

**Manitoba.**—Only 28 wells were drilled in Manitoba in 1961 compared with 67 in 1960, and only one created much interest—a well near Pierson in the southwest corner of the province. Later investigation showed such high water production that that interest soon subsided. Production of crude oil in Manitoba has been declining each year since the peak year of 1957. In 1961, output totalled 4,485,000 bbl., 6 p.c. less than in 1960. The province has no commercial production of natural gas.

**Yukon and Northwest Territories.**—One important gas discovery, in the Netla Arrowhead River well located between the Liard River and Trout Lake, was made in 1961. This yielded a high flow of gas from a section in the Devonian Slave Point formation. At the year-end, a well to a depth of 14,000 feet was being drilled on Melville Island to test one of the numerous structures in the potentially oil-bearing Palaeozoic rocks; by the end of 1961 it had reached a depth in excess of 10,000 feet. This was the first well to be drilled in the Arctic islands in the search for oil and gas. For the Territories as a whole, there was a nearly 50-p.c. decrease in the number of wells drilled following the 33-well peak reached in 1960.

**Eastern Canada.**—Exploration and development in Quebec was carried on more actively than heretofore in 1961, because of a drilling program relative to a natural gas reservoir on the north shore of the St. Lawrence River near Trois Rivières. The gas pool is located at a depth of less than 200 feet in unconsolidated sand beneath a clay capping, but the reserves are small compared with those of typical gas pools in Western Canada. In Ontario, drilling was carried on, as in previous years, along the north shore of Lake Erie and also on a pinnacle reef belt south of Goderich around the southeast corner of Lake Huron.

**Petroleum Refining and Marketing.**—Petroleum refining throughput capacity was expanded only slightly in 1961. At the beginning of the year, capacity was 950,260 bbl. per day. In November, the new 8,500-bbl.-per-day plant of Golden Eagle Refining Company of Canada, Limited went on stream near St. John's, Nfld., to become the province's first oil refinery. The plant of Pacific Petroleum Ltd. at Taylor in northeastern British Columbia was expanded to a capacity of 3,500 bbl. per day, although operations were suspended at the company's 2,800-bbl.-per-day plant at Dawson Creek. The small refinery of Anglo American Exploration Limited at Hartell, Alta., was closed down after 22 years of operation at its Turner Valley site. The Regina refinery of Consumer's Co-operative Refineries Limited was expanded from 16,000 to 22,500 bbl. per day. Construction of new refinery facilities during 1962 and 1963 will increase refinery capacity by at least 56,000 bbl. per day in Ontario, 13,500 in Nova Scotia, and 3,000 in Manitoba. The expanded capacity in Ontario will increase the use of Canadian crude oil in Eastern Canada. The rate of growth of the petroleum refining industry from 1941 to 1961 is indicated by Table 2.

**2.—Petroleum Refining Throughput Capacity, by Region, as at Dec. 31, 1941, 1951 and 1961**

Region	1941		1951		1961	
	bbl. per day	p.c.	bbl. per day	p.c.	bbl. per day	p.c.
Atlantic Provinces.....	34,250	14.7	22,300	5.3	105,300	11.0
Quebec.....	67,000	28.8	160,000	38.0	297,000	30.9
Ontario.....	68,000	29.3	79,400	18.8	260,820	27.2
Prairie Provinces and Northwest Territories.....	38,540	16.6	131,000	31.1	198,640	20.7
British Columbia.....	24,500	10.6	28,850	6.8	98,700	10.2
<b>Canada.....</b>	<b>232,290</b>	<b>100.0</b>	<b>421,550</b>	<b>100.0</b>	<b>960,460</b>	<b>100.0</b>