

Regular Session, 2012

HOUSE BILL NO. 235

BY REPRESENTATIVE HARRISON

MINERALS/LEASES: Provides relative to mineral lease indemnification agreements

1 AN ACT

2 To enact R.S. 9:2780.2, relative to indemnity agreements; to provide relative to mineral
3 leases, servitudes, or royalty interests; to provide that certain indemnity agreements
4 applicable to actions for restoring damaged property are null and void under certain
5 circumstances; and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 9:2780.2 is hereby enacted to read as follows:

8 §2780.2. Applicability of certain mineral lease indemnification agreements

9 Any agreement between or among sublessors, sublessees, assignors, or
10 assignees contained in, collateral to, or affecting a mineral lease, servitude, or royalty
11 interest which purports to or does provide for a defense against or indemnity for the
12 indemnatee against liability for the obligation to restore the environment on property
13 subject to the mineral lease, servitude, or royalty interest to its original condition on
14 any portion of the leased property on which the indemnitor did not conduct mineral
15 development activities or operations or cause damages is hereby declared to be null
16 and shall be void and unenforceable as contrary to public policy.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Harrison

HB No. 235

Abstract: Provides that certain indemnity agreements in mineral leases relative to the restoration of damaged property to its original condition are null and void.

Proposed law provides that any agreement between parties to a mineral lease, servitude, or royalty interest which provides for indemnity from liability for the obligation to restore the environment on the property to its original condition on any portion of the property on which the indemnitor did not conduct mineral development activities is declared to be null and void.

(Adds R.S. 9:2780.2)