

Surface Lease Default Notice

Date: _____
[insert today's date]

To: _____
[full name of energy company]

My Land: _____
[insert your land description & your name]

**Original Date
of Surface Lease:** _____
[insert original lease date]

RE: Notice of Default and Breach of Surface Lease

The surface lease requires that you pay the full annual compensation payment prior to the anniversary date. You do not have the right to unilaterally reduce the annual compensation. Farmers understand what it is like to go through hard times but we still have to pay our bills and property taxes.

You have not paid the full amount owing and are in breach of the surface lease.

Also, it is a term of the surface lease that you pay any municipal property taxes related to your operations on my land. The news media has widely reported that energy companies have stopped paying municipal property taxes. I pay my taxes and you need to pay yours. When property taxes are not paid, it harms my local community, road maintenance, and services.

You have 30 days from the date of this letter to remedy your default. You can do this by paying the full amount of annual compensation payable under the surface lease and by providing me with written confirmation from my municipality confirming that the taxes have been paid in full.

If you fail to remedy the breach of the lease, the courts can issue an order terminating your surface lease and remove your caveat from my land. Under Alberta law, your obligation to clean up the land and obtain a Reclamation Certificate will continue.

If the surface lease is terminated, you lose the right to access my lands. The Alberta Energy Regulator issues Closure Orders for wells when the energy company has no access to the lands. If you want to re-enter the land, you will need to apply the Surface Rights Board for a right of entry order and pay me the market value of the land, right of entry fees, loss of use, and adverse effect compensation.

Yours truly,

Landowner: _____
[Print your name as landowner/or as agent for landowner]

Signature: _____
[Sign your name as landowner/or as agent for landowner]

Contact: _____
[Your address, email, fax, & phone number]