MISSISSIPPI LEGISLATURE REGULAR SESSION 2021

By: Representative Evans (91st)

To: Judiciary A; Energy

HOUSE BILL NO. 906

AN ACT TO PROVIDE THAT MINERAL ESTATES SEPARATED FROM THE SURFACE ESTATE SHALL REVERT TO THE OWNER OF THE SURFACE ESTATE AFTER TEN YEARS OF NONPRODUCTION; TO DEFINE NONPRODUCTION; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. (1) Mineral estates separated from the surface estate after January 1, 2022, shall revert to the owner of the surface estate if, after a ten-year period, there is no bona fide attempt to drill for or produce minerals or no actual production of minerals. The ten-year period may run continuously or be interrupted. If there is attempted or actual production, the period shall be interrupted and shall start to run again on the day after the last day of actual production or the last day actual drilling or production operations are conducted on the property. For contracts providing for shut-in rental payments in lieu of production, the ten-year period may be interrupted, but will start to run again at the end of the period for which the last such rental payment was made if there is no production. The possibility of interruption is not limited to the instances stated

in this section, but may extend to other circumstances as equity may demand. If the ten-year period is interrupted and starts to run again with less than one hundred eighty (180) days remaining in the period, the period shall not expire less than one hundred eighty (180) days after the date on which the period starts to run again.

(2) The surface estate owner to which the mineral estate shall revert by operation of this act is the holder of the surface estate at the time of the reversion.

(3) For purposes of this section, oil and gas are deemed to be not in production if: (a) in the case of oil production, the well is not located on the regular governmental quarter-quarter (1/4-1/4) section of surface estate where the severed mineral estate lies; or (b) in the case of gas production, the gas well is not located in the regular governmental one-half (1/2) section in which the mineral interest lies.

SECTION 2. This act shall take effect and be in force from and after July 1, 2021.