

U.S. DEPARTMENT OF THE TREASURY

Press Center

Treasury Targets Front Operations Working on Behalf of Sinaloa Cartel Drug Lord “El Azul”

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Action Exposes Attempts by Sinaloa Leader to Evade Sanctions

WASHINGTON – The U.S. Department of the Treasury today announced the designation of five Mexican individuals linked to Juan Jose Esparragoza Moreno (a.k.a. El Azul), a leader of Mexico's Sinaloa Cartel. In addition, the Treasury Department's Office of Foreign Assets Control (OFAC) published the new aliases of seven previously designated companies, which operate gas stations, with links with Esparragoza Moreno.

"We will continue to target companies and individuals that support the networks of Esparragoza Moreno, his criminal associate Rafael Caro Quintero, and other leaders of the Sinaloa Cartel. We will take the necessary action to protect the U.S. financial system from their illicit proceeds and we will ensure that their attempts to evade sanctions will not succeed," said OFAC Director Adam J. Szubin.

On July 24, 2012, OFAC designated seven companies based in Culiacan, Sinaloa, Mexico because they are owned or controlled by individuals who act on behalf of Esparragoza Moreno, including his wife, Ofelia Monzon Araujo, who was also designated on the same date. Today's action targeted the following five individuals for their official roles in these gas stations: Angello de Jesus Solis Aviles, Mario Parra Sanchez, Manuel Arturo Valdez Rodriguez, Juan Carlos Villegas Loera, and Vanessa Valenzuela Valenzuela. These individuals are managing these companies on behalf of Esparragoza Moreno and his network and, in an attempt to evade sanctions, have renamed the companies as follows:

Combuservicios Los Tres Rios, S.A. de C.V. (previously Estaciones de Servicios Canarias, S.A. de C.V.);
Gasolinera El Crucero Las Torres, S.A. de C.V. (previously Servicios Chulavista, S.A. de C.V.);
Gasolinera La Canada, S.A. de C.V. (previously Gasodiesel y Servicios Ancona, S.A. de C.V.);
Gasolineras La Villa, S.A. de C.V. (previously Gasolinera y Servicios Villabonita, S.A. de C.V.);
Gasolinera Multilomas, S.A. de C.V. (previously Buenos Aires Servicios, S.A. de C.V.);
Gasolinera Recursos Hidraulicos, S.A. de C.V. (previously Gasolinera Alamos Country, S.A. de C.V.)
Servicios y Gasolineras Barrancos, S.A. de C.V. (previously Petrobarrancos, S.A. de C.V.)

The President identified Esparragoza Moreno and the Sinaloa Cartel as significant foreign narcotics traffickers pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act), in 2003 and 2009, respectively. Esparragoza Moreno has been active in drug trafficking since the late 1970s when he and others, including Rafael Caro Quintero, formed the Guadalajara drug cartel. Rafael Caro Quintero was also identified as a significant foreign narcotics trafficker pursuant to the Kingpin Act in 2000. Esparragoza Moreno was indicted on drug trafficking charges in the U.S. District Court for the Western District of Texas in 2003. He is wanted in both the U.S. and Mexico. The U.S. State Department Narcotics Rewards Program is offering a reward of up to \$5 million for information leading to Esparragoza Moreno's arrest and/or conviction, while Mexican authorities are offering 30 million pesos for information leading to his capture.

Today's action, pursuant to the Kingpin Act, generally prohibits U.S. persons from conducting financial or commercial transactions with these designees, and also freezes any assets they may have under U.S. jurisdiction.

Internationally, OFAC has designated more than 1,300 businesses and individuals linked to 103 drug kingpins since June 2000. Penalties for violations of the Kingpin Act range from civil penalties of up to \$1.075 million per violation to more severe criminal penalties. Criminal penalties for corporate officers may include up to 30 years in prison and fines up to \$5 million. Criminal fines for corporations may reach \$10 million. Other individuals could face up to 10 years in prison and fines pursuant to Title 18 of the United States Code for criminal violations of the Kingpin Act.

For a chart relating to today's actions click [here](#).

Previous OFAC action against Caro Quintero's organization:

For a chart displaying Caro Quintero's organization designated on June 12, 2013, click [here](#).

Previous OFAC actions against the Esparragoza Moreno organization:

For a chart displaying Esparragoza Moreno's organization designated on July 24, 2012, click [here](#).

For a chart displaying the location of Esparragoza Moreno's corporate network designated on July 24, 2012, click [here](#).

For a chart displaying Esparragoza Moreno's organization designated on October 10, 2012, click [here](#).

For a chart displaying Esparragoza Moreno's organization designated on December 12, 2012, click [here](#).

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