

Nova Scotia Is a Natural Gas

Nova Scotia has been poor and picturesque for a long time. It now hopes to lose the first distinction and still keep the second.

The focus is on the Sable Island area 180 miles east of Halifax. In the spring of 1979 Mobil Texaco Pex drilled a 16,650-foot-deep well, Venture D-23, twelve miles east of the Island and found significant quantities of gas. Two appraisal wells east and west of the discovery helped establish the potential of the field. About 34 million acres are currently under license for development, an area about the same as that under license in the North Sea.

The field was a major find and a Mobil executive said that there was "no doubt that it is rich enough to be worth developing," but there were problems. Both the federal and the Nova Scotia governments claimed ownership, and Mobil Oil Canada, the operator of a group of companies with interests in the project, was not willing to spend more money until the division of revenue was set. "No one wants to get in a poker game until the rules are clear," says Ken Farquharson, a senior manager in the province's Department of Development. The problem was solved when the two governments agreed that, whoever owned it, Nova Scotia would get 100 per cent of the revenues until such time as its per capita income is 16 per cent above the national average.

Mobil then developed design and production scenarios and prepared environmental impact studies. The company is now conducting a multi-million dollar study to examine the probable consequences of the Venture discovery—biological, physical and socio-economic.

An estimated \$2 to \$4 billion will be needed to put Venture into production. Steel platforms will be fixed on the sea floor for drilling, servicing and production of wells. If there are no delays, gas could be coming ashore by 1987 or 1988.

Mr. Farquharson says the province hopes to expand the positive effects of the gas bonanza by building local high technologies to service it. The gas in the Sable area is produced under unusually high natural pressures. Blowout equipment is already being upgraded at local shipyards, and special new equipment will be designed and manufactured.

"A lot of outside companies now have sound reasons to invest here," Mr. Farquharson says.

The provincial and federal governments have committed \$35 million to stimulate a "centre of excellence" in ocean-related industries.

It will promote a variety of enterprises, with emphasis on gas and oil activities. Capt. Hugh Plant of the federal Ocean Industry Development Office believes, "The oil companies prefer to buy goods and services from local suppliers—it is simply more cost-effective. Our role is to ensure that the capabilities for delivering these products are developed in Nova Scotia."



Drilling rig Rowan Juneau in the Venture field.

Abraham's Lamp

Petroleum production is not new to Nova Scotia.

Abraham Gesner of Cornwallis has been called the father of the industry. He patented a process for manufacturing flammable liquid hydrocarbons from pitch, asphaltum or bitumen in 1832 and established the North American Kerosene Gas Light Company. The company did very well until the kerosene lamp was replaced by first the natural gas light and then the electric one.

Tidal Power

The tides of the Bay of Fundy have the potential to produce up to 10,000 megawatts of electric power—the equivalent of sixteen nuclear reactors.

There have been plans to harness some of that power for a century, but they have always proved