

PROPERTY CODE

TITLE 6. UNCLAIMED PROPERTY

CHAPTER 75. TEXAS MINERALS

SUBCHAPTER A. APPLICABILITY

Sec. 75.001. DEFINITIONS; APPLICATION OF CHAPTER. (a) In this chapter:

(1) "Mineral" means oil, gas, uranium, sulphur, lignite, coal, and any other substance that is ordinarily and naturally considered a mineral in this state, regardless of the depth at which the oil, gas, uranium, sulphur, lignite, coal, or other substance is found.

(2) "Mineral proceeds" includes:

(A) all obligations to pay resulting from the production and sale of minerals, including net revenue interests, royalties, overriding royalties, production payments, and joint operating agreements; and

(B) all obligations for the acquisition and retention of a mineral lease, including bonuses, delay rentals, shut-in royalties, and minimum royalties.

(3) "Holder" means a person, wherever organized or domiciled, who is:

(A) in possession of property that belongs to another;

(B) a trustee; or

(C) indebted to another on an obligation.

(b) This chapter applies to mineral proceeds and the owner's underlying right to receive those mineral proceeds if:

(1) the owner's underlying right to receive mineral proceeds is related to land located in this state;

(2) the mineral proceeds result from the production of minerals located in this state; or

(3) the mineral proceeds are an obligation for the acquisition or retention of a mineral lease to produce minerals located in this state.

(c) A holder of property presumed abandoned under this

chapter is subject to the procedures of Chapter 74.

(d) This chapter supplements other chapters in this title, and each chapter shall be followed to the extent applicable.

Added by Acts 1985, 69th Leg., ch. 230, Sec. 17, eff. Sept. 1, 1985.

Amended by Acts 1987, 70th Leg., ch. 426, Sec. 6, eff. Sept. 1, 1987.

Sec. 75.002. TRANSFER AND PURCHASE OF MINERAL INTEREST ON MINERAL PROCEEDS. A person purchasing mineral proceeds of an owner whose name has been reported or is reportable to the comptroller shall provide documentation required by the comptroller to substantiate that the transfer is executed by the reported owner or the reported owner's legal agent.

Added by Acts 1997, 75th Leg., ch. 1037, Sec. 37, eff. Sept. 1, 1997.

SUBCHAPTER B. PRESUMPTION OF ABANDONMENT

Sec. 75.101. PRESUMPTION OF ABANDONMENT. (a) All mineral proceeds that are held or owing by the holder and that have remained unclaimed by the owner for longer than three years after they became payable or distributable and the owner's underlying right to receive those mineral proceeds are presumed abandoned.

(b) At the time any owner's underlying right to receive mineral proceeds is presumed abandoned under this section, any mineral proceeds then held for or owing to the owner as a result of the underlying right and any mineral proceeds accruing after that time as a result of the underlying right and not previously presumed abandoned are presumed abandoned.

Added by Acts 1985, 69th Leg., ch. 230, Sec. 17, eff. Sept. 1, 1985.

Amended by Acts 1987, 70th Leg., ch. 426, Sec. 7, eff. Sept. 1, 1987.

Sec. 75.102. PRESERVATION OF PROPERTY. A holder of abandoned property shall preserve that property and may not by any procedure, including a deduction for service, maintenance, or other charge, transfer, convert, or reduce the property to the profits or

assets of the holder.

Added by Acts 1985, 69th Leg., ch. 230, Sec. 17, eff. Sept. 1, 1985.