



[TRANSLATION FOR REFERENCE PURPOSES ONLY]

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**DOF: 04/05/2021**

**DECREE through which multiple provisions of the Hydrocarbons Law are amended and added.**

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(...)

**Sole Article.** Articles 51; 53, second paragraph; 56, section XI, and 57, are amended, and a section III to article 51, a section XII, moving the current section XII to a now section XIII, of article 56; article 59 Bis, and a second paragraph to section II of article 86 are added, to the Hydrocarbons Law, to remain as follows:

**Article 51.-** The permits referred in this Chapter shall be granted to Petróleos Mexicanos, to other State productive enterprises and to Private Parties, based on the Regulations to this Law. The granting of the permits shall be subject to the interested party demonstrating that, as appropriate, it has:

- I. Facility and equipment design in accordance with the applicable rules and the best practices;
- II. The appropriate conditions to guarantee the adequate continuity of the activity subject matter of the permit, and
- III. The storage capacity determined by the Ministry pursuant to the applicable legal provisions.

**Article 53.- ...**

The Ministry of Energy or the Energy Regulatory Commission, according to the relevant permit, shall resolve on the application of assignment within a term of ninety calendar days, counted as of the day following the reception of the application. In case no resolution by the





Ministry of Energy or the Energy Regulatory Commission, as appropriate, is issued within the established term, the latter shall be deemed denied.

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**Article 56.- ...**

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**I. to X. ...**

- XI.** Undertake activities of Transportation, Storage, Distribution or Retail Sales to the Public of Hydrocarbons, Refined Products or Petrochemicals, which it is evidenced that they were acquired unlawfully or through the commission of the felony of contraband of Hydrocarbons, Refined Products and Petrochemicals, and it has been conclusively ruled as such by an authority with jurisdiction;
- XII.** Repeat offenses on the conducts indicated in items a) and h) of section II of article 86 of this ordinance, and
- XIII.** Others provided for in the relevant permit.

**Article 57.-** In connection with the permits referred in this Law, the authority that issued the same may undertake the temporary occupation, the intervention or suspension, in order to guarantee the Nation's interest, in the understanding that third party rights shall be safeguarded.

For the continuity of the operation of the activities covered by the permit, the authority may retain State productive enterprises for the handling and control of the facilities that are occupied, intervened or suspended.

**Article 59 Bis.** The Ministry of Energy and the Energy Regulatory Commission may, within their respective scope of jurisdiction, suspend the permits issued in the terms established in this Law, whenever an imminent danger to the national security, energy security or the national economy is foreseen.

The authority that issued it shall prepare and process the permit suspension file, in order to guarantee the interests of end users and consumers, safeguarding the rights of third parties and the interest of the State.

The suspension will require previous notice to the Permit Holder indicating the causes that motivate the suspension, the reasons for which it is believed to be applicable and the affectation that may occur should the actions covered by the permit continue. Once the notice is made, the Permit Holder will have a term of fifteen calendar days, counted as of the notice date, to argue what it believes to be in its best interests and provide, if appropriate, the evidence it believes to be adequate.





Once the fifteen days period referred in the preceding paragraph elapses, the authority that granted the permit will have a term of fifteen calendar days to resolve, considering the arguments and evidence that, if appropriate, the Permit Holder provided. The determination to suspend or not the permit shall be duly grounded in law and in fact and notified to the Permit Holder, without prejudice to the infringements and liabilities that, as appropriate, the latter may incur in.

The authority that issued the permit shall take upon it the administration and operation of the Permit Holder, for the continuation of the operation of the activities covered by the permit, in order to guarantee the interests of end users and consumers, safeguarding the rights of third parties. To that effect, it may use the personnel that the Permit Holder was using, retain a new operator or a combination of the two.

The suspension will have the duration as determined by the authority.

The Permit Holder may request to the authority that issued the permit for the termination of the suspension, when it demonstrates that the events that caused are cured or have been eradicated, or have vanished, provided the cause is not originated by an unlawful action in the commercialization and/or Transportation or alteration of the components of the fuel.

If once the suspension period has elapsed, the Permit Holder is not in a condition to continue with its obligations, the authority shall move for the revocation of the permit.

**Article 86.- ...**

- I. ...
  - a) to e) ...
- II. ...
  - a) to j) ...

Dealing with the infringements provided in items a) and h) of this section, in case of repeat offenses, in addition to the penalties indicated in this Law, the relevant permit shall be revoked.

**Transitory Provisions**

**First.** This Decree shall be effective on the day following its publication in the Federal Register (*Diario Oficial de la Federación*).

**Second.** All the legal provisions in opposition to the provisions of this Decree are hereby repealed.





**Third.** All of those permit holders that may be affected in its legal sphere and rights, may request within the framework of the corresponding legal provisions, for the payment of the relevant affectations.

**Fourth.** The authority with jurisdiction shall proceed to the revocation of the permits that, on the effective date of this Decree, fail to comply with the storage requirement determined by the Ministry of Energy pursuant to the applicable legal provisions.

**Fifth.** The authority with jurisdiction shall cease the legal effects of the permits that have expired in terms of the provisions of article 55, section I, items a) and b) of the Hydrocarbons Law.

**Sixth.** At the effective date of this Decree the permits in respect of which it is evidenced that its holders fail to comply with the corresponding requirements or are infringing upon the provisions of the Hydrocarbons Law shall be revoked.

**Seventh.** At the effective date of this Decree, the Energy Regulatory Commission and the Tax Administration Service, within their scope of their respective jurisdictions, shall carry out the actions that are conducive to verifying the compliance with the applicable provisions in matters of measurement of hydrocarbons, refined products and petrochemicals, pursuant to the corresponding legal provisions.

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