

Hall of the House of Representatives

86th General Assembly - Regular Session, 2007

Amendment Form

Subtitle of House Bill No. 2486

"TO PROVIDE A PROCEDURE FOR THE DETERMINATION OF THE RIGHTS OF SURFACE OWNERS AND OTHER INTERESTED PARTIES TO MINERAL INTERESTS AND TO AUTHORIZE THE REIMBURSEMENT OF TAXES PAID UNDER A DEED TO THE MINERAL RIGHTS."

Amendment No. 1 to House Bill No. 2486.

Amend House Bill No. 2486 as originally introduced:

Delete SECTION 1 in its entirety and substitute the following:

"SECTION 1. Arkansas Code Title 18, Chapter 60, Subchapter 5 is amended to add an additional section to read as follows:

18-60-512. Quieting title to mineral rights.

(a) It is the intention of the General Assembly by the enactment of this section to encourage and promote a judicial resolution to the ascertainment of title to mineral rights whenever possible in light of decisions of the Arkansas Supreme Court such as Sorkin v. Myers, 216 Ark. 908, 227 S.W.2d 958 (1950) and Dawdy v. Holt, 281 Ark. 171, 662 S.W.2d 818 (1984) recognizing the uncertain status of the title to numerous mineral interests in the state.

(b) A surface owner or the holder of a tax deed to a mineral interest issued by a county clerk before January 1, 1984, may petition under this subchapter to quiet and confirm in the surface owner or holder of the tax deed the title to the mineral rights:

(1) Beneath the land of the surface owner; or

(2) Described in the tax deed issued by the county clerk.

(c) The following parties are necessary parties to an action under this section and shall be summoned in accordance with Rule 4 of the Arkansas Rules of Civil Procedure if the party does not enter an appearance:

(1) The surface owner;

(2) A prior surface owner at any time on or after the time that the mineral interest was severed from the surface estate;

(3) A prior or current grantee of a recorded deed or a recorded tax deed to the mineral interest;

(4) A party with an interest of record in the land; and

(5) Any other party that the plaintiff knows claims an interest in the mineral rights.



(d) In an action under this section the court:

(1) Shall determine by a preponderance of the evidence under equitable principles the rightful ownership of the mineral rights; and

(2) Shall consider:

(A) All facts and circumstances surrounding the severance of the mineral interest;

(B) The strength of the claim of the holder of a tax deed to the mineral interest without disqualification solely because the delinquent mineral interest was not subjoined to the surface estate in the books of the county assessor due to the listing of the mineral interest in a separate book than the surface estate;

(C) The period of time and the amount of all taxes paid under a tax deed to the minerals; and

(D) Any other fact or circumstance the court deems appropriate.

(e) If title to the mineral interest is not quieted and confirmed in a party that alone or in conjunction with the party's predecessors paid the taxes for more than five (5) consecutive years under a tax deed to the mineral rights that was issued before January 1, 1984, the court shall:

(1) Order the party that is awarded a decree quieting and confirming title to the mineral rights to reimburse the tax payments of a party that alone or in conjunction with the party's predecessors paid the taxes for more than five (5) consecutive years under a tax deed to the mineral rights that was issued before January 1, 1984; and

(2) Withhold entry of judgment until the tax payments are reimbursed under subdivision (d)(1) of this section."

The Amendment was read _____

By: Representative Reynolds
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Chief Clerk