

HOUSE BILL 402

M3

2lr1745
CF SB 472

By: **Delegate Beitzel**

Introduced and read first time: February 1, 2012

Assigned to: Environmental Matters

Committee Report: Favorable

House action: Adopted

Read second time: February 28, 2012

CHAPTER _____

1 AN ACT concerning

2 **Environment – Dormant Mineral Interests – Termination by Court Order**
3 **Requirements**

4 FOR the purpose of requiring a court order that terminates a certain dormant mineral
5 interest to identify certain information; requiring a clerk of the court that issued
6 a certain order to record the order in the land records; and generally relating to
7 the termination of dormant mineral interests.

8 BY repealing and reenacting, without amendments,
9 Article – Environment
10 Section 15–1201
11 Annotated Code of Maryland
12 (2007 Replacement Volume and 2011 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Environment
15 Section 15–1203(d)
16 Annotated Code of Maryland
17 (2007 Replacement Volume and 2011 Supplement)

18 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
19 MARYLAND, That the Laws of Maryland read as follows:

20 **Article – Environment**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 15-1201.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) "Mineral interest" means an interest in a mineral estate, however created
4 and regardless of form, whether absolute or fractional, divided or undivided, corporeal
5 or incorporeal, including a fee simple or any lesser interest or any kind of royalty,
6 production payment, executive right, nonexecutive right, leasehold, or lien in
7 minerals, regardless of character.

8 (c) "Mineral" includes:

9 (1) Gas;

10 (2) Oil and oil shale;

11 (3) Coal;

12 (4) Gaseous, liquid, and solid hydrocarbons;

13 (5) Cement materials, sand and gravel, road materials, and building
14 stone;

15 (6) Chemical substances;

16 (7) Gemstone, metallic, fissionable, and nonfissionable ores; and

17 (8) Colloidal and other clay, steam, and geothermal resources.

18 (d) "Severed mineral interest" means a mineral interest that is severed from
19 the interest in the surface estate overlying the mineral interest.

20 (e) "Surface estate" means an interest in the estate overlying a mineral
21 interest.

22 (f) (1) "Surface owner" means any person vested with a whole or
23 undivided fee simple interest or other freehold interest in the surface estate.

24 (2) "Surface owner" does not include the owner of a right-of-way,
25 easement, or leasehold on the surface estate.

26 (g) (1) "Unknown or missing owner" means any person vested with a
27 severed mineral interest whose present identity or location cannot be determined:

28 (i) From the records of the county where the severed mineral
29 interest is located; or

1 (ii) By diligent inquiry in the vicinity of the owner's last known
2 place of residence.

3 (2) "Unknown or missing owner" includes the heirs, successors, or
4 assignees of an unknown or missing owner.

5 15-1203.

6 (d) (1) A surface owner of real property that is subject to a mineral
7 interest who brings an action to terminate a dormant mineral interest in accordance
8 with this section shall bring the action in the circuit court of the jurisdiction in which
9 the real property is located.

10 (2) A court order that terminates a mineral interest merges the
11 terminated mineral interest, including express and implied appurtenant surface rights
12 and obligations, with the surface estate in shares proportionate to the ownership of
13 the surface estate, subject to existing liens for taxes or assessments.

14 (3) (I) A COURT ORDER THAT TERMINATES A MINERAL
15 INTEREST SHALL IDENTIFY:

16 1. THE MINERAL INTEREST;

17 2. EACH SURFACE ESTATE INTO WHICH THE
18 MINERAL INTEREST IS MERGED, INCLUDING THE TAX MAP AND PARCEL
19 NUMBER;

20 3. THE NAME OF EACH SURFACE OWNER;

21 4. IF KNOWN, THE NAME OF EACH PERSON THAT
22 OWNED THE MINERAL INTEREST PRIOR TO THE TERMINATION DATE; AND

23 5. ANY INFORMATION DETERMINED BY THE COURT
24 AS APPROPRIATE TO DESCRIBE THE EFFECT OF THE TERMINATION AND
25 MERGER OF THE MINERAL INTEREST.

26 (II) THE CLERK OF THE COURT THAT ISSUED THE ORDER
27 SHALL RECORD THE ORDER IN THE LAND RECORDS.

28 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
29 October 1, 2012.