

OIL RIGHTS IN MEXICO

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The Secretary of State to the British Ambassador

DEPARTMENT OF STATE,
Washington, June 2, 1914

EXCELLENCY: As you are aware from the conversations which we have had upon the subject, many nationals of the United States, Great Britain and the Netherlands, interested in the oil properties in the vicinity of Tampico and Tuxpam, Mexico, are seriously concerned over the possible cancellation or confiscation of their rights because of their failure to meet their contractual obligations or to conform to the requirements of the Mexican authorities, which failure has resulted from the military operations and disturbed political situation in that region.

This Government considers that the loss by bona fide owners of interests in oil properties in Mexico as a result solely of conditions over which they have no control, would be most unjust and inequitable, and that the Governments, whose nationals are affected, should take such steps as they are able to prevent this wrong from being done.

As a means to this end I have the honor to propose to your excellency that this Government and the British Government agree that they will withhold all diplomatic support from their respective citizens or subjects, who claim directly or indirectly any right, title or interest in oil properties in Mexico, which they have acquired since April 20, 1914, or may hereafter acquire, directly or indirectly, by reason of the cancellation of contracts, leases or other forms of conveyance or by reason of the confiscation or taking by de facto authorities of properties, in which American citizens or British subjects are interested, on the ground of default in contractual obligations or non-compliance with legal requirements, provided such default or non-compliance was unavoidable because of military operations or political disturbances in Mexico.

It should, however, be distinctly understood that this agreement will not apply to any case, in which the failure of the American or British owner of