

The Ministry of National Defense

Official Communication No. MS-7-1-2006-63

Quito- Feb. 3, 2006

Lawyer

Mrs. Liliana Suarez Navarro

SECRETARY FOR THE SUPERIOR COURT OF NUEVA LOJA

Nueva Loja-

Re: Ref. Official Communication No. 025-PCSJ-2006

To whom it may concern:

By order of the National Defense Minister, in reference to his Official Communication No. 025-PCSJ-NL-2006, dated January 16th, 2006, I am sending you a copy of Official Communication No. 2006-0075-DJFT, written by the Commanding General of the Ground Forces on January 31st, 2006. The official communication relates to reports written by Col. Miguel Fuertes Ruiz, who is the Commander of the Battalion 19-BS "NAPO" and by Maj. Arturo Velasco, Chief of Intelligence for Special Forces Group-24 "RAYO," in relation to events provoked by the TEXACO Company in the Guanta sector, with the objective that any relevant necessary steps be taken in regard to those events.

Sincerely,

GOD, COUNTRY AND LIBERTY

Fabian Varela Moncayo

Brigade General

SUB SECRETARY OF NATIONAL DEFENSE

Ground Forces

Official Communication No. 2006-0075-DJFT-

Quito- January 31, 2006

Brigade General
Fabian Varela Moncayo
SUB SECRETARY OF NATIONAL DEFENSE

In response to your Official Communication No. MS-7-1-2006-40, dated January 26, 2006, I am sending you copies of reports written by Col. Miguel Fuertes Ruiz, Commander of 19-BS "NAPO" on the above date, in reference to events provoked by the Texaco Company in the Guanta sector, the same events which were made known to the Chief of Joint Command of the Ground Forces through Official Communication No. 2005-1-431-AJFT, dated November 16, 2005.

Sincerely,

GOD, COUNTRY AND LIBERTY

ROBERT TANDAZO GRANDA
BRIGADE GENERAL
COMMANDING GENERAL OF THE GROUND FORCES

REPORT SUBMITTED BY MAJOR I. ARTURO VELASCO C., SUB COMMANDER OF SPECIAL FORCES GROUP-IV "RAYO" TO LT. EM. FRANCISCO NARVAEZ, COMMANDER OF SPECIAL FORCES GROUP-IV "RAYO," REGARDING EVENTS PROVOKED WITH THE TEXACO COMPANY

BACKGROUND:

Over the course of my time in this unit, relations with functionaries of the Texaco Company have been good, with mutual respect and collaboration on different activities.

DEVELOPMENT:

On Tuesday, October 18th, at approximately 1 p.m. I was approached by a Texaco functionary and a Texaco security service employee and by an ex-military colleague, Captain (ret.) Manuel Bravo, who explained to me that they had to attend a judicial procedure in the Guanta sector with other Texaco functionaries; that they had confirmed information that upon their return the roads leaving the sector would be blocked so that a series of demands could be made of them and that their integrity would be at risk. In view of this information I declined to provide military personnel for their protection, explaining that such protection was a function of the National Police.

In response, they indicated that they were not requesting additional security but that they wanted to suspend the judicial audience as a result of the risks indicated by the their accurate and confirmed information, which had been communicated to them by way of Engineer Guerrero (Project Chief) from two Petro Production employees, Engineers Lopez and Cruz. The Petro Production engineers were a source close to those implicated and thus did not have credibility, and thus the men asked whether a member of military intelligence, or I, as chief of intelligence, could communicate it to the judge, which request I agreed to, and said I would carry out.

The judge arrived and I advised him that by way of military intelligence we knew that there were going to be road blocks in the sector of the El Guanta road and that it was dangerous. In addition, I further advised the judge that if something were to take place at the site, the road area would not provide guarantees that the judicial procedure could be completed. The fact is that I agreed to say this because Captain Bravo is my friend and I know the seriousness of my captain.

The judge agreed to cancel the inspection, indicating to me that he would require an official institutional document with the relevant security information, and that he was already familiar with the information and had already arranged for the National Police to carry out an inquiry in the sector, but that since we have more resources and are more effective than the Police, it would be better if we wrote the requested document. I stated once again that since the judge had already provided the relevant facts to the Police and they are the body in charge of such investigations and security activities, it would be better if he demanded the document from them. Following my discussion with the judge,

Captain Bravo approached me and mentioned that if he did not get the document from the Police before 6 p.m. there were going to be problems. I indicated to him that that couldn't happen.

I continued my investigation and at 5:50 p.m. Captain Bravo again arrived at my office asking that I help him with the document, at least to make the functionaries see that there were going to be problems. Faced with his insistence, I agreed and indicated to him that the document was without the support of the military, but under my personal credentials, and that I created it only so that he could take precautions to avoid risks such as kidnapping or other activities against the security and integrity of persons and resources - - but only until the Police report arrived. Moreover, I instructed him that for no reason whatsoever could he officially deliver the document.

It is necessary to state that I went to the . . . [illegible] [National Police office and was told that the] . . . Lt. Leon had been placed in charge and that he had gone to carry out a task . . . [illegible].

But the moment that I continued with the investigation I met with Lt. Mera and asked him if he knew of any information with respect to Guanta and he told me that he hadn't heard a thing, and like me was asking around.

CONCLUSIONS:

I can say that my only intention when presented with the aforementioned situation was to protect the security of those involved.

I delivered the document to Captain Bravo instructing him that it had no validity, as it did not have the institutional logo, and that it was only to be used to adopt necessary precautionary measures necessary for the security of the functionaries, moreover that in no instance could it be distributed.

My captain delivered the document to the Court because the Police had made the Judge aware of the dangers that were going to occur in the sector with another company, as discussed in the report of Police Corporal Segundo Tapia Zambonino.

This is all the information I have for you my Lt. Col. with respect for the truth for the resulting objectives.

ARTURO VELASCO C.
MAJOR in INT.

REPORT SUBMITTED BY COL. OF E.M.C. MIGUEL FUERTES RUIZ, COMMANDER OF 19-BS "NAPO", TO BRIGADE GENERAL GONZALO MEZA, COMMANDER OF THE IV "AMAZONAS," ABOUT DAMAGES CAUSED IN THE GUANTA SECTOR BY TEXACO CIA.

BACKGROUND:

The following report was written in accordance with the P.O.N. of DINA, in regard to events which occurred with the inhabitants of the GUANTA community due to the suspension of a judicial inspection in the Texaco trial.

ANALYSIS:

On October 18th, 2005, the Judge in Sucumbios, Efrain Novillo, cancelled a judicial inspection that was to be carried out on October 19th in the Guanta Petroleum Station. Texaco delegates, technical experts in environmental damage and representatives of the Guanta community (Cofan), along with the Front for the Defense of the Amazon were all supposed to be present at this judicial procedure in order to inspect the environmental damage caused by ChevronTexaco.

According to the Judge, the decision to cancel the inspection was made due to security threats in the area of the inspection. The decision was made based on a report submitted by Major Arturo Velasco, an intelligence officer in Special Forces Group "IV RAYO." The report indicated that during the aforementioned inspection a number of problems and incidents were going to occur with the residents of the Guanta community (See Annex "A," Report from Maj. Velasco Arturo).

Major Velasco had provided this security information based on a request from retired Captain Manuel Bravo, an ex-colleague of Velasco, who provides security services for Texaco. Bravo had told Velasco that he had confirmed information that upon returning from the inspection, the roads leaving Guanta would be blocked so that a series of demands could be put forth. Furthermore, those involved in the case could not present such information before the judge and in turn, Bravo and others asked that Special Forces Group "IV RAYO" submit the security information to the court.

The judge had arrived at the military unit in order to verify existing information that had been provided to the National Police about the possible closure of roads and general security threats toward participants in the inspection (See Annex "B" from the National Police).

Despite the suspension of the inspection by the judge, on October 19th, at approximately 10:30 residents of Guanta, represented by one of their lawyers, Pablo Fajardo, went to the inspection site at which point they found out that the ChevronTexaco representatives, technical experts and the judge were not going to arrive because the inspection had been cancelled.

It should be mentioned that in the location of the inspection, there exist three petroleum waste pits, which have the following dimensions:

60 m. in length X 40 m. in width

40 m. in length X 20 m. in width

30 m. in length X 20 m. in width

In a press conference at the Guanta Inspection site, the representative lawyer for the plaintiffs spoke to the national press, including RTS, ECUAVISA and EL EXTRA as well as local media. During the conference he stated that since 1986, when Texaco opened installations in Guanta, there had been a number of spills into various waste pits and into swamps in the same area where the Cofan indigenous group resides. Furthermore, the spilled substances were flowing into the Napo River, causing serious damage to the ecosystem and causing the death of animals, spontaneous abortions in pregnant women and various other sicknesses in the inhabitants. Fajardo also stated that the residents of the Guanta community were not attackers or kidnappers, which was the reason given by the judge and by the Texaco delegates for not attending the inspection.

In an interview at the site, residents of the sector stated that the damage caused by Texaco was affecting the health of the population as well as the environment. These health and environmental problems were due to the fact that Texaco had dumped petroleum waste, in the form of production water and gas, in inappropriate sites.

Afterwards, at approximately 14:00 the same group of press and Guanta residents arrived at the installations of Special Forces Group "IV RAYO" with the objective of learning the Texaco representative's motives for not coming to the inspection. They did not receive a response and thus left the installations.

It should also be mentioned that no written information was provided by AISU in regard to problems or incidents that were going to occur with the Guanta sector residents during the judicial inspection.

CONCLUSIONS:

On October 18th, Efrain Novillo, the Sucumbios Judge, cancelled the judicial inspection which was supposed to be carried out on October 19th, 2005 in Guanta Station, stating that the security of the inspection participants could not be guaranteed, a statement he based on a report submitted by Major Arturo Velasco, Intelligence Officer from Special Forces Group "IV RAYO."

Major Arturo Velasco had written the report in response to a request from Captain Manuel Bravo, an ex-military colleague of his.

At the site that was to be inspected, there exist three pits containing petroleum waste left by Texaco.

Pablo Fajardo, the representative lawyer for the plaintiffs, gave a press conference to national and local media explaining the problems caused by Texaco.

Members of the press and residents of Guanta, arrived at the military installations of Special Forces Group "IV RAYO," with the objective of finding out the Texaco representatives' motives for not attending the inspection.

The AISU did not provide any type of information in regard to incidents that might have been provoked by Guanta residents at the inspection.

RECOMMENDATION:

That the information obtained be analyzed.

MIGUEL FUERTE RUIZ
COL. DE E.M.C.
COMMANDER OF 19-BS "NAPO"