

# **WEST VIRGINIA LEGISLATURE**

## **2024 REGULAR SESSION**

**Introduced**

### **House Bill 4292**

By Delegates Anderson, Warner, Willis, Kelly and

Zatezalo

[Introduced January 10, 2024; Referred  
to the Committee on Energy and Manufacturing then  
Judiciary]



1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,  
2 designated §36-4-9c, relating to providing for enhanced damages for nonpayment of  
3 royalties due from oil, natural gas, or natural gas liquids production under the terms of a  
4 lease or other agreement.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 4. COVENANTS.**

**§36-4-9c. Penalties for nonpayment of royalties under the terms of oil and natural gas leases during production from conventional vertical wells.**

1 With regard to conventional vertical oil, natural gas, or natural gas liquids, wells only,  
2 permitted under §22-6-1 et seq. of this code, unless otherwise provided for in writing or unless  
3 there is a bona fide dispute between the parties, any lessee or operator of oil, natural gas, or  
4 natural gas liquids, or their successors or assigns, who fails to pay a royalty payment for mineral  
5 production to a lessor, or their successors and assigns, under the terms of a lease or other  
6 agreement within six months after the date payment is due under the terms of such lease or other  
7 agreement, shall be liable to such lessor or landowner, or their successors or assigns, in an  
8 amount equal to three times the market value of the extracted minerals for which payment is due,  
9 plus reasonable attorney's fees and costs in addition to and notwithstanding any other rights,  
10 remedies, and penalties otherwise provided by law.

NOTE: The purpose of this bill is to provide for enhanced damages for nonpayment of royalties due from oil, natural gas, or natural gas liquids production under the terms of a lease or other agreement.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.