

By: Representative Moak

To: Oil, Gas and Other Minerals

HOUSE BILL NO. 1546

1 AN ACT TO ALLOW OWNERS OF MINERAL RIGHTS IN LAND TO SELL OR  
2 LEASE, FOR A LIMITED PERIOD OF TIME, THE RIGHTS TO THE MINERAL  
3 INTERESTS, SUBJECT TO RESERVING IN THE SALE OR LEASING AGREEMENT  
4 THE TERMS BY WHICH THE RIGHTS TO THE MINERAL INTERESTS SHALL  
5 REVEST IN THE MINERAL OWNER; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** (1) The owner of land burdened by a mineral  
8 right or rights and the owner of a mineral right, if separate from  
9 the owner of land, shall exercise their respective rights with  
10 reasonable regard for those of the other. Similarly the owners of  
11 separate mineral rights in the same land shall exercise their  
12 respective rights with reasonable regard for the rights of other  
13 owners.

14 (2) The owner of mineral rights shall be allowed to  
15 reserve an interest in the mineral rights in land on which the  
16 minerals are located by providing in the agreement of sale or  
17 lease the terms of such sale or by specifying the period for which  
18 the lease shall be operable between the parties before the mineral  
19 rights shall revert in the mineral owner.

20 (3) (a) A reservation of mineral rights in an instrument  
21 transferring ownership of such mineral rights shall include  
22 mention of surface rights in the exercise of the mineral rights  
23 reserved, if not otherwise expressly provided by the parties.

24 (b) In the absence of particular provisions in the  
25 instrument regulating the extent, location and nature of the  
26 rights of the individual purchasing or leasing the mineral rights  
27 to conduct operations on the property, the requirements of this

28 paragraph (b) are satisfied by inclusion of the following language  
29 in the reservation of mineral rights:

30 "The purchaser, for the duration specified in this  
31 agreement, shall exercise the mineral rights herein  
32 reserved by the seller with reasonable regard to the  
33 rights of the landowner, and shall use only so much of  
34 the land, including the surface, as is reasonably  
35 necessary to explore for, mine and produce the minerals.  
36 The seller recognizes that by virtue of the mineral  
37 reservation herein made, the purchaser, for the duration  
38 specified within this agreement, shall have the right to  
39 use so much of the land, including the surface, as is  
40 reasonably necessary to conduct his operations."

41 **SECTION 2.** This act shall take effect and be in force from  
42 and after July 1, 2007.