

Unclaimed Property and Mineral Proceeds

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The Texas Comptroller of Public Accounts and the Texas General Land Office receive inquiries about mineral proceeds that may be connected to original grantees of Spanish and Mexican land grants in South Texas. The Texas General Land Office has information documenting the original land grants, but its records do not include information on subsequent conveyances or leases of the land or minerals. The Unclaimed Property Division of the Comptroller's office has received unclaimed mineral proceeds since 1986. Following are pertinent facts regarding unclaimed property and mineral proceeds held by the Comptroller's Unclaimed Property Division:

1 The Texas unclaimed property law was passed in 1961. The Texas Comptroller of Public Accounts did not receive any unclaimed property (mineral proceeds or otherwise) before 1961.

2 The state did not begin receiving unclaimed mineral proceeds until 1986 because of some conflicting provisions in the law that existed prior to that time. The statute of limitations applicable to payments made by oil and gas companies was four years, while the statutory dormancy period for reporting unclaimed mineral proceeds to the State of Texas during that time was seven years. To ensure that unclaimed mineral proceeds would be reported to the state to hold for the rightful owner, the Texas Legislature changed the law in 1985, reducing the dormancy period for unclaimed mineral proceeds from seven years to three years.

3 The Comptroller of Public Accounts' Unclaimed Property Division does not determine title issues between land owners, only the identity of the owner(s) as reported by the oil and gas company.

4 If you would like to review the mineral proceeds that have been reported to the Comptroller's office as unclaimed property, you should begin by searching the unclaimed property database at www.claimittexas.org. The

database is searchable by the name of the business or individual who was reported to the Comptroller's office as the owner of the property. You can also request searches by calling 1-800-654-FIND (3463).

5 If your name appears in the database, you can provide the Unclaimed Property Division with satisfactory proof of identifying information such as a social security number that would have been reported when the unclaimed property was turned over. Sometimes mineral proceeds are reported without any corresponding ownership information. In these circumstances, you can also work with the Unclaimed Property Division on determining whether other identifying information or documentation (including any documents from the oil and gas company) will be helpful to your claim.

6 If the owner is deceased, you can provide the Unclaimed Property Division with documentation proving you are an heir of the reported owner. Such documentation includes copies of wills, or, if there is no will, a notarized Affidavit of Heirship is required for claims of \$10,000 or less. Claims that exceed \$10,000 require a court's Determination of Heirship or a Small Estates Affidavit of Heirship, both of which require a judge's signature. For forms and more information pertaining to claims made on behalf of deceased owners, please review the Comptroller's Web site at www.window.state.tx.us/up/gen_claims.html.

7 As is the case with any type of unclaimed property, the Unclaimed Property Division will work with you on determining the correct type of documentation needed for your claim and other procedural aspects of claiming the property.

8 Note that it could also be necessary to research ownership information at the county courthouse of the county in which the minerals are located. In complex cases of title or ownership an oil and gas attorney or landman could be necessary.