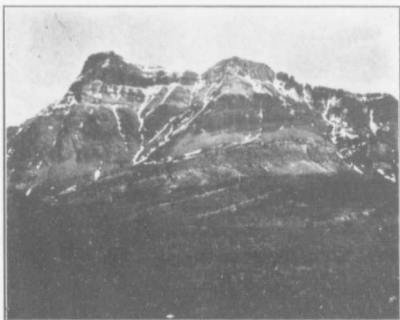




On Sect. 23, Tp. 1, R. 30, Camp No. 2, showing the Anticlinal formation on the opposite side of the valley from cut on page 5.

No. 2 Well is being put down on Section 23 in the same District, and the last report shows that springs of mineral water containing quantities of sulphur were frequently encountered, and at 617 feet the drill passed through 26 feet of shale, which gave out a great deal of gas and some oil. This would indicate that the reservoir of oil is deeper down and subjected to enormous gas pressure, which has forced some of the oil up through the minute crevices of the rock into the more or less porous shale.

It will be noted that the Company has **TWO COMPLETE DRILLING OUT-FITS** in active operation in the Alberta District. The machinery, casings, etc., on No. 1 Group, are valued at \$20,000.

A very pretty waterfall known as "Cameron Falls," which is estimated will at low water produce 2,500 H. P., is situated on Section 23. When the Company has succeeded in its search for oil the water power will prove a valuable asset. (*See cut on page 7.*)

**NO. 2 GROUP** of oil and coal lands, upon which the Western Oil & Coal Company has the sole right to prospect for oil and coal, consists of 16 square miles on the west side of the Elk River, immediately adjoining and parallel to the lands of the Crow's Nest Pass Coal Company, in South-East Kootenay, being divided only from the lands of the said Company by the Elk River.

License Nos. 1368 to 1375 inclusive, and 1416 to 1423 inclusive, have been granted, and all the conditions appertaining