

Superficial or subterranean excavations which the working of any of these substances may require, shall always be subject to the regulations which are decreed for order and security in the mines.

Art. 5. Legally acquired mining property and that which in future will be acquired in accordance with this law shall be irrevocable and perpetual as long as the federal property tax has been paid, in accordance with the regulations of the law by which said tax is established.

Art. 6. The newly acquired primordial mining title will be given by the Department of Fomento according to the regulations of this law.

Art. 7. Mining property, except in the case of placers and superficial ore bodies, is understood to be only underground, and does not include the surface, which continues under the control of its owner, except that part of the same which the miner has to occupy in the cases and under the conditions mentioned in Art. 11 of this law.

Art. 8. The taking out of ores from a mine is completely limited by the respective boundaries of said mines and these boundaries can only be passed in accordance with the provisions of the Regulations when the ground is unoccupied, and after previous request for the respective amplification of the concession.

In order to enter into another person's sett the consent of the owner is absolutely necessary, except in cases of legal right of way.

Art. 9. The water brought to the surface and coming from subterranean workings of mines belongs to the owners of the same, and the regulations of the common law will have to be observed in regard to the rights of owners of the ground through which these waters pass.

Art. 10. The work done for opening and utilising mines and placers is for public benefit, and therefore, in case of non agreement, the ground necessary for this object, can be acquired by forcible expropriation.

Art. 11. The mining concessionaire is free to make arrangement with the owners of the surface ground for the occupation of the surface he needs, in order either to work placer or superficial ore-bodies or to establish buildings and other mining establishments, but in case the parties do not come to an agreement in regard to extent or price, the expropriation will be proceeded with through the local judge of first instance, the following proceedings being observed until art. 27 of the constitution be regulated.

I. Each party shall name an appraising expert, and both experts shall present their valuation within eight day's time counted from the day they receive their appointment. If the appraisers do not agree, the judge will name a third expert as umpire, who shall give his decision within the peremptory term of eight days counted from his appointment. The judge, taking into account the opinions of the experts, and the proofs which both parties shall present to him whilst the experts are preparing their statements, shall fix the superficial extent and the amount of the indemnity within the next eight days following. The decision of the judge shall be binding and against it there shall be no other appeal but that of responsibility.

II. In case the owner of the ground which needs to be occupied does not name his appraising expert within eight days after being notified by the judge, this functionary shall officially name an appraiser to represent the interests of the owner.

III. In case it be uncertain or doubtful, who is the possessor or owner of the property which has to be occupied, the judge shall give judgement for the amount of indemnity resulting from the appraisements of the expert named by the concessionaire and the one which he himself appointed in representation of the legitimate owner, and shall make deposit of said amount in order that the same be delivered to the owner when found.

IV. The experts in making their appraisements, shall base these on the value of the surface ground, the damage which

immediately results to the property and the rights of way which are to be established on the same.

Art. 12. Mining property and other ordinary property bounding on it, shall, each in its case, have the privilege of and be subject to legal right of way as regards free passage, conveyance of water, drainage and ventilation, and the judges shall conform in their decrees regarding the same and the corresponding indemnities, to the legislation of each State, Federal District or Territory, unless the same be modified by the following ruling.

I. The legal right of way of drainage consists: on the one hand, in the obligation which according to Art. 21 of this law the owner of a mining field is under, to indemnify the owner of another field for the damage done to him by not keeping up the drainage of the subterranean workings, or not draining sufficiently to keep the water from flowing from one to the other; on the other hand, in the obligation which all owners of mining setts are under, to permit the passage through their ground of tunnels or adits whose exclusive and necessary object is the drainage of one or various workings.

II. The drainage tunnels, which not driven on the strength of the contract authorized by Art. 23 this law, can only be undertaken by the owner or owners of mining fields to whom the tunnel is an absolute necessity.

III. In the case supposed by the foregoing clause, all the owners of mining setts which derive benefit from the drainage obtained through the tunnel, shall be obliged to pay their part of the indemnification, in proportion to the benefits received, taking into consideration the nature and the condition of the mine.

IV. The driving of a tunnel shall not be commenced without previous permission given by the Department of Fomento after hearing the opinion of the respective mining agent and after examination and approbation of the drawings, in which the direction and the section of the projected tunnel shall be detailed.

V. The paying ore, found while driving the tunnel, shall belong, in case it is encountered in lawfully conceded mining setts, to the owners of these, and if found in unoccupied ground, it shall be divided amongst the owners of all the setts which are benefitted by the tunnel, in the proportion established by the foregoing clause III.

VI. If, when a tunnel is being driven and one or more veins are discovered in unoccupied ground, a request be made for the grant of the respective setts or of the unoccupied surplus ground, then the orders of articles 14 and 17 relative to this law shall be applied, considering those who undertook to drive the tunnel as explorers, in accordance with the final part of article 13.

VII. Once the permission mentioned in the foregoing clause IV has been given by the Department of Fomento, only by virtue of a special contract can other persons but those who receive benefit from the tunnel be considered as members of the undertaking.

VIII. Whilst the tunnel is being driven in his or their respective properties, the owners of mining setts which are crossed by the drainage tunnel can appoint an inspector in their confidence, whose functions shall only extend to watching the work and giving notice to the mining agent or to the judge, as the case may require, of any abuse he may notice.

IX. In those places of the drainage tunnels, which through whatever reason do communicate with mine workings, bars shall be put up, for the purpose of preventing its use as a passage as soon as the communication is made.

X. Only in virtue of a unanimous understanding, expressed in a public document, between the parties interested in a general drainage tunnel in accordance with the foregoing clause III, can the tunnel be used for any other object but drainage. In this case, under penalty of nullity, all particulars regarding passage or transit, indicated in the foregoing clause IX, shall be stated in the contract.

XI. The mines newly opened in places where they may be benefitted by general drainage tunnels already existing, will be subject to the provisions of clauses III, VII, VIII, IX and X.

XII. The legal right of way for ventilation consists in the obligation of every owner of mining setts to permit the owners of neighboring mines to communicate with his underground workings, so that the communication may produce as a necessary result, the ventilation which could not be obtained in other ways except at great expense.

XIII. Unless by special contract to the contrary, stipulated in a public document by the owners of the properties giving and receiving the benefit, there shall always be placed a barred grating to impede transit or passage at the boundary line of the respective properties.

XIV. When a communication, different from the one described in clause XII, actually ventilates one or more workings, neither this service of producing ventilation shall give a right to the miner who made the communication, to exact indemnity from the owners of the other workings that have been ventilated, nor shall these on their side acquire legal right of way which burdens the mining property furnishing the ventilation.

XV. If while driving workings, opened for the purposes mentioned in clause XII, paying ore be found, the provisions suitable to the case of clauses V, VI and VIII shall be observed.

XVI. The provision of clause IV shall also be observed as far as they suit the case.

XVII. All the expenses occasioned by the workings which may have to be made in order to obtain ventilation and those for keeping them in future in good condition shall be exclusively for account of the party who requested the establishment of the right of way (of ventilation.)

XVIII. For the establishment in future of a legal right of way to the benefit of one mining property and to the burden of another there shall be necessary; either, the consent of the

owner of the burdened property, stated in a public document or in a declaration signed and ratified before the judicial authorities or an administrative resolution agreed to by the interested parties, or a judicial sentence.

XIX. The owner of mining setts who wishes to acquire a legal right of way, which does not receive the consent of the party who considers himself burdened by the same, shall apply to the Department of Fomento which shall decide, within the space of time and with the formalities established by the Regulations, whatever it judges opportune, always hearing beforehand the dissenting party. In case either the latter or the petitioner do not agree to the administrative resolution, the right is reserved to them to apply to the respective local tribunals within the time specified by the Regulations. The decision shall be communicated by the tribunal which gives the same to the Department of Fomento.

XX. In case the administrative decision be favorable to the petitioner and adverse to the opposing party, it can only be acted upon immediately by the petitioner giving bonds, satisfactory to the Department of Fomento for the indemnification of any damages, in case the opposing party receive judgment in his favor in the courts.

XXI. The ruling of the three preceeding clauses is applicable to all cases in which the provisions of the other clauses may give rise to judicial contests.

SECTION II.

About explorations, mining setts and mineral concessions.

Art. 13. Any inhabitant of the Republic can freely make, in government ground, explorations conducive to the discovery of mineral bodies, but if instead of borings excavations should be made, these shall not exceed ten metres in extent, either in length or in depth. No licence shall be necessary for this work, but previous notice shall be given to the respective authorities, according to the provisions of the Regulations.

In ground of private property, no mining explorations can be made without the permission of the owner or his representative. In case however, that this permission can not be obtained, it can be requested from the respective administrative authorities, who shall give the same in accordance with the provisions of the Regulations, bonds being previously given by the explorer for the damage which may be caused, to the satisfaction of the authorities, after hearing the owner of the ground or his representative.

Inside of private buildings or their dependencies, explorations can only be made with permission of the owner. No explorations shall be permitted inside the precincts of populated places, public works, public buildings or fortifications or in their neighborhood. The Regulations shall fix in all these cases the minimum distance within which said works of investigation can be allowed.

During three months' time which can not be prorogued, counted from the date of the notice of the permission or of the administrative resolution mentioned in this article, only the explorer shall have the right to receive mining setts.

Art. 14. The unit of concession, or the mining sett (*pertenencia*) in future shall be a solid block of unlimited depth, defined above ground by that part of the surface which in horizontal projection gives a square with sides 100 metres long and bounded under ground by the four vertical planes corresponding to the same.

This unit of mining sett (*pertenencia*) is indivisible in all contracts made about mining concessions, or which affect the ownership.

Art. 15. Except as regards the final disposition of article 13 of this law, the concessions shall belong and shall always be given to the first applicant and shall embrace in all cases in which there is sufficient free ground, the number of mining setts which the interested party may ask for, but he shall clearly specify, in accordance with the dispositions of the Regulations,

the situation which the setts (*pertenencias*) which form his grant occupy.

In case there remain between the mining fields granted and others already existing, a space less than the unit of mining grants; this space shall also belong and be given in property to the first petitioner.

SECTION III.

About the mode of acquiring mining concessions.

Art. 16. The Department of Fomento shall name in the States, Territories and in the Federal District special agents in its service, before whom the applications for mining concessions shall be presented. These agents are authorized to collect fees according to the tariff to be fixed by the Department mentioned.

Art. 17. The agents of the Department of Fomento shall receive the applications for mining concessions and shall note down immediately on the Register the day and hour of presentation. They shall thereupon proceed with the publication of the application and the measurement of the setts (*pertenencias*) by the expert or the practical man whom they shall appoint, and in case there be no opposition, they shall send a copy of the proceedings and of the map to the Department of Fomento for the corresponding approbation and the issue of the titles.

The Regulations shall fix the time within which these acts have to take place and shall detail the mode of procedure by the agents.

Art. 18. The approbation of the proceedings being obtained, and the title to the property having been given in favor of the concessionaire the latter enters into possession of the mining fields without further formality.

Art. 19. The agents of the Department can not suspend the proceedings for any reason whatever, unless there be opposition. When once the time has expired as fixed by the Regu-

lations, they shall be obliged immediately to send the protocol of the proceedings, in whatever condition it may be, to the Department of Fomento, so that after examination it may declare the tardy applicant rejected, should the fault be his, or hold the agent responsible, if through him the case has been delayed. The tardy applicant can not again petition for the same concession.

Art. 20. When opposition is made by the owner of the surface ground to the request for any mining concession or to the making of the respective measurements, and he claims that the ore deposit does not exist, then if there be found indications of a deposit on the surface, or any excavations or workings of exploration in the deposit itself, the Agent of the Department of Fomento shall reject the opposition. In case that no indications of any ore body exist on the surface of the ground and there be no excavations or workings on the same, then a proceeding analogous to Section II of this law shall be followed, the respective judge deciding whether or not the concession shall be granted. His decision can be appealed against in both cases. The decree shall be communicated to the Department of Fomento.

Art. 21. The agents of the Department of Fomento shall suspend proceedings in case there be opposition and shall send the protocol to the Judge of 1st Instance of the respective place for trial and judgement. The judicial authorities shall advise the Department of Fomento of their decision.

SECTION IV.

General dispositions.

Art. 22. The working of mineral substances, whether they are of those that are acquired through a concession according to this law, or of those that belong to the owner of the surface, shall be subject to all the dispositions which the provisions of this law may dictate in regard to police regulations and the security of the workings themselves, but if the owners

conform to the Regulations, they will on the other hand have complete liberty of industrial action, to work in the way that suits them best, to hurry, delay or suspend for more or less time their work, to employ the number of workmen they wish and wherever it suits them best, and finally to follow whatever system they prefer as regards workings, extraction, drainage or ventilation, as they consider most suitable to their own interests. The owners however, remain responsible for the accidents which may happen in the mines on account of their being worked badly and for damages occasioned to other properties by reason of not taking out water, or any other circumstance which may prejudice the interest of others.

Art. 23. When in order to push the work in the mines of a locality, the necessity arises for making drainage tunnels, the execution of these works shall be a matter of contract between the interested parties.

Art. 24. The partnerships or companies formed for working mines shall be governed by the dispositions of the Commercial Code, except as regards associations which are not admissible in mining matters.

Art. 25. The contracts for furnishing money to the miner, named until to-day "avio," shall in future have the character, either of partnership, in which case the provisions of the foregoing article shall be observed, or of mortgage. The mortgage, in mining matters, can be freely given in accordance with the Regulations of the Civil Code of the Federal District, but the indivisibility of the mining setts (*pertenencias*), established in article 14 of this law, shall be taken into account and the regulations of the Commercial Code as regards the Register shall be observed, and for this purpose a special book of mining operations shall be opened. The holder of the mortgage shall always have the right to pay the tax mentioned in article 5 of this law and shall through this payment acquire a right of preference over the owner of the mine in regard to his own mortgage.

Art. 26. The mortgage may be divided into mortgage bonds to name or to bearer, either in the titles which constitute the debt or by a later document. In every case it shall contain the dispositions organising the corporate representation of the holders of the bonds. These dispositions, and also those relating to the amount of the debt, to the conditions of the same and to the guarantee, shall appear in print on each of the mortgage bonds.

The holders of the mortgage bonds can only take action against the debtor or the mortgage property through their common representative, whose acts as regards their rights shall be obligatory on all the holders.

Art. 27. The trials by court in mining matters, shall take place and be decided, in the Federal District and Territories and in each State, before the judges and tribunals which are competent according to the Regulations of the Commercial Code, care being taken to comply with the provisions of Chapter 9th., Title 1st., Book 4th. of said Mercantile Code, stipulating that the first expense of the administration indicated in the second clause of art. 1030 of the same Code, is the payment of the tax.

Art. 28. The new tax which shall be paid by all mining concessions, with the exception of those which are expressly exempt by contract, shall be a Federal tax on the property and shall be established by the respective special law.

As regards the other taxes on mining, the dispositions of the law of June 6, 1887 shall be observed.

Art. 29. Default of payment of the property tax, levied in accordance with the regulations and procedure of the law which establishes the same, shall constitute, from the date that this present law gets into force, the only reason for forfeiture of mining property, which in this case remains free of all burden and shall be conceded to the first applicant in accordance with the provisions of this law and its regulations.

Art. 30. The industrial branch of mining shall belong to the

Department of Fomento, which therefore can dictate, in accordance with the regulations of this law, all the measures it judges necessary for the promotion of the prosperity of the mining industry and which shall watch that the said law be enforced. It shall name the inspecting mining engineers it may think necessary, to visit the workings of mines or mineral substances, to study the same, to make investigations and to fulfill in general whatever commissions the Department may give them, in accordance with the details prescribed by the Regulations.

Art. 31. The Executive Government shall fix, according to the terms of article 21 of the Federal Constitution, the penalties which those incur who infringe the dispositions of the Regulations which it issues for the fulfillment of this law.

The official transgressions for which the agents of the Department of Fomento are responsible, shall be brought before the judges of the corresponding district according to the respective laws.

The ordinary transgressions committed in the mines remain subject to the corresponding territorial judges; this however, shall not interfere with the administrative punishment, should the Federal Authorities impose any.

Art. 32. The establishment and working of mills and all kinds of metalurgical works shall be guided by the Regulations of the common law and, as regards taxes, by those of the law of June 1887.

Art. 33. There remains exempt from taxes that part of the tunnels situated outside of properties, when these are destined exclusively for the ventilating, draining and extracting of minerals that do not proceed from the said tunnels.

SECTION V.

Transitory provisions.

Art. 1. The denouncements of mines or surplus ground (demasías), which are in procedure when this law goes into force,

shall be continued and substantiated and shall be decided according to the provisions of the same.

Art. 2. The surplus ground or open spaces existing between neighbouring mining properties and which have not been denounced when this law takes effect, shall correspond and shall be given to the first party who applies for the same.

Art. 3. The contracts for the exploration and working of mining zones made with the Department of Fomento which are in force when this law takes effect, and in virtue of which the concessionaires are complying with the respective stipulations, shall remain in force for the whole time of their duration if the concessionaires so desire. The concessionaire can however, within a year's time counted from the date this law goes into force, choose the provisions of the new law and as soon as he makes declaration to this effect before the Department, he shall be relieved by the same from the obligations which said contracts imposed on him and shall receive again the corresponding deposit. Remaining subject to this law and its Regulations only, he shall acquire and conserve perpetually his mining concessions as long as payment is made of the Federal Property Tax.

Art. 4. Existing mining properties which are being worked or are held by special permit (*amparo*) when this law goes into force, notwithstanding that they are not in accordance with the same, shall remain in subsistence, and the mines shall retain their setts with whatever measurement they may have, though these be different from those herein established.

As regards the tax however, the unit mentioned in article 16 of this law shall serve as a basis.

The owners however, can ask for a rectification of the concession and for a new property title.

Art. 5. The contracts for furnishing money to the miner ("avío") and all those relating to mining business, which are in existence when this law takes effect, shall be governed by their respective stipulations, and as regards points which may

have been omitted, by the mining law which was in force at the time these contracts were made; but it shall be indispensable to the validity of the future operations which have their origin in these contracts, that these be registered according to the provisions of articles 24 and 25 of this law, within a year's time counted from the date it takes effect.

Therefore, whenever a mining business is transferred, under whatever pretext to a third owner, the latter shall be responsible for the obligations resulting from said contracts supposing that any suit in court should arise from the same.

Art. 6. The work which is being done in the mining sett (*pertenencias*) of another owner in accordance with the law still in force, cannot be prosecuted after the date on which this present law takes effect, unless it have the consent of the owner of this sett.

FINAL PROVISIONS.

Only Article. This law will go into force in the whole Republic on July 1st 1892, and from that date the Mining Code of Nov. 22nd. 1884 and the circular orders and provisions relating to the same shall be abolished.

Art. 10 of the law of June 6 of 1887 shall also be abolished from the date of the promulgation of this law.—*Alfredo Chavero*, President of the House of Representatives.—*V. de Castañeda y Nájera*, President of the Senate.—*J. M. Gamboa*, Secretary of the House of Representatives.—*Mariano Bárcena*, Secretary of the Senate.

"Therefore, I order that the same be printed, published, circulated and given full compliance.

"Given in the palace of the Executive Government of the Union, in México, on the 4th day of June 1892.—*Porfirio Díaz*.
"—To citizen Manuel Fernández Leal, Secretary of State in "the Department of Fomento, Colonization and Industry."

And I communicate the same to you for your knowledge and other purposes.

Liberty and Constitution. México, June 4th, 1892—*M. Fernández Leal*.—To.....

DEPARTMENT OF THE TREASURY.

SECTION N^o 8.—DIVISION N^o 2.

The President of the Republic has been pleased to send me the following decree:

"PORFIRIO DIAZ, Constitutional President of the United States of Mexico to their inhabitants, know ye:

That the Congress of the Union has thought fit to decree as follows:

"The Congress of the United States of Mexico decrees:

Art. 1. In accordance with the provisions of the articles relating to the new mining law, there shall be established a Federal property tax, which shall consist of two parts: one part, which has to be paid once only, in stamps to be fixed to all titles of mining property, and the other part which has to be paid yearly for each one of the mining setts of which a grant is composed.

As regards the tax, the mining sett ("pertenencia") or unit of concession shall be the one established by art. 14 of the new mining law. Consequently all old and new mining fields existing in the Republic, whatever be their extent, shall be valued according to this unit.

For the fractions of mining setts that amount to one half or more, the tax shall be paid as if they were whole setts and nothing shall be paid for the fraction that is less than one half.

Art. 2. Within the peremptory term, counted from the promulgation of this law until the 31st October of the present year, every owner or actual proprietor of mines, whatever title he may have, shall be obliged to present his documents to the office of the Treasury which the Regulations of this law may determine, so that the new stamps of ownership of the mines

may be fixed to the title and account may be taken, for the payment of the annual contribution, of the number of mining setts (pertenencias) which form the property, a corresponding Register being opened for this purpose.

The titles which in future the Department of Fomento will issue in accordance with the new mining law, have to carry the stamps corresponding to the same. These stamps shall be furnished by the party receiving the grant and shall be in proportion to the mining setts ("pertenencias") which the grant contains.

Art. 3. The property stamps of the mines shall be of the value of ten dollars, and have to be affixed to the titles of the property, one for each mining sett of ten thousand square metres. The rule established in article 1 to be followed as regards the fractions.

These stamps have to be cancelled by the office of the Treasury authorized to receive the titles which were extended up to the 30th of June of the present year; the Department of Fomento cancelling those belonging to the titles which are issued in accordance with the new mining law.

Art. 4. From the 1st of July of the present year, all owners or proprietors of mines shall be obliged to pay the sum of ten dollars annually for each one of the setts (pertenencias) of which their grants are composed.

The amount of the tax shall be the same whatever is the nature of the substance which is being worked, on the understanding that the mine has been acquired through denouncement or by special grant before the date on which the new mining law takes effect, and that in future it shall be acquired by grant and title in accordance with the new law.

Only those mines shall be exempt from the payment of the annual contribution on mining setts and of the stamps on the titles of the property, which have been expressly freed from the same by contracts, made with the Executive Government in virtue of the authority given by the Legislature and appro-