

Ministry of Energy, Mines and Low Carbon Innovation

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

December 2023



Ministry of
Energy, Mines and
Low Carbon Innovation

Summary of revisions

Date	Section	Description
December 2023	All	<ul style="list-style-type: none">• Clarified information on making payments.• Updated information on issuance fees and reinstatement fees for clarity and to align with new terminology and amendments to the Petroleum and Natural Gas Act and regulations (B.C. Reg. 33/2020).
August 2017	All	Ministry name change.
October 2016	Leases and Miscellaneous Fees	Updated to: <ul style="list-style-type: none">• include the new lease reinstatement fee,• include the fee for continuation with penalty for five-year leases, and• remove the encumbrance fee as it is no longer required for the registration or discharge of encumbrances.

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](#).

All payments must be made by pre-authorized debit (PAD) through ePayments unless otherwise specified, or you are asked by Tenure and Resource Stewardship Branch staff to submit a manual payment.

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. • Also applies to reinstatement of a drilling licence (see below).
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.
Penalty for late rental payment within 60 days after anniversary	\$500	<ul style="list-style-type: none"> • Drilling licence expires after 60 days of non-payment.
Reinstatement fee	\$500	<ul style="list-style-type: none"> • The Minister has limited discretion to reinstate a drilling licence that expired due to non-payment of rent. The following criteria must be met, though meeting the criteria does not guarantee reinstatement: <ul style="list-style-type: none"> ○ The non-payment was inadvertent or due to non-financial circumstances beyond the control of the former licensee; ○ No portion of the expired drilling licence has been sold at a Crown disposition subsequent to the expiry of the drilling licence; and ○ The former licensee submits a written application to the director for reinstatement, accompanied by the reinstatement fee of \$500 and the issuance fee of \$500 (totaling \$1,000 plus annual rent). • The reinstatement fee, issuance fee and rent must be paid manually and cannot be paid electronically through ePayments.
Fee and annual rent for standard drilling licence continuation following initial term (section 3 (5) of the Petroleum and Natural Gas Drilling Licence and Lease Regulation)	Fee – \$500 Rent – \$7 per hectare	<ul style="list-style-type: none"> • An application for continuation must be made before the end of the term and must be accompanied by the continuation fee and rent. • See Guidance to the Administration of Petroleum and Natural Gas Drilling Licences for more information.
Annual rent for other drilling licence continuations	\$3.50 per hectare	<ul style="list-style-type: none"> • Drilling over expiry is an exception. • See Guidance to the Administration of Petroleum and Natural Gas Drilling Licences 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. • Charged for each title issued (including new leases issued from a split lease). • Also applies to reinstatement of a lease (see below). • All issuance fees must be paid electronically through ePayments except in the cases of split transfers (when a lease is divided into two or more leases), where the issuance fee and pro-rated rent must be paid manually.
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. • Applies during the original term of the lease and during any continuations.
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 of non-payment.
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 of non-payment.
Reinstatement fee	\$500	<ul style="list-style-type: none"> • The Minister has limited discretion to reinstate a lease that expired due to non-payment of rent. The following criteria must be met, though meeting the criteria does not guarantee reinstatement: <ul style="list-style-type: none"> ○ The non-payment was inadvertent or due to non-financial circumstances beyond the control of the former lessee; ○ No portion of the expired lease has been sold at a Crown disposition subsequent to the expiry of the lease; and ○ The former lessee submits a written application to the director for reinstatement, accompanied by the reinstatement fee of \$500 and the issuance fee of \$500 (totaling \$1,000 plus annual rent). • The reinstatement fee, issuance fee and rent must be paid manually and cannot be paid electronically through ePayments.

Leases		
Rent, fee or penalty	Amount	Details
Continuation with penalty – first year	\$15 per hectare	<ul style="list-style-type: none"> • May be used for five-year or 10-year leases not continued under other provisions. • Penalty increases for the second and third years for 10-year leases. • See Guide to 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 continued under other provisions. • Not available for five-year leases. • See the Guide to Petroleum and Natural Gas Act Lease Continuations for more information.

Miscellaneous fees		
Fee	Amount	Details
Visual examination of records	\$25 per hour	<ul style="list-style-type: none"> • Must be paid manually.
Preparation and issuance of a title search letter	\$7.50	<ul style="list-style-type: none"> • Must be paid manually.
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. • Must be paid manually.
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. • Must be paid manually.
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. • Must be paid manually.
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. • Must be paid manually.

Contact information

Ministry of Energy, Mines and Low Carbon Innovation
Energy Resources Division
Tenure and Resource Stewardship Branch

Telephone: 250-952-0333

Email: PNGTitles@gov.bc.ca

Mailing address:

PO Box 9326, Stn Prov Gov't
Victoria, BC V8W 9N3

Location:

4th Floor, 1810 Blanshard Street
Victoria, BC V8T 4J1