

By: Representative Bell (21st)

To: Energy

HOUSE BILL NO. 1110

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

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

6 **SECTION 1.** (1) Mineral estates separated from the surface
7 estate shall revert to the owner of the surface estate if, after a
8 ten-year period beginning after July 1, 2018, there is no bona
9 fide attempt to drill for or produce minerals or no actual
10 production of minerals. The ten-year period may run continuously,
11 or it may be interrupted. If there is an attempted or actual
12 production, the period shall be interrupted and shall start to run
13 again on the day after the last day of actual production or the
14 last day that actual drilling or production operations are
15 conducted on the property. The possibility of interruption is not
16 limited to the instances stated in this section, but may extend to
17 other circumstances as equity may demand.

18 (2) For contracts providing for shut-in rental payments in
19 lieu of production, the ten-year period may be interrupted, but



20 will start to run again at the end of the period for which the
21 last such rental payment was made if there is no production.

22 (3) If the ten-year period is interrupted and starts to run
23 again with less than one hundred eighty (180) days remaining in
24 the period, the period shall not expire less than one hundred
25 eighty (180) days after the date on which the period starts to run
26 again.

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

30 (5) For purposes of this section, oil and gas are deemed to
31 be not in production if:

32 (a) In the case of oil production, the well is not
33 located on the regular governmental quarter-quarter (1/4-1/4)
34 section of surface estate where the severed mineral estate lies;
35 or

36 (b) In the case of gas production, the gas well is not
37 located in the regular governmental one-half (1/2) section in
38 which the mineral interest lies.

39 **SECTION 2.** This act shall take effect and be in force from
40 and after July 1, 2018.

