

COPY.

CANADIAN PACIFIC RAILWAY COMPANY

Law Department.

Montreal.

March 23rd. 1925.

MEMORANDUM FOR MR. OSMANNEY

In my opinion, the word "Petroleum" does not include dry natural gas, such, for instance, as is found at Medicine Hat.

The oil which is being recovered at Okotoks by the Imperial Oil Company, is, in my opinion, oil and not gas, but even if it is to be considered as gas it makes no real difference, because, under the terms of the Lease, as they are reported to me, ten per cent of the value has to be paid as royalty for both oil and gas. This gas, if it is to be defined as including the oil, has all the more value because of the included oil, so it makes no difference for the Imperial Oil Company to argue about this distinction.

(signed) W.H. Curle,

General Solicitor