Fake Mineral Leases Thwarted by the Texas Legislature

The 2019 Texas legislature enacted a new Property Code Section 5.152 to protect mineral and royalty owners from a certain species of fraudulent transactions perpetrated on trusting and/or naïve and/or out of state mineral owners, reports **Charles Sartain** in Gray Reed's **Energy & the Law** blog.

The change is meant to address a scam in which someone "fronting for a company with a name similar to a reputable operator, would approach the owner with an oil and gas 'lease' of minerals or royalty that were already subject to an existing lease. Except that the lease was actually the sale of the mineral or royalty interest at a bargain price."

The article lists the changes addressed by the new section.

Read the article.