

BYLAW NO. 41-15

LEDUC COUNTY

A BYLAW OF LEDUC COUNTY, IN THE PROVINCE OF ALBERTA, TO PROVIDE FOR THE IMPOSITION OF A TAX ON PERSONS ENGAGED IN THE DRILLING OF A WELL FOR WHICH A PERMIT IS REQUIRED PURSUANT TO THE OIL AND GAS CONSERVATION ACT AND/OR ENGAGED IN THE SERVICING OF AN EXISTING WELL.

WHEREAS

pursuant to Division 6 of Part 10 of the Municipal Government Act, being Chapter M-26, Revised Statutes of Alberta, 2000, and amendments thereto, the Council of Leduc County may pass a well drilling equipment tax bylaw;

the Council of Leduc County is hereby authorized to levy a tax upon the person who is in legal possession of equipment when the equipment is engaged in the drilling of any well for which a license is required, pursuant to the Oil and Gas Conservation Act, or in legal possession of equipment capable of or designed for drilling a gas or oil well when the equipment is engaged in the servicing, deepening and/or drilling a gas or oil well;

the tax imposed pursuant to this bylaw shall be computed in the manner and in accordance to the rates set out in Schedule "A" hereto attached and shall be due and payable to the Leduc County upon completion of the drilling, deepening or servicing of any well as the case may be; and

that in the event a tax imposed pursuant to this bylaw remains unpaid for a period of Thirty (30) days after the cessation of the drilling, deepening or servicing operation, the County Manager or any person appointed by him in writing, may levy the same with costs by distress under the provisions of Division 9 of Part 10 of the Municipal Government Act;

NOW THEREFORE

be it resolved that the Council of Leduc County, in the Province of Alberta, duly assembled, hereby enacts the following:

1. That Leduc County is hereby authorized to tax well drilling equipment, in accordance with the rates listed in the attached Schedule "A" which forms part of this bylaw.
2. This Bylaw repeals Bylaw No. 04-02

DONE AND PASSED in open Council assembled at Nisku, in the Province of Alberta, this 22nd day of December, A.D. 2015.

Read a first time this 22nd day of December, A.D. 2015.

Read a second time this 22nd day of December, A.D. 2015.

Read a third time with the unanimous consent of the Council Members present and finally passed this 22nd day of December, A.D. 2015.

John Whaley

MAYOR

[Signature]

COUNTY MANAGER

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SCHEDULE A

Calculation of tax for 2015

1. The tax under Division 6 of Part 10 of the Municipal Government Act must be calculated in 2015 as follows:
 - (a) if the depth of the well is 900 metres or less, \$0.44 per metre of depth, with the minimum tax being \$290;
 - (b) if the depth of the well is more than 900 metres but not more than 1500 metres, \$435 plus \$0.87 for each metre of depth exceeding 900;
 - (c) if the depth of the well is more than 1500 metres but not more than 1800 metres, \$957 plus \$1.02 for each metre of depth exceeding 1500;
 - (d) if the depth of the well is more than 1800 metres but not more than 2400 metres, \$1450 plus \$2.18 for each metre of depth exceeding 1800;
 - (e) if the depth of the well is more than 2400 metres but not more than 3000 metres, \$2900 plus \$5.22 for each metre of depth exceeding 2400;
 - (f) if the depth of the well is more than 3000 metres but not more than 3600 metres, \$6382 plus \$8.27 for each metre of depth exceeding 3000;
 - (g) if the depth of the well is more than 3600 metres but not more than 4200 metres, \$11 893 plus \$17.40 for each metre of depth exceeding 3600;
 - (h) if the depth of the well is more than 4200 metres but not more than 4800 metres, \$23 496 plus \$21.76 for each metre of depth exceeding 4200;
 - (i) if the depth of the well is more than 4800 metres, \$38 000 plus \$26.11 for each metre of depth exceeding 4800.

Calculation of tax for 2016

2. The tax under Division 6 of Part 10 of the Municipal Government Act must be calculated in 2016 as follows:
 - (a) if the depth of the well is less than or equal to 500 metres, the minimum tax is \$780;
 - (b) if the depth of the well is more than 500 metres but not more than 1000 metres, \$780 plus \$2.00 for each metre of depth exceeding 500 metres;
 - (c) if the depth of the well is more than 1000 metres, \$1780 plus \$4.00 for each metre of depth exceeding 1000 metres.

Calculation of tax for 2017

3. The tax under Division 6 of Part 10 of the Municipal Government Act must be calculated in 2017 as follows:
 - (a) if the depth of the well is less than or equal to 500 metres, the minimum tax is \$798;
 - (b) if the depth of the well is more than 500 metres but not more than 1000 metres, \$798 plus \$2.05 for each metre of depth exceeding 500 metres;
 - (c) if the depth of the well is more than 1000 metres, \$1820 plus \$4.09 for each metre of depth exceeding 1000 metres.

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Calculation of tax for 2018

4. The tax under Division 6 of Part 10 of the Municipal Government Act must be calculated in 2018 as follows:
 - (a) if the depth of the well is less than or equal to 500 metres, the minimum tax is \$816;
 - (b) if the depth of the well is more than 500 metres but not more than 1000 metres, \$816 plus \$2.09 for each metre of depth exceeding 500 metres;
 - (c) if the depth of the well is more than 1000 metres, \$1862 plus \$4.19 for each metre of depth exceeding 1000 metres.

Calculation of tax for 2019

5. The tax under Division 6 of Part 10 of the Municipal Government Act must be calculated in 2019 as follows:
 - (a) if the depth of the well is less than or equal to 500 metres, the minimum tax is \$835;
 - (b) if the depth of the well is more than 500 metres but not more than 1000 metres, \$835 plus \$2.14 for each metre of depth exceeding 500 metres;
 - (c) if the depth of the well is more than 1000 metres, \$1905 plus \$4.28 for each metre of depth exceeding 1000 metres.