## THE GENERAL ASSEMBLY OF PENNSYLVANIA

## **HOUSE BILL**

No. 1444 Session of 2013

INTRODUCED BY WHITE, COHEN, YOUNGBLOOD AND SWANGER, MAY 28, 2013

REFERRED TO COMMITEE ON ENVIRONMENTAL RESOURCES AND ENERGY, MAY 28, 2013

## AN ACT

- 1 Providing for abandonment of mineral rights in real property and
- for the recording by surface owners of title to mineral
- rights in their real property after ten years of nonuse by
- 4 the subsurface owner; and establishing a right of action to
- settle title to mineral rights.
- 6 The General Assembly of the Commonwealth of Pennsylvania
- 7 hereby enacts as follows:
- 8 Section 1. Short title.
- 9 This act shall be known and may be cited as the Title to
- 10 Mineral Rights Act.
- 11 Section 2. Definitions.
- 12 The following words and phrases when used in this act shall
- 13 have the meanings given to them in this section unless the
- 14 context clearly indicates otherwise:
- 15 "Mineral." Any valuable inert or lifeless substance formed
- 16 or deposited in its present position exclusively through natural
- 17 forces and which is found either in or beneath the soil of the
- 18 earth or in the rocks beneath the soil. The term includes oil
- 19 and gas. The term does not include coal of any rank or methane

- 1 gas that is contained within or produced from underground coal
- 2 beds or mined-out areas of underground coal mines.
- 3 "Mineral rights." The right of a person to take minerals or
- 4 receive a royalty from the removal of minerals from real
- 5 property, regardless of whether the person is the surface owner.
- 6 The term does not include such rights with respect to coal of
- 7 any rank or methane gas that is contained within or produced
- 8 from underground coal beds or mined-out areas of underground
- 9 coal mines.
- 10 "Nonuse." With respect to minerals in real property, the
- 11 absence of all of the following:
- 12 (1) The issuance of a permit to drill a well for
- minerals in the real property issued by the Department of
- 14 Environmental Protection as to mineral rights for the real
- 15 property.
- 16 (2) The actual production or withdrawal of minerals from
- 17 the real property.
- 18 (3) The underground storage of minerals in the real
- 19 property.
- 20 "Subsurface owner." A person who owns or claims to own the
- 21 rights to extract minerals from beneath the surface of real
- 22 property owned by another person.
- "Surface owner." A person who owns the rights to real
- 24 property above the surface.
- 25 Section 3. Abandonment of mineral rights.
- 26 (a) General rule. -- Mineral rights in real property shall be
- 27 deemed abandoned after a period of ten years of nonuse of the
- 28 mineral rights by a subsurface owner, unless the subsurface
- 29 owner shall, within three years of the effective date of this
- 30 section or ten years from the nonuse, whichever is later, record

- 1 a claim of interest that complies with subsection (b).
- 2 (b) Claim of interest. -- A claim of interest must be filed in
- 3 the office of recorder of deeds in the county where the real
- 4 property is situate. The claim of interest shall be verified and
- 5 contain the following:
- 6 (1) A description of the land and the nature of the mineral rights claimed.
- 8 (2) The name and address of the subsurface owner.
- 9 (3) A statement that by recording the claim, the
- 10 subsurface owner seeks to preserve the mineral rights and not
- 11 to abandon the mineral rights in the real property.
- 12 (c) Underground storage of minerals. -- A subsurface owner who
- 13 uses real property for underground storage of minerals in an
- 14 underground storage pool or field may preserve the mineral
- 15 rights by recording a single claim of interest that defines the
- 16 boundaries of and the formations included in the underground
- 17 storage field or pool within which the mineral rights are
- 18 located, without describing each separate mineral interest
- 19 claimed in the underground storage field or pool by the
- 20 subsurface owner.
- 21 (d) Effect of recorded claim of interest.--
- 22 (1) A claim of interest recorded in compliance with this
- section shall operate as a matter of law to preserve the
- 24 mineral rights included in the claim of interest from
- abandonment under this act for a period of ten years after
- 26 the date of recording.
- 27 (2) After the ten-year period in paragraph (1) expires,
- the mineral interests shall be deemed abandoned if, during
- the ten-year period, there has been nonuse or no sales
- 30 agreement, lease, mortgage or transfer of the mineral rights

- has been recorded in the office of recorder of deeds in the county where the real property is situate.
- 3 (3) In the absence of prior abandonment, mineral rights
- 4 of a subsurface owner may be preserved indefinitely from
- 5 abandonment under this act by filing claims of interest as
- 6 provided in this act or other acts evidencing use of the
- 7 mineral rights within each ten-year period.
- 8 Section 4. Right of surface owner to record claim.
- 9 (a) Surface owners.--
- 10 (1) A surface owner who acquires or claims to have
- acquired title to any mineral rights in real property by a
- 12 period of ten years of nonuse of the mineral rights by a
- 13 subsurface owner may file, in the office of recorder of deeds
- of the county where the real property is situate, a written
- 15 statement of the surface owner's claim.
- 16 (2) Paragraph (1) shall not apply to mineral rights in
- 17 real property for which a claim of interest has been recorded
- in compliance with section 3.
- 19 (b) Form of written statement. -- The written statement
- 20 authorized to be recorded under subsection (a) shall be sworn to
- 21 and substantially in the following form:
- 22 I, (the name of the party claimant) of , in the
- 23 county of and State of , do hereby
- 24 affirm and declare that I have acquired title in fee to
- 25 mineral rights, by a period of ten years of nonuse by a
- 26 subsurface owner of the mineral rights, to the following
- 27 described land, situate in , in the county of , and
- 28 State of Pennsylvania, viz: (Here insert a full and complete
- description of the land claimed, by metes and bounds, or
- other sufficient designation). Use of the mineral rights on

```
1 the land by a subsurface owner commenced on or about the
```

- 2 day of , , and continued until a period of
- 3 nonuse commenced about the day of , , (or,
- 4 where the possession of the mineral rights is tacked on to
- 5 that of others who have preceded the existing subsurface
- 6 owner, it should be stated as follows: Use of the mineral
- 7 rights was made upon the lands by on or about the
- 8 day of , , who continued until about the
- 9 day of , , and was succeeded therein by
- 10 , who continued until about the day of
- 11 , and was succeeded therein by the existing
- 12 subsurface owner, who continued until a period of nonuse of
- the mineral rights commenced about the day of
- 14 ). At the time the use of the mineral rights commenced
- 15 (naming some person or persons in the line of the existing
- paper or legal title, as nearly as may be the real subsurface
- owner of the lands at the time of the use),
- 18 was the subsurface owner or reputed subsurface owner of the
- mineral rights to the land, and I claim adversely to the
- subsurface owner (or them). Witness my hand, this day of
- 21 , .
- 22 (Signed)
- 23 Section 5. Filing of statement of claim.
- 24 After a statement of claim under section 4 is filed in the
- 25 recorder's office of the proper county, the recorder of deeds
- 26 shall record and index the statement of claim as though it were
- 27 a deed or conveyance from the person named therein as the
- 28 subsurface owner or reputed subsurface owner at the time of the
- 29 ten-year period of nonuse ceases, as grantor, to the claimant or
- 30 claimants, as grantees; and when so entered for record and

- 1 indexed it shall be constructive notice of the claim.
- 2 Section 6. Action to settle title to mineral rights.
- 3 (a) Right of action. -- A person who files a statement of
- 4 claim under section 4 may bring an action to settle title to the
- 5 mineral rights for the real property identified in the statement
- 6 of claim.
- 7 (b) Venue. -- The action may be brought only in the county in
- 8 which the real property is located.
- 9 (c) Commencement of action. -- The action must be commenced by
- 10 filing with the prothonotary:
- 11 (1) a complaint describing the real property; or
- 12 (2) an agreement for an amicable action.
- 13 (d) Public notice.--
- 14 (1) After an action has been commenced under subsection
- 15 (c), the court shall order the claimant to publish notice of
- 16 the action in a newspaper of general circulation in the
- 17 county twice in a period of 60 days.
- 18 (2) The claimant shall certify to the court that the
- 19 publication under paragraph (1) has occurred prior to a
- 20 hearing or trial in the action.
- 21 (e) Form of judgment or order.--
- 22 (1) The court shall grant appropriate relief:
- 23 (i) on affidavit that a complaint containing a
- 24 notice to defend has been served and that the defendant
- 25 has not filed an answer; or
- 26 (ii) after a hearing or trial on the pleadings or
- 27 merits.
- 28 (2) After granting relief to the plaintiff, the court:
- 29 (i) shall order that the defendant be forever barred
- from asserting any right, lien, title or interest in the

- 1 mineral rights of the real property inconsistent with the
- 2 interest or claim of the plaintiff specified in the
- 3 complaint, unless the defendant takes such action as the
- 4 order directs within 30 days after issuance of the order.
- If the action is not taken within the 30-day period, the
- 6 prothonotary on praecipe of the plaintiff shall enter
- 7 final judgment; and
- 8 (ii) shall enter any other order necessary for the
- granting of proper relief.
- 10 (f) Trial without jury. -- There shall be no right to a trial
- 11 by jury for an action brought under this section.
- 12 Section 7. Effect of statement of claim.
- 13 Unless a statement of claim is made and recorded under this
- 14 act and a judgment or order is issued in favor of the surface
- 15 owner as provided under section 6, no title to mineral rights in
- 16 real property by a ten-year period of nonuse by a subsurface
- 17 owner shall avail against any purchaser, mortgagee or judgment
- 18 creditor for value, without notice, his heirs and assigns,
- 19 except the claimant who is in possession of the real property at
- 20 the time of the purchase.
- 21 Section 8. Construction.
- Nothing in this act shall be construed to give any title to
- 23 any mineral rights or real property by a claim of title adverse
- 24 to that of the Commonwealth, and no claim of title adverse to
- 25 the Commonwealth shall be made or recorded under the provisions
- 26 of this act.
- 27 Section 9. Effective date.
- This act shall take effect in 60 days.