

## U.S. DEPARTMENT OF THE TREASURY

## Press Center



## Treasury Levies Additional Sanctions Against Business Network Linked to Sinaloa Cartel Drug Lord "El Azul"

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**WASHINGTON** – The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today announced the designation of one entity and three individuals linked to Juan Jose Esparragoza Moreno (a.k.a. El Azul), a leader of Mexico's Sinaloa Cartel.

Today's action, pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act), 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.

"Since July, OFAC has exposed numerous entities in Esparragoza Moreno's corporate network, including gas station companies and real estate development firms operating in the Mexican states of Sinaloa and Jalisco," said OFAC Director Adam J. Szubin. "As we continue to target this organization, we expect to severely disrupt its operations."


The President identified Esparragoza Moreno and the Sinaloa Cartel as significant foreign narcotics traffickers pursuant to the Kingpin Act in 2003 and 2009, respectively. 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. Esparragoza Moreno has been active in drug trafficking since the 1970s.

Today's action targets Desarrollos Everest, S.A. de C.V., a real estate development company based in Culiacan, Sinaloa, Mexico. This company is co-owned by Maria Guadalupe Gastelum Payan, a wife of Esparragoza Moreno who was previously designated because she acts on behalf of her husband. Also targeted today is Residencial del Lago, a residential community located in Culiacan owned or controlled by Desarrollos Everest, S.A. de C.V.

OFAC has also today designated Mexican individuals Jorge Enrique Esquer Esquer, Julio Cesar Estrada Gutierrez, and Carlos Alberto Leon Santiesteban. Esquer Esquer and Estrada Gutierrez both play important roles in the previously-designated Jalisco companies Grupo Cinjab, S.A. de C.V. (which manages the residential community Provenza Residencial) and Grupo Impergoza, S.A. de C.V. (which manages the Provenza Center shopping mall and the La Tijera Parque Industrial warehouse facility). Carlos Alberto Leon Santiesteban acts on behalf of the following six previously-designated Sinaloa gas station companies: Estaciones de Servicios Canarias, S.A. de C.V., Gasodiesel y Servicios Ancona, S.A. de C.V., Gasolinera Alamos Country, S.A. de C.V., Gasolinera y Servicios Villabonita, S.A. de C.V., Petrobarrancos, S.A. de C.V., and Servicios Chulavista, S.A. de C.V.

Today's action would not have been possible without the support of the Drug Enforcement Administration.

Internationally, OFAC has designated more than 1,200 businesses and individuals linked to 97 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.

To view a chart of the El Azul organization, click [here](#) .

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