

INTER-DEPARTMENTAL MEMORANDUM



PROVINCE  
OF  
MANITOBA

FROM: T. Morgan

Chief Mining Recorder

SUBJECT: Exploratory Permits Nos. 36 to 46 incl.

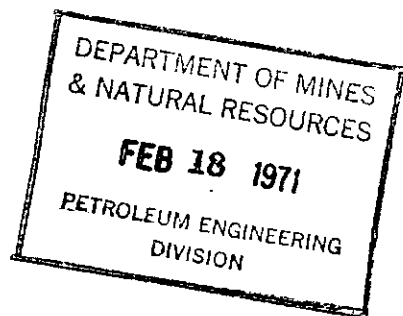
DATE: February 18, 1971

TO: Petroleum Division

I would advise you that Houston Oils Limited have surrendered Exploratory Permits Nos. 36 to 46 incl. and that the permits have been cancelled in the records of this office.

  
T. Morgan

TM/sw



**FILE BACK COVER No.**

FROM

TO

SUBJECT: -

Exploration Permits No. 36-46

MICROFILMED

TO .....

HERE .....

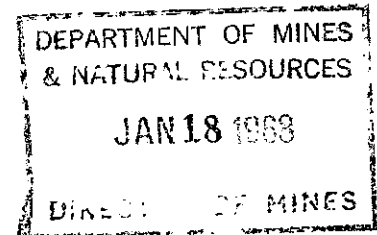
*June/1979.*

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY, ALBERTA

PHONE 262-1242

January 15, 1968



Mr. J. S. Richards  
Director of Mines  
Department of Mines & Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg, Manitoba

Dear Mr. Richards:

RE: Gravity Survey on Grouped Permits  
36 to 46, Inclusive

Overland Exploration Services Ltd. has completed a Gravity Survey on the above captioned permits for Houston Oils and we are pleased to enclose three copies of their reports pursuant to section 260 of the regulations.

Overland's work program was carried out as per their letter to you dated September 6, 1967, and involved an expenditure of \$34,470.00.

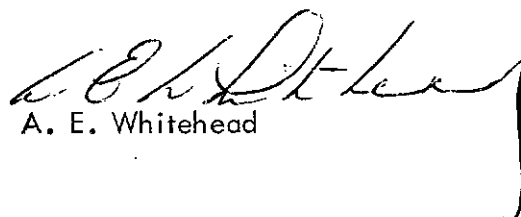
Pursuant to section 250, sub-section 3, we are enclosing a statutory declaration relating to the expenditures incurred by the gravity survey.

Would you please advise the undersigned what additional steps are necessary to cause release of the five cents per acre work deposit now being held by your department.

**p. c. to: Dr. K. A. Phillips,  
Chief Geologist.  
Mr. T. Morgan,  
Chief Mining Recorder.**

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/dmg  
Encl.

January 29, 1968.

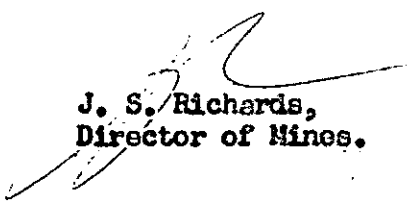
Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary,  
Alberta.

Dear Mr. Whitehead:

This will acknowledge your letter,  
enclosing three copies of the Gravity Survey Report, pre-  
pared by Overland Exploration Services Ltd.

This report is entirely satisfactory  
except that, if possible, we would request that you advise as  
to the reference point used to establish the elevation of  
the individual stations. As soon as this information is re-  
ceived, the refund of the work deposit held by this department  
will be processed.

Yours very truly,

  
J. S. Richards,  
Director of Mines.

JSR:db

c. c. to: Dr. K. A. Phillips,  
Chief Geologist.

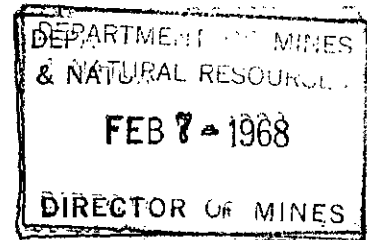
Mr. T. Morgan,  
Chief Mining Recorder.

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY, ALBERTA

PHONE 262-1242

February 2, 1968



Province of Manitoba  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Attention: Mr. J. S. Richards  
Director of Mines

Dear Sirs:

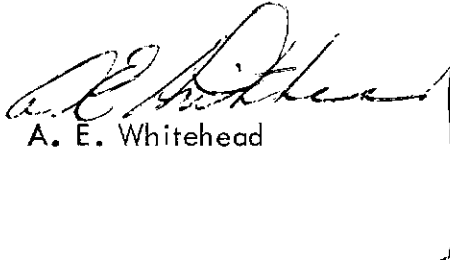
Re: Gravity Survey Report - Permits 36 thru 46  
Hudson Bay Area

We have referred your letter dated January 29, 1968, to Overland Exploration Services Ltd. They advise that the reference point used to establish the elevation of the individual stations was assumed elevation of contour lines where they crossed one of their survey lines.

Should you require additional information please advise the undersigned.

Yours very truly,

HOUSTON OILS LIMITED



A. E. Whitehead

AEW/dmg

p. c. to: Mr. T. Morgan,  
Chief Mining Recorder.  
Dr. K. A. Phillips,  
Chief Geologist.

February 8, 1968.

J. S. Richards,  
Director of Mines.

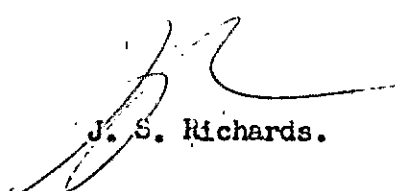
Mr. T. Morgan,  
Chief Mining Recorder.

Houston Oils Limited -

Permit Nos. 36 to 46, inclusive.

Attached, hereto, copy of a letter from the above company, which was forwarded <sup>with</sup> a Gravity Survey Report by Overland Exploration Services Ltd.

This report has been found to be entirely satisfactory, and it will, therefore, be in order to return \$34,470.00 to the company from guarantee deposit posted. A statutory declaration, verifying this expenditure, is also enclosed.



J. S. Richards.

JSR:db

Encs.

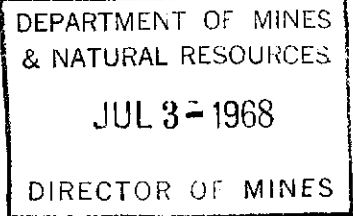
c. c. to: Dr. K. A. Phillips,  
Chief Geologist.

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

July 2, 1968



Mr. J. S. Richards  
Director of Mines  
Department of Mines & Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg, Manitoba

Dear Mr. Richards:

Re: P&NG Permits 36 to 46, Inclusive  
Northern Manitoba

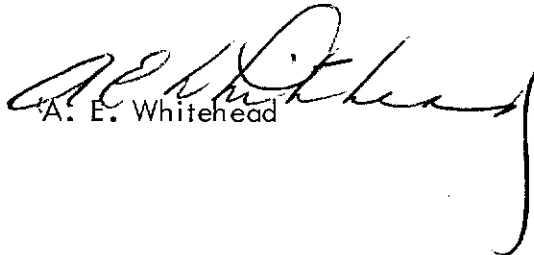
We are presently considering the drilling of a test well on P&NG Permit No. 42 as a follow-up to our Gravity Survey conducted last fall. This test would be drilled by a core drill and would be cored from the surface to basement (approximately 2,500 feet). The core taken would be 1 5/8 inches in diameter and would, we feel, yield considerable information.

The question is, will the Department allow this type of test to qualify under Section 253 of the Act for expenditure purposes? ✓

Thank you for your consideration of this matter.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/dmg

**p. c. to: Dr. K. A. Phillips, Chief Geologist.**

**Mr. T. Morgan, Chief Mining Recorder.**



July 8, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2, Alberta.

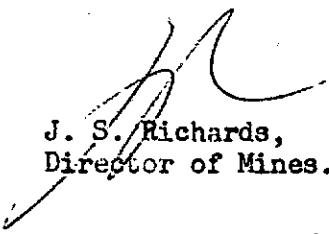
Dear Mr. Whitehead:

Re: P & NG Permits 36 to 46, Inclusive  
Northern Manitoba

The core hole proposed in your letter of July 2, for the above area, could qualify for double credits under Section 253 of the Regulations, but before approving double credits, we will require a more detailed outline of the drilling programme. This should consist of: location of proposed well, estimate of cost of well, and an engineering and geologic prognosis including casing programme, size of hole, size of core, types of logs to be run, types of formation tests analyses, plugs, etc.

Minimum requirements for double credits would include drilling to, and into the Precambrian basement, and an adequate logging, testing, and completion programme. When we have obtained the above information we will be pleased to consider the granting of double credits.

Yours very truly,

  
J. S. Richards,  
Director of Mines.

HRM/hf

p. c. to: Dr. K. A. Phillips,  
Chief Geologist.

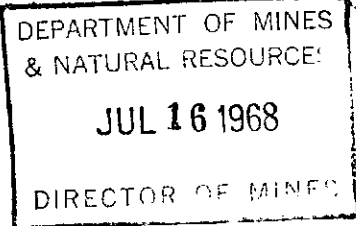
Mr. T. Morgan,  
Chief Mining Recorder.

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

July 15, 1968



Mr. J. S. Richards, Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Richards:

Re: P&NG Permits 36 to 46, Inclusive  
Northern Manitoba

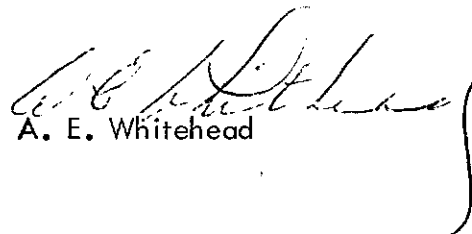
Reference is made to your letter dated July 8th, regarding our proposed core hole on P&NG Permit 42. We are presently working up a drilling program on our proposed test and this will be forwarded within a few days.

As a follow-up to our telephone conversation on this date we ask that you consider waiving the fifteen cents per acre deposit due on the subject permits on August 2, 1968, should we make a firm commitment to drill a core test on Permit 42. We would make every effort to commence drilling operations by August 2, however, it could be as late as August 15th before actual drilling operations could be started. This would give us approximately 60 days to complete the test before cold weather arrives.

Thank you for your consideration of this request.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

p. c. to: Mr. T. Morgan,  
Chief Mining Recorder.

Dr. K. A. Phillips,  
Chief Geologist.  
AEW/dmg

July 17, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

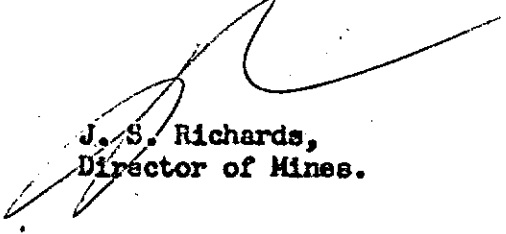
Dear Mr. Whitehead:

Re P & NG Permits 36 to 46, inclusive;  
Northern Manitoba.

The following comments are made relative to your request that the 15 cents per acre deposit required August 2, 1968, with respect to the above permits, be waived.

As you have mentioned, subsection (1) of Section 278 of the Regulations provides that the deposit may be made "within ninety days after the date on which the deposit is to be made, ...". If you commence drilling as stated in your letter of July 15, 1968, and if you submit the statement of expenditures required by Section 251, verified by a statutory declaration, within the ninety-day period, we will consider this equivalent to the posting of a deposit equal to the expenditures listed in this statement. Should these expenditures be less than the 20 cents per acre deposit required for the first and second periods, the difference may be made by a deposit as set out in Section 247. ✓

Yours very truly,

  
J. S. Richards,  
Director of Mines.

*Due to lack of mail service, placed Whitehead and addressed contents JSR:db 19/7/68 JH*

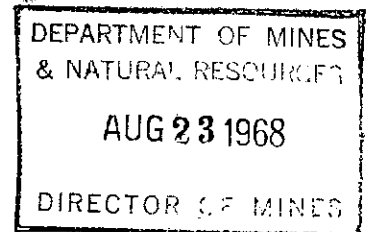
c. c. to: Mr. T. Morgan,  
Chief Mining Recorder.  
Dr. K. A. Phillips,  
Chief Geologist.

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

August 22, 1968



Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Gentlemen:

Re: Permit No. 42

Houston Oils has tentative plans to drill a basement test on its P&NG Permit No. 42 in the Hudson Bay Lowland area. The approximate location is shown on the attached map. We plan to follow Regulation 71/62 Part VI Far North section 225 subsection (3) regarding surveys. We have air photos of the area and these will be forwarded once the rig has been positioned.

Would you please send us the forms that will be required for the drilling and subsequent completion or abandonment of this well.

Yours very truly,

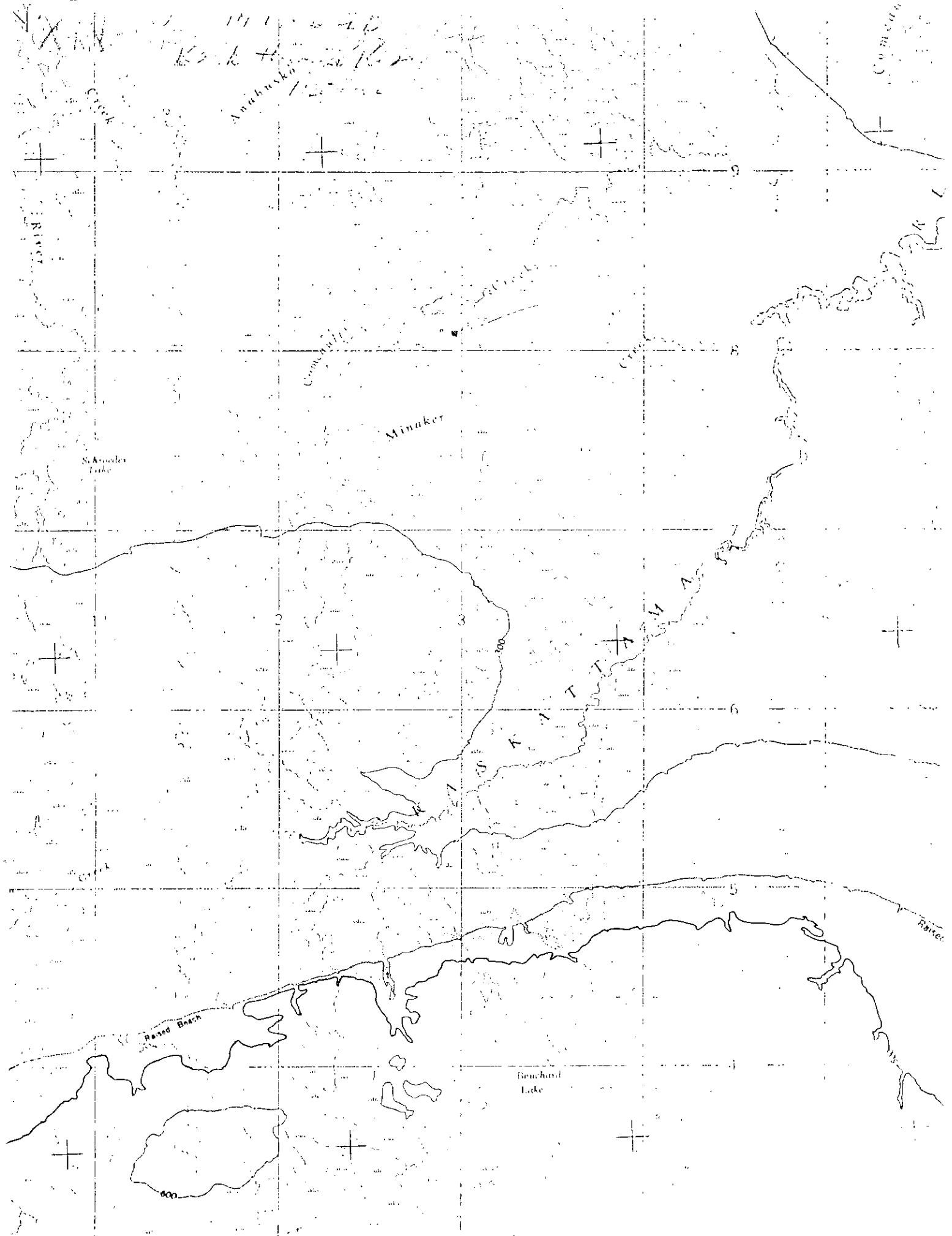
HOUSTON OILS LIMITED

C. D. Gould

for: A. E. Whitehead

CDG/epm to: Mr. T. Morgan, Chief Mining Recorder, with copy of map.  
Encl. Mr. F. S. Gurney, Reservoir Engineer, with copy of map.  
Dr. K. A. Phillips, Chief Geologist, with original of map.

1711  
Kank  
Anahusko



Minaker

S. Amador  
Lake

Reared  
Beach

Benhard  
Lake

CUMECAN

RATER

300

600

TIT

August 26, 1968.

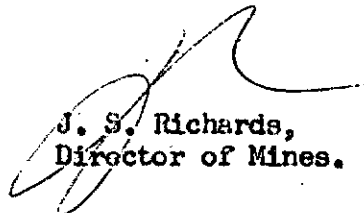
Mr. C. D. Gould,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Gould:

This will confirm that we will accept the location of any basement test well that you may drill within Permit No. 42, by submitting an air photo showing as closely as possible the latitude and longitude of the wellsite.

Enclosed, herewith, the forms applicable to your application for a drilling license and the subsequent abandonment if necessary. Also enclosed forms used relative to the servicing of wells, including completions.

Yours very truly,

  
J. S. Richards,  
Director of Mines.

JSR:db


Encs.

c. c. to: Mr. T. Morgan,  
Chief Mining Recorder.

Mr. F. S. Gamey,  
Reservoir Engineer.

P. S.

If the well is found to be capable of production, an actual survey in the field, to establish the exact latitude and longitude, will be required.



p. c. to: Dr. K. A. Phillips,  
Chief Geologist.

## WELL PROGRAM AND PROGNOSIS

Houston et al Comeault Prov. (STH) #1

LOCATION: 56° 40' Latitude, 90° 52' Longitude (approximate)

ELEVATION: 260' approximate

<u>GEOLOGICAL MARKERS:</u>	<u>Formation</u>	<u>Elevation</u>	<u>Depth</u>
Silurian	Upper Kenogami	+ 260	0
	Lower Kenogami	- 240	500
	Attawapiskat * Reef)	- 390	650
	Ekwan * Reef)		
	Severn River		
Ordovician	Port Nelson		
	Red Head Rapids	-1390	1650
	Churchill River *		
PreCambrian	Bad Cache *		
		-2090	2350

\* Expected porous zones.

OBJECTIVE: To core the sedimentary section from the top of Bedrock to the top of Precambrian.

SURFACE HOLE:

- Drill HX (4 5/8") hole to bedrock.
- Run H casing to bottom.
- Core HQ (3 25/32" hole, 2 1/2" core) to approximately 100' (50' into bedrock).
- Run N casing to bottom. Pull H casing.
- Cement N casing with good returns to surface. Allow 12 hours for cement to set.
- Run B casing as liner to bottom. Install rubber gasket between top of B casing and top of N casing.
- Install 3" Tee on top of N casing and Regan Blowout preventer on top of Tee. Check BOP to 700 psi, hold 15 minutes.

MAIN HOLE:

- Core ahead with BQ (2 23/64" hole, 1 7/16" core) equipment.
- When a few feet below casing shoe pressure up to approximately 700 psi, hold 15 minutes.
- Keep 10' drilling time.
- Run inclination survey every 200'. If hole deviates more than 3° run survey every 100' until hole returns to less than 3°.
- Check Blowout preventer daily to assure that it is serviceable.

- (f) If hole problems occur ream to T.D. with BX (2 31/32") casing shoe bit. Set B casing with crandal shoe. Continue coring with BQ equipment to T.D.
- (g) Cores are to be shipped out weekly or when plane service is available.

AT TOTAL DEPTH:

- (a) Run Electronic Log from surface shoe to T.D.

ABANDONMENT:

- (a) Abandonment Program to be approved by Manitoba Mines Branch.
- (b) Tentative program is to run continuous cement plug from T.D. to surface in one or more stages as deemed advisable from subsurface data.

REPORTS:

- (a) Daily - Depth and status.
- (b) Weekly (mailed) - detailed drilling and geological information.

TELEPHONE CALLS:

Houston Oils Limited, Calgary 262-1242 (403)  
1690 Elveden House, Calgary 2, Alberta

After Hours C. D. Gould 242-5789 (403)  
A. E. Whitehead 255-8975 (403)

Manitoba Mines Branch (Winnipeg) 946-7428 (204)  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba

Drilling Engineer (Virden)

HOUSTON OILS LIMITED



# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

September 9, 1968

*Paul 111ford  
Plane - rest*

*3-4 weeks to drill hole*

Director's Office, Mines Branch  
Department of Mines and Natural Resources  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba

Attention: Mr. J. S. Richards, Director of Mines

Dear Sirs:

Re: P&NG Permits 36 to 46, Inclusive  
Northern Manitoba

Pursuant to our plans to drill a core hole on Permit No. 42 (Group No. 4) and your letter relating thereto dated July 8, 1968, please be advised our test will be known as the Houston et al Comeault Prov. No. 1. The approximate location of this test is Latitude 56° 40', Longitude 90° 52'. The estimated cost of this test is \$60,000.00. We are attaching a copy of our engineering and geological prognosis.

Since we are coring this test from surface to T.D. we feel this test will offer valuable geological data toward the exploration for hydrocarbons and minerals in the Northern Manitoba area and therefore should be allowed double credits.

Thank you for your consideration of this matter.

Yours very truly, *Expenditures in by  
Nov 2*

HOUSTON OILS LIMITED

*A. E. Whitehead*  
A. E. Whitehead

*Phoned. Sept 15th  
11:30 am  
AB.*

AEW/dmh

p. c. to: Mr. F. S. Garney, Reservoir Engineer -- with 2-page attachment.  
Dr. K. A. Phillips, Assistant Director of Mines -- with 2-page attachment.  
Mr. T. Morgan, Chief Mining Recorder -- with 2-page attachment.

- Houston*
- have licence + photos in mail*
- plan to drill 100' into basement.*
- plan to have expenditures here by Nov 2*

*well has to go to basement  
and make sure  
well is in basement rock*

September 24, 1968.

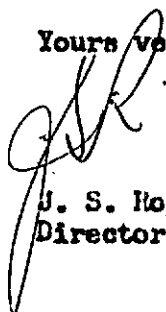
Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

This is to advise that the engineering and geological prognosis, attached to your letter of September 9th, relative to the well to be known as Houston et al Comeault Prov. No. 1, has been reviewed. This well is designated as an exploratory deep test well, in accordance with Section 253 of the Regulations, subject to the condition that it shall be drilled 100 feet into the Precambrian basement.

It is understood that, once the rig is positioned, you will forward another air photo showing the location of the well and its elevation.

Yours very truly,



J. S. Hoper,  
Director of Mines.

JSR:db

c. c. to: Mr. F. S. Gamsy,  
Reservoir Engineer.

Dr. K. A. Phillips,  
Chief Geologist.

Mr. T. Morgan,  
Chief Mining Recorder.

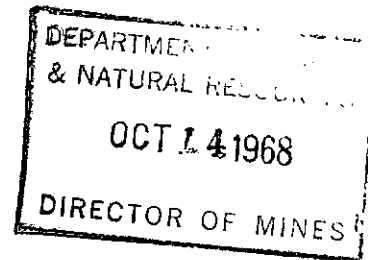
# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

October 11, 1968

Mr. J. S. Roper  
Director of Mines  
Department of Mines & Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg, Manitoba



Dear Mr. Roper:

Re: Houston et al Comeault  
(STH) Prov. No. 1

Dear Sir:

Reference is made to your letter dated September 24, 1968 regarding the above deep test well. Would you please clarify the last paragraph of this letter. Do you require an actual air photograph which shows the rig on location, or another air photo such as was forwarded previously? The reason we ask this question is due to the writer's having picked the actual location by virtue of a trip to the site. It is located on the point shown on the photos forwarded with licence application. The elevation is approximately 260'.

We would appreciate further advice from you on this matter.

Yours very truly

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/ic

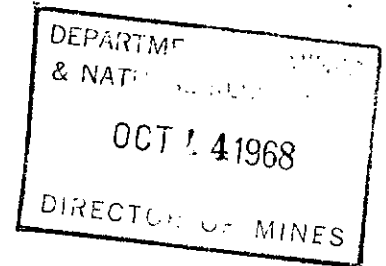
# HOUSTON OILS LIMITED

1690 ~~1650~~ ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

October 11, 1968

Director's Office, Mines Branch  
Department of Mines and Natural Resources  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba



Attention: Mr. J. S. Richards, Director of Mines

Dear Mr. Richards:

Re: Houston et al Comeault  
Prov. (STH) No. 1  
P & NG Permits 36 to 46 inclusive

We have experienced just about every problem imaginable in our attempts to get the captioned test well underway. Modifications had to be made to the drilling rig and some of the necessary equipment took longer to obtain from suppliers than we anticipated. Then the equipment was delayed several days in The Pas due to a derailment up the line toward Churchill. However, the greatest problem has been weather. We have had very little flying weather in the northern area during the last three weeks. Our report today from Midwest Drilling was that four Otters loaded with fuel have been waiting at Ilford for one week unable to take off because of weather. However, the rig is on location and there is a possibility the well has spudded. Our radio contact with the location has been poor, however Midwest expects better contact will be established soon.

We bring our problem to your attention because of the permit terms and the November 2, 1968 deadline. Can we expect any tolerance from your department in the event we have not completed our drilling operation and furnished cost data by that date. Please advise us as to the Department's feelings on this matter.

Yours very truly

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/ic

J. S. Roper  
~~XXXXXXXX~~

October 17, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1690 Elvaden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

We acknowledge your letter of October 11th regarding tolerance from our department in the event your drilling operation and cost data are not completed by November 2. While we appreciate the magnitude and diversity of problems you have encountered in getting this program started, we refer you to our letter (Mr. J. S. Richards) of July 17, 1968 - which states in part:

"As you have mentioned, subsection (1) of Section 278 of the Regulations provides that the deposit may be made "within ninety days after the date on which the deposit is to be made, ... ". If you commence drilling as stated in your letter of July 15, 1968, and if you submit the statement of expenditures required by Section 251, verified by a statutory declaration, within the ninety-day period, we will consider this equivalent to the posting of a deposit equal to the expenditures listed in this statement. Should these expenditures be less than the 20 cents per acre deposit required for the first and second periods, the difference may be made by a deposit as set out in Section 247."


We believe you will concur that such requirements are necessary and fair for all concerned.

Yours sincerely,

  
J. S. Roper,  
Director of Mines.

JSR:db

c. c. to: Mr. T. Morgan, Chief Mining Recorder.  
Dr. K. A. Phillips, ~~Assistant~~ Assistant Director of Mines.



J. S. Roper

October 25, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

As you are doubtless aware, Section 101 of the Oil and Natural Gas Regulations provides that:

"101. Within one year from the time a hole is completed, the licensee shall deliver to the Branch in proper containers all cores recovered from such holes, whether drilled for seismograph surveying, structure mapping or for any other purpose."

However, we realize that you will wish to examine core obtained from the Houston et al Comeault Prov. No. 1 (STH) well.

In order to achieve the objective of the above section, which is to retain the core as a permanent record and at the same time permit an examination by your geologists, we suggest the following procedure: That, immediately on the completion of drilling, all core be forwarded to Dr. K. A. Phillips, Assistant Director of Mines, Room 900 Norquay Building, Winnipeg 1, Manitoba. Our staff and probably a representative of the Geological Survey of Canada would, as quickly as possible, examine the core without taking samples, following which it would be forwarded to you in Calgary. We suggest that your sampling of the core should be limited to slabbing not more than one foot of every 10 feet of the core and the removal of the minimum number of fossils necessary for paleontological study. Fossil samples, after examination, would be forwarded to the Geological Survey of Canada at Calgary for permanent storage. After the examination and sampling have been completed, and not more than one year after completion of drilling, the

2-- Mr. A. E. Whitehead

remainder of the core would be forwarded to the Mines Branch in Winnipeg for permanent storage.

We have tentatively approved this well as eligible for double credits, based on your representation that a core hole will provide all useful information. Should the core which is eventually forwarded to Winnipeg be such that this is not so, we would be obliged to reconsider this approval.

Yours sincerely,



J. S. Roper,  
Director of Mines.

JSR:db

c. c. to: Dr. K. A. Phillips,  
Assistant Director of Mines.

Mr. T. Morgan,  
Chief Mining Recorder.

BANK OF MONTREAL  
COPY

B.A. OIL BUILDING (ELVEDEN HOUSE) BRANCH  
705-7TH AVENUE SOUTH WEST  
CALGARY, ALTA.

November 1st, 1968

Department of Mines and Natural Resources  
Province of Manitoba  
Winnipeg, Manitoba

ATTENTION: MR. J. S. ROPER, DIRECTOR OF MINES

Dear Sir:

We understand that for the purposes of granting the security required under Section 247 of the regulations under the Mines Act, Province of Manitoba, Houston Oils Limited is issuing to, and depositing with you, its non-interest bearing promissory note payable at this office to be held as work performance deposit in respect of exploratory Oil and Gas Permits numbered 36-46 inclusive issued under the said regulations.

At the request of Houston Oils Limited, we hereby irrevocably authorize you to draw upon our principal branch in the City of Winnipeg by presenting to that branch for payment non-interest bearing note of Houston Oils Limited payable three days after demand in favour of the Department of Mines and Natural Resources, such drawings to be upon the following conditions:

- (a) The note shall be issued by Houston Oils Limited and marked "approved for issue by the Bank of Montreal under the signature of the Manager, Bank of Montreal, B.A. Oil Bldg. (Elveden House) Branch, in the City of Calgary, in the amount of Sixty Thousand Dollars, (\$60,000.00)



Mr. J. S. Roper

- 2 -

November 1st, 1968

- (b) The note must be presented on or before the close of banking hours of the day which is Thirty-three days (33) from the date of the note as shown on its face.
- (c) The note presented shall be duly endorsed in blank for transfer, such endorsement to be without recourse.

Bank of Montreal hereby agrees that the note presented in compliance with the terms of this credit will be honoured and paid.

We should be glad if you would acknowledge receipt by signing and returning one copy of this letter.

Yours very truly,

ORIGINAL SIGNED BY  
H. C. STROM

ACCOUNTANT  
H. C. STROM

ORIGINAL SIGNED BY  
D. W. IVERACH

MANAGER  
D. W. IVERACH

/jb

Enclosure

original with Promissory Note No. 1 to: Mr. T. Morgan,  
Chief Mining Recorder.

J. S. Roper  
XXXXXXXXXX

November 5, 1968.

Mr. A. B. Whitehead,  
President,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

Further to our telephone conversation  
of November 4th, we acknowledge receipt of

(1) Original and 1 copy of letter  
from Bank of Montreal, B.A. Oil Building (Elveden House) Branch,  
705 - 7 Avenue, S.W., Calgary 2, Alberta, dated November 1, 1968,  
to Department of Mines and Natural Resources, attention Mr. J. S.  
Roper, Director of Mines, concerning Houston Oils Limited Promissory  
Note No. 1.

(2) Houston Oils Limited Promissory  
Note No. 1 -- \$60,000.00, dated November 1, 1968, to The Department  
of Mines and Natural Resources, Province of Manitoba.

In an attempt to clarify some of the  
conditions surrounding the acceptance of this note, we point out the  
following:

(a) The amount (\$60,000.00) of the  
Promissory Note does not meet the requirements of the Regulations for  
the retention of all the acreage covered by exploratory Oil and Gas  
Permits No. 36-46. Therefore, Houston Oils are requested to advise  
us of the acreage they elect to delete.

(b) The Promissory Note No. 1, referred  
to in (2) above, is accepted with the understanding that it covers  
the reduced acreage referred to in (a) above. Further, that the

2--Mr. A. E. Whitehead,  
President,  
Houston Oils Limited

Promissory Note will be handled as set forth in condition (b) of the accompanying letter ((1) above) i.e., that unless the necessary operational cost data for drilling Houston et al Comeault Prov. (STH) No. 1 well has been duly submitted by the operator, verified by statutory declaration, accepted and approved on behalf of the Department of Mines and Natural Resources by December 2nd, 1968, we will have no recourse but to present the Promissory Note for payment. Because of the termination date of the note, the normal submission times referred to in the Regulations are not applicable.

Yours sincerely,



J. S. Roper,  
Director of Mines.

JSR:db

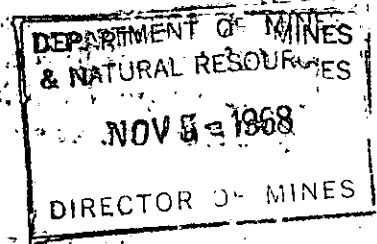
c. c. to: Bank of Montreal,  
B.A. Oil Building (Elveden House) Branch,  
705 - 7 Avenue, S.W.,  
Calgary 2, Alberta.

Mr. M. J. Gobert,  
Assistant Deputy Minister.

Mr. T. Morgan,  
Chief Mining Recorder.

November 1, 1968

The Honorable H. J. Enns  
Minister of Mines and Natural Resources  
Government of the Province of Manitoba  
Legislative Building  
Winnipeg 1, Manitoba



Dear Sir:

Re: P&NG Permits 36 to 46, Inclusive  
(Northern Manitoba)

Houston Oils acquired the above captioned permits which are located in Northern Manitoba from your Government on February 2, 1967. During August of 1967, we sent in a crew which carried out a gravity survey. Although this was a reconnaissance type survey we did locate one large anomaly which appeared to the geophysicist who did the interpretation to be in sediment overlying the basement rocks.

After considerable deliberation we decided to attempt drilling this anomaly by using a mining type diamond drill which could be flown into the location by float plane. Using this type drill we could cut a continuous core through the sediment into the Precambrian which would give us an excellent evaluation of the test well.

We decided to proceed with this operation in early July in hope we would be able to get the test spudded early in August. Our operations have been plagued with trouble from the start. We are attaching a letter we wrote to Mr. Roper setting out just some of the troubles we have encountered.

As of this writing we have set surface casing into bedrock and we are drilling ahead below 250 feet. If we have no serious problems in drilling we should have this test drilled into basement by November 20, 1968.

Since our permits were dated February 2, 1967, our first eighteen months period was up on August 2, 1968. However, your department, through Mr. J. S. Richards, agreed to waive the normal deposit due for the second period of the permits, if we would get all of our well costs in before November 2, 1968, to establish our credits. Of course, this is now impossible

November 1, 1968

due to the delayed drilling. Therefore, on this date we are depositing \$60,000.00 with the Department which is only sufficient to cover the deposit on 400,000 acres of our 689,000 block. The \$60,000.00 deposit is made since this is our estimated cost on the test well.

The Department has agreed, since this is a basement test, to grant double credits to the permit expenditures if we can drill the test 100 feet into basement. Since the cost will be approximately \$60,000.00, the expenditure credit would be \$120,000.00. This would have the effect of extending all permit acreage for the second permit period.

We have asked the Department not to terminate the permits on which we have not made the fifteen cents per acre deposit. We need just a little time to get the test drilled, if possible, and apply the drilling cost credits to these permits. We feel you have this right under Section 278. (1). All we need is three or four weeks, however, both Mr. Richards and Mr. Roper feel they do not have authority to grant this additional time under the regulations. Therefore, we respectfully request that you do not terminate these permits so that we might hold the balance of the permit acreage until we determine if the test well can be drilled into the basement.

If you would like to discuss this matter the writer will be pleased to visit you at your convenience.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/dmh  
Attach.

cc: Mr. J. S. Richards;  
Mr. J. S. Roper

C  
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Y

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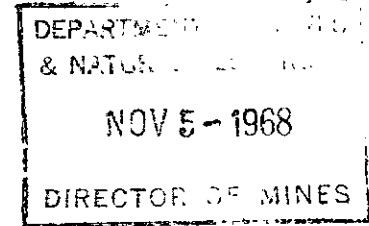
# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

November 1, 1968

Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba



Dear Mr. Roper:

Re: Request for Renewal of P&NG Permits  
36 to 46, Inclusive, Northern Manitoba

We respectfully apply to renew P&NG Permits 36 to 46, inclusive. In connection with this request you will be receiving by separate cover a Credit Guarantee from the Bank of Montreal, B.A. Building Branch, Calgary, Alberta. The amount of this guarantee is \$60,000.00. We propose to use the drilling credits now being obtained on the Houston et al Comeault Prov. (STH) No. 1 well as the renewal amount which is due on the balance of the permits.

We are enclosing a copy of a letter written to The Minister regarding our request not to terminate certain of these permits.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/emh  
Encl.

M. [redacted] to M. J. G.

Points in favor of Minister granting a time extension

- (1) Geological information to basement may be of considerable economic value to Province.
- (2) Geological information to basement will be of great technical interest to Geology Branch and to outside (if non confidential) parties.
- (3) We do not doubt this Company's desire to conform to regulations. Apparently the Company has limited resources and has encountered unusual operational delays in his attempts to make good his November 2nd commitments.

Points against Minister granting a time extension

- (1) I feel the Department has been most generous in the interpretation of the Regulations by permitting Houston to operate from Aug. 2nd to date without depositing the amount required in Sec. (247) (1) (\$103,350.00).
- (2) The \$60,000 Promissory note deposited with the Department covers the deposit required for 400,000 acres. Normally the Company should be required to designate the area covered by this deposit when the deposit is made. In this case, an early area election is most desirable.
- (3) My personal opinion is that we have erred in permitting Houston to retain the permits past Aug. 2 without depositing the required amount. To perpetuate this delay will render the regulations difficult of application.
- (4) City Savings & Trust are presently in a similar situation. They should have made their deposit by Nov. 10. During a telephone conversation this morning, and partially due to the Nov. 11 holiday, I permitted them an extension on the understanding that they have their deposit in the airmail today enroute to the department.

7/6

Recommendations

- (1) That Houston Oils be denied an extension of time in their endeavor to retain all of the 689,000 acres covered in O & N.G. Permits No. 36 to 46.
- (2) That Houston Oils be permitted to retain their choice of 400,000 acres of the 689,000 acres, provided that they meet all the requirements of the Regulations in so far as the drilling of the D.D. hole 100' into basement and submit expenditures under statutory declaration, OR by forfeiture of the \$60,000 deposit.
- (3) If the minister wishes to grant retention of more than 400,000 acres beyond the Nov. 2 deadline we respectfully recommend that from now on he will expect the Department to devise methods by which the Regulations may be adhered to.



Chronological sequence of events surrounding  
Oil and Gas Permits No. 36 to 46 Inclusive  
Houston Oils Limited

4/7  
3/6

- (1) Application for Permits (date) \_\_\_\_\_ (work deposit of 5¢ acre)
- (2) Permits granted Feb. 2, 1967.
- (3) Jan. 15/68 - Houston submit reports on a Gravity Survey on Permits 36 to 46 involving an expenditure of \$34,470. Houston requests return of their 5¢ per acre work deposit.
- (4) Feb. /68 - \$34,470 from guarantee deposit returned by T. Morgan.
- (5) July 2/68 - Houston inquire if a small diamond drill core hole from surface to basement (approx. 2,500') will enable them to qualify under Sec. 253 for expenditure purposes (will it be classed as an 'exploratory deep test well' and therefore be credited with twice the amount expended on drilling the well)
- (6) July 8 - Dept. advises Houston diamond drill hole could qualify under Sec. 253 if information requested is supplied.
- (7) July 15 - Houston advises that they are working up a drilling program on P & NG permit 42 - Houston asks us to consider waiving 15¢ per acre deposit due on Aug. 2 - They say they hope to commence drilling by Aug. 2 or Aug. 15th.
- (8) July 17 - Department advises Houston if Houston commence drilling by Aug. 15 and if Houston submits the statement of expenditure required by Sec. 251 by Nov. 2 the Department will consider this equivalent to posting of a deposit equal to the expenditures. Should these expenditures amount to less than 20¢ per acre deposit required for 1st and 2nd periods of permit the difference may be made by a deposit as set out in Sec. 247.
- (9) Aug. 22 - Houston writes Dept. that they have tentative plans to drill a basement test well on P & NG permit No. 42. They submit plan showing approximate location.
- (10) Aug. 26 - Dept. advises Houston we will accept location of well by submission of air photo. Drilling license and abandonment forms are forwarded to Houston.

57A  
46

- (11) Sept. 9 - Houston forward name, position, estimated cost of hole and attach copy of engineering and geological prognosis. Houston asks for double credits, again (see #5 & #6)
- (12) Sept. 24 - Department advises Houston hole will be designated as an exploratory deep well (Sec. 253) if drilled 100' into Precambrian. Request substantiation of position of well.
- (13) Oct. 11 - Houston inquire re position of hole.
- (14) Oct. 17 - Department clarifies positioning requirements.
- (15) Oct. 11 - Houston advises Department of myriad of problems encountered in commencing drilling operations. They believe well may have been started. They request information regarding "tolerance from the department" in the event that the drilling is not completed and cost data furnished by Nov. 2.
- (16) Oct. 17 - Department advises by referred to Dept. letter of July 17th no further "tolerance".
- (17) Oct. 25 - Department writes Houston suggesting procedure for handling and retention of core from D.D. hole.
- (18) Oct. 29 - Personal visit from Mr. A. Whitehead to Messrs. Richards and Roper at which time we advised Mr. Whitehead we could not extend time of acreage. He must have full amount \$103,000 (approx.) on deposit by Nov. 2 to retain all acreage in Permits No. 36 to 46. Mr. Whitehead advised that he could take the matter to a higher authority if he so desired.

During a visit on other matters -

- (19) Mr. W. Clarke, of Aquitaine spoke to Mr. Richards and Mr. Roper in support of granting Mr. Whitehead additional time to complete the hole and to give his double credits and enable him to hold all the acreage.
- (20) Nov. 1 - Houston forwards 33 day Promissory Note for \$60,000 as work performance deposit in respect of O & NG permits No. 36 - 46.

6/7  
5/6

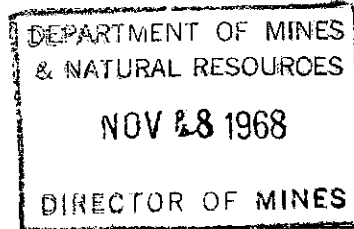
- 3--
- (21) Nov. 4 - Department phones Mr. Whitehead advising him that \$60,000 is not sufficient to hold all the acreage in permits No. 36 to 46 and requests advice on acreage they elect to delete.
- Department advises that \$60,000 will only cover retention of reduced acreage and that unless drilling cost data has been received and approved by Dec. 2 we will present the Promissory note for payment.
- (22) Nov. 5 - Department writes Mr. Whitehead confirming telephone conversation of November 4th.
- (23) Nov. 1 - Houston writes Department applying for renewal of P & NG 36 to 46. Houston writes Minister of Mines & N.R. requesting the Minister not to terminate the permits.

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

November 15, 1968



Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Roper:

Re: Houston et al Comeault  
Prov. No. 1 (STH)

Reference is made to your letter dated October 25th, 1968, in which you discuss the disposition of the core from the captioned well. We agree with your suggestions and all core will be delivered immediately upon completion of the well to Dr. Phillips.

During our last visit with you we discussed the core with Dr. McCabe and agreed for you to take samples of same before shipping to Calgary for our examination.

We are also agreeable to your making the core available to Bruce V. Sanford and Dr. A. W. Norris of the Geological Survey of Canada for their examination there in Winnipeg. Mr. Sanford has written us a letter regarding the core and asks if they might have sample cuttings and cores for their collection in Ottawa. We will be agreeable to this if your Department gives its approval.

We are also agreeable to you letting representatives of Aquitaine examine the core there in Winnipeg.

This letter should confirm that we want to cooperate with you in every way regarding the proper handling of the data being derived from this test.

Yours very truly

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/ic

p. c. to: **Dr. K. A. Phillips, Assistant Director of Mines.**  
**Mr. T. Morgan, Chief Mining Recorder.**

INTER-DEPARTMENTAL MEMORANDUM



PROVINCE  
OF  
MANITOBA

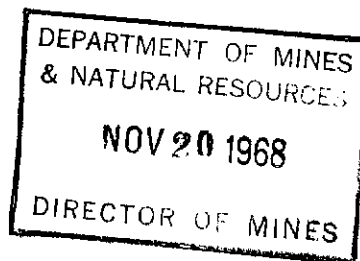
DATE November 20, 1968

FROM F. S. Gamey

TO J. S. Richards  
Special Assistant to A.D.M.

SUBJECT Houston Oils Comeault (S.T.H.) Drilling

Phone call from Mr. A. Whitehead - Nov. 20/68



1. Precambrian contact at 2022'
2. Total depth of hole at 2125'
3. Logging tool now at wellsite
4. To plug and abandon as per program
5. 70 boxes of core to be flown to Gillem and to be forwarded by C.N.R., to Dr. K. Phillips
6. Cost figures should be available in another week, for submission to Director
7. Whitehead has not received letter from Minister granting extension of time
8. ~~I will photostat letter in Director's file and forward same~~  
*Minister's office is to forward letter to-day.*

cc: ~~J. S. Roper~~  
Dr. K. Phillips

DEPARTMENT OF MINES  
& NATURAL RESOURCES

NOV 21 1968

DIRECTOR OF MINES

November 18, 1968.

Mr. A. H. Whitehead,  
President,  
Houston Oils Limited,  
1690 Elvedon House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

Re P & NG Permits 36 to 46, inclusive  
(Northern Manitoba)

I have reviewed with the officials of my department your request that the department not terminate the Permits on which you have not made the 15 cents per acre deposit.

In view of the operational difficulties in your attempt to gain previously unknown geological information by the drilling of a diamond drill hole in this very remote area, I hereby extend the date for the submission of the information required by Section 251 of the Regulations until December 31, 1968, provided the Houston et al Consent Prov. (STW) No. 1 well is drilled in the manner previously stipulated by the Director of Mines. If so drilled, it will be designated as an exploratory deep test well and be eligible to receive double credit authorized by Section 253 of the Regulations.

Yours sincerely,

ORIGINAL  
SIGNED BY  
HARRY J. ENNS

Harry J. Enns,  
Minister.

JSR:db

c. c. to: Mr. H. J. Gobert,  
Assistant Deputy Minister.

Dr. K. A. Phillips,  
Assistant Director of Mines.

Mr. T. Morgan,  
Chief Mining Recorder.

PROVINCE OF MANITOBA  
DEPARTMENT OF MINES AND NATURAL RESOURCES  
MINES BRANCH

IN THE MATTER OF drilling the test well known as the Houston et al Comeault Prov (STH) No. 1

I, Albert Edward Whitehead, President of Houston Oils Limited, of the City of Calgary, Province of Alberta

DO SOLEMNLY DECLARE THAT the sum of \$54,827.00 has been paid by Houston toward the drilling of the test well known as the Houston et al Comeault Prov (STH) No. 1.

AND that the following is a correct list of said expenditures incurred prior to November 1, 1968.

<u>Paid To</u>	<u>Invoice No.</u>	<u>Amount</u>	<u>Total</u>
J. F. Blue	1	\$ 5,021.11	\$ 5,021.11
Lory Oilfield Supply	27740	153.75	
	27893	155.00	308.75
Midwest Drilling Co.	1-2864	2,998.55	
	1-2892	8,621.50	
	1-2891	37,747.89	49,367.94
Recon Oilfield Supply	0513	127.80	127.80
Rotary Engineers	3678	1.40	<u>1.40</u>
		TOTAL	\$54,827.00

AND copies of the above invoices are attached hereto.

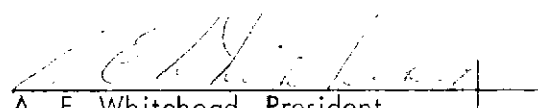
The drilling operations were carried out on P&NG Permit No. 42 and expenditures are to be applied to Group No. 4.

All expenditures were incurred in actual drilling operations.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of THE CANADA EVIDENCE ACT.

Declared before me at the City of )  
Calgary in the Province of Alberta, )  
this 26th day of November, A.D. )  
1968. )

HOUSTON OILS LIMITED

  
A. E. Whitehead, President

A Commissioner for Oaths in and for  
The Province of Alberta

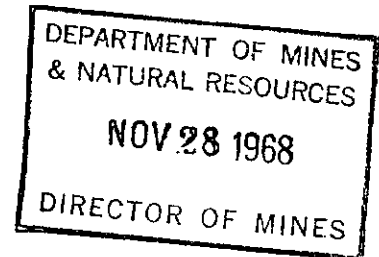
# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

November 27, 1968

Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba



Dear Mr. Roper:

Re: Statutory Declaration of Expenditures

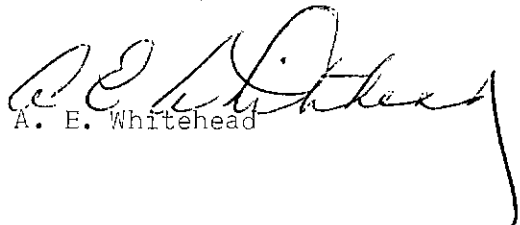
We are enclosing copies of a statutory declaration of expenditures relating to costs incurred in drilling operations on the Houston et al Comeault Prov. (STH) No. 1 prior to November 1st, 1968. Since the well has now been completed, the balance of the costs should be in and paid within the next two weeks. The final cost of this operation will exceed \$80,000.00.

All data obtained from drilling this hole is being assembled and will be forwarded to your Department in the very immediate future.

Should there be any questions relating to the enclosed expenditures, please advise the undersigned.

Yours very truly

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/ic

Encl.

p. c. to: Mr. T. Morgan,  
Chief Mining Recorder.



November 29, 1968.

Dr. K. A. Phillips,  
Assistant Director of Mines.

Mr. T. Morgan,  
Chief Mining Recorder.

Mr. A. E. Whitehead,  
President,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

Re Statutory Declaration of  
Expenditures.

This will acknowledge your letter of November 27, enclosing 3 copies of your statutory declaration relating to the costs incurred in drilling operations on the Houston et al Comsault Prov. (STH) No. 1 well prior to November 1, 1968, and 1 copy of the relative invoices.

The statutory declaration and copy of invoices are satisfactory except that you have neglected to have the declaration executed. We are enclosing same to you for this purpose.

The total of the invoices submitted, namely \$54,827, will be eligible for double credit, and the resulting double credit will be sufficient to cover the \$103,350 deposit required for the second term of your permits. However, before establishing the total amount to be credited, we will require the remaining invoices and statutory declarations on the cost of the completed well.

*Should be 103,491.5*  
*deficit - 3,05*  
*\$103,421.70*

We will look forward to receiving the latter, plus information on the delivery of the core at your earliest convenience.

Yours sincerely,

  
J. S. Roper,  
Director of Mines.

JSH:db

Encs.

c. c. to: Mr. M. J. Gobert,  
Assistant Deputy Minister.

November 29, 1968.

Mr. J. S. Roper,  
Director of Mines.

Mr. T. Morgan,  
Chief Mining Recorder.

Houston Oils Limited -

Permits Nos. 36 to 46.

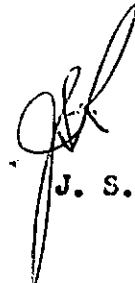
Attached, hereto, copy of a letter from the above company, together with copy of their statutory declaration as submitted, plus copy of supporting invoices.

Also attached is copy of my letter to the company, of this date, relating to the second-term deposit.

The declaration and invoices appear satisfactory and, therefore, it will be in order to return to the company the Promissory Note dated November 1, 1968, in the amount of \$60,000.00.

JSR:db

Encs.



J. S. Roper.

Dec 3/68

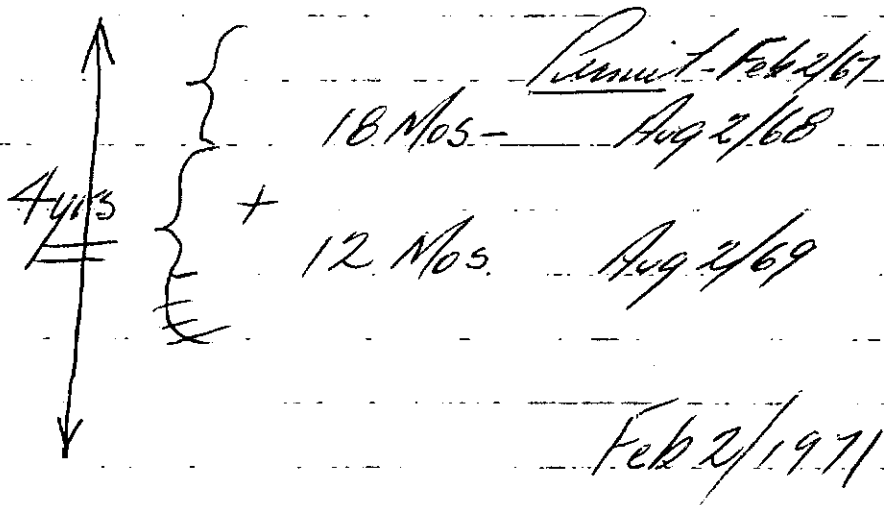
Houston Oil Ltd

Oil & NG Permits

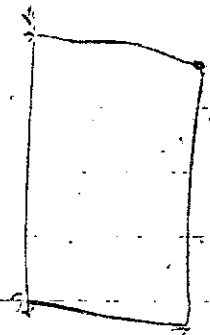
Nov 29/68

Permits 36 to 46 - approximate acreage should be \$34,473.05  
 1<sup>st</sup> Term - 689,000 acres x 5¢/acre = \$34,450.00 work requirement  
 Satisfied with Gravity survey

2<sup>nd</sup> Term - 689,000 acres x 15¢/acre = 103,350 +  $\frac{103,419 \frac{15}{05} \text{ deficit}}{3} = 103,422 \frac{20}{20}$   
 Being satisfied with drilling of Houston 1 & 2 at Central (Houston) well.



34,470.70  
 689,000  
 34,473.05  
 103,419.15



# HOUSTON OILS LIMITED

~~1650~~ ELVEDEN HOUSE, CALGARY 2, ALBERTA  
1690  
PHONE 262-1242

December 2, 1968

Mr. J. S. Roper  
Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

*JKL-1968*  
DIRECTOR OF MINES  
*F.*

Dear Mr. Roper:

Re: Houston et al Comeault Prov. (STH) No. 1

Thank you for your letter dated November 29, 1968, and please accept our apologies for the omission of the Commissioner's signature on the Statutory Declaration. The Commissioner has now signed the declaration and we are returning same.

We should be receiving the balance of the expenditures within the next few days and as they are paid we will forward a further Statutory Declaration.

The core is at the wellsite and just as soon as we have 16 inches of ice on the lake we plan to use a twin engine Otter to fly the core and the drilling rig back to Gillam. It could be that the core will be flown directly to Winnipeg, however, this has not been fully determined. It might be that it will be shipped by rail from Gillam to Winnipeg. In any event, the core should be in Winnipeg within the next ten days.

Thanks very much for your cooperation in this matter.

p. c. to: Dr. K. A. Phillips,  
Assistant Director of Mines.  
Mr. T. Morgan, Yours very truly,  
Chief Mining Recorder.

HOUSTON OILS LIMITED

*A. E. Whitehead*  
A. E. Whitehead

AEW/dmh  
Encl.

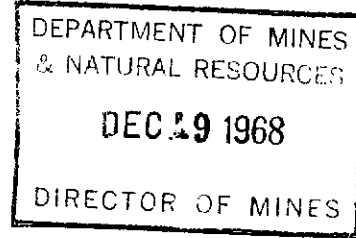
*Received  
JKL  
5-12-68.  
Donnelly - show  
this to Hugh McCabe  
please.  
JKL 5/12/68.*

# HOUSTON OILS LIMITED

~~1690~~ ELVEDEN HOUSE, CALGARY 2, ALBERTA  
1690

PHONE 262-1242

December 17, 1968



Mr. J. S. Roper  
Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Roper:

Re: Houston et al Comeault  
Prov. (STH) No. 1

Pursuant to the regulations, we are enclosing three copies of the Geological and Engineering Report on the Houston et al Comeault Prov. (STH) No. 1 test.

We received a letter today from Hugh McCabe in which he acknowledged receipt of the core. We were pleased to learn it had arrived in Winnipeg.

All of our costs are not yet in and it will probably be after the first of the new year before a completed cost analysis can be forwarded to your office.

Drilling the Comeault test proved to be a very interesting project and let us hope information has been obtained that will be of benefit to all of us.

Merry Christmas to you and your Department.

Yours very truly

HOUSTON OILS LIMITED

*A. E. Whitehead*  
A. E. Whitehead

AEW/ic  
Encls.

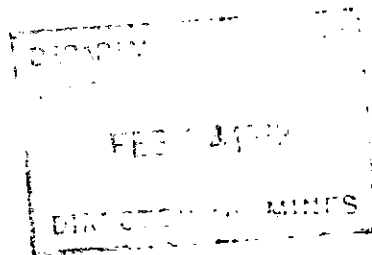
p. c. to: Dr. K. A. Phillips,  
Assistant Director of Mines.  
Mr. T. Morgan,  
Chief Mining Recorder.

*KAP. KAP.  
FS G -  
TH -  
H MCC*

# HOUSTON OILS LIMITED

~~1650~~ ELVEDEN HOUSE, CALGARY 2, ALBERTA  
1690  
PHONE 262-1242

February 12, 1969



Mr. J. S. Roper  
Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

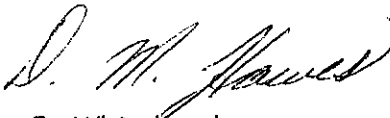
Dear Mr. Roper:

Re: HOL et al Comeault Prov. (STH) No. 1

Further to your letter of January 15, 1969, we wish to advise that we have just received final invoices from the drilling contractor, etc. and we will be forwarding a declaration of expenditures on the balance of our account within the next few days.

Yours very truly,

HOUSTON OILS LIMITED

*for*   
A. E. Whitehead

AEW/dmh

J. S. Roper

~~XXXXXXXX~~

February 24, 1969.

Mr. A. E. Whitehead,  
President,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2, Alta.


Dear Mr. Whitehead:

Re: Houston et al Concault  
Prov. (STH) No. 1

Your company recently put down a bore hole, Houston No. 1, in the Hudson Bay area, which penetrated the Palaeozoic rocks. Samples from the Precambrian basement have been accurately dated by one of our geologists using the Rb/Sr technique. In the same vicinity a hole drilled by Aquitaine also cored basement and these samples too have been analyzed.

The age of the basement rocks from this area is of great significance and relevance to the shield in that it solves the problem of the location of the Churchill-Superior boundary 250 miles to the southwest. All this work is, of course, confidential, in the case of the Houston hole for approximately 2 years, but the Aquitaine results will be open shortly. We would like to release both these results in the form of a scientific paper to be published, probably in the Canadian Journal of Earth Sciences, and we are seeking your company's permission to do so. There are three age determinations from the Houston hole. The results are in the final calculation stages and would, of course, be made available to you in the first instance.

Yours sincerely,



J. S. Roper,  
Director of Mines.

JSR/or

c.c. to: Mr. M. J. Cobert,  
Assistant Deputy Minister.

Dr. A. Turek,  
Geologist.

# HOUSTON OILS LIMITED

1690 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

March 5, 1969



Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Roper:

Re: Houston et al Comeault  
Prov. (STH) No. 1

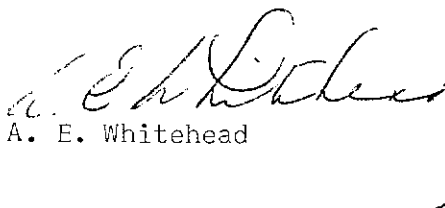
Reference is made to your letter dated February 24, 1969, regarding the release of data obtained on the basement rocks from the captioned test hole.

We agree to the release of said data insofar only as it relates to the basement rocks and it is our understanding that no uphole data will be released at this time.

We will look forward to a copy of the paper published from this data.

Yours very truly

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/ic

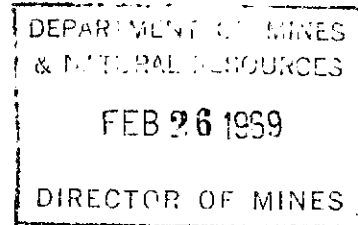


# HOUSTON OILS LIMITED

1690 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

February 25, 1969



Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Roper:

Re: Statutory Declaration of Expenditures  
Houston et al Comeault Prov. (STH) No. 1

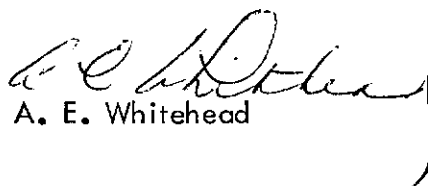
Pursuant to our drilling of the captioned well we are enclosing a Statutory Declaration of Expenditures covering the period from November 1, 1968, to completion of the well. This declaration in the amount of \$30,427.75, along with our declaration of November 27, 1968, gives us a total drilling expenditure on this well of \$85,254.75.

If this final declaration meets with your approval we would appreciate your returning the \$5,000.00 drilling deposit we placed with your department relative to our drilling of this well.

Please contact the undersigned should you have any queries regarding the enclosed declaration.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

-dmh  
Encl.

p.c. to: Mr. Trevor Morgan,  
Chief Mining Recorder.

*see our letter of Nov. 29/68*

J. S. Roper  
XXXXXXXXXX

March 13, 1969.

Mr. A. E. Whitehead,  
President,  
Houston Oils Ltd.,  
1690 Elveden House,  
Calgary 2, Alberta.

Dear Mr. Whitehead:

Re: Houston et al. Comeault Prov. (STH) No. 1

Further to your letter of March 5th we wish to record our sincere thanks to your company for the authorization to publish age determination results on the basement core from the above well.

The results for eight samples from both the Houston and Kaskattama wells are typical of the Churchill Province, 1975 m.y., which indicate that the Churchill-Superior boundary must have an easterly trend under the Paleozoic cover in the Hudson Bay Lowlands and therefore the alternative suggestion, a northeasterly trend connecting with the Ungava Peninsula should be disregarded. Dr. Turek, of this department, is writing up the results and will report to you in more detail in about a week.

Cordially yours,



J. S. Roper,  
Director of Mines.

AT/hf

COPY

XXXXXX  
XXXXXXXXXX

March 18, 1969.

Mr. A. E. Whitehead,  
President,  
Houston Oils Ltd.,  
1690 Elveden House,  
Calgary 2, Alberta.

Dear Mr. Whitehead:

Enclosed are the results of age determinations on basement cores from the Kaskattama and Houston wells.

The indicated age,  $1975 \pm$  m.y. is typical of the Churchill Province. (The  $\pm$  here is the 95% confidence interval, approximately 2 standard deviations). Generally Rb-Sr results are about 5% higher than corresponding K-Ar ages because of the decay constant used. One of the advantages of the whole rock Rb-Sr method is the possibility of inference of the genetic origin of the rocks based on the value of the initial Sr composition. Thus in this work the low value for the initial  $^{87}\text{Sr}/^{86}\text{Sr}$ ,  $0.7018 \pm 0.0005$ , points to a deep crustal source for the material and precludes the possibility of the age determinations registering a metamorphic event. In contrast K-Ar ages on minerals register the last event.

I am most grateful for the permission to publish these results and hope they are of practical significance to your organization.

Yours very truly,

*AT*

A. Turek  
Geologist

AT/hf

Encl.

Orig. with report on: Oil and Nat. Gas-  
Permits -  
Manitoba Exploration  
Permit Nos. 1 to 2  
Aquitaine Company  
of Canada Ltd.

*Jc.c.* to: Mr. J. S. Roper  
Director of Mines

PROVINCE OF MANITOBA  
DEPARTMENT OF MINES AND NATURAL RESOURCES  
MINES BRANCH

IN THE MATTER OF drilling the test well known as the Houston  
et al Comeault Prov (STH) No. 1

I, Albert Edward Whitehead, President of Houston Oils Limited, of  
the City of Calgary, Province of Alberta

DO SOLEMNLY DECLARE THAT the sum of \$30,427.75 has been  
paid by Houston toward the drilling of the test well known as the Houston et al  
Comeault Prov (STH) No. 1.

AND that the following is a correct list of said expenditures incurred  
after November 1, 1968:

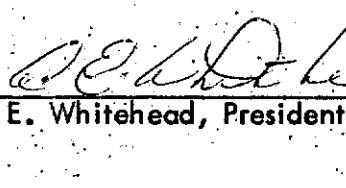
<u>Paid To</u>	<u>Invoice No.</u>	<u>Amount</u>
Midwest Drilling	1-2944	\$14,916.50
Midwest Drilling	1-2975	8,065.69
J. F. Blue, Geologist	2	4,202.22
Lory Oilfield Rentals	28092	150.00
Lory Oilfield Rentals	28265	155.00
Lory Oilfield Rentals	28341	48.35
Standard Safety	2224	237.60
Standard Safety	2274	237.15
Standard Safety	2282	69.90
Electronic Logging & Surveys		2,197.34
T. Lamb Airways	3134	148.00
		<u>\$30,427.75</u>

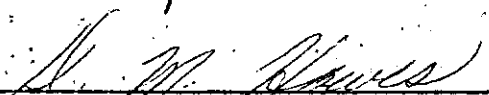
AND copies of the above invoices are attached hereto.

The drilling operations were carried out on P&NG Permit No. 42 and  
expenditures are to be applied to Group No. 4.

All expenditures were incurred in actual drilling operations.

AND I make this solemn declaration conscientiously believing it to be  
true, and knowing that it is of the same force and effect as if made under oath and by  
virtue of THE CANADA EVIDENCE ACT.

Declared before me at the City of ) Calgary in the Province of Alberta, ) this 25th day of February, A.D. ) 1969. )	HOUSTON OILS LIMITED   A. E. Whitehead, President
--	--

  
A Commissioner for Oaths in and for  
The Province of Alberta

March 24, 1969.

J. S. Roper,  
Director of Mines.

Mr. Trevor Morgan,  
Chief Mining Recorder.

Houston Oil Limited - Permits No. 36 to 46.

Attached, hereto, copy of a letter (Feb. 25/69) from the above company, together with copy of their statutory declaration as submitted, plus copy of supporting invoices.

The declaration and invoices appear satisfactory and, therefore, it will be in order to return to the Company the \$5,000 drilling deposit if Stan Gamey agrees that the well has been abandoned in accordance with Regulations.

JSR/or

Encs.



J. S. Roper.

Original Statutory Declaration and invoices  
submitted to Recording Division.

25.3.69 O.R.

MICROFILMED

TO .....

HERE .....

*June/1979.*

# HOUSTON OILS LIMITED

~~1690~~ ELVEDEN HOUSE, CALGARY 2, ALBERTA  
1690  
PHONE 262-1242

December 2, 1968

Mr. J. S. Roper  
Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

*Handwritten signature and initials*

Dear Mr. Roper:

Re: Houston et al Comeault Prov. (STH) No. 1

Thank you for your letter dated November 29, 1968, and please accept our apologies for the omission of the Commissioner's signature on the Statutory Declaration. The Commissioner has now signed the declaration and we are returning same.

We should be receiving the balance of the expenditures within the next few days and as they are paid we will forward a further Statutory Declaration.

The core is at the wellsite and just as soon as we have 16 inches of ice on the lake we plan to use a twin engine Otter to fly the core and the drilling rig back to Gillam. It could be that the core will be flown directly to Winnipeg, however, this has not been fully determined. It might be that it will be shipped by rail from Gillam to Winnipeg. In any event, the core should be in Winnipeg within the next ten days.

Thanks very much for your cooperation in this matter.

p. c. to: Dr. K. A. Phillips,  
Assistant Director of Mines.  
Mr. T. Morgan, Yours very truly,  
Chief Mining Recorder.

HOUSTON OILS LIMITED

*Handwritten signature of A. E. Whitehead*  
A. E. Whitehead

AEW/dmh  
Encl.

*Received  
M  
5-12-17  
Don't show  
this to High. M  
please.  
Brewster*

December 13, 1968.

Mr. A. E. Whitehead,  
Houston Oils Ltd.,  
1650 Elveden House,  
Calgary 2, Alberta.

Dear Al:

This will acknowledge receipt of 77 boxes of core for the Houston et al Comeault Prov. No. 1 (STH). I plan on starting examination and sampling of the core today, and Bruce Sanford will be arriving from Ottawa on Monday. We are quite agreeable to having Dr. Sanford sample the core, as authorized in your letter of November 15 to Mr. J. S. Roper. This information will of course be retained as confidential for the two year period, unless you authorize release prior to that time.

I will do my best to complete examination of the core before Christmas, but I was wondering if you had any particular deadline for receipt of the core at Calgary. I don't imagine too much would be done over the festive season. We are having some difficulty with our diamond saw, among other things, and some extra time for examination might be helpful, for both myself and Bruce. Please advise as to your requirements in this regard.

In the meantime, all the best wishes for a very merry Christmas.

Yours very truly,



H. R. McCabe  
Geologist

HRM/hf

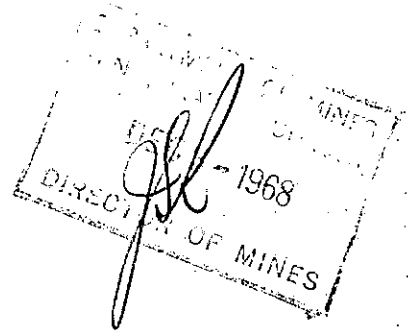


# HOUSTON OILS LIMITED

163A ELVEDEN HOUSE, CALGARY 2, ALBERTA  
1690  
PHONE 262-1242

December 2, 1968

Mr. J. S. Roper  
Director of Mines  
Department of Mines and Natural Resources  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba



Dear Mr. Roper:

Re: Houston et al Comeault Prov. (STH) No. 1

Thank you for your letter dated November 29, 1968, and please accept our apologies for the omission of the Commissioner's signature on the Statutory Declaration. The Commissioner has now signed the declaration and we are returning same.

We should be receiving the balance of the expenditures within the next few days and as they are paid we will forward a further Statutory Declaration.

The core is at the wellsite and just as soon as we have 16 inches of ice on the lake we plan to use a twin engine Otter to fly the core and the drilling rig back to Gillam. It could be that the core will be flown directly to Winnipeg, however, this has not been fully determined. It might be that it will be shipped by rail from Gillam to Winnipeg. In any event, the core should be in Winnipeg within the next ten days.

Thanks very much for your cooperation in this matter.

Yours very truly,

HOUSTON OILS LIMITED

  
A. E. Whitehead

AEW/dmh  
Encl.

*Don't forget - show  
this to Hugh McCabe  
please.*

*F.*

J. S. Roper

XXXXXXXX

March 24, 1969.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2, Alberta.

Dear Mr. Whitehead:

Re: Exploratory Permits No. 36-46  
Houston Oil Ltd.

By means of this letter we advise that a credit of \$170,509.50 has been established under Sec. 253, of the Regulations, by the drilling of exploratory well Houston et al Comeault Prov. (STH) No. 1.

Yours sincerely,

  
J. S. Roper,  
Director of Mines.

JSR/or

c.c. to: Mr. Trevor Morgan,  
Chief Mining Recorder.

COPY

November 29, 1968.

Mr. A. E. Whitehead,  
President,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

Re Statutory Declaration of Expenditures.

This will acknowledge your letter of November 27, enclosing 3 copies of your statutory declaration relating to the costs incurred in drilling operations on the Houston et al Comsault Prov. (STH) No. 1 well prior to November 1, 1968, and 1 copy of the relative invoices.

The statutory declaration and copy of invoices are satisfactory except that you have neglected to have the declaration executed. We are enclosing same to you for this purpose.

The total of the invoices submitted, namely \$54,827, will be eligible for double credit, and the resulting double credit will be sufficient to cover the \$103,350 deposit required for the second term of your permits. However, before establishing the total amount to be credited, we will require the remaining invoices and statutory declarations on the cost of the completed well.

We will look forward to receiving the latter, plus information on the delivery of the core at your earliest convenience.

Yours sincerely,

J. S. Roper,  
Director of Mines.

JSH:db

Encs.

Dr. K. A. Phillips,  
Assistant Director of Mines.  
Mr. T. Morgan,  
Chief Mining Recorder.

Mr. M. J. Gobert,  
Assistant Deputy Minister.

REC

D.M.C.

# COPY

November 18, 1968

MINES  
 JURCS  
 1968  
 DIRECTOR OF MINES

Mr. A. B. Whithead,  
 President,  
 Houston Oils Limited,  
 1690 Elveston House,  
 Calgary 2,  
 Alberta.

Dear Mr. Whithead:

Re P. & HO Permits 36 to 46, inclusive  
(Northern Manitoba)

I have reviewed with the officials of my department your request that the department not terminate the Permits on which you have not made the 15 cents per acre deposit.

In view of the operational difficulties in your attempt to gain previously unknown geological information by the drilling of a diamond drill hole in this very remote area, I hereby extend the date for the submission of the information required by Section 251 of the Regulations until December 31, 1968, provided the Houston et al Consult Prov. (SYH) No. 1 well is drilled in the manner previously stipulated by the Director of Mines. If so drilled, it will be designated as an exploratory deep test well and be eligible to receive double credit authorized by Section 259 of the Regulations.

Yours sincerely,

ORIGINAL  
SIGNED BY

HARRY J. EMS

Harry J. Ems,  
 Minister.

JSR:db

NOV 21 1968  
 (SOLD) 4-15-68

c. c. to Mr. H. J. Gobert,  
 Assistant Deputy Minister.

Dr. K. A. Phillips,  
 Assistant Director of Mines.

Mr. T. Morgan,  
 Chief Mining Recorder.

*D. McCabe*  
*Permit*  
*2/1/68*

Fan North Houston Permits

INTER-DEPARTMENTAL MEMORANDUM

FROM F. S. Ganey



PROVINCE OF MANITOBA

DATE November 20, 1968

TO J. S. Richards  
Special Assistant to A.D.M.

SUBJECT Houston Gils Comeault (S.T.H.) Drilling

Phone call from Mr. A. Whitehead - Nov. 20/68

1. Precambrian contact at 2023'
2. Total depth of hole at 2125'
3. Logging tool now at wellsite
4. To plug and abandon as per program
5. 70 boxes of core to be flown to Gillam and to be forwarded by C.N.S., to Dr. K. Phillips
6. Cost figures should be available in another week, for submission to Director
7. Whitehead has not received letter from Minister granting extension of time
8. ~~I will photostatic letter in Director's file and forward to the~~  
*Minister's office is to forward letter today.*

*F. S. Ganey*

cc: J. S. Roper

~~Dr. K. Phillips~~

*Dr. McCabe: for information and necessary action.*

*OK. J.S.G.*

*Info fed to Bruce Sanford.*

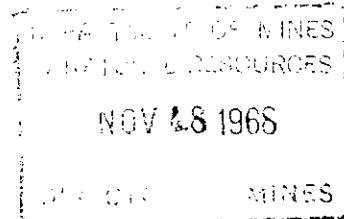
# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

November 15, 1968

Mr. J. S. Roper, Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba



Dear Mr. Roper:

Re: Houston et al Comeault  
Prov. No. 1 (STH)

Reference is made to your letter dated October 25th, 1968, in which you discuss the disposition of the core from the captioned well. We agree with your suggestions and all core will be delivered immediately upon completion of the well to Dr. Phillips.

During our last visit with you we discussed the core with Dr. McCabe and agreed for you to take samples of same before shipping to Calgary for our examination.

We are also agreeable to your making the core available to Bruce V. Sanford and Dr. A. W. Norris of the Geological Survey of Canada for their examination there in Winnipeg. Mr. Sanford has written us a letter regarding the core and asks if they might have sample cuttings and cores for their collection in Ottawa. We will be agreeable to this if your Department gives its approval.

We are also agreeable to you letting representatives of Aquitaine examine the core there in Winnipeg.

This letter should confirm that we want to cooperate with you in every way regarding the proper handling of the data being derived from this test.

Yours very truly

HOUSTON OILS LIMITED

*A. E. Whitehead*  
A. E. Whitehead

*D. McCabe*

AEW/ic

*W.A.P.* P. 92 to: Dr. K. A. Phillips, Assistant Director of Mines,  
Mr. T. Morgan, Chief Mining Recorder.

FAR NORTH  
HOUSTON FIVE

McCabe  
We discussed planning ahead  
for core storage. KAS  
COPY

2 NOV 1968 J. S. Roper

(promised to supply space in venting)  
when possible. KAS

October 25, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

As you are doubtless aware, Section 101 of the Oil and Natural Gas Regulations provides that:

"101. Within one year from the time a hole is completed, the licensee shall deliver to the Branch in proper containers all cores recovered from such holes, whether drilled for seismograph surveying, structure mapping or for any other purpose."

However, we realize that you will wish to examine core obtained from the Houston et al Comeault Prov. No. 1 (STH) well.


In order to achieve the objective of the above section, which is to retain the core as a permanent record and at the same time permit an examination by your geologists, we suggest the following procedure: That, immediately on the completion of drilling, all core be forwarded to Dr. K. A. Phillips, Assistant Director of Mines, Room 900 Norquay Building, Winnipeg 1, Manitoba. Our staff and probably a representative of the Geological Survey of Canada would, as quickly as possible, examine the core without taking samples, following which it would be forwarded to you in Calgary. We suggest that your sampling of the core should be limited to slabbing not more than one foot of every 10 feet of the core and the removal of the minimum number of fossils necessary for paleontological study. Fossil samples, after examination, would be forwarded to the Geological Survey of Canada at Calgary for permanent storage. After the examination and sampling have been completed, and not more than one year after completion of drilling, the

2-- Mr. A. E. Whitehead


remainder of the core would be forwarded to the Mines Branch in Winnipeg for permanent storage.

We have tentatively approved this well as eligible for double credits, based on your representation that a core hole will provide all useful information. Should the core which is eventually forwarded to Winnipeg be such that this is not so, we would be obliged to reconsider this approval.

Yours sincerely,

  
J. S. Roper,  
Director of Mines.

JSR:db

c. c. to:  Dr. K. A. Phillips,  
Assistant Director of Mines.

RECEIVED  
MAY 1950  
GENERAL INVESTIGATION



## INTERDEPARTMENTAL MEMORANDUM

FROM Dr. H. R. McCabe

Geologist

PROVINCE  
OF  
MANITOBA

DATE October 21, 1968.

TO Mr. J. S. Roper

Dr. K. A. Phillips

SUBJECT Suggested draft for letter to Houston Oils re core for Comeault and STH

With regard to disposition of the core for the above well, this matter has been discussed with Mr. Derek Gould, who I believe is no longer associated with Houston Oils. Mr. Gould had indicated that he would forward this core to Winnipeg so that we would be able to examine the core prior to shipment to Calgary. This letter is to request confirmation of this arrangement and to state our reasons for requesting same.

As you undoubtedly know, the Mines Act (Section 101) states that .... "Within one year from the time a hole is completed the licensee shall deliver to the Branch in proper containers all cores recovered from such holes". Normally this means that the core is examined by the company and subsequently delivered to the Branch. However, in view of what happened with the core for the only other oil well test in the Hudson Bay area, the Kaskattama #1 hole, we are requesting that the core be submitted to the Branch for preliminary examination before being sent to Calgary. We appreciate the fact that a certain amount of sampling (fossils, core analyses, etc.) must be done, especially in such a virgin exploration area, but in the case of the Kaskattama hole, the core was halved (with our permission) for microfossil studies, and in addition a large number of fossil samples were taken and the core was badly broken up in the process. The fossil samples were eventually forwarded to the G.S.C. at Calgary for permanent storage, again with our permission. However, the net result was that the core as eventually received at the Mines Branch was only poorly representative of the hole. For this reason, we are requesting the core be shipped to Winnipeg (Geology Division, Room 900 Norquay Building) prior to examination at Calgary. We would examine it as quickly as possible here and would not remove any samples at this time. All information will of course be retained confidential for a period of 2 years after completion of the hole.

In any case, we will require that all core, except for fossil samples, eventually be returned to the Mines Branch within the one year limit. As in the case of the Kaskattama core hole, we will require that all fossil samples be turned over to the Geological Survey of Canada for permanent storage at Calgary. (If necessary, a maximum of 10% of the core can be slabbed for sampling; 1 foot every 10 feet.)

I hope that the above arrangements will meet with your approval. Please advise if you have any alternative suggestions in this regard.

I should also add that Dr. Bruce Sanford of the G.S.C. is currently carrying out a detailed study of the Palaeozoic formations in the Hudson Bay area, and he would be very interested in examining the complete core for the Comeault S.T.H. I believe that he is writing you in this regard. If you do grant Dr. Sanford permission to examine the core, he could possibly do this in Winnipeg at the same time we are examining the core.

HRM/hf

*Revised by J.S. Richards  
& revision only to Roper.  
Dr. STH.  
do not fill*

*H.R. McCabe*  
H. R. McCabe

D. McCabe H

PS-15

# COPY

J. S. Roper  
XXXXXXXX

October 17, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1690 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

We acknowledge your letter of October 11th regarding tolerance from our department in the event your drilling operation and cost data are not completed by November 2. While we appreciate the magnitude and diversity of problems you have encountered in getting this program started, we refer you to our letter (Mr. J. S. Richards) of July 17, 1968 - which states in part:

"As you have mentioned, subsection (1) of Section 278 of the Regulations provides that the deposit may be made "within ninety days after the date on which the deposit is to be made, . . ." If you commence drilling as stated in your letter of July 15, 1968, and if you submit the statement of expenditures required by Section 251, verified by a statutory declaration, within the ninety-day period, we will consider this equivalent to the posting of a deposit equal to the expenditures listed in this statement. Should these expenditures be less than the 20 cents per acre deposit required for the first and second periods, the difference may be made by a deposit as set out in Section 247."

We believe you will concur that such requirements are necessary and fair for all concerned.

Yours sincerely,

  
J. S. Roper,  
Director of Mines.

JSR:db

c. c. to: Mr. T. Morgan, Chief Mining Recorder  
Dr. K. A. Phillips, ~~Assistant~~ Assistant Director of Mines.

OCT 17 1968

D. McLeod

COPY

September 24, 1968.

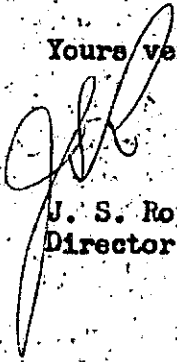
Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

This is to advise that the engineering and geological prognosis, attached to your letter of September 9th, relative to the well to be known as Houston et al Comeault Prov. No. 1, has been reviewed. This well is designated as an exploratory deep test well, in accordance with Section 253 of the Regulations, subject to the condition that it shall be drilled 100 feet into the Precambrian basement.

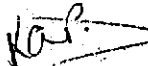
It is understood that, once the rig is positioned, you will forward another air photo showing the location of the well and its elevation.

Yours very truly,

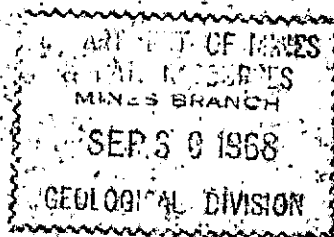
  
J. S. Roper,  
Director of Mines.

JSR:db

c. c. to: Mr. F. S. Gamey,  
Reservoir Engineer.

 Dr. K. A. Phillips,  
Chief Geologist.

Mr. T. Morgan,  
Chief Mining Recorder.



# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

September 9, 1968

*File  
Plane - read*  
*3 - 1/2 inch to drill hole*

Director's Office, Mines Branch  
Department of Mines and Natural Resources  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba

Attention: Mr. J. S. Richards, Director of Mines

Dear Sirs:

Re: P&NG Permits 36 to 46, Inclusive  
Northern Manitoba

Pursuant to our plans to drill a core hole on Permit No. 42 (Group No. 4) and your letter relating thereto dated July 8, 1968, please be advised our test will be known as the Houston et al Comeault Prov. No. 1. The approximate location of this test is Latitude 56° 40', Longitude 90° 52'. The estimated cost of this test is \$60,000.00. We are attaching a copy of our engineering and geological prognosis.

Since we are coring this test from surface to T.D. we feel this test will offer valuable geological data toward the exploration for hydrocarbons and minerals in the Northern Manitoba area and therefore should be allowed double credits.

Thank you for your consideration of this matter.

Yours very truly,

HOUSTON OILS LIMITED

*A. E. Whitehead*  
A. E. Whitehead

P. c. to: Mr. F. S. Gamey, Reservoir Engineer -- with 2-page attachment.  
Mr. K. A. Phillips, Assistant Director of Mines -- with 2-page attachment.  
Mr. T. Morgan, Chief Mining Recorder -- with 2-page attachment.

*Planned. Sept 16th*

*11:30 am*

AEW/dmh

- Houston*
- have license & photos in mail*
- plan to drill 100' into basement.*
- plan to have expenditures here by Nov 2*

## WELL PROGRAM AND PROGNOSIS

Houston et al Comeault Prov. (STH) #1

LOCATION: 56° 40' Latitude, 90° 52' Longitude (approximate)

ELEVATION: 260' approximate

<u>GEOLOGICAL MARKERS:</u>	<u>Formation</u>	<u>Elevation</u>	<u>Depth</u>
Silurian	Upper Kenogami	+ 260	0
	Lower Kenogami	- 240	500
	Attawapiskat * Reef)	- 390	650
	Ekwan * Reef)		
	Severn River		
Ordovician	Port Nelson		
	Red Head Rapids	-1390	1650
	Churchill River *		
PreCambrian	Bad Cache *	-2090	2350

\* Expected porous zones.

OBJECTIVE: To core the sedimentary section from the top of Bedrock to the top of Precambrian.

SURFACE HOLE:

- Drill HX (4 5/8") hole to bedrock.
- Run H casing to bottom.
- Core HQ (3 25/32" hole, 2 1/2" core) to approximately 100' (50' into bedrock).
- Run N casing to bottom. Pull H casing.
- Cement N casing with good returns to surface. Allow 12 hours for cement to set.
- Run B casing as liner to bottom. Install rubber gasket between top of B casing and top of N casing.
- Install 3" Tee on top of N casing and Regan Blowout preventer on top of Tee. Check BOP to 700 psi, hold 15 minutes.

MAIN HOLE:

- Core ahead with BQ (2 23/64" hole, 1 7/16" core) equipment.
- When a few feet below casing shoe pressure up to approximately 700 psi, hold 15 minutes.
- Keep 10' drilling time.
- Run inclination survey every 200'. If hole deviates more than 3° run survey every 100' until hole returns to less than 3°.
- Check Blowout preventer daily to assure that it is serviceable.

- (f) If hole problems occur ream to T.D. with BX (2 31/32") casing shoe bit. Set B casing with crandal shoe. Continue coring with BQ equipment to T.D.
- (g) Cores are to be shipped out weekly or when plane service is available.

AT TOTAL DEPTH:

- (a) Run Electronic Log from surface shoe to T.D.

ABANDONMENT:

- (a) Abandonment Program to be approved by Manitoba Mines Branch.
- (b) Tentative program is to run continuous cement plug from T.D. to surface in one or more stages as deemed advisable from subsurface data.

REPORTS:

- (a) Daily - Depth and status.
- (b) Weekly (mailed) - detailed drilling and geological information.

TELEPHONE CALLS:

Houston Oils Limited, Calgary            262-1242    (403)  
1690 Elveden House, Calgary 2, Alberta

After Hours    C. D. Gould            242-5789    (403)  
                  A. E. Whitehead      255-8975    (403)

Manitoba Mines Branch (Winnipeg)    946-7428    (204)  
901 Norquay Building, 401 York Avenue  
Winnipeg 1, Manitoba

Drilling Engineer (Virden)

HOUSTON OILS LIMITED

D. McCabe

August 26, 1968.

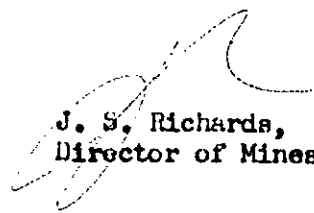
Mr. C. D. Gould,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Gould:

This will confirm that we will accept the location of any basement test well that you may drill within Permit No. 42, by submitting an air photo showing, as closely as possible the latitude and longitude of the wellsite.

Enclosed, herewith, the forms applicable to your application for a drilling license and the subsequent abandonment if necessary. Also enclosed forms used relative to the servicing of wells, including completions.

Yours very truly,

  
J. S. Richards,  
Director of Mines.

JSR:db

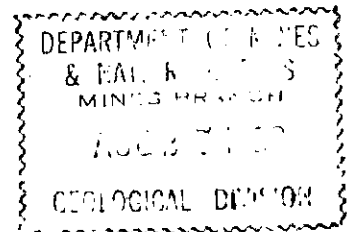
Encs.

c. c. to: Mr. T. Morgan,  
Chief Mining Recorder.

Mr. F. S. Gamey,  
Reservoir Engineer.

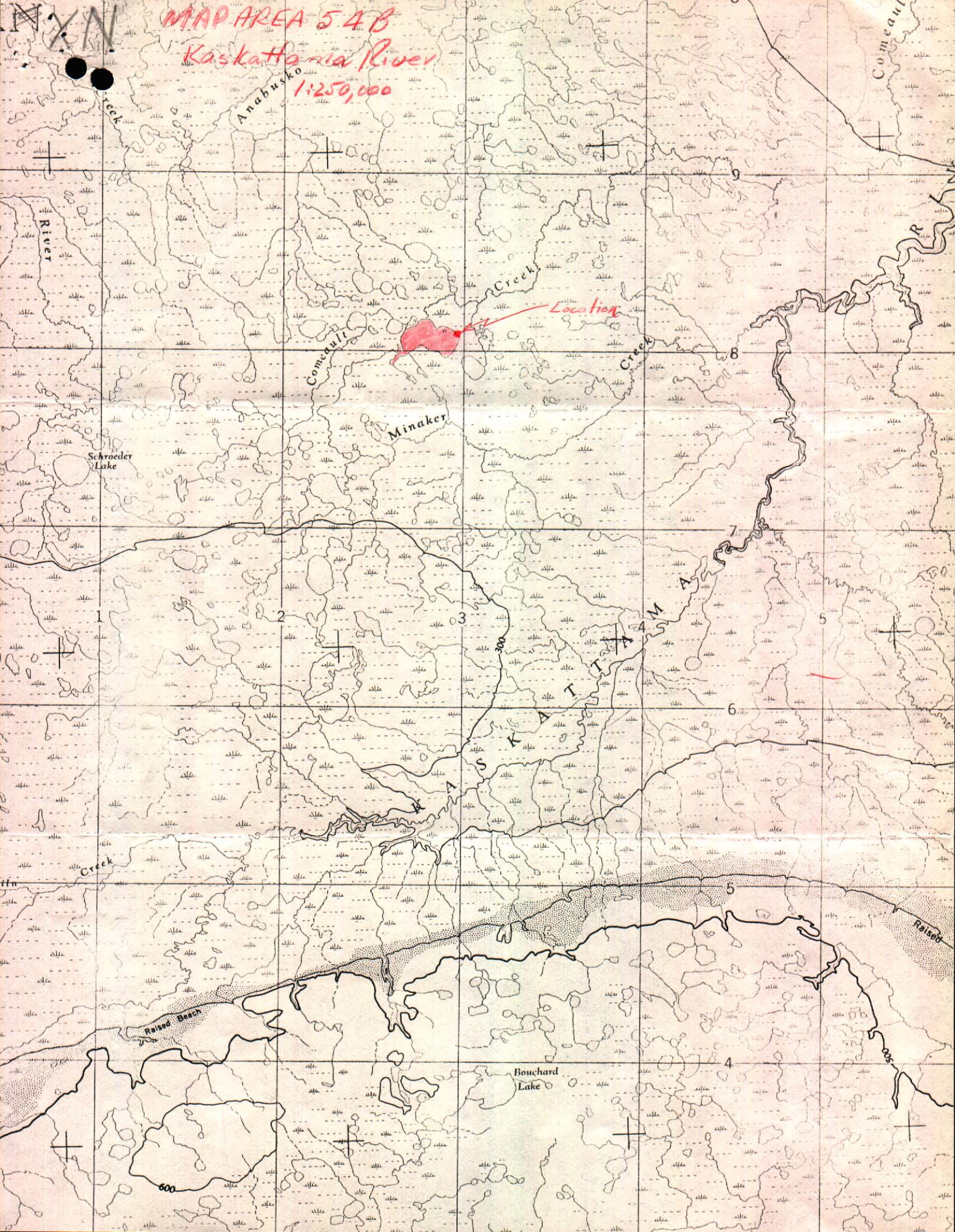
P. S.

If the well is found to be capable of production, an actual survey in the field, to establish the exact latitude and longitude, will be required.



p. c. to: Dr. K. A. Phillips,  
Chief Geologist.

MAP AREA 54B  
Kaskattania River  
1:250,000



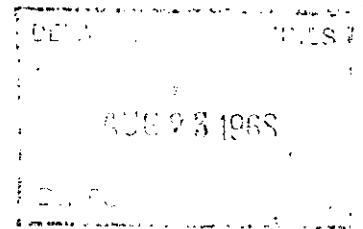


# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

August 22, 1968



Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Gentlemen:

Re: Permit No. 42

Houston Oils has tentative plans to drill a basement test on its P&NG Permit No. 42 in the Hudson Bay Lowland area. The approximate location is shown on the attached map. We plan to follow Regulation 71/62 Part VI Far North section 225 subsection (3) regarding surveys. We have air photos of the area and these will be forwarded once the rig has been positioned.

Would you please send us the forms that will be required for the drilling and subsequent completion or abandonment of this well.

Yours very truly,

HOUSTON OILS LIMITED

p. c. to: Mr. T. Morgan, Chief Mining Recorder, with copy of map.

for: A. E. Whitehead  
Mr. F. S. Ganev, Reservoir Engineer, with copy of map.

CDG/dmh  
Encl. Dr. K. A. Phillips, Chief Geologist, with original of map.

J. McCabe

PS-153

# COPY

July 17, 1968.

Mr. A. E. Whitehead,  
Houston Oils Limited,  
1650 Elveden House,  
Calgary 2,  
Alberta.

Dear Mr. Whitehead:

Re P & MG Permits 36 to 46, inclusive;  
Northern Manitoba.

The following comments are made relative to your request that the 15 cents per acre deposit required August 2, 1968, with respect to the above permits, be waived.

As you have mentioned, subsection (1) of Section 278 of the Regulations provides that the deposit may be made "within ninety days after the date on which the deposit is to be made, ...". If you commence drilling as stated in your letter of July 15, 1968, and if you submit the statement of expenditures required by Section 251, verified by a statutory declaration, within the ninety-day period, we will consider this equivalent to the posting of a deposit equal to the expenditures listed in this statement. Should these expenditures be less than the 20 cents per acre deposit required for the first and second periods, the difference may be made by a deposit as set out in Section 247.

Yours very truly,

J. S. Richards,  
Director of Mines.

JSR:db

c. c. to: Mr. T. Morgan,  
Chief Mining Recorder.

*VeP* Dr. K. A. Phillips,  
Chief Geologist.

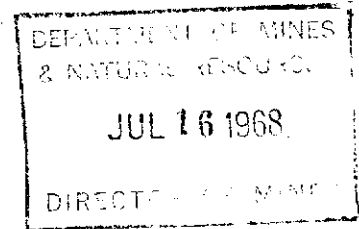
DEPARTMENT OF MINES  
& TECHNICAL SERVICES  
MINES BRANCH  
JUL 19 1968  
GEOLOGICAL SURVEY OF CANADA

# HOUSTON OILS LIMITED

1650 ELVEDEN HOUSE, CALGARY 2, ALBERTA

PHONE 262-1242

July 15, 1968



Mr. J. S. Richards, Director of Mines  
Department of Mines and Natural Resources  
Mines Branch  
901 Norquay Building  
401 York Avenue  
Winnipeg 1, Manitoba

Dear Mr. Richards:

Re: P&NG Permits 36 to 46, Inclusive  
Northern Manitoba

Reference is made to your letter dated July 8th, regarding our proposed core hole on P&NG Permit 42. We are presently working up a drilling program on our proposed test and this will be forwarded within a few days.

As a follow-up to our telephone conversation on this date we ask that you consider waiving the fifteen cents per acre deposit due on the subject permits on August 2, 1968, should we make a firm commitment to drill a core test on Permit 42. We would make every effort to commence drilling operations by August 2, however, it could be as late as August 15th before actual drilling operations could be started. This would give us approximately 60 days to complete the test before cold weather arrives.

Thank you for your consideration of this request.

Yours very truly,

HOUSTON OILS LIMITED

*[Signature]*  
A. E. Whitehead

p. c. to: Mr. T. Morgan,  
Chief Mining Recorder.

*[Handwritten initials]*  
Dr. K. A. Phillips,  
Chief Geologist.

AEW/dmg

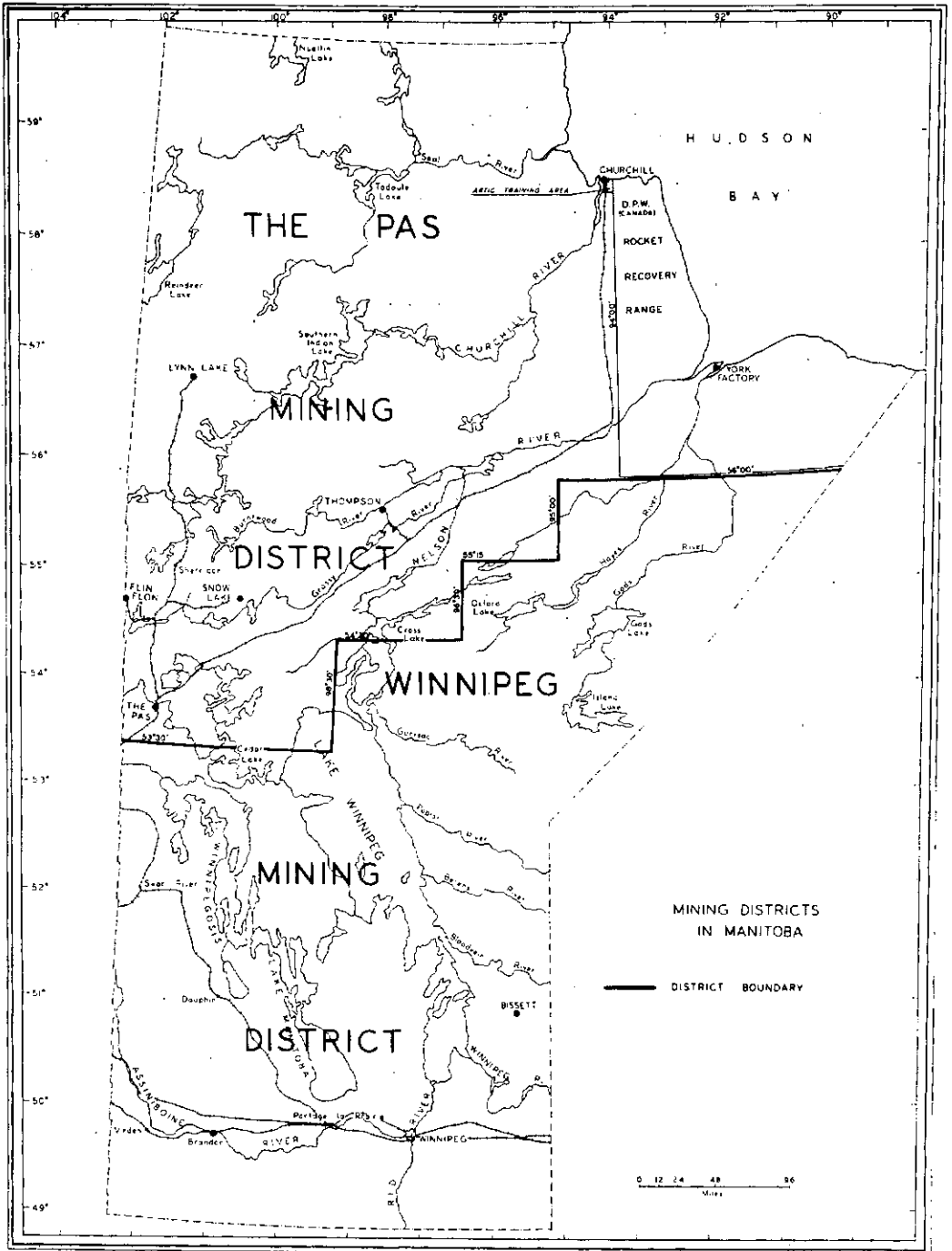
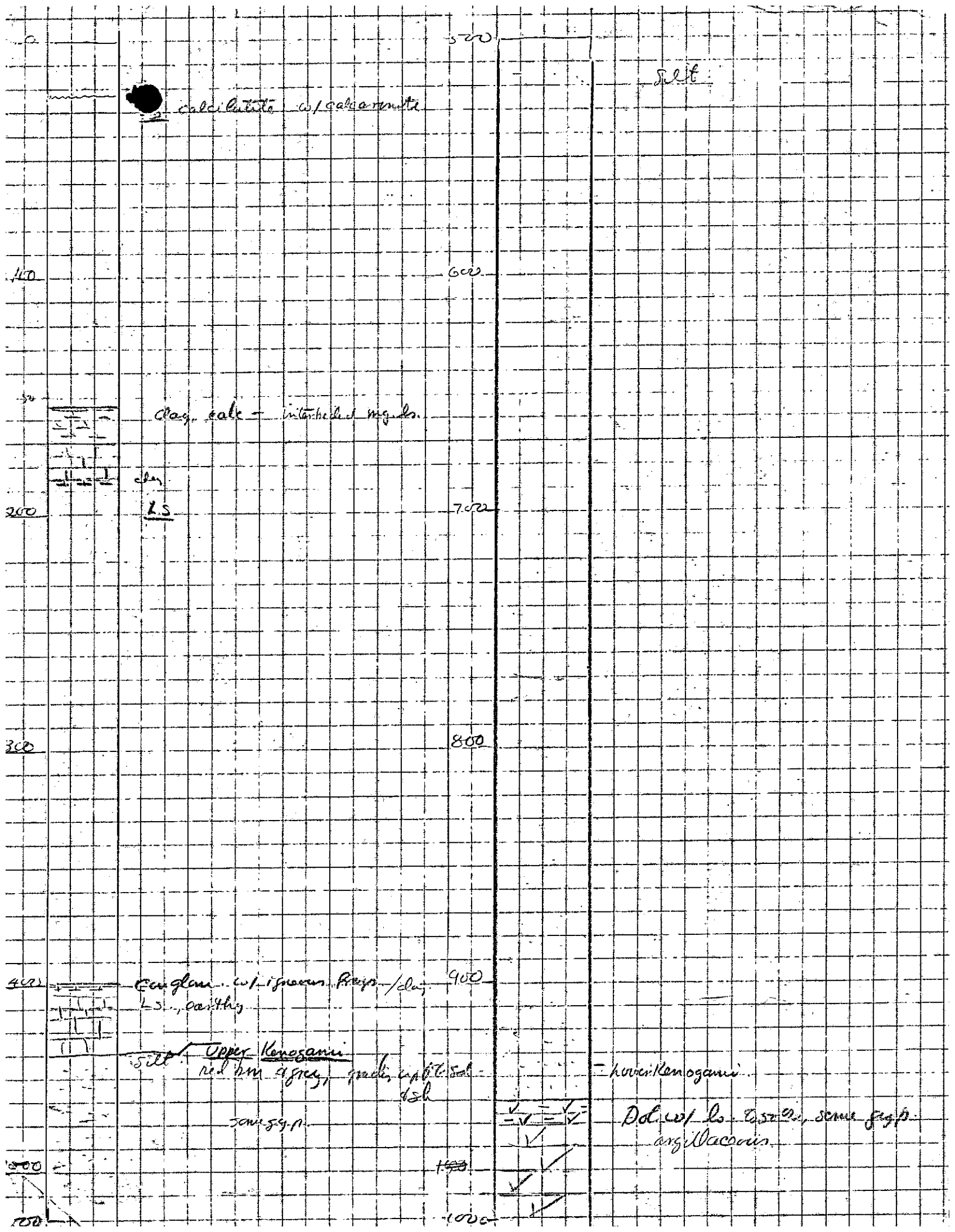


Figure "O"



calcilutite w/ calcarenite

clay, calc - interbedded mg. ls.

clay  
LS

conglom. w/ igneous frags / clay  
LS, earthy

silt, Upper Kanogami  
red brn s. gray, quartz, calc. ls. sh  
some ss. p.

silt

lower Kanogami

Dol. w/ ls. 250% some fagg.  
arg. Naacous

1020

Del. w/ ls argill  
some calc. & gypsum

1520

LS calc/mud, shaly

Del. shaly

- ATAWAPISKAT - Sil

LS. pty. reefal

1600

LS

LS

DR - LS

LS + Dol

LS

LS

LS

1100

1200

1700

1300

Kashk-Dana  
Del. /s ls dolomids  
sh. amygd. & argill

1800

LS + Dol

Dol. & ls. p.

LS + Dol

Siderian - Part Nelson

LS + Dol. Interbedded

1400

1900

LS, Dol, amygd. sh argill cgl

LS, calc/mud, pty litho

Dol. s. amygd

2000

2000

2500

ls + sd

ls

sh  
Dol. anhyd.

2100

2600

ls

Canton Creek

Dolomite breccia/sh

Dol. anhyd  
Churchill River - Redhead 2700

Portage chute

2200

ls

ls dol. anhyd sh

2300

2800

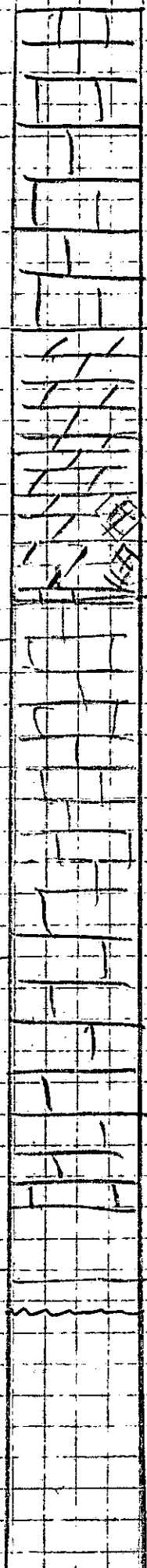
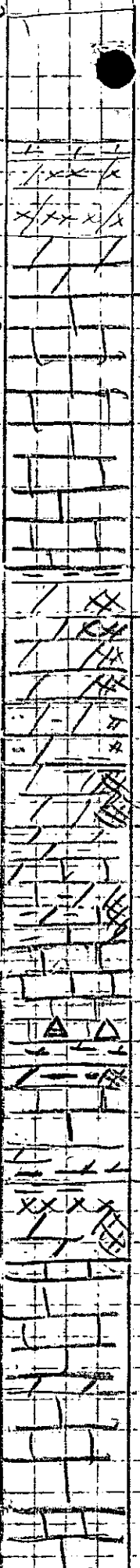
ls

Chasm Creek

2900

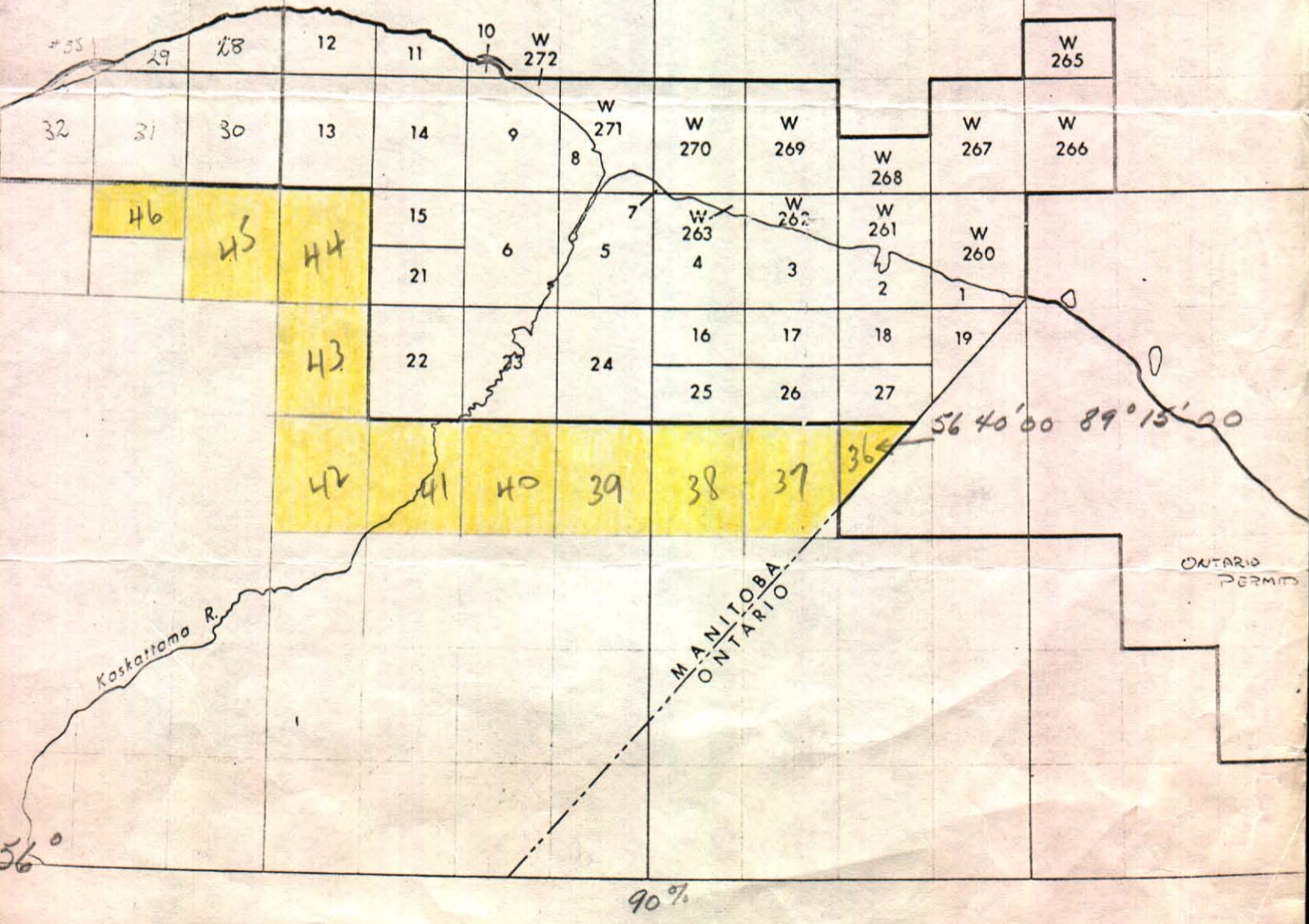
Basal Class D  
Pr. 6

2400



H U D S O N

B A Y



Area covered by Permit Applications

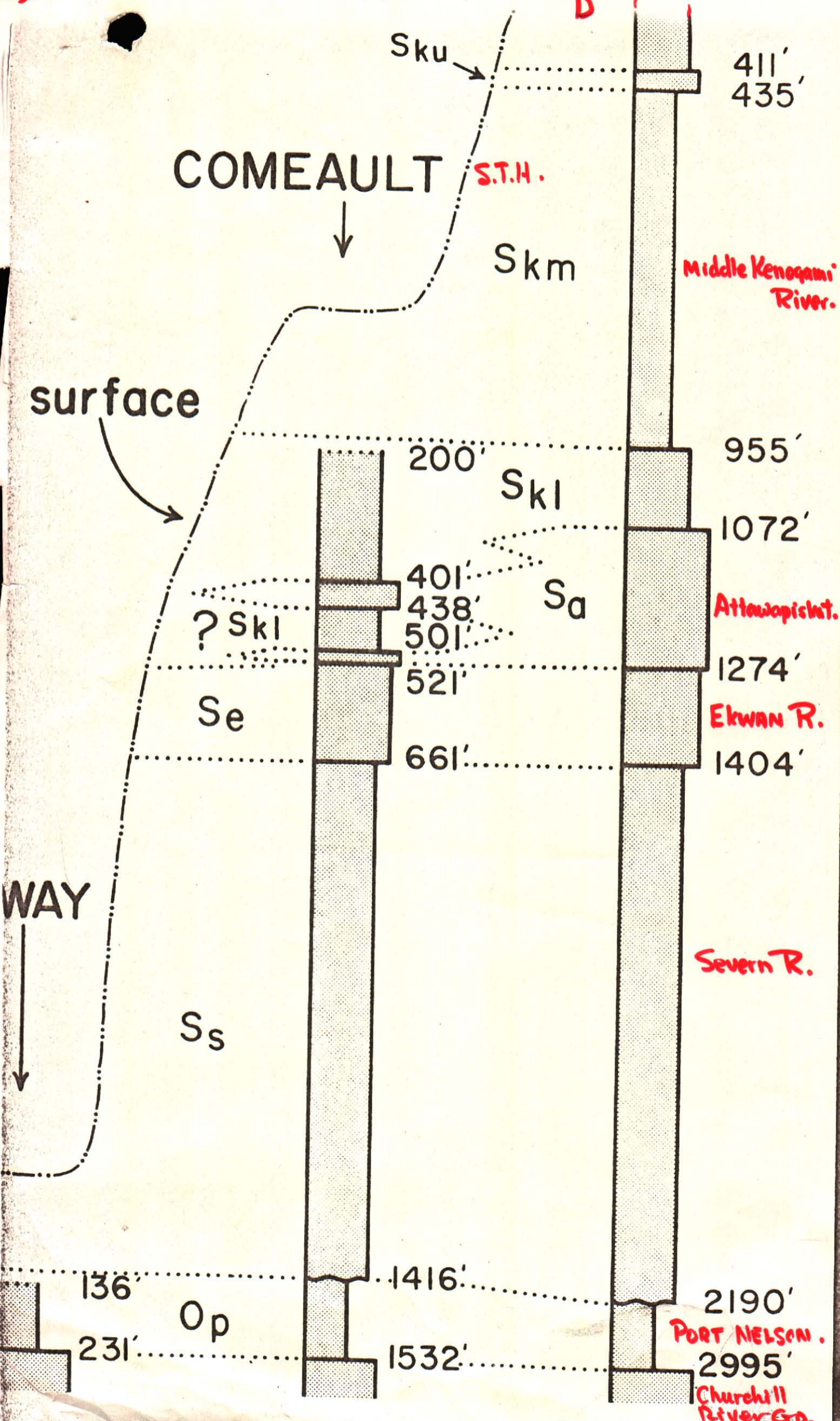
Houston Oils Limited



**FILE**

From Brian Nordend - paper submitted to GAC Symp. Oct.

**Kaskattoma #1**



GSC

**FILE BACK COVER NO.**

FROM

TO *Exposition Permis No. 36-46*

SUBJECT: *Therese DL*

*Dist. Gen. Reservation File*

*For Visit*

~~*Private*~~

*4<sup>th</sup> General Conference*