

## LAND AND PROPERTY RIGHTS TRIBUNAL

Citation: Bow Cattle Co. Ltd. v Houston Oil & Gas Ltd., 2025 ABLPRT 905529

Date:2025-08-12File No:RCR2023.0140Order No:LPRT905529/2025Municipality:County of Newell

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 32-18-17-W4M as described in Certificate of Title No. 221 173 103 +3 and Historical Certificate of Title No. 831 124 394 H (the "Land"), particularly the area in L.S. 8 granted for a valve site by Alberta Energy Regulator Licence No. F2402 (the "Licence"), collectively (the "Site").

**Between:** 

Houston Oil & Gas Ltd., Road 53 Resources Inc., and Long Term Asset Management Inc.,

Operators,

- and -

Bow Cattle Co. Ltd.,

Applicant,

and

2378329 Alberta Ltd.,

Current Landowner.

**Before:** Donald Roberts, ("the Panel")

Appearances by written submissions:

For the Applicant: Alisha Armstrong

Kris Bower, WellTraxx Ltd. representative

For the Current Landowner: Rae-Lynn Armstrong

For the Operators: No submissions although notified of the hearing

## **DECISION AND REASONS**

[1] The Applicant filed an application dated January 19, 2023, 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 July 15, 1982. The Applicant claims \$200.00 annually, less an amount paid of \$150.14, for a total amount of \$49.86 under the Application for 2020.

- [2] Under section 36(1)(c) the holder of a licence issued by the Alberta Energy Regulator (AER) and its successors, is an Operator. The Licence for the Site on the date payment was due was in the name of Houston Oil & Gas Ltd. (August 9, 2016) and its successors were Road 53 Resources Inc. (November 20, 2020), Eastend Energy Corp. (October 16, 2023), and Long Term Asset Management Inc. (October 17, 2023), therefore, the Panel finds these parties are an Operator under section 36(1)(c) for the year 2020.
- [3] A search of the Corporate Registry notes that Eastend Energy Corporation was amalgamated with Long Term Asset Management Inc.
- [4] The Act Section 1(i)(i) defines "owner" as the person named in the certificate of title. The current certificate of title names 2378329 Alberta Ltd. (2378329) as the owner. The decision of the Tribunal in Canadian Natural Resources Limited. v. Mike-Ro Farms Ltd. ABSRB 420 (Mike-Ro) deals with the nature of interest created by a surface lease:

Upon the sale of the property and transfer of the lease, the new owner essentially steps into the shoes of the previous Lessor. Upon transfer, the past Lessor, unless specifically addressed in the transfer arrangement, ceases to be a Lessor and ceases to be entitled to receive compensation under the surface lease.

A surface lease is an interest in land. Without evidence to the contrary, the rights and obligations of the Lessor under s. 27 flow from the previous Lessor to the new Lessor with the transfer of the land. (Para 31, 21)

- [5] The Mike-Ro decision has been followed in *Richardson et al. v. Tudor Corporation et al* 2021 ABSRB 1228 and in *Ember Resources Inc. v. Simber Farms Ltd.* 2020 ABSRB 805.
- [6] The relevant date for determining whose name is on the certificate of title is the date that the decision was made by the Tribunal. The *Act* speaks in the present tense. Under section 36(6) the Tribunal has the discretion to order that the Minister pay the "person referred to in subsection (3)". Subsection 3 provides as follows:

Where any money payable by an operator under a compensation order or surface lease has not been paid and the due date for its payment has passed, the person entitled to receive the money may submit to the Tribunal written evidence of the non-payment.

[7] The Application was submitted by Alisha Armstrong, on behalf of Bow Cattle. An historical copy of the Certificate of Title confirms that Bow Cattle was the landowner at the time payment became due on July 2, 2020. Subsequently, the land was transferred to the current landowner, 2378329 Alberta Ltd. (2378329) on August 18, 2022.

- [8] Upon transfer or sale, there are steps that the parties can take to ensure that payment continues to go to the original owner, and to protect that interest by way of caveat, but there is no caveat on title to suggest this has been done.
- [9] In the absence of evidence to the contrary, the current owner named on title is the person entitled to receive payment. Such an interpretation is consistent with the purpose of compensation under the *Act*: to compensate the owner for loss of use for the land taken and for adverse effect to the remaining land. A person who is no longer the owner of the land does not suffer loss or use or adverse effect.
- [10] A Notice of the Application by Bow Cattle was sent to 2378329 on February 3, 2025. In a response dated February 12, 2025, 2378329 as the new landowner claimed the payment due should be made to it.
- [11] The Application by Bow Cattle is denied.
- [12] If 2378329's position is that payment should be made to it, 2378329 should submit its own application for consideration by the LPRT.

Dated at the City of Chestermere in the Province of Alberta this 12<sup>th</sup> day of August, 2025.

 Donald Roberts, Member	

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