

By: Representative Hamilton (109th)

To: Oil, Gas and Other  
Minerals

## HOUSE BILL NO. 756

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 prior to the passage of this act, shall revert to the owner  
8 of the surface estate if, after a ten-year period, there is no  
9 bona fide attempt to drill for or produce minerals or no actual  
10 production of minerals. The ten-year period may run continuously  
11 or be interrupted. If there is attempted or actual production,  
12 the period shall be interrupted and shall start to run again on  
13 the day after the last day of actual production or the last day  
14 actual drilling or production operations are conducted on the  
15 property. For contracts providing for shut-in rental payments in  
16 lieu of production, the ten-year period may be interrupted, but  
17 will start to run again at the end of the period for which the  
18 last such rental payment was made if there is no production. The  
19 possibility of interruption is not limited to the instances stated  
20 in this section, but may extend to other circumstances as equity  
21 may demand. If the ten-year period is interrupted and starts to  
22 run again with less than one hundred eighty (180) days remaining  
23 in the period, the period shall not expire less than one hundred  
24 eighty (180) days after the date on which the period starts to run  
25 again.

26 (2) If on July 1, 2007, the owner of the mineral estate  
27 interests is separate from that of the owner of the surface  
28 estate, and there has been ten (10) years of nonproduction or no

29 bona fide attempt to drill for or produce minerals or no actual  
30 production of minerals, the mineral interest shall immediately  
31 revert to the owner of the surface estate in accordance with this  
32 section.

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

36 (4) For purposes of this section, oil and gas are deemed to  
37 be not in production if: (a) in the case of oil production, the  
38 well is not located on the regular governmental quarter-quarter  
39 (1/4-1/4) section of surface estate where the severed mineral  
40 estate lies; or (b) in the case of gas production, the gas well is  
41 not located in the regular governmental one-half (1/2) section in  
42 which the mineral interest lies.

43 **SECTION 2.** This act shall take effect and be in force from  
44 and after its passage.