

IND-SB-2-(10)

April 22, 1966 (2:30 p.m.)

PRELIMINARY ESTIMATES OF EXPENDITURES OF THE OIL AND GAS -  
EXPLORATION, DEVELOPMENT AND PRODUCTION INDUSTRY -  
1965

Expenditures by the oil and gas industry during 1965 for exploration, development and production purposes approximated the one billion dollars mark. Western Canada accounted for 97.8% of the industry expenditures with Alberta accounting for 71.2% of the total followed by Saskatchewan (15.1%) and British Columbia (8.0%).

1965 is the first year "Net Cash Expenditure" statistics from this industry have been collected by the Dominion Bureau of Statistics although comparable statistics for Western Canada were previously collected and published by the Canadian Petroleum Association.

The 1965 survey conducted by the Dominion Bureau of Statistics encompassed some 380 companies active in the exploration, development and production of oil and gas within Canada and in the off-shore waters of the Atlantic and Pacific Oceans and in the Hudson's Bay of which 80 companies reported expenditures of more than one million dollars or over in one or more provinces. Total salaries and wages paid by these 380 companies amounted to about 90 million dollars.

The co-operation and advice of the Canadian Petroleum Association and the provincial governments were received in the conduct of the survey.



Net Cash Expenditures of the Petroleum Industry - 1965

	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon and N.W.T.	Total Western Canada	Ontario	Quebec Atlantic Provinces off-shore areas	Total Canada 1965
	in thousands of dollars								
1. Exploration:									
(a) Geological and geophysical expenditures .....	100	5,500	41,800	5,700	8,000	61,500	400	8,700	70,200
(b) Land acquisition and rentals .....	1,000	27,100	187,000	23,600	1,300	240,000	1,400	900	242,300
(c) Exploratory drilling:									
Dry .....	500	7,000	46,700	6,100	11,000	71,300	1,200	400	72,900
Productive - Oil .....	100	3,300	15,900	2,400	2,000	23,700	100	-	23,800
Gas/condensate .....	-	100	6,700	1,900	100	8,800	200	-	9,000
2. Development drilling:									
Dry .....	100	4,400	14,300	2,000	-	20,800	500	-	21,300
Productive - Oil .....	500	20,000	70,800	7,000	-	98,300	300	-	98,600
Gas/condensate .....	--	1,000	14,200	2,600	-	17,800	1,300	--	19,100
3. Capital expenditures:									
(a) Field equipment - Oil .....	300	17,300	28,900	7,800	-	54,300	300	-	54,600
Gas/condensate .....	-	1,200	12,700	1,500	--	15,400	600	-	16,000
(b) Secondary recovery and pressure maintenance .....	200	4,200	9,400	1,300	-	15,100	--	-	15,100
(c) Other .....	100	2,500	13,200	1,600	200	17,600	1,000	-	18,600
4. Operation of wells - Including flow line and related facilities .....	2,200	29,900	66,200	4,700	200	103,200	3,100	--	106,400
5. Natural gas plants:									
(a) Capital expenditures .....	-	200	26,900	1,100	-	28,200	100	-	28,300
(b) Operating expenditures .....	-	1,000	44,200	600	-	45,800	200	-	46,000
6. General:									
(a) Taxes (excluding income tax) .....	200	2,400	10,200	300	-	13,100	300	--	13,400
(b) Royalties .....	1,600	24,300	75,800	8,100	200	110,000	600	--	110,600
(c) All other expenses not allocated above .....	100	4,900	24,700	2,000	-	31,700	100	100	31,900
Totals .....	7,000	156,300	709,600	80,300	23,000	976,200	11,700	10,000	998,000
Percentage distribution .....	0.7	15.7	71.2	8.0	2.3	97.8	1.1	1.0	100.0

Note: -- Indicates insignificant amounts.





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