

COMMISSIONER'S REPORT

TO ENQUIRE INTO A DISPUTE ARISING OUT OF APPLICATIONS BY CALIFORNIA STANDARD CO. AND SUN OIL CO. TO EXPLORE FOR PETROLEUM & NATURAL GAS ON CERTAIN LANDS WITHIN THE NORTHWEST TERRITORIES

by

K. J. CHRISTIE

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APPENDICES OF REPORT

1. Transcript of Evidence at Hay River, N.W.T.
2. Transcript of Evidence at Calgary, Alta.
3. Submission by Counsel for California Standard Co.
4. Submission by Counsel for Sun Oil Co.
5. Applications entered as exhibits.
  - (a) California Standard Co.
  - (b) Sun Oil Co.

P.C. 6087

Certified to be a true copy of a  
PRIVY COUNCIL Minute of a Meeting of the Committee  
COAT of the Privy Council, approved by His  
OF Excellence the Governor General on the  
ARMS  
CANADA 18 NOVEMBER 1951

The Committee of the Privy Council, on the recommendation of the Minister of Resources and Development, advise that a Commission do issue appointing Kenneth J. Christie, Esquire, Chief Mining Inspector of the Northwest Territories, a Commissioner under Part I of the Inquiries Act, to inquire into and report upon the facts concerning the staking of certain areas, pursuant to the Regulations for the Disposal of Petroleum and Natural Gas Rights the property of the Crown in the Northwest Territories and Yukon Territory, and the application for permits under the said Regulations for the said area by the Sun Oil Company and California Standard Company and any other person, and to make such recommendation as he may consider proper, in the circumstances.

The Committee advise further that the said Kenneth J. Christie, as such Commissioner, and subject to the approval of the Minister of Resources and Development, be authorized to engage such clerical and technical assistance as may be necessary for the purposes of the said Inquiry, and that authority also be granted for the payment of such clerical and technical assistance and the actual travelling and living expenses of the said Kenneth J. Christie whilst engaged on such Inquiry away from Ottawa for which the usual detailed accounts will be submitted; the Minister having reported that the payments for assistance and expenses are to be charged to the appropriation of the Northern Administration and Lands Branch.

"N.A. Robertson"

Clerk of the Privy Council.

The Honourable  
the Minister of Resources  
and Development

GENERAL SUMMARY

The first hearing on this dispute was held in Hay River, N.W.T. on November 30, 1951. Mr. J.M. Robertson acted as Counsel, and Mr. E.E. Gilbert represented Sun Oil Company. Mr. D.P. McLaws acted as Counsel and Mr. J.L. Lebel represented California Standard Company. Mr. F.J. Gorle, the Clerk of the Court from Yellowknife, acted as Court Reporter. Three witnesses appeared for Sun Oil Company and four witnesses for California Standard Company.

Dr. Irwin, Supervisory Petroleum Engineer and Resident Geologist at Yellowknife, examined all posts and was accompanied on these examinations by representatives of both companies. A second hearing was held in Calgary on December 7th to hear his evidence and, at this time, two witnesses were recalled by California Standard and three by Sun Oil Co. Mr. J.D. Flannery was the Court Reporter for this hearing.

In making this report, I have dealt with both the permits that are under dispute and those which do not conflict but applications were made at the same time. A detailed summary has been prepared on each permit area with recommendations regarding disposal of all areas. Each application has been carefully studied and the method of staking deduced from the evidence given at both hearings. To facilitate interpretation of allotment of permit areas, a sketch plan attached as an appendix has been prepared. Transcripts of the evidence taken, as well as briefs submitted by counsel for both companies, have been carefully considered and recommendations subsequently suggested are based on those applications more closely adhering to the Regulations for the disposal of Petroleum and Natural Gas Rights in the Northwest Territories and the Yukon Territory.

Section three, paragraph two of the Regulations, states - "Every such area shall be rectangular in form, the length being not greater than three times its breadth, and may be staked in any direction; provided, however, that where any area adjoins or is in close proximity to or is crossed by any important navigable river or rivers, the smaller dimension of such area shall be in the general direction of such river, or should there be more than one river, then in the general direction of the larger river." The key word is "important" because it has been ruled that similar rivers to the Hay River, are navigable. However, our Regulations under Section 8 paragraph (e) (1) clearly state that side posts are required to reference a travelled road or water route. In my opinion, that section of the Hay River in proximity to these permit areas, is a water route and should be side-posted. X road

Considerable emphasis has been submitted on the fact that there is a possibility of the legal posts of the permit areas staked by Sun Oil Company being located outside the Northwest Territories and in the Province of Alberta. From all the information that was available and obtained by this Company from the Surveyor General of Canada, I would say that a sincere effort was made to locate the posts exactly on the 60th parallel and, until such time as the official boundary is fixed by legislation, the exact location of these posts cannot be determined. This will take from two to three years. Then, another item to be considered is the 100-foot strip along the boundary with reserved surface rights. In that only mineral rights are being considered, I am of the opinion that this reservation should not affect this case.

Mounding of posts is required by the regulations, and the only posts that were mounded were those by Sun Oil Company on their permits, Four, Five and Six. In the

(4)

evidence given, it appeared that mounding was considered useless in this area. I disagree for the following reasons:-

- (a) Primarily, a mound is used to indicate the location of a post or to serve as a marker. Contrary to the belief that mounding with muskeg material serves no useful purpose because the mounds disappear, it has been my experience that a mound of this nature remains for much longer periods of time than sand or earth mounds.
- (b) Mounding is a means of fire protection for wooden posts, and even if the post is burned usually the mound remains.

In the case of California Standard Company staking permit areas, in none of their applications did they show an individual explanatory sketch plan indicating the position of the corners with the legal posts and direction of reference lines. Rather, they showed the corners on a topographic map accompanying a set of applications, which can be accepted but is not in strict accordance with the regulations.

#### CONCLUSION

The evidence given by Fraser and Boyle (Sun Oil Company) at Hay River contradicts their evidence in Calgary, which leads me to doubt the veracity of several statements made, especially by Fraser. The applications received would indicate that Sun Oil Company employees had a better knowledge of the regulations than the opposing Company, from all appearances, failed to check their applications for errors.

The evidence given by Dr. Irwin, who examined all posts, was extremely valuable and much credit is due him for his untiring efforts in the examination of the areas.

DETAILED SUMMARY OF PERMITS(a) CALIFORNIA STANDARD COMPANYPermits A-3, B-3, E-3, F-3  
Second applications

1. A conference was held in the Deputy Minister's office on October 16th with E.H. Gilbert of Sun Oil Co. in attendance. As a result of this meeting it was deemed advisable to phone Dr. G.M. Furnival of California Standard and advise him that a conflict existed between the permits "A" "B" "E" "F" and Numbers One and Two permits of Sun Oil Co., although Number One and Two were prior stakings by a few hours. The reason for advising Dr. Furnival was the anticipation of an amicable agreement possibly being reached between the two companies.

It appears to me that California Standard took advantage of this information and then submitted the second set of applications for these permit areas which, although they had been staked prior to the first set of applications received for the same areas, they were not recorded. This is borne out by the staker's own admission (p.p.49-50 Hay River hearing transcript of evidence) where Barton admits that the reference lines were only out for 200 feet around the posts planted on October 1st. Then at a later date (the week following October 15th) the reference lines were out for the second set of applications after word had been received that these areas conflicted with Sun Oil Company stakings. This point alone that only 200 feet of reference

CALIFORNIA STANDARD COMPANY (Cont'd.)

lines had originally been cut and later cleared for 2,000 feet after it was learned that the areas were in conflict, in my opinion, is sufficient evidence not to grant these applications.

2. No side posts were used for applications A-2, B-2 and F-2.
3. Posts not mounded.

Recommendations:

1. Completely disregard this second set of applications for permits A-2, B-2, E-2 and F-2 primarily because of para 1 above.
2. By disregarding these applications, priority of future stakings of those portions of areas not under conflict should be based on the first set of applications received and entered as exhibits "A" "B" "C" "D" "E" and "F".

PERMIT AREA "A"

First set of applications received in Ottawa.

Staked by J.V. Barton, October 2, 1951 - 6:00 P.M.

1. Area is not rectangular in shape, but is triangular.
2. Permit area does not side post the road or the river.
3. Post not mounded, although located in a sandy area.

Recommendations:

This application cannot be accepted by virtue of its shape and the area is improperly staked.

PERMIT AREA "E"

First set of applications received in Ottawa.

Staked by J.V. Barton, October 2, 1951 - 2:25 P.M.

1. This area is irregular in shape (cut off on southeast corner by boundary).

CALIFORNIA STANDARD COMPANY (Cont'd.)

2. No side posts were used to reference the road or the river.
3. Dr. Irwin's testimony reveals that the reference line running southwest from the corner post (as stated in the description) was 1760 feet in length and not the required 2,000 feet.
4. The description is contradictory in that the reference line as described is parallel and not perpendicular to the Hay River.
5. Post not mounded.

Recommendations:

1. For the reasons stated above, the application cannot be accepted.
2. That portion of the area, not in conflict with the other company, should be granted to the California Standard Company, providing they properly re-stake the area and then submit their application. This, of course, being subject to staking by a third party.

PERMIT AREA "C"

NOT UNDER DISPUTE.

Staked by J.V. Barton, October 2, 1951 - 1:55 P.M.

1. The description with this application reads that the reference line is perpendicular to the Hay River and runs South 57°E.
2. Dr. Irwin's examination of the posts discloses that a reference line has been properly out north eastward from C-3.
3. No side posts were used to post the highway or the Hay River.
4. Post not mounded.



CALIFORNIA STANDARD COMPANY (Cont'd.)

Recommendations:

1. Refuse to accept this application.
2. Return application to the Company and have them correct their description to coincide with the area that has been staked on the ground, using the reference line running northeast.
3. Providing the Company post the road and river with mounded side posts, then, if the application is satisfactory, grant them this area subject to a third party having staked the same area.

PERMIT AREA "D"

NOT UNDER DISPUTE.

Staked by J.V. Barton, October 2, 1951.

1. Description in application reads that the reference line lies northeasterly.
2. Dr. Irwin's testimony reveals that a reference line has been ut northeasterly and one northwesterly, 2,000 feet in length and 6 feet in width.
3. Post not mounded.

Recommendations:

1. Return this application to the Company and have them show the corners of the permit as per appendix "A" of the regulations, then re-submit this application and if satisfactory, issue an exploratory permit.
2. Allow the Company thirty days to mound their posts (not with snow).

PERMIT AREA "E"

Staked by J.V. Barton, October 2, 1951 - 2:15 P.M.

1. Dr. Irwin's testimony reveals that the reference line running northwest as per description is of proper

CALIFORNIA STANDARD COMPANY (Cont'd.)

length and width.

2. Post is not mounded.
3. Sketches do not show corners of permit 8 (d) and location of reference line.

Recommendations:

1. Accept this application after it has been returned to the Company to prepare and submit proper sketches of the area, in accordance with the regulations.
2. Allow the Company thirty days to mound their post (not with snow).

PERMIT AREA "F"

First set of applications received in Ottawa.

Staked by J.V. Barton, October 2, 1951 - 6:10 P.M.

1. Dr. Irwin's evidence shows that the reference line is 1910 feet in length and 6 feet wide. To me this is a minor error on the part of the applicant in that the line is 90 feet short.
2. There are no side posts to reference the highway. I consider this a major error in staking this permit area.
3. Sun Oil Company's permit area Number Two was staked prior to this application.
4. Post not mounded.

Recommendations:

1. Due to 2 and 3 above, this application should not be accepted.
2. That portion of the permit area not in conflict could be disposed of by tender.

CALIFORNIA STANDARD COMPANY (Cont'd.)

PERMIT AREA "G"

Staked by J.V. Barton, October 2, 1951 - 5:50 P.M.

1. Area is not rectangular in shape, but triangular.
2. Post not mounded.
3. Post reads 16 W, whereas, description reads 15 W along the boundary.
4. Area is covered by prior stakers.

Recommendations:

This application cannot be accepted under the regulations by virtue of its shape.

PERMIT AREA "H"

Staked by G.J. Hawkins, October 11, 1951 - 11:40 A.M.

1. Area is irregular in shape, which is contrary to the regulations.
2. Sketch with applications shows that post is marked 11 miles southwest, whereas, only approximately 1500 feet lies within the Northwest Territories.
3. Sketches do not show the position of the corners of the permit.
4. Post is not mounded.

Recommendations:

Refuse to accept this application for the reasons stated above.

PERMIT AREA "I"

Staked by G.J. Hawkins, October 11, 1951 - 1:10 P.M.

1. The application appears satisfactory with the exception that 1 A.M. appears on the post. This is considered a very minor mistake.
2. The post is not mounded, but when considering that

CALIFORNIA STANDARD COMPANY (Cont'd.)

neither Company mounded any posts, excepting <sup>three</sup> one by Sun Oil Company, both Companies failed to comply entirely with the regulations in this respect.

Recommendations:

1. This application cannot be accepted because Sun Oil Company staked a portion of the same area prior to this applicant's staking, namely area number four.
2. That portion of "I" conflicting with three should go to California Standard, but the area in three is triangular and less than 32,000 acres. It could be disposed of by tender.

PERMIT AREA "J"

Staked by G.J. Hawkins, October 12, 1951 - 10:30 A.M.

1. There is a discrepancy between the inscription on the post and the application of one hour and ten minutes, which is obviously an error in recording.
2. Other than mounding and showing the corners of the permit area, the application is satisfactory.
3. The reference line is satisfactory, but runs in the direction of the shortest side.
4. This area conflicts with Sun Oil Company's areas two, three and four. The major portion conflicting with three. However, permit three reference line is too short, (see Sun Oil Co. Permit Three) which, in my opinion, is a greater contravention of the regulations.

Recommendations:

1. Return the application to the Company for correction as per para 1 and 2 above, then, when submitted, if satisfactory, grant this area to the applicant.
2. Allow the Company thirty days to properly mound the post (not with snow).

CALIFORNIA STANDARD COMPANY (Cont'd.)

PERMIT AREA "P"

Staked by D.A. Pounder, October 3, 1951 - 10:00 A.M.

1. Dr. Irwin states that there are two reference lines but neither is cut for the full 2,000 feet as prescribed by the regulations. The reference line for this permit runs southeast, but Dr. Irwin states that it is only 1180 feet in length and not the required 6 feet in width.
2. Post is not mounded.

Recommendations:

1. The conflicting permits 5 and 6 and a small portion of 4 were staked in accordance with the regulations with complete reference lines and mounded posts, therefore, I would recommend that permit area "P" not be accepted.
2. If properly re-staked to contain a regular area not less than 32,000 acres, the <sup>remaining</sup> area should go to California Standard Company. Any portions remaining outside the regular shaped area could be disposed of by tender.

PERMIT AREA "Q"

Staked by D.A. Pounder, October 3, 1951 - 9:45 A.M.

1. Dr. Irwin's examination revealed that there was a reference line common to "P" but reference line as shown on application sketch does not exist (in lake).
2. Permit area is irregular in shape and intentionally staked in this manner (not according to regulations).
3. Entire permit area with the four corners is not shown giving detailed corner post sketch. This applies to all applications of California Standard Company permits and is not a serious error in that a topographic map was supplied showing permit areas.
4. No mounding.

CALIFORNIA STANDARD COMPANY (Cont'd.)

Recommendations:

1. It would be impossible for any other individual to find the permit area because of the lack of a reference line. Also, the staking of this area is contrary to Section 3 para (2).

I would recommend that this application be refused for the reasons mentioned above.

PERMIT AREA "U"

Staked by D.A. Pounder

1. Not under dispute, therefore, not entered as an exhibit at hearings.
2. Dr. Irwin's examination of posts, found reference line had been cut.
3. Sketch plan on topographic map supplied by California Standard shows this area to be "T", but description and detail sketch show areas "U", which compares with the post on the ground. Sketch shows reference line in lake but evidence given by Pounder that line was cut through timber.
4. Post not mounded.

Recommendations:

Return application to the Company and have them change their sketch plan to coincide with their own description and detailed plan of the posts. They should also incorporate detail plan with sketch plan showing markings on post and reference line.

Description subject to approval the Surveyor General.

Allow thirty days to mound the posts.

CALIFORNIA STANDARD COMPANY (Cont'd.)

PERMIT AREA "T"

Staked by D.A. Pounder, October 3, 1951 - 10:20 A.M.

1. Dr. Irwin's testimony - no reference line.
2. Staker says that reference line lies in the unnamed lake. He stated that the reference line ran S.W. then, upon further questioning, he said that it ran N.W. In either case, the reference line lies in the unnamed lake. Application shows line N.W.
3. The Regulations rule that a reference line must be out 6 feet wide and 2,000 feet in length. If it was found impossible to put in a legal post at this location, referenced by a cut line, a side post could have been used where no lake interfered. In my opinion, this was not an honest attempt to stake the permit correctly, as it would appear that the staker used the lake as an excuse not to cut a reference line.
4. No mounding.

Recommendations:

Refuse to accept application for permit area "T" from California Standard Co. and do not issue them a permit in the name of D.A. Pounder.

PERMIT AREA "S"

Staked by E.E. Pelzer, October 3, 1951 - 3:15 P.M.

1. In the application, the area is irregular in shape contrary to Section 3 (2).
2. Dr. Irwin testifies that reference line is 650 feet in length.
3. Detailed sketch accompanying application takes in the Province of Alberta, whereas, description shows the irregular area was intentionally staked in this manner.
4. No mounding.

CALIFORNIA STANDARD COMPANY (Cont'd.)

Recommendations:

Due to reasons stated, especially para 1, refuse application.

PERMIT AREA "S-1"

Staked by E.E. Pelzer, October 3, 1951 - 2:50 P.M.

1. Area is less than 32,000 acres (18,000). This is contrary to Section 3 (1).
2. Area is triangular in shape, which is contrary to Section 3 (2).
3. Evidence shows that the area was intentionally staked in a triangular shape.
4. Post not mounded.

Recommendation:

Refuse to accept application in view of above.

PERMIT AREA "Z"

Staked by E.E. Pelzer, October 3, 1951 - 3:00 P.M.

1. Reference line lies in the unnamed lake for the entire 2,000 feet; thus, is not marked on the ground.
2. Post is not mounded.
3. Entire permit area with description of post details not shown on same sketch in application.
4. Above items all brought out at Hay River hearing.

Recommendations:

Refuse to accept application because of improper staking.



CALIFORNIA STANDARD COMPANY (Cont'd.)

PERMIT AREA "R"

NOT UNDER DISPUTE.

Staked by E.E. Pelzer, October 3, 1951 - 3:30 P.M.

1. Evidence shows that 25 to 30 feet of the reference line lies on land and the balance in the unnamed lake.
2. The area is not rectangular in shape.

Recommendations:

Refuse to accept this application because of irregular shaped area.

PERMIT AREA "V"

NOT UNDER DISPUTE - BUT STAKED AT SAME TIME AS OTHER PERMITS

Staked by G.J. Hawkins, October 4, 1951, - 2:50 P.M.

1. No side posts at the intersection of the Kakisa River, but the permit does not include the river.
2. Description reads that reference line runs southwest. Dr. Irwin states that the line runs a few hundred feet and then hits open muskeg, with no mounds to reference the line. Under the circumstances, considering the time of year it may have been impossible to cross this muskeg to erect mounds.
3. Post not mounded.

Recommendations:

Accept application subject to:

- (a) Returning application to Company so that entire permit area shown on a plan with the corner post in detail.
- (b) Mounds in muskeg and mound at post be made plainly visible on the reference line, within thirty days.

CALIFORNIA STANDARD COMPANY (Cont'd.)

NOT UNDER DISPUTE

Staked by G.J. Hawkins - 2:05 P.M.

1. Dr. Irwin's testimony reveals that the southeast reference line runs only a few hundred feet into open muskeg and not mounded by markers.
2. Description in application states that the reference line runs south  $57^{\circ}$  East for 1,000 feet marked on the ground, then 1,000 feet into Kakisa River. Actually, Kakisa River is to the southwest of post C-3.
3. Post not mounded.

Recommendations:

1. Permit is improperly staked and this application should not be accepted.
2. Allow the Company to re-stake the area properly and, if their application is satisfactory, then grant them the area, provided that no third party has staked the area in the meantime.

PERMIT AREA "X"

NOT UNDER DISPUTE.

Staked by G.J. Hawkins, October 4, 1951 - 2:15 P.M.

1. Dr. Irwin states there are no reference lines for Permit "X".
2. In description, Hawkins states that the reference line lies in the Kakisa River.
3. Reference line not "marked on the ground"
4. Post not mounded.

Recommendations:

1. Refuse to accept this application for the reasons stated above.
2. Allow the Company to re-stake the area, subject to a third party having staked the area, and if California Standard's application is satisfactory, grant them this area.

CALIFORNIA STANDARD COMPANY (Cont'd.)

NOT UNDER DISPUTE.

Staked by G.J. Hawkins, October 4, 1951 - 2:25 P.M.

1. Reference line as per testimony and application show that the line runs into Kakisa River and is not marked on the ground.
2. Post not mounded.

Recommendations:

1. For above reasons, the permit is improperly staked and this application should be refused.
  2. Allow Company to re-stake this area properly and if their application is satisfactory, then grant them the permit, subject to a third party staking the area in the meantime.
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(b) SUN OIL COMPANY

PERMIT AREA NUMBER ONE

Staked by E.C. Fraser for Sun Oil Co., October 2, 1951 at 11:30 A.M.

1. From Fraser's statements there is reasonable doubt that post S-2 was erected on October 2, 1951, or if it were erected, it could have been knocked down and later re-erected.  
Regardless of the status of this post, in my opinion, the corner post C-3 references the permit.
2. This permit area was staked prior to the applications marked as Exhibits A, B, E, F.
3. A ruling by Department of Justice describes the Hay River as a navigable river and, in my opinion, this section of the river is a water route and should be side posted.
4. Posts were not mounded.
5. Reference line is only 1572 feet long.

SUN OIL COMPANY (Cont'd.)

Recommendations:

1. Refuse to accept this application.
2. This application conflicts with Permit area "E" which was staked later but, with the exception of mounding (which applies equally to both companies) permit area "E" was more closely staked in compliance with the regulations. That portion not conflicting with "E" of permit one should be granted to Sun Oil Company providing they re-stake an area, regular in shape and in compliance with the regulations, subject to a third party's staking. Any irregular areas left from such staking could be disposed of by tender.

PERMIT AREA NUMBER TWO

Staked by E.C. Fraser for Sun Oil Co., October 2, 1951,  
at 11:10 A.M.

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1. The reference line is 1572 feet long and not the required 2,000 feet in length as per Dr. Irwin's evidence (p. 11 Calgary).
2. This staking is prior to the conflicting permit "F" which permit is referenced by a line 1910 feet in length but has no side posts to reference the road. This area (No. 2) does not require side posts due to the method of staking.
3. Post is not mounded.

Recommendations:

1. The application cannot be accepted in its present form.
2. As to disposal of the area, I would recommend that if properly staked and subject to third party interests, all of this area with the exception of a small triangular parcel conflicting with "J", at the northwest corner, when staked and a satisfactory application submitted, be granted Sun Oil Co. It is my opinion that the manner

SUN OIL COMPANY (Cont'd.)

of staking this area in addition to priority, more closely follows the regulations than area "F" which reference line was slightly short but did not reference the road with side posts.

Neither Company mounded their posts.

Permit "G" is irregular in shape and therefore cannot be considered.

PERMIT AREA NUMBER THREE

Staked by O'How for Sun Oil Co. - Oct. 6, 1951  
Oct. 7, 1951 (proven)

1. This permit staked prior to other conflicting permits. Application reads Oct. 6th., but in the evidence (p. 32 Calgary) Fraser states that it was staked Oct. 7th.
2. Reference line according to Dr. Irwin's testimony is only 1500 feet in length (p. 11 Calgary hearing).
3. Sketch accompanying application shows P.M. 502 survey point lying south of the post C-2, whereas, their ~~affidavit states~~ <sup>sketch shows that</sup> the legal post C-2 is south of the Survey Post. Dr. Irwin testifies that the legal post is south of the survey post (p.o. 20-22 Calgary hearing).

An attempt was made by Counsel of the opposing Company to prove that this legal post is south of the 60th parallel (p. 22 Calgary hearing). This Company made every effort to obtain full information on the exact location of the boundary line for all their permit areas along the border, from the Surveyor General, and staked their permit areas accordingly with a surveyor checking the staking (Mr. Boyle). At the present time, the exact border line has not been determined and only a preliminary line exists, it was from this preliminary line that the calculations were made by this Company to determine the exact boundary line. In checking with the Surveyor General, it has been found that a survey

SUN OIL COMPANY (Cont'd.)

is presently being conducted to fix the exact boundary, but it may take two to three years before the official boundary line is set.

4. Reference line is only 1500 feet in length.
5. Post not mounded.

Recommendations:

1. Refuse to accept application.

PERMIT AREA NUMBER FOUR

Staked by E.C. Fraser, October 4, 1951.

1. Dr. Irwin testifies the reference line is satisfactory.
2. Post is mounded.
3. Typographical error in last lines of description.

Recommendations:

Grant Sun Oil Company this area with the exception of the small portion overlapped by Permit "J" of California Standard.

PERMIT AREA NUMBER FIVE

Staked by E.C. Fraser, October 4, 1951 - 8:30 P.M.

1. Post is 1/8" too small, but this is very minor because there is the possibility that a standard 4" post could not be obtained from the trees in the vicinity.
2. Post is mounded.
3. Dr. Irwin testifies that reference line is satisfactory (p. 11, Calgary).

Recommendations:

Accept application and grant Sun Oil Co. this area.

SUN OIL COMPANY (Cont'd.)

PERMIT AREA NUMBER SIX

Staked by K.L. Boyle, October 4, 1951.

1. Reference line satisfactory (coincides with 6th meridian previously cleared).
2. Post was mounded later.
3. Area is seven acres below minimum requirement in the application but in evidence given at Hay River (p.16) witness states that area is 31,993 acres more or less. There are several hills in the area, and I believe that the area is actually greater than 31,993 acres.
4. Application is satisfactory.

Recommendations:

Grant Sun Oil Co. this Permit area.

PERMIT AREA NUMBER SEVEN

Staked by E.C. Fraser, October 5, 1951.

1. This location of legal posts for areas 7 and 8 has a common reference line which is satisfactory.
2. Dr. Irwin's testimony reveals that both posts are not fully inscribed. "Permit Seven. Legal post C-3. Per application except it is inscribed 9.11 N instead of 10 N and 1:00 P.M. instead of 2:00 P.M. as in the application. The post has proper dimensions except squared to 3" x 3½. No mounding. Reference line is 2,000 feet long and 6 feet wide, - the reference line is northward."
3. There is a great deal of contradiction in the evidence given by Fraser at Hay River and then at Calgary concerning the staking of permits 7 and 8, which leads me to doubt the veracity of this witness's statements.

Page 14, Hay River - - - -:

Q: How long after you had inscribed the post did you mark it?

A: Within a minute - - - - etc.

Pages 35 & 36, Calgary - - -:

Q: Is it true to say that what you did on that day, on the 8th, was what you previously described was done on the 5th?

A: That is correct - - - - etc.

4. The application is satisfactory, but the markings on the post do not correspond to the application.
5. Post is not mounded.

Recommendations:

1. Return application and have it changed to correspond with the post. Then, if satisfactory, grant Sun Oil Co. this permit area.
2. Allow a period of thirty days to have the post properly mounded, (not with snow).

PERMIT AREA NUMBER EIGHT

Staked by E.C. Fraser, October 5, 1951.

1. Dr. Irwin testifies that the inscription on the post does not correspond to the applications, also, that C-2 is omitted. (Page 13 Calgary hearing).
2. Reference line is satisfactory.
3. Contradictory evidence was given by the staker (see Permit #7).
4. Post is not mounded.

Recommendations:

1. Return application to the Company and have it changed to correspond with the inscription on the post.
2. Allow a period of thirty days to have the post properly mounded (not with snow).



RECOMMENDATIONS

Appendix "A" to this report, graphically shows the recommended disposal of permit areas which fall into four classifications:-

1. Areas staked satisfactorily. In the case of Sun Oil Company permits "Four", "Five" and "Six", these could be accepted in their present form. However, in the case of California Standard Company, areas "E" and "J", these applications should be returned to the Company for minor corrections, and I would suggest that a period of thirty days be allowed this Company to properly mound their posts.
2. Areas which do not conform strictly to the Regulations but require applications to be returned to the companies concerned for corrections, allowing a thirty day period for mounding of posts.
3. Areas given a priority for re-staking due to the manner in which the original staking was performed. Priority is suggested to avoid a "staking rush" when a decision is reached. This applies to Sun Oil Company Permit Areas "One" and "Two" and California Standard Company Permit Areas "B" "C" "I" "P" and "W".

Upon re-staking, the Companies concerned will be required to properly stake regular shaped areas in strict accordance with the Regulations. This classification of areas should be made subject to third party interests staking in the meantime.

4. Areas not given any priority because of improper staking.



*K. J. Christie*  
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