

State of Arkansas

76th General Assembly

Regular Session, 1987

SENATE BILL 86

By: Senators Walters and Hardin

As engrossed 2-4-87

As engrossed 3-25-87

"AN ACT TO REQUIRE OIL AND GAS LESSEES TO NOTIFY THE LESSORS OF ANY ASSIGNMENT OF THE LEASE; AND FOR OTHER PURPOSES."

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

SECTION 1. When a lessee assigns a working interest in a lease authorizing lessee to explore for or produce oil or gas within this State, the lessee shall notify the lessor by certified mail at lessor's last known address, within 30 calendar days following execution of the assignment. The notice shall inform the lessor of the name and mailing address of the assignee and the book and page number in the county records where the assignment can be located. Furthermore, the requirements of this Act shall apply to any subsequent assignor.

SECTION 2. The Oil and Gas Commission shall promulgate such rules and regulations as are required to assure compliance with the provisions of this Act.

SECTION 3. The terms of this Act shall not be applicable to any lease covering areas which have historically produced liquid hydrocarbons only or liquid hydrocarbons associated with the production of gas or gas produced associated with the production of liquid hydrocarbons.

SECTION 4. All laws and parts of laws in conflict with this Act are hereby repealed.

/s/ Walters and Hardin