

HB 62 INTRODUCED BY NATHE
RECORDING IS NOTICE OF OIL LEASE TERM; EXTENSION FOR
 CONTINGENCY

1/05 INTRODUCED

1/05 REFERRED TO STATE ADMINISTRATION

1/08 HEARING

 FAILED TO MEET TRANSMITTAL DEADLINE

1 HOUSE BILL NO. 62
2 INTRODUCED BY NATHE

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT
5 RECORDING OF AN OIL, GAS, OR MINERAL LEASE IS NOTICE TO THE
6 PUBLIC AND THAT RECORDING OF AN AFFIDAVIT OF OCCURRENCE OF A
7 CONTINGENCY STATED IN THE LEASE EXTENDS THE TERM OF THE
8 LEASE."

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10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Recording to provide notice of lease --
12 extension of lease. (1) Recording of an oil, gas, or mineral
13 lease given on land within the state of Montana in the
14 office of the county clerk and recorder of the county where
15 the land is located is notice to the public of the validity
16 and the continuance of the lease for the term expressed in
17 the lease, but no longer.

18 (2) If the lease contains a statement of any
19 contingency upon the occurrence of which the term of the
20 lease may be extended, such as during the period of
21 production of oil or gas in paying quantities, the owner of
22 the lease may before the expiration of the lease file with
23 the county clerk and recorder an affidavit setting forth the
24 description of the lease, the fact that the affiant is the
25 owner of the lease, and the facts showing that the

1 contingency requisite for extension of the lease has
2 occurred. The county clerk and recorder shall record the
3 affidavit in full.

4 (3) Recordings under subsections (1) and (2),
5 considered together, are notice to the public of the
6 existence and the extension of the validity of the lease
7 until the lease is forfeited, canceled, set aside, or
8 surrendered according to law.

-End-



-2- INTRODUCED BILL
 HB-62