

# Surrender of an Agreement Guide

Use this guide to submit a request to surrender a Petroleum and Natural Gas (PNG) mineral agreement through the Electronic Transfer System (ETS).

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## General Information

A company may surrender a mineral agreement or a portion of a mineral agreement in accordance with Section 11 of the Mines and Minerals Administration Regulation.

## Resources

See the [Tenure](#) section on Alberta.ca for guides, regulations and other information.

If you have any questions regarding regulations, legislation or on-line process, please phone the PNG Agreement Helpdesk at 780-644-2300 and follow the prompts.

For additional information regarding the application process please refer to courses in [Accounts \(ETS\) Administration](#) in ETS Support and Online Learning.

## Surrender Request Information

A surrender request must be submitted to Alberta Energy through ETS.

**Do not mail, fax, e-mail or drop off your applications.**

Always complete the Admin and Agreement tabs of the application on ETS.

**Ensure you are authorized to submit the request.**

Your company must be the designated

representative or obtain authorization from the designated representative for each agreement request prior to submission.

Refer to the [Authorization Guide](#) in PNG Continuation, ETS Support and Online Learning for further information

A surrender will only be processed for an agreement that is in good standing with no overdue rent. To avoid incurring rental charges for the next year's term an agreement must be surrendered prior to the term expiry. As per section 20 of the Mines and Minerals Administration Regulation, Alberta Energy does not prorate rent.

An agreement that has a status of cancelled in Alberta Energy records is not eligible for surrender.

Annual rental may be withdrawn after the surrender request was submitted if the agreement is paid through Alberta Energy's auto debit process.

- Alberta Energy will refund any credits once the surrender has been completed and the agreement cancelled or amended, providing your company is not indebted to Alberta Energy.
- If debts exist, this credit will be applied towards outstanding arrears without any reference to your company.

A company may request to surrender multiple agreements at one time through ETS. Requests for partial surrender can only be for lands. No specific mineral rights may be surrendered.

Occasionally, a partial surrender is received in conjunction with a continuation/extension application. If your intention is to reduce the lands in your agreement, the surrender must be submitted first and completed prior to the agreement expiry date. This will ensure Alberta Energy's records reflect the change in lands prior to processing your continuation/extension application. If a surrender is submitted after the agreement expiry date, the annual rental for the entire agreement must be paid.

A company may surrender part of the location covered by an initial term licence, as long as they keep the minimum size requirements of one full section in the northern and foothills region and six full sections in the plains. Please refer to Information [Letter 2017-21](#) for further information.

For a Primary, Intermediate or Continued Term PNG agreement, a company may partially surrender land as a quadrant, legal subdivision, quarter section, half section or full section.

## Completing Application Tabs in ETS

### Administrative Information Tab

**Company Name:** Select the name of the company applying for validation.

**Comment:** You can add a comment for your reference. This is optional and will not be seen by Alberta Energy.

**Contact Information:** Enter the applicant contact information.

**Note:** All information regarding this application will be sent to the contact information in ETS. Update the applicant contact information if the person who submitted the application leaves your organization or will be away for an extended period of time to ensure you receive important information, including response deadlines, about your applications.

### Agreement Information Tab

**Surrender Effective Date:** Enter the date you want the surrender to be effective using the dropdown calendar. Note: Requests cannot be back-dated.

**Agreement Number:** Click the Add Agreement button, a Search Agreements screen will display.

Enter the PNG Agreement number(s) (e.g., 0494091399) and select Search.

- All agreements found will display. You must check each agreement you wish to add to the application.
- All lands for an agreement will display. You can customize the lands for partial surrenders.

*You have the option to add an attached document to this screen if you need to submit the authorization from the receivership company. The document must be in PDF format.*

## Once Request is Submitted

Once you submit the request, all agreements within the single request are assigned their own ETS Request number for easy tracking during the review process. Best practice is to go into each ETS Request or agreement and print the Surrender Document as this document has the Submission Date for your records.

## Surrender Response Times

Surrenders are processed within one month of the date of receipt unless the company specifies a different surrender date.

To review the status of your request, refer to the **Work in Progress** node in ETS and search your ETS Request number which was provided to you at the time of your submission or contact the PNG Agreement helpdesk at 780-644-2300.

**Entire Surrender:** Once the surrender has been completed the agreement is cancelled in Alberta Energy's records.

**Partial Surrender:** Once the surrender has been completed the agreement will be amended accordingly. You will receive an amended appendix to add to your agreement document.

## Client Withdrawn

You may withdraw the surrender request once the status of the request in ETS has been updated to Processing (Submitted). After the request is withdrawn the ETS Request status will be set to Client Withdrawn and all documentation relating to the request will be removed from Alberta Energy's



records. If a company surrenders a PNG agreement in error, the company must submit a request for reinstatement within 60 days from the date of the surrender letter as prescribed under section 8(1)(e) of the *Mines and Minerals Act*. The reinstatement will be subject to the payment of any rental due, along with a reinstatement penalty of \$5,000.00.

## Notification Emails for Clients

ETS sends Surrender notification emails to the ETS submission contact as a courtesy to notify your company that documents are available for review and/or action. Ensure contact information is current so all notification emails are sent to the appropriate person. The email includes information on where to locate the ETS Request (e.g., Work in Progress, Authorization or Request Status).

**Note:** Email notifications should not be relied on to track Surrender submissions in ETS. Best practise is for clients to monitor their requests on a regular basis. Users can search the status of a request any time in the Work in Progress screen by ETS Request number or agreement number. Requests can also be searched and sorted by the status of the request.