As Introduced

133rd General Assembly

Regular Session 2019-2020

H. B. No. 100

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Representative Cera

Cosponsor: Representative Patterson

A BILL

To amend section 5301.56 of the Revised Code to

revise the requirements governing abandoned mineral rights.	2
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OF	IIO:

Section 1. That section 5301.56 of the Revised Code be	4
amended to read as follows:	5
Sec. 5301.56. (A) As used in this section:	6
(1) "Holder" means the record holder of a mineral	7
interest, and any person successor or assignee of record who	8
derives the person's rights from, or has a common source with,	9
the record holder and whose claim does not indicate, expressly	10
or by clear implication, that it is adverse to the interest of	11
the record holder.	12
(2) "Drilling or mining permit" means a permit issued	13
under Chapter 1509., 1513., or 1514. of the Revised Code to the	14
holder to drill an oil or gas well or to mine other minerals.	15
(3) "Mineral interest" means a fee interest in at least	16
one mineral regardless of how the interest is created and of the	17

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form of the interest, which may be absolute or fractional or	18
divided or undivided.	19
(4) "Mineral" means gas, oil, coal, coalbed methane gas,	20
other gaseous, liquid, and solid hydrocarbons, sand, gravel,	21
clay, shale, gypsum, halite, limestone, dolomite, sandstone,	22
other stone, metalliferous or nonmetalliferous ore, or another	23
material or substance of commercial value that is excavated in a	24
solid state from natural deposits on or in the earth.	25
(5) "Owner of the surface of the lands subject to the	26
interest" includes the owner's successors and assignees.	27
(6) "Public record" means any document pertaining to a_	28
mineral interest filed or recorded with the auditor, recorder,	29
and all courts situated within each county in which the lands	30
subject to the mineral interest are located.	31
(B) Any mineral interest held by any person, other than	32
the owner of the surface of the lands subject to the interest,	33
shall be deemed is abandoned, extinguished, and voided, and	34
vested in the owner of the surface of the lands subject to the	35
interest if the requirements established in division (E) of this	36
section are satisfied and none of the following applies:	37
(1) The mineral interest is in coal, or in mining or other	38
rights pertinent to or exercisable in connection with an	39
interest in coal, as described in division (E) of section	40
5301.53 of the Revised Code. However, if a mineral interest	41
includes both coal and other minerals that are not coal, the	42
mineral interests that are not in coal may be deemed are	43
abandoned, extinguished, and voided, and vest in the owner of	44
the surface of the lands subject to the interest.	45
(2) The mineral interest is held by the United States,	46

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this state, or any political subdivision, body politic, or	47
agency of the United States or this state, as described in	48
division (G) of section 5301.53 of the Revised Code.	49
(3) Within the twenty years immediately preceding the date	50
on which notice is served or published under division (E) of	51
this section, one or more of the following has occurred:	52
(a) The mineral interest has been the subject of a title	53
transaction that has been filed or recorded in the office of the	54
county recorder of the county in which the lands are located.	55
(b) There has been actual production or withdrawal of	56
minerals by the holder from the lands, from lands covered by a	57
lease to which the mineral interest is subject, from a mine a	58
portion of which is located beneath the lands, or, in the case	59
of oil or gas, from lands pooled, unitized, or included in unit	60
operations, under sections 1509.26 to 1509.28 of the Revised	61
Code, in which the mineral interest is participating, provided	62
that the instrument or order creating or providing for the	63
pooling or unitization of oil or gas interests has been filed or	64
recorded in the office of the county recorder of the county in	65
which the lands that are subject to the pooling or unitization	66
are located.	67
(c) The mineral interest has been used in underground gas	68
storage operations by the holder.	69
(d) A drilling or mining permit has been issued to the	70
holder, provided that an affidavit that states the name of the	71
permit holder, the permit number, the type of permit, and a	72
legal description of the lands affected by the permit has been	73
filed or recorded, in accordance with section 5301.252 of the	74

Revised Code, in the office of the county recorder of the county

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in which the lands are located.	76
(e) A claim to preserve the mineral interest has been	77
filed in accordance with division (C) of this section.	78
(f) In the case of a separated mineral interest, a	79
separately listed tax parcel number has been created for the	80
mineral interest in the county auditor's tax list and the county	81
treasurer's duplicate tax list in the county in which the lands	82
are located.	83
(C)(1) A claim to preserve a mineral interest from being	84
deemed abandoned, extinguished, and voided under division (B) of	85
this section may be filed for record by its holder. Subject to	86
division (C)(3) of this section, the claim shall be recorded in	87
accordance with division (H) of this section and sections 317.18	88
to 317.20 and 5301.52 of the Revised Code, and shall consist of	89
a notice that does all of the following:	90
(a) States the nature of the mineral interest claimed and	91
any recording information upon which the claim is based;	92
(b) Otherwise complies with section 5301.52 of the Revised	93
Code;	94
(c) States that the holder does not intend to abandon, but	95
instead to preserve, the holder's rights in the mineral	96
interest.	97
(2) A claim that complies with division (C)(1) of this	98
section or, if applicable, divisions (C)(1) and (3) of this	99
section preserves only the rights of all holders of a mineral	100
interest in the same lands the holder who files the claim.	101
(3) Any holder of an interest for use in underground gas	102
storage operations may preserve the holder's interest, and those	103

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of any lessor of the interest, by a single claim, that defines	104
the boundaries of the storage field or pool and its formations,	105
without describing each separate interest claimed. The claim is	106
prima-facie evidence of the use of each separate interest in	107
underground gas storage operations.	108
(D)(1) A mineral interest may be preserved indefinitely	109
from being deemed—abandoned, extinguished, and voided under	110
division (B) of this section by the occurrence of any of the	111
circumstances described in division (B)(3) of this section,	112
including, but not limited to, successive filings of claims to	113
preserve mineral interests under division (C) of this section.	114
(2) The filing of a claim to preserve a mineral interest	115
under division (C) of this section does not affect the right of	116
a lessor of an oil or gas lease to obtain its forfeiture under	117
section 5301.332 of the Revised Code.	118
(E) Before a mineral interest becomes vested under	119
division (B) of this section in the owner of the surface of the	120
lands subject to the interest, the owner of the surface of the	121
lands subject to the interest shall do both of the following:	122
(1) Serve notice by certified mail, return receipt	123
requested, to each holder or each holder's successors or	124
assignees, at the last known address of each, of the owner's	125
intent to declare the mineral interest abandoned, extinguished,	126
and voided. If service of notice, after the owner conducts a	127
search of public records to locate the holder, the owner cannot	128
be completed to any holder attempt or complete notice via	129
<pre>certified mail, the owner shall publish notice of the owner's</pre>	130
intent to declare the mineral interest abandoned, extinguished,	131
and voided. The owner shall publish the notice at least once \underline{a}	132
week for three successive weeks in a newspaper of general	133

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circulation in each county in which the land that is subject to	134
the interest is located. The notice shall contain all of the	135
information specified in division (F) of this section.	136
(2) At least thirty, but not later than sixty days after	137
the date on which the \underline{last} notice required under division (E)(1)	138
of this section is served or published, as applicable, file in	139
the office of the county recorder of each county in which the	140
surface of the land that is subject to the interest is located	141
an affidavit of abandonment that contains all of the information	142
specified in division (G) of this section.	143
(F) The notice required under division (E)(1) of this	144
section shall contain all of the following:	145
(1) The name of each applicable holder and the holder's	146
successors and assignees, as applicable;	147
(2) A description of the surface of the land that is	148
subject to the mineral interest. The description shall include	149
the volume and page number of the recorded deed or other	150
recorded instrument under which the owner of the surface of the	151
lands claims title or otherwise satisfies the requirements	152
established in division (A)(3) of section 5301.52 of the Revised	153
Code.	154
(3) A description of the mineral interest to be abandoned,	155
extinguished, and voided. The description shall include the	156
volume and page number of the recorded instrument on which the	157
mineral interest is based.	158
(4) A statement attesting that nothing specified in	159
division (B)(3) of this section has occurred within the twenty	160
years immediately preceding the date on which notice is served	161
or published under division (E) of this section;	162

(5) A statement of the intent of the owner of the surface	163
of the lands subject to the mineral interest to file in the	164
office of the county recorder an affidavit of abandonment at	165
least thirty, but not later than sixty days after the date on	166
which notice is served or published, as applicable.	167
(G) An affidavit of abandonment shall contain all of the	168
following:	169
(1) A statement that the person filing the affidavit is	170
the owner of the surface of the lands subject to the interest;	171
(2) The volume and page number of the recorded instrument	172
on which the mineral interest is based;	173
(3) A statement that the mineral interest has been	174
abandoned, extinguished, and voided pursuant to division (B) of	175
this section;	176
(4) A recitation of the facts constituting the	177
abandonment;	178
(5) A statement that notice was served on each holder or	179
each holder's successors or assignees by certified mail or	180
published by publication in accordance with division (E) of this	181
section.	182
(H)(1) If a holder or a holder's successors or assignees	183
claims that the mineral interest that is the subject of a	184
notice under division (E) of this section has not been	185
abandoned, extinguished, and voided, the holder or the holder's	186
successors or assignees, not later than sixty days after the	187
<u>last</u> date on which the notice was served or published, as	188
applicable, shall file an affidavit in the office of the county	189
recorder of each county where the land that is subject to the	190
mineral interest is located one of the following:	191

(a) A claim to preserve the mineral interest in accordance	192
with division (C) of this section;	193
(b) An . The holder shall identify in the affidavit that	194
identifies an event described in division (B)(3) of this section	195
that has occurred within the twenty years immediately preceding	196
the date on which the notice was served or published under	197
division (E) of this section.	198
The holder or the holder's successors or assignees shall	199
notify the person who served or published the notice under	200
division (E) of this section of the filing under this division.	201
(2) If a holder or a holder's successors or assignees who	202
claim _ <u>claims</u> that the mineral interest that is the subject of a	203
notice under division (E) of this section has not been	204
abandoned, extinguished, and voided fails to file a claim to	205
preserve the mineral interest, files such a claim more than-	206
sixty days after the date on which the notice was served or-	207
published under division (E) of this section, fails to file an	208
affidavit that identifies an event described in division (B)(3)	209
of this section that has occurred within the twenty years	210
immediately preceding the date on which the notice was served or	211
published under division (E) of this section, or files such an	212
affidavit more than sixty days after the date on which the	213
notice was served or published under that division, the owner of	214
the surface of the lands subject to the interest who is seeking	215
to have the interest deemed -abandoned, extinguished, and voided,	216
and vested in the owner shall file in the office of the county	217
recorder of each county where the land that is subject to the	218
mineral interest is located a notice of failure to file. The	219
notice shall contain all of the following:	220

(a) A statement that the person filing the notice is the

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owner of the surface of the lands subject to the mineral	222
<pre>interest;</pre>	223
(b) A description of the surface of the land that is	224
subject to the mineral interest;	225
(c) The statement: "This mineral interest <u>is</u> abandoned,	226
extinguished, and voided pursuant to an affidavit of abandonment	227
recorded in volume, page"	228
Immediately after the notice of failure to file a mineral	229
interest is recorded, the mineral interest shall vest in the	230
owner of the surface of the lands formerly subject to the	231
interest, and the record of the mineral interest shall cease to	232
be notice to the public of the existence of the mineral interest	233
or of any rights under it. In addition, the record shall not be	234
received as evidence in any court in this state on behalf of the	235
former holder or the former holder's successors or assignees	236
against the owner of the surface of the lands formerly subject	237
to the interest. However, the abandonment, extinguishment, and	238
voiding, and vesting of a mineral interest pursuant to divisions	239
(E) to (I) of this section <u>is</u> only shall be effective as to the	240
property of the owner that filed the affidavit of abandonment	241
under division (E) of this section.	242
(3)(a) Filing an affidavit under division (H)(1) of this	243
section that identifies an event described in division (B)(3) of	244
this section does not preclude a surface owner from taking legal	245
action in a court of competent jurisdiction to determine the	246
validity of the statements made by the holder in the affidavit.	247
(b) If the court finds that the affidavit is not valid or	248
finds that the event described in the affidavit did not occur or	249
did not occur within the twenty years immediately preceding the	250

date on which the notice was served or published under division	251
(E) of this section, the surface owner of the lands subject to	252
the interest shall file a notice in the office of the county	253
recorder of each county where the land that is subject to the	254
mineral interest is located. The notice shall contain all of the	255
<pre>following:</pre>	256
(i) A statement that the person filing the notice is the	257
owner of the surface of the lands subject to the mineral	258
<pre>interest;</pre>	259
(ii) A description of the surface of the land that is	260
subject to the mineral interest;	261
(iii) A statement specifying that the court has determined	262
that the affidavit filed under division (H)(1) of this section	263
is not valid, that the event described in the affidavit did not	264
occur, or that the event described in the affidavit did not	265
occur within the twenty years immediately preceding the date on	266
which the notice was served or published under division (E) of	267
this section;	268
(iv) The statement: "This mineral interest is abandoned,	269
extinguished, and voided pursuant to an affidavit of abandonment	270
recorded in volume, page"	271
(c) Immediately after the notice is recorded, the mineral	272
interest vests in the surface owner of the lands formerly	273
subject to the interest, and the record of the mineral interest	274
shall cease to be notice to the public of the existence of the	275
mineral interest or of any rights under it. In addition, the	276
record shall not be received as evidence in any court in this	277
state on behalf of the former holder against the owner of the	278
surface of the lands formerly subject to the interest. However,	279

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the abandonment, extinguishment, and voiding, and vesting of a	280
mineral interest pursuant to divisions (E) to (I) of this	281
section is only effective as to the property of the owner that	282
filed the affidavit of abandonment under division (E) of this	283
section.	284
(I) For purposes of a recording under this section, a	285
county recorder shall charge the fee established under section	286

Section 2. That existing section 5301.56 of the Revised

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317.32 of the Revised Code.

Code is hereby repealed.