WHAT IF YOU DON’T EVEN OWN YOUR MINERAL RIGHTS?

This is a “SPLIT ESTATE” situation, where someone else (often the State) has legal title to the mineral estate (which includes gas and oil) under your surface property – and you might very well never have been made aware of this situation.

Idaho does not require real estate agents to disclose this, and it is usually not addressed in your title documents. It may require considerable research for you to determine whether you are a split estate surface-only owner or not. (The State can tell you if they own the rights. But the minerals under you may be owned by any previous owner, such as the developer of a subdivision.)

You may at some point, therefore, be shocked to learn that the mineral rights under your land are to be or have already been “auctioned off” (leased out) by the State of Idaho, or have been or may at any time be leased directly to a gas developer by another owner. (“Auctioned off” is in quotes, because many of these State holdings are bid on by only a single developer, which has asked for that particular parcel to be released by the State, and which pays mere pennies on the dollar of value because they are conveniently not being bid against.)

The holder of the mineral rights has the legal right to dispose of them as s/he wishes: to sell them or lease them to whomever they choose. And though this may compromise your ability to sell your land/house, or even compromise the validity of your mortgage and insurance should industrial development occur, you must deal with the consequences. This means that you have no say in whether or not gas development will go on around you – and you will have no influence over the developer’s choice to use the surface of your land in some way. You will have little compensation for any use made of a portion of your property – and, of course, you will not receive royalty payments on any extracted gas.

You would have one legal advantage that a leaser does not: you did not sign the lease document – so you are not the responsible party. You’ll have that leg to stand on in court if challenging the State to protect you from such harms as mortgage/insurance loss or property damage, and you won’t share in any liabilities lessees/investing partners/gas developers are subject to. (This would also apply to those who are forced to lease their mineral rights – yes, the State has allowed force-pooling, or “integration”, if enough acres are leased in a given section.)

As a split estate landowner, you are now in the cross-hairs of any gas developer’s desire to stimulate investment from landowners, ever more leery financial backers, and Idaho’s legislators who wish to make some “easy money” for State coffers from gas in the ground. The State has declined to put in place even any “courtesy” rules that protect split estate owners and those who are forced to lease from unwarranted intrusions on the surface of their properties – i.e., that prevent damage to property values, health, safety, and enjoyment of private property (which it is the specified responsibility of State legislators to uphold).

OPTIONS: Tell your legislators you want to be able to buy your mineral rights from the State; you want a full-disclosure law enacted; you want basic protections from developers.
IDAHO STATE OIL & GAS LEASES AS OF 5/15/15
(State lands & State split estate mineral holdings in the currently active main SW areas)
SEE interactive map: http://tinyurl.com/id-leases

Check these yellow squares for proximity to your home – The land has been leased – When a developer feels like drilling there, you will be affected!