S T A T E O F N E W Y O R K

3628

2011-2012 Regular Sessions

I N A S S E M B L Y

January 26, 2011

Introduced by M. of A. CROUCH -- read once and referred to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to integrated royalty owners

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Subparagraph 3 of paragraph a of subdivision 3 of section 23-0901 of the environmental conservation law, as amended by chapter 386 of the laws of 2005, is amended to read as follows:

(3) "Integrated royalty owner" means an owner who has either elected to be an integrated royalty owner or who does not elect to become either a participating owner or a non-participating owner. The integrated royalty owner shall receive a royalty equal to [the lowest royalty in an existing lease in] AN AMOUNT EQUAL TO THE AVERAGE OF ALL EXISTING LEASES WITHIN the spacing unit, but no less than one-eighth. The integrated royalty owner shall have no obligation to the well operator or any other owner for any charges, taxes or fees associated with the operation of the oil or gas well and, notwithstanding any other law to the contrary, shall not be liable by reason of the owner's status as an integrated royalty owner for any claims for personal injury or property damage suffered by any person relating to the drilling and operation of the well.

S 2. This act shall take effect immediately.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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