

FIRST ENGROSSMENT

Fifty-ninth
Legislative Assembly
of North Dakota

**ENGROSSED HOUSE CONCURRENT
RESOLUTION NO. 3003**

Introduced by

Representatives Froelich, Boe, DeKrey, Kerzman, Mueller

Senator Krauter

1 A concurrent resolution directing the Legislative Council to study severed mineral interests,
2 including the laws in other states and problems associated with severed mineral interests.

3 **WHEREAS**, orderly development of mineral resources in North Dakota is important to
4 the economy of the state; and

5 **WHEREAS**, landowners must absorb increased costs of updating abstracts if
6 underlying mineral interests have been severed from the surface estate; and

7 **WHEREAS**, for more that 20 years North Dakota has had statutory provisions for
8 termination of unused severed mineral interests and it is uncertain whether the laws are
9 accomplishing their intended purpose; and

10 **WHEREAS**, examination should be undertaken of the effectiveness of laws in other
11 states providing for transfer taxes on severed mineral interests and other methods to
12 discourage fractionalization of severed mineral interests; and

13 **WHEREAS**, fractionalized mineral interests impede and increase costs of mineral
14 leasing and development to the detriment of surface owners, mineral exploration and
15 development companies, mineral and royalty owners, and the public;

16 **NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES**
17 **OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:**

18 That the Legislative Council study severed mineral interests, including the laws in other
19 states and problems associated with severed mineral interests; and

20 **BE IT FURTHER RESOLVED**, that the Legislative Council report its findings and
21 recommendations, together with any legislation required to implement the recommendations, to
22 the Sixtieth Legislative Assembly.