bite him as he left. Dogs are a lot better judge of character than most men are. Anyway, I received a letter from the Parole Office ordering me to get rid of the dogs.

CHAPTER TWENTY FOUR

The IRS was a constant thorn in my side. My telephone was tapped for years. Since we knew it, we talked in code. I learned to substitute names and places without even thinking. We also had a lot of fun. If Sue called and said we needed money for something, I would say well go out to such and such place and dig it up. One time the IRS would be there digging at sunrise.

I received a call one day from Sue. Her pet cat, Mafia, had died. I rushed over to her house to console her. I knew how much Mafia meant to her so I wrapped it in a towel and placed it in a laundry basket. I took it home, dug a deep hole under a tree by the lake, and buried Mafia. The next day half dozen IRS agents were there and proceeded to dig up the back yard. They were sure the lost cash was buried in our back yard.

Sue moved back to Lubbock to be near her Mother in 1977. By this time, I was constantly being approached with deals. Without Sue around, I began to spread myself too thin. I also made a few deals, which I would later regret. One of those was with a Mississippi promoter, Don Trull. He showed up at my office one day as if we had known each other. I may have met him one time before but I did not remember him. It did not make a difference any way. If I like somebody, I will help them. Don impressed me and he seemed to be a hard worker.

I was a poor judge of character. Billy Pyron, a friend, owned Frenchman's Creek CB radio store in Abilene. This was before cellular phones and CB Radio's were booming. Pyron needed some money to expand the business and a church friend, Jap Burkett, was looking for investments. I put the two together and with Burkett's \$50,000 investment in the business, Pyron hired Don Trull to run the business. Well, to make a long story short, the business failed and Don moved to Tyler with Pyron. Jap began to complain that I had cheated him out of the money. He made enough noise that the IRS began to get interested. Jap later apologized and acknowledged that I did not cheat him. He took a risk and failed.

In the meantime, Trull broke into my office and made copies of my notes on a lot of deals. He then tried to blackmail my family and me by saying he would send the copies to the parole board. He followed through with his threats and sent copies to the FBI, IRS

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and my parole officer. This was the start of my eventual return to prison.

Trull tried the same thing with Billy Pyron but he tried a little different tactic. After Pyron refused to pay, Trull went to Pyron's office and poured gasoline all over the place. He held the office manager, Billy May, at gun point while demanding \$10,000 and a red Cadillac. Pyron simply called the police and Trull was arrested for kidnapping and attempted murder. This would not normally affect me but at the trial, Trull's lawyer subpoenaed everyone connected with me including my family.

Jerry Irwin was the lawyer. He put on such a show at the trial in Tyler and confused the jury so much that they found Trull "not guilty." Trull claimed that Pyron and I owed him \$1.5 million and he was simply trying to collect a debt. When I testified, the major newspapers carried the story and Trull was forgotten by the press. My daughter, Pam, also had her day in the spotlight. She muttered something about Trull being a son of a bitch and Irwin demanded that she be jailed for contempt. The judge asked her if she called Trull a SOB. Pam replied, "I didn't just call him one, he is one." This quote was carried on the national television news the next morning.

Sue Goolsby and my attorney, Jack Bryant, also testified. Trull had tried to blackmail them with the documents as well. Sue was questioned about her relationship with me and answered, "We are very close, I've never known anyone like him before. He has been good to me, my mother and was good to my father." She broke into tears and I cried silently with her.

As I said, Trull was acquitted. The IRS and Department of Justice monitored the entire trial. Moreover, I found a good lawyer. Jerry Irwin was the kind of lawyer, I have always needed. He stood five feet tall but he had more guts and could confuse you with his words.

Chapter Twenty Five

Well, the IRS was certainly working up a case against me. In the summer of 1977 I was approached by a group of people looking for investments. Walter Placko was the name given by the head of the group. We talked a long time and then Patsy and I went out to dinner with Placko and a woman. He acted like he had a lot of money and soon we were talking deals.

We had several meetings over the next few weeks. Pam did not like the couple. She kept telling me they were con artists. She did not think they showed any class. I was hot on the trail to making money so I ignored her. On June 27, 1977, I went to their motel room with them after dinner and had a couple shots of Chivas Regal. Well, those were the most expensive shots I would ever have. Walter Placko was really an alias for Walter Perry, an IRS investigator. The entire operation had been taped.

I found out by accident they were IRS agents. Pam's husband had given me a number to call and when I called someone goofed up and answered the telephone "Internal Revenue Service". I knew they were really after me this time. I talked to my chauffeur and friend, Fred Michaelis. We decided to prepare for the inevitable trial. We made sure all the telephone lines were set for recording and began calling everyone we thought would be a witness. Fred also took some of them to a topless club and recorded their conversation there. Our thought was to make sure they knew we had them on tape when they testified. They would have to tell the truth then or we would introduce the tapes.

This is how we happened to record a conversation between my lawyer, Jack Bryant, and the IRS prosecuting lawyer, Jim Rolfe. In that conversation, Rolfe told Jack to make sure I pleaded guilty or

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he would see that Jack was indicted as well. Jack offered me twelve hundred dollars per month to plead guilty.

When the IRS finally came after me, it was like a Texas Tornado. No holds barred and take no prisoners. They insisted if I did not plead guilty, they would indict everyone in my family. The thought of my brother and my children being indicted was so repulsive to me that I entered negotiations for a plea bargain. I had two concerns. The first was the sentence for these indictments and the second was the revocation of my parole.

The plea offered to me included a prison sentence of five years but all charges against everyone else would be dropped. I accepted this offer based on the parole board agreeing that my parole violation would run concurrent with the five-year sentence. My parole violation could run from 23 months to eight years depending on the parole board interpretation. After I signed the plea agreement, the parole board refused to honor its terms. I held a press conference in Dallas and announced I had decided to reject the plea bargain.

I would like to point out that I could have plea bargained for a five-year sentence on my troubles in the sixties. I would have been out in around six months. I felt then I would win the trial or Lyndon would get me off. This time I was forced to go to trial.

A federal grand jury was impaneled to consider the charges against my family and me. It came time to hire another lawyer. I talked with Richard "Racehorse" Haynes about taking the case but he wanted \$50,000 as a retainer. You see, by that time I was so famous that the big lawyers did not want to risk their reputation on me. I remembered the lawyer from Trull's case and talked to him. Jerry Irwin gladly agreed. He was looking for publicity and I was looking for a bulldog. We filled each other's needs.

The Grand Jury hearing lasted for months. They obtained the files from Texas Attorney General John Hill, who was conducting a civil investigation. Finally, the indictments were returned and the arrests began to happen. Those arrested included my attorney, Jack Bryant, Ray Horton and Buster Lea. My attorney was arrested for conspiracy to conceal assets through the formation of the family trust in 1963. Ray Horton, Frank Fuell, Copenhaver and Sue Goolsby were charged with conspiracy to conceal assets,

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investment fraud, and fraud in conjunction with a steam cleaning lease back scheme. I was indicted on all charges.

Fuell and Copehaver accepted a plea bargain in return for testifying. Sue Goolsby was tried in another trial and found innocent.

The trial lasted for six weeks. We had our fun times but they were few and far between. Probably the most fun was during the time Fred Michaelis was on the stand. Fred has been a dear friend for almost thirty years. I love him to death but sometimes he is just plain crazy. He was my chauffeur, my man Friday and my friend.

The prosecution attempted to portray Fred as my front man in all the deals. The jury was expecting a smooth con man or an organized business man. Fred was never either of those. When they began to question him, it became apparent to everyone that he was certainly not the front man. When the attorney asked about his previous occupation, he listed over fifty different jobs from hairdresser, pilot, movie extra, flower salesman, and a moonie. He had difficulty answering any question with a yes or no. Fred loves to talk and by the time his testimony was complete, the jury was thoroughly confused as was the judge.

For the first time I testified in my defense. The IRS had the blasted tapes of my conversations with the undercover agents. I really made some damaging remarks. "After all the trouble that I've been in, I'm not in a position that we can be sued or in a lawsuit for not fulfilling our obligations. 'Cause I'll be on my way back to jail, and I cannot have any trouble."

I tried to convince the jury that I did not have any hidden assets. My prison record was introduced and I was asked about it. I simply agreed that I had been to prison. I argued that prison had resulted in all my money being gone and that left me with nothing to be proud of. So I turned to lying and bragging. I stated the conversations on tape about my money was simply a means to make me feel good about me. Well the Jury and the Judge did not believe me. They found me guilty on the charge of conspiracy to conceal assets.

As my brother John stated, "To convict Billie Sol of intent to avoid income taxes without proving the existence of the income is unjustifiable. To convict any person of attempt to defraud the government of income, without proving in fact that the income

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was actually received, makes a mockery of justice." John was right. The government never did show where the money was and how it got there. If they had shown that they would have shown the payments to Lyndon and the other politicians.

Ray was also convicted of the conspiracy charges. We were sentenced on August 7, 1979 in Dallas. Ray received a five-year sentence. I received two five-year sentences to run concurrently.

With my conviction, the parole board revoked my parole and issued a warrant for my arrest. On August 12, I was arrested in Dallas. United States Marshall Clint Peoples arrested me and delivered me to La Tuna Prison in El Paso. Ray was my roommate for a time at La Tuna but he was released after six months in jail. I was later transferred to the Big Spring Prison Camp in Big Springs, Texas.

Ray filed for and received a reduced sentence. The only concession I received was a release to allow the Parole Board latitude on the number of years I had to stay before parole. I was originally scheduled for parole on December 15, 1982. This was later changed to December 15, 1983.

My time in prison this time was rather uneventful. I did meet a few gamblers from the Dallas area. I, also, met some of the Italian family members from Colorado. My roommate at Big Springs was a doctor from Austin. He was a good friend of the great country and western singer, Willie Nelson. He arranged for Willie to do a concert at the prison and I did the promotion. When Willie came to perform, I met him and we became good friends. We have remained in touch through the years.

Big Spring is just a short drive from Abilene so I was able to see Patsy and the kids several times. It was during this time that my daughter, Pam, completed her book, entitled "Billie Sol, King of the Texas Wheeler Dealers."

Fred, being Fred, bought a motorcycle and spent my prison term camping with nature all over the United States. When I came out of prison, Fred showed up with a diamond stuck to his front tooth. He is a true character.

So now I have covered the story of my life up to 1984, I have left out two rather large items--details of the murders and my decision to finally tell the facts as I know them. In the next chapter, I will tell what I know about the assassination of President John

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Fitzgerald Kennedy. These facts came to me from Cliff Carter and Malcolm Wallace. My discussions happened after the assassination in 1963 and in 1971 during my taped discussion with Cliff Carter.

Chapter Twenty Six

Now it is time for me to reveal my knowledge about the John Kennedy assassination. Most of the things I know about the actual assassination were learned after November 22, 1963. My first knowledge was gained at a meeting in the Driskell Hotel in Austin with Cliff Carter and Malcolm Wallace during December 1963. Additional information was gained through discussions with Cliff, Wallace and Lyndon after that date. My most important discussion was with Cliff in August 1971. Most of those conversations were recorded. There were independent conversations with other people with knowledge of the assassination. These included conversations with such Italian family members as Vito Genovese and Carlos Marcello.

I want to recall that fateful day in Dallas on November 22, 1963. According to the popular press, President John Fitzgerald Kennedy came to Texas on a campaign trip to unite the Democratic Party. On Thursday November 21, he attended receptions in Houston and San Antonio. He spent the night in Fort Worth and attended a breakfast meeting of the Fort Worth Chamber of Commerce. He boarded Air Force One for the short trip to Dallas and a parade to the Trade Mart where he was scheduled to give a short speech. After the speech he was supposed to board Air Force One for a short trip to Austin and another reception and then spend the night at the LBJ Ranch.

Air Force One landed at Love Field in Dallas at 11:37 a.m. There had been a brief rain in the morning but the skies were clear and the temperature was 76 degrees. The presidential limousine was a modified 1961 Lincoln Convertible. It had been fitted with a Plexiglas top for use in bad weather. The decision

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was made to leave the Plexiglas top off. Neither the car nor top was bullet proof. The parade left Love Field at 11:50 a.m. and followed a route, which was detailed in the local papers.

Dallas Police Chief Jesse Curry, Sheriff Bill Decker and two secret service agents occupied the lead car. The Presidential Limousine was next in line and in addition to President and Mrs. Kennedy contained Texas Governor John Connally and his wife, Nellie. The Governor and his wife were in the jump seats in front of the Kennedy's. Two secret service agents were in the front seat. Immediately behind the Presidential Limousine was the secret service car, the Queen Mary. All secret service agents were armed. Vice President Lyndon Johnson, Senator Ralph Yarborough and their wives were in the car behind the Queen Mary. Behind these cars were local dignitaries and press vehicles.

The motorcade proceeded through the downtown area without incident. The business district at that time was centered on Main Street. Main Street and the two other business center streets, Elm and Commerce, converge immediately after Dealey Plaza. The motorcade was scheduled to travel on Stemmons Freeway from downtown to the Trade Mart. Access to Stemmons was from Elm Street so the motorcade was forced to turn right on Houston then left on Elm Street to gain access to the freeway. These turns required the motorcade to slow to a snails pace as it turned in front of the Texas schoolbook Depository. Figure AAA is the layout of Dealey Plaza.

According to the Warren Commission, as the car proceeded down Elm Street, Lee Harvey Oswald fired three shots from the sixth floor of the Schoolbook Depository Building. The first shot missed and ricocheted off the curb hitting a bystander, James Teague. One shot hit President Kennedy in the back of the head and exploded. Pieces of that bullet were found inside the limousine and one hit the windshield. The third bullet entered President Kennedy's back, exited his throat and then entered the back of Governor Connally, where it exited the chest area after damaging a rib. From the chest area the bullet shattered Connally's wrist and then lodged in his thigh.

The Presidential limousine was driven immediately to Parkland Hospital with the injured President and Governor inside. The President was pronounced dead at 1:00 p.m. The Governor

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would recover from his wound. A pristine bullet was found on a stretcher in the hospital and identified as being the bullet hitting Connally. This bullet would later be called the "magic bullet"

Immediately after President Kennedy was declared dead, Vice President Johnson was taken to Air Force One. The decision was made to take the body of President Kennedy back to Washington on Air Force One. Vice President Johnson was sworn in as President on Air Force One before the plane left for Washington. Judge Sarah Hughes performed the ceremony. The swearing in ceremony resulted in the delay of Air Force One leaving Dallas.

Lee Harvey Oswald was arrested in the Texas Theatre in the afternoon of November 22. He was placed in the Dallas City Jail at Main and Harwood. The following Sunday morning Oswald was to be transferred to the Dallas County Jail. As the transfer was under way, Jack Ruby, a Dallas Strip Club owner, walked in front of television cameras and fired one bullet to Oswald's stomach. Oswald would die at Parkland Hospital that day.

Upon his return to Washington, President Lyndon Johnson arranged for a special commission to investigate the assassination and picked nine members from among his friends. Supreme Court Chief Justice Earl Warren was selected as the head of the commission and hence the report when issued in 1964 was called the Warren Commission Report. The report concluded that Lee Harvey Oswald had assassinated the President and had acted alone. It also concluded that Jack Ruby had killed Lee Harvey Oswald and had acted alone. The Commission found no evidence of a conspiracy.

Chapter Twenty Seven

Year after year, fewer people believe the Warren Commission Report. The last survey conducted by Time Magazine stated that more than eighty percent of the people believe there was a conspiracy. The question is, can they be wrong and if they are right why hasn't the truth emerged? First of all the truth has been hidden by several *factors*. Foremost among these is the conspiracy theorists themselves. The initial wave of critics was mainly Kennedy lovers, who simply could not accept that one man killed Kennedy. These critics were not trained in investigation but rather were dedicated to proving the Warren Report was wrong. These first efforts were long on words and short on facts. In most instances, the facts were hidden from them. Even all the names given by the buffs to their pet killers were enough to cause their rejection ...Black Dog Man, Badgeman, The Umbrella Man, The Cubans, etc. Not to mention all the men who were supposed to be behind the picket fence. In addition, one of the most recurring stories involves the driver of the Presidential Limousine. A very poor copy of the Zapruder Film looked like the driver turned and shot the President. Believers of this story never bothered to recreate the scene. If they had, they would have seen how difficult it would have been physically. They also discounted the effect on Mrs. Connally of a gun being shot beside her head. Another obscure story had a Secret Service guy in the follow up car shooting him accidentally. Now the buffs have become self-perpetuating as young people read and rely on books with wrong conclusions and mixed up *facts*.

The real story behind the assassination is just plain simple. Nothing elaborate, just a country turkey shoot with some country

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boys doing the shooting. The *fact* is President Kennedy did not understand Texas and its business ways. Even today, if I want to make sure something happens, I invite the people to meet me in my county. If things do not work out, I have them arrested. Pretty soon, they see things my way. Kennedy should never have come to Texas. He knew a majority of Texans hated him but he just did not realize the danger. He was a member of the intellectual elite and pretentious. He did not realize that LBJ and his friends intended to kill him.

Now you need to know something about me and my feelings about the assassination. I was not aware that it was being planned even though there had been some discussion about doing it. My time was too preoccupied with trying to stay out of jail and Cliff and Lyndon were avoiding any contact with me. I believed Lyndon would eventually step in and make everything right *for* me. With Attorney General Robert Kennedy doing everything in his power to tie Lyndon to me, I was fighting the battle of my life. The FBI and Internal Revenue Service harassed me on a daily basis.

I respect the office of the President and even with-my personal problems, I would have a very difficult time destroying anyone in that office. Whether I agreed or not with the happening of November 22, 1963, President Kennedy certainly didn't get my vote. He was a Catholic in a public office. I was taught at the Church of Christ that a Catholic can not serve two masters. Either he was *for* the Pope or *for* the American people. Was he really *for* the black people? The Catholic Church is not a bastion for blacks in America. They were as bad as my Church on Civil Rights. My very roots told me that Catholics were not true. Who was he to target the oil depletion allowance? His Father was a cheap bootlegger who purchased the Presidency *for* his son. He was a Yankee and he should have stayed up North.

I really disliked his brother Bobby. He was a turncoat on the very friends who made-sure Jack was elected President. After he was appointed Attorney General, he began to wage a war on the Italian Families. He kidnapped my good friend, Carlos Marcello, and deported him to the Guatemalan jungle. So you ask, would I have supported killing the President? No, I respect the office too much.

CHAPTER TWENTY SEVEN

I was in Abilene when I heard the first news report from Dallas. My first feeling was one of relief. Now Lyndon could make my problems disappear. My next feeling was disbelief. How could anyone kill the President of the United States? Then I wondered. "How did Carter pull this off?" "Was Malcolm Wallace involved?" I did not have to wait very long *for* an answer. Cliff called and asked me to meet him in Austin at the Driskell Hotel. I went to Austin anticipating good news about my problems with the government. At last Lyndon would make things right. I spent the night in the hotel and next morning Cliff showed up.

Cliff and Mac told me a little about the assassination on that December morning. It was enough to convince me of their involvement. I was also informed they were clamping a lid on all discussion of the other murders. It was made clear that my life was in danger if I begin to talk about the other deaths. It was at this time that I pledged my silence and asked for Lyndon to make things right with me. We had a long discussion. He told me Lyndon would make things right but it would be difficult for a while. If necessary, I was to take the prison term and wait for a pardon. At that time I told Cliff about my telephone recordings. I made sure he understood my only concern was my family's safety. I made no demands and expected nothing to happen for a while. I was correct in telling him because I already had enough information to ensure my safety. I wish that conversation had been recorded.

With this background, you can appreciate my position in August of 1971 when I talked to Cliff for the last time. Cliff stated that he regretted being involved with all the murders and he was afraid for Lyndon's mental state at the present time. "His hair was as long as the hippies he used to hate," was one of the comments by Cliff.

This conversation was the first time Cliff indicated he had misgivings about the years he spent with Lyndon. He had shared Lyndon's vision for the country for so long. He had watched the war in Vietnam destroy the vision of peace and prosperity. Their vision would never be attained. He regretted the actions taken by him and Lyndon to make sure Lyndon had the opportunity to be President. He stated in no uncertain terms, "Lyndon should not have authorized Mac to kill the President."

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To Cliff, the Kennedy assassination was a logical step to ensure the vision. By 1963, Lyndon's slush fund was beginning to be questioned. His previous problems with Brown and Root were beginning to surface again. Robert Kennedy was exploiting the Bobby Baker scandal and my problems. The Kennedys had taken Lyndon as Vice President to ensure victory and as a means of getting more campaign cash. Now, as an incumbent President, Kennedy did not need Lyndon to win reelection in 1964. The polls were all in Kennedy's favor. Now they were turning their attention to gaining control of the Senate and House of Representatives from Lyndon's power structure. If they simply dropped him from the vice presidency, Lyndon would still control the power structure and could make life miserable for a while. Robert Kennedy wanted to succeed his brother and talk of a Kennedy dynasty was all over Washington.

Cliff believed Robert Kennedy was attempting to destroy Lyndon politically. The Baker Scandal was very damaging to Lyndon as it had direct ties to Jimmy Hoffa and the Italian Families. Kennedy was aware of the close relationship between J. Edgar Hoover and Lyndon. He was aware of the Italian control of Hoover through blackmail. Kennedy was also aware of the Hoover files on the Kennedy Family and in particular the sexual activities of both brothers and Hoover.

Robert Kennedy was not aware of Lyndon's massive files, however. Lyndon had his own files on Hoover and was able to manipulate Hoover in most instances. His power over Hoover was derived from the Texas Mafia. The Texas Mafia has nothing to do with the Italian Families. The Texas Mafia was and is concerned with controlling politicians and money throughout the state. Early on they had discovered that Hoover was gay and were using that to their advantage. When Lyndon decided to take on the Kennedys, Hoover was brought on board immediately.

In going after Lyndon, the Kennedys were ready to lose Texas in the political process. This meant they could also attack the oil industry and the depletion allowance. While they would lose in Texas, they would gain in other parts of the country. The result would be a net gain and control of Congress. They could also afford to give the big defense contracts to companies located in other states. At this point in time, the biggest defense contract was

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the TFX fighter. The contract was awarded to General Dynamics in Fort Worth after a bitter battle and some shenanigans described in earlier chapters. The TFX contract showed the Texas Defense Industry how important it was to keep Lyndon in a position of power.

I mentioned earlier the high stakes poker games and the role they played in politics and business life in Texas. These games were also the seat of power of the Texas Mafia. Political decisions were made on a regular basis at the games. Cliff floated between the games and played the messenger role for Lyndon. He also carried messages between the game players on a confidential basis. This way there was no paper or phone trail on important items. He was not the only player in multiple games. H. L. Hunt, who at that time was listed as the richest man in the world, would play all over the country in such games.

In 1962, there was a consensus among the players that the Baker Scandal and my problems would mean the Kennedys could dump Lyndon. This would mean for the first time in two decades, the state would be without a power base in Washington. It had began with Vice President John Nance Garner under President Roosevelt and extended through Sam Rayburn and Lyndon. The new power structure would be able to replace the Committee Chairmen as well and further reduce Texas power. If the Kennedy's gained control, the oil depletion allowance and defense contracts would be in danger. First there were whispers of, "someone should kill the son of bitch." This was finally replaced by, "let's kill Kennedy."

I understand the final approval was given at a poker game played at Brownies Restaurant on Grand Avenue in Dallas. Brownie's had been a favorite gambling place since the late forties. During the fifties, the second floor had housed a complete gambling operation for a period of time. The restaurant downstairs was the meeting place for the rich and poor, cops and robbers, pimps and whores. H. L. Hunt was a frequent visitor to the restaurant and a steady player in the poker game upstairs. Malcolm Wallace's father had an office on the second floor. According to Cliff, in May 1963, the poker game was in high gear and the subject of killing Kennedy came up again. After some of the lesser players left, the discussion turned serious. As I understand, Cliff,

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H. L. Hunt, W. O. Bankston, and D. H. Byrd were there. There may have been others but at least they were there. Cliff was given the green light to proceed with the assassination. I do not know who proposed the final decision. I have a feeling Cliff was asking on behalf of Lyndon for it to happen as soon as possible. At any rate, the decision was made to finance the assassination from the slush fund created for Lyndon. Those present committed one million dollars to the slush fund that night. Carter was told to make plans and keep their names out of it. He was to report the date to them and that was all. The November date was discussed as the President would probably come to Texas to attend a party for Congressman Albert Thomas.

W. O. Bankston was the only other player directly involved with the assassination. Bankston was the financial backer and personal friend to Dallas County Sheriff Bill Decker. Bankston was to make sure that Decker would cooperate and bring key Police Department personnel into it for cover up and planting of false leads. Bankston owned several car dealerships in Dallas. Each year, he gave Decker a new car and outfitted another identical car for himself. He was known to spend nights in the Sheriff department and frequently riding in patrol cars. His house and cars had police scanners and radios for tracking of police calls.

D. H. Byrd had been a political friend of Lyndon's for many years. In addition to his farming and ranching operations, he was involved with Aerospace Companies beginning with TEMCO, an employer of Malcolm Wallace for a period of time. Byrd also owned the Texas Schoolbook Depository Building at the time of the assassination. After the murder of Kennedy, Byrd spent the night with a friend in Tyler. Telling the friend in Tyler, "They used my building to kill the President"

H. L. Hunt was an interesting character. He was ultraconservative and at one time had supplied financial backing to both the Minutemen, a militant white organization, and Malcolm X and his militant black organization. It was rumored he was trying to start a racial war. Hunt left Dallas on the day of the assassination and hid out for a week before returning to Dallas. It was also rumored that he received a copy of the Zapruder film on the day it was developed. My relationship with H. L. was limited to a few deals.

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The assassination plan was rather simple. I have heard all the different stories put forth by the conspiracy buffs as to the mastermind behind the assassination. Several names have been laughable. The name of Atlee Philips has been mentioned a lot. He would have been a good candidate since he worked for the Central Intelligence Agency and was a native of Fort Worth. He had been in Cuba and Mexico on CIA assignments. However, from all my conversations from 1963 to 1971, it was apparent Cliff Carter was the master strategist. He was very intelligent. He was trained in the military and was a United States Marshal for a period of time. He and Johnson shared the same vision and Cliff was loyal to a fault.

According to Cliff, the plan was to make the murder easy but surround it with illusions and false leads. The first goal was to make sure Kennedy died. Second they wanted a single assassin to blame for the murder. Third, they had to make sure any investigation lead to a single assassin conclusion. Carter decided the murder had to happen in Texas and preferably in Dallas. In Dallas, they could control the media and police enforcement.

His first call was to Malcolm Wallace. Wallace was to build the hit team for the actual murder. Next he contacted his friends in organized crime to get their assistance. He wanted a back up team for Wallace and lots of unrelated people in town as a diversion.

I know he contacted Carlos Marcello in New Orleans and Santos Trafficante in Florida. Marcello controlled the Italian family in New Orleans and had relationships with several people in Texas. He was, for instance, a good friend of the Campisi family in Dallas. Marcello was a contributor to the Johnson slush fund. I did a little business with him and he used to brag about having Kennedy killed. It was not true but he had a good time telling the story. Marcello and Trafficante had lost a lot of money in Cuba and blamed the failure of the Bay of Pigs Invasion on the Kennedys. Marcello arranged for some of his people to be in Dallas and Trafficante contributed some of his contacts in the French drug connection. I also know that Vito Genovese was made aware of the plans. He told me as much when we were in prison together. I would suspect arrangements were made with the Chicago Italian family. I do not know the details but since Jack Ruby was involved, they would have been consulted.

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The next thing was to make sure President Kennedy would make the trip to Texas. This was not only a job for the Lyndon's staff but would require someone close to the Kennedy's. Cliff had a person in place on the Kennedy staff. I am not going to disclose the name because I would be guessing. He became a member of the LBJ reelection staff in 1964 and worked closely with Cliff. It is my understanding that he was in Los Angeles and in a power position in 1968 when Bobby was killed. Finally, he had close ties with the Italians.

With the trip to Texas firmly established on the President's schedule. Cliff moved back to Texas in July 1963. He wanted to be close to all the planning activities and exercise daily control of the details. I do not know if Governor Connally was part of the planning or was used by Cliff. The Governor was in the middle of a legislative session and planning for his own reelection campaign. He certainly had every reason to walk a narrow line in seeking votes.

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The other political reality of the time was a law suit filed by the future President George H. Bush. Bush had filed a suit that would eventually lead to a reapportioning of the Congressional delegation from Texas. The outcome of that suit would mean the addition of more congressmen and a realignment of the districts. This lawsuit meant the Governor with his conservative backers were in a battle with Senator Yarborough and his liberal backers. The winners would influence the state for a long time. President Kennedy was certainly aware of the consequences. If the liberal element won, then his programs would have a better chance of passing congress. He would also be in a position to get more votes in the State for his reelection.

Lyndon's fingerprints were all over the Texas trip. They are so obvious that I still do not understand how our great journalists have missed the connection. No one ever put into perspective the fact that the person with the most to gain was in direct charge of the trip planning. As Jerry Bruno, the Democratic National Committee advance man wrote, "the motorcade plan was controlled by Lyndon's people." Governor Connally was very active in the planning. When Bruno did not agree with him, Connally went to Washington for a meeting with President Kennedy to make sure he was in control of the planning. Jake Puterbaugh and his assistant were the other two people actively making the arrangements. Puterbaugh had worked for the Department of Agriculture and knew Cliff and Mac Wallace.

The credentialing for journalists and media were under the control of Jack Valenti. His Austin advertising firm, Weekly and Valenti, had been associated with Lyndon for a long time. Valenti

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was also in charge of the dinner in Houston for Congressman Albert Thomas. Valenti went to work for Lyndon in the White House as soon as he became president. The security along the parade route was under the control of the Secret Service, the Dallas Police Department and Dallas County Sheriffs Department. In each organization, Cliff or Lyndon or a member of the Texas Mafia had an inside person for control.

As Cliff explained to me, the plan was very simple. Kennedy was to be killed by a lone nut assassin and the assassin would be killed during his arrest. Then people in Dallas and Washington would protect Lyndon by making sure the lone nut story was believable. Hoover was on board to make sure the facts were reported to support the conclusion. Everyone was made aware of only what they needed to know. Cliff never trusted anyone completely. He did not want one single person with enough knowledge to blow the cover. The key people were in fact long time friends with Cliff and Lyndon. Several people went along with the cover-up because they were told it was in the interest of national security that the lone assassin story be the conclusion.

Lyndon did not want to know the details. Cliff was responsible for making sure the job was done. Lyndon's involvement was real, however. He did not want the Italians to do the actual job, as they would have blackmailed him forever. They would have gladly accepted the contract. They felt Kennedy had betrayed them after they had stacked the election for him in Chicago. They had contributed money and had been rewarded by a poor effort in Cuba and then Bobby began an attempt to destroy them. Lyndon knew the Italians would control him if they were given the chance. He felt by using an independent network and eliminating the weak links, he would maintain control.

While Lyndon did not want the Italians to be the actual shooters, he agreed with Cliff to use them as decoys and to create false leads. Thirty-seven years of conflicting theories and solutions have proved this was the way to do it.

While Cliff was creating the illusions, Mac Wallace was recruiting the hit team and the lone assassin patsy.

If you will recall, Cliff had recruited campaign workers for Lyndon from the various Universities during the forties and fifties. The University of Texas was a favorite place as it also had the

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most active Central Intelligence Agency training base in the southwest. During the time Wallace was attending school at the University George DeMohrenschildt was working on his graduate degree and was also a teacher. Cliff and Wallace met DeMohrenschildt in the mid 40's. They were aware that DeMohrenschildt was assigned by the CIA to control Lee Harvey Oswald. Mac contacted DeMohrenschildt and arranged for an introduction to Oswald and his wife, Marina. DeMohrenschildt was a white Russian and was in the oil business. He was quite friendly with the Bouvier family and Jackie Kennedy.

DeMohrenschildt was never a part of the assassination team but he soon deduced the truth about the assassination in conversations with Marina and other contacts. In his later years, he was supposed to testify before the House Select Committee on the assassinations. He committed suicide the day before his scheduled interview. His "suicide" convinced me that the cover up was still alive even after the death of President Johnson, Cliff Carter and Malcolm Wallace. I do not know who killed him.

Both Carter and Wallace knew Jack Ruby. Ruby played poker on occasions at the same poker games as Carter. Ruby was used by many of the Texas Mafia to recruit girls for parties. The decision to use Ruby was based on several factors. The primary one was his profile. He had worked with the Chicago Italians and because of his club was constantly meeting gangsters of all types. He had also been involved with gun running to Cuba. He did some informing to the FBI. Another important factor was that Jack was very strongly controlled by some of the Texas Mafia and he was afraid of them. Mac Wallace was known to Ruby as representing the Texas Mafia. I knew of Ruby's Chicago connections from my own contacts in the town. I was present at a meeting with Mac Wallace and Jack Ruby in the Carousel Club. I believe that I saw either Oswald or one of Carter's fake Oswalds there with Ruby on another visit to the club.

Wallace was a womanizer and had a documented history of sexual perversion. Ruby was active in the making of pornographic movies and pictures. They had a lot of common interests. Cliff and I did discuss their relationship and we concluded it was an ideal match considering their sexual interests. I never really liked Wallace. He was a cold-blooded murderer and a pervert. He could

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not control his drinking or his sex drive. Carter was able to keep him in line by financing his escapades from the slush fund. Carter did tell me that Wallace's demand for money had increased to an intolerable level just prior to his death.

The other thing I know but do not know what it means is Mac Wallace knew Michael and Ruth Paine. They had met socially before the Oswalds moved into the Paines house. Michael Paine worked for Bell Helicopter and was an active member of the communist party. Ruth Paine was and still is a political activist. Marina Oswald and their children were living with the Paines in Irving. Lee Oswald stayed there on occasions but he was renting a room in Oak Cliff. The boarding house where he lived was a CIA safe house at the time. Wallace had access to the Paine's garage, where Oswald's gun and other possessions were stored prior to the assassination.

I am not familiar with the hit team assembled by Wallace. I believe he used other people to make suicides happen in my case. I suspect some of these were part of the team. I know Carter told me the team was primarily made up of Texans and people who would keep their mouth shut. I also heard a few French names but I do not know if they were part of the illusion or the hit team.

As to the assassination, I do not know the actual position of the teams. I understood from Cliff Carter that Mac Wallace shot from the Grassy Knoll and was the one who did the head shot. I also understood that Oswald did in fact shoot from the Sixth Floor of the Schoolbook Depository Building. Much has been made of the Loy Factor story. Factor stated that he was hired by Wallace to be a part of the hit team. I know that some of it is true because I saw a man similar to Factor at Sam Rayburn's funeral talking to Wallace. I do not understand why they would have let him live if he was involved with the murder. He was such a low level and obviously he talked to someone.

It is surprising to me the number of people who take credit for killing an important person. Based on what Cliff told me, the James Files story is not true. Files claims to have fired the fatal head shot from behind the picket fence. He was a driver for the Chicago Italian family and claims to have been there with Charles Nicoletti.

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Mac Wallace was definitely there with a Rambler station wagon as well as his girlfriend from Austin. She was a beautiful Mexican girl and ties into the story as told by Loy Factor. The teams were coordinated with walkie talkies. I know very little other details. However, I am sure that Roscoe White was not involved in the assassination. The story of his involvement was publicized by his son in the late 1980's who claims to have found a diary, a CIA teletype instruction about the assassination and a picture of the famous backyard photograph with Oswald holding the rifle. Roscoe gained knowledge about the assassination in poker games after 1963. It was during one of these poker games that he won the Oswald backyard photograph. He concocted his story based on what he found out from people who were there. His accidental death in an industrial accident in September 1971 carried certain characteristics of a particular hit man, which was involved in another phase of the assassination.

The assassination was an easy job and the hit zone was clean. The first law enforcement officers to arrive on the scene were from the Sheriffs department. As Cliff said to me on tape, Sheriff Decker was under the control of W. O. Bankston. The plan was to control the crime scene during the first hours. The Oswald rifles and three spent shells were planted before the actual assassination. One little known fact is that Sheriff Deputies were placed at the exits to the Depository parking lot. The license number of every car entering and leaving was recorded. These two lists were turned over to a lead deputy at the end of the shift. These lists were either destroyed or are in someone's souvenir box. I understand from Cliff that the license number of Wallace's Station Wagon was on the list.

The arrest *of* Oswald was bungled badly. He was supposed to be killed during the arrest. Cliff was not clear about whether Officer J. D. Tippet was assigned to kill him or not. I do know the resulting scramble and subsequent killing *of* Oswald by Jack Ruby was a back up plan. Ruby did not have any choice when he was ordered to kill Oswald. At the time *of* Oswald's murder, Ruby had the home telephone number *of* Decker's secretary in his pocket.

The cover up team knew the importance *of* controlling the first few hours after any crime. They took control *of* all evidence and shifted responsibility to the FBI. J. Edgar Hoover was ready to

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confirm the lone assassin story. Lyndon and Cliff maintained tight control over City and State investigations. Cliff had direct talks with Waggoner Carr, the Texas Attorney General, to short circuit the state investigations. Cliff and the Texas Mafia controlled the City.

In the beginning *of* the planning process, Cliff knew the importance *of* having a guilty man to give to the public and law enforcement officials immediately after the assassination. By producing a lone assassin within hours of the crime, any subsequent big investigation could be limited. He selected Lee Harvey Oswald because he was available and could be sold as *a* lone nut. His alleged defection to Russia and subsequent change *of* heart would show the world that he was a traitor. His rifle at the crime scene and planned distractions would show he was the killer. One item was left to complete the picture. The body of the President must demonstrate the damage caused by one rifle firing three times from the rear. The Connally wounds created some problems for the planners. Creating the magic bullet theory and having *a* bumbling Jerry Ford inadvertently place the wound higher *on* the President's back solved them. I do not know if Jerry Ford knew what he was doing *or* not. It certainly solved the problem, however.

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The bigger question was how to ensure the President's wounds matched the lone assassin scenario. The body controversy has been a major discussion point throughout the conspiracy theorists community. Some believe the body alteration was performed at Bethesda. This would have required an enormous cover up process and fits into the high cabal theory very easily. However, the truth is far simpler.

James Melvin Ligget was a noted mortician, who lived in Dallas and worked at Restland Cemetery. He was also a good friend of Malcolm Wallace and Jack Ruby. There are pictures of Ruby and Ligget together at the Carousel Club. Ligget was known as the man who could turn a disaster into a beautiful work of art. One of his more famous cases involved the movie star, Jayne Mansfield. Mansfield was decapitated in a car accident in Louisiana. Her family insisted on an open Casket funeral in Dallas. Ligget was assigned the task of making it appear that her head was attached and removing all the damage to the face. The open casket funeral was held and you could not tell that her head was damaged.

Ligget was assigned two jobs during the assassination. First he was to acquire a body which matched Kennedy. This body was to be made to look like head damage from a rear shot. Secondly, he had to make sure the body matched the first descriptions from Parkland. Cliff was very proud of this solution. He spent considerable time describing the operation to me. The following story was told to me in 1971.

On November 22, a member of Ligget's wife's family was being buried at Restland Cemetery. Restland was the largest cemetery in Dallas and was owned by a member of the Texas

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Mafia. Ligget was in charge of the funeral. In the middle of the ceremony, another cemetery employee whispered something in Ligget's ear. A few minutes later, Ligget and the employee left the cemetery in a hearse from Restland. The time was approximately 1 p.m. In the back of the hearse was a body, which had been stored in the morgue at Restland. This body had the same general characteristics as Kennedy. Ligget and his aide drove to Love Field Airport and put the body in a private jet airplane. He called his girl friend and told her he would be back in a couple of days. Ligget left with the body. The other employee drove the hearse back to Restland. On the way to Washington, messages from Parkland were relayed to Ligget. These included the first Doctor's accounts of the condition of the body.

To coordinate the arrival of the Ligget body and the President's body, it was important that the President's body stay in Dallas for a period of time. The swearing in ceremony was part of the delaying tactics after it appeared the President's body would leave immediately for Washington.

Since the first Parkland reports stated that a tracheotomy was performed on the President, Ligget had to make the same incision on the second body. The second body was prepared as a rear head shot. I do not know all the details except I know there were two bodies at Bethesda and at least ten pictures were taken of each body. The pictures were then mixed, creating the effect of a third body. The grand conspiracy theory of controlling the autopsy and making changes at Bethesda Naval Hospital was not necessary. You simply needed the right mix of autopsy photographs. The autopsy report and photographs were immediately sent to the White House. The White House controlled the evidence sent to the Warren Commission and the National Archives.

After Ligget completed his work, he flew back to Dallas. He went straight to his home and told his wife and family to pack their clothes for a trip. He was in a great hurry and left immediately for Galveston. He received a speeding ticket between Dallas and Austin. He stopped in Austin to see a friend of his. This friend was a member of the CIA. He then left for Houston and Galveston. The family checked into a motel in Galveston and Ligget watched the Television most of the night and the next morning. He was watching the black and white television set when

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a short man wearing a hat shot Lee Harvey Oswald. He turned to his wife and said, "Now we can go back to Dallas." With that he loaded the family in car and drove back to Dallas.

James Melvin Ligget was also a cold-blooded murderer. His trademark was sexual mutilation of his victims and death by fire. In the years after the assassination, he would kill at least six people to cover up the truth. He may also have killed others. The prime death was Jay Bert Peck. Peck was a distant cousin of Lyndon and looked and sounded remarkably like him. So much so that he was used as a stand in on several occasions. One of those was on November 21, 1963. Lyndon wanted to hear the final plans for the next day, so he used Peck as his stand-in at a social function.

One year after the Kennedy assassination, Peck bought a new house in Plano and opened a lounge. This was while his was still officially the head of security for John Murchison. In 1968, Peck was running up a huge poker debt and began to ask for more money. Ligget was assigned the task of silencing Peck. He went to the Peck house and took Jay Bert into the bedroom and shot him. His wife was in the living room. Ligget came out and told her Jay Bert had just committed suicide. The wife reported the murder as a suicide.

I have heard that Ligget was also hired to murder Roscoe White and make it look like an industrial fire. At the time of his death, Roscoe White had a large gambling debt. White died during the 1971 death spree when Malcolm Wallace and Cliff Carter also died.

Ligget spent a lot of time at the Duck Creek Lounge after work. He apparently would talk about the various jobs he was doing. He became paranoid about what he was saying and decided to kill Lewis T. Stratton and Maurine Joyce Elliott. Their only fault was listening to a drunk talk about his past. They were both sexually mutilated after they were dead.

In 1974, Ligget became more paranoid and killed several people in New Orleans, whom he felt knew of his role in the assassination. A couple of weeks later he attempted to kill the widow of Jay Bert Peck. After stabbing and sexually mutilating her, he set the house on fire. She survived and told the police about his involvement in the death of her husband. Ligget was

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arrested and was waiting trial when he attempted to escape from a work gang. Ironically, he was killed on Main Street in downtown Dallas about two blocks from Dealey Plaza.

I still have some doubts that Ligget and Wallace were really killed. I believe it was a convenient way to give them a new life.

The JFK assassination has been investigated by several people over the years. Some of -them have come close to the truth. Each time, the Texas Mafia was examined in depth, either the investigator was scared off or physically attacked. This began as early as 1964.

Chapter Thirty

When I Was released from Big Spring in December 1983, I vowed to never spend another day in prison. I also vowed to remove the stigma associated with my name and the two prison terms.

News articles summarized my legal problems of the sixties and painted me as a common thief. More telling was the immediate defense for Lyndon arranged by his loyal followers. They denounced my testimony and stated that no relationship existed between Lyndon and me except as a minor political contributor. They stated there was nothing in Lyndon's files to support my claim in either meaningful correspondence or meetings. They cited the existence of a few thank you letters for cantaloupes proof. They denied the existence of a letter from Lady Bird to me. I have had what is left of my files combed for letters. We were able to find eighteen letters from Lyndon. Of these, eight were standard contribution responses prepared by staffers. Six of these were thank you notes for cantaloupes.

There are ten letters and notes written by Lyndon including a hand written note attached to a response from Emory Jacobs concerning in person signatures for purchasers in the cotton allotment project. The Internal Revenue Service and the Federal Bureau of Investigation have sifted my records. There is no telling what they took as souvenirs. Just for the record, I currently have two letters from President Harry Truman, two from President John F. Kennedy, three from Evelyn Lincoln and one from Eleanor Roosevelt. These letters were found in normal correspondence files. If I were in the habit of keeping such letters in a special place, they would have been there.

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Lyndon and Cliff used the telephone in most contacts. Why would anyone document in writing payoffs or the discussion of payoffs? The only way to obtain evidence against them was to tape conversations. Lyndon was greedy but certainly not stupid.

Among the responses to my testimony was an interesting meeting in Dallas. Three federal judges called U. S. Marshal Clint Peoples on the carpet. The judges gave Peoples a lecture about testifying and supporting me at the hearing. They told him his presence there gave credibility to my story. I do not know what Peoples told them.

Judge Sanders had every right to be worried. He was a Johnson Democrat and served as Lyndon's legislative counsel from 1967 to 1969. More importantly, he was the United States Attorney for North Texas in 1962. He was in Franklin for the Grand Jury hearing in 1962. According to most sources, he was on the telephone reporting to Bobby Kennedy at every break. At that particular time, he was switching his loyalty from Johnson to the Kennedys. He also led the battle to withhold Department of Agriculture documents from the Grand Jury. The Government was claiming executive privilege for a large internal report into the scandal surrounding me. Attorney General Will Wilson was leading the fight to obtain the Agriculture Report. He was interested in examining the grain storage situation and felt the report would assist him. The Grand Jury finally issued a subpoena for the report. After negotiations, the judge was given the report with the stipulation that only he could read the report and disclose pertinent sections to the Grand Jury. Judge Baron's stated opinion was that the Marshall death was a suicide and the report was never introduced. His rulings always favored the cause of death as suicide.

Judge Sanders is still a federal judge at this writing. I really do not want to get on his bad side as I may be before him one day. However, there are the missing files of Clint Peoples. At the Grand Jury Hearing in 1984, Peoples referred to several folders about the Marshall death and Malcolm Wallace. During my meetings with him, he would have these folders with him. In 1986, Peoples gave his personal papers to the Dallas Public Library. Discussions with the Texas Ranger Archives have failed to turn up anything further. I know there were a considerable number of

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papers in the folder that I saw. He suggested a look at Judge Barefoot Sanders. He could have removed them from the library. We do not have any proof to substantiate this statement.

Another interesting news item came from the LBJ Presidential Library in Austin, Texas. The library serves as the repository for all of the Johnson papers. They released documents from a file entitled, "Agriculture, Farm Program, Estes, Billie Sol" This file is located in the vice presidential folders. Among the items released were several letters that contradicted statements by former LBJ staffers.

In response to an inquiry from a citizen to "ask Lady Bird to tell me what she knows about Billie Sol Estes," Walter Jenkins replied. "Mrs. Johnson has only met Mr. Estes on one occasion-at a reception involving 200 people. She had never had any correspondence with him, any transactions, or any other contacts. It would be very difficult for her to tell you anything about the man under those circumstances."

However, Lady Bird on February 15, 1962 typed me a friendly informal letter about a tree I had asked her about at the party. A copy was found in the file. Other letters about me and to me were also found.

The most interesting thing about the file was the contents, which were not released. . There were FB I reports and other correspondence, which were classified as restricted. Access to these files is still restricted. I wonder what J. Edgar Hoover was telling LBJ that was secret. Could these reports be part of the reason Hoover was allowed to remain head of the FBI for so long?

Another thing about the Johnson Library, you can apply for permission to research the files. This does not give you access to the sensitive political documents. I understand each request for documents is put into the computer. A daily printout is made to see which papers are being requested to determine the nature of your research. A number of researchers have been banned from the library. The most prominent author is Robert Caro. He has published two large volumes about Johnson and is working on a third. His prior books have been somewhat critical of Johnson. He is currently banned from the research area.

I tell you all of the above so you will understand a decision I made in 1984. One of my vows was to remove the stigma of the

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prison sentences. There is only one way to accomplish this if you are convicted of a federal crime. The President of the United States must grant you a presidential pardon. I had expressed my desires to several people after my release. Shearin Moody of the Moody Foundation in Galveston notified me they would pay my attorney fees to assist in my endeavor. They retained Douglas Caddy, an attorney in Houston, to represent me. A word about Douglas Caddy. He had been the lawyer for some of the Watergate burglars in the 1970's. The Watergate burglary was the beginning of the downfall of Richard Nixon and led to his resignation from the Presidency. The burglary had been an attempt to break into the Democratic Headquarters to steal some documents. Caddy had been the lawyer for Howard Hunt. Hunt was a member of the National Security Staff under President Nixon and had been a Central Intelligence Operative for years. Several of the rumors surrounding this break-in concluded its real purpose was to destroy Richard Nixon by being caught. Now you know I was desperate to accept assistance from someone associated with the Republican Party.

At any rate, Caddy came to Abilene and we discussed our various options to obtain the pardon. Caddy had extensive contacts within the Justice Department in Washington. It was decided to approach the Assistant Attorney General in charge of the Criminal Division, Stephen Trott. This occurred in early May 1984. After several telephone conversations and exchange of letters, Trott asked for a specific offer of proof letter. This letter was sent on August 9, 1984. Please note the final paragraph, as it is the primary reason for my agreeing to talk.

"In return for his cooperation, Mr. Estes wishes in exchange his being given immunity, his parole restrictions being lifted and favorable consideration being given to recommending his long-standing tax liens being removed and his obtaining a pardon. "

After a further exchange of letters, a meeting was set at a hotel in Abilene. As the day approached, I received a series of telephone calls from my Italian friends. I was informed my discussions with the Justice Department were a mistake. They insisted if I appeared to be going through with the discussion, my life would end. I do

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not know how they found out about the discussions. Now I may be dumb but I am not stupid and I do not have a death wish. I did not attend the meeting and told Caddy to break off negotiations.

Someone illegally released the Caddy correspondence in the United States Attorney's office or Douglas Caddy *after* our talks were broken off. These letters have been used as proof of LBJ's involvement in the Kennedy assassination by many conspiracy buffs. If you will remember, I have always been wary of people learning too much. I deliberately changed some names in this letter to protect myself if the discussions broke down and the letters were leaked. First, as I wrote earlier, Kyle Brown was not at the meeting with Cliff Carter.

The letter also lists some of the deaths in which I have direct knowledge. Some of the deaths were listed as suicides and others as natural causes. These deaths occurred during a period of time when coroners were not that educated in forensics. Those listed as natural deaths, such as heart attacks, could have been chemically induced. The two deaths that occurred in the '50's were recounted to me after the fact. They were related because of ties to Lyndon Johnson. Josefa Johnson was Lyndon's sister. She was also an alcoholic and when drunk had a habit of talking about Lyndon. In 1950, she had an affair with Douglas Kinser, owner of a putt putt golf course in Austin. She made the mistake of telling Kinser about the arrangement between George Brown and Lyndon. Douglas Kinser was also having an affair with Malcolm Wallace's wife. One night he told Wallace's wife about the arrangement and acted as if he knew more than he really knew. The wife then proceeded to tell Malcolm Wallace about the information when she was having an argument with Wallace. Wallace and his wife had a strange relationship. They were both sexual perverts and were arrested at various times for engaging in various weird sex acts. I think they were both queers.

Malcolm Wallace was a political operative for Lyndon Johnson at that time. He had been given a job as an economist in the United States Department of Agriculture in Washington, D. C. His real job was doing dirty tricks for Lyndon. After Wallace told Carter about the Kinser statement, he was ordered to kill Kinser as if it was in a jealous rage. Wallace did his job well. Cliff and Lyndon did their part by assigning John Cofer as his lawyer. The

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sentence for a cold-blooded murder performed in daylight at a public putt putt golf course was a five year suspended sentence. The Jury was fixed.

For a time after the Kinser death, Josefa Johnson kept her mouth shut, but soon there were additional reports of her talking. In the end, it was decided she could never be trusted. On Christmas day, she became ill after eating and died. I was told she was given poison. I was never curious about the details. When Cliff told me this, I had an empty feeling in my stomach. My family is very dear to me. I would never consider doing something to them. I believe Lyndon was guided by the vision of his destiny and considered the sacrifice was needed for the people.

In 1971, my discussion with Cliff Carter centered on his disgust with the murders.

There were several other names mentioned that night. Some of the people were already dead at the time. Some would die later. Some died because of their knowledge of the Kennedy Assassination and others because of their knowledge of Lyndon's business dealings. Most of these deaths were without the direct knowledge of Cliff and Lyndon. I am listing a few names here and will only discuss some of them. Rufus McClean, Roscoe White, George Demohrenschidt, John Holmes Jenkins, Sam Campisi, Joseph Francis Civello, Mary Ester Germany, Rose Cheramie, Clayton Fowler, Mary Sherman, Nichol Chetta, Jay Bert Peck.

Of these deaths, Rufus McClean was the federal prosecutor in my El Paso Case. He was shot to death in his house in Washington, D.C. Roscoe White is on many lists as one of the people involved in the Kennedy assassination. His knowledge of the assassination was -gained in discussion with people involved in the assassination.

He was killed because he refused to keep his mouth shut. Jay Bert Peck was Lyndon's cousin and resembled Lyndon so much that he was used as a double on several occasions. In this role, he learned information about which Lyndon became paranoid.

George Demohrenschidt was a career intelligence agent. He was primary babysitter for Lee Harvey Oswald. As he grew older and the House Select Committee Investigators were about to interview him, certain people became concerned about his stability. I do not know if he committed suicide or not. He was scheduled to

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die. Mary Ester Germany was the landlord for Lee Harvey Oswald. She also had knowledge of other boarders and their relationship to the intelligence services.

There were several deaths in the '60's for political reasons. Malcolm X was the black leader of a group being funded by H. L. Hunt and other conservatives. The Central Intelligence Agency killed him as he was becoming less militant and was supposed to cause racial strife as part of his agreement for money. He joins Robert Kennedy and Dr. Martin Luther King among those who were murdered because they detracted from the political picture envisioned by Lyndon's backers.

There are three other deaths, which should be examined closely. I believe they were killed on orders of Lyndon Johnson during his final paranoid years. They had too much knowledge and he did not want to risk his legacy on them. Malcolm Everett Wallace, John Daly Cofer, and Cliff Carter were listed as either natural or accidental deaths. I believe they were staged and if I had not mentioned I had the tapes, I would have been on the list. There are other names for the list. I have chosen to not reveal them because my death would probably result. Even the tapes can protect you only so far.

Now you know the story of my attempt to be granted a pardon. At one other time, I considered reopening negotiations through Douglas Caddy. I was about to be framed in a rape case and did not know who was doing it, I called Douglas Caddy and asked about reopening discussions with the Justice Department. In a letter to me dated August 30, 1985, he advised his contacts within the Justice Department were better than before. He was ready to pursue negotiations again if I desired. You may be wondering why the Justice Department would be interested in my story. First, it would involve the Democrats and the Republicans were in control of the Presidency. They were hoping my story would cause a scandal and win them more seats in Congress. They were right. However, I only wanted to talk if it was worth my while and I would not be killed.

Chapter Thirty One

In August of 1985, I was arrested for sexually assaulting a woman in Abilene. I was charged three weeks after the alleged assault.

A friend of mine, Steve Eleftheriades had assisted me in getting a lady from Mexico to work as a maid. The trial was scheduled for January 5, 1986. The prosecution could not locate Steve and it appeared they were considering dropping the case. My attorney and I were reviewing the documents in the case when something caught my eye. The medical report from the hospital was about a sample of the semen from the vaginal area. The report stated in no uncertain terms "the presence of sperm." I shouted "hallelujah". The lawyer looked at me as if I was crazy. I laughingly screamed, "It can't be me, I have had a vasectomy, I don't have any sperm."

Needless to say, we contacted the judge the next morning and asked him to appoint a Doctor to examine me. The examination proved I was right. The vasectomy was present and intact. The charges were dropped the next day. Incidentally, the lady and Steve were never located after that. There were rumors of them being murdered in Mexico.

Now the most interesting thing about the rape charges, I was arrested on the day I was supposed to appear in Austin at a trial. The trial was a suit by the Henry Marshall family against the State of Texas. Its purpose was to change the cause of death from suicide to homicide. In Texas, a death certificate can only be changed by the Secretary of State. Therefore, although the Grand Jury in Franklin had ruled the death a homicide, the family had to sue the state to change the death certificate. I was unable to appear at the trial since I was in jail. Fortunately, the judge accepted

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testimony from Clint People and other people, the certificate was changed. The question is who would try to derail the certificate change by falsifying charges against me? Lyndon was dead. His friends were still alive and someone was still mad about my testimony before the grand jury.

My daughter, Pam, released her book in 1983. It was more her story than mine. We had plans to write a second book to focus on the dark side of my life. The publisher advised us to drop the project because he was afraid of the Johnson interests and the Italians.

During the mid '80's, life was somewhat uneventful for me. I made a few deals, made a few bucks and generally kept a low profile. On any of the deals, I worked off a percentage and acted as the go between. I was still unable to own property because of the IRS lien from the '60's. I received several offers for Television or motion picture movies but nothing really came though. Oliver Stone, producer of the movie *JFK*, was one of the people interested in my story. I began work on a movie script with a friend. This script was more fiction than truth to save my life. I also had several proposals for book deals and they all died on the vine.

I remained active in the Church and spent more time feeding the poor. Patsy was still active in all kinds of charity work. I became more active with my children and grand children. Alcoholics Anonymous became a bigger part of my life as I assisted other people to kick the habit.

I received a telephone call one evening from Kenneth Bradberry. I had met Bradberry during the sixties when he was an IRS agent assigned to my case. Kenneth asked if he could come by to see me the next night. I agreed and when he came my outlook on life would receive a big positive boost. Kenneth first asked if we could pray together. He led the prayer and I could feel his remorse and pain. He then told me how his conscious had bothered him all these years because he had failed to speak out on the IRS charges against me. He felt then that the IRS was wrong in their case against me. I asked him to put his thoughts in a letter to President George Bush. When we concluded our discussion, I led the prayer.

The letter and a subsequent sworn statement from him stated:

BILLIE SOL ESTES

"I received a file of documents that other agents had obtained from the files and records of various finance companies involved with Mr. Estes. Included was an internal

Memorandum from the files of W. I. Heller and Co. Chicago, IL. Wherein an executive of that company wrote that it was very critical for them to conceal the fact of their awareness that not all the mortgaged fertilizer tanks existed at the very time the transactions were consummated.

It was my opinion then and now that all parties involved, knew the true facts of the transactions and the actual truth of what the mortgages involved. I would have recommended withdrawal at a fairly early period because I have never believed that tax fraud or mail fraud was existent in this case. The IRS tax conferee also agreed that there were no basis for the assessment of additional taxes, interest, and fraud penalties, but he was overruled also.

...This whole case was predicated upon politics involving the Kennedy and Johnson factions. While Mr. Estes may have been guilty of some questionable practices, I do not believe he was guilty of the offenses for which he was convicted twice and sent to prison twice..."

Bradberry confirmed my statements through the years. The fertilizer tank deal was a win win situation for everybody and everybody knew exactly what was happening. If Bobby Kennedy and the IRS had been honest with the judge, I would never have gone to jail. During the '60's, the finance companies had tried to collect on the tank leases from farmers and friends, the judge ruled that everyone knew what was happening. The finance companies lost. Now one of the IRS agents confirmed the same thing.

I called my accountant the next morning and told him of Bradberry's visit. You see, at that time the IRS was still trying to collect the \$21 million plus interest. We sent a copy of the letter to the Commissioner of the Internal Revenue Service in Washington, DC. Within a month, we received official notice from the Commissioner that all liens and collection efforts were stopped immediately. For the first time since 1964, I could have a bank account and own property without fear of it being confiscated.

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Now I was able to again make money through ownership. However, I had become accustomed to the life style of being a dealmaker. I continued doing much the same thing. I did buy some farmland but that was primarily to make a natural preserve for birds and wild animals. During most of this time, I lived in Brady, Texas and visited friends and relatives around Clyde and Abilene.

I had some friends from Houston, who wanted to get into the Alcoholic Rehabilitation business. They purchased a motel and converted it into a treatment center. The Center was set up as a non-profit, which allowed us to take tax-deductible contributions. As part of the motel operation, a separate check cashing company was set up for the public. I was not involved with the daily operation of the businesses. Early in 1998, the IRS and the District Attorney decided some of the money from the check cashing operation was being funneled through the non-profit. They went before a grand jury and obtained an indictment of me and the true owners of the business. The indictment was returned in Brown County and the trial was set to occur in Brownwood.

My lawyers were able to get the charges against me dropped. You see, I was not a stockholder or employee of either operation. I was simply an advisor and had arranged the financing. My percentage came from the advisory role. I was not considered in a position to control the daily operations. The center was closed and that was the real shame. Many people were being helped to control their addiction. I am concerned with the emphasis being placed on gun control. Addictions are a bigger problem than guns.

Brownwood is one of those towns that never moved into the twentieth century. The old elite decided to maintain the status quo and live off government programs for small towns. It also has several big churches and high stakes poker games. Candy Barr, a notorious stripper, lived there after she was released from prison for marijuana possession. District Attorney Henry Wade framed her in Dallas after she refused to continue assisting him in his political blackmailing. After moving to Brownwood and living off some of the elite citizens, she was again framed and sent to prison. Candy was just a misguided beautiful young lady. Several powerful men took advantage of her. She now lives under her true name in a quiet little town away from all the corruption and sin.

BILLIE SOL ESTES

In the early nineties, a young investigator named Steven Pugiese approached me. Steven was very intellectual and a hard worker. He was always asking many questions about my life. We reached an agreement for him to write my story. He also found some money backers to finance a documentary. We did several interviews on video. He spent time and money researching records and interviewing people. I received the first draft of the book in 1996. In the meantime, he ran out of money for the video and had a falling out with his backers. He continued to do research but on a reduced scale. I did not hear from him for over six months. One day he called me for some information about one of the murders listed in this section. I told him to stay away from the details. He was getting too involved and it might be dangerous. Two days later he died of a heart attack. He was in his thirties and did not have a history of heart trouble.

Chapter Thirty Two

Pam operated a small museum as part of an antique store she owned in Granbury. I used to spend the weekend in Granbury and sign autographs. The response was overwhelming. I could sell fifty of Pam's book in a day. I also sold a two dollar bill for five dollars. On it I wrote, "I've been taken by Billie Sol." Who would have thought people would end up buying my autograph after I had been to prison. People have always loved the aura that surrounds me. Each and everyone secretly wished they could be like me. They know I can make a million dollars and they want to know how I do it.

I was diagnosed with prostate cancer in 1998. This was the first time mortality became an issue in my life. I entered the Veterans Hospital in Temple, Texas. Patsy was there for me every step of the way. The Oncologists offered several options for treatment from surgically removing the prostate to various forms of radiology. I decided to undergo seed implementation or interstitial brachytherapy. In this procedure, radioactive seeds are surgically implanted in the prostate. Over a period of time, the radiation kills the cancer cells. My last report was clear. The seeds have apparently done their job.

When your mortality becomes real, your outlook on life changes. I became more dedicated to Patsy and my family. For the first time in years, they became the center of my universe. We sold the home in Brady and moved closer to them. Now this was not a drastic change in lifestyle for me. I was always close to them but now my thoughts were more of them than of making deals. We were able to again have our big meals together.

BILLIE SOL ESTES

The Texas Human Resources Department did a study of my history and background. I was recommended for a Humanitarian Award for my contributions to the Civil Rights Movement and the advancement of Hispanic people. My record in that area is unmatched by other white Texans of my age. I believe in equality and your right to make whatever you wish to make of yourself. I realize my feelings and actions in this area were resented by many people of my age. I believe in those things as much today as I did then.

I still believe the rich should provide for the poor. If the rich do not then the government and religious organizations must step in and allocate money for the betterment of all mankind.

I decided it was time to have a conversation with a lady that I had avoided for over 30 years. We had several telephone conversations before we finally decided to meet. I am not going to disclose the contents of that conversation. If Marina Oswald wishes to do so then she has my consent. Marina Oswald was the Russian born wife of Lee Harvey Oswald. She currently lives in the Dallas Area. She has more direct knowledge about the John Kennedy assassination than most people realize. She has been through some very trying times since the assassination. Some of her friends have taken advantage of her and some conspiracy believers have put words in her mouth. I would hope she will see fit to tell everything that she knows. You see, she knew both Jack Ruby and Malcolm E. Wallace. All information beyond that should come from her.

I had avoided telling the truth for so many years because of my ego and fear of death. I am still afraid of dying and therefore, there are some things left out of this book. I will go to my grave with things left unsaid. I hope this book will leave you with at least a feeling for the truth. I have not been a saint but at the same time I have performed many good Christian acts.

Money does not mean anything to me any more. I have more than enough to live on. I married a beautiful widow in the fall of 2003—Dorris Brookover. If I need money, I will find a way to make it. In fact, I have this great idea. You know how the French always think they have the best wine. Well, we are beginning to get some good vineyards in Texas. You realize of course that we saved the French Wine Industry one time by supplying them with

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vines after a bad case of Phyloxera destroyed their fields. My idea is let's put them out of business. I know some good land near Pecos and it is available at a low price. We could produce tons of grapes and high quality wine. In five years we could control the wine industry. I can see the fields now stretching for miles and beautiful grapes just ripe for picking. I can see the aging barrels full of robust red wine. I can see a new type of grape picker. Let's get together and discuss it.

Billie Sol Estes

Make your enemies your partners and then try to outlive them.

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