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Net Cash Expenditures of the Oil and Gas-Exploration, Development
and Production Industry 1969

Expenditures by the oil and gas industry during 1969, for exploration, development and production purposes, amounted to \$1,408,927,000, an increase of 10.0% over 1968 (\$1,281,168,000). Western Canada accounted for \$1,278,357,000 or 90.7% of the expenditures, with Alberta accounting for \$1,020,290,000 (72.4%) followed by Saskatchewan \$139,369,000 (9.9%) and British Columbia \$109,750,000 (7.8%).

Total geological and geophysical expenditures in Canada amounted to \$155,367,000, an increase of 2.8% over 1968. These expenditures increased 54.0% to \$36,947,000 in the Yukon, Northwest Territories and Arctic Islands, while the same expenditures in Saskatchewan, Manitoba and Ontario dropped sharply.

Exploratory and Development drilling expenditures in Canada amounted to \$270,444,000 in 1969, up 14.4% over the reported 1968 expenditures of \$236,295,000. Expenditures in Alberta were \$159,117,000; in British Columbia \$26,041,000; in Saskatchewan \$25,722,000; the largest percentage increases were in the Yukon, Northwest Territories and Arctic Islands, up 230.5% (to \$38,369,000) and in off shore drilling, 78.0% (to \$15,917,000).

Total expenditures in the Yukon, Northwest Territories and Arctic Islands rose from \$45,358,000 in 1968 to \$86,695,000 in 1969, reflecting the optimism that the industry has in discovering new and larger oil and gas fields in this promising area.

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TABLE 1. Net Cash Expenditures of the Petroleum Industry - 1968 (Final)

	Off Shore and Hudson Bay	Maritimes and Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Yukon N.W.T. and Arctic	Canada
	thousands of dollars								
1. Geological and Geophysical Expenditures									
(a) Seismic Crew expenses	6,232	1,044	707	756	7,192	44,177	7,009	16,895	84,012
(b) All other geological and geophysical expenses	3,016	388	1,439	310	4,004	42,973	7,846	7,089	67,065
2. Land and Lease acquisition and retention									
(a) Non-producing lease rentals	1,521	389	862	464	6,083	39,452	7,324	1,897	57,992
(b) All other	982	362	345	572	10,327	126,719	17,930	3,859	161,096
(c) Producing lease and surface rentals	-	2	51	150	2,615	8,072	973	-	11,863
3. Exploratory drilling	8,940	568	1,100	812	13,222	87,613	14,890	8,825	135,970
4. Development drilling	-	155	625	504	11,484	73,623	11,149	2,785	100,325
5. Other capital expenditures									
(a) Tangible well and lease equip.	2	59	257	406	7,102	51,144	6,034	202	65,206
(b) Pipelines and related facilities ..	-	-	170	5	720	9,679	105	-	10,679
(c) Secondary recovery and pressure maintenance projects	-	-	259	162	5,003	10,435	2,022	376	18,257
(d) Natural gas processing plants	-	-	190	-	1,760	86,977	2,172	-	91,099
(e) All other capital expenditures	27	1	166	60	855	14,663	47	2,174	17,993
6. Field, well and pipeline operations ...	-	47	1,684	2,269	33,553	95,702	6,696	341	140,292
7. Natural gas plant operations	-	8	385	-	2,128	51,123	3,350	-	56,994
8. Other operating expenses									
(a) Taxes (excluding income taxes)	1	4	201	261	2,946	10,815	548	16	14,792
(b) Royalties	-	5	441	1,866	25,903	125,555	10,945	40	164,755
(c) Interest expense	3	3	32	143	1,985	50,173	2,531	18	54,888
(d) Other	280	84	199	74	2,712	21,914	1,786	841	27,890
Total	21,004	3,119	9,113	8,814	139,594	950,809	103,357	45,358	1,281,168

TABLE 2. Net Cash Expenditures of the Petroleum Industry - 1969 (Preliminary)

	Off Shore and Hudson Bay	Maritimes and Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Yukon N.W.T. and Arctic	Canada
thousands of dollars									
<u>1. Geological and Geophysical Expenditures</u>									
(a) Seismic Crew expenses	5,374	1,252	486	214	2,936	49,005	8,222	28,193	95,682
(b) All other geological and geophysical expenses.....	3,098	319	265	197	3,072	38,483	5,497	8,754	59,685
<u>2. Land and Lease acquisition and retention</u>									
(a) Non-producing lease rentals	438	272	544	1,079	4,982	41,091	8,978	2,053	59,437
(b) All other	2,708	934	317	555	7,845	131,441	19,253	3,812	166,865
(c) Producing lease and surface rentals	-	2	39	141	2,576	6,697	849	7	10,311
3. Exploratory drilling	15,917	1,101	2,381	578	10,200	91,033	14,800	32,776	168,786
4. Development drilling	-	-	715	503	15,522	68,084	11,241	5,593	101,658
<u>5. Other capital expenditures</u>									
(a) Tangible well and lease equipment	-	1	266	332	9,807	60,111	6,299	232	77,048
(b) Pipelines and related facilities ..	-	12	244	2	1,763	14,071	196	-	16,288
(c) Secondary recovery and pressure maintenance projects	-	31	16	106	3,852	15,501	820	75	20,401
(d) Natural gas processing plants	-	-	1,990	-	2,130	91,228	1,742	-	97,090
(e) All other capital expenditures	59	108	243	35	465	22,393	645	3,182	27,130
6. Field, well and pipeline operations ...	-	72	1,692	2,780	36,901	94,407	9,785	574	146,211
7. Natural gas plant operations	-	6	345	-	3,087	54,162	3,735	-	61,335
<u>8. Other operating expenditures</u>									
(a) Taxes (excluding income taxes)	1	-	264	300	3,001	12,148	549	-	16,263
(b) Royalties	-	4	432	1,954	24,606	136,630	12,658	20	176,304
(c) Interest expense	-	439	34	70	2,123	52,218	2,427	28	57,339
(d) Other	1,075	156	223	102	4,501	41,587	2,054	1,396	51,094
Total	28,670	4,709	10,496	8,948	139,369	1,020,290	109,750	86,695	1,408,927

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