

**38-10-102 Those entitled to lien -- What may be attached -- Qualifying work, materials, equipment, and costs -- Liability of nonoperating owners.**

- (1) Contractors and subcontractors shall have a lien upon the interest of the owner in:
  - (a) the production unit and access rights appurtenant thereto;
  - (b) pipelines, including rights of way, buildings, wells, oil tanks, and appurtenances located on the land or leasehold within the production unit; and
  - (c) the ore, minerals, oil, gas, or associated substances in the ground, or while the same remain in storage on the production unit, which are attributable to the interest subject to the lien as the interest existed on the date work was first performed or materials or equipment were first furnished.
- (2) The lien upon the interest of the owner in property described in Subsections (1)(a) through (c) shall be for the value of the work performed or materials or equipment furnished for:
  - (a) open pit work, field processing, construction, alteration, digging, drilling, driving, boring, operating, perforating, fracturing, testing, logging, acidizing, cementing, completion, repair, maintenance, prospecting, sampling, exploration, development, preservation, performing geophysical, geochemical, location, or assessment work, or related activities;
  - (b) work performed or materials or equipment furnished in accordance with a pooling order, or pursuant to an operating agreement, or other agreement governing joint mining, or oil, and gas operations;
  - (c) title services, designs, plats, plans, maps, specifications, drawings, estimates of cost, surveys, permitting, or regulatory compliance;
  - (d) foreclosure costs including publication, costs of sale, sheriff's fees, attorney's fees, and other costs of collection; and
  - (e) transportation and related mileage charges, for any work performed or materials or equipment furnished pursuant to Subsections (2)(a) through (d).
- (3) For purposes of this section, the operator under a joint operating agreement, unit operating agreement, or other agreement granting one owner control of operations on the production unit shall not be considered to be the agent or contractor of the nonconsenting, nonoperating owners. The operator shall, however, have the lien granted under Subsection (1) upon the interest of all nonoperating owners for work performed, or materials or equipment furnished by the operator; and the nonoperating owners shall have the lien granted under Subsection (1) upon the interest of the operator for work performed, or materials or equipment furnished by third persons to the extent the nonoperating owners have paid or advanced funds to the operator for such work, materials, or equipment.

Amended by Chapter 203, 1990 General Session