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SEVERED MINERAL INTEREST RESEARCH PROGRAM

1992 FISCAL YEAR-END REPORT

14 TRAPS

MINNESOTA DEPARTMENT OF NATURAL RESOURCES
Division of Minerals

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I. INTRODUCTION

The Severed Mineral Interest Research Program enjoyed a successful year during fiscal year 1992 as research conducted yielded significant results. The total of full title chain research conducted during fiscal year 1992 was 28,163.66 acres. This figure is lower than that of the previous two years in which record amounts of acreage were researched. Two factors contributed to the lower total of research: 1) the Severed Mineral Interest Research Program was without a research attorney from November 1991 until February 1992 and 2) the new research attorney hired in February 1992 was continuing to carry out responsibilities as the Minerals Division's planner, in effect working for the Severed Mineral Interest Research Program only part-time for the remainder of the fiscal year.

Despite the low total of acres researched, significant results were achieved through full title chain research carried out in several different areas. The areas researched included: nearly all of the parcels located within one township in northern Itasca County, areas in St. Louis County where non-registered severed minerals were believed to be located, and Lake County where non-registered severed minerals were discovered through unrelated research.

For the third consecutive year, some of the research results were used in the preparation and eventually successful completion of court proceedings which resulted in final forfeiture to the state of non-registered severed mineral interests. The forfeiture proceeding completed during fiscal year 1992 resulted in the state gaining absolute title to all minerals for 5,116.56 acres in Lake County.

In addition to the full title chain research, partial title chain research was conducted for several large mineral claims. Partial chain research attempted to establish a grantor-grantee chain of title for the minerals only for those minerals claimed by Meridian Minerals, Pine Land Lumber Company, Potlatch Corporation, and C.N. Nelson Lumber Company. The results of partial chain title research are not considered conclusive as to the actual ownership of the severed minerals in question. However, partial chain research can make state ownership more or less likely for the mineral rights in question. Based on this partial research, additional decisions can be made on areas of concentration of research in order that full title research can be conducted in areas where results are most likely to produce or confirm valid state mineral claims.

Partial research was conducted for 83,049.12 acres during fiscal year 1992. The total of partial research and complete research, or the total number of acres added to the Minerals Division mineral ownership data base during fiscal year 1992 was 111,212.78 acres.

The Severed Mineral Interest Research Program could also be referred to as the mineral rights ownership identification program. The alternate identification openly states what the actual research results have recently made clear. The focus of the program is no longer solely on tax forfeited minerals or even solely on severed minerals. A significant proportion of the research done under the program during fiscal year 1992 was done with the intention of identifying the mineral rights owner, regardless of whom that might be, and for no other specific purpose. The research results continue to reflect the change of research emphasis. The research is less likely than it was in earlier years of the program

to identify state ownership of minerals based on real estate tax forfeiture. A large category of results of recent research is private ownership of non-registered severed minerals.

The primary reason for compiling this report remains the presentation of results of severed mineral interest research conducted during the last fiscal year. Research results are presented in two forms. The first is an analysis of current record mineral ownership with particular emphasis on state ownership. The second analysis is of severances of mineral ownership from the surface estate and compliance or non-compliance with the severed mineral interest regulation and taxation statutes by the record owners of the severed mineral interests.

The following is a list of terms and their definitions or explanations, which are used either in this report or reports of previous years. They are included here to assist in the interpretation of this year's research results and the cumulative research results.

Tax forfeited - the land is either currently tax forfeited or has at some time in the past been tax forfeited.

Real estate tax forfeiture - a forfeiture of the land for nonpayment of general real estate taxes or ditch lien assessments.

Severed mineral interest forfeiture - a forfeiture of mineral rights for nonpayment of the severed mineral interest tax.

Immediate potential - describes the state of mineral ownership when the owner of the severed mineral rights has failed to file the required statement of severed mineral interest; that because of this failure the state may institute forfeiture proceedings for failure to file; and if the forfeiture is adjudged to be absolute, title to the mineral interest will vest in the state.

Non-registered severed mineral interest - a severed mineral interest for which the owner has failed to file the required statement within the required time.

II. MINERAL OWNERSHIP

A. Fiscal Year 1992 Research

Full title chain research to determine mineral rights ownership was conducted on 28,163.66 acres during fiscal year 1992. The research findings show the state does not currently own any of the mineral rights but has the immediate potential to own all or part of the mineral rights to 40.74% (or 11,472.20 acres) of the total number of acres researched.

The county with the largest number of acres researched was Itasca (22,413.84 acres). The research objective in Itasca County was to research all of the parcels in Township 150 North, Range 27 West. Only a few parcels remained to be researched in this township at the end of the fiscal year. Research results for this township show that the state owns all or part of the mineral rights to 34.43% (or 7,717.79 acres) and has the immediate potential to own all or part of the mineral rights to an additional 25.53% (or 5,722.38 acres). For the remaining acres researched in Itasca County (8,973.67 acres or 40.04%), the state does not

own nor does it have the immediate potential to own any part of the mineral rights. This figure is mainly attributed to the large amount of ownership by the United States of America in this township.

Research conducted in St. Louis County targeted areas known to have non-registered severed minerals. Thus, the research results showed the state as having the immediate potential to own all or a part of the mineral rights of all of the acres researched (318.40 acres). Mineral forfeiture proceedings are being planned for these acres in the upcoming fiscal year.

Title research in Lake County also revealed the state as having the immediate potential to own all or part of the mineral rights of all of the acres researched (5431.42 acres). Like St. Louis County, research in Lake County targeted areas with known or suspected non-registered severed minerals. The non-registered severed minerals were discovered while researching the ownership of some parcels as possible dimension stone prospect sites. The research revealed common title chains and a mineral severance document listing a large number of parcels. Research will continue on the remaining parcels listed in this severance document during the next fiscal year.

Table 1 gives statistical results of mineral ownership research conducted during fiscal year 1992.

B. Year by Year Comparison of Research Results

The research results continue to show the change in emphasis in the Severed Mineral Interest Program from research of tax-forfeited parcels to research identifying ownership of severed mineral interests. The percentage of acres researched for which the state owns 100% of the mineral rights through a real estate tax forfeiture has been decreasing since the inception of the program. The figure for this category was at a high in fiscal year 1985, the first year of the program, with 68.53%. For fiscal year 1992, this figure was only 24.29%. At the same time, the percentage of acres researched for which the state has no ownership, but has the immediate potential to own all or part of the mineral rights has increased. The first year of the program, fiscal year 1985, produced results showing the state as the potential owner of all or part of the mineral rights to only 8% of the total acres researched. By comparison, fiscal year 1992 showed this figure to be 40.74%. The dramatic difference in these two sets of figures clearly shows the program's change in research emphasis.

Table 2 depicts a year by year comparison of research results throughout the life of the Severed Mineral Interest Research Program and shows cumulative results of the research conducted to date.

Table 1
MINERALS RIGHTS OWNERSHIP RESEARCH RESULTS (IN ACRES) - FISCAL '92

STATE OWNERSHIP STATUS		ITASCA	LAKE	ST. LOUIS	TOTAL
TOTAL ACRES RESEARCHED		22,413.84	5,431.42	318.40	28,163.66
1.	STATE OWNS 100% OF THE MINERAL RIGHTS	6,962.60 31.06%			6,962.60 24.72%
a.	Through real estate tax forfeiture	6,842.60 30.53%			6,842.60 24.29%
b.	Through severed mineral interest tax forfeiture.				
c.	Other	120.00 0.53%			120.00 0.43%
2.	STATE OWNS PART (1-99%) OF THE MINERAL RIGHTS	755.19 3.37%			755.19 2.68%
a.	Through real estate tax forfeiture	755.19 3.37%			755.19 2.68%
b.	Through severed mineral interest tax forfeiture				
c.	Other				
d.	State has the immediate potential to own the remaining part of the mineral rights.	755.19 3.37%			755.19 2.68%
e.	State has the immediate potential to own an additional part of the mineral rights.				
3.	STATE OWNS NONE BUT HAS THE IMMEDIATE POTENTIAL TO OWN 100% OF THE MINERAL RIGHTS.	2,395.24 10.69%	5,431.42 100.00%		7,826.66 27.79%
4.	STATE OWNS NONE BUT HAS THE IMMEDIATE POTENTIAL TO OWN PART (1-99%) OF THE MINERAL RIGHTS.	3,327.14 14.84%		318.40 100.00%	3,645.54 12.95%
5.	STATE OWNS NONE AND HAS NO IMMEDIATE POTENTIAL TO OWN ANY PART OF THE MINERAL RIGHTS.	8,973.67 40.04%			8,973.67 31.86%

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Table 2
OWNERSHIP - YEAR BY YEAR COMPARISON

	FISCAL '85	FISCAL '86	FISCAL '87	FISCAL '88	FISCAL '89	FISCAL '90	FISCAL '91	FISCAL '92	TOTAL
TOTAL ACRES RESEARCHED	70,052.43	26,002.02	25,124.49	35,106.48	37,354.89	63,484.65	45,093.68	28,163.66	330,382.30
1. State owns 100% of the mineral rights.	49,373.81 70.48%	11,065.97 42.56%	15,817.70 62.92%	14,599.63 41.59%	15,701.97 42.03%	5,088.66 8.02%	5,512.85 12.23%	6,962.60 24.72%	124,123.19 37.57%
a. Through real estate tax forfeiture.	48,006.37 68.53%	10,364.22 39.86%	15,658.89 62.33%	13,304.27 37.90%	14,541.30 38.93%	2,501.05 3.94%	5,124.59 11.36%	6,842.60 24.29%	116,343.29 35.21%
b. Through severed mineral interest tax forfeiture.	770.10 1.10%	313.00 1.20%		755.00 2.15%		1,587.50 2.50%	240.00 0.53%		3,665.60 1.11%
c. Other	597.34 0.85%	388.75 1.49%	158.81 0.63%	540.36 1.54%	1,160.67 3.11%	1,000.11 1.57%	148.26 0.33%	120.00 0.43%	4,114.30 1.25%
2. State owns part (1-99%) of the mineral rights	8,499.80 12.13%	5,469.31 21.03%	4,512.07 17.96%	4,913.14 13.99%	4,490.80 12.02%	1,763.43 2.78%	8,268.44 18.34%	755.19 2.68%	38,672.18 11.70%
a. Through real estate tax forfeiture	7,848.54 11.20%	3,668.60 14.11%	4,169.32 16.60%	4,632.04 13.19%	3,841.33 10.28%	1,110.34 1.75%	6,452.38 14.31%	755.19 2.68%	32,477.74 9.83%
b. Through severed mineral interest tax forfeiture.	321.25 0.46%	1,521.81 5.85%		281.10 0.80%	353.50 0.95%	573.09 0.90%	1,453.12 3.22%		4,503.87 1.36%
c. Other	330.01 0.47%	278.90 1.07%	342.75 1.36%		295.97 0.80%	80.00 0.12%	362.94 0.80%		1,690.57 0.51%
d. State has the immediate potential to win the remaining part of the mineral rights*								755.19 2.68%	755.19 0.23%
e. State has the immediate potential to own an additional part of the mineral rights*									
3. State owns none but has the immediate potential to own 100% of the mineral rights	3,047.56 4.35%	2,700.66 10.39%	2,325.93 9.26%	3,790.04 10.80%	4,239.81 11.35%	13,605.54 21.43%	16,085.21 35.67%	7,826.66 27.79%	53,621.41 16.23%
4. State owns none but has the immediate potential to own part (1-99%) of the mineral rights	2,556.05 3.65%	279.12 1.07%	78.16 0.31%	2,768.52 7.89%	4,135.77 11.07%	32,049.84 50.48%	7,593.49 16.84%	3,645.54 12.95%	53,106.49 16.08%
5. State owns none and has no immediate potential to own any part of the mineral rights.	6,575.21 9.39%	6,486.96 24.95%	2,390.63 9.51%	9,035.15 25.74%	8,786.54 23.52%	10,977.18 17.29%	7,633.69 16.93%	8,973.67 31.86%	60,859.03 18.42%

*Data not available for fiscal years 1985-91.

III. SEVERANCE OF THE MINERAL ESTATE FROM THE SURFACE ESTATE

A. Fiscal Year 1992 Research

Research conducted in fiscal year 1992 showed almost an even split in the number of acres for which there was a severance of all or part of the mineral rights from the surface estate (14,147.39 acres or 50.23%) and the number of acres for which there was no severance of any part of the mineral rights from the surface estate (14,016.27 acres or 49.77%). This result was due in part to the areas targeted for research in each county this fiscal year. The results for the individual counties show the difference of research emphasis in each of the three counties where research was conducted in fiscal year 1992. The research conducted in Lake and St. Louis counties focused on areas where there was known severed minerals. The research in Lake County centered on parcels listed in a single mineral severance document. The title research revealed no statements of severed mineral interest were ever filed on these parcels. Thus, 100% of all acres researched had a severance and no statements of severed mineral interest filed. Similarly, the research in St. Louis County was focused on parcels with almost identical title chains in which there was a severance of the minerals from the surface and no statements of severed mineral interest were found to have been filed.

Research conducted in Itasca County resulted in almost twice as many acres with no severance (14,016.27 acres or 62.53%) than acres where all or part of the mineral rights were severed from the surface (8,397.57 acres or 37.47%). This high percentage of acres with no severance of the mineral rights from the surface estate was due to the abundance of land owned by the United States of America in Township 150 North, Range 27 West, the targeted township for research in Itasca County for fiscal year 1992.

The research results for fiscal year 1992 again show a low level of compliance with the severed mineral registration law. Only 2,400 acres or 8.52% of all acres researched had severed minerals and both a statement of severed mineral interest filed and up to date payment of all severed mineral interest taxes. Of all the acres where a severance was found, 81.90% had no statement of severed mineral interest filed.

Table 3 shows the fiscal year 1992 county by county research results of the severance status of mineral rights.

B. Year by Year Comparison of Research Severance Status

At the end of fiscal year 1992, the cumulative totals for all research conducted under the Severed Mineral Interest Research Program once again show that more than one-half (50.89%) of all acres researched have either all or part of the mineral rights severed from the surface estate.

Fiscal year 1992 research continued the trend of a high percentage of total acres researched having either all or part of the mineral rights severed from the surface estate. This trend became apparent in fiscal year 1990. The percentage of research results in this category has remained at over 50% for the past three years.

TABLE 3
SEVERANCES OF MINERAL RIGHTS - FISCAL '92

		ITASCA	LAKE	ST. LOUIS	TOTAL
TOTAL ACRES RESEARCHED		22,413.84	5,431.42	318.40	28,163.66
I.	Total acres with either all or part of the mineral rights severed from the surface estate.	8,397.57 37.47%	5,431.42 100.00%	318.40 100.00%	14,147.39 50.23%
A.	Statements of severed mineral interest filed.	2,560.56 11.43%			2,560.56 9.09%
1.	Severed mineral interest tax paid.	2,400.00 10.71%			2,400.00 8.52%
2.	Severed mineral interest tax not paid.	160.56 0.72%			160.56 0.57%
3.	Severed mineral interest tax paid on part and not paid on another part.				
B.	No statements of severed mineral interest filed.	5,837.01 26.04%	5,431.42 100.00%	318.40 100.00%	11,586.83 41.14%
C.	Statement of severed mineral interest filed for part of the severed mineral interest and not filed for another part.				
1.	Severed mineral interest tax paid on part filed.				
2.	Severed mineral interest tax not paid on part filed.				
3.	Severed mineral interest tax paid on one part filed and not paid on another part filed.				
II.	Total acres with no severance of any part of the mineral rights from the surface estate.	14,016.27 62.53%			14,016.27 49.77%

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The percentage of acres for which there was a severance of the mineral rights and for which no statement of severed mineral interest was filed remained at more than one-third (35.53%) of all acres researched under the Severed Mineral Interest Research Program.

The percentage of acres researched with no severance of any part of the mineral rights from the surface estate increased for fiscal year 1992. This figure was 49.77% for fiscal year 1992, the highest percentage since fiscal year 1989 for this category. The increase in this figure for fiscal year 1992 was due to the large number of parcels owned by the

United States of America in the targeted research township (T150N-R27W) in Itasca County.

Table 4 depicts the year by year comparison of the severance status of research results to date.

IV. PROJECTS OF SPECIAL INTEREST

A. Forfeitures of Non-Registered Severed Mineral Interests

For the third consecutive year, the Attorney General used information and research provided by the Severed Mineral Interest Research Program to pursue the forfeiture to the state of severed minerals where the record owner of the minerals had failed to file the required statement of severed mineral interest. The one forfeiture proceeding which occurred during fiscal year 1992 involved severed minerals in Lake County.

1. Hiram W. and Margaret D. Sibley and Agate Bay Iron Company

These interests came to the attention of the Severed Mineral Interest Research Program during a requested ownership search of parcels as possible dimension stone prospect sites. Title chain research was conducted on the parcels and no statements of severed mineral interest had ever been filed. The record owners of one-half of the severed minerals were Hiram W. and Margaret D. Sibley; the other one-half of the minerals was owned by the Agate Bay Iron Company, an expired Minnesota corporation. This forfeiture was of a full interest in minerals for 5,116.56 acres in Lake County. The court proceeding at which forfeiture was declared to be final and absolute for this group of severed minerals occurred on May 6, 1992. Additional parcels listed on the mineral severance document conveying mineral interests to the Agate Bay Iron Company will be researched in the upcoming fiscal year. These additional mineral interests will be analyzed for their potential inclusion in a future forfeiture action.

Table 5 is a compilation of all court ordered severed mineral forfeitures occurring from December 19, 1981 through June 30, 1992.

TABLE 4
SEVERANCES - YEAR BY YEAR COMPARISON

	FISCAL '85	FISCAL '86	FISCAL '87	FISCAL '88	FISCAL '89	FISCAL '90	FISCAL '91	FISCAL '92	TOTAL
TOTAL ACRES RESEARCHED	70,052.43	26,002.02	25,124.49	35,106.48	37,354.89	63,484.65	45,093.68	28,163.66	330,382.30
I. Total acres with either all or part of the mineral rights severed from the surface estate.	14,891.32 21.26%	11,011.09 42.35%	8,589.61 34.19%	17,316.48 49.32%	14,706.72 39.37%	52,285.86 82.36%	35,178.91 78.01%	14,147.39 50.23%	168,126.93 50.89%
A. Statement of severed mineral interest filed.	3,547.07 5.06%	3,299.79 12.69%	2,374.52 9.45%	7,670.90 21.85%	3,164.59 8.47%	4,829.89 7.61%	3,864.21 8.57%	2,560.56 9.09%	31,311.53 9.48%
1. Severed mineral interest tax paid.	2,184.78 3.12%	1,760.03 6.77%	2,097.98 8.35%	5,199.25 14.81%	2,258.34 6.05%	2,655.74 4.18%	3,153.41 6.99%	2,400.00 8.52%	21,709.53 6.5%
2. Severed mineral interest tax not paid.	1,362.29 1.94%	1,072.35 4.12%	276.54 1.10%	2,311.65 6.58%	466.25 1.25%	2,094.15 3.30%	520.00 1.15%	160.56 0.57%	8,263.79 2.50%
3. Severed mineral interest tax paid on part and not paid on another part.		467.41 1.80%		160.00 0.46%	440.00 1.18%	80.00 0.13%	190.80 0.42%		1,338.21 0.41%
B. No statements of severed mineral interest filed.	10,205.18 14.57%	5,661.97 21.78%	5,730.24 22.81%	7,414.60 21.12%	10,020.33 26.82%	38,481.26 60.62%	28,300.57 62.75%	11,586.83 41.14%	117,400.98 35.53%
C. Statement of severed mineral interest filed for part of the severed mineral interest and not filed for another part.	1,139.07 1.63%	2,049.33 7.88%	484.85 1.93%	2,230.53	1,521.80 4.07%	8,974.71 14.14%	3,014.13 6.68%		19,414.42 5.88%
1. Severed mineral interest tax paid on part filed.	707.45 1.01%	120.00 0.46%		654.05 1.86%	921.80 2.47%	2,710.00 4.27%	200.00 0.44%		5,313.30 1.61%
2. Severed mineral interest tax not paid on part filed.	431.62 0.62%	780.37 3.00%	484.85 1.93%	856.48 2.44%	560.00 1.50%	6,081.66 9.58%	2,655.38 5.89%		11,850.36 3.59%
3. Severed mineral interest tax paid on one part filed and not paid on another part filed.		1,148.96 4.42%		720.00 2.05%	40.00 0.11%	183.05 0.29%	158.75 0.35%		2,250.76 0.68%
II. Total acres with no severance of any part of the mineral rights from the surface estate.	55,161.11 78.74%	14,990.93 57.65%	16,534.88 65.81%	17,790.45 50.68%	22,648.17 60.63%	11,198.79 17.64%	9,914.77 21.99%	14,016.27 49.77%	162,255.37 49.11%

TABLE 5
Court-Ordered Severed Minerals Forfeitures
 (12-19-81 through 6-30-92)

Parties	County	Order/Judgment Date	Filing Date	Acreage
Petitioner: State of Minnesota Respondents: Hiram W. and Margaret D. Sibley and Agate Bay Iron Company, et. al	Lake	J. 4-6-92	f. 5-6-92	5,116.56 acres
Petitioner: State of Minnesota Respondent: John and Jennie Clark	Lake	8-19-91		1,251.43 acres
Petitioner: State of Minnesota Respondent: Itasca Lumber Co.	Itasca	J. 4-24-91		822.53 acres
Petitioner: State of Minnesota Respondent: Menasha Wooden Ware Corporation	Lake	J. 7-17-90		6,112.91 acres
Petitioner: State of Minnesota Respondents: Bayfield Security and Land Company, et. al.	Lake	2-20-90		Undivided ½ int. in 1,924.66 acres
Petitioner: State of Minnesota Respondents: Poca Iron Company	St. Louis	2-1-89	QCD f. 2-16-89	Undivided ¾ int. in 200 acres
Plaintiff: Ruby E. Brown Defendants: Red River Lumber Company, The State of Minnesota, Ernest K. Lehmann & Associates, et. al.	Cass	J. 9-13-88		40 acre surface to Plaintiff; minerals less RR R/W to State of Minnesota
Petitioner: State of Minnesota Respondents: The Brewster Company, et. al.	St. Louis	J. 5-9-86	f. 5-9-86	40 acres
Petitioner: State of Minnesota Respondent: Alonzo Varner	Koochiching	J. 7-1-85		Undivided 1/5 int. in 84.02 acres
Petitioner: State of Minnesota Respondents: Minneapolis Threshing Machine Company	Morrison	J. 6-18-84		160 acres
Petitioner: State of Minnesota Respondents: Backus-Brooks Co. & Frank P. Sheldon, et. al.	Itasca	J. 12-19-83	f. 12-19-83	40 acres
Petitioner: State of Minnesota Respondents: Gilbert Land Company, et. al.	Itasca	J. 12-19-83	f. 12-19-83	40 acres
Total Acres:				15,832.11

B. Accelerated Severed Minerals Program

The Research Analyst working under the Accelerated Severed Minerals Program accomplished significant results in fiscal year 1992. The Research Analyst assists in performing mineral ownership research by examining only a portion of the title chain and by using sources other than the official county records. Although the information gathered cannot definitely identify mineral rights ownership, it can make a valid state claim more or less likely. The information also assists in making decisions as to where to conduct more extensive research in the future. Since a final report for fiscal year 1992 has already been submitted for the Research Analyst, the accomplishments of that position will only be summarized here.

The research project for Pine Land Lumber Company involved trying to determine if the company had good title to severed mineral interests in Beltrami, Cass, Itasca and Koochiching counties which the company had donated to the state. Incomplete title chains following the mineral title only were successfully compiled for 57,392.59 acres of severed mineral claims in these four counties. More extensive research has revealed some instances of Pine Land Lumber Company not owning the mineral interests claimed. However, the research results compiled by the research analyst generally support, without confirming, the claims of mineral ownership by Pine Land Lumber Company. Preliminary research was also conducted by an attorney of the severed mineral interests of Pine Land Lumber Company in St. Louis County. A total of 466.00 acres were researched to begin this new project. The mineral interests of Pine Land Lumber Company in St. Louis County were also donated to the state and likewise, research is being conducted to determine if the company had good title to these interests.

Incomplete title chain research was conducted for mineral rights claimed by Meridian Minerals Company in Beltrami, Koochiching, Morrison, and Todd counties. Research in these four counties successfully compiled mineral title chains for 16,188.00 acres. The results generally support, without confirming, the claims of mineral ownership by Meridian Minerals Company.

The records of Koochiching County were reviewed to compile incomplete title chains for mineral rights claimed by Potlatch Corporation. Mineral title chains were compiled for 2,710.53 acres. Research revealed that a link still must be established between Northwest Paper Company and Potlatch Corporation in order to support the mineral claims made by Potlatch.

The records of St. Louis County were reviewed to construct partial title chains for parcels connected to the C.N. Nelson Lumber Company project. This project is attempting to compile chains for these parcels starting with the original patents to the time of acquisition by C.N. Nelson Lumber Company. These parcels were later transferred to Northern Development Company and eventually named in severed mineral interest statements filed by USX Corporation. Research on 6,000.00 acres was completed for this project in fiscal year 1992.

The Research Analyst also provided helpful research in areas targeted to be offered in state metallic minerals lease sales. A total of 20,370.95 acres were researched in fiscal year 1992 in connection to lease sales.

Overall, the Accelerated Severed Minerals Program provided invaluable information based on research of 103,420.07 acres during fiscal year 1992. This total represents a slight decrease from fiscal year 1991 in the number of acres researched due to the increased difficulty of the title work and the departure of the program's Research Analyst prior to the end of the fiscal year.

C. Forfeitures for Non-Payment of Severed Mineral Taxes

A tax judgment was entered against severed mineral interests located in ten townships of Cass County in the District Court of Cass County during this fiscal year to enforce payment of delinquent severed mineral taxes for the years 1983-1987. No payment of the delinquent taxes was made during the time for redemption and the title to the severed mineral interests forfeited to the state on February 14, 1992.

V. CONCLUSION

Research conducted under the Severed Mineral Interest Research Program during fiscal year 1992 produced many significant accomplishments.

- * Complete title chain research was completed for 28,163.66 acres.
- * Partial title chain research and unofficial source title research was conducted for 103,420.07 acres. Although this information is not conclusive as to ownership, it is an important source of information and highlights areas needing more extensive research.
- * The Hiram W. and Margaret D. Sibley and Agate Bay Iron Company severed mineral forfeiture added the whole interest in 5,116.56 acres in Lake County to state mineral ownership.

All of the accomplishments of fiscal year 1992 represent additions to the pool of information about mineral ownership in the state made available by the research conducted to date by this program. The accomplishments of fiscal year 1992 are significant. However, it must be recognized that an enormous amount of work remains to be done in mineral title research.

