

55-221. Same; duties of receiver; duties of court. Such receiver shall proceed immediately to enter into negotiations with prospective purchasers and shall sell an oil and gas lease on the interest of the defendant or defendants, such lease to be for a primary term of not to exceed five years from date and as long thereafter as oil and gas, or either of them, is produced in paying quantities from the land by the lessee. The lease shall not be sold for less than the minimum bonus, rentals and royalties specified in the order of the court. All bonuses, rentals or other monies paid to the receiver for the execution or extension of the oil and gas lease shall be by the receiver deposited with the court for the use and benefit of the defendants. Upon production being obtained or the expiration of the lease, the court shall immediately discharge such receiver. The court shall hold and distribute the monies received in the same manner as property received by a court as proceeds of a class action as specified in subsection (a)(9) of K.S.A. 58-3935, and amendments thereto. Any and all future production payments or other benefits paid under such oil and gas lease shall be retained in suspense by the oil and gas purchasing company and held until further orders of the court or until required to be distributed pursuant to the uniform unclaimed property act, K.S.A. 58-3934 et seq., and amendments thereto. The cost of the receiver and the court cost shall be affixed by the court and shall be paid by the plaintiff.

History: L. 1973, ch. 218, § 3; L. 2008, ch. 53, § 1; July 1.