

SUPREME COURT OF NORTH DAKOTA

Estate of Leroy E. Seidel v. James A. Seidel; Gravel Supply LLC; and Troy Seidel

2021 ND 6 (N.D. 2021) · No. 20200148 · Decided January 12, 2021

SUMMARY

The North Dakota Supreme Court held that a 2008 warranty deed unambiguously conveyed Leroy Seidel's gravel and other surface mineral interests to James Seidel. Applying N.D.C.C. §§ 47-09-16 and 47-10-25, the Court concluded that gravel must be specifically reserved in the deed effecting the transfer, and that prior deeds in the chain of title did not satisfy that requirement. The Court reversed the award of \$68,958.75 to the estate and remanded for consideration of the defendants' counterclaims.

CASE DETAILS

COURT	Supreme Court of North Dakota
WRITING FOR THE COURT	Jerod E. Tufte, Justice; Jon J. Jensen, C.J.; Gerald W. VandeWalle; Daniel J. Crothers; Lisa Fair McEvers; Jerod E. Tufte
JURISDICTION	North Dakota
DECIDED	January 12, 2021
DOCKET	20200148
DISPOSITION	reversed_and_remanded
PROCEDURAL POSTURE	Appeal from a judgment after a bench trial awarding the Estate of Leroy Seidel \$68,958.75 for the Defendants' sale of gravel from the subject property.
STANDARD OF REVIEW	Whether a deed is ambiguous is a question of law fully reviewable on appeal. The interpretation of an unambiguous deed is also reviewed as a question of law.
PRECEDENTIAL VALUE	Published North Dakota Supreme Court opinion; precedential.
PARTIES	James A. Seidel, Gravel Supply LLC, Troy Seidel v. Estate of Leroy E. Seidel

TOPICS

[real estate](#)[mineral rights](#)[deeds](#)[statutory interpretation](#)[probate](#)

PRACTICE AREAS

real estate

probate

mineral rights

contracts

QUESTIONS PRESENTED

1. Whether res judicata or the 2007 release barred the Estate's claim to one-half of the gravel and other surface-mineral interests.
2. Whether the 2008 warranty deed was ambiguous and whether it conveyed Leroy Seidel's gravel and other surface-mineral interests to James Seidel.
3. Whether N.D.C.C. § 47-10-25 requires gravel to be specifically reserved in the deed effecting the transfer, rather than in an earlier deed in the chain of title.

HOLDINGS

1. The court declined to decide whether res judicata barred the claim because the district court did not base its decision on res judicata and the doctrine should not be applied rigidly.
2. The 2008 warranty deed was unambiguous, and the parties' intent could be ascertained from the deed alone.
3. The 2008 warranty deed conveyed Leroy Seidel's gravel and other surface-mineral interests to James Seidel because Leroy did not specifically reserve those interests in the 2008 deed.

KEY QUOTATIONS

“Gravel, clay, and scoria shall be transferred with the surface estate unless specifically reserved by name in the deed, grant, or conveyance.” (¶ 19)

“Unless ‘the deed’ specifically reserves gravel, the gravel ‘shall be transferred with the surface.’” (¶ 21)

“We conclude the 2008 warranty deed is unambiguous, and under the deed’s plain language, Leroy Seidel conveyed his gravel interest in the property to James Seidel because Leroy Seidel did not specifically reserve the gravel as required by N.D.C.C. § 47-10-25.” (¶ 24)

FACTUAL BACKGROUND

Leroy and James Seidel each owned one-half of mineral interests, including gravel and other surface minerals, in specified Williams County property. As part of a 2007 settlement, Leroy executed a January 2008 warranty deed conveying his interest in the real property to James; the deed did not reserve minerals or gravel. After later litigation and a stipulation concerning mineral interests that excluded clay, scoria, and gravel, Leroy's estate sued alleging that Defendants had sold gravel without paying Leroy's share.

PROCEDURAL HISTORY

The Estate sued the Defendants for conversion and theft, alleging Leroy Seidel owned one-half of the gravel and other surface minerals and was entitled to payment for gravel sold from the property. The district court denied the Defendants' summary-judgment motion, finding the 2008 warranty deed ambiguous, and after a bench trial ruled that the deed did not convey Leroy's gravel interests. The North Dakota Supreme Court reversed the

portions of the judgment concerning ownership and damages and remanded for proceedings on the Defendants' counterclaims.

DISPOSITION

reversed_and_remanded

REMAND INSTRUCTIONS

The district court must conduct further proceedings addressing the Defendants' counterclaims.

CASES CITED

- Fredericks v. Vogel Law Firm, 2020 ND 171, ¶ 10, 946 N.W.2d 507
- Kulczyk v. Tioga Ready Mix Co., 2017 ND 218, ¶ 10, 902 N.W.2d 485
- Fettig v. Estate of Fettig, 2019 ND 261, ¶ 15, 934 N.W.2d 547
- Fed. Land Bank of Saint Paul v. Anderson, 401 N.W.2d 709, 712 n.2 (N.D. 1987)
- Gerrity Bakken, LLC v. Oasis Petroleum N. Am., LLC, 2018 ND 180, ¶ 9, 915 N.W.2d 677
- Johnson v. Shield, 2015 ND 200, ¶ 7, 868 N.W.2d 368
- Wagner v. Crossland Constr. Co., Inc., 2013 ND 219, ¶ 8, 840 N.W.2d 81
- In re Estate of Dionne, 2009 ND 172, ¶ 16, 772 N.W.2d 891
- N. Shore, Inc. v. Wakefield, 530 N.W.2d 297, 300 (N.D. 1995)
- Lario Oil & Gas Co. v. EOG Res., Inc., 2013 ND 98, ¶ 17, 832 N.W.2d 49