SENATE BILL NO. 115

BY SENATOR WARD AND REPRESENTATIVE JIM MORRIS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 31:164, 166, and 175, relative to mineral rights and operations; |
| 3 | to provide relative to co-ownership; to provide relative to the rights and |
| 4 | consequences arising from co-ownership of land and mineral rights; to provide |
| 5 | relative to the creation of servitudes and leases; to provide relative to the exercise of |
| 6 | rights and the conducting of operations; to provide certain terms, conditions, consent |
| 7 | requirements, procedures, and effects; and to provide for related matters. |
| 8 | Be it enacted by the Legislature of Louisiana: |
| 9 | Section 1. R.S. 31:164, 166, and 175 are hereby amended and reenacted to read as |
| 10 | follows: |
| 11 | §164. Creation of mineral servitude by co-owner of land |
| 12 | A co-owner of land may create a mineral servitude out of his undivided |
| 13 | interest in the land, and prescription commences from the date of its creation. One |
| 14 | who acquires a mineral servitude from a co-owner of land may not exercise his right |
| 15 | without the consent of co-owners owning at least an undivided eighty seventy-five |
| 16 | percent interest in the land, provided that he has made every effort to contact such |
| 17 | co-owners and, if contacted, has offered to contract with them on substantially the |
| 18 | same basis that he has contracted with another co-owner. A co-owner of the land |
| 19 | who does not consent to the exercise of such rights has no liability for the costs of |
| 20 | development and operations, except out of his share of production. |
| 21 | * * * |
| 22 | §166. Granting of mineral lease by co-owner of land |
| 23 | A co-owner of land may grant a valid mineral lease or a valid lease or permit |
| 24 | for geological surveys, by means of a torsion balance, seismographic explosions, |
| 25 | mechanical device, or any other method as to his undivided interest in the land but |

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the lessee or permittee may not exercise his rights thereunder without consent of co-owners owning at least an undivided eighty seventy-five percent interest in the land, provided that he has made every effort to contact such co-owners and, if contacted, has offered to contract with them on substantially the same basis that he has contracted with another co-owner. A co-owner of the land who does not consent to the exercise of such rights has no liability for the costs of development and operations or other costs, except out of his share of production.

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APPROVED: _____

§175. Co-owner of mineral servitude may not operate independently

A co-owner of a mineral servitude may not conduct operations on the property subject to the servitude without the consent of co-owners owning at least an undivided eighty seventy-five percent interest in the servitude, provided that he has made every effort to contact such co-owners and, if contacted, has offered to contract with them on substantially the same basis that he has contracted with another co-owner. Operations as used in this Section shall include geological surveys, by means of a torsion balance, seismographic explosions, mechanical device, or any other method. A co-owner of the servitude who does not consent to such operations has no liability for the costs of development and operations except out of his share of production.

Section 2. The provisions of this Act shall have prospective application only and shall apply only to contracts entered into on or after the effective date of this Act.