relying on the general reputation of the field. The defendant's claim in this respect, whether as a defence or a counterclaim, failed.

The defendant's second contention was, that, upon the true construction of the agreement, he was entitled at any time to throw up the option and cease operations. The learned Judge was of opinion that the consideration for the option was the undertaking to operate the wells and to prospect and develope and prove the possibilities of the oil-leases; that this was obligatory upon the defendant; and that he had no right to throw up the option at any time, as he did, nor to cease operations or decline to drill at least five wells. By the terms of the agreement it was provided that the defendant should commence drilling upon the lands and put down and equip at least five wells, within the option-period. It was common ground that only two wells were bored, and that operations ceased long before the expiry of the option.

The plaintiff's claim for failure on the part of the defendant to pump all the oil that was obtainable from the producing wells was not pressed.

The remaining question was that of damages—what damages the plaintiff was entitled to recover for the defendant's failure to continue boring operations and drill five wells.

The plaintiff should recover such a sum as would, so far as money could do it, put him in the same position as if the contract had been fulfilled.

The two wells which were bored proved failures. The general evidence was that, while no one could forecast with certainty what the result of boring three more wells would be, yet the general reputation of the oil-field had greatly declined. At the same time, it was possible that, if the remaining wells were bored, oil would be struck in paying quantities.

The broad, general rule is, that damages which are uncertain, contingent, and speculative in their nature, cannot be made a basis of recovery; but this rule against the recovery of uncertain damages is directed against uncertainty as to the cause rather than as to the extent or measure. See Chaplin v. Hicks, [1911] 2 K.B. 786, 797; Sapwell v. Bass, [1910] 2 K.B. 486; Wood v. Grand Valley R.W. Co. (1913), 30 O.L.R. 44, 50.

In the present case there is a clear liability for breach of contract, and the damage is not too remote; but, as in the Grand Valley case, the evidence was misdirected; there was no evidence before the Court such as ought to be given in order to ascertain the damages.

There should be a judgment declaring that there has been a breach by the defendant of the contract, and that substantial