5 H.—3.

From all I could gather from those connected with the oil companies and boring operations, a large number of mistakes have been made and money wasted. Even the men who came from the oil-region in America were entirely at a loss as to the most economical method to contend with the difficulties that had to be encountered, the conditions of things being entirely different to that which they had been accustomed to. They are now, however, gaining more experience.

As to the width and extent of the oil-belt it is at the present time purely a conjecture. But no doubt, now that oil has been struck, a number of boreholes in different localities will be put down, and, more especially, the oil will be traced up step by step by the South Pacific Company from their present borehole, which will give more definite information on the subject. No doubt breaks will be found in the country, which may interfere to a large extent with the supply of oil; but, as the oil-belt gets developed, difficulties which now stand in the way will vanish, and more capital will be embarked in the indusry. Judging from what I have seen, I think the supply of oil will develop into an important industry, but it will take a few years before this will be fully established.

HENRY A. GORDON, Inspecting Engineer.

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