



LAND AND PROPERTY RIGHTS TRIBUNAL

Citation: Brown v TexCal Energy Canada Inc., 2025 ABLPRT 904604

Date: 2025-07-24
File No: RC2024.0675
Order No: LPRT904604/2025
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:

SE 24-13-17-W4M as described in Certificate of Title No. 881 164 132 A (the “Land”), particularly the area granted for a well site in L.S. 1 by Alberta Energy Regulator Licence No. 0282505 (the “Licence”), collectively (the “Site”).

Between:

TexCal Energy Canada Inc.,
Razor Energy Corp.
and
SanLing Energy Ltd.,

Operators,

- and -

Murray Brown
and
Dani Brown,

Applicants.

Before: Miles Weatherall (“the Panel”)

Appearances by written submissions:

For the Applicants: Kris Bower, WellTraxx Inc.

For the Operators: Warren Niles, TexCal Energy Canada Inc.

**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 FIVE HUNDRED and 00/100 DOLLARS (\$4,500.00) jointly to Murray Brown and Dani Brown, in the Province of Alberta comprised of compensation that became due in the year 2024 (the "Compensation").

DECISION AND REASONS

[1] The Applicants filed an application dated May 20, 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 January 24, 2003. The Applicants claim \$4,500.00 for the year 2024 for a total amount of \$4,500.00 under the Application.

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 Applicants under a Right of Entry Instrument?
3. Should the Tribunal direct the Minister to pay the Applicants 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 TexCal Energy Canada Inc. ("TexCal"), Razor Energy Corp. ("Razor") and SanLing Energy Ltd. ("SanLing").
2. The written evidence proves compensation in the amount of \$4,500.00 is payable to the Applicants by the Operators.
3. Without further notice, the Tribunal directs the Minister to pay the Applicants Compensation in the amount of \$4,500.00 from the General Revenue Fund.

4. The decision to suspend or terminate the Operators' 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 TexCal (formerly Razor Energy Corp.) and SanLing and 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 filed a submission, dated May 9, 2025, noting that TexCal, 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. 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 Razor as of October 10, 2019, therefore, the Panel finds that Razor and TexCal, as the amalgamation successor to Razor, is an Operator under section 36(1)(c) for the year 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 TexCal (amalgamation successor to Razor Energy Corp.) and SanLing are an Operator under section 36(1)(d) for the year 2024 because the AER Well Summary Report dated March 24, 2025, for the Licence shows they were a working interest participant on the Site as of January 29, 2024.

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

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

[8] The Panel is satisfied that compensation is owed to the Applicants for annual payment due under the Right-of-Entry Instrument. This amount is calculated as \$4,500.00 for the year 2024 for a total amount owing of \$4,500.00. 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 liable for the Compensation due to the Applicants.

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

[9] *Bateman v Alberta (Surface Rights Board)*, 2023 ABKB 640 specified that under s. 36 of the *Act*, the Applicants 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 Applicants \$4,500.00 from the General Revenue Fund.

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

[10] The Tribunal can suspend and terminate an operator's rights to access the Site when appropriate. The Panel reserves its decision to suspend and terminate at this time to avoid delay in payment to the Applicants, however, if the Operators attempt to access the Site but still does not pay compensation, the Tribunal may issue a suspension/termination order.

Dated at the City of Medicine Hat in the Province of Alberta this 24th day of July, 2025.

LAND AND PROPERTY RIGHTS TRIBUNAL

Miles Weatherall, Member