which 3 were new discoveries and the remainder dry holes. Manitoba produced its first oil from the southwestern part of the Province where two oil discoveries were made out of 16 wells drilled, of which all but 5 were dry holes. British Columbia also had its first crude oil discovery and, of 15 wells completed, one is an oil well, 3 are gas wells and 11 failed to find commercial production of either oil or gas.

Production of petroleum in Western Canada is now largely governed by the outlets and, at present, potential capacity exceeds actual output by a considerable amount. In 1951, production in Alberta showed a phenomenal increase of 68 p.c. over 1950 and amounted to 46,403,000 bbl. This was largely due to the opening up of Ontario markets through the building of the 1,126-mile interprovincial pipe line from Edmonton to Superior, Wis., U.S.A., at the head of the Great Lakes. At the end of 1951, Alberta had a total of 2,747 wells producing or capable of producing oil compared with 1,988 at the end of 1950 and 1,220 at the end of 1949. Peak production was reached during the week of Aug. 20, 1951, when the daily average was 189,423 bbl. Output during the winter months, however, is much lower. and dropped to approximately 82,000 bbl. a day during the week ended Dec. 31, 1951. Potential production, however, is said to be around 200,000 bbl. a day and, owing to an expected increase, plans are now under way to build a pipe line from Edmonton to Vancouver via Yellowhead Pass, Kamloops, Merritt, Hope and Chilliwack to Burnaby. Initially this pipe line will supply only the needs of the Canadian west coast market and thus is designed for about 75,000 bbl. a day. By increasing the number of pumping stations, however, the pipe line will be capable of transporting 200,000 bbl. a day and it is hoped that part of the market in the Pacific northwest area of United States may be opened to this outlet. In addition to this western outlet, which will not be completed until 1953, the interprovincial pipe line outlet to Superior is being increased by looping the line around the high-pressure parts of the first line. Additional storage is also being built at Superior, Wis., and two new tankers, each with a capacity of 115,000 bbl., will be put into service on the Great Lakes during the 1952 shipping season. In conjunction with this the Imperial Oil refinery at Sarnia is being increased to a capacity of 71,000 bbl. a day and Canadian oil companies have built a new 20,000-bbl.-a-day refinery at nearby Froomfield. Imperial Oil Limited also has under construction a products line from Sarnia to Toronto via London and Hamilton, Ont.

The discoveries of oil in Western Canada have been accompanied by greatly increased gas supplies and the problem of the export of gas is now before the Alberta Government. The availability of large amounts of natural gas as well as gaseous products from additional refineries has led to a great development of petro-chemical industries in Alberta, principally in the Edmonton area. There are, however, large shut-in gas supplies and these have been increased enormously during the past few years.

The greatly accelerated pace of activity in exploration during 1951, when $200,000,000 was spent, and the announcement by various oil companies of even greater expenditures in 1952 indicate continued rapid growth of the petroleum and natural gas industries in Western Canada. It is hoped, even though Western Canada's oil cannot reach the markets in the far parts of Eastern Canada on account of transportation difficulties, that production will soon reach the point of self-sufficiency on balance where exports are equal to imports. Prairie self-sufficiency was reached in 1950 and, with the building of the trans-mountain pipe line, Western Canada may be wholly supplied by 1953 by Canadian oil although,