

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Sanctions Key Sinaloa Cartel Network

2/27/2014

Action Targets Colombian-Mexican Narco Trafficking Network

WASHINGTON – The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) today announced the designation of Hugo Cuellar Hurtado, a dual Colombian-Mexican national, for his material support to the narcotics trafficking activities of the Sinaloa Cartel and one of the organization's leaders, Juan Jose Esparragoza Moreno (a.k.a. El Azul), pursuant to the Foreign Narcotics Kingpin Designation Act (Kingpin Act). Six other individuals and ten entities linked to Cuellar Hurtado were also designated. As a result of today's action, all property and interests in property in the United States, or in the possession or control of U.S. persons in which the individuals and entities designated today have an interest, are blocked, and U.S. persons are generally prohibited from engaging in transactions with them.

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 and is wanted in both the U.S. and Mexico. On February 22, 2014, Mexican authorities captured Joaquin Guzman Loera (a.k.a. El Chapo) – the reputed leader of the Sinaloa Cartel and considered to be among the most wanted criminals in the world. Guzman Loera was identified by the President as a significant foreign narcotics trafficker pursuant to the Kingpin Act in 2001.

"Mexican authorities achieved a major victory with the capture of Chapo Guzman. Building on this success, OFAC will continue targeting the finances and operations of the Sinaloa Cartel and its other leaders, including Esparragoza Moreno," said OFAC Director Adam J. Szubin. "Today's action marks the next step in this effort by targeting Hugo Cuellar Hurtado, who poses as a businessman involved in enterprises ranging from ostrich farming to pawn shops. In reality, Cuellar Hurtado is a longtime criminal who supports illicit drug trafficking activities and promotes organized crime."

Cuellar Hurtado has been engaged in drug trafficking activities for decades. He previously worked for the Medellín drug cartel and shipped cocaine to the United States through Mexico. In the late 1990s, Cuellar Hurtado began living part time in Mexico and eventually began supplying cocaine to the Sinaloa Cartel.

Today's designation also targets six other individuals, including five of Cuellar Hurtado's family members. John Fredy Cuellar Silva, the son of Cuellar Hurtado, acts on his father's behalf and is also providing support to the Sinaloa Cartel's drug trafficking activities. The other family members were designated today because they act on behalf of Cuellar Hurtado and/or John Fredy Cuellar Silva: Ofelia Margarita Miramontes Gutierrez (Cuellar Hurtado's current wife), Jenny Johanna Cuellar Silva (Cuellar Hurtado's daughter), Victor Hugo Cuellar Silva (Cuellar Hurtado's son), and Gabriela Amarillas Lopez (Cuellar Hurtado's daughter-in-law). Also designated today is Lucy Amparo Vargas Nunez, who manages Cuellar Hurtado's assets in Colombia.

The entities designated today include four Mexican companies. Agricola y Ganadera Cuemir and Cooperativa Avestruz Cuemir are located in Tlajomulco de Zuniga, Jalisco, which is near Guadalajara. These companies are engaged in ostrich farming and the breeding of Friesian horses. Casa de Empeno Guadalajara (a.k.a. Empenos Prestafacil) and Prenda Todo (a.k.a. Casa de Empeno Prenda Todo) are both pawn shop companies in Guadalajara.

Further, six Colombian companies were also designated. Agro y Comercio de Santa Barbara Lagromer, Compania Agro Comercial Cueta, and Inversiones Hunel Ltda. are all agricultural companies based in Bogotá. Casa Comercial Oro Rapido, of Girardot, Cundinamarca, and Casa Comercial Uni Quince, of Bogota, are both pawn shops. Hotel Paraiso Resort en Arrendamiento is a lodging establishment located in Rivera, Huila.

Today's action was taken in close coordination with the Drug Enforcement Administration.

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](#). 

For a chart related to the timeline of OFAC designations against the Sinaloa Cartel, click [here](#). 

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