

PETROLEUM.

THE OIL BOOM AT BOTHWELL.—THE OPERATORS.—HOW THE FARMER MAKES MONEY OUT OF IT.—A YEAR'S PROSPERITY IN OUR OIL FIELDS.

A SPECIAL to the *Globe* from Bothwell gives details of the operations in the new, or rather new-old oil field, south of the Petrolia oil field of south-western Ontario. We condense and add, and give excerpts.

The activity in locating and drilling oil wells, which has marked the past six months, and excited public interest in the province within the past two or three, has had a beneficial effect on the little town and on the farms surrounding, which secure not only a better local market for the important small odds and ends of farm products, but obtain for some of their owners considerable returns for leases to operate, and big prices for outright sales. The town has added fifty per cent. to its population since the interest in oil development began there last summer, and the unemployed have work. The farmer has, perhaps, reaped the richest harvest, and if it is found that the petroleum area extends much beyond that territory which has already been tested, and found to be rich in oil, his returns will be still larger.

THE OPERATORS.

A number of wells drilled had proved failures, or, according to the local term, had turned out to be dry holes; but in almost every instance these failures had been obtained outside of the area already mentioned as having been proved. Chief among the owners of producing wells are Messrs. Carmen and Fairbanks, Mr. W. J. Woodward, Mr. Hiram Walker, Messrs. Gurd and Kippin, Mr. Alex. Elliott, Messrs. Smith and Crawford, and Messrs. Whitman and Brenton. There are numerous other operators, but these are the largest at present, and are in possession of the most desirable locations. All these gentlemen have large tracts of land under lease, and a number of them have bought several farms outright, a circumstance which indicates their belief in the district. Messrs. Carmen and Fairbanks and Mr. Hiram Walker have the most productive wells in the territory, their situation being on the highest elevation within the whole oil area. These wells are located to the west of the town about two and a half miles, and are on what is known as the Goodyear farm. Fifty acres of this farm are in the possession of Messrs. Carmen and Fairbanks, and the other fifty are owned by Mr. Walker. It is understood that one well operated by Carmen and Fairbanks gives from

SIXTY TO SEVENTY BARRELS A DAY,

And it is expected that the other wells sunk by them on this property will be similarly productive. Mr. Hiram Walker, too, is obtaining great results from the operation of the wells sunk by him. East of the Goodyear farm Mr. Woodward has an excellent property, and is about to operate a well on the site of the old "Bull Dog" well, which was sunk in 1882, and proved to be a gusher. Mr. Alex. Elliott has also in this favorable locality about ten wells in operation, and Mr. John Puddycombe, a merchant of Bothwell, has one which is producing, and is drilling others. Within a short distance, and on the crest of the elevated area, are the wells of Smith & Crawford and Kippin & Gurd, and east of these a number of wells belonging to smaller owners, all of them yielding oil in paying quantities.

Of the operators on the field there are

three who are eminently fitted to speak with authority regarding the district and its future outlook. These are Mr. W. J. Woodward, Mr. Carmen and Dr. Fairbanks. These gentlemen have been connected with the petroleum industry all their lives and are not only excellent business men but have made a study of the geological formations in which oil is found. They applied the results of their knowledge to the Bothwell field before they invested their capital in sinking wells, and the properties which they hold were taken up as the result of careful scientific calculation. Mr. Woodward, especially, made a scientific examination of the whole surrounding country. He had never withdrawn his attention entirely from the district since the collapse of '66, and proposed when the market should have become restored to a healthy condition to make some investments and some tests in the locality.

A FIRE GOOD SOMETIMES.

His purpose was very likely quickened by a circumstance which brought to the notice of the world at large the possibilities for the production of petroleum afforded by this field. In January last Moore Bros., of Bothwell, who own much property about here, and who have for a number of years done a little now and again in the sale of crude oil, pumped from old wells which they had acquired, got in a steam engine and began operations somewhat more systematically on one of their properties. They had pumped 150 barrels when, on February 4th, the place where the oil was stored took fire and was destroyed, together with the contents. The circumstance was recorded in the newspapers, and brought the fact of the existence of oil in paying quantities at Bothwell before the attention of the world generally.

Whether this stimulated Mr. Woodward to immediate action or not, he certainly commenced exploration next month, and Mr. Carmen joined with him in his labor. Mr. Carmen, however, had to go to Wyoming, and for a time his attention was withdrawn. He returned in May, and after going over the field and comparing notes with Mr. Woodward, they fixed on the property about the Goodyear farm as offering the best prospects for development. Part of this farm had previously been acquired by Mr. Hiram Walker, but the remaining fifty acres were obtained by Messrs. Carmen and Fairbanks, the latter forming a business partnership with Mr. Carmen, while property immediately to the east was purchased by Mr. Woodward. It was immediately after this that the activity became pronounced. Many Americans as well as Canadians took up properties, not only on the north, but to the south of the river, and the work of drilling was pushed with great energy. Not only has the re-establishment of the industry brought in money and population to the district and given work to the unemployed, but it affords to a large portion of the farming community a permanent and substantial addition to their income.

THE FARMER'S TERMS.

Under the terms of the leases the farmer not only gets satisfactory sums from the lessee for the privilege of sinking and operating wells (in some cases the sum is equal to the value of the farm), but he also receives a royalty of, as a general thing, one barrel in every eight pumped. Besides this, he of course, works the rest of his farm as before, and reaps nearly, if not quite, as large a crop as he did before the lease was effected.

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The Year's Progress.

In looking over the past year's affairs,

says the *Petrolia (Ont.) Advertiser*, one cannot but see that it has been a good one to the oil man. During the entire year prices in all lines of petroleum and its products have been fairly remunerative. There have been several reasons for this. The rise was originally caused by the appreciation in value of petroleum in all parts of the world, but particularly in the American market, although, owing to the absence of the speculative elements in the Petrolia market our quotations never fluctuated so wildly as the American, but rose to the prices the article might legitimately command, and stayed firmly there.

Another factor in the steady prices was the consideration that we had just accommodated ourselves to the changed conditions caused by two or three doses of tariff tinkering that had a very depressing effect on our industry, and after having made arrangements for the altered circumstances we felt justified in expecting a rest from such extraneous disturbances, and settled down to business in that hope.

The consequence has been that a large amount of business has been done in all lines during the past twelve months. The market for refined, lubricating oils and other by-products has been active, and the refineries have been busy supplying the demand, at prices that assured a reasonable profit. This enabled them to pay a proportionately good price for crude, while the demand for the latter was strong.

Drilling, therefore, has been active, both at home and abroad. In the more strictly defined territory perhaps not so much work has been done, merely enough to keep up the production. The chief work of the drill has been in outside places, and we may say, while results have not yet been very great, it has been amply demonstrated that oil exists in other parts of this county in paying quantities, and that the oil yield will probably be enlarged as the result of the operations in new territory. In Bothwell, for instance, a great amount of work has been done, and oil in considerable quantities obtained. While it would be premature to say that the Bothwell field will ever be a very large producing territory yet it will certainly produce oil in paying quantities and prove a valuable adjunct to the Petrolia field. In many other directions the drill has been busy, with varying results, sometimes encouraging, sometimes not.

This has been the most conspicuous feature of the year just passed, and, with a continued season of comparative prosperity during 1897 we may expect to see the oil district of Ontario a great deal enlarged beyond its present defined limits.

THE James' Bay Railway Company will apply at the next session of the Dominion Parliament for power to extend their proposed line from its southern terminus, Parry Sound, to Toronto. The promoters of this company are:—Messrs. George A. Cox, William McKenzie, George Bertram and others, and it is their intention to start in on an old-time railway campaign, to find the capital for building the line right through from Toronto to James' Bay, a distance of 600 miles. Mr. William G. McWilliams, has given notice that another company will apply at the coming session of the House of Commons, for a charter to build a road from Toronto to Parry Sound. The latter is bound to become a place of importance as a railway and steamboat terminus. Parry Sound is to be the lake port of a new through route to Duluth, Minneapolis, Chicago, Port Arthur and other Western points.