

**LIEN FOR LABOR AND MATERIALS FOR OIL OR GAS WELLS, PIPE LINES, OR EQUIPMENT
(EXCERPT)
Act 146 of 1937**

570.256 Liens; duration, priority over other interests, subrogation.

Sec. 6.

The several liens herein provided for shall continue for 1 year after such statement or account is recorded in the office of the register of deeds and no longer unless proceedings are begun to enforce same as hereinafter provided, and such liens shall take priority as follows:

First: As between persons claiming liens under this statute, the several liens upon the same property attaching by reason of work, labor or materials furnished in carrying forward or completing the same oil or gas wells, oil or gas derrick, oil tanks, oil or gas pipe line, machinery, fixtures or appurtenances, shall be of equal rank and share pro rata in the proceeds of any sale of such property under any judgment or decree entered in a suit brought to enforce the same.

Second: They shall take priority to all garnishments for the contract debt made prior or subsequent to the commencement of the furnishing of the materials or performance of the labor without regard to the date of filing the claims for lien.

Third: They shall be preferred to all other titles, liens, or encumbrances which may attach to or upon such oil or gas wells, oil or gas derricks, oil tanks, oil or gas pipe lines, machinery, fixtures or appurtenances or upon the leasehold upon which they are situated, which shall either be given or recorded subsequent to the commencement of the furnishing of the materials or performance of the labor.

Fourth: The liens for such labor or materials furnished, including those for additions, repairs and betterments, shall attach to the leasehold estates, oil or gas wells, oil or gas derricks, oil tanks, oil or gas pipe lines, machinery, fixtures, appurtenances or improvements for which they are furnished or done, subject to any prior recorded title, claim, lien, encumbrance, or mortgage to or upon the leasehold estate upon which such oil or gas wells, oil or gas derricks, oil tanks, oil or gas pipe lines, machinery, fixtures, appurtenances or improvements belong or are put. Any person holding a lien for such labor or materials furnished upon any leasehold estate subject to any prior recorded lien, encumbrance or mortgage may pay off any such prior lien, encumbrance or mortgage, and shall thereupon be subrogated to all of the rights of the prior holder of such lien, encumbrance or mortgage.

History: 1937, Act 146, Imd. Eff. July 2, 1937 ;-- CL 1948, 570.256 ;-- Am. 1958, Act 67, Eff. Sept. 13, 1958