

Bill No. 27 of 1950.

A BILL TO AMEND THE MINES AND MINERALS ACT

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NOTE.

This Bill amends *The Mines and Minerals Act*, being chapter 66 of the Statutes of Alberta, 1949.

The interpretation section, section 2, is amended as to some of the definitions in subsection (1). The definitions of "agreement" and "disposition" are amended to include agreements and dispositions which were made under *The Provincial Lands Act* and the *Dominion Lands Act*. "Lessee" is given a clearer and more concise definition. The definition of "quarry" is changed to make it more nearly uniform with that in the proposed *The Quarries Regulation Act*.

Section 5, subsection (2) is amended by changing the reference to *The Oil and Gas Wells Act* and *The Oil and Gas Resources Conservation Act* to the new Act that is proposed in substitution for them.

Clause (b) of section 19 is amended. At present it provides for disposition by lease where no specific provision is made in the Act. The amendment provides for an agreement rather than a lease.

Section 30(1) is amended. At present it refers to the royalty prescribed by the Lieutenant Governor in Council. In the case of coal, the royalty is fixed in the Act and the amendment makes the section conform with this provision.

Two subsections are added to section 44 dealing with the measurements of locations and claims. In surveyed territory, the statutory road allowances are not included in locations and claims, and the new subsection (2) provides that these road allowances will also be omitted in reference to the maximum dimensions. The new subsection (3) permits the applicant for a location or claim in unsurveyed territory to make provision for what will be statutory road allowances if the area is surveyed, and permits an increase in maximum dimensions and area to allow for these possible road allowances.

Section 45 is struck out and a new section is substituted. At present the section states that a company may not acquire an agreement under the Act unless it is registered under *The Companies Act*. The amendment makes it clear that an unregistered company cannot acquire a part interest in an agreement. The amendment would also prevent an agreement or part of an agreement being held in the name of a partnership, syndicate, or other unincorporated group.

A new section 64a is added to deal with the disposition of iron and other base minerals. The present provisions provide for disposition of these rights as quartz claims. The amendment would permit the granting of a lease to the applicant immediately upon terms and conditions approved by the Lieutenant Governor in Council, but free from the strict limitations of the quartz claim provisions.

That portion of section 81 dealing with issue of a certificate of claim is struck out as it duplicates the following sections.

Section 83, dealing with the duties of an emergency recorder, is amended. Subsection (2) is amended to make it clear that the emergency recorder must deliver the applications in person. Subsection (5) changes the time given the emergency recorder to advise of his appointment from three months to the time allowed for recording a claim and gives him a further fifteen days to file the applications.

Section 86 dealing with issue of a certificate of record of a quartz claim is amended to make it more uniform with placer claim provisions, and to provide that the certificate need not be issued until the expiration of the time allowed for recording the claim and the fee is paid.

Section 92(3) is amended for clarification.

Sections 177 and 182, deal with emergency recorders and certificates of record of placer claims, and are amended in the same way as the corresponding sections dealing with quartz claims.

Section 207(3) is amended for clarification.

Section 233 is amended. Subsection (2) is amended so that a location containing a legal subdivision or a part of a legal subdivision out of a reservation need not be rectangular. A new subsection is added so that if part of a location out of a reservation extends into unsurveyed territory, the area within a mile of a surveyed line may be treated as surveyed.

A new section 250a is added. It provides that if a holder of a petroleum and natural gas lease fails to drill as required, the Minister may extend the time within which drilling is required and may impose conditions and require additional payments.

Sections 256 and 262 are amended to refer to the proposed *The Oil and Gas Resources Conservation Act, 1950*, replacing *The Oil and Gas Wells Act*.

Section 269 is amended to clarify the section and to refer to the proposed *The Oil and Gas Resources Conservation Act, 1950*.

Section 274 is amended to make it clear that lease locations from Crown reserves may be disposed of on an additional royalty basis.

Section 276, defining terms used in the geophysical exploration Part of the Act, has been amended. The section is rearranged so that the general terms defined will not be restricted in their meaning by the definitions of the more particular terms. Reference is added also to air-borne surveys.

Section 284 is amended. It provides for the posting of a cash deposit by a person seeking a license to conduct geophysical surveys. At present this is required only of those whose place of business is outside the Province, and the amendment would remove this qualification. The amendment provides that if the applicant already has sufficient cash deposited, the further sum may not be required.

Section 286 is amended. This section provides the Lieutenant Governor in Council with general powers to make regulations in connection with Part VII of the Act. The amendment provides specific powers to regulate exploration in water covered areas and methods of geophysical exploration.

KENNETH A. MCKENZIE,  
*Acting Legislative Counsel.*

*(This note does not form any part of the Bill but is offered in explanation of its provisions.)*

# BILL

No. 27 of 1950.

An Act to amend The Mines and Minerals Act.

(Assented to \_\_\_\_\_, 1950.)

**H**IS MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. *The Mines and Minerals Act*, being chapter 66 of the Statutes of Alberta, 1949, is hereby amended as to section 2, subsection (1),—

(a) by adding immediately after the word “Act” where it occurs in clause (b) the words “, *The Provincial Lands Act* or the *Dominion Lands Act*”;

(b) by striking out clause (i) and by substituting the following:

“(i) ‘disposition’ means every instrument executed pursuant to the provisions of this Act, *The Provincial Lands Act* or the *Dominion Lands Act*, whereby any estate, right or interest in any mineral is or has been granted to any person or by which the Crown divests or has divested itself in favour of any person of any estate, right or interest in any mineral and without derogating from the generality of the foregoing includes all letters patent, transfers, deeds, conveyances, notifications, assurances, sales, leases, licenses, permits, reservations, contracts and agreements made, entered into or issued pursuant to any of the said Acts;”;

(c) by striking out clause (o) and by substituting the following:

“(o) ‘lessee’ means the holder according to the records of the Department of a lease, license, reservation, permit or other agreement;”;

(d) by striking out clause (cc) and by substituting the following:

“(cc) ‘quarry’ means any open-pit or excavation in the ground made for the purpose of removing sand, gravel or any mineral, other than coal, and includes all works, machinery, plant, buildings and premises below or above ground belonging to or used in connection with the quarry;”.

2. The said Act is further amended as to section 5, subsection (2) by striking out the words “, *The Oil and Gas Wells Act* or *The Oil and Gas Resources Conservation Act*” and by substituting the words “or *The Oil and Gas Resources Conservation Act, 1950*,”.

3. The said Act is further amended as to section 19, clause (b) by striking out the words “issue a lease” and by substituting the words “enter into an agreement”.

4. The said Act is further amended as to section 30, subsection (1) by adding immediately after the word “Act” the words “the royalty in the case of coal prescribed by section 216 and in the case of all other minerals”.

5. The said Act is further amended as to section 44,—  
 (a) by renumbering the same as subsection (1);  
 (b) by adding immediately after subsection (1) the following new subsections:

“(2) In calculating distances in surveyed territory, the widths of statutory road allowances are not to be considered unless expressly included in the agreement.

“(3) In unsurveyed territory the acreage of a lease shall include that covered by what would be statutory road allowances if the lands were surveyed under *The Alberta Surveys Act*, and the prescribed maximum acreages and dimensions may be increased by an extent not greater than that covered by what would be statutory road allowances.”.

6. The said Act is further amended by striking out section 45 and by substituting the following:

“45.—(1) No company shall acquire an agreement in whole or in part by application or assignment unless it is a company registered under the provisions of *The Companies Act* of the Province.

“(2) No partnership, syndicate or other unincorporated group shall acquire an agreement in whole or in part by application or assignment, in the name of the partnership, syndicate, or other unincorporated group.

7. The said Act is further amended by adding immediately after section 64 the following new heading and section:

**“Application for Lease of Iron and Other Minerals.**

“64a.—(1) Notwithstanding any other provisions regarding acquisition of minerals to which this Part applies, application may be made to the Director of Mineral Rights for a lease for the mining of iron, associated minerals and other base minerals.

“(2) The lease may be granted comprising such area and upon such terms and conditions as may be approved by order of the Lieutenant Governor in Council.”.

**8.** The said Act is further amended as to section 81, subsection (3) by striking out the words “and issue a certificate of record of mineral claim”.

**9.** The said Act is further amended as to section 83,—

- (a) by adding immediately after the word “deliver” where it occurs in subsection (2) the words “in person”;
- (b) by striking out subsection (5) and by substituting the following:

“(5) Where the emergency recorder fails to notify the Mining Recorder of his appointment within the time from the date thereof equal to that prescribed for recording claims by section 81, or fails to deliver to the Mining Recorder within an additional fifteen days the applications received and fees collected, the Mining Recorder may refuse to record the claims.”.

**10.** The said Act is further amended by striking out section 86 and by substituting the following:

“**86.** A locator shall not be entitled to a certificate of record of mineral claim until,—

- “(a) he has furnished to the Mining Recorder all the particulars necessary for the record;
- “(b) the time allowed for the recording of the claim has expired;
- “(c) the prescribed fee has been paid.”.

**11.** The said Act is further amended as to section 92, subsection (3) by adding immediately after the word “mark” the words “the record of”.

**12.** The said Act is further amended as to section 177,—

- (a) by adding immediately after the word “deliver” where it occurs in subsection (3) the words “in person”;
- (b) by striking out subsection (6) and by substituting the following:

“(6) Where the emergency recorder fails to notify the Mining Recorder of his appointment within the time from the date thereof equal to that prescribed for recording claims by section 174 or fails to deliver to the Mining Recorder within an additional fifteen days the applications received and fees collected, the Mining Recorder may refuse to record the claims.”.

**13.** The said Act is further amended as to section 182 by striking out subsection (1) and by substituting the following:

**“182.—(1)** A locator, having duly recorded a claim, may obtain a certificate of record thereof for one year provided,—

- “(a) he has furnished to the Mining Recorder all the particulars necessary for the record;
- “(b) the time allowed for the recording of the claim has expired;
- “(c) the prescribed fee has been paid.”.

**14.** The said Act is further amended as to section 207, subsection (3),—

- (a) by striking out the words “at the point”;
- (b) by striking out the words “equal to” and by substituting the word “at”.

**15.** The said Act is further amended as to section 233,—

- (a) by adding immediately after the word and figure “subsection (1)” where they occur in subsection (2) the words “of this section and subsections (1) and (4) of section 232”;
- (b) by adding immediately after subsection (3) the following new subsection:

“(4) For the purposes of applications for leases out of a reservation and the establishment of the relative Crown reserves, where a portion of the lands within a township are surveyed the Minister, in his discretion, may deal with land located within one mile of a line shown as surveyed on an approved plan of survey of the township as if it were territory surveyed into sections, quarter-sections and legal subdivisions.”.

**16.** The said Act is further amended by adding immediately after section 250 the following new section:

**“250a.—(1)** Where a lease is subject to cancellation by reason of the lessee’s failure to perform any of the drilling required to be done, the lessee may apply to the Minister to have the drilling obligations deferred for one year.

“(2) The Minister, in his discretion, may refuse the application or grant it upon such terms and conditions and subject to payment of such further fees, penalties and additional rentals as the Minister may prescribe either generally or in any specified case.

“(3) The applicant may apply from year to year for further deferments of his drilling obligations, but each such application shall be subject to the provisions of subsection (2).”.

**17.** The said Act is further amended as to sections 256 and 262 by striking out the words “*The Oil and Gas Wells Act*” and by substituting the words “*The Oil and Gas Resources Conservation Act, 1950*,”.

**18.** The said Act is further amended by striking out section 269 and by substituting the following:

“**269.** No person shall remove any machinery, tools, plant, equipment or operating structure or disturb any part of the casing at any well or upon any petroleum and natural gas location without the authority of the Minister in writing unless there has been compliance with the provisions of *The Oil and Gas Resources Conservation Act, 1950*, and the regulations thereunder and unless all arrears of rent, royalty, interest or other moneys due to the Province by the lessee for such location have been fully paid.”.

**19.** The said Act is further amended as to section 274 by adding immediately after the words “Lieutenant Governor in Council” the words “, and notwithstanding the provisions of section 264 a disposition under this section may provide for payment to the Province of a share of the products, or of an overriding royalty or of any other consideration in addition to the royalty on petroleum and natural gas prescribed from time to time by the Lieutenant Governor in Council”.

**20.** The said Act is further amended by striking out section 276 and by substituting the following:

“**276.**—(1) In this Part unless the context otherwise requires,—

“(a) ‘detailed geophysical exploration’ or ‘detailed subsurface geological exploration’ means surveys of specifically limited areas for the purpose of obtaining local geologic or geophysical data;

“(b) ‘geophysical exploration’ or ‘geophysical operation’ means any method whereby the art of applying the physical sciences is employed in the determination of geologic conditions which may be favourable for the accumulation or location of minerals;

“(c) ‘preliminary geophysical exploration’ or ‘preliminary subsurface geological exploration’ means exploration by surveys of widespread areas for the purpose of obtaining regional data;

“(d) ‘subsurface geological exploration’ means any method employing shallow drill holes for obtaining geologic data not observable at the surface.

“(2) Without restricting the generality of any of the foregoing, in this Part, unless the context otherwise requires,—

“(a) ‘detailed geophysical methods’ include,—

“(i) closely spaced seismic reflection or refraction surveys;

“(ii) closely spaced core drilling;

“(b) ‘geophysical methods’ include,—

“(i) seismic surveys;

“(ii) gravimetric surveys;

“(iii) magnetic surveys;



- “(iv) electrical surveys;
- “(v) geochemical surveys;
- “(vi) air-borne surveys;
- “(c) ‘preliminary geophysical methods’ include,—
  - “(i) gravimetric;
  - “(ii) magnetic;
  - “(iii) electrical;
  - “(iv) seismic profiling;
  - “(v) regional or profile core drilling;
  - “(vi) use of air-borne equipment.”.

**21.** The said Act is further amended by striking out section 284 and by substituting the following:

“**284.**—(1) The applicant, before the issue of a license, shall furnish a cash deposit to the Provincial Treasurer in the sum of one thousand dollars as security that all operations shall be conducted in accordance with this Act, and the regulations made from time to time.

“(2) The cash deposit shall be refunded to the licensee upon evidence being furnished, satisfactory to the Minister, that the operations were conducted in accordance with this Act and the regulations.

“(3) In any case where the applicant has a sum of one thousand dollars in cash on deposit with the Provincial Treasurer such sum in the discretion of the Minister may be deemed sufficient to satisfy the requirements of subsection (1).”.

**22.** The said Act is further amended by striking out section 286 and by substituting the following:

“**286.** The Lieutenant Governor in Council from time to time may make regulations,—

- “(a) governing geophysical and geological exploration in water covered areas;
- “(b) governing the methods and manner in which geophysical exploration may be conducted;
- “(c) to facilitate the administration of this Part and to carry out its provisions according to their true intent.”.

**23.** This Act shall come into force on the first day of April, 1950.

No. 27

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FIRST SESSION  
TWELFTH LEGISLATURE

14 GEORGE VI

1950

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**BILL**

An Act to amend The Mines and  
Minerals Act.

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Received and read the

First time .....

Second time .....

Third time .....

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HON. MR. TANNER.

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