

THE SEMI-WEEKLY TELEGRAPH, ST. JOHN N. B., AUGUST 21, 1901.

STORY OF THE OIL INDUSTRY IN NEW BRUNSWICK.

What Mr. M. Lodge Has Done for the Development of That Mineral in the Province.

Memramcook, N. B., Aug. 16—"Nothing succeeds like success," was, perhaps, never better illustrated than in connection with the development of the oil industry in this province. Less than six months ago there were probably fewer than a dozen people in the province who had strong belief that oil could be found in New Brunswick. At present there is a very general opinion in Westmorland and Albert counties that the mining of oil is likely to become one of our great industries, and that those who were fortunate enough to be "in on the ground floor" have indeed struck it rich. Your correspondent visited the oil wells the other day in company with Mr. Clarke, the manager of the Moncton branch of the Bank of Montreal and others. It might be more correct to say oil well, for as yet there is only one oil producing well in operation. It is situated a short distance from here, on St. Joseph's College farm—almost just back of the Lefebvre Memorial Hall. Hon. H. R. Emmerson, Hon. A. D. Richard, Judge Emmerson, Mr. M. Lodge, Dr. Hanney and others were met at the well. Oil was pumped from the well by a steam pump, which has recently been put in place, with a result that was highly gratifying to all. The well had not been operated for some hours before, the workmen having been engaged boring another well some four hundred feet distant from the producer. Between five and six barrels of oil were pumped in a little more than two hours. As a matter of fact the New Brunswick Petroleum Company, under whose management the oil fields are being explored, were not properly prepared for the discovery of oil in paying quantities at as early a date as the oil showed itself in the present producer. They had no iron tanks ready for the reception of the oil, and they have had to use the ordinary oil barrels for the curing of the production of the pumping well. Mr. Lodge, the secretary of the company, explained to the visitors that up to the present time the chief object of the company was not to see how much oil could

be taken out of the well each day. They had satisfied themselves that the well could produce from eight to twelve and even 16 barrels per day, which would mean double that quantity in the 24 hours when they worked, as they intended doing, night and day. "Having found oil in paying quantities in the present well," continued Mr. Lodge, "our desire is to have a cluster of wells sunk as near as possible to the present producer—a cluster of say eight or ten wells. If those should turn out to be producers, or even a majority of them, then the commercial value of our franchise would be more than successfully demonstrated. Up to the present time the company has not offered a dollar of its stock to the general public, and has no intention of doing so until it has been demonstrated beyond all question that New Brunswick is the great oil producing country that such men as Dr. Olyphant, of the geological department of the United States, and Prof. Shaler, of Harvard College, gave it as their opinion the province after proper explorations, could be. We have made new contracts for the boring of ten additional wells. These may all be sunk in the vicinity of the present well or in any other part of our territory, which embraces the whole province. It is more than likely that our staff of workmen will be increased immediately and that from this out we may pump this well for all it is worth, and in that way obtain a revenue more than sufficient to sink scores of new wells."

amount to be issued to each to depend upon the amount of his original holding. More than a few of the shareholders are not content with the offer, and in that way those shareholders purchasing were able to get some additional stock or shares. Soon after the stock was offered to the shareholders the oil was struck in paying quantities and then nearly everyone of the original shareholders wanted to get additional stock. Of course we only sold the 10,000 shares, though we had applications for at least four times as many. We have had offers since for shares at all the way from \$1.50 to \$10 per share, but as our company was not organized for speculative purposes, but for the development of the oil industry, we had to decline all such offers. Later, when large refineries have to be built and pipe lines constructed it may be necessary to make further issues of stock, which, no doubt, will then command large prices. Then it will be quite impossible for the company to prevent speculation in its stock. Even now there is nothing to interfere with any stockholder selling his stock, but so far as I know every stockholder is holding on to his shares and anxious to obtain more stock."

"Coming to my own time," said Mr. Lodge, "it is about nine years since I became filled with the idea that we had oil in paying quantities in New Brunswick. I came to that conclusion because of a study of the work done by others in this direction during the past 40 years, and because of the result of my own observations and explorations. I stuck to that idea through good and evil report until I am sure I came to be regarded by those who knew me as a crank on the subject of oil. I went to Boston and succeeded in interesting two gentlemen named Reid and Wood in the theory that we had oil here. They were pipe manufacturers and also did a large foundry business. They came to New Brunswick and looked the field over. We bored a hole about a mile and a half from Moncton to a depth of 70 feet. The operation was on Behang's farm and we used a small hand churn drill. We found a heavy flow of natural gas and dug out a spring there to the depth of seven feet and gas came out so that we could light it on the top of the water. We could also gather oil on the top of the spring. Mr. Reid was well pleased with the prospect there and also at Dover and Memramcook. Several farms were leased in the vicinity of Moncton and Memramcook, but the story got abroad that capital was coming into the country in abundance and values of leases of farms went up so amazingly high that Messrs. Reid abandoned the idea of going on with the explorations, although well convinced, that under proper conditions there was a bonanza in the development of the oil fields of New Brunswick. There was nothing more done to speak of until the summer of 1898, when I again took up the oil proposition. I was more convinced than ever that oil could be produced in paying quantities in this province. The question was how could a franchise be obtained that would attract capitalists—how could the work be prosecuted without having every owner of property put a price on a lease much higher than any company could afford to pay? I read and re-read the Whitney coal contract with the Nova Scotia government, and thought if a company could obtain some such franchise with respect to oil development in our province it would be more than possible to make a success of the oil industry here. I interviewed Hon. Mr. Emmerson, then the provincial premier, who after a few days consideration, made up his mind that there might be something in my scheme and he called a special meeting of the government to consider the matter. The result was the passage of an order in council substantially covering the bill passed by the legislature at its session in 1899 entitled an act to

encourage the discovery and development of oil and natural gas within the province of New Brunswick. By that act oil and natural gas were made minerals within the general mining act, which was not formerly the case, and the company to be organized under the bill were given a valuable franchise. Under the bill and under its incorporation act the company, however, was required within two years from the date of the license to expend in boring for oil and natural gas not less than \$20,000, and not less than \$20,000 each and every year afterwards—and not less than \$100,000 in the whole within five years from the date of their license. The bill, while a valuable one for the company, safeguarded the interests of the province as well as the owners of properties that might be operated upon. In addition to requiring the company to make the expenditures named the bill provides for the payment to the crown of royalties of five per cent. of the output delivered at the well's mouth or five per cent. of the commercial value thereof. If the company carry out it is required to do for five years it will then be entitled to a lease of an area not exceeding ten thousand square miles to be selected by the licensee from the area covered by the license to search, such lease to extend for 99 years and then be subject to a renewal of a further period of 99 years."

"Do you not think these are very great powers to confer upon any company?" asked the writer. "Yes, they are," Mr. Lodge replied. "Hon. Mr. White, then a member of the government, thought such powers were too great. But it was shown that it would be impossible to secure capital to develop the oil bearing regions unless some such exclusive privileges were granted. After all, the period of five years is not such a long one; and considering that the oil bearing belt from surface indications covers so large an area it was felt by the government that it was well to give \$100,000 in developing our properties—provided they were satisfied with the report of a geologist of their own selection. They selected Professor N. S. Shaler, of Harvard University, who is known as an eminent geologist of the world over. He was given a free hand to employ as many men as he thought proper in an exploration of the province. Prof. Shaler selected Harold B. Goodrich as chief of staff, and Messrs. Barr and Boynton as assistants. From May till November, 1899, this staff of competent men explored the province while Professor Shaler himself inspected their work and personally examined the different formations. The result of their labors was embodied in reports by Prof. Shaler and Mr. Goodrich, and lengthy extracts from their reports have been published within the past few months in our papers. You will, perhaps, remem-

ber that Mr. Goodrich, in his report, said: "The facts demand, and the chances warrant a thorough test of the entire field by many borings," while Prof. Shaler concluded his report with the statement that "I am decidedly of opinion the field is one eminently fit for exploration and that the chances of finding oil are extremely good. These reports were entirely at variance with the views of most of our Canadian geologists, one of the most prominent of whom only a few months ago declared that there was no probability of as much as a gallon of oil being produced in the whole of New Brunswick. The fact that oil was found in our producing well only a couple of months ago and that we have since then taken out of that well some 4,000 gallons of oil will show the value the reports of Prof. Shaler and Mr. Goodrich and will no doubt lead to a revision on the part of some of our own geologists with respect to their estimates of New Brunswick strata."

PRESIDENT CASTRO'S STATEMENT ON VENEZUELA-COLOMBIA SITUATION.

Blames Invasion on Conservative Government of Colombia, and Not on the People.

New York, Aug. 17.—The following cable message has been received by the Associated Press from Caracas, Venezuela, the secretary of President Castro, of Venezuela, in reply to a despatch addressed to the president, asking him for a statement on the Venezuela-Colombia situation: "The government of Venezuela, presided over by General Castro, is fully justified in all its work and acts. It is essentially liberal in its practices. It is of the opinion that the Conservatives of Colombia, probably led by ruinous and war passions, have resolved to protect and assist in a revolutionary movement against Venezuela and her government. All of this has been actually proven by the official publications issued by the cabinet in Bogota. They date from the first of April. This view has not been denied, either by the Conservative government of Colombia or by her envoy extraordinary and minister plenipotentiary in this capital. When the government of Venezuela was surprised by the first and second invasions of her frontier by six thousand and two thousand men respectively, the invaders were victoriously expelled by the government and people of Venezuela. Since said events, ten thousand men have been massed on the frontier for the defence and integrity of Venezuela and its national honor. These are quite apart from her active services troops on other parts of the frontier, as well as national troops scattered over the republic and the reserve militia now under arms. "Venezuela has not accepted the invasion as an international attack by the people of Colombia against the people of Venezuela, but knowing its real source recognizes in it the work of the Conservative government of Colombia against the majesty of the nation of Venezuela. (Signed) "TORRES GARDENAS, "General Secretary."

AN AWFUL CATASTROPHE.

Steamer Sunk in Pacific by Iceberg and from Sixty-five to Eighty People Were Drowned.

Victoria, B. C., Aug. 18.—The steamer Islander, the crack passenger steamer of the Alaska route, operated by the Canadian Pacific Navigation Co. of this city, struck an iceberg off Douglas Island at 2 o'clock on the morning of Thursday last and went to the bottom carrying from 65 to 80 souls, including passengers and members of the crew. Some of the survivors arrived here this evening by the steamer Queen. They report that, as the vessel went down, her boilers exploded, causing the death of many who might have escaped. Captain Foote was on the bridge when the vessel struck and stayed there and went down with his steamer. Among the passengers lost were Mrs. Ross, wife of the governor of the Yukon territory, her child and niece; Dr. John Duncan of this city; W. G. Preston and bride of Seattle; F. Mills, Victoria; Mrs. J. C. Henderson, Victoria; W. H. Keating and two sons, Los Angeles, Cal.; J. V. Douglas, Vancouver; Mrs. Phillips and child, Seattle; Mr. Felt, Victoria; Mrs. Nicholson, wife of Captain Nicholson. The members of the crew lost are Capt. Foote, Geo. Allen, third engineer; Horace Smith, second steward; S. J. Pitts, cook; two Chinamen; Buck Hooper and Burke, oilers; two firemen; mill sailon-watcher, Kondah; Joe Barl, second pantryman; two waiters; G. Millock, barber; N. Law, H. P. Jock, Porter and Moran, coal passers.

KRUGER AND WILLIAM REDMOND HOLLAND HAVE INTERVIEW IN HOLLAND.

Oom Paul Regards Irish as Brothers in Oppression--His Views as to Kitchener's Proclamation--A Boer Camp Surprised.

London, Aug. 18.—The Freeman's Journal of Dublin, publishes an interview between Mr. Kruger and Wm. Redmond in Hilversum, Holland, in the course of which the president of the South African Republic, expressing gratitude for Irish support, said he regarded the Irish as brothers in oppression and urged the Nationalist members of the British parliament to continue their "efforts in the cause of justice and truth."

MARCONI'S SYSTEM TO SAFEGUARD ROYALTY.

British Admiralty Will Seek to Protect the Ophir at Cape Race.

St. John's, Nfld., Aug. 18.—The British admiralty intends to install the Marconi system of wireless telegraphy on Cape Race in order to communicate with the British Royal Yacht, Ophir, bearing the Duke and Duchess of Cornwall and York, when she approaches the Newfoundland coast in October. The idea is to prevent the possibility of an accident to the Ophir waters where so many steamers have been wrecked during the present season.

WOMAN'S BATHING SUIT NEARLY CAUSED RIOT.

Wearer of a Remarkable Costume, Cut in the Frenchest Fashion, Creates a Sensation on a Beach.

Narragansett Pier, R. I., Aug. 8.—There came near being a riot on the beach here this afternoon. It was caused by a woman in a remarkable bathing dress. The garment was made of white silk, with pink and black spots, cut in the Frenchest fashion. After she had been in the water and came out for a promenade, she suit hung to her in such a manner that she gathered up with mingled murmurs of approval, wonder and indignation. Officer Champlin got the woman off the beach before the demonstration got beyond control. The woman was an excursionist. Her name could not be learned.

REJECT CARNEGIE'S OFFER.

Federal Trades and Labor Council Don't Want Montreal to Accept Gift for Library.

Montreal, Aug. 16.—(Special)—The Federal Trades and Labor Council adopted a resolution against the city accepting \$150,000 offered by Andrew Carnegie for the purpose of providing the city with a free public library.

HON. MR. MULOCK HOME FROM AUSTRALIA.

Talks of Trade Prospects for U.S.—Says Better Steamer Service is Necessary.

Toronto, Aug. 18.—(Special)—Hon. Wm. Mulock arrived home this morning from his trip to Australia, where he was representative in the inaugural ceremonies in connection with the Australasian federation. In an interview he said the present was a most favorable opportunity for Canada to lay the foundation of a great profitable trade with Australia. The chief difficulties was the lack of transportation facilities. At present there is but one line of steamers between Vancouver and Sydney and the sailings are not sufficiently numerous. Besides, the route was handicapped by the long land haul through the dominion and also because of its terminus being at Sydney. Mr. Mulock thought that if the trade was to acquire a foothold that steamers should sail at regular intervals between some of our eastern ports and Australia.

FRENCH'S SCOUTS MEET DISASTER

Party of Fifty Surrender to the Boers—Engagement Between Kitchener and Botha Imminent on Zululand Border.

London, Aug. 16.—The war office has received the following despatch from Lord Kitchener, dated Pretoria, Aug. 16: "While a party of 50 of French's scouts were proceeding to join a column near Bethelsdorp, they were surrounded by the Boers, they were surrounded in the hills by a superior force under Theron and surrendered. One was killed and three were wounded, Captain Bethelheim dangerously." Lord Kitchener does not give the date but the casualty list indicates Aug. 8. Durban, Aug. 16.—Lord Kitchener, with a strong force, is moving on Honing, on the border of Zululand, where General Botha is reported to have concentrated 4,000 Boers. An important engagement is expected to ensue.

BARK ROMANOFF IS LOST.

Nova Scotia Vessel Foundered on Voyage from Belfast to Campbellton, N. B.

London, Aug. 17.—The Nova Scotian built barque Romanoff, of Belfast, in command of Capt. McLeod, which left Belfast July 23, bound for Campbellton, N. B., has foundered off Tory Island. Five members of the vessel's crew have landed safely at Inny Bay. The fate of the remainder of the crew is unknown.

MASONIC VISITORS.

Canadian Knights at Old Orchard, Me., Get Big Welcome.

Old Orchard, Me., Aug. 17.—The Sir Knights of Richard Coeur de Leon Preceptory of Montreal and Sussex Preceptory of Sherbrooke, Que., arrived here this evening from their Biddford pilgrimage, accompanied by Bradford Comptroller of Biddford and Suso. A banquet was served at Hotel Fiske this evening. The Canadian visitors will remain here until Sunday evening. They speak in the most complimentary terms of the reception accorded them at Augusta and Biddford.



NO JOKE. Editor—"You seem to have given up the mother-in-law jokes, and you used to be so successful with them. How do you account for it?" Joke Writer—"I've got one now."

GREATEST HARVEST IN HISTORY

Northern Alberta Will Have Two Million Bushels of Oats for Export.

Edmonton, N. W. T., Aug. 17.—(Special)—Nothing but a severe frost or a snow storm within the next two weeks and either is improbable at this season, could prevent Northern Alberta gathering the greatest harvest in her history. At present the condition of crops surpasses expectations. It has been estimated that Northern Alberta will have 2,000,000 bushels of oats for export.

Boy Accidentally Shot.

Three Rivers, Que., Aug. 17.—(Special)—Today, while a number of boys were firing with a Flaubert rifle, one of them, the son of John Young, aged 10, was accidentally shot dead.

To Cure a Headache in ten minutes use Kilmford Headache Powders.