



LAND AND PROPERTY RIGHTS TRIBUNAL

Citation: Lowgrow Ltd. v SanLing Energy Ltd., 2025 ABLPRT 904481

Date: 2025-07-22

File No: RCR2024.2960

Order No: LPRT904481/2025

Municipality: Municipal District of Taber

In the matter of a proceeding commenced under section 36 of the *Surface Rights Act*, RSA 2000, c S-24 (the “*Act*”)

And in the matter of land in the Province of Alberta within the:

NE 7-13-16-W4M as described in Certificate of Title No. 121 063 749 (the “Land”), particularly the area granted for Alberta Energy Regulator Licence No. 0362352 (the “Licence”), collectively (the “Site”).

Between:

SanLing Energy Ltd.,
TexCal Energy Canada Inc.,
Razor Energy Corp.
and
Notary On the Way Ltd.,

Operators,

- and -

Lowgrow Ltd.,

Applicant.

Before: Miles Weatherall (“the Panel”)

Appearances by written submissions:

For the Applicant: Jennifer Low

For the Operators: Texcal Energy Canada Inc., Warren Niles, Surface Land Analyst Contractor

**DIRECTION TO PAY PURSUANT TO
SECTION 36 OF THE ACT**

The Tribunal directs the Minister to pay out of the General Revenue Fund the total sum of FOUR THOUSAND FORTY-SIX and 00/100 DOLLARS (\$4,046.00) to Lowgrow Ltd. in the Province of Alberta comprised of compensation that became due in the years 2023 and 2024 (the “Compensation”).

DECISION AND REASONS

[1] The Applicant filed an application dated July 31, 2024, under section 36 of the *Act* (the Application) seeking recovery of unpaid compensation due under a surface lease agreement (the “Right-of-Entry Instrument”) dated August 9, 2006. The Applicant filed a Request to Amend the Application to claim subsequent outstanding amounts due under the right-of-entry instrument on March 4, 2025. The Applicant claims \$2,023.00 annually, for a total amount of \$4,046.00 under the Application for 2023 and 2024.

ISSUES

1. Who is an Operator for the purpose of section 36 of the *Act*?
2. Is there money past due and unpaid by the Operators to the Applicant under a Right of Entry Instrument?
3. Should the Tribunal direct the Minister to pay the Applicant any of the money past due under section 36 of the *Act*?
4. Should the Tribunal suspend and terminate the Operators’ rights?

DECISION

1. For the purposes of section 36 of the *Act*, the Operators are SanLing Energy Ltd., Razor Energy Corp., TexCal Energy Canada Inc., and Notary On the Way Ltd., jointly.
2. The written evidence proves compensation in the amount of \$4,046.00 is payable to the Applicant by the Operators, jointly.
3. Without further notice, the Tribunal directs the Minister to pay the Applicant Compensation in the amount of \$4,046.00 from the General Revenue Fund.
4. The decision to suspend or terminate the Operator’s rights is reserved.

ANALYSIS

1. Who is an Operator for the purpose of section 36 of the *Act*?

[2] The Tribunal gave notice pursuant to s. 36(4) to SanLing Energy Ltd., Razor Energy Corp., and Notary On the Way Ltd. The Panel understands from a February 2, 2025, Corporate Registry Search that Razor Energy Corp. is an amalgamation predecessor to TexCal Energy Canada Inc. The Panel is satisfied that the demand for payment and notice meets the requirements of the *Act* pursuant to s. 36(4) and the Interpretation of Section 36(4) *Surface Rights Act* Guideline, ABSRB 2020-1.

[3] Texcal Energy Canada Inc. filed a submission, dated May 9, 2025, noting that TexCal Energy Canada Inc., as an Operator, acquired all the shares of Razor Energy Corp. through the Court approved transaction effective December 11, 2024, per Court of King's Bench of Alberta Approval and Reverse Vesting Order 2401-02680 filed December 6, 2024, which was after the relevant dates in the Application. This Order was not provided to the Panel, so the terms of the agreement are unknown. The AER records confirm that the well licence is now in the name of TexCal Energy Canada Inc. The Panel finds that TexCal Energy Canada Inc. assumed the liabilities related to the Site they now operate.

[4] Section 36(1) and (2) expand the definition of *operator* so that it has a broader meaning than in the rest of the *Act*.

Section 36(1)(c) – Alberta Energy Regulator (“AER”) Licence Holder

[5] Under section 36(1)(c) the holder of a licence issued by the AER and its successors, is an Operator. The Licence for the Site is in the name of SanLing Energy Ltd. as of July 17, 2016; therefore, the Panel finds this party is an Operator under section 36(1)(c) for the years 2023 and 2024.

Section 36(1)(d) – Working Interest Participants

[6] Under s. 36(1)(d) working interest participants and successors are Operators. The Panel finds that SanLing Energy Ltd. is an Operator under section 36(1)(d) for the years 2023 and 2024 because the AER Well Summary Report dated March 21, 2025, (the “AER Well Summary Report”) for the Licence shows it was a working interest participant on the Site as of January 29, 2024.

[7] In addition, the Panel finds that Notary On the Way Ltd. (formerly known as 305342 Alberta Ltd.), Razor Energy Corp. and TexCal Energy Canada Inc. (amalgamation successor to Razor Energy Corp.) are all Operators under section 36(1)(d) for the years 2023 and 2024 because the AER Well Summary Report for the Licence shows them as working interest participants on the Site as of January 29, 2024.

[8] The Panel notes that the AER Well Summary Report identifies 305342 Alberta Ltd. simply as “305342 Alberta” and accepts this to be an abbreviated or shortened reference to 305342 Alberta Ltd.

[9] The Panel notes that the AER Well Summary Report identifies McCombe Irene as a working interest participant. A November 21, 2024, Corporate Registry Search shows “no records returned” for McCombe Irene and, as a result, a Notice and Demand for Payment could not be provided to McCombe Irene. The Panel finds there is insufficient evidence to find that McCombe Irene exists as a corporate entity. Without further evidence, the Panel is not in a position to find that McCombe Irene is a working interest participant.

[10] The Panel notes further that by Corporate Search dated November 21, 2024, 305342 Alberta Ltd. has changed its name to Notary On The Way Ltd. effective October 16, 2019. Consequently, as a successor of 305342 Alberta Ltd., the Panel finds that Notary On The Way Ltd. is a working interest participant on the Site as of January 29, 2024, for the years 2023 and 2024.

Section 36(1)(e) – Holder of a surface lease or right of entry order

[11] Under section 36(1)(e) the holder of the surface lease or right of entry order for the Site and its successors, is an Operator. The Panel finds SanLing Energy Ltd. is an Operator for the purpose of section 36(1)(e) on the due date in 2023 and 2024 because it is the Operator named on the Right of Entry Instrument, registration on the Certificate of Title for the Site.

2. Is there money past due and unpaid by the Operators to the Applicant under a Right-of-Entry Instrument?

[12] The current Certificate of Title confirms the Applicant is the owner of the Land and was the owner when the rentals became due therefore, the Panel finds the Applicant is entitled to receive the money. The Applicant provided evidence of a Right-of-Entry Instrument, and the compensation is supported by the Application and supporting documentation. The Applicant declared in writing that the Compensation has not been paid for the years claimed.

[13] The Panel is satisfied that compensation is owed to the Applicant for annual payment due under the Right-of-Entry Instrument. This amount is calculated as two payments of \$2,023.00 due for 2023 and 2024 for a total amount owing of \$4,046.00. The Site is not reclaimed, and the Right-of-Entry Instrument remains in effect. The Panel finds that at the time the Compensation became due, the Operators are jointly liable for the Compensation due to the Applicant.

3. Should the Tribunal direct the Minister to pay the Applicant any of the money past due from the General Revenue Fund under section 36 of the *Act*?

[14] *Bateman v Alberta (Surface Rights Board)*, 2023 ABKB 640 specified that under s. 36 of the *Act*, the Applicant need only prove there is a Right of Entry Instrument and there is default on the payment, therefore, the Panel directs the Minister to pay the full amount owing. The Panel determined there is a right of entry instrument and money is owing; accordingly, the Minister is directed to pay the Applicant \$4,046.00 from the General Revenue Fund.

4. Should the Tribunal suspend and terminate the Operators' rights?

[15] The decision to or terminate the Operator's rights is reserved.

Dated at the City of Medicine Hat, in the Province of Alberta this 22nd day of July, 2025.

LAND AND PROPERTY RIGHTS TRIBUNAL

Miles Weatherall, Member