Mineral Ownership

Land ownership types

In Alberta, land owners can be separated into surface rights owners and sub-surface or mineral rights owners. Some individuals or organizations may own rights to both, but often there are different surface and sub-surface mineral owners on the same land.

The Crown in Right of Alberta (the "Crown") owns 81 per cent of sub-surface mineral rights. They are leased for development and administered through the Petroleum and Natural Gas tenure or the Oil Sands tenure system. The company or individual who leases mineral rights may develop or produce the specified mineral substances found under the property in exchange for paying a royalty on production to the Crown.

The mineral lease holder has the right to explore for and recover the specified minerals, but must do so in a reasonable manner to not significantly affect the use or rights of the surface.

In Alberta, the Alberta Surface Rights Board, created by the <u>Surface Rights Act</u>, may assist landowners and operators in resolving disputes. If water drains or flows and changes the landscape, mineral right owners can apply for an accretion (with more details on page 3). This is necessary as the beds and shores of naturally occurring bodies of water under lakes and streams is property of the Crown under the *Public Lands Act*.

Mineral ownership is defined in detail under the common law, and further described in the <u>Mines and Minerals Act</u>, Part 7 of the <u>Law of Property</u> Act, and their associated regulations. Mineral rights are registered in accordance with the <u>Land Titles Act</u>. See <u>Land Titles – overview</u> for the types of surface rights ownership and more information on land titles.

Ownership percentages

The Crown owns 81 per cent of the mineral rights, representing approximately 53.7 million hectares of land. Approximately 10.6 per cent of the mineral rights are under federal jurisdiction and the remaining 8.4 per cent are privately owned, known as "freehold mineral rights." The Crown in Right of Canada obtained land from the Indigenous people who already lived on these lands. Canada granted those rights for land in Alberta to the Crown in Right of Alberta in 1931.

Non-Crown mineral ownership

Category (Original Grantee)	Area (hectares)	% of the province
Federal (national parks and First Nations)	6,093,221.50	9.20
Companies (CPR, CN Rail, HBC, etc.)	4,825,939.25	7.28
Private individuals (homsteaders or freehold mineral owners*)	361,325.36	0.55
Other	1,328,190.43	2.00
Non-Crown Minerals total	12,608,676.54	0.55

Ownership map

*About 90 per cent of freehold mineral rights are held by corporations or trusts, some of which have been set up by family owners, to manage inherited rights together. Not all freehold mineral rights are the same; some have ownership of mines and minerals, including petroleum and natural gas, while others may note coal and/or petroleum are not included.



A Certificate of Title from Alberta Land Titles will specify which minerals are held by the owner. All freehold owners have the responsibility to pay Freehold Mineral Tax on revenue derived from production of their minerals.

Determining ownership

Surface rights landowners own the surface and the space above it (subject to the rights of others, such as airlines) and any sand, gravel, peat, clay or marl, which can be excavated by surface operations. Surface rights owners do not have ownership of minerals unless they hold the mineral title; in most cases, gold and silver have always been property of the Crown.

When the Certificate of Title is for surface ownership, only rights landowner and the legal description which is normally followed by a "mineral reservation," which is a phrase such as "excepting thereout all mines and minerals."

If the title includes both surface and minerals, it will not have a mineral reservation. If the title is for minerals only, they will be named in a phrase like "all coal, petroleum and natural gas" or "all mines and minerals."

As minerals represent a great deal of the wealth of this province, it is very important that their ownership be clearly defined. For this reason, the Land Titles Offices are required to issue mineral certificates before registering any dispositions—such as transfers, mortgages or leases—of mineral interests. A mineral certificate certifies precisely what minerals are owned in a specific parcel of land, by whom, at a specific date, and what mines and minerals are included in the disposition. Mineral rights leases can be sold by type or depth so there may be multiple mineral lessees on a single piece of land.

To find out who owns surface or mineral rights, you can obtain a land title search by:

- Contacting an <u>Alberta Registry Agent</u>
- Searching the <u>Alberta Land Titles Spatial</u> Information System; or
- Searching <u>Alberta Mineral Information (AMI)</u>
 Energy Crown Land data support

To find out who owns surface rights contact:

- Farmers' Advocate Office
- Alberta Surface Rights Board
- Reclamation and Remediation in Alberta
- Groundwater reports Water for Life

If your mineral title search result shows a private individual as the owner, see the Freehold mineral rights ownership section for more information.

Mineral accretion application process

Receding water can transform your landscape - this is also known as mineral accretion. You can apply to have your mineral lease title amended to reflect this change.

Accretion is a gradual natural process of permanent recession of a water body resulting in transformation of landscape from a bed and shore to dry upland. Under the section 89 of the Land Titles Act, any riparian owner, or owner whose parcel is adjacent to a body of water or a stream, may apply to have their title amended.

To apply to amend a title description, follow these steps:

Step 1

Fill out and file the Accretion Application form A found within the Service Alberta Land Titles

Procedures Manual, Surveys - Natural Boundary changes (SUR 12) (PDF, 74 KB). If approved,

Mineral Accretion Application restriction is temporarily placed on the applied lands and Alberta Energy confirms the actual accretion on the surface occurred with Water Boundaries.



Step 2

If the accretion process is not complete, for example, if some of the water body still remains in the area, a Registered Survey plan may be required.

Step 3

Consent of the impacted lessee(s) is required, if there is any active mineral tenure.

Step 4

Successful applicants will obtain a Crown consent letter (drafted in collaboration with the department's legal services) describing the accreted lands to be added to their title.

Step 5

Amendment to applicant's Mineral Certificate of Title is handled by <u>Land Titles</u>.

Step 6

Any impacted mineral tenure (leases and licenses) will be amended as a result.

Related information

- Freehold Mineral Tax
- Regional Plans



At a glance: history of ownership

Year	History
Before 1670	The Indigenous peoples resided in North America over 15,000 years before settlers came to the continent.
1670	King Charles II of England granted approximately 1 billion acres of land (about half of Canada) to two French explorers through a royal charter. The explorers eventually formed the Hudson's Bay Company (HBC).
1867	The Dominion of Canada was formed.
1870	The Government of Canada negotiated the transfer of approximately 4.5 million acres of land rights from the HBC.
1872	Early settlers obtained surface land and mineral rights under the <i>Dominion Lands Act</i> (Canada). Settlers acquired ownership by occupying the land and performing certain improvements over three years.
1887	Canada changed the <i>Dominion Lands Act</i> to reserve minerals in the name of the Crown and, as such, settlers were no longer entitled to mineral rights.
1880	Canada gave the Canadian Pacific Railway (CPR) a main line grant of \$25 million and lands for construction of the transcontinental railway. The land grant was 25 million acres or 7.4 million hectares, including 4 million hectares of which was in Alberta. Settlers could purchase land from the CPR, that could include the mineral rights.
1902	CPR began to reserve some mineral rights from sale depending on location. By 1912 they reserved all mines and minerals rights from most sales of land.
1905	Alberta became a province.
1917	Canadian First World War veterans could apply to the Soldier Settlement Board (SSB) for assistance to establish a farm.
1930	The Natural Resources Transfer Act moved surface and mineral rights for 53.7 million hectares from Canada to Alberta. This accounted for approximately 81 per cent of the province. This enables Alberta to offer lease rights for Petroleum and Natural Gas (P&NG) public sale.
2010	Alberta and Canada negotiated the transfer of mineral rights for the SSB lands from Canada to Alberta. This included a cash settlement of approximately \$31.5 million for the SSB and the transfer and control of 265 other federally-owned mineral titles and 7 associated mineral leases. This also included 212 SSB mineral titles and 89 associated mineral leases.

