exploratory category. More lenient regulations concerning land acquisition and production royalties were instituted during 1964 and, as a result, exploration has intensified. Also, a capacity demand for Saskatchewan medium and light crude oil in the Great Lakes region has promoted the oil search. Estimated oil reserves were increased slightly to 610,000,000 bbl., mainly because of the implementation of a waterflood project in the Weyburn field. There were no important new oil discoveries. Of the 1,254 wells completed, 636 were oil wells, 30 were gas wells and 588 were dry.

British Columbia.—Drilling continued to decline in 1964 for the second successive year. No major new oil fields have been discovered during the past few years and this partly accounts for the decrease in drilling, particularly since development of existing fields has been largely completed. A medium-sized oil pool of good productivity, named the Nancy field, was discovered 50 miles north of Fort St. John, just west of the Peejay field and subsequent petroleum exploration and development centred in that area. Farther north, near Fort Nelson, the Clarke Lake gas field, the largest in the province, was prepared for production in order to supply the new gas pipeline connecting to markets in southwestern British Columbia. Several important natural gas discoveries were made in the general region of Kotcho Lake. A total of 674,800 feet was drilled in the province; 45 oil wells, 37 gas wells and 60 dry wells were completed.

Manitoba.—During the past decade, the low point of drilling activity in Manitoba was reached in 1962 but since then has increased rapidly and, in 1964, the total footage drilled was the greatest since 1957. Of the total 241,200 feet drilled, 67 p.c. was development and the remainder exploratory. No important oil discoveries were made. One interesting aspect of petroleum exploration in Manitoba was the acquisition of oil shale permits by several oil companies covering several million acres along the Manitoba escarpment of western Manitoba and the adjacent Pasquia Hills region of Saskatchewan. These deposits of low-grade oil shales are being investigated.

Yukon and Northwest Territories.—Eighteen wells were drilled in the Territories compared with six in 1963. The total footage of 113,100 feet was of an exploratory nature. Three gas discoveries were made—one in the Eagle Plains area of the Yukon Territory, one at Beaver River just north of the British Columbia Boundary in the Yukon, and one at Island River in the Northwest Territories just north of British Columbia's Petitot River gas field. The third Arctic Island well, on Bathurst Island, was completed in February 1964, after reaching a depth of 10,000 feet. No important occurrences of oil or gas were found.

Eastern Canada.—In Ontario, 216 wells were completed, of which 33 were oil wells, 55 were gas wells and 128 were dry. Aggregate footage drilled (excluding service wells) was 431,100 feet, 10 p.c. more than in 1963. There were no oil discoveries as important as the 1962 find at Clearville. Four exploratory oil wells and three exploratory gas wells were completed. In addition, 29 oil wells and 52 gas wells were completed in established fields and pools. The development of secondary recovery facilities in the Rodney field resulted in increased production there. A new offshore 'land play' developed in Hudson Bay when most of the southwestern quarter of the Bay, or about 55,000,000 acres, were taken out under exploration permits by several companies. At least one company plans extensive geophysical testing of its offshore holdings.

In Quebec, 10 exploratory wells were drilled but all were dry. No development drilling was carried out at the Pointe du Lac gas field, the site of intensive drilling two years