1.—Crude Oil and Natural Gas Production in Western Canada, 1954-60

NOTE.—Many of the figures given for 1954-59 have been revised since publication in the 1960 Year Book.

Year	Crude Oil				Natural Gas		
	Man.	Sask.	Alta.	B.C.	Sask.	Alta.	B.C.
	'000 bbl.	'000 bbl.	'000 bbl.	'000 bbl.	Mcf.	Mcf.	Mcf.
1954	2,148	5,423	87,627	—	3,533	105,947	—
1955	4,146	11,317	113,045	—	6,707	130,999	—
1956	5,787	21,077	143,910	148	9,808	144,524	188
1957	6,090	36,861	137,490	345	13,994	179,334	8,275
1958	5,829	44,626	113,276	512	18,819	234,711	63,638
1959	5,056	47,442	129,967	866	33,613	310,407	68,756
1960	4,718	53,000	132,100	950	33,000	370,000	85,067

The natural gas figures in Table 1 do not include gas flared in the field which, in 1954, amounted to about 20 p.c. of gross gas production; in 1959, an amount equal to only 12 p.c. of gross production was flared. Increased demand for natural gas has made economical the gathering of gas which might otherwise have been flared. There has also been continuing progress in gas conservation procedures.

British Columbia.—Exploration in British Columbia in 1960 remained concentrated in the northeastern portion of the province where a number of important natural gas discoveries were made. Five new oil pools and 13 new accumulations of natural gas were indicated by exploratory drilling. An important gas discovery was made at Pocketknife, about 115 miles northwest of Fort St. John. Successful exploratory wells were also drilled in the Kotcho Lake and Fort Nelson areas. Additional gas discoveries were made at Laprise Creek, about 90 miles northwest of Fort St. John, in quantities sufficient to warrant connection of the field to the pipeline system of Westcoast Transmission Company Limited. About 60 p.c. of the 137 development and exploration wells drilled were successful.

The market for crude oil remains local in nature because of the lack of an oil pipeline joining the producing area to large markets. Consequently, British Columbia crude oil production remained at about 2,500 bbl. per day, although the potential output was about 12,000 bbl. per day. The value of natural gas production continues to be almost five times the value of crude oil production.

Alberta.—Exploratory drilling in Alberta resulted in 32 oil discoveries and 60 gas discoveries in 1960. Of the 1,643 exploration and development wells drilled, only 25 p.c. were failures. This favourable result reflected an emphasis on drilling in, or adjacent to, producing fields. Of all wells drilled in Western Canada in 1960, 67 p.c. were in Alberta. Although no fields as important as those found in preceding years were discovered, major extensions to several existing fields were made. In the Swan Hills region, 115 miles northwest of Edmonton, continued success in drilling enlarged the Judy Creek field to fifth place in estimated oil reserves, and by the year-end it was nearly joined to the larger Swan Hills field. These two fields combined, along with the adjacent West Judy Creek field, now have reserves approaching those of the Pembina field, Canada's largest oil field which has reserves of more than 650,000,000 bbl. Elsewhere in the province, there were a number of oil discoveries which may prove important after further development and appraisal.

Saskatchewan.—Exploratory drilling continued to decline in Saskatchewan during 1960. The number of exploratory wells dropped well below the 265 drilled the previous year because of the lack of significant discoveries. Exploratory drilling resulted in 14 oil and three gas discoveries. In total, 577 wells were drilled, the majority being in the field-development category, and 436 of them were successful. Of all wells drilled in Western Canada in 1960, slightly less than 25 p.c. were in Saskatchewan. Drilling by the year-end had nearly merged the Weyburn and Midale fields which together have about 275,000,000 bbl. of recoverable oil reserves.