

## C-MAG Land Agent Recommended Practices

### Purpose:

- To help a landowner understand what he or she can expect when contacted by a Land Agent regarding proposed oil or gas activity.
- This guideline refers to proposed new oil & gas activity including but not limited to wells, pipelines and associated facilities which will result in Leases Sites, Lease Access, Pipeline Right-of-Way, Power Lines and/or other land requirements.

### Background:

- One of the most important activities in the Oil & Gas Industry is ensuring legal access to the surface of the land in order to explore for and produce the underlying minerals. In almost all cases in Alberta, surface land ownership is different than mineral land ownership. Both the surface owner and the mineral owner have certain rights and obligations, each of which must be understood and respected.
- A key player in the Oil & Gas Industry in Alberta is the Licensed Land Agent. The Land Agent is usually the first point of contact between the landowner and the oil & gas company. It is the responsibility of the Land Agent to carry out public consultation and negotiations for project specific surface leases, pipeline right-of-way and other surface land requirements.

### Practice:

- Landowner will receive a telephone call from a Land Agent who is working on behalf of a specific oil & gas company. The Land Agent will be calling to ask for landowner consent to allow a survey company to enter upon certain lands for the purpose of completing a land survey for a drilling lease, pipeline right-of-way or other requirement.
- Land Agent will identify themselves and the oil & gas company they are working for. Basic project information will be provided including: type of project (well or pipeline etc.); substance (oil or gas & sweet or sour); specific land location including proposed coordinates (if a well); overall project scope and timing.
- **Please advise Land Agent of any special conditions for survey at this time and advise if there are any occupants of the land other than the landowner.**
- Land Agent will advise the landowner to expect a call from a construction supervisor to set up an on-site meeting to review well location, pipeline routing etc. The importance of the landowner attending the on-site meeting will be stressed.
- Land Agent will advise that once the survey is complete and survey plans prepared, he will call the landowner to set up an appointment to further discuss the project, lease or right-of way survey, legal documentation and compensation.

- Land Agent will provide a contact number should any concerns or questions arise in the meantime.
- Once the acquisition package is prepared, Land Agent will contact the landowner to set up an appointment to discuss the project, lease or right-of way survey, legal documentation and compensation. In an effort to promote continuity, this will usually be the same Land Agent that called initially for survey consent, however it may be a different Land Agent due to availability of personal
  - At the meeting with the Land Agent, the landowner will review the site-specific survey plan, receive a detailed project information package, review proposed lease documentation and proposed compensation. Upon completion of all relevant discussion including compensation, the landowner will be advised that he or she must take *a minimum of 48 hours* (not including statutory holidays) before signing any documents relating to the project. The landowner will also be advised that they have a right to waive the 48 hours if they are prepared to sign a specific waiver form as prescribed under Section 17 of the Land Agent's Licensing Act.
  - If the landowner chooses to take a minimum of 48 hours, the Land Agent will leave a specific compensation offer and plan a follow up meeting time with the landowner. There is no 48-hour period required at the 2<sup>nd</sup> or any additional meetings.
  - When an agreement has been reached, the landowner will be left with a copy of the agreement and advised that a fully executed copy will be either delivered along with full payment prior to any entry on the land or that the document will be forwarded by regular mail. In any case, the landowner will receive payment in full prior to any entry upon the land.
  - If an agreement cannot be reached and **the only issue is compensation**, consider signing a confirmation of non-objection for the lease location or pipeline routing. This will allow the company to proceed with the project by way of a Right of Entry through the Alberta Surface Rights Board and the landowner will receive a payment of 80% of the final offer (prior to entry on the land). In this case, final compensation will be determined at a hearing of the Alberta Surface Rights Board.
  - If an agreement cannot be reached for any reason after good faith negotiation with the Land Agent has concluded, advise the Land Agent you wish to speak directly with the oil & gas company representative in charge of the specific project in question.

### **Key Points/Checklist**

- Write down the Land Agent name & number when you are called for survey consent, any questions you have about the proposed project and don't hesitate to call the Land Agent back if you forget something.
- Plan to be at the on-site meeting for at least part of the survey; ask the construction representation when the best time would be so you don't waste your time.

- Do as much homework as you can regarding compensation (especially land value) before the Land Agent meeting. Ask the Land Agent about any land appraisals that may have been completed by the oil & gas company.
- If you are not familiar with documents such as Surface Leases and Right of Way Agreements, make sure the Land Agent explains them to you satisfaction. Seek additional advice if required for further clarification.
- If an agreement cannot be reached, ask to speak with the oil & gas company representative.
- Remember the importance of good communication between the oil company, the landowner, the Land Agent, and with all those involved in the specific project.

### **References:**

- Central Mountain View Action Group (CMAG)
- Albert Land Agent Licensing Act
- AEUB Guide 56
- AEUB Website
- Alberta Farmers Advocate Office
- Alberta Surface Rights Board

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