

Bill No. 90 of 1952.

A BILL TO AMEND THE OIL AND GAS RESOURCES  
CONSERVATION ACT, 1950.

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NOTE.

This Bill amends *The Oil and Gas Resources Conservation Act, 1950*, being chapter 46 of the Statutes of Alberta, 1950.

Section 19 deals with particulars to be shown on the plan required to be filed by an applicant for a license to drill an oil or gas well. A provision is added requiring additional features to be shown on the plan. Also the provisions in subsection (3) requiring that the plan show measurements from some definite established mark, are amended for clarification in so far as they relate to plans of unsurveyed territory.

Section 21 also is amended for clarification.

Section 24 provides that if the deposit which accompanied the application for a well license, or the part of the deposit remaining if a repayment has been made, is insufficient to meet certain costs of the Board, then the excess shall be a debt payable to the Provincial Treasurer. The subsection is reworded to make it clear that this would apply even if there had been a total repayment of the deposit, and that the licensee and the owner are each responsible for the debt.

Section 26 deals with the assignment of a well license, its provisions regarding the licensee's deposit are enlarged and provision is made for refusing consent to the assignment until the assignee has made a deposit, where the assignee is required to make a deposit.

Section 42 is amended for clarification.

Part VI of the Act deals with the assessment and taxation of oil and gas properties to defray part of the expenses of the Board and some amendments are made to this Part. As it is impracticable to assess certain buildings and structures at well sites these are removed from the definition of the property to be assessed and taxed by amendment of sections 50 and 52. Section 61, subsection (3) provides that the unpaid taxes shall be a special lien on the property and section 64 provides that they shall be a first charge on the property. Section 61, subsection (3) is struck out and section 64 is replaced by a new enlarged section providing for the lien in respect to the taxes and penalties outstanding and describing the nature, extent and effect of the lien.

Section 81 empowers the Board to do certain things for the enforcement of an order made by it. Subsection (7)

provides for the payment of the Board's expenses from the deposit held pursuant to section 24. This subsection is reworded to clarify the application of section 24 as it relates to the costs and expenses of the Board incurred pursuant to this section 81.

**J. W. RYAN,**  
*Acting Legislative Counsel.*

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

# BILL

No. 90 of 1952.

An Act to amend The Oil and Gas Resources Conservation Act, 1950.

(Assented to \_\_\_\_\_, 1952.)

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

1. *The Oil and Gas Resources Conservation Act, 1950*, being chapter 46 of the Statutes of Alberta, 1950, is hereby amended.

2. Section 19 is amended,—

Section 19  
amended

- (a) by adding immediately after the word “roadways,” where it occurs in subsection (1) the words “pipe lines, railways and other rights-of-way, aircraft runways and taxiways,”;
- (b) by striking out subsection (3) and by substituting the following:

“(3) All measurements and distances shall be tied to some survey monument, and in the case of a well to be drilled in unsurveyed territory within the boundaries of a lease which has been defined on the ground by staking, also to Post No. 1 of the lease.”.

3. Section 21 is amended by striking out the words “the safe and economical mining of coal” and by substituting the words “in the opinion of the Board and the Director of Mines the safe and practicable recovery of coal, oil and gas”.

Section 21  
amended

4. Section 24 is amended,—

Section 24  
amended

- (a) by striking out the words “of or reduce his liability” where they occur in subsection (7) and by substituting the words “or the owner of or reduce the liability or either of them”;
- (b) by striking out subsection (8) and by substituting the following:

“(8) The costs incurred by the Board pursuant to the provisions of subsection (6) remaining unpaid after applying thereon any deposit that may be held by the Provincial Treasurer, irrespective of whether a deposit has been returned in whole or in part,

shall be a debt payable by the licensee and the owner of the well and by each of them to the Provincial Treasurer.”.

Section 26 amended

5. Section 26, subsection (4) is amended by striking out the words “the former licensee shall not be refunded his deposit until his assignee’s deposit has been received” and by substituting the words “if a deposit is required, the Minister may refuse his consent until the deposit is made”.

Section 42 amended

6. Section 42 is amended by striking out the words “as hereinafter provided” wherever they occur in clauses (a) and (b).

Section 50 amended

7. Section 50 is amended by striking out clause (b).

Section 52 amended

8. Section 52, subsection (1) is amended by striking out clause (d).

Section 61 amended

9. Section 61 is amended by striking out subsection (3).

Section 64 amended

10. Section 64 is struck out and the following is substituted:

Taxes and penalties a lien

“64. (1) After the date of mailing the notice referred to in section 60, the Board shall have a lien or charge for the amount remaining unpaid of the taxes and penalties added thereto, upon the oil and gas property in respect of which the same are payable under the provisions of this Act.

Nature of lien

“(2) The said lien shall be a first lien or charge upon all the property described in subsection (1) having priority over all mortgages, bills of sale, charges, liens, claims and demands of every description, irrespective of whether they were created before or after the lien became effective or before or after the passing of this Act, and notwithstanding the provisions of any other Act heretofore or hereafter passed.

Purchase of property subject to lien

“(3) Any person purchasing or otherwise acquiring any of the property described in subsection (1) shall take the same subject to any lien then existing against it arising under the provisions of subsection (1) and shall be deemed to be indebted to the Board in the sum equal to the taxes and penalties thereon owing to the Board with respect to the said property or any part thereof.

Recovery of taxes by action

“(4) Any taxes and penalties thereon, imposed pursuant to this Act and unpaid, may be recovered by action in any court of competent jurisdiction in the name of the Board against the person primarily liable therefore or against a person purchasing or otherwise acquiring the property described in subsection (1).”.

Section 81 amended

11. Section 81, subsection (7) is amended by striking out the words “, then the Provincial Treasurer may use all or

any part of any deposit held on account of the owner pursuant to section 24 to defray the balance or any part of it" and by substituting the words "or by the licensee, then the provisions of section 24 regarding the use of the deposit and further liability of the owner of the well or of the licensee with respect to the costs referred to therein, shall apply *mutatis mutandis* with respect to the use of such deposit and further liabilities of the owner and of the licensee respectively to defray the balance of the costs and expenses that are incurred pursuant to this section".

**12.** This Act shall come into force on the first day of July, 1952. Coming into force

No. 90.

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FIFTH SESSION  
ELEVENTH LEGISLATURE

1 Elizabeth II

1952

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**BILL**

An Act to amend The Oil and Gas  
Resources Conservation Act, 1950.

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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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