



OIL & GAS | COVID-19: Mexican National Hydrocarbons Commission Resumes Terms and Procedures

On July 24, 2020, the Mexican National Hydrocarbons Commission (“CNH”) published the “Resolution to resume the terms in the acts and procedures before the National Hydrocarbons Commission” (the “Resolution”) in the *Official Gazette of the Federation* (“DOF”). As of July 24, the publication date, the suspension of terms in the acts and procedures before CNH is concluded, and the suspension resolution published on March 20, 2020 (and restated and amended on April 17, May 6, and June 4, 2020) is no longer in force.

CNH took this step as part of the measures to resume activities and implement the Gradual Plan towards a New Normality issued by Mexico City’s government on May 20, 2020.

Implications

The Resolution does not acknowledge the general effects of the pandemic as a *force majeure* event and does not regulate the consequences that the suspension period has had on evaluation, exploration and development plans. The Resolution also does not regulate the effects of the suspension period on the minimum work and transition programs. Thus, it is necessary that each operator under exploration and production contracts request, if needed, any applicable extensions under their evaluation, exploration and development plans, as well as in the applicable performance guarantees.

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