

Mineral Research

When asked how do I know if I have mineral rights on my property? Here are some general guidelines and things to look for. It's not always as easy as you would like and not always as difficult as you might expect. This is meant only to help educate and inform folks. It is not meant to circumvent or eliminate anyone who might do this for a living but to give someone a little knowledge and access to a means to aid in their search. Depending on how you acquired title, you may or may not have some of the documents discussed below. If the property was inherited, your ability to review certain documents will, of course, be dependant upon the records that you are able to find. The likelihood of minerals being conveyed with a tract of land also depends on when the property was purchased and where it is located. For example, if the property is located in East Texas and the purchase occurred in the last 20 years, there is a good chance that the minerals were severed from the surface because there is a long history of drilling in the area.

Likewise, in West Texas, there is a long history of drilling and if you received any minerals with a purchase, it is likely that you received only a portion of them. On the other hand, there are areas where drilling hasn't occurred and so land owners are more likely to part with the minerals upon the sale of the property. We are residing in one such area.

There are two approaches that would be considered proper if you are needing the information for legal reasons:

1. Locate and hire a landman who specializes in searching mineral ownership. This is probably the most expensive choice but will provide you with the most accurate answer.
2. Contact a local abstract company/title company and asked them to prepare a title search on the property. Ask them to provide all vesting documents and mineral easements or mineral deeds to the property going back as far as their plat goes. Depending on the difficulty of the search, the search could run as little as \$270 or could cost much more. They will not provide you with an opinion, but will provide most if not all of the documents that your attorney will need to analyze the ownership question.

NOTE: Title companies do not insure minerals. However, they do often provide information about the minerals (i.e. reference to mineral deeds) when they encounter the information during a search for a normal sales transaction.

All this being said, if the question is a result of idle curiosity, you may be able to get an idea of the status of ownership of the minerals by looking at your existing paperwork. Here are a few documents that you might have from your purchase that might provide you some insight:

1. Title Policy Schedule A: Look at Schedule A "Vesting" and see if there is a reference to "surface only of the . . .". If you see this language, there is a good chance that someone reserved the minerals prior to selling you the property.
2. Title Policy Schedule B: Look at Schedule B and see if there are any references to mineral exceptions or mineral deeds. This won't tell you the exact status, but if you find a reference, you know someone at least reserved (kept) a portion of the minerals for themselves. If you see multiple references, then there is a chance that all the minerals have been reserved by predecessors in title.
3. Your vesting deed: Look for specific language stating that "grantor reserves unto himself all minerals". A general reference such as "all mineral reservations being previously reserved or recorded" is not significant because it is a general exception contained in most deeds.

4. If you have a title commitment or prior deeds to the property, read them and look for the above mineral reservation language.

So what can you do now that you are still curious and are willing to do a little more work yourself?

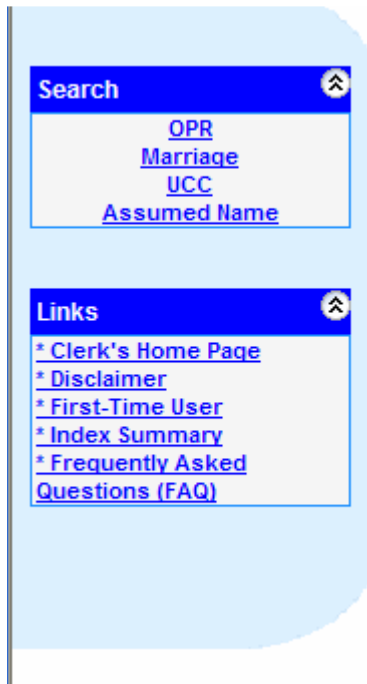
Researching the title history and mineral history is a little less complicated when you are addressing raw land, simple “stand-alone” home places or housing additions that were built using a large single tract of land. In many of the urban areas acquisition of larger tracts of land to build a development creates a challenge. As a result developers will acquire a number of separate properties and combine them to create a Planned Unit Development (PUD). The properties are re-platted and developed where by the raw or previously developed property is now redeveloped into a housing area with new streets, common areas and home building lots. Each of these new areas will now be identified and titled separately based on the new development plat. To add a little complexity to the process reservations to the property can occur anytime through out this process. For example the owners of the “raw” land could have kept some or all of the mineral rights prior to selling the property to the developer. The developer could have also kept some or all of what they owned before selling the individual building lots to their builders. The builder in turn could also keep some or all of what they owned before selling the home to the final homebuyer. Then every homeowner can also sell or retain all or part of what they own when they sell their home. As you can quickly see this creates what is known as fractional interest. A topic for another separate discussion.

As a result of the Barnett Shale and other gas booms there will be an unbelievable number of new royalty owners who now own a resource or an interest in a resource that can be bought and sold as separate property. You will hear the term “mineral interest”. You do not have to own any “surface” property to own a mineral interest. It is very important to note that just because you own surface property it does NOT mean that you own some or any of the mineral interest in the property. A mineral interest may or may not be conveyed as a result of a warranty deed for the surface property. In many cases a separate mineral deed is used or is required to be used, based on if the mineral interest has been severed and how the mineral interest have been severed. A mineral deed is the general instrument used to buy and sell an individuals mineral interest separately. It is always recommended that when dealing with title, minerals, real property and/or any other transactions, individuals retain the proper legal counsel through what ever avenue, i.e. Title Company, separate counsel or Landman Companies, that they are comfortable with or is appropriate. The majority of the new mineral rights owners will have received their mineral interest as a result of purchasing their home or separate undeveloped land. These new mineral interest owners need to clearly understand that even though they have received the mineral rights with their home or land they do not have to release, give or sell their mineral rights to the next buyer of their home or land. They can be bought sold or bartered separately from the surface property. It is highly recommended that all new mineral rights owners educate themselves on what they can and can not do with respect to their mineral rights.

The following addresses the general research process. If your home is within a PUD it may require another step or two to help locate the original deeds that were used to create the PUD. In these cases you could start by contacting the developer to ask for the details of the history of the property that was used. Being able to identify a specific tract and home/land owners will allow you to use the standard research tools. If you are not successful in this path, you can go to the city and ask to review the development package that was used to grant the PUD. The information should reside within their archives. In smaller towns and cities there are still many long time neighbors who know the history of the land and the families who owned it. These will usually yield the pointers you will need to continue your quest.

In Tarrant and most counties the County Clerk's Office provides a web site as a public service. Information available on this web site is collected, maintained, and provided solely for the convenience of the public users. The key main function is for "OPR" searches. "OPR" is the Official Public Records. Most counties retain all recorded public documents electronically. Due to the sheer volume of recorded material each county has on hand only a portion of the total recorded documents. Each County has determined at what point, date in time, "paper" would be replaced with electronic media. This means that when performing research any document prior to the date of electronic conversion will require individuals to physically complete their research in the County Clerks office. This does however in most cases still allow individuals to perform a significant amount of research first.

- a) Visit the Tarrant County Clerk's website at <http://ccanthem.co.tarrant.tx.us/> .
- b) On the left hand side of the home page you will see a "Search" options



- c) Select the "OPR" option.

- d) Type your name in to the "Grantor" field and search. Note: By definition "Grantee" is buying and the "Grantor" is selling.

Actions Help

Grantor: (Lastname Firstname)

Grantee: (Lastname Firstname)

Date Filed From: To: (mm/dd/yyyy)

Instrument# From: To:

Book: Page:

Document Type: Select a Type

Search Clear Form

- e) The results

Inst. Number	Book	Page	Date Recorded	Document Type	Grantor	Grantee	Legal Description	Status	Image
D188628713	8789	2130	12/23/1988	DEED OF TRUST	JONES	SUNBELT NATL MTG CORP	SAG LOT 25 BLK 9 SAGINAW N	Perm	
D208144898			04/22/2008	DEED OF TRUST	JONES -JRT*W (+)	COUNTRYWIDE BANK FSB (+)	INSTRUMENT NO 0205074127 OF TARRANT COUNTY TEXAS LAND RECORDS THE SOURCE LOT 38 BLK 33 95 388-176	Temp	
D204018051	0	0	01/15/2004	AFFIDAVIT	JONES A (+)	PUBLIC	LT 8 BLK 5 1817 COUNTY LOOP RD	Perm	
D177512454	7	713	03/08/1977	DT UCC	JONES AARON	SEARS ROEBUCK & CO	EULS LOT 53 BLK 26 MIDWAY PARK	Perm	
D189088148	9605	153	05/31/1989	DEED OF TRUST	JONES AARON (+)	FINANCIAL CENTER MTG	KELLER LOT 20 BLK 2 BRENTWOOD ESTS	Perm	
D189088150	9605	159	05/31/1989	MECHANICS LIEN	JONES AARON (+)	GRAPEVINE SPA POOL & SUPPLY INC (+)	KELLER LOT 20 BLK 2 BRENTWOOD ESTS	Perm	
D197155111	12882	451	08/25/1997	POWER OF ATTORNEY	JONES AARON	JONES VICKE A POA (+)	NONE SEE RECORD	Perm	
D197212122	12978	392	11/14/1997	AFFIDAVIT	JONES AARON (+)	PUBLIC	EULESS LOT 53 BLK 26 MIDWAY PK	Perm	
D198011914	13048	424	01/21/1998	DEED	JONES AARON	JONES REVOCABLE TRUST	EULESS LOT 53 BLK 26 MIDWAY PK	Perm	
D198173625	13346	425	08/03/1998	DEED OF TRUST	JONES AARON (+)	MURFIELD MTG LP	FORT WORTH LOT 17 BLK 144 SUMMERFIELDS	Perm	

- f) Select the "Inst. Number" you are looking for. In this case you are looking for a warranty deed so select the corresponding instrument.
- g) If the instrument is available electronically it will be presented. If it is not available it will be indicated and to continue to research farther back will require going to the Country Clerks records area to now physically continue your research.
- h) If the document is presented then you need to look at who bought and sold the property. Typically in the first case you will be the buyer. So you will look at the sellers name and this will now become the "Grantee" for your next search.
- i) You continue this process reviewing the warranty deeds to see if the mineral interest have been retained until you locate your information or you are forced to make a trip to the County Clerks office.

- j) If you are forced to make a trip to the County Clerks office you will then have to search the physical records.
- k) The Search screen yields the "Inst Number" you are looking for. The "Book" or "Vol" and "Page" will identify where it is located. When you have located the "Book" and "Page", read the document and if you do not have your answer you now have the next "Seller" that you can search.
- l) In some cases when you are reviewing a warranty deed it will point you to another "Book/Vol" and "Page". You must research each path you are given.
- m) You will at some point exhaust any legal instruments in your search or find some type of reservation. This will be the end of your journey.

Here is a general rule of thumb. You can do a basic search of your property using an electronic means. The first level pass, all that can be done electronically, is what many Landman will do before sending out initial feelers or offers. When negotiations progress to the point of a potential contract, the Landman will then do a thorough research using a same or similar process as was described above. If you do decide to travel to the County Clerks office most of the individuals you encounter today are also performing the same research but on behalf of a company. The responsibility for the research and due diligence is on the shoulders of the potential Partner. Unless you are aware that you clearly do not own your minerals, curiosity over comes you, or you just love a good treasure hunt I would suggest you let the process work otherwise; Enjoy!