

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 2007-128

State of Arkansas

As Engrossed: S2/14/07

86th General Assembly

A Bill

Regular Session, 2007

SENATE BILL 228

By: Senator J. Taylor

By: Representative Maxwell

Referred to

Agriculture, Forestry & Economic Development - Senate

by the Arkansas Senate

on 03/30/2007

For An Act To Be Entitled

AN ACT TO PROVIDE FOR THE EXTINGUISHING OF UNUSED
SEVERED MINERAL RIGHTS; AND FOR OTHER PURPOSES.

Subtitle

AN ACT TO PROVIDE FOR THE EXTINGUISHING
OF UNUSED SEVERED MINERAL RIGHTS.

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

SECTION 1. Arkansas Code Title 15, Chapter 56 is amended to add an additional subchapter to read as follows:

15-56-601. Definition.

As used in this subchapter, "severed mineral interest" means the interest created by an instrument transferring, either by grant, assignment, reservation, or otherwise, an interest of any kind in coal, sand, gravel, shale, oil, gas, bromine, brine, or other minerals.

15-56-602. Title to severed mineral interest extinguished.

Unless a statement of claim is filed under § 15-56-604, a severed mineral interest is extinguished if unused for a period of fifteen (15) years after the date of severance and the ownership of the severed mineral interest

1 reverts to the fee owner of the land on or under which the severed mineral
2 interest is located.

3
4 15-56-603. Severed mineral interest used.

5 A severed mineral interest is used if:

6 (1) There are any minerals currently being produced under the
7 severed mineral interest at the end of the expiration period;

8 (2) Operations on the land on or under which the severed mineral
9 interest is located are being conducted for injection, withdrawal, storage or
10 disposal of water, gas, or other fluid substances;

11 (3) Rentals or royalties are being paid to the owner of the
12 severed mineral interest for the purpose of delaying or enjoying the use or
13 exercise of the severed mineral interest rights;

14 (4) Any use is being carried out on any tract with which the
15 severed mineral interest may be unitized or pooled for production purposes;

16 (5) For coal or other solid minerals, there is production from a
17 common vein or seam by the owner of the severed mineral interests; or

18 (6) Taxes are paid on the severed mineral interest by the owner
19 of the severed mineral interest.

20
21 15-56-604. Filing a claim to a severed mineral interest.

22 (a) Before the end of the fifteen-year period specified in § 15-56-602
23 or before September 1, 2009, whichever is later, the owner of a severed
24 mineral interest shall file a statement of claim of ownership of the severed
25 mineral interest with the circuit clerk for the county in which the mineral
26 lands, severed mineral interests, or the greater part of the mineral lands
27 and severed mineral interest lie.

28 (b) The statement of claim of ownership of the severed mineral
29 interest shall contain:

30 (1) The name and address of the owner of the severed mineral
31 interest;

32 (2) A description of the land on or under which the severed
33 mineral interest is located; and

34 (3) If known by the owner, a description of the ownership
35 interest or degree of ownership of the severed mineral interest.

36

1 15-56-605. Failure to file a claim.

2 Failure to file a statement of claim within the time required under §
3 15-56-604 shall not cause a severed mineral interest to be extinguished if
4 the owner of the severed mineral interest:

5 (1)(A) Made a diligent effort to preserve all of the severed
6 mineral interests that were not being used; and

7 (B) Preserved another severed mineral interest in the
8 county within a period of fifteen (15) years before the expiration of the
9 period under § 15-56-604 by the filing of a statement of claim under § 15-56-
10 604; or

11 (2) Filed the statement of claim required under § 15-56-604
12 within sixty (60) days after publication of notice under § 15-56-606, if the
13 notice is published; or

14 (3) If no notice is published, filed the statement of claim
15 required under § 15-56-604 within sixty (60) days after receiving actual
16 knowledge that the severed mineral interest has lapsed.

17
18 15-56-606. Notice.

19 A person who will succeed to the ownership of a severed mineral
20 interest upon the lapse of the interest shall give notice of the lapse of the
21 severed mineral interest:

22 (1) By publishing a notice in a newspaper of general circulation
23 in the county in which the severed mineral interest is located; and

24 (2) If the address of the severed mineral interest owner is
25 shown of record or can be determined upon reasonable inquiry, by mailing a
26 copy of the notice to the owner of the severed mineral interest within ten
27 (10) days after the publication.

28
29 15-56-607. Recording of claim.

30 Upon the filing of the statement of claim under § 15-56-604 or the
31 proof of service of notice under § 15-56-606 in the office of the *circuit*
32 *clerk for the county in which the severed mineral interest is located, the*
33 recorder shall record the statement of claim, an affidavit of publication,
34 and the proof of service of notice.

35
36 15-56-608. Prohibition on waiver.

1 The provisions of this subchapter may not be waived at any time before
2 the expiration of the fifteen-year period under § 15-56-602.

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/s/ J. Taylor

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