



LAND AND PROPERTY RIGHTS TRIBUNAL

Citation: Kellar v Questfire Energy Corp., 2025 ABLPRT 907593

Date: 2025-10-06
File No: RC2024.1205
Order No: LPRT907593/2025
Municipality: Municipal District of Wainwright No. 61

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 26-47-8-W4M as described in Certificate of Title No. 232 038 656 (the “*Land*”), particularly the area granted for a roadway, Alberta Energy Regulator Licence No. 0082318 (the “*Licence*”), collectively (the “*Site*”).

Between:

Questfire Energy Corp.,
and
Candor Investments Ltd.,

Operators,

- and -

Lawrence Albert Kellar,

Applicant.

Before: Ijeoma Ofodile (“the Panel”)

Appearances by written submissions:

For the Applicant: Terry Roberts, Nickerson Roberts Holinski & Mercer

For the Operators: No submissions were provided

**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 SIXTEEN THOUSAND EIGHT HUNDRED and 00/100 DOLLARS (\$16,800.00) to Lawrence Albert Kellar in the Province of Alberta comprised of compensation that became due in the years 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 (the "Compensation").

DECISION AND REASONS

[1] The Applicant filed an application dated September 10, 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 May 1, 1980. The Applicant claims \$2,100.00 annually, for a total amount of \$16,800.00, under the Application for the years 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024.

[2] The Panel notes a historical land title certificate with Title No. 942 191 116 showing Lawrence Albert Kellar and Nina J Kellar as joint tenants.

[3] The Panel also notes a current land title certificate with Title No. 232 038 656 showing Lawrence Albert Kellar as the sole owner with a transfer date of February 3, 2023, via an affidavit of surviving joint tenant.

[4] The Corporate Search dated July 16, 2024, for Questfire Energy Corp. shows the legal entity status as "Struck" as July 2, 2024.

[5] Pursuant to Order No. LPRT904448/SR2025 a direction to pay was issued for SW-26-47-8-W4M in the sum of \$16,800.00 for the years 2017, 2018, 2019, 2020, 2021, 2022, 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 Questfire Energy Corp. (“Questfire”) and Candor Investments Ltd. (“Candor”).
2. The written evidence proves compensation in the amount of \$16,800.00 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 \$16,800.00 from the General Revenue
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?*

[6] Pursuant to previous decision with order No. LPRT904448/SR2025, QUESTFIRE and CANDOR have been struck from Corporate Registry. As such, notice was not served as per the Interpretation of Section 36(4) Surface Rights Act Guideline, ABSRB 2020-1 and ASRB Guideline 2014.1/2020.

[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. The Licence for the Site is in the name of Questfire as of May 9, 2013, therefore, the Panel finds this party is an Operator under section 36(1)(c) for the years 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024.

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

[9] Under s. 36(1)(d) working interest participants and successors are Operators. The Panel finds that Questfire and Candor are Operators under section 36(1)(d) for the years 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024, because the AER Well Summary Report dated April 24, 2025, for the Licence shows they are working interest participants on the Site as of March 8, 2017.

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

[10] 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 Questfire is an Operator for the purpose of section 36(1)(e) on the due dates in 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024, because it is the Operator named on the remittance for the 2016-2017 rental period. The Applicant also provided Questfire cheque remittance dated April 18, 2016, evidencing payment in the amount of \$2,100.00 received on May 5, 2016, for the May 1, 2016 - April 30, 2017, rental period.

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

[11] In response to the Application, the Tribunal sent an incomplete application notice to the applicant on March 20, 2025. In an April 11, 2025, email, the Applicant's representative advised that that "there are two separate Leases for the access roads but is unable to locate copies." The email further notes that "one Lease is for the access road on the NE 26-47-8-W4M and the SE 26-47-8-W4M and the rent is \$2,100.00. The other Lease is for the access road on the SW 26-47-8-W4M, and the rent is \$2,100.00." The representative further asked whether it would be sufficient if the Personal Representative of the estate signs an Affidavit swearing the above to be true.

[12] The Panel notes that the email dated April 11, 2025, from the Applicant's Lawyer referenced "Estate of Lawrence Albert Kellar". The Panel notes that the Application itself did not make reference to the Estate of Lawrence Albert Kellar. The Panel has no other information evidencing that the Applicant is deceased. There is no certificate of death, no will and no signed appointment of personal representative form. Therefore, the Panel finds that it has insufficient evidence to determine the current status of the Applicant and will instead make a determination based on the evidence provided.

[13] The Historical Land Title Certificate shows the owners are Lawrence Albert Kellar and Nina J. Kellar. However, the current certificate of title shows only Lawrence Albert Kellar with a transfer date February 3, 2023, as surviving joint tenant.

[14] In the absence of any evidence to the contrary, the presumption is that the person entitled to the compensation is that person named on the certificate of title at the time that the decision is made; see, e.g., *Canadian Natural Resources Limited v Mike-Ro Farms Ltd.*, ABSRB 420, para 31, 21, *Richardson et al. v. Tudor Corporation et al.*, 2021 ABSRB 1228(CanLII), *Ember Resources Inc. v. Simber Farms Ltd*, 2020 ABSRB 805 (CanLII) and *Jones v. Lexin Resources Ltd.*, 2023 ABLPRT 657 (CanLII). Section 1(i) of the Act defines the owner as the person on the certificate of title.

[15] 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.

[16] 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 eight payments of \$2,100.00 due for 2017, 2018, 2019, 2020, 2021, 2022, 2023 and 2024 for a total amount owing of \$16,800.00. 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?*

[17] *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 \$16,800.00 from the General Revenue Fund.

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

[18] 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 Applicant, 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 Calgary in the Province of Alberta this 6th day of October, 2025.

LAND AND PROPERTY RIGHTS TRIBUNAL

Ijeoma Ofodile, Member