

**79-330. Oil and gas properties; valuation and assessment; cancellation of taxes of less than \$5.**

In valuing for taxation, oil or gas properties consisting of one or more leases and oil or gas wells, there shall, in addition to the value of all oil- or gas-well material in or upon the leasehold properties, be made such valuation of the oil or gas wells as would make a reasonable and fair value of the whole property. Such portion of the valuation of the oil or gas wells as represents the lessor's interest, or royalty interest, therein shall be assessed to the owner thereof and the remaining portion or working interest therein shall be assessed to the owner of the lease, together with the other property assessed in connection therewith. When the aggregate amount of tax owed by any taxpayer on any such royalty interest or royalty interests having a tax situs in the same taxing district is less than \$5, such tax shall be cancelled and the amount shall not be included on the personal property list. Upon the written request or consent submitted annually prior to April 1 by the owner of a gas lease where the gas is being delivered into interstate commerce, the entire valuation may be assessed to such owner.

**History:** L. 1917, ch. 323, § 2; R.S. 1923, 79-330; L. 1977, ch. 326, § 1; L. 1977, ch. 327, § 1; L. 1992, ch. 282, § 17; May 28.