

**Before:**

**Metis Settlements Appeal Tribunal**

Land Access Panel

**Between:**

**Richard Villeneuve**

Applicant

-and-

**Paddle Prairie Metis Settlement**

Respondent

-and-

**Sunstar Resources Inc.**

Respondent

-and-

**Calver Resources Inc.**

Respondent

-and-

**Metis Settlements General Council**

Respondent

**Concerning:**

Recovery of Compensation

**Hearing Date:**

October 18, 2017

**Decision Date:**

October 27, 2017

---

**DECISION**

---

**The Hearing – parties, place and date**

**MSAT Panel members:**

Don Cunningham, Panel Chair  
David Drummond, Panel Member  
Cody Hodgson, Panel Member

**Parties present at the hearing:**

Richard Villeneuve (via tele-conference), Applicant

**MSAT staff present:**

Karen Mustus, Oil and Gas Officer

**Place and date of the Hearing:**

October 18, 2017 at 9 AM  
Metis Settlements Appeal Tribunal Boardroom, Edmonton, Alberta

[1] The Land Access Panel of the Metis Settlements Appeal Tribunal held a hearing on October 18, 2017 to consider an application under Section 121 of the *Metis Settlements Act*.

## 1.1 Background

[2] Richard Villeneuve, the Applicant, filed an application under s. 121 of the *Metis Settlements Act* on June 5, 2017 for the recovery of annual rental in the amount of \$3,100.10 for March 20, 2017, to March 19, 2018.

[3] The payment of arrears in annual rental is with respect to a Surface Lease Agreement dated March 20, 2006, located in L.S. 12-35 in NW 35-102-23-W5M being land held by Richard Villeneuve. The interest held is a Metis Title.

[4] The Surface Lease Agreement operates under a Joint Venture Agreement entered into by SunStar Resources Inc. and Calver Resources Inc. effective October 31, 2005.

[5] A letter from AER (Alberta Energy Regulator) to Calver Resources Inc. and Sunstar Resources Inc. identified SunStar Resources Inc. as a 51 % working interest participant in well site 12-35-102-23-W5 and looked to SunStar Resources Inc. to complete the abandonment work.

## 1.2 Issues

[6] The issues before the Panel are:

- 1) Is there money due and payable by the Operator to the Applicant under a surface lease?
- 2) Does the evidence satisfactorily prove non-payment?
- 3) Who is the “operator” as defined in s. 111(i) of the *Metis Settlements Act*?
- 4) Should the Panel direct the President of Treasury Board and Minister of Finance to pay out of the General Revenue Fund the amount of money to which the Applicant is entitled, pursuant to s. 121(2) of the *Metis Settlements Act*?

### 1.3 Decision

- [7] 1) Pursuant to the Surface Lease dated March 20, 2006, the amount of \$3,100.10 is payable to the Applicant by the Operator.
- 2) The evidence satisfactorily proves non-payment.
- 3) Based on the Joint Venture Agreement, dated October 31, 2005, the Panel finds SunStar Resources Inc. and Calver Resources Inc. to be the “Operator”.
- 4) The Panel directs the President of Treasury Branch and Minister of Finance to pay compensation of \$3,100.10 out of the General Revenue Fund to the Applicant pursuant to s. 121(2) of the *Metis Settlements Act*.

### 1.4 Reasons for Decision and Findings of Fact

[8] The Metis Settlements Land Registry Land Search report shows Richard Villeneuve holds Metis Title to the NW 35-102-23-W5M. A copy of the surface lease and evidence of rental arrears is supported by documentation on file and at the hearing.

[9] The Panel finds that the total of \$3,100.10 is owing to the Applicant from the Operator for annual payment for March 20, 2017, to March 19, 2018.

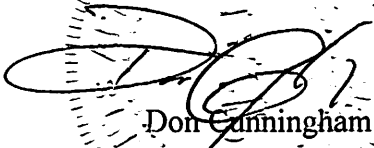
[10] Based on the Joint Venture Agreement, dated October 31, 2005, the Panel finds SunStar Resources Inc. and Calver Resources Inc. to be the “Operator”.

[11] The Panel notes that the Site has not been reclaimed and accordingly the Surface Lease remains in effect.

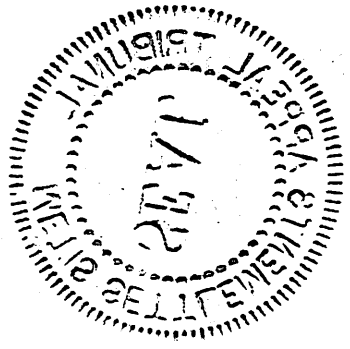
**1.5 Order**

[12] The Panel directs the President of Treasury Board and Minister of Finance to pay Richard Villeneuve \$3,100.10.

Dated in the City of Edmonton, in the Province  
of Alberta on this 27<sup>th</sup> day of October, 2017



Don Cunningham  
Panel Chair



**APPENDIX A**

*Metis Settlements Act, RSA 2000, Chapter M-14*

111 In this division,

...

(h) occupant” means:

- (i) a settlement council,
- (ii) the person in actual possession of a parcel of patented land, and
- (iii) a person having a right or interest in patented land that is registered in the Metis Settlements Land Registry.

(i) “operator” means the person who authorized or permitted to engage in an authorized project.

**Recovery of compensation**

121(1) If an existing mineral lease holder or operator fails to pay money

- (a) under a surface lease, or
- (b) ordered to be paid by the Existing Leases Land Access Panel or the Land Access Panel,

within 30 days of the date it is due, the person entitled to receive the money may submit to the Land Access Panel evidence of the failure to pay.

(2) On receipt of satisfactory evidence of failure of the existing mineral lease holder or operator to pay, the Land Access Panel may direct the President of Treasury Board and Minister of Finance to pay out of the General Revenue Fund the amount of money to which the person is entitled.

(3) If the President of Treasury Board and Minister of Finance pays money to a person under this section, the amount paid constitutes a debt owing by the existing mineral lease holder or the operator to the Crown in right of Alberta.

(4) If a surface lease and a development agreement are combined in one document, this section applies only to that part of the document concerning the surface lease.