

stage of development. At present Great Canadian Oil Sands Ltd., at 8 000 cubic metres a day, is the only oil sands producer. It has been in operation since 1967. Construction of the Syncrude Canada Ltd. project was about 50% complete by the end of 1976. Predicted operation at production of 20 000 cubic metres a day was scheduled to start in 1978. Proposals put forward by two major oil companies were withdrawn because of large capital outlays required for construction and the risk of not receiving a satisfactory return on investment.

Saskatchewan. Saskatchewan's crude oil production declined by 5% to 8.9 million cubic metres in 1976, accounting for 12% of the Canadian total. Marketable natural gas production, at 1 902 million cubic metres, accounted for 1.9% of total Canadian production. Total drilling in Saskatchewan amounted to 229 670 metres compared with 197 878 metres in 1975. No significant oil or gas discoveries were made.

British Columbia. In 1976 production of crude oil in British Columbia increased by 4% to 6 519 cubic metres a day and represented 3% of total national production. Net withdrawals of natural gas in the province totalled 11 601 million cubic metres, down 4% from 1975.

In 1976 exploratory drilling at 147 966 metres was up 63 349 metres from 1975 and development drilling increased by 91 254 metres to 135 124 metres. No significant oil discoveries were made but several significant gas discoveries were recorded.

Manitoba. Production of crude oil in Manitoba amounted to 626 000 cubic metres in 1976, down slightly from 1975. All fields were producing at maximum capability. There was no natural gas production and no oil discoveries were made. Drilling in the province increased by 50% to 13 515 metres.

Yukon Territory, Northwest Territories and Arctic islands. Crude oil production north of the 60th parallel is confined to the Norman Wells field in the Northwest Territories. Oil from this field is processed in a small local refinery which serves local markets. Natural gas production declined to 54 million cubic metres in 1976, because of a substantial reduction in production from the Pointed Mountain field, principal producing gas field in the Northwest Territories.

There were 27 wells drilled in Northern Canada in 1976 for a total of 83 807 metres compared with 44 wells and 113 218 metres in 1975. Some significant discoveries were made despite the decline in drilling. In the Mackenzie Delta, Gulf Oil Canada Ltd. drilled several successful gas discoveries in the Parson's Lake area and considerably extended the as-yet-undefined limits of the field. One well tested gas of 0.58 million cubic metres a day. In the Beaufort Sea, Dome Petroleum Ltd. used three specially designed drill ships. The Dome discovery well, drilled 56 kilometres offshore, encountered natural gas at 2 987 metres, and would be further explored in 1977. In the islands, Panarctic Oil Ltd. made two significant gas discoveries in April 1976. These wells substantially enlarged previous estimates of the size of the Hecla field on the east coast of Melville Island, now over 40 kilometres long containing an estimated 99 108 million cubic metres of natural gas.

Eastern Canada. Aggregate drilling in Ontario increased in 1976 by 5% to 73 272 metres. Exploratory drilling accounted for 48% of the total, down 2% from the previous year. No noteworthy discoveries were made. In Lake Erie, one gas discovery was recorded by Consumers Gas Co.

Offshore from the East Coast 10 wells were drilled for a total of 22 793 metres in 1976, compared to nine wells and 26 314 metres in 1975. All wells were in the exploratory category. Drilling commenced in this region in 1966. A total of 136 wells have since been drilled, from which eight significant discoveries of oil and gas have been made. The two most important of these were drilled on the Labrador Shelf, the Bjarni H-81 in 1973 and the Gudrid in 1974. Two more potential gas discoveries were made on the Labrador Shelf in 1975, the Eastcan Snorri J-90 was drilled to depth in 1976 and is considered to be commercial at the present time, however, the other well (Karlsefni H-13) is not considered to be commercial. In 1976, Petro-Canada revitalized exploration on the Grand Banks and Scotian Shelf with exploration agreements with three separate