

2025 Regular Session

SENATE BILL NO. 168

BY SENATOR WOMACK

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

PRESCRIPTION. Provides for liberative prescription on mineral leases on state property.
(8/1/25)

AN ACT

To enact R.S. 30:136(A)(1)(d) and Civil Code Art. 3501.2, relative to mineral leases granted by the state as lessor; to provide relative to the right to collect certain sums payable to the state in a mineral lease; to provide relative to bonuses, rentals, royalties, and shut-in payments; to provide relative to liberative prescription; to provide relative to certain terms, conditions, and procedures; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:136(A)(1)(d) is hereby enacted to read as follows:

§136. Funds disposition and appropriation; penalties; **prescription**

A.(1) * * *

(d) Notwithstanding the provisions of Civil Code Article 3494(5), the right to collect bonuses, rentals, royalties, shut-in payments, or other sums payable to the state as the lessor pursuant to the provisions of this Section shall be subject to a liberative prescription period of five years from the due date of each payment.

* * *

Section 2. Civil Code Art. 3501.2 is hereby enacted to read as follows:

Art. 3501.2. Prescription; mineral leases

The right to collect bonuses, rentals, royalties, shut-in payments, or other sums payable to the state as the lessor under the terms of valid existing mineral leases entered into under Subpart (A) of Part II of Chapter 2 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950 shall be subject to a liberative prescription period of five years from the due date of each payment.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

DIGEST

SB 168 Engrossed

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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 five years from the due date of each payment.

Effective August 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.