

## HOUSE BILL No. 2727

By Committee on Water and Environment

2-8

AN ACT concerning real estate; requiring conditions relating to real estate sales contracts; relating to notification and disclosure of mineral interests.

*Be it enacted by the Legislature of the State of Kansas:*

Section 1. (a) Each contract for the sale of real property shall contain the following language:

"NOTICE: The surface estate of the property may be owned separately from the underlying mineral estate and transfer of the surface estate may not include transfer of the mineral estate. Third parties may own or lease interests in oil, gas or other minerals under the surface, and they may enter and use the surface estate to access the mineral estate.

The use of the surface estate to access the mineral estate may be governed by, but is not limited to, a deed, lease, right-of-way agreement, surface agreement, letter agreement, memorandum or other notice that may be recorded with the register of deeds or the state corporation commission. Buyer is advised to consult independent legal advice.

The oil and gas activity that may occur on or adjacent to this property may include, but is not limited to: Surveying operations; drilling operations; construction of facilities used for the production, treatment, storage or transportation of oil or gas, such as oil wells, gas wells or saltwater disposal wells; reworking operations on current wells or enhanced recovery wells; burying of oil and gas production pipelines or electrical lines; and installation of above ground electric lines or gas gathering and processing facilities.

The buyer is encouraged to read the title commitment and final title insurance policy and seek additional information regarding oil and gas activity on or adjacent to this property that may include, but is not limited to, any approved oil and gas operations permits and applications for permits including any applications to drill an oil and gas well. This information may be available from the state corporation commission. Buyer is encouraged to consult independent legal advice."

(b) The provisions of this section shall be a part of and supplemental to the Kansas real estate brokers' and salespersons' license act.

Sec. 2. This act shall take effect and be in force from and after July 1, 2019, and its publication in the statute book.