

Act and the Public Lands Grants Act regulate the disposition of oil and gas rights and regulate exploration and development in the Yukon Territory, the Northwest Territories and the offshore areas of the continental shelves, but not under lands within any provinces. Only subsurface rights and those beneath the seabed are granted. When required, surface rights are separately negotiated. Oil and gas exploratory permits are issued for nine, 10 or 12 years according to locality and oil and gas leases with a tenure of 21 years may be acquired from exploratory permits. Leases, which are renewable if oil or gas is still able to be produced, must conform to prescribed land patterns but must not exceed 50 p.c. of the area of an exploratory permit area. Under certain conditions, a permittee may obtain a lease on the other half of the permit area or part of it by paying enhanced royalty which varies according to the location of the permit area.

An oil and gas exploratory permit may be issued to any individual over 21 years of age or to any joint-stock company incorporated or licensed to do business in Canada, or incorporated in any province of Canada. No oil and gas lease granted to a permittee will be issued to an individual unless the Minister of the Department involved is satisfied that the applicant is a Canadian citizen and will be the beneficial owner of any interest acquired under such lease, or to a corporation unless the Minister is satisfied that at least 50 p.c. of the issued shares of the corporation are beneficially owned by persons who are Canadian citizens or that the shares of the corporation are listed on a recognized Canadian stock exchange, and that Canadians will have an opportunity of participating in the financing and ownership of the corporation.

Provincial Mining Laws and Regulations.*—In general, all Crown mineral lands lying within the boundaries of the several provinces (with the exception of those within Indian reserves, National Parks and other lands which are under the jurisdiction of the Federal Government) are administered by the respective provincial governments. The exception is Quebec where all mineral lands except those granted to individuals in the townships prior to 1880 are administered by the province; also mining rights on federal lands in Quebec are administered by the province.

The granting of land in any province except Ontario and Nova Scotia no longer carries with it mining rights upon or under such land. In Ontario mineral rights are expressly reserved if they are not to be included. In Nova Scotia no mineral rights belong to the owner of the land except those pertaining to gypsum, limestone and building materials, and the Governor in Council may declare deposits of either limestone or building materials to be minerals. Such declaration is to be based on economic value or to serve the public interest. In such case, the initial privilege of acquiring the declared minerals lies with the owner of the surface rights who must then conform with the requirements of the Mines Act. In Newfoundland, mineral and quarry rights are expressly reserved. Some early grants in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Quebec and Newfoundland also included certain mineral rights. Otherwise, mining rights must be separately obtained by lease or grant from the provincial authority administering the mining laws and regulations. Mining activities may be classified as placer, general minerals (or veined minerals and bedded minerals), fuels (coal, petroleum and gas) and quarrying. Provincial mining regulations under these divisions are summarized in the following paragraphs.

Placer.—In most provinces in which placer deposits occur there are regulations defining the size of placer holdings, the terms under which they may be acquired and held, and the royalties to be paid.

General Minerals.—These minerals are sometimes described as quartz, lode, or minerals in place. With the exception of British Columbia, the most elaborate laws and regulations apply in this division. In all provinces except Alberta and Saskatchewan, a prospector's or miner's licence, valid for one year, must be obtained to search for mineral deposits, the licence being general in some areas but limited in others; a claim of promising ground of a

* Compiled from material supplied by the provincial governments.