record of official gauging by me, showing the total quantity of oil impounded between the 6th February, 1911, and the 27th August, 1912:—

		Days.	Im p erial Gallons.	Average Yield per Day, in Gallons.
Prior to 6th February, 1911			226,630	
6th February, 1911, to 3rd May, 1911		86	39,762	$\bf 462$
3rd May, 1911, to 25th March, 1912		325	155,583	479
25th March, 1912, to 27th August, 1912		155	106,740	689
				-
Total oil impounded to the 27th August	t, 1912		528,715	• •

Prior to the 25th March, 1912, the bulk of the oil was produced by wells Nos. 2 and 3, and after that date by well No. 5 in addition.

Since this property changed ownership there has been greater activity displayed in well-boring, the old cable drill having been superseded by modern rotary drills, by which three wells are now in progress, one (No. 6) at Moturoa being situated about 150 yards from No. 5 producing-well, and two others on Rundle's property, Bell Block, Waitara, distant respectively about five and seven miles from Moturoa. The latter holes, on the 2nd July, 1913, had reached the following depths: No. 1, 2,110 ft.; No. 2, 1,945 ft.

For the treatment of the oil won by this company a refining plant, having a capacity of 10,000 gallons per day and costing about £36,000, has been installed at Moturoa. The plant consists of three round stills and five coking or pot stills; one battery of steam-boilers; paraffin-shed; sweating-stoves; white-wax refinery; spirit or petrol still; tinning plant, workshop, and machinery; together with all the special engines, pumps, pipes, tanks, and fittings necessary for refining the crude oil and pumping the various products obtained therefrom to their respective storage-tanks.

The Government have offered a bonus of £2,500 to be paid to the person or company who first produces by his or its own refining plant 500,000 gallons of refined mineral oil of specified quality.

The Mangaone Oilfields (Limited), a Napier company, having let a contract for 6,000 ft. of drilling in two holes, a steel derrick and modern combination steam rotary and cable drill were erected at a point about twelve miles by road east of Eketahuna, on the land of Mr. F. White, being Section 15, Block IV, Mangaone Survey District. Drilling was commenced on the 28th November, 1912, and on the 18th April, 1913, a depth of 1,750 ft. had been attained. For nearly the whole distance the formation pierced was papa. Emissions of gas have occurred at various depths. Drilling is still in progress. No official geological survey has been made of this locality, but the surrounding country for a considerable distance consists of low hills of Tertiary blue marine clay, locally known as papa. The tracing of anticlines necessary for the location of oil-wells is extremely difficult in this locality. These operations are of a thoroughly legitimate and pioneer character, and are being carried out by experienced men.

In addition to the foregoing, operations have been recommenced by the Bonithon Company to deepen their borehole situated between Moturoa and New Plymouth. This hole is at present 3,004 ft. deep. A modern rotary plant has been recently installed.

A new company, the Taranaki Oil Lands Company (Limited), have acquired land in the vicinity of the Moturoa wells, and have erected a derrick within 150 yards of the No. 5 (productive) well of the Taranaki Oil-wells (Limited). Drilling has not yet commenced.

VI. INSPECTION OF STONE-QUARRIES.

The Stone-quarries Act, providing for the regulation of stone-quarries and places (not being mines within the meaning of the mining statutes) in which explosives are used, or where any rock-face exceeds 20 ft. in depth, came into operation on the 1st April, 1911. Under this statute inspection districts have been defined and Inspectors of Quarries have been appointed. The Inspectorate consists entirely of the existing staff of the Mines and Public Works Departments, who administer the Act in conjunction with their other duties.

It is rather early to determine to what extent safety precautions at the quarries have improved since the introduction of the Act, but there is favourable evidence by the reduction of fatalities at quarries which has already taken place. During 1912 only two fatal accidents occurred, whereas during 1911 there were five.

The number of quarries within the meaning of the Act during 1912 amounted to 274, and at these 2,106 persons were ordinarily employed, under certificated managers or foremen.