



concerning default.

Proposed law provides that prior to seeking damages or dissolution for the lessee's failure to develop and/or operate prudently, the lessor shall provide written notice of the breach and allow a reasonable time for performance by the lessee. In such case, proposed law provides that any damages for which a lessee is held responsible may be computed from the time a reasonably prudent operator would have remedied the failure to perform. In other cases where notice is required, damages may be computed only from the time the written notice was received by the lessee. Proposed law provides that the parties may stipulate what constitutes a reasonable time for performance.

Proposed law provides that prior to seeking damages or dissolution for the failure of the lessee to pay rent or royalties, the lessor shall give written notice of the failure.

Proposed law provides that the lessee has 30 days after receipt of notice to either pay rent or royalties or respond with cause for nonpayment. If the lessee pays within 30 days of notice, dissolution is precluded unless the original failure to pay was fraudulent, but the lessee is liable for interest from the payment due date. Proposed law provides that if the lessee pays with 30 days of notice but the original failure to pay was fraudulent or willful, the court may award interest and an attorneys fee as additional damages. In cases of oversight or neglect, the court may add the attorneys fee if the interest is not paid within 30 days of written demand.

Proposed law provides that if the lessee fails to pay rent or royalties due and fails to inform the lessor of a reasonable cause in response to the notice, the court may dissolve the lease and may award the amount of rent or royalties due, interest from the date due, and a reasonable attorneys fee, regardless of the cause for nonpayment.

Proposed law provides that the parties may stipulate a time period longer than 30 days, but no greater than 60 days, for payment of rent or royalties following written notice for payment.

Proposed law provides that the parties to the lease may stipulate the delivery conditions, manner, and method of any written notice to the lessee.

Proposed law provides that the renewable energy lessee cannot be evicted by summary process.

Proposed law provides that the lease may be judicially dissolved partially or in its entirety. Proposed law provides that the partial dissolution may be made applicable to a specified portion of land, or in any way that provides appropriate justice.

Proposed law provides that the lessor of a renewable energy lease has a privilege on all equipment, machinery, and other property of the lessee, either on or attached to the leased property, for the payment of his rent, and other obligations of the lease. The right extends to property of others on or attached to the property by their express or implied consent in connection with lease operations.

Proposed law provides that the lessor may seize property subject to his privilege before removal from the leased premises, or within 15 days after it has been removed without the lessor's consent, if it

remains as the lessee's identifiable property.

Proposed law provides that the renewable energy lessor may enforce his privilege in the same manner accorded other lessors.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 30:1161-1178)