



June 8, 2018

INFORMATION BULLETIN 2018-02

Subject: Rental Default Process for Petroleum and Natural Gas, Oil Sands, and Metallic and Industrial Minerals, Coal, and Ammonite Shell Agreements

Alberta Energy has reviewed its administrative processes across all commodities for the management of mineral tenure agreements that fall into rental default. Rental default occurs when agreement rental is not paid by its due date.

Cancellation of an agreement does not relieve the lessee of the obligation to pay all debts owed to the Crown in respect of that agreement. The Crown, at its discretion, will use one or more available remedies to collect rental arrears on an agreement including: refusing to issue future agreements, refusing to register a transfer of agreements, or cancelling the agreement.

Rental payable annually at the rate prescribed in the Mines and Minerals Administration Regulation (MMAR)

Agreement holders must surrender their unwanted agreement(s) prior to the due date for rental prescribed under the MMAR. If an agreement is not surrendered prior to its due date for rental, the rental for the following year must be paid in full.

Escalating rental payable under the Oil Sands Tenure Regulation, 2010

In addition to rental prescribed under the MMAR, for oil sands agreements subject to escalating rental, failure to pay escalating rental by its due date will also result in rental default and the agreement holder will remain liable for any unpaid escalating rental.

For further information, please contact:

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