

The discovery of extensive reserves of natural gas in the British Columbia section of the Peace River district is of outstanding importance. Proven gas reserves were officially estimated at approximately 1,600,000,000,000 cu. feet as at Aug. 31, 1952. Over 32,000,000 acres are held under permit in the area. Altogether, over \$8,000,000 was spent on exploration, drilling and geophysical work for natural gas and oil in the Province in 1952. A pipeline to bring the gas from the district into southern British Columbia and northwestern United States is under consideration (*see* under Alberta).

The construction of Trans Mountain's 711-mile, 24-inch oil pipeline from Edmonton to Vancouver is scheduled for completion in the autumn of 1953 and refinery facilities in the Vancouver area are being greatly extended to provide the extra capacity needed. The line will have an initial capacity of 120,000 bbl. a day which can be increased to 200,000 bbl. a day through the construction of additional pumping stations.

The Province's output of sulphur, gypsum, clay products, cement, sand and gravel, and other non-metallic minerals is, for the most part, used locally and, with the exception of cement, showed little change during the period. Cement production, however, advanced from 1,325,000 bbl. valued at \$3,311,000 in 1951 to 1,528,000 bbl. valued at \$4,046,000 in 1952.

**Alberta.**—Events in the oil and gas industry in Alberta, the heart of Western Canadian oil developments, moved more rapidly during the review period than at any other time since the discovery of Leduc in 1947. Over \$300,000,000 was spent on exploration and development in the Province in 1952 with the result that important extensions were made to existing fields. Several outstanding wells were discovered, the chief of which was in the Bonnie Glen-Pigeon Lake district, and reserves of crude petroleum increased to nearly 2,000,000,000 bbl. Production of oil rose from 45,915,000 bbl. valued at \$113,870,000 in 1951 to 58,677,000 bbl. valued at \$139,886,000 in 1952. (For further details on Alberta oil developments, *see* pp. 541-542.)

The outstanding event in the natural gas industry in Alberta was the permission granted by the Alberta Government to Westcoast Transmission Company Limited to export gas from the Peace River area (of both Alberta and British Columbia) by a pipeline to be built to Vancouver and thence south into the northwest area of the United States. Approval for the building of this line in Canada was given by the Board of Transport Commissioners at Ottawa and the matter of extending the line into the United States is before the Federal Power Commission at Washington. The line will be economical only if a considerable market becomes available in the United States; the amount of gas that can be sold in Canada alone would not justify the expenditure involved in building a line 645 miles long from Peace River to Vancouver through mountainous terrain.

New and important natural gas discoveries were made in 1952-53. In the more central part of Alberta gas continued to be discovered in large quantities as wells were drilled for oil. One of the largest gas discoveries, with only limited amounts of oil present, was in the Nevis area, 12 miles west of Stettler. Several wells have been completed in this field which may have a reserve of 500,000,000,000 cu. feet. The Alberta Petroleum and Natural Gas Conservation Board stated, in its report of March 1952, that "with a continued incentive for exploration for oil and gas resulting in the drilling of some 400 to 500 wildcat wells a year, the Province of Alberta can safely anticipate the development of further established reserves of natural gas at an