

No. 69

4th Session, 13th Legislature, Alberta
6 Elizabeth II, 1958

BILL 69

A Bill to amend The Oil and Gas Conservation Act

HON MR. MANNING

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Edmonton, Alberta, 1958

Explanatory Note

2. New subsection (5a) would prevent more than one well to a spacing unit.

3. New subsection (2a) will require an applicant for a licence to indicate if the well is to be drilled in a water covered area.

4. Section 22, subsection (3) now reads:

"(3) If after thirty days from the mailing of a notice by the Minister to a licensee at his last known address the licensee fails to prove to the satisfaction of the Minister that he is entitled to drill for and produce oil or gas from a well, the Minister, at his discretion, may cancel the licence or suspend the licence upon such terms and conditions as he may specify."

5. Section 34, clause (q) now reads:

"34. The Lieutenant Governor in Council, upon the recommendation of the Board, may make general regulations or special orders

.....
"(q) as to the location and equipping of production batteries,".

6. The purpose of this amendment is to enable the Board to use an assessment roll made up of cards similar to index cards. Section 53, subsection (2) now reads:

"(2) As soon as practicable after the thirty-first day of December in each year, the assessor shall proceed to assess at its fair actual value each oil and gas property liable to assessment and taxation, and shall prepare an assessment roll setting out thereon

"(a) a brief description of each oil and gas property assessed,

"(b) the name and address of the owner thereof, and

"(c) the assessed value thereof."

BILL

No. 69 of 1958

An Act to amend The Oil and Gas Conservation Act

(Assented to _____, 1958)

HER 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 Conservation Act*, being chapter 63 of the Statutes of Alberta, 1957, is hereby amended.

2. Section 19 is amended by adding immediately after subsection (5) the following subsection:

“(5a) No person shall apply for a licence for a well for the purpose of obtaining production from the same pool, geological formation, member or zone as that from which another well is obtaining or capable of obtaining production in the same spacing unit, unless the Board, if it believes special circumstances warrant it, authorizes the making of such an application.”.

3. Section 20 is amended by adding immediately after subsection (2) the following subsection:

“(2a) Where the well is to be drilled in a water covered area, the plan shall show the nature, depth and extent of the water cover, and the applicant shall furnish such further particulars concerning the well as the Board, after examination of the application, may require.”.

4. Section 22, subsection (3) is amended by striking out the words “drill for and”.

5. Section 34, clause (q) is amended by striking out the words “and equipping” and by substituting the words “, equipping and abandonment”.

6. Section 53, subsection (2) is amended by adding immediately after the words “assessment roll” the words “, in such form as the Board directs,”.

7. See note to clause 6 above. Section 54, clause (a) now reads:

"54. Upon completion of the assessment roll the assessor shall
"(a) endorse thereon or attach thereto a certificate setting out the date upon which the roll was completed."

8. See note to clause 6 above. Section 55, subsections (2) and (3) now reads:

"(2) The Board shall cause a copy of the assessment roll and the certificate endorsed thereon or attached thereto, and a notice of the day, time and place fixed for the revision of the assessment roll, to be posted in a conspicuous place in a part of the office of the Board to which the public has access, and shall keep them posted for twenty days.

"(3) The Board, within ten days after the posting of the assessment roll, shall cause to be sent to each person whose name appears on the assessment roll as the owner of an oil and gas property

"(a) an assessment notice containing the particulars appearing in the roll with respect to the oil and gas property,

"(b) a notice setting out the day, time and place fixed for the revision of the assessment roll, and

"(c) a copy of section 56."

9. See note to clause 6 above. Section 56, subsection (1) now reads:

"56. (1) Upon giving the Board notice in writing within thirty days after the date upon which the assessment roll was first posted pursuant to section 55, a person whose name appears upon the assessment roll or the secretary to the Board may apply to the Board

"(a) to vary the assessment roll and to alter any assessment shown thereon that he alleges to be wrongfully made or improperly assessed, or

"(b) to assess any property that he alleges is liable to be and has not been assessed, and to include it in the assessment roll."

10. See note to clause 6 above. Section 58 now reads:

"58. (1) As soon as the Board has disposed of all applications it shall proceed to revise the assessment roll in accordance with the disposition made by it of the applications and thereupon the Board shall cause to be attached to the assessment roll so revised a certificate, which may be in Form 2 in the Schedule.

"(2) The assessment roll so revised and every assessment matter and thing set out therein and the certificate attached thereto are conclusive and binding upon all persons mentioned therein or affected thereby, and may not be questioned in any proceedings in any court as to any statement, matter or thing contained therein."

11. The amendment would permit the Board to include, in an order for the compulsory pooling of the tracts within a spacing unit, a provision authorizing the sale of the production allocated to a tract and the retention from the proceeds of the tract's share of the operator's costs.

12. A prosecution under the subject Act must now be commenced within six months by reason of the provisions of The Summary Convictions Act and the Criminal Code. On some occasions an offence is not detected until a few months after it was committed because of the time lapse before the Board receives reports and processes them. For this reason the period during which an information or complaint may be laid is enlarged.

7. Section 54, clause (a) is amended by striking out the words “endorse thereon or attach thereto” and by substituting the word “prepare”.

8. Section 55 is amended

- (a) as to subsection (2), by striking out the words “the assessment roll and the certificate endorsed thereon or attached thereto” and by substituting the words “the certificate of the assessor”,
- (b) by adding immediately after subsection (2) the following subsection:
 - “(2a) During the period in which the certificate of the assessor and the notice are posted in accordance with subsection (2), the Board shall cause the assessment roll to be kept in the office of the Board and accessible to the public.”,
- (c) as to subsection (3), by striking out the words “of the assessment roll” and by substituting the words “of the certificate of the assessor and notice in accordance with subsection (2)”.

9. Section 56, subsection (1) is amended by striking out the words “assessment roll was” and by substituting the words “certificate of the assessor and notice were”.

10. Section 58 is amended

- (a) as to subsection (1), by striking out the words “cause to be attached to the assessment roll so revised a certificate, which may be in Form 2 in the Schedule” and by substituting the words “certify the assessment roll so revised”,
- (b) as to subsection (2), by striking out the words “attached thereto” and by substituting the words “of the Board”.

11. Section 73, subsection (4) is amended by adding immediately after clause (e) the following clauses:

- “(f) for the sale by the operator of any owner’s share of the production of oil or gas allocated to a tract under clause (c);
- “(g) for the deductions to be made by the operator out of the proceeds of a sale under clause (f).”.

12. The following section is added immediately after section 132:

“**132a.** Every information or complaint for the prosecution of an offence under this Act shall be laid or made within eighteen months from the time when the subject matter of the proceedings arose, and not afterward.”.

13. This amendment results from the amendment of section 52 of the subject Act as set out in clause 10.

13. The Schedule is amended by striking out Form 2.

14. This Act comes into force on the day upon which it is assented to.

FOURTH SESSION
THIRTEENTH LEGISLATURE
6 ELIZABETH II
1958

BILL

An Act to amend The Oil and Gas
Conservation Act

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. MANNING
