

CANOL PROJECT: EXPLORATORY WELLS

Exchange of notes at Ottawa December 28, 1942, and January 13, 1943, supplementing agreement of June 27 and 29, 1942

Entered into force January 13, 1943

*Supplemented by agreement of January 18, February 17, and March 13, 1943*¹

Became obsolete at conclusion of World War II

57 Stat. 1418; Executive Agreement Series 388

The American Minister to the Secretary of State for External Affairs

LEGATION TO THE
UNITED STATES OF AMERICA
Ottawa, Canada, December 28, 1942

No. 818

SIR:

I have the honor to refer to our exchange of notes of June 27 and June 29, 1942,² regarding the desire of the United States Government to take steps for extending the fuel supply for the U.S. Army in Canada and Alaska. At that time the United States Government proposed, and the Canadian Government approved, the so-called Canol Project which included, *inter alia*, the drilling of wells in the vicinity of Norman Wells, and the laying of a pipeline from Norman Wells to Whitehorse, capable of delivering 3,000 barrels of oil daily.

The developments of our joint war effort have in the opinion of my Government made it vitally necessary to discover additional sources of petroleum in northwestern Canada and Alaska, capable of producing from 15,000 to 20,000 barrels per day, to supplement the supply which will be obtained from Norman Wells. This will require the drilling of exploratory, or in oil parlance "wildcat" wells in this northern region. As such operations should be conducted in a number of widely separated locations in the Northwest Territories, where oil is believed to exist, it is suggested that the area in Canada within which such operations are authorized be bounded on the north by the Arctic Ocean, on the east by the 112th meridian, on the south by the 60th parallel, on the west by the Continental Divide and the Alaska-Canadian Border.

The operations under immediate contemplation—as a result of which, however, it may prove desirable to enlarge or expand the Canol Project—are for the sole purpose of discovering oil fields capable of producing the required 20,000 barrels per day. No plans have as yet been worked out cover-

¹ EAS 389, *post*, p. 314.

² EAS 386, *ante*, p. 276.