

CHAPTER 93

MINERAL LANDS

93.2236	Minerals management account.	93.551	Validation of certain statements;
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93.2236 MINERALS MANAGEMENT ACCOUNT.

(a) The minerals management account is created as an account in the natural resources fund. Interest earned on money in the account accrues to the account. Money in the account may be spent or distributed only as provided in paragraphs (b) and (c).

(b) If the balance in the minerals management account exceeds \$3,000,000 on June 30, the amount exceeding \$3,000,000 must be distributed to the permanent school fund and the permanent university fund. The amount distributed to each fund must be in the same proportion as the total mineral lease revenue received in the previous biennium from school trust lands and university lands.

(c) Subject to appropriation by the legislature, money in the minerals management account may be spent by the commissioner of natural resources for mineral resource management and projects to enhance future mineral income and promote new mineral resource opportunities.

History: *1Sp2005 c 1 art 2 s 77*

93.52 OWNERSHIP OF SEVERED MINERAL INTERESTS.

[For text of subd 1, see M.S.2004]

Subd. 2. Verified statement filing requirement. Except as provided in subdivision 3, from and after January 1, 1970, every owner of a fee simple interest in minerals, hereafter referred to as a mineral interest, in lands in this state, which interest is owned separately from the fee title to the surface of the property upon or beneath which the mineral interest exists, shall record in the office of the county recorder or, if registered property, in the office of the registrar of titles in the county where the mineral interest is located a verified statement, in triplicate, citing sections 93.52 to 93.58 and setting forth the owner's address, interest in the minerals, and both (1) the legal description of the property upon or beneath which the interest exists, and (2) the book and page number or the document number, in the records of the county recorder or registrar of titles, of the instrument by which the mineral interest is created or acquired. No statement may be recorded which contains mineral interests from more than one government section unless the instrument by which the mineral interest is created or acquired includes mineral interests from more than one government section. The county recorder and registrar of titles shall file with the county auditor a copy of each document so recorded within 60 days after recording in the office of county recorder or registrar of titles.

[For text of subd 3, see M.S.2004]

History: *2005 c 4 s 20*

93.55 FORFEITURE OF SEVERED MINERAL INTEREST.

Subdivision 1. Forfeiture; failure to record. If the owner of a mineral interest fails to record the verified statement required by section 93.52, before January 1, 1975, as to any interests owned on or before December 31, 1973, or within one year after acquiring such interests as to interests acquired after December 31, 1973, and not previously recorded under section 93.52, the mineral interest shall forfeit to the state after notice and opportunity for hearing as provided in this section. However, before completing the procedures set forth in subdivision 2, the commissioner of natural resources may lease the severed mineral interest as provided in subdivisions 1a and 3.

Subd. 1a. **Lease of forfeited interest.** If the owner of a severed mineral interest fails to record the verified statement required by section 93.52 before the dates specified in subdivision 1, the commissioner of natural resources may lease the mineral interest as provided in this subdivision and subdivision 3 before completing the procedures set forth in subdivision 2. In any lease issued under this subdivision, the commissioner shall cite, as authority for issuing the lease, this subdivision, subdivision 3, and the United States Supreme Court decision in *Texaco, Inc., et al. v. Short, et al.*, 454 U.S. 516 (1982), where the Supreme Court determined, under Amendment XIV to the Constitution of the United States, that enactment of a state law requiring an owner of severed mineral interests to timely record a statement of claim to the mineral interests was constitutional, without individual advance notice of operation of the law, before the owner loses the mineral interests for failing to timely record the statement of claim. A lessee holding a lease issued under this subdivision may not mine under the lease until the commissioner completes the procedures set forth in subdivision 2 and a court has adjudged the forfeiture of the mineral interest to be absolute. "Mine" for the purposes of this subdivision is defined to exclude exploration activities, exploratory boring, trenching, test pitting, test shafts and drifts, and related activities.

Subd. 2. **Notice and hearing.** The commissioner shall notify the last owner of record in either the county recorder's or registrar of titles' office of a hearing on an order to show cause why the mineral interest should not forfeit to the state absolutely. The notice shall be served in the same manner as provided for the service of summons in a civil action to determine adverse claims under chapter 559 and shall contain the following: (1) the legal description of the property upon or beneath which the interest exists; (2) a recitation that the statement of severed mineral interest either did not comply with the requirements specified by section 93.52 for such a statement or was not recorded within the time specified in this section, or both; and (3) that the court will be requested to enter an order adjudging the forfeiture of the mineral interest to be absolute in the absence of a showing that there was substantial compliance with laws requiring the registration and taxation of severed mineral interests. For the purposes of this section, substantial compliance with laws requiring the registration and taxation of severed mineral interests means: (1) that the records in the office of the county recorder or registrar of titles specified the true ownership of the severed mineral interest during the time period within which the statement of severed mineral interest should have been recorded with the county recorder or the registrar of titles, or that probate, divorce, bankruptcy, mortgage foreclosure, or other proceedings affecting the title had been timely initiated and diligently pursued by the true owner during the time period within which the severed mineral interest statement should have been recorded, and (2) that all taxes relating to severed mineral interests had been timely paid, including any taxes which would have been due and owing under section 273.165, subdivision 1, had the interest been properly recorded as required by section 93.52 within the time specified in this section. For the purposes of this section, "timely paid" means paid within the time period during which tax forfeiture would not have been possible had a real property tax been assessed against the property.

[For text of subs 3 and 4, see M.S.2004]

Subd. 5. **Applicability.** The forfeiture provisions of this section do not apply to mineral interests valued and taxed under other laws relating to the taxation of minerals, gas, coal, oil, or other similar interests, so long as a tax is imposed and no forfeiture under the tax laws is complete. However, if the mineral interest is valued under other tax laws, but no tax is imposed, the mineral interest forfeits under this section if not recorded as required by this section.

History: 2005 c 4 s 21-24

93.551 VALIDATION OF CERTAIN STATEMENTS; CORRECTION OF CERTAIN ERRORS.

A statement of severed mineral interests which was recorded within the time limits specified by section 93.55 is validly and timely recorded even if the interest claimed by

the owner does not correctly set forth the whole or fractional interest actually owned; the statement erroneously contained interests from more than one government section; the statement was not properly verified; or the interest, if registered property, was erroneously recorded with the county recorder, or, if the interest was not registered property, was recorded with the registrar of titles. The owner may record an amendment or supplement to the original statement for the purpose of correcting any or all of the errors described in this section.

History: 2005 c 4 s 25