

HOUSE BILL NO. 1344

Introduced by

Representatives S. Meyer, Drovdal, Kempenich, Rennerfeldt

Senators Bowman, Wardner

1 A BILL for an Act to create and enact a new subsection to section 47-30.1-16.1 of the North
2 Dakota Century Code, relating to treatment of mineral interests under the Unclaimed Property
3 Act; and to amend and reenact section 38-18.1-03 of the North Dakota Century Code, relating
4 to termination of mineral interests.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 **SECTION 1. AMENDMENT.** Section 38-18.1-03 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 38-18.1-03. When mineral interest deemed to be used.

- 9 1. A mineral interest is deemed to be used when:
- 10 ~~4.~~ a. There are any minerals produced under that interest.
- 11 ~~2.~~ b. Operations are being conducted thereon for injection, withdrawal, storage, or
12 disposal of water, gas, or other fluid substances.
- 13 ~~3.~~ c. In the case of solid minerals, there is production from a common vein or seam
14 by the owners of such mineral interest.
- 15 ~~4.~~ d. The mineral interest on any tract is subject to a lease, mortgage, assignment,
16 or conveyance of the mineral interest recorded in the office of the recorder in
17 the county in which the mineral interest is located.
- 18 ~~5.~~ e. The mineral interest on any tract is subject to an order or an agreement to
19 pool or unitize, recorded in the office of the recorder in the county in which the
20 mineral interest is located.
- 21 ~~6.~~ f. Taxes are paid on the mineral interest by the owner or the owner's agent.
- 22 ~~7.~~ g. A proper statement of claim is recorded as provided by section 38-18.1-04.
- 23 ~~8.~~ h. The owner or lessee utilizes the mineral interest in a manner pursuant to, or
24 authorized by, the instrument creating the mineral interest.

1 2. The payment of royalties, bonus payments, or any other payment to a named or
2 unnamed interest-bearing account, trust account, escrow account, or any similar
3 type of account on behalf of a person who cannot be located does not satisfy the
4 requirements of this section and the mineral interest is not deemed to be used for
5 purposes of this section. Interest on such account must be credited to the account
6 and may not be used for any other purpose. If the person for whom the account is
7 held is not located within twenty years, the assets of the account must be paid to
8 the owner or owners of the surface estate in the land in or under which the mineral
9 interest is located and the owner or owners of the surface estate may commence
10 proceedings to succeed to the ownership of the mineral interest as provided in this
11 chapter.

12 **SECTION 2.** A new subsection to section 47-30.1-16.1 of the North Dakota Century
13 Code is created and enacted as follows:

14 Any sum payable as mineral proceeds as provided in section 38-18.1-03 if
15 unclaimed for a period of twenty years reverts to the surface owner or owners as
16 provided in section 38-18.1-03.