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DIGEST

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SB 168 Engrossed

2025 Regular Session

Womack

Present law (R.S. 30:136 (A)(1)(a)) provides that all bonuses, rentals, royalties, shut-in payments, or other sums payable to the state as lessor under the terms of valid existing mineral leases entered into under present law shall be paid to the office of mineral resources and may be endorsed and otherwise processed by the secretary of the Dept. of Energy and Natural Resources. Further provides for other terms and conditions of such payments.

Present law (R.S. 30:136(A)(1)(c)) provides that a lessee, operator, or other person directly involved in developing, producing, transporting, purchasing, or selling oil, gas, or other minerals from state leases shall establish, maintain, and make available for inspection by office of mineral resources auditors any information that is reasonably relevant to the computation of royalties under the terms of valid existing mineral leases, and upon the request by any such auditor, the appropriate records, reports, or information shall be made available for duplication.

Present law (C.C. Art. 3494(5)) provides that an action to recover underpayments or overpayments of royalties from the production of minerals is subject to a three-year liberative prescription period, but provides that nothing in present law applies to any payments, rent, or royalties derived from state-owned properties.

Proposed law provides that, notwithstanding the provisions of present law, the right to collect bonuses, rentals, royalties, shut-in payments, or other sums payable to the state as lessor pursuant to present law shall be subject to a liberative prescription period of 10 years from the due date of each payment.

Effective Aug. 1, 2025.

(Adds R.S. 30:136(A)(1)(d) and C.C. Art. 3501.2)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Natural Resources to the original bill

1. Changes prescriptive period from ten years to five years.

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Civil Law and Procedure to the engrossed bill:

1. Change prescriptive period from five years to 10 years.