

Ministry of Natural Gas Development

Guide to Natural Gas and Oil Tenure Rents, Fees and Penalties

Approved by: Inés Piccinino
Assistant Deputy Minister
Upstream Development Division
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This guide describes the rents, fees and penalties associated with natural gas and oil tenure. The information in this guide is for your convenience and guidance and is not a replacement for the legislation or regulations. You can access the legislation and regulations online through [BC Laws](#).

Drilling Licences		
Rent, Fee or Penalty	Amount	Details
Issuance fee	\$500	<ul style="list-style-type: none"> • Due upon acceptance of bid • Charged for each title issued
Annual rent	\$3.50 per hectare	<ul style="list-style-type: none"> • Due upon acceptance of bid and then each year on the anniversary date
Fee for late rental payment within 60 days after anniversary	\$500	<ul style="list-style-type: none"> • Drilling licence expires after 60 days
Reinstatement fee	\$500	<ul style="list-style-type: none"> • Reinstatement is available at the discretion of the Director and only when criteria are met • Reinstatement fee is charged in addition to the above fee for late rental payment • See the Guide to the Petroleum and Natural Gas Drilling Licence Regulation for more information, including the reinstatement criteria
Fee and annual rent for standard extension (section 3(5) of the Petroleum and Natural Gas Drilling Licence Regulation)	Fee – \$500 Rent – \$7.00 per hectare	<ul style="list-style-type: none"> • Due before lease anniversary date
Annual rent for other drilling licence extensions	\$3.50 per hectare	<ul style="list-style-type: none"> • Drilling over expiry is an exception • See the Guide to the Petroleum and Natural Gas Drilling Licence Regulation for more information

Leases		
Rent, Fee or Penalty	Amount	Details
Issuance fee	\$500	<ul style="list-style-type: none"> • Due upon acceptance of bid, or with lease selection application if converting to lease from a drilling licence or permit • Charged for each title issued (including new leases issued from a split lease)
Annual rent	\$7.50 per hectare	<ul style="list-style-type: none"> • Due upon acceptance of bid or with lease selection application and then each year on the anniversary date
Penalty for late rental payment within 30 days after anniversary	1.5% of the rent	<ul style="list-style-type: none"> • Penalty increases after 30 days
Penalty for late rental payment 31 to 60 days after anniversary	3% of the rent	<ul style="list-style-type: none"> • Lease expires after 60 days
Continuation with penalty – first year	\$15 per hectare	<ul style="list-style-type: none"> • May be used for 10-year leases not eligible under other continuation provisions • Penalty increases for the second and third years • See the Guide to BC Petroleum and Natural Gas Act Lease Continuations for more information
Continuation with penalty – second and third years	\$25 per hectare	<ul style="list-style-type: none"> • May be used for 10-year leases not eligible under other continuation provisions • See the Guide to BC Petroleum and Natural Gas Act Lease Continuations for more information

Permits		
Rent, Fee or Penalty	Amount	Details
Issuance fee	\$500	<ul style="list-style-type: none"> • Due upon acceptance of bid • Charged for each title issued
Annual rent – years one through five	\$1.05 per hectare	<ul style="list-style-type: none"> • Due upon acceptance of bid and then each year on the anniversary date • The rental rate increases for the sixth and subsequent years of a permit (see below) • Permits are also subject to an annual renewal fee (see below)
Annual rent – sixth and subsequent years	\$1.75 per hectare	<ul style="list-style-type: none"> • Due each year on the anniversary date • Permits are also subject to an annual renewal fee (see below)
Renewal fee	\$500	<ul style="list-style-type: none"> • Due each year on the anniversary date
Penalty for late rental or renewal payment within 10 days after anniversary	\$100	<ul style="list-style-type: none"> • Penalty increases after 10 days
Penalty for late rental or renewal payment 11 to 60 days after anniversary	\$500	<ul style="list-style-type: none"> • Permit expires after 60 days
Work requirement for permittees	Varies based on permit type and year	<ul style="list-style-type: none"> • See sections 43 and 44 of the <i>Petroleum and Natural Gas Act</i> and section 4 of the Petroleum and Natural Gas Fee, Rental and Work Requirement Regulation on the BC Laws website

Miscellaneous Fees		
Fee	Amount	Details
Recording an encumbrance	\$50	<ul style="list-style-type: none"> Charged once for each title affected (no additional charge for cancelling)
Visual examination of records	\$25 per hour	
Preparation and issuance of a title search letter	\$7.50	
Copy of a record 13 pages or less	\$10	<ul style="list-style-type: none"> Also applies to providing an extract of 13 pages or less from a record
Copy of a record 14 pages or more	\$0.75 per page	<ul style="list-style-type: none"> Also applies to providing an extract of 14 pages or more from a record
Certifying a copy of a record 15 pages or less	\$15	<ul style="list-style-type: none"> Charged in addition to the above fee for copying a record Also applies to certifying an extract of 15 pages or less from a record
Certifying a copy of a record 16 pages or more	\$1 per page	<ul style="list-style-type: none"> Charged in addition to the above fee for copying a record Also applies to certifying an extract of 16 pages or more from a record

More Information

Online: <http://www.empr.gov.bc.ca/Titles/OGTitles/Pages/default.aspx>

Phone: 250-952-0333

Fax: 250-952-0331

Email: PNGTitles@gov.bc.ca

Tenure and Geoscience Branch
 Ministry of Natural Gas Development
 PO Box 9326 STN PROV GOVT
 Victoria BC V8W 9N3