

A MEMORIAL

REQUESTING THE SUPERINTENDENT OF INSURANCE AND THE NEW MEXICO REAL ESTATE COMMISSION TO ADOPT MEASURES TO INFORM THE PUBLIC OF THE EFFECT OF MINERAL LEASES.

WHEREAS, the excavation of oil, gas and other minerals has caused conflict between the mineral extraction industry and the surface owners of land under which the oil, gas or other minerals lie; and

WHEREAS, many purchasers of real estate do not know whether they are acquiring an interest in the underlying mineral estate or whether the mineral estate is subject to a mineral lease; and

WHEREAS, title binders and title policies generally exclude the mineral estate and coverage relative to the mineral estate; and

WHEREAS, the conflicts between surface owners and the mineral extraction industry will be reduced if surface owners are informed of the possible existence of mineral leases and the effect of any such leases at the time of purchase;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the superintendent of insurance and the New Mexico real estate commission be requested to study the conflicts arising from the existence of both surface and mineral rights as well as

the disclosure practice of title companies; and

BE IT FURTHER RESOLVED that the superintendent of insurance and the New Mexico real estate commission be requested to adopt measures that will inform purchasers of real estate of the existence of mineral leases and the effect of any such lease; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the superintendent of insurance and the New Mexico real estate commission.