



LAND AND PROPERTY RIGHTS TRIBUNAL

Citation: 733081 Alberta Ltd. v TexCal Energy Canada Inc., 2025 ABLPRT 904687

Date: 2025-07-25

File No: RC2024.0163

Order No: LPRT904687/2025

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:

NW 35-13-17-W4M as described in Certificate of Title No. 181 026 276 (the “Land”), particularly the area granted for a well site in L.S. 13 by Alberta Energy Regulator Licence Nos. 0338566, 0338567, 0338568 and 0338569 (the “Licences”), collectively (the “Site”).

Between:

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

Operators,

- and -

733081 Alberta Ltd.,

Applicant.

Before: Miles Weatherall (“the Panel”)

Appearances by written submissions:

For the Applicant: John Luimes

For the Operators:

TexCal Energy Canada Inc. Geoff Thiessen, Manager, Land and Joint Venture

**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 SIX THOUSAND TWO HUNDRED and 00/100 DOLLARS (\$6,200.00) to 733081 Alberta Ltd. in the Province of Alberta comprised of compensation that became due in the year 2023 (the “Compensation”).

DECISION AND REASONS

[1] The Applicant filed an application dated January 29, 2024, under section 36 of the *Act* (the Application) seeking recovery of unpaid compensation due under a surface lease agreement, consent of occupant agreement, or Compensation Order for the above Site (the “Right-of-Entry Instrument”) dated August 30, 2005. The Applicant claims \$6,200.00 annually, for a total amount of \$6,200.00 under the Application for 2023.

[2] The Applicant submitted an amendment to the Application on November 13, 2024. The Panel is unable to accept the amendment to the Application because the Applicant did not sign the confirmation in the amendment. The process for recovery of compensation under section 36 of the *Act* permits written submissions. While this process expedites applications, the Panel must be assured that written information provided is true. The declaration in the application, and the confirmation in the amendment, provide the Panel with the assurance that the written information is true and may be relied upon.

[3] In support of the Application, the Applicant submitted a letter dated May 7, 2021, from Razor Energy Corp. (“Razor”) advising that the rental compensation under the Right-of-Entry Instrument will increase from \$3,250.00 to \$6,200.00 effective August 30, 2021. In addition, the Applicant submitted a copy of a cheque dated August 25, 2022, made payable to the Applicant by Razor.

[4] Further to the Application, and upon review of routine searches of publicly available records maintained by Alberta Land Titles Office, the Alberta Energy Regulator (“AER”) and Alberta Corporate Registry, the evidence is as follows:

- a. The Land Title Certificate dated March 12, 2024, shows that the title to the Land is in the name of the Applicant.
- b. The AER Well Summary Reports dated March 12, 2024, shows that Razor is the holder of the Licences since October 10, 2019.
- c. The same reports show that Razor is the sole working interest participant of the Site.
- d. The Alberta Corporate Registry searches dated March 3, 2025, show that Razor was amalgamated on January 1, 2025, that the amalgamation successor is TexCal Energy Canada Inc. (“TexCal”), and that TexCal’s legal entity status is active.

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 Operator's rights?

DECISION

1. For the purposes of section 36 of the *Act*, the Operators are TexCal and Razor.
2. The written evidence proves compensation in the amount of \$6,200.00 is payable to the Applicant by the Operators.
3. Without further notice, the Tribunal directs the Minister to pay the Applicant Compensation in the amount of \$6,200.00 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*?

[5] The Tribunal gave notice pursuant to s. 36(4) to both Razor and its successor TexCal 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.

[6] TexCal filed a submission, dated April 24, 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 Panel finds that TexCal Energy Canada Inc. assumed the liabilities related to the Site they now operate.

[7] 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

[8] Under section 36(1)(c) the holder of a licence issued by the AER and its successors, is an Operator. As mentioned above, the Licences for the Site are in the name of Razor as of October 10, 2019, and TexCal is the amalgamation successor to Razor. Therefore, the Panel finds that Razor and TexCal, as a successor to Razor, are an Operator under section 36(1)(c) for the year 2023.

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

[9] Under s. 36(1)(d) working interest participants and successors are Operators.

[10] Under s. 36(1)(d) working interest participants and successors are Operators. The AER Well Summary Reports dated March 12, 2024, shows Razor is a working interest participant on the Site as of January 29, 2024. The Panel finds that Razor and TexCal (amalgamation successor to Razor) are an Operator under section 36(1)(d) for the year 2023.

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

[11] The current Certificate of Title confirms the Applicant is the owner of the Land and was the owner when the rental 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 year claimed.

[12] 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 one payment of \$6,200.00 due for 2023 for a total amount owing of \$6,200.00. 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 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*?

[13] *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 \$6,200.00 from the General Revenue Fund.

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

[14] The decision to suspend or terminate the Operators' rights is reserved.

Dated at the City of Medicine Hat, in the Province of Alberta this 25th day of July, 2025.

LAND AND PROPERTY RIGHTS TRIBUNAL

Miles Weatherall, Member