

IC 32-23-8

Chapter 8. Oil and Gas: Cancellation of Contracts and Leases for Oil and Gas

IC 32-23-8-1

Lapse of rental payment; nonproduction or nondevelopment of lease

Sec. 1. (a) Leases for oil and gas that are recorded in Indiana are void:

- (1) after a period of one (1) year has elapsed since:
 - (A) the last payment of rentals on the oil and gas lease as stipulated in the lease or contract; or
 - (B) operation for oil or gas has ceased, both by the nonproduction of oil or gas and the nondevelopment of the lease; and
- (2) upon the written request of the owner of the land, accompanied by the affidavit of the owner stating that:
 - (A) no rentals have been paid to or received by the owner or any person, bank, or corporation in the owner's behalf for a period of one (1) year after they have become due; and
 - (B) the leases and contracts have not been operated for the production of oil or gas for one (1) year.

As added by P.L.2-2002, SEC.8.

IC 32-23-8-2

Certification of invalidity of lease; recording

Sec. 2. (a) The recorder of the county in which real estate described in section 1 of this chapter is situated shall certify upon the face of the record of the oil and gas lease that:

- (1) the leases and contracts are invalid and void by reason of nonpayment of rentals; and
- (2) the oil and gas lease is canceled of record.

(b) The request and affidavit shall be recorded in the miscellaneous records of the recorder's office.

As added by P.L.2-2002, SEC.8.

IC 32-23-8-3

Payment of rent; void cancellation

Sec. 3. If, at any time after the cancellation of a lease and contract and within the term provided in the lease or contract, the lessee submits to the recorder:

- (1) a receipt or a canceled check, or an affidavit, showing that the rental has been paid; or
- (2) an affidavit that:
 - (A) the lease has been operated within a period of one (1) year before the cancellation, as stipulated in the lease or contract; and
 - (B) the affidavit of the lessor provided under this chapter is false or fraudulent;

the cancellation is void, and the recorder shall so certify at the place

where the cancellation of the lease and contract has been entered.
As added by P.L.2-2002, SEC.8.

IC 32-23-8-4

Appeal of cancellation of lease

Sec. 4. The owner of a lease that is canceled by a county recorder under this chapter may, not more than six (6) months after the date of cancellation of the lease, appeal the order and record of cancellation in the circuit court of the county in which the land is located.

As added by P.L.2-2002, SEC.8.