

HOUSE BILL NO. HB0176

Termination of mineral interest.

Sponsored by: Representative(s) Anderson, R.

A BILL

for

1 AN ACT relating to mineral interests; providing a procedure
2 for abandoning a mineral interest and for vesting an
3 abandoned mineral interest in the surface owner as
4 specified; and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

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8 **Section 1.** W.S. 34-10-201 through 34-10-210 are
9 created to read:

10

11

ARTICLE 2

12

ABANDONED MINERAL INTERESTS

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34-10-201. Definition.

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16 As used in this article, unless the context otherwise
17 requires, the term "mineral interest" means and includes

1 any interest in oil, gas, coal, uranium, trona, sand and
2 gravel and all other minerals of any kind and nature,
3 whether created by grant, assignment, exception,
4 reservation or otherwise, owned by a person other than the
5 owner of the surface estate.

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7 **34-10-202. Abandonment by nonuser; failure to file**
8 **statement; vesting in surface owner.**

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10 If unused for twenty (20) years, a mineral interest shall
11 be deemed to be abandoned, unless a statement of claim is
12 recorded in accordance with W.S. 34-10-204. Title to an
13 abandoned mineral interest shall vest in the owner of the
14 surface estate of the land in or under which the mineral
15 interest is located on the date of abandonment.

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17 **34-10-203. Acts constituting use of interest.**

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19 (a) A mineral interest is deemed to be used if:

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21 (i) Minerals are produced under that interest;

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1 (ii) Operations are conducted thereon for
2 injection, withdrawal, storage or disposal of water, gas or
3 other fluid substances;

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5 (iii) In the case of solid minerals, there is
6 production from a common vein or seam by the owners of the
7 mineral interest;

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9 (iv) Any conveyance, valid lease, mortgage,
10 assignment, order in an estate settlement proceeding,
11 inheritance tax determination affidavit, termination of
12 life estate affidavit or any judgment or decree that makes
13 specific reference to the mineral interest is recorded in
14 the office of the county clerk for the county in which the
15 mineral interest is located;

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17 (v) The mineral interest is subject to an order
18 or an agreement to pool or unitize;

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20 (vi) Taxes are paid on the mineral interest on
21 behalf of the owner;

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23 (vii) A statement of claim is recorded in
24 compliance with W.S. 34-10-204; or

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(viii) Its owner or lessee uses the mineral interest in a manner pursuant to, or authorized by, the instrument creating the mineral interest.

34-10-204. Statement of claim; recording; contents; effect.

(a) A statement of claim shall:

(i) Be recorded for the owner of the mineral interest prior to the end of the twenty (20) year period set forth in W.S. 34-10-202, or within two (2) years after July 1, 2003, whichever is later. A joint tenant, but not a tenant in common, may record a claim on behalf of himself and other joint tenants;

(ii) Contain the name and address of the owner of the mineral interest and a legal description of the land on or under which the mineral interest is located;

(iii) Be recorded in the office of the county clerk for the county in which the mineral interest is located.

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2 (b) A mineral interest is deemed to be in use on the
3 date of recording if the recording is made within the time
4 provided by this section.

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6 **34-10-205. Circumstances where failure to file**
7 **statement does not extinguish interest.**

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9 (a) Failure to record the statement of claim within
10 the time period provided in W.S. 34-10-204 does not cause a
11 mineral interest to be extinguished if the owner of the
12 mineral interest meets all of the following requirements:

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14 (i) Owns one (1) or more mineral interests in
15 the county in which the mineral interest in question is
16 located at the time of the expiration of the time period
17 provided in W.S. 34-10-204;

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19 (ii) Inadvertently failed to preserve the
20 mineral interest in question; and

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22 (iii) Within ninety (90) days after completion
23 of all of the notices provided for in W.S. 34-10-206,
24 recorded a statement of claim.

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2 **34-10-206. Notice by surface owner required;**
3 **contents; proof of service.**

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5 (a) In order to succeed to the ownership of a mineral
6 interest upon its lapse, a surface owner shall give notice
7 of the lapse of the mineral interest by publication. The
8 publication shall be made once each week for three (3)
9 consecutive weeks in a newspaper published in each of the
10 counties in which the mineral interest is located. If there
11 is no newspaper in one (1) or more of the counties, then
12 publication for the counties shall be in one (1) or more
13 newspapers published in the state, and of general
14 circulation within the counties. If the address of the
15 mineral interest owner is of record or can be determined
16 upon reasonable inquiry, notice also shall be made by
17 mailing a copy of the notice by registered or certified
18 mail, return receipt requested, to the owner of the mineral
19 interest within ten (10) days after the last publication is
20 made.

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22 (b) The notice shall state the name of the record
23 owner of the mineral interest, a description of the land on

1 or under which the mineral interest involved is located,
2 and the name of the person giving the notice.

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4 (c) If recorded in the office of the county clerk for
5 the county in which the mineral interest is located, a copy
6 of the notice and an affidavit of its service is prima
7 facie evidence in any legal proceeding that such notice has
8 been given.

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10 **34-10-207. Waiver of provisions.**

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12 The provisions of this article may not be waived until the
13 expiration of the twenty (20) year period provided in W.S.
14 34-10-202.

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16 **34-10-208. Interests exempt.**

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18 (a) This article does not apply to:

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20 (i) Any mineral interest owned by any
21 governmental body or agency thereof; or

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1 (ii) Any mineral interest owned by the owner of
2 ten (10) or more mineral interests in the county in which
3 the mineral interest in question is located.

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5 **34-10-209. Prospective and retrospective application.**

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7 This article is both prospective and retrospective in its
8 application.

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10 **34-10-210. Water rights unaffected.**

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12 This article shall not be construed as creating any right
13 to water or the use thereof nor as affecting any existing
14 legislation with respect to water or water rights, except
15 as expressly may be provided herein, nor shall anything
16 herein contained affect or be construed as affecting vested
17 water rights.

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19 **Section 2.** This act is effective July 1, 2003.

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(END)