

# Rex Cauble: Texas Businessman, or Marijuana Kingpin?

By Charlotte Thornburg

The life of Rex Cauble is one that truly lives up to the common saying “everything is bigger in Texas.” Cauble, who resided in Denton Texas, was a multimillionaire, businessman, honorary Texas Ranger, and was arrested and convicted for financing the trafficking of twenty-two tons of marijuana through Port Arthur, Texas. Born to cotton farmers on August 15, 1913, in Vaughn, his childhood was modest. The upside to looking at Cauble’s life is there are plenty of news articles chronicling his alleged life of crime. The downside is there is no comprehensive source where everything is in one place. The goal of this paper is to not only compile these sources, but to analyze who Cauble was and assert an opinion on whether or not he was truly guilty. Although Rex Cauble was a prominent member of the Denton community, he was found guilty of being the kingpin behind one of Texas’ largest marijuana busts in state history.

Not much is known about his life before he made it big as a wildcatter, or someone who drills wildcat wells in hopes of finding oil, after which he quickly transformed his life. He and his wife Josephine joined together to create Cauble Enterprises in the 1960s.<sup>1</sup> With the money made from the company, Rex bought a cutting racehorse named Cutter Bill and went on to win the American Quarter Horse Association Honor Roll in 1962, amongst other competitions. Building on Cutter Bill’s success, Rex Cauble created and launched the retail store, Cutter Bill’s Western World in the early 1970s.<sup>2</sup> These stores catered to the wealthy, a fact that was clearly reflected on the price tags of the merchandise offered. The store went on to be wildly successful, opening two locations in Dallas and Houston, and amounting to be “the West’s Neiman Marcus.”<sup>3</sup> At this point, Cauble had dipped his hand into the oil business, horse racing, and retail, and just a few years later, would be on trial for allegedly dipping his hand into the drug trafficking business.

According to a court summary, a former employee of Cauble’s, Charles ‘Muscles’ Foster, met a known drug smuggler named Raymond Hawkins in 1972 and again in 1976. The relationship between Cauble and Foster was regarded as a “father-son

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<sup>1</sup> “Rex & Josephine,” *D Magazine*, (January 1990), <https://www.dmagazine.com/publications/d-magazine/1990/january/rex-josephine/>

<sup>2</sup> Chris Lane, “A Glimpse Into the Wild Ride of Cutter Bill Western World is a Texas Time Capsule,” *Houston Press*, (March 2, 2016). <https://www.houstonpress.com/arts/a-glimpse-into-the-wild-ride-of-cutter-bill-western-world-is-a-texas-time-capsule-8205931>

<sup>3</sup> Bill Reynolds, Rex Cauble: The Only-in-America Saga of Cutter Bill’s Western World, *Western Horseman*, June 3, 2019. Accessed May 5, 2020.

relationship” and he allegedly paid for plane tickets for Foster to fly to and from Hawkins home in Georgia.<sup>4</sup> This same court document claims Cauble loaned \$25,000 to Foster, who later told him it would be re-loaned to Hawkins. Hawkins then went to New Jersey—Cauble paid for the plane ticket—and used the loan money to pay for trucks used for smuggling marijuana.

At some point in securing the trucks, Hawkins and Foster decided to move the smuggling operation down to Texas. In all meetings to plan the operation, Foster flew on Cauble Enterprises private plane. Hawkins bought Cherokee Ranch from Rex Cauble, giving him \$100,000 for it, which Cauble agreed not to claim on his taxes.<sup>5</sup> All of these previously stated events and more were used as evidence for Rex Cauble’s involvement with the drug smuggling crowd. His relationship with ‘Muscles’ Foster, whether it was personal or professional, was the source of much speculation after both men were arrested.

The actual drug smuggling that is the focus of this research happened on November 29, 1978. In Port Arthur, Texas, Foster, Hawkins and twenty-six other associates, who came to be known as the “Cowboy Mafia,” were busted and arrested for smuggling twenty-two tons of marijuana, valued around \$17 million, in a shrimping boat named the Agnes Pauline.<sup>6</sup> Cauble was nowhere near Port Arthur when ‘Muscles’ named him as the financier and kingpin of the smuggling operation; Cauble was then arrested in his home town of Denton, Texas.

Leading up to his arrest, Cauble had a couple of run ins with the law that observers point to as indications of his guilt. January of 1980, he was arrested for driving while intoxicated and speeding on Interstate 35 but was released when his lawyer posted a \$500 bond.<sup>7</sup> A couple of months later, he was pulled over for driving around 110 miles per hour and the officer found Cauble to be “unlawfully” carrying a .38-caliber handgun.<sup>8</sup> All of these events, which happened right before his arrest for allegedly financing the marijuana operation, could be seen as evidence of Cauble’s disregard for the law or as manifestations of a guilty conscience.

The trial took place in Tyler, Texas. Because of Cauble’s popularity, the trial had to be moved, despite the crime happening in Port Arthur, and Cauble living in Denton. In said trial, both Foster and Hawkins testified against Cauble, claiming that not only was he fully aware of the drug trafficking, but also financially supported their travels, money laundering, and plans for the profits made and used during the smuggling

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<sup>4</sup> Lawrence Wright, “Rex Cauble and the Cowboy Mafia,” *Texas Monthly*, (November 1, 1980), <https://www.texasmonthly.com/articles/rex-cauble-and-the-cowboy-mafia>; *United States of America v. Rex C. Cauble*, 706 F. 2d 1322 (5<sup>th</sup> Cir. 1983).

<sup>5</sup> Wright, “Rex Cauble and the Cowboy Mafia.”

<sup>6</sup> Nita Thurman, “Raid Nets 22 Tons Marijuana,” *Denton Record-Chronicle*, (December 1, 1978).

<sup>7</sup> “Rex Cauble arrested for alleged DWI,” *Denton Record-Chronicle*, (January 1, 1980).

<sup>8</sup> “Cauble faces charges of unlawfully carrying gun,” *Denton Record-Chronicle*, (March 6, 1980).

operation. Unsurprisingly, Cauble adamantly denied any involvement or knowledge of the events. The defense heavily relied on character witnesses for Cauble. Ruth Carter Stapleton, sister of President Jimmy Carter, and actor Dale Robertson, both testified that Cauble was uncompromisingly crusading against drugs. While he didn't testify, Texas governor John Connally was still present at the trial, showing his support for his friend.

At the end of the trial, Cauble was found guilty by the jury after only eight hours of deliberation. According to some sources, his former employee and associate, Foster, claimed innocence by reason of insanity and was eventually acquitted. Unfortunately, there is no sufficient evidence to prove if Foster was insane or not, and it is unknown if he was acquitted because of his supposed insanity. Cauble's reaction to the verdict was rather stoic, but afterwards he stated "All I can say to all of you is that I'm terribly disappointed and surprised. And that's all I can say."<sup>9</sup> Cauble was indicted on ten counts of violating the Racketeer Influenced and Corrupt Organizations statute (RICO) and the Travel Act. The judge sentenced Cauble to five years in prison on one count and five concurrent years for the other nine counts. While in prison Cauble appealed his case and was released on good behavior after serving only seven years.<sup>10</sup>

The public reaction was mostly disbelief. Rex Cauble was regarded as an influential, down-to-earth businessman by his neighbors in Denton. However, after his release from prison, he was again in the news as he lost control of his business holdings and his personal life fell apart. Cauble had to forfeit his enterprises and his wife, Josephine, took control with their adopted son Lewis Cauble. Together, wife and son renamed the company J&L Partners and began the process of distancing themselves legally from Cauble. Josephine filed for divorce after thirty-two years of marriage and continued to dispute the company benefits, such as box seats in the Fort Worth Stock Show, with her ex-husband in court.<sup>11</sup>

After all the drama, crime, prison time, and rumors, Cauble lived a relatively quiet life in Dallas after his release. He gave a few interviews concerning the rumors, even saying in an interview with *Denton Record-Chronicle* reporter, Donna Fielder, "I don't know why it happened that way. The only thing I could say to myself and to be calm about it was I had done so many things wrong in my life and I was being punished for them. But I was not guilty of the charges."<sup>12</sup>

For the people in Denton, Texas in the late seventies and early eighties, Rex Cauble's story was one to debate and talk about. His influence in business, rodeo, and the oil industry made his life a classic rags-to-riches tale. Cauble himself claimed that

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<sup>9</sup> "Guilty verdict shocks cowboy drug smuggler," *The Bryan Times*, (January 29, 1982), <https://news.google.com/newspapers?nid=799&dat=19820129&id=4p9PAAAAIBAJ&sjid=u1EDAAAAIBAJ&pg=3984,2408690>

<sup>10</sup> *United States of America v. Rex C. Cauble*, 706 F. 2d 1322 (5<sup>th</sup> Cir. 1983).

<sup>11</sup> Jerry Tate, "Cables squabble over seats," *Denton Record-Chronicle*, (January 9, 1990).

<sup>12</sup> Donna Fielder, "Cauble shares tales from tumultuous life," *Denton Record-Chronicle*, (April 26, 1990).

his life was full of “miracles.”<sup>13</sup> Many from his time still regard him as a good man and one Denton lawyer, William Tratham, even stated at Cauble’s death in 2003: “I don’t care if he was guilty or not...these outlaws that used and abused him so heavily—he was quite loyal to them.”<sup>14</sup>

The question of his guilt, or lack thereof, is left open for debate. It is this writer’s opinion that Rex Cauble was not guilty. His adamant denial of guilt, combined with his very public disdain for drugs, what one reporter called a “crusade against drugs,” points in this direction.<sup>15</sup> However, this does not necessarily mean he was innocent. In an informal interview with Cauble’s ex-daughter-in-law, Mary Russell, she claimed “I know for a fact he was one hundred percent guilty...He was an abusive psychopath.”<sup>16</sup> There are reports of Cauble having an explosive temperament. His former ranch hands stated bluntly, “If you ever had your ass chewed out by an expert...you can say one thing: he’s second to Rex Cauble.”<sup>17</sup>

Similarly, there were accusations of his ex-wife Josephine having an affair with the mayor of Crockett, Texas in 1962. When Cauble caught them together in a Houston hotel room, he pistol whipped the man until he looked “bloody as a cow de-horned.” For years afterwards, Josephine denied that the incident ever happened, stating that the whole story was a “set up”; however, the mayor is said to still have a scar from the event and Cauble himself acknowledged the validity of the story, countering Josephine’s denials with, “Josephine always lies.”<sup>18</sup>

It is possible that Rex Cauble was the kingpin and financier behind the Cowboy Mafia’s smuggling attempt, though to this day Rex’s involvement is debated by those who knew him. His former daughter-in-law stated the pistol-whipping incident and Cauble’s temper were only the tips of the iceberg, even though the pistol whipping was the only known violent offense Cauble committed. On the other hand, his late wife, Anne Cauble, whom Cauble married after his release from prison, stated upon his death, “If you have that much, and are doing that much with your life and have that many employees, things happen...Up until the day he died I would swear he did not do it.”<sup>19</sup>

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<sup>13</sup> Fielder, “Cauble shares tales from tumultuous life.”

<sup>14</sup> Joe Simnacher, “Well-Known Denton Rancher and Businessman Dies at 89,” *Denton Record-Chronicle*, (June 25, 2003).

<sup>15</sup> Wright, *Rex Cauble and the Cowboy Mafia*.

<sup>16</sup> Mary Ann Russell, interviewed by author, Denton, Tx. November 26, 2019.

<sup>17</sup> Wright, *Rex Cauble and the Cowboy Mafia*.

<sup>18</sup> “Rex & Josephine,” *D Magazine*.

<sup>19</sup> “Convicted Cowboy Mafia member dead at 89,” *My PlainView*, (June 24, 2003). Accessed: May 15, 2020. <https://www.myplainview.com/news/article/Convicted-Cowboy-Mafia-member-dead-at-89-8999091.php>

Despite everything, Rex Cauble is remembered for his ranch, the Cutter Bill Western World, and the glamour he brought to Denton. His parties and businesses brought a position of wealth and aspiration to the small college town. He represented Denton “the same way his and Cutter Bill represented his own desire for graceful possession of power.”<sup>20</sup> Rex Cauble’s legacy lives on in the impact he had on Denton history.

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<sup>20</sup> Wright, *Rex Cauble and the Cowboy Mafia*.