

**Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.**

INTERIM STUDY PROPOSAL 2007-062

State of Arkansas

*As Engrossed: H3/15/07 H3/23/07*

86th General Assembly

**A Bill**

Regular Session, 2007

HOUSE BILL 2486

By: Representative Reynolds

Referred to

Agriculture, Forestry & Economic Development- House

by the House of Representatives

on 03/26/2007

**For An Act To Be Entitled**

AN ACT TO PROVIDE A PROCEDURE FOR THE DETERMINATION OF THE RIGHTS OF SURFACE OWNERS AND OTHER INTERESTED PARTIES TO THE MINERAL INTEREST BENEATH THE LAND OF THE SURFACE OWNER; TO AUTHORIZE THE REIMBURSEMENT OF TAXES PAID UNDER A DEED TO THE MINERAL RIGHTS; AND FOR OTHER PURPOSES.

**Subtitle**

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.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

*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*

1 this section to encourage and promote a judicial resolution to the  
2 ascertainment of title to mineral rights whenever possible in light of  
3 decisions of the Arkansas Supreme Court such as Sorkin v. Myers, 216 Ark.  
4 908, 227 S.W.2d 958 (1950) and Dawdy v. Holt, 281 Ark. 171, 662 S.W.2d 818  
5 (1984) recognizing the uncertain status of the title to numerous mineral  
6 interests in the state.

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

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

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

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

16 (1) The surface owner;

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

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

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

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

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

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

27 (2) Shall consider:

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

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

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

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

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

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

12                    (2) Withhold entry of judgment until the tax payments are  
13 reimbursed under subdivision (e)(1) of this section.

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15                    /s/ Reynolds  
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