

2010 SESSION

INTRODUCED

10101231D

HOUSE BILL NO. 1179

Offered January 13, 2010

Prefiled January 13, 2010

A *BILL to amend the Code of Virginia by adding a section numbered 45.1-361.21:1, relating to natural gas; presumption of ownership.*

Patron—Phillips

Referred to Committee on Commerce and Labor

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding a section numbered 45.1-361.21:1 as follows:

§ 45.1-361.21:1. Presumption regarding estate of owner of surface rights.

The surface owner of real property shall be presumed to be the owner of any natural gas, including coalbed methane gas, below the surface unless the right to ownership or possession of the natural gas has been expressly conferred by deed or other instrument. The owner or lessee of a minerals estate shall bear the burden of proof to establish, by a preponderance of the evidence, that the ownership or possession of natural gas was transferred by the deed or instrument that created or severed the mineral estate.

2. That the Auditor of Public Accounts shall conduct an audit of all escrow accounts established pursuant to §§ 45.1-361.21 and 45.1-361.22 of the Code of Virginia from inception through July 1, 2010. The audit report shall be submitted to the Governor and to the Chairmen of the House Committee on Agriculture, Chesapeake and Natural Resources and the Senate Committee on Agriculture, Conservation and Natural Resources by December 1, 2010.

3. That the Department of Mines, Minerals and Energy shall adopt regulations consistent with this Act to facilitate the timely release of funds from escrow to those entitled to disbursement under law.

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