was due to a slowdown in exploratory drilling, which at 55,663 feet declined 32 p.c. from 1965 and was limited to 19 wells, all being abandoned. Development drilling totalled 80,037 feet. Production increased 5.7 p.c. to 14,331 barrels a day in 1966, the gain being due mainly to secondary recovery procedures.

Yukon Territory and Northwest Territories.—Exploration in the Yukon and Northwest Territories continued at the same pace in 1966 as in 1965. Twenty-eight exploratory wells were drilled for a total footage of 121,620 feet compared with 18 wells and a footage of 119,581 feet in the previous year. A significant gas discovery was made in the Pointed Mountain area, 30 miles north of the Yukon–British Columbia border, late in 1966. Recently, Pan American Petroleum Corporation contracted to sell 1,500,000,000 Mcf. of gas to Westcoast Transmission Company, the bulk to be provided by the substantial potential reserves of the Beaver River area which straddles the Yukon-British Columbia border. This agreement should stimulate future exploration in the southeastern corner of the Yukon Territory.

Eastern Canada.—In Ontario, both exploratory and development drilling declined to the lowest level in recent years as total footage decreased to 250,000 feet, down 28.6 p.c. from 1965. A total of 146 wells were drilled of which 12 were completed as oil wells and 40 as gas wells. No significant oil discoveries were made but a gas discovery in the Basal Ordovician opened up a potential new area for exploration.

An exploratory test in Manitoba on the west coast of Hudson Bay was drilled to about 2,900 feet. Although the venture was geologically encouraging, no significant concentration of hydrocarbons was encountered. Two exploratory wells were drilled in the Grand Banks area, south of St. John's, Nfld., but both were dry and were abandoned. Geophysical activity continued at a high level on the continental shelf area of the East Coast where acreage held under Federal Government permits increased to 124,000,000 acres.

Petroleum Refining and Marketing.—Daily crude oil refining capacity continues to increase year by year, the total in 1966 reaching 1,141,000 bbl. Canada now has the eighth largest industry in the world in terms of crude treating capacity. Moreover, it is unquestionably one of the most advanced in terms of down-stream refinery units such as catalytic cracking and catalytic reforming.

27.—Crude Oil Refining Capacity, by Region, as at Jan. 1, 1946, 1956 and 1966

Region	1946		1956		1966	
	bbl./day	p.c.	bbl./day	p.c.	bbl./day	p.c.
Atlantic Provinces	34,300	13.9	42,300	6.1	127,000	11.1
Quebec	71,000	28.9	247,000	35.3	375,200	32.9
Ontario	77,950	31.7	159,700	22.8	324,300	28.4
Prairie Provinces and Northwest Territories	40,815	16.6	180,800	25.8	214,400	18.8
British Columbia	21,800	8.9	70,250	10.0	100,200	8.8
Canada	**245,865**	**100.0**	**700,050**	**100.0**	**1,141,100**	**100.0**

In 1966, Canadian refineries received 1,038,000 bbl. of crude oil with domestic oil accounting for 58 p.c. of total receipts. Imported crude, on an average daily basis, amounted to 434,000 bbl. with 217,000 coming from Venezuela, 91,000 from Iran and Iraq combined, 47,000 from Saudi Arabia, 41,000 from Nigeria, 15,000 from Libya, 13,000 from Trinidad and 10,000 from Kuwait. Imports of refined products increased slightly over 1965 to an average of 163,000 bbl. daily, a gain of 1,000 bbl. daily. Light and heavy fuel oil and diesel oil comprised the major categories of imports.