

Ministry of Natural Gas Development

Guidelines for Registering a Transfer and Initiating Payments

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Assistant Deputy Minister
Upstream Development Division
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Summary of Revisions

Effective date	Section	Description
May 2016	Guide	Added a section on the requirement to register and pay through ePayments and managing title when an owner is unable to meet their financial obligations.
September 8, 2014	Guide and Attachments	Updated division and branch contact information and form links.

Guidelines for Registering a Transfer and Initiating Payments

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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](#).

Transfer Document Requirements

- Although there is no requirement to register a transfer, a transfer is not deemed to be recorded and effective under the [Petroleum and Natural Gas Act](#) (PNG Act) until the application to record it is received by the Director (Executive Director of the Tenure and Geoscience Branch) in accordance with [section 117](#) of the PNG Act.
- The following guidelines are provided to assist you with preparing a transfer document and applying to the Director.
- There is no prescribed form to register a transfer but [sample transfer documents are attached at the end of this guide](#).
- Send the ORIGINAL transfer document to the Tenure and Geoscience Branch (the Branch). The [mailing address](#) is located at the end of this guide.
- The original transfer document will be retained by the Branch. Additional copies may be submitted to the Branch and will be returned bearing evidence of registration.
- Provide a cover letter including your contact information and a brief description of the transfer with your transfer document.
- Include the Crown title number or numbers affected by the transfer with the transfer document, either in the transfer document itself or in an attached schedule. The Branch will only record the transfer against the title numbers identified with the transfer document.
 - Attach a schedule of title numbers with your transfer document without any other information about the titles as that information would have to be validated by the Branch.
 - If legal descriptions of the titles to be transferred are included, ensure they are accurate and complete; including the zone designation name, number and rights. Errors are cause for the transfer to be returned for correction.
- Do not submit your title document, or a copy, to the Branch with your transfer; title documents are already on file at the Branch.
- Initial any manual modifications made to the original transfer document once it has been printed, including changes made with correction fluid.
- Use the full legal names of partnerships and corporate entities.

Additional Provisions

- A transfer must be made by or on behalf of the recorded holder of a location ([section 117 \(1\) \(b\), PNG Act](#)).
- Provided that the application made in accordance with PNG Act, a transfer is registered and takes effect when the application to record it is received by the Director ([section 117 \(2\), PNG Act](#)).

- There is no restriction on submitting stale-dated transfers; they are also considered effective on the date they are received by the Director.
- Do not include encumbering or “subject to” provisos in the transfer document.

Signature Requirements

- All parties to the transfer, whether individuals or persons acting on behalf of corporations, should sign the transfer document and print their name, title and business address underneath their signature. You can use a personal address in the case where an individual does not have a business address.
- Transfer documents should be signed and witnessed according to the requirements below.
 - Individuals:
 - You must sign the transfer document in the presence of a witness.
 - Your witness must sign and print their name, title and address underneath their signature.
 - Witnesses to an individual transfer must be at least 19 years of age but do not require any special qualifications, e.g. notary public or legal counsel.
 - Corporations:
 - Only an individual with signing authority can execute a transfer on behalf of a corporation.
 - There are two options for witnessing a corporate transfer: you must affix the corporate seal to the transfer document or include the signature of an authorized attorney.
 - If you are using the corporate seal, the full name of the company must be legible on the front of the seal.
 - If you are using an authorized attorney, the signing authority should indicate their authority by including the words “Duly authorized to sign on behalf of Company X” with their signature.
 - The Branch requires registration of authorized attorney as described in the Registering an Authorized Attorney section below.
 - Include their name, title and address underneath their signature block.
 - When one company signs "as successor to" another company, provide supporting documentation that clearly indicates the company is successor in interest to the title in question.

Registering an Authorized Attorney

- The Branch maintains a registry of authorized attorneys.
- Please register an authorized attorney with the Branch if you wish to use an authorized attorney in place of a corporate seal on title transfer documents.
- There is no fee to register an authorized attorney.
- The requirements for recording an authorized attorney are:
 - The power of attorney document should have original signatures of an authorized officer of the company (President, Vice-President, Treasurer, etc.). The signatures need to be sealed or witnessed.
 - If unable to send in the original document, the branch will accept a “certified true copy”. A photocopy of the “certified true copy” is also acceptable.
 - A copy of the document is retained in the Branch. Additional copies may be submitted and will be returned bearing evidence of the registration.
 - The name of the company or companies that the authorized attorney is signing for should be included in the document.
 - The company will be assigned a registration number that should be quoted in any subsequent enquiries. Each subsequent authorized attorney for a company will receive the same registration number.
- An authorized attorney is recorded until such time as a company forwards documentation to revoke it or it reaches an expiry date as set out in the registered power of attorney documentation.

Transfer of Interest when Companies are Insolvent or Bankrupt

- Work with a receiver or trustee to have a title transferred to your company when it is in the name of an insolvent company that goes into receivership or is in the name of a company that is in bankruptcy and appointed a trustee
- The Ministry requires the same transfer documentation discussed [above](#) along with proof the receiver or trustee is appointed to act on behalf of the company.
- To have a title transferred to your company when a company is unable to meet the financial obligations of their title and a receiver or trustee is not appointed, you must work with your legal counsel to obtain proof of ownership.

Split Transfers

- A split transfer divides a lease into two or more leases geographically, stratigraphically, or a combination of the two.
- New leases are created under [section 64](#) of the PNG Act by cancelling the original lease and issuing new leases.
- A lease is the only form of tenure that you can divide using a split transfer.
- When registering a split transfer, provide legal descriptions of the locations, a zone-specific description of the zones, or a combination of both to describe the transfer, to ensure the correct information is recorded by the Branch.
- Use the phrase “in and to a portion of” to describe the transfer of land or zones. (see [sample transfer forms](#))
- You cannot divide a gas spacing area if it contains a gas well.
- You can divide a gas spacing area if it contains an oil well, or the spacing area is already divided.
- A \$500 lease issuance fee is required for each new lease resulting from the split transfer as required in [section 7](#) of the PNG Act Fee, Rental and Work Requirement Regulation.

Paying Rent in ePayments

- The Ministry only accepts payments through the [ePayments](#) system.
- ePayments requires a designated payor to initiate payments in the system (see the section [Designating a Payor](#) below).
- Rent is due on or before the anniversary date of a title.
- The Ministry does not issue invoices for rent. You can view rental information for your title in [ePayments](#), which is available for perusal 24 hours a day.
- A title holder is responsible for ensuring rent is paid on or before the anniversary date of their title.
- If rent is not received by the anniversary date, a title is in default until 60 days past the anniversary date. A payor may make a rental payment on a title in default along with the applicable late rent penalty.
- *Please note*, an application to continue a lease under [section 61](#) of the PNG Act and to continue a drilling licence under [section 3 \(5\)](#) of the Drilling Licence Regulation is due on or before the anniversary date. Consequently, rent must be paid on or before the anniversary date to ensure title is continued.
- Titles that are unpaid 60 days after the anniversary date will expire, and the lands will revert to the Crown, making them available for Crown disposition. There is no recourse to reinstate expired tenure except a drilling licence could be reinstated in very limited

circumstances under [section 3 \(3.3\)](#) of the Petroleum and Natural Gas Drilling Licence Regulation.

- Rents, fees and late rental payment penalties are outlined in the [Guide to Natural Gas and Oil Tenure Rents, Fees and Penalties](#).
- To register for or sign in to ePayments, please visit the [ePayments](#) webpage where you will also find information on using the system.
- For more information on drilling licence requirements and lease requirements, including continuation and expiry dates, please click on the links below:
 - [Guide to Petroleum and Natural Gas Lease Continuations](#)
 - [Guide to the Drilling Licence Regulation](#)

Designating a Payor in ePayments

- The [ePayments](#) system requires a registered owner on a title to designate a payor who will make payments for the title in the system.
- An owner can designate a payor directly in ePayments. When a payor is nominated, ePayments requires the individual to accept the nomination. A designated payor can then initiate payments for the title.
- A registered owner may appoint their company, another registered owner or any third party as a designated payor.
- During the period of 11 days before and 60 days past the anniversary date of a title, a payor cannot be designated directly in the ePayments system. If necessary, the owner can contact the ministry in writing (letter or email) to designate a payor during this time. This requirement does not impact any other function of ePayments (i.e., payments are still initiated in ePayments)
- It is important to note that a third party designated ePayments payor, that is not a registered owner, does not hold any ownership rights to the title.

Payments on Title in the Name of an Insolvent or Bankrupt Company

- As discussed above a third party can pay rent in ePayments if they are designated a payor in the ePayments system.
- To make a payment when a receiver or trustee has been appointed for a company that is an owner on a title, please work with the receiver or trustee to become the designated payor in ePayments for that title.
- Where there is no receiver or trustee appointed for an insolvent company that is an owner on a title, please work with your legal counsel.
- To determine the anniversary date of a title – which is also the date on which rent is due – you may request an iPS Web Titles Search at <https://a100.gov.bc.ca/pub/ipsweb/>.

- Please note: a third party designated ePayments payor, that is not a registered owner, does not hold any ownership rights to the title, even if the registered owner dissolves.

Sample Transfer Forms

- [Entire Interest Transfer Form](#)
- [Entire Interest Transfer Split Transfer Form](#)
- [Undivided Interest Transfer Form](#)
- [Undivided Interest Transfer Split Transfer Form](#)

Please submit transfer documents to the Executive Director, Tenure and Geoscience Branch at the address below.

Mailing Address and Contact Information

Ministry of Natural Gas Development
Tenure & Geoscience Branch
PO Box 9326 STN PROV GOVT
Victoria BC V8W 9N3
Telephone: 250-952-0333
Facsimile: 250-952-0331
Email: PNGTitles@gov.bc.ca

Address for Courier:

Ministry of Natural Gas Development
Tenure & Geoscience Branch
6-1810 Blanshard St.
Victoria BC V8T 4J1