

Mineral Interests: Net Royalty Acres Defined

The term “net royalty acre” is used by mineral and royalty buyers to price a mineral or royalty interest that is subject to an oil and gas lease. It is related to, but different from, a “net mineral acre,” explains **John McFarland** of Graves, Dougherty, Hearon & Moody in the firm’s **Oil and Gas Lawyer Blog**.

“Mineral buyers often make offers in terms of dollars per net royalty acre. If the recipient of the offer does not know for sure what she owns, it can be difficult to evaluate the offer,” he writes.

In the article, McFarland explains the difference between the two terms and provides formulas that can be used to calculate each one.

Read the article.