

Dunnville; while the appellants own a transmission line through Dunnville and Winger, where the gas is delivered to the United Gas Co. to be supplied to consumers in St. Catharines and elsewhere.

Naturally the respondents desire to sell all the gas their wells produce and the appellants are anxious to control the supply and transmit as much as they can.

The contract sued upon, dated October 14th, 1911, must be read in the light of the situation of the parties at the time it was made.

So far as that appears in evidence it may be summarised thus: There were two earlier contracts on foot; one of the 13th February, 1909, between Waines and the United Gas Co., (which was amended on the 19th May, 1909, so as to allow the United Gas Co. to substitute a pipe line to be laid by the appellants for one which they had agreed with Waines to construct), and one between Aikens, Lalor & Beck and the appellants, dated 28th June, 1911. Aikens who was one of the parties to the latter contract is one of the respondents here.

By the Waines contract, as amended, the United Gas Co. were bound to take a specified quantity of gas or such less quantity as Waines should be able, from time to time, to deliver for 16 cents per cubic foot until 1st May, 1913, after which the price was to be 20 cents, and the quantity was to be slightly less. The United Gas Co. were bound to pay up to the specified quantity whether they took delivery or not.

By clause 7 of that agreement, the gas was to be delivered into the company's pipe line, or into the appellants' transmitting line at or near the west end of Canal street in the town of Dunnville, and was to be supplied and maintained at the point of delivery "at a pressure of at least 50 pounds to the square inch, provided that the company shall not maintain a pressure of greater than 50 pounds in its own line at the said point."

It may be noted that this last restriction is not expressly made to apply to the line of the transmitting company, but this is not important in view of the provisions of the present contract.

The last clause of the agreement provides that if in consequence of Waines not maintaining a pressure of 50 pounds