

July 20, 2010

MINERAL RIGHTS INFORMATION BULLETIN 2010-02

Subject: Land Descriptions and Area Breakdowns for Mineral Agreements.

The tenure branches in the Department of Energy have implemented a data conversion project for petroleum and natural gas (P&NG) and oil sands agreements. The objective of the project is to standardize area breakdowns for portion and fractional areas in the Land Status Automated System (LSAS). Portions are designated with a “P” and are locations of land in an agreement in which only a part of the quarter-section or legal subdivision is owned by the Crown. Fractional locations caused by the convergence of the meridians are designated with an “F” and are smaller than full sections. Fractional sections are east and adjacent to the 5th meridian, 6th meridian and the British Columbia boundary.

Area Breakdowns for Portion Areas:

The appendix attached to the agreement document of a P&NG and oil sands agreement includes a description of the land, rights and substances in the agreement. The location is described using Meridian-Range-Township and then for agreements issued since 1985 an area breakdown is included if the location contains portions of Crown land. The following is an example;

- 1) the location is described:
4-19-058: 28-30; 33N, SP
- 2) a metes and bounds description of the portion area is included:
Portions lying to south of the left bank of the North Saskatchewan river....
- 3) a breakdown of portion areas is provided:
For the purpose of this lease it is agreed that the portion(s) in the location contain:
42.1320 hectares in 4-19-058: 33SEP
61.6230 hectares in 4-19-058: 33SWP

The outcome of the data conversion project will be the provision of area breakdowns to the quarter-section level (or smaller if required) for all mineral agreements. Agreements issued prior to 1985 will include an area breakdown in LSAS but the appendix and amended appendix attached to a mineral agreement document will not be altered to include the area breakdown.

Area Breakdowns for Fractional Sections:

An area breakdown to the quarter section level for all fractional sections in P&NG and oil sands agreements will be entered in LSAS. The appendix or amended appendix attached to the agreement document will not be modified however searches will provide a breakdown of the fractional land to the quarter-section level.

This conversion project is ongoing. It is estimated that data entry for P&NG and oil sands agreements will be complete by January 2011. Data entry for coal, metallic and industrial and other mineral agreements will be completed later.

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