

§ 47E-4.1. Required mineral and oil and gas rights disclosures.

(a) With regard to transfers described in G.S. 47E-1 and G.S. 47E-2(b), the owner of the real property shall furnish to a purchaser a mineral and oil and gas rights mandatory disclosure statement. The disclosure shall be conspicuous, shall be in boldface type, and shall be as follows:

MINERAL AND OIL AND GAS RIGHTS DISCLOSURE

Mineral rights and/or oil and gas rights can be severed from the title to real property by conveyance (deed) of the mineral rights and/or oil and gas rights from the owner or by reservation of the mineral rights and/or oil and gas rights by the owner. If mineral rights and/or oil and gas rights are or will be severed from the property, the owner of those rights may have the perpetual right to drill, mine, explore, and remove any of the subsurface mineral and/or oil or gas resources on or from the property either directly from the surface of the property or from a nearby location. With regard to the severance of mineral rights and/or oil and gas rights, Seller makes the following disclosures:

		Yes	No	No Representation
_____ Buyer Initials	1. Mineral rights were severed from the property by a previous owner.	___	___	___
_____ Buyer Initials	2. Seller has severed the mineral rights from the property.	Yes	No	
_____ Buyer Initials	3. Seller intends to sever the mineral rights from the property prior to transfer of title to Buyer.	___	___	
_____ Buyer Initials	4. Oil and gas rights were severed from the property by a previous owner.	Yes	No	No Representation
_____ Buyer Initials	5. Seller has severed the oil and gas rights from the property.	___	___	
_____ Buyer Initials	6. Seller intends to sever the oil and gas rights from the property prior to transfer of title to Buyer.	Yes	No	

(b) The North Carolina Real Estate Commission shall develop and require the use of a mineral and oil and gas rights mandatory disclosure statement to comply with the requirements of this section. The disclosure statement shall specify that the transfers identified in G.S. 47E-2(a) are exempt from this requirement but the transfers identified in G.S. 47E-2(b) are not. The disclosure statement shall provide the owner with the option to indicate whether the owner has actual knowledge of the specified characteristics or conditions. The owner may make no representations only as to a previous severance of mineral rights and previous severance of oil and gas rights.

(c) The rights of the parties to a real estate contract as to the severance of minerals or the severance of oil and gas rights by the previous owner of the property and of which the owner had no actual knowledge are not affected by this Article unless the mineral and oil and gas rights mandatory disclosure statement states that the owner makes no representations as to the severance of mineral rights or the severance of oil and gas rights by the previous owner of the property. If the statement states that an owner makes no representations as to the severance

of mineral rights or the severance of oil and gas rights by the previous owner of the property, then the owner has no duty to disclose the severance of mineral rights or the severance of oil and gas rights, as applicable, by a previous owner of the property, whether or not the owner should have known of any such severance. (2014-120, s. 49(a).)