

No. 21

2nd Session, 14th Legislature, Alberta
9 Elizabeth II

BILL 21

A Bill to amend The Mines and Minerals Act

HON. MR. MANNING

Explanatory Note

2. The effect of the amendment will be to remove the restriction on the acreage that may be acquired by any one person under coal mining leases. Section 202, subsection (1) presently reads:

“202. (1) The maximum area of a location shall be two thousand five hundred and sixty acres and no person shall be permitted to acquire a greater area except by transfer.”

3. Under sections 73 and 74 of The Oil and Gas Conservation Act, the Oil and Gas Conservation Board makes orders for the present or future pooling of tracts within a spacing unit. Clause (b) of section 270 is new and will provide the basis for the payment of royalty to the Crown where the whole or part of a location is within a spacing unit subject to a pooling order which provides for the allocation for production on other than an acreage basis. Section 270 presently reads:

“270. Where the spacing unit of a well is only partially contained in a location, the royalty to be paid to the Crown shall be in the proportion that the acreage of the part of the spacing unit contained in the location bears to the whole acreage of the spacing unit, and if the well is not on the location, it shall be deemed to be on the location.”

4. Section 300, subsection (3) is amended for the purposes of clarification. It presently reads:

“(3) Notwithstanding the other provisions of this Act or the provisions and terms of any regulation, agreement or mineral claim, where in the opinion of the Lieutenant Governor in Council it is desirable to do so, the Lieutenant Governor in Council may authorize the Minister to enter into an agreement for calculation of the royalty payable on the mineral produced under the unit operation in respect of any tract that is subject to the payment of a royalty to the Crown.”

5. It is anticipated that there will be future cases where the substance to be injected to an underground formation will be other than a “mineral substance or water”. Section 303, subsection (1) presently reads:

“303. (1) The Lieutenant Governor in Council may authorize the Minister to enter into an agreement for the injection, storage, recycling or reproduction in or from an underground formation of any mineral substance or water.”

BILL

No. 21 of 1961

An Act to amend The Mines and Minerals Act

(Assented to _____, 1961)

HER 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 204 of the Revised Statutes, is hereby amended.

2. Section 202, subsection (1) is amended by striking out the words "and no person shall be permitted to acquire a greater area except by transfer".

3. Section 270 is struck out and the following is substituted:

270. Where the spacing unit of a well is only partially contained in a location, the royalty to be paid to the Crown shall be

- (a) in the proportion that the acreage of the part of the spacing unit contained in the location bears to the whole acreage of the spacing unit, or
 - (b) where an order under section 73 or 74 of *The Oil and Gas Conservation Act* is in effect with respect to the spacing unit, in the proportion that the share of production allocated to the part of the spacing unit contained in the location bears to the whole of the production from the spacing unit,
- and if the well is not on the location, it shall be deemed to be on the location.

4. Section 300, subsection (3) is amended by striking out the words "the unit operation" and by substituting the words "a unit operation".

5. Section 303, subsection (1) is amended by striking out the words "any mineral substance or water" and by substituting the words "any substance".

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

No. 21

SECOND SESSION

FOURTEENTH LEGISLATURE

9 ELIZABETH II

1961

BILL

An Act to amend The Mines and
Minerals Act

Received and read the

First time.....

Second time.....

Third time.....

HON. MR. MANNING
