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**BUSINESS AND PROFESSIONS CODE - BPC**

**DIVISION 4. REAL ESTATE [10000 - 11506]** ( *Division 4 added by Stats. 1943, Ch. 127.*  )

**PART 1. LICENSING OF PERSONS [10000 - 10580]** ( *Part 1 added by Stats. 1943, Ch. 127.*  )

**CHAPTER 7. Mineral, Oil and Gas Brokerage [10500 - 10580]** ( *Chapter 7 added by Stats. 1943, Ch. 749.*  )

**ARTICLE 1. Scope of Regulation [10500 - 10513]** ( *Article 1 added by Stats. 1943, Ch. 749.*  )

**10500.** Except as otherwise provided in Section 10131.4 and this chapter, it is unlawful for any person to engage in any of the following acts for another or others for compensation or in expectation of compensation, unless the person is licensed as a mineral, oil, and gas broker or a real estate broker:

- (a) To sell or offer for sale, buy or offer to buy, solicit prospective sellers or purchasers, solicit or obtain listings, or negotiate the purchase, sale, or exchange of mineral, oil, or gas property.
- (b) To solicit borrowers or lenders for or negotiate loans on mineral, oil, or gas property, or collect payments for lenders in connection with these loans.
- (c) To lease or offer to lease or negotiate the sale, purchase, or exchange of leases on mineral, oil, or gas property.
- (d) To rent or place for rent, mineral, oil, or gas property or to collect rent or royalties from mineral, oil, or gas property or improvements thereon.
- (e) Other than as an officer or employee of the state or federal government, to assist or offer to assist another or others in filing an application for the purchase or lease of, or to locate or enter upon mineral, oil, or gas property owned by the state or federal government.

(Amended by Stats. 1993, Ch. 416, Sec. 15. Effective January 1, 1994.)

**10500.5.** Except as otherwise provided in Section 10131.45 and in this chapter, it is unlawful for any person to engage in the following businesses as a principal unless the person is licensed as a mineral, oil, and gas broker or a real estate broker:

- (a) Except as provided in subdivision (d) of Section 10502, buying or leasing, or taking an option on mineral, oil, or gas property for the purpose of sale, exchange, lease, sublease, or assignment of a lease of the property or any part of the property.
- (b) Offering mining claims or any interest therein for sale or assignment.

(Amended by Stats. 1993, Ch. 416, Sec. 16. Effective January 1, 1994.)

**10501.** (a) The Real Estate Commissioner may file a complaint for any violation of Section 10500 or 10500.5 before any court of competent jurisdiction, and the commissioner and the commissioner's counsel, deputies or assistants may assist in presenting the law or facts at the trial.

(b) It is the duty of the district attorney of the county in which a violation of Section 10500 or 10500.5 occurs to prosecute the violation.

(c) A natural person convicted of a violation of Section 10500 or 10500.5 shall be punished by a fine of not to exceed five hundred dollars (\$500) or by imprisonment in the county jail for a term not to exceed six months, or by both such fine and imprisonment, in the discretion of the court. A corporation convicted of a violation of Section 10500 or 10500.5 shall be punished by a fine of not to exceed five thousand dollars (\$5,000).

(Repealed and added by Stats. 1983, Ch. 268, Sec. 4.)

**10502.** A mineral, oil and gas broker license shall not be required to engage in any of the following activities with respect to a mineral, oil or gas property:

- (a) To act as a depository under an oil lease, gas lease or oil and gas lease other than for purpose of sale.

(b) To engage in any transaction subject to an order of a court of competent jurisdiction.

(c) To engage in the business of drilling for or producing oil or gas or mining for or producing minerals.

(d) To negotiate leases or agreements between an owner of mineral, oil or gas lands, leases or mineral rights on the one hand, and a person organized for or engaging in oil or gas or mineral or metal production on the other, or to enter into leases or agreements with an owner of mineral, oil, or gas lands, leases, or mineral rights on behalf of a disclosed or undisclosed person organized for or engaging in oil or gas or mineral or metal production.

(e) To deal with mineral rights or land, other than oil or gas rights or land, as the owner of the rights or land.

*(Added by Stats. 1983, Ch. 268, Sec. 6.)*

**10503.** Mineral, oil or gas property refers to land used for, intended to be used for, or concerning which representations are made with respect to, the mining of minerals or the extraction of oil or gas therefrom.

*(Added by Stats. 1943, Ch. 749.)*

**10508.** No person engaged in the business or acting in the capacity of a mineral, oil and gas broker within this state shall bring or maintain any action in the courts of this state for the collection of compensation for the performance of any of the acts mentioned in this article without alleging and proving that he was a duly licensed mineral, oil and gas broker at the time the alleged cause of action arose.

*(Amended by Stats. 1967, Ch. 747.)*

**10509.** (a) It is unlawful for a mineral, oil, and gas broker or a real estate broker to compensate, directly or indirectly, any person who is not a mineral, oil, and gas broker or a licensed real estate salesperson retained by the real estate broker for performing any acts for which a mineral, oil, and gas broker license is required.

(b) It is a misdemeanor, punishable by a fine of not exceeding one hundred dollars (\$100) for each offense, for any person, whether obligor, escrow holder, or otherwise, to pay or deliver compensation to a person for performing any acts for which a mineral, oil, and gas broker license is required unless that person is known by the payer to be or has presented evidence to the payer that he or she was a licensed mineral, oil, and gas broker at the time the compensation was earned.

*(Amended by Stats. 2018, Ch. 285, Sec. 52. (AB 2884) Effective January 1, 2019.)*

**10512.** Every officer, agent or employee of any company, and every other person who knowingly authorizes, directs or aids in the publication, advertisement, distribution or circularization of any false statement or representation concerning any mineral, oil or gas property, or, if the mineral, oil or gas property is owned by the state or federal government, which such person offers to assist another or others to file an application for the purchase or lease of, or to locate or enter upon, and every person who, with knowledge that any advertisement, pamphlet, prospectus or letter concerning any mineral, oil or gas property or any written statement that is false or fraudulent, issues, circulates, publishes or distributes the same, or causes the same to be issued, circulated, published or distributed, or who in any other respect willfully violates or fails, omits, or neglects to obey, observe or comply with any order, permit, decision, demand or requirement of the commissioner under the provisions of this part relating to mineral, oil and gas brokerage, is guilty of a misdemeanor, and shall be punished by imprisonment in the county jail for a term not to exceed six months, or by a fine of not to exceed one thousand dollars (\$1,000), and, if a mineral, oil and gas licensee, he shall be held to trial by the commissioner for a suspension or revocation of his mineral, oil and gas license, as provided in the provisions of this part relating to hearings. It shall be the duty of the district attorney of each county in this state to prosecute all violations of the provisions of this section in respective counties in which the violations occur.

*(Amended by Stats. 1983, Ch. 1092, Sec. 43. Effective September 27, 1983. Operative January 1, 1984, by Sec. 427 of Ch. 1092.)*

**10513.** In performing acts within the scope and under the authority of this chapter, mineral, oil and gas brokers are subject to the provisions applicable to real estate brokers contained in Sections 10131.5, 10140.5, 10142, 10143.5, 10144, 10145, and 10148.

*(Repealed and added by Stats. 1983, Ch. 268, Sec. 15.)*