

NWp
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B862



General Manager

Meaning "The Peg of Progress"

One Step in Advance is a Man's

Prize and Brings a Man's Reward

*British
Columbia
Oil and
Coal*

*Development
Company
Limited*

NWP
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OFFICERS

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M. H. CARSLEY.....VICE-PRESIDENT
ANTHONY ANDERSONGENERAL MANAGER
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CONTRACTORS

MCCUTCHEON & Co., GAS AND OIL WELL CONTRACTORS,
BUTLER, PA.

BANKERS

THE MERCHANTS' BANK OF CANADA, VICTORIA, B. C.

OFFICIAL PROSPECTUS

of the

B. C. OIL AND COAL DEVELOPMENT CO., LTD.

Non-Personal Liability.

Incorporated under the Companies' Acts, 1897, and Amending Acts,
Province of British Columbia, Canada.

REGISTERED HEAD OFFICE, 1319 DOUGLAS ST.,
VICTORIA, B. C.

CAPITAL STOCK, \$400,000.00—Shares par value of \$50
TREASURY STOCK, \$200,000.00. Debentures, \$20,000

Shares issued as non-assessable.

SUBSCRIPTION BOOKS NOW OPEN FOR ISSUE OF 500 SHARES ONLY

The proceeds of this issue, together with some \$5,000.00 cash that is on hand at this time, will provide working capital for the sinking of oil wells on the Company's property.

The Directors are authorized to use their discretion regarding the amount, if any, payable for advertising, printing and commission relative to placing of debentures or stock, but shall not exceed 25 per cent in all.

Shares and Debentures have already been issued as follows: 4,123 shares and \$20,000.00 of Debentures, leaving 3,877 Shares in the Treasury for development purposes. The said debentures and four thousand shares constituted the consideration paid by the Company for the leases as hereinafter described. Balance of shares are fully paid up. Contract dated January 5, 1910, between A. Anderson and R. H. Lindsay, trustee for the Company, transferring the following leases to the Company, can be inspected at the Head Office.

Leases consisting of one thousand and four hundred and six acres, more or less, and fully described by Nos. L-7334, L-7333 and L-7123, located on Sage Creek, Flathead country in South-eastern British Columbia, are now registered by the Crown in the name of the B. C. Oil and Coal Development Company, Ltd. These leases are paid up, and in good standing with the Crown.

Dated May 1, 1912.

Copy of this prospectus has been filed in the office of the Registrar of Joint Stock Companies at Victoria, B.C., pursuant to Section 89 of the Companies' Act.

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THE B. C. OIL AND COAL DEVELOPMENT Co., LTD., has a lease on one thousand and four hundred and six acres of land that is conceded, by oil experts, to be a gusher possibility. We hope to have a gusher in our first well, but with the vast acreage controlled by this Company, ordinary wells of one hundred barrels or even fifty barrels per day would mean fabulous profits for every stockholder.

We believe the stock of the B. C. Oil and Coal Development Company, Ltd., affords the greatest speculative value of any security offered to the public today. There is no limit to the amount of money that should be made in these shares.

Most similar companies are incorporated for a million shares with only a 160-acre lease or less, while the capitalization of this Company is only 8,000 shares, with a lease of over one thousand four hundred acres.

The stock is being bought by experienced men, some of whom have personally visited the property.

This is not a Government bond proposition offering you 4, 5 or 6 per cent upon your money, but it is a speculative enterprise and offers tremendous possibilities, and it is not out of the way to estimate possible profits at from one hundred to one thousand per cent.

You are given the privilege of joining other prominent men in a speculative enterprise offering a possibility of tremendous profits from a small investment. We do not advise you to invest your last dollar in the shares of this Company, but we do advise each and every one of our friends and your friends to buy a block of this stock, believing, as we do, that it will make you money, more quickly, more surely than you could possibly make in any other way.

The Company is under the direct personal management of competent men, well and favorably known as successful and A1 business men, while the manager is an experienced oil operator. They have their own personal interest in the Company, and are jointly interested with you in making it a great success.

The Company has already entered into a contract with a reliable contractor from the great Pennsylvania oil fields to bring in a complete drilling plant, including tools, machinery and all other necessary apparatus to start work on a string of wells.

We believe that this stock stands in a class by itself as an exceptional opportunity for tremendous speculative profits, having every assurance of success that could be given by any corporation in the present stage of development.

The stock being sold at par insures that the capital stock will not be dissipated without yielding returns adequate to prove, equip and operate the Company's holdings.

We feel that the information furnished by the reports herein is sufficient to justify your entire confidence in the enterprise. We would advise, therefore, that you fill in the attached application blank for as much stock as you wish and forward same with your remittance by first mail.

Do not delay, as the present allotment available at this first ground floor price is only 500 shares.

E. C. Rappaw
M. H. Carley

J. G. Sidley
W. M. McCalland
George T. Gould
Anthony Anderson

DIRECTORS

B. C. OIL & COAL DEVELOPMENT COMPANY, LTD.

Witness.

W. J. Abbey
Secretary

ALFRED R. C. SELWYN, C.M.G., LL.D., F.R.S., DIRECTOR
OF THE CANADIAN GEOLOGICAL SURVEY IN
1891, REPORTS AS FOLLOWS, IN
VOL. 5, PAGE 11a

"On the 25th day of July, 1891, on leaving the Flathead Valley, British Columbia, we crossed into the valley of Sage Creek, camping on the right bank at about nine miles above its mouth. At about a mile and a half higher up, the creek leaves the high mountains which border its upper course in a northeasterly direction up the main water shed some twelve or fourteen miles distant, and here at the edge of the water, on the left hand bank, I found hard, dark flinty shales, some as those at the beaver dam pool on the Akamina; dipping S. 25 degs. 30 mins. W. 25. Directly the layers of this rock are raised the oil rises and spreads over the surface of the water in **SUCH ABUNDANCE THAT A SHORT TIME SUFFICES WITH THE AID OF A TIN CUP TO COLLECT A BOTTLE FULL.** Here, also, a considerable quantity of gas escapes from the cracks and joints in the rock and **ignites freely on the application of a match.** Less than half a mile higher up on the right bank and on the opposite or west side the creek oil was again found issuing from the base of a bank or drift which has here filled the valley and caused the stream to make a sharp bend eastward to the base of the opposite mountain. No rock was here exposed, but every stone in the bed of the creek especially on being broken or rubbed, gave out a strong odour of petroleum. Oil was collected here, a sample of which can be seen in the museum."

EXTRACTS FROM LETTER OF MR. JOHN WATT

Who was Retained by the Canadian Pacific Railway Company
during the Period the Company was Endeavoring to
Secure these Kootenay Petroleum Lands from
the Government of British Columbia

Victoria, B.C., April 20th, 1907

Captain C. J. Kelley:

"Dear Sir—In compliance with your request for a statement of my knowledge and observations in the East Kootenay Oil Lands:

"I went into East Kootenay by way of Belton, Montana. About eight or ten miles in a northwesterly direction takes you into Sage Creek Valley. At the east side of the valley the creek makes a short bend towards the foothills. At this point, in a bend of the creek, there are two separate springs, eight feet apart. The gas and oil are continually escaping through the water. Black shale crops up close to these springs and above the water. There, out of a fissure, the oil and gas are continually escaping. During low water, by making a small dam around one of these springs, a fine sample of oil can be obtained.

"Following the creek up for about three-fourths of a mile, it takes a sharp bend to the centre of the valley. At this point there is a gravel bank from which **oil is continually running from three different places**, within a distance of thirty yards. So far as we could discern there was no gas escaping. A person could get all the samples he wanted at this point during low water.

"About three-fourths of a mile west of the last-mentioned spring, and about one miles north of the first-mentioned spring, on this creek, there is another seepage, in black, mucky ground, **about twelve yards square, which is saturated with oil. We dug down over three feet, and found the ground mixed with paraffine wax.** Oil can be dipped up from here with a tin cup, but oil taken from here would not be a fair sample, owing to its having lain on the ground so long, and been exposed to the atmosphere. The smell from this spring can be detected a mile away when the wind is favorable.

"The oil from all these springs, when first coming to the surface is of the same quality, and with a paraffine base. It is clear, and without tar coloring whatsoever, and equal to water-white oil, which goes to prove that these springs all belong to one oil belt,

taking in all land lying between the first-mentioned spring on Akamina Creek and the spring on Sage Creek, and **IN MY OPINION IT WILL PROVE TO BE THE RICHEST OIL FIELD IN AMERICA WHEN DEVELOPED.**

Yours truly

(Signed) JOHN WATT."

NO MEN HAD GREATER KNOWLEDGE

"The Week," a British Columbia review, of February 19th, 1910, had the following itmes among its editorials:—

"Many persons have wondered why the Flathead Country in Southeast British Columbia has not ere this developed into a great oil-producing district. It is more than twenty years since **DR. SELWYN** and **DR. DAWSON**, both in their day heads of the geological department of Canada, visited this section and found oil on Sage Creek. **NO MEN HAD GREATER SCIENTIFIC KNOWLEDGE**, and none were better able to size up the geological formation of the country. **THEY BOTH WROTE AND SPOKE IN OPTIMISTIC TERMS.**

"The result of such work as has been done justifies the conclusion that the first Company which starts out with sufficient capital, under unhampered directions of a thoroughly competent oil expert and with honest management, will assuredly meet with a rich reward. The boring will probably have to be carried twenty-five hundred feet, and possibly three thousand, but this presents no difficulties to adequate equipment and good management, and if it is well placed with respect to the anticlinal which is known to exist in the neighborhood of Sage Creek, the venture may be regarded rather as an investment than a speculation."

A. J. Robertson, B.C.L.S.

W. Meyerstein, B.C.L.S.

British Columbia Land Surveyors,
Chancery Chambers,

Victoria, B.C., January 17th, 1912.

Anthony Anderson, Esq.,

General Manager, B.C. Oil & Development Co., Victoria, B.C.

Dear Sir,—In response to the request contained in your letter of the 16th inst., that I give you my opinion of the Sage Creek district in general, with respect to its possibilities as a productive oil field, I desire to explain that I am possessed of no geological knowledge, but that I was through the Flathead Valley in 1903,

with Mr. Fleet Robertson, the British Columbia Provincial Mineralogist, who was inspecting the Flathead Oil Fields, on behalf of the B.C. Government, and that subsequently in 1909, I was employed in surveying the oil claims of the Tupper-Harvey group in accordance with the decision handed down by the Supreme Court of Canada in respect to the conflicting interests in the Sage Creek District.

The oil or seepage to which I have referred above, occurs, as I have said, near the base of a mountain composed of shale rock, and above a bench of the glacial gravel deposit to which I have referred. On my first visit to the ground we were without absolute information as to the exact whereabouts of the Spring, but had no difficulty in locating it purely by smell.

In those days, 1903, the seepage was in its natural state, simply a pool some ten feet in diameter, carrying a heavy scum of very clear oil. I might mention here a fact which struck me as peculiar at the time, and which may be of interest to professional geologists. The oil spring or seepage proper is only two feet by actual measurement away from a spring of absolutely pure water, a spring which on my last visit in 1909 was still running and still pure. I prefer to leave to geologists the explanation of how two distinct eruptions of oil and water can occur in such close proximity, and the one, i.e., the water, remain untainted.

It appears to me to establish at least a plausible theory to the effect that the eruption of oil is in no way connected with the dip of the formation of the mountain above the spring, but is rather the effect of a forcing motion from below.

On the east side of Sage Creek, I saw in 1903, an indication of oil some few hundred yards from the "Big Seepage." This is, I believe, known as the "Leckie Seepage," and was easily perceptible at that time both by smell and the oil scum on the water of the Creek.

As I began by mentioning, I am no geologist, but I have no hesitation in saying that from the absolutely uninterested investigations I have made into the formation of the Sage Creek Valley, and the various seepages and indications of oil, I would look to that section as being one of the most promising areas in this Province as a productive oil field.

I am, sir, yours very truly

(Signed) A. J. ROBERTSON

R. H. McCUTCHEON, LIFELONG PENNSYLVANIA OIL-COUNTRYMAN, WRITES: "THERE IS NO REASON WHY HISTORY SHOULD NOT REPEAT ITSELF HERE."

"One of the striking characteristics of Sage or Oil Creek upon which the properties of the B. C. Oil and Coal Development Company are situated are the great beds of paraffine and asphaltum. They are also among the striking characteristics of some of the richest oil fields of Pennsylvania, and are the result of the perpetual flow of oil, which in the course of years has formed this deposit. It is probably correct to say that these characteristics have never been found in a district where, upon proper development, commercial oil wells have not been discovered.

"Without going into details as to the formation, it may be said that scientists have discovered all the rocks and other formations which one would expect to find in an oil bearing section and the situation and direction of the anticlinals are such that it is probable, almost to the point of certainty, that large reservoirs of oil exist under your property. The depths at which this oil will be met is a matter of uncertainty, but I believe that they need not be very deep, and the very copious seepages of oil on the surface show that a considerable amount of oil will be found at but slight depth.

"This is not a new phenomenon, as in early times in Pennsylvania oil used to be obtained by digging pits round these oil springs whence came the seepages. The first famous well ever sunk was that of Col. Drake at Titusville, Penn. This well, which was drilled in 1859, was about 75 feet deep and gave a yield of 25 barrels per day. Upon obtaining greater depth, however, more oil was obtained, and by the end of 1861 wells had been drilled from which 2000 to 3000 barrels of oil were obtained in a day without pumping. The progress of the oil industry in the United States is well known. It has laid the foundations of the largest fortunes in the world, and has made hundreds of rich men from Pennsylvania to California.

"There seems to be no reason why history should not repeat itself. The oil on the Company's property is of the very highest character. It is even slightly higher grade than the Pennsylvania. The surface indications and the geological conditions are equal to the best and second to none. All it requires now is development, which the Company has now undertaken. In the past the district was unoccupied the property being tied up in litigation, and subsequently the lack of roads made it almost impossible to get in machinery. Now, however, the government road to the property

has been nearly completed to your area. It would be well if all interested could visit the property and see for themselves, as it is not hard to reach."

QUALITY OF OIL IS THE BEST

The following are the results of an examination of the Sage Creek Oil by the Provincial Assayer:

	Specific Gravity	Degrees Beaume	
From the "Big Oil Spring" on Sage Creek, B.C.828	40 degs.	Dark green oil; commenced to distil off at 90 degs. Co.; p.c. of oil distilled off below 200 degs. C., leaving 10 p.c. of thick, dark oil, containing tar, which latter is estimated at 5 per cent.
From bed of Sage Creek, near above (Leckie Spring)828	42 degs.	Light-amber colored oil; commenced to distil off at 90 degs. Co.; 97.5 p.c. of oil distilled off at below 185 degs. C., leaving 2.5 p.c. dark heavy oil containing some tar.

The following extracts are from the report of the Provincial Mineralogist:

"The two springs described are evidently at the ridge of the same anticlinal fold, and are undoubtedly from the same area of accumulation, the one resulting probably from a fractional distillation only. If the oil should have been generated, as Dr. Dawson suggests, in consequence of heat at a considerable depth in the earth's crust acting upon the fixed hydrocarbons contained in the rocks of that series (Cretaceous coal-bearing rocks), then the oil would rise until it met some impervious barrier of overlying rock formation, and if such rock should be in the form of an inverted basin (an anticlinal), it thus would collect and retain the oil.

"Assuming the theory advanced as to the origin of the oil to be correct, and that it has been so generated in quantity, then there is a fair probability of there being underneath this 'spring' a body of oil, because the overlying rocks are practically impervious, and the position in which they lie, an unbroken anticlinal fold, is such as would serve as a trap or reservoir in which it would be retained under pressure. As far as the disposition of the surface strata may serve as a guide, they would seem to indicate ideal conditions for such an accumulation, should the oil have been so generated."



7-8 EDWARD VII.

CHAP 52.

An Act to provide for the payment of Bounties on Crude Petroleum.

(Assented to 20th July, 1908.)

His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short Title.

1. This Act may be cited as The Petroleum Bounty Act, 1908.

2. The Governor in Council may authorize the payment out of the Consolidated Revenue Fund of a bounty of one and one-half cent, per imperial gallon on all crude petroleum, having a specific gravity of not less than 8235 at 60 degrees by Fahrenheit's thermometer produced from wells in Canada or from shales or other substances mined in Canada, on and after the day on which this Act comes into force,—the said bounty to be paid to the producer of the petroleum, or to such other person interested as the Governor in Council by regulation approves.

Administrations and Regulations.

3. The Minister of Trade and Commerce shall be charged with the administration of this Act, and may, subject to the approval of the Governor in Council, make such regulations as he deems necessary respecting the payment of the said bounties.

1904, c. 28 Repealed.

4. The Petroleum Bounty Act, 1904, chapter 28 of the statutes of 1904, is repealed.

**THE BUSINESS OF PRODUCING OIL IS AS STAPLE AS
WHEAT, AND CERTAIN AS THE SEASONS**

Show your faith in your own country by helping to develop it. This enterprise is fathered by your own people—in your own country—protected by your own government. Now is your opportunity. Investigate this. It will pay you. Ask any banker or business man in Victoria.

**WHAT HAS BEEN DONE IN THE UNITED STATES WILL
BE DONE IN CANADA**

There are no careful investors today, with the history of the oil industry before them, who will hesitate to buy NOW. In our opinion it is not a question of "Will it pay," but "How much."

RECAPITULATION

The B. C. Oil and Coal Development Company, Ltd., was formed to purchase, lease and develop oil and coal in the great Flathead Country of British Columbia.

VALUABLE ASSETS.—One thousand and four hundred and six acres of oil lands recommended by experts. On this property there is timber, pasture and water power for operating purposes. District presents no engineering difficulties either for railways or gravity pipe lines.

TREASURY IS IN EXCELLENT SHAPE.—\$193,850 in shares, and over \$5,000.00 cash.

Suitable contract has been let for a string of wells, work to be commenced on No. 1 as soon as contractor can get his machinery freighted in.

Crown extends helping hand by constructing wagon road into this new oil and coal field at an expenditure of more than \$25,000.00

COAL RIGHTS ALSO SECURED.—Regarding our coal prospects, we have absolute rights from the Crown for the mining of coal on our three claims. We have several promising outcroppings, and will drill same as soon as possible. The railway is at our door, and coal means money. Thus a man investing in the Company secures an undivided interest in the coal as well.

Oil is of very high grade and compares favorably with the best on the Continent.

Oil already found in quantity. Geological conditions favorable for subterranean reservoirs of oil.

Absolute security of title. Property being held under Crown leases.

Psychological moment. The Company is opening up properties just as the great industrial and commercial awakening of British Columbia has become an assured fact. The population and industrial expansion is increasing by leaps and bounds, and the importation of lubricating oils and gasoline for power is likewise increasing. Stop the oil pumps of the world, and you stop every industry upon the face of the earth, hence with the ever increasing demand for this staple commodity, affluence awaits those who develop this new field.

The Directors warn all agents to avoid exaggerated statements as to the property or its prospective value, but rather to let everyone judge for himself—an examination of the property is all that is asked.

Your interests safeguarded. The B. C. Oil and Coal Development Company, Limited, is not, and cannot be, controlled by one man or clique of men. By a resolution of the Directors, the principle of "one shareholder one vote" at all general meetings was established. One hundred ordinary men know more than the wisest individual, and up-to-date methods recognize the wisdom of engaging the co-operation of the great body of shareholders to an extent impossible under the old system. The worth of a shareholder's opinion does not depend on the extent of his holdings. There is and should be nothing to conceal.

WE HAVE BUT ONE SECRET—
THE SECRET OF SUCCESS,
AND YOU CAN PROFIT BY IT

DO SOMETHING

Make 1912 the Best Year You Have Ever Known

No need to write a letter. Simply return this application with your check, postal or express money order attached, made payable to Anthony Anderson, Victoria, B.C., Drawer 735.

APPLICATION FOR STOCK

B. C. OIL & COAL DEVELOPMENT COMPANY, LTD.
1319 Douglas Street, Victoria, B.C.

Capital Stock, \$400,000.00. Shares Par Value of \$50.00
Non-Personal Liability—Non-Assessable

.....1912

I hereby subscribe forShare.... of the
Capital Stock of the B. C. Oil & Coal Development Company, Ltd.,
of Victoria, B.C., at \$50.00 per share.

Receipt of Prospectus is hereby acknowledged. Certificate to be
delivered upon receipt of money in full. Right is also reserved to
return your money and application in case stock is oversubscribed.

Enclosed please the sum of.....dollars,
beingpayment on same.
1st or full

Name

Address

.....

Occupation.....

SKETCH MAP
 Showing Portions of
OIL LANDS
 in
 SOUTH EAST KOOTENAY

