



NOTICE

LUNCH & LEARN MEETING

12:00 Noon, Thursday (not Wednesday), September 27, 2001

Garnet Edwards - Builder

TOPIC

Early Days in the Oil Patch – Cable Tool Rigs and other Adventures

Garnet Edwards was born in Belmont, Manitoba in 1916 and moved to Turner Valley in 1931 where he began by driving a truck in the oilfields. By late 1934 he was working 12 hour days and earning \$75 per month. In 1937 he started roughnecking and was on the scene as Little New York and Little Chicago sprang up, grew and died. Following the action, Garnet moved to Leduc in 1947 where he “pushed” two rigs and had to build camps for his crews. An early blowout near Atlantic #3 was fought and controlled after five days. As Garnet recalls “it took much travelling and little sleep as we had two people in Calgary office and the rest I handled out of Leduc including casing jobs and completions”. Overall he drilled more than 25 wells in the Leduc-Calmar region. He followed this up with work for Eastman Oilwell Survey and Leidecker Tool but by 1963 he was ready for something different and so, together with a partner, he purchased Tubetest and built it into a thriving company. Garnet reached a well-deserved retirement in 1978 but has remained involved in the Patch in several ways. He has served on the Executive of the O.T.S. and has been a member of the Petroleum Club for over 40 years. He was honoured by his colleagues by being inducted into the Canadian Petroleum Hall of Fame in 1997. Garnet will be bringing a working scale model of a cable tool rig for us to see.

TIME: 12 noon (receipts at the door), September 27, 2001

PLACE: Palliser Hotel (133 - 9th Avenue SE) – Corral Room (but check marquee on arrival)

COST: \$20 Members, \$22 Guests (most welcomed)

R.S.V.P. Clint Tippett (691-4274) by noon, Tuesday, September 25, 2001

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If you missed the talk...

The Last Stack

Wednesday, June 7, 2001

by Fred Stenson

... catch a condensed version of Fred's presentation on page 3-4

THE PETROLEUM HISTORY SOCIETY

Calendar of Events

Next Director's Meeting: October 3, 2001 at Glenbow Museum.

Next Luncheon: The full program for the Fall 2001 luncheons has not yet been arranged. A number of possible speakers have been identified. If you have something that you've been working on and would like to present, please contact one of the Board members and we'd be very happy to fit you into our slate.

Canadian Petroleum Hall of Fame Nominations: We are pleased to announce that the two individuals nominated by your Society have been granted admission to the Hall. These deserving industry leaders are Don Axford and Ted Link. The dinner at which the inductions will occur is scheduled for Friday, October 5, 2001 at the Westin Hotel. Tickets are again \$75.00. Please contact P.H.S. Director Hugh Leiper at 249-0707 for details if you'd like to attend. The other inductees will be J.C. Anderson, Jim Gray, Rance Fisher, Edward Galvin, Michael Hriskevich, Bill Mooney, Roland Mullen and Roland Priddle. Any ideas for next year?

Society E-Mail Address: petroleumhistorysociety@canada.com. All members with e-mail service please send in your address to Micky Gulless, Past President, Membership Committee " micky@fuzzylogic.ca " to build our file. Currently P.H.S. has e-mail addresses for 33 members.

P.H.S. Membership: According to Micky Gulless, also our membership coordinator, the Society now has a total of 93 paid members, including 27 Lifetime, 6 Sustaining and 60 Individual. This is up by 11 from May's total.

National Petroleum Show 2002: The Society considers it valuable to participate and is soliciting member participation to form a committee to coordinate booth promotion.

Oral History Project: Quarterly Reports have been distributed to all Board Members. Interviews began again in April. Transcriber has a backlog of interview tapes to work on and a list specific to C.S.P.G. will be prepared and forwarded. Tina Crossfield has recently been added as an interviewer. An application has been submitted to the A.H.R.F. for additional funds.

History Trivia: New service to Members. Submit any question (person, place, thing – why, what, who, when) you may have on oilpatch history and our Board will be poled for adequate response. Queries and replies to be printed in this section.

New Book: Aubrey Kerr's "Corridors of Time II", 264 pages, \$20.00. Sixth self-published, non-fiction historical account from author's 58 years of industry notes and files, beginning with the *Story Of The Tar Sands* and ending with *Profiles Of Our Past Leaders*.

Executive and Board of Directors: President – Clint Tippet; Vice President – Bill McLellan; Treasurer – Doug Cass; Secretary – Peter Savage; Past President – Micky Gulless; and Directors – John Frey, Aubrey Kerr, Hugh Leiper, Neil Leeson, Peter McKenzie-Brown, Joyce Wright and Edith Wenzel. Jack Porter continues as an Honorary Director.

2000 Awards: Nominations required for Multimedia, Preservation and Lifetime Achievement Awards. Best Article and Best Book awards will be selected from two article and four book candidates identified to date. Contact Clint Tippet at 691-4274 with any ideas you have.

New Publication: Frank Dabbs's book entitled "Branded by the Wind: The Life and Times of Bill Herron [Jr.]" has been published. The official launch took place at the Glenbow on June 25.

Recognition: We note that member Ned Gilbert has been made an Honorary Member of the American Association of Petroleum Geologists. A well-deserved dedication by George Eynon was published by the A.A.P.G. along with Ned's response. Congratulations Ned!

THE LAST STACK

PHS Luncheon Meeting Thursday June 7, 2001 by Fred Stenson, Author, Writer

(Transcription and editing by Neil Leeson, Director)

The beginning of the environmental business, as a political initiative and an entrepreneurial opportunity, was a landmark development in the 1960s Alberta's oil and gas industry, as was the birth and development of one Calgary company - Western Research and Development (WR). My book THE LAST STACK, ENTREPRENEURISM IN THE ENVIRONMENT is not just a history of WR but a partial history of the environmental business in western Canada as well.

What we used to call the "pollution problem" developed in Alberta in the late '50s when BAPC begins building its frontier sulphur plant at Pincher Creek. The challenge, 20-24% H₂S and 1500 psi entering the plant, had never been attempted in the world before. The process of public consultation consisted a couple of meetings and a home visit or two in which government and company officials took turns blowing pink smoke. So they turned the gas into the new plant and it malfunctioned instantly. What no one had imagined was how this invasion of the steel by hydrogen ions and the consequent splitting of the steel would be accelerated by the combination of very sour and high pressure gas. New valves could fail in a day. The plant was soon leaking badly and upset half the time. When they couldn't get it under control or route around the problem, they threw the entire inlet gas stream up the flare stack. Besides stinking to high heaven, it turned the lead based paint on our buildings rainbow colors. Pigs at birth would take one breath and die. There were no human fatalities, not instant ones anyway, but it was better luck than sense.

Under the circumstances, I believe that either BA should have shut down the plant until the problems were solved, or the gov't should have shut them down. Neither thing happened. Saskatchewan born engineer Elmer Berlie arrived at BA PC in '58 and was prominent in discovering a few things that would move the situation in the direction of control. For instance he found that bad steel was actually better than good steel. It was much less likely to crack and leak. Elmer also found that radiographing welds and replacing any that had even slight imperfections helped. An imperfect weld was a hotspot for the invasion of the hydrogen ion.

WR becomes involved by virtue of failing as a computer solutions company. Rod McDaniel and Bud Coote started WR in 1965, hiring Joe Lukacs away from Canadian Fina Cochrane. Shortly after the birth of WR, the government of Alberta decides it must compel plants to test their tail gas to see if they are achieving the sulphur recovery rate that the Alberta regulations say they must. Joe Lukacs spots an opportunity and decides his company will do it. As future WR hand Elmer Berlie says, when plant engineers like himself heard that this wild Hungarian was willing to come and test their stacks for a fee, they cheered in sheer joy. This is often really uncomfortable and somewhat dangerous work, stack climbing. The government tests had to be done in all weathers and temperatures, year round. This isn't terribly historical but the fact of this work being the central focus and metaphor for WR caused it to become a really cowboy company, a company with an attitude. Every new employee man or woman, desk jockey or lab worker, had to climb a stack as initiation. The trouble with WR stack tests were their results. The company gave its clients results that conflicted disasterously with what the plant designers had told them their plants would do in terms of sulphur recovery. That was where Joe Lukacs' background came in handy. He was a sulphur plant engineer with a scientific bent. So Joe, at the same time as he was telling plants the bad news, that they were flunking their efficiency tests, told them he and his company could get them up to the required percentage.

HBOG Edson and Shell Waterton were the two primary guinea pig plants where Joe tried to make good on this promise. The result was that WR became highly successful in its bid to be a team of sulphur doctors, going into plants as consultants and resolving process problems, allowing companies to hit their government required targets. Around 1970, a couple of major things happened to WR. First, it began to think of an automatic device, an analyzer, that could do the job of a manual stack test. It could be

mounted right there on the catwalk at the testing port, and unlike the manual crew it could test continuously, round the clock, with the results telemetered back to the control room.

Suddenly, the company was sold — to the Seaman brothers at Bow Valley Industries. With the clout of BVI behind him, Joe started growing his company fast and fast-tracking the design and construction of the CSEM: the continuous stack emission monitor. The Alberta Government heard about it and decided to make the CSEM mandatory equipment. Suddenly, WR's CSEM was Alberta industry-wide. And the biggest irony of all was that it didn't stop the stack climbing. The manual test remained the government's standard for meeting the requirements. What limited the success of the CSEM, the first such device in the world, was that no other jurisdiction in North America except Alberta, called for one. It was overbuilt for the regulations elsewhere.

In 1970, Joe Lukacs knew that sulphur recovery could go much higher in sulphur plants, and he was willing to gamble that the Alberta government would demand that it go much higher—into the high '90s. Two major political developments helped him. In 1970, the American Congress passed a new clean air act in response to public pressure and created the Environmental Protection Agency to see that it was enforced. In Alberta in 1971, the Lougheed government came to power in Alberta, promising almost from the outset to be much tougher on air pollution and other petroleum industry emissions. Joe hired a lot of scientists and engineers at this time and he started a concerted push within WR to create something he'd been dreaming of since the early '60s: an automated method of testing the sulphur plant at various points along it, that would in turn relay the test information and cause adjustments- a closedloop analyzer. An automatic adjuster of efficiencies that alone could produce at least 5% more sulphur recovery, without a bigger reactor or any more catalyst beds, or a tail gas cleanup unit. Surviving various challenges, including the mid-70s oil and gas industry slump, they got the analyzer out there and started selling it after 1975.

Around 1978, WR moved from domination of the Canadian oil and gas patch and moved into the US. Du Pont basically never challenged them and they went on to fill the American market place with WR closed loop analysers: the Air Demand analyzer. In the 1980s, WR did its best to move into Europe. In the US, if you came with a new analyzer, the engineer in charge was likely to stick it on stream and see what happens. In Europe they wanted to take it to the lab for a year and study it to death before it got anywhere near a plant. That and an even greater disbelief that Canada could offer Europe anything in the science and instrument fields kept the analyzer out for a few years. At the peak of the company, WR analyzers were working in 50 countries.

Beyond the analyzer business, WR also became the Alberta leader in several other areas. It held its primary place in the stack testing business. It built on its initial Rossdale power plant success and was regularly employed by the Alberta coal powered generation plants to test and improve the ash control equipment: the electrostatic precipitators. It was the provincial leader in Air Quality Testing, in Meteorology. It did the first Environmental Impact Assessments and was still leading EIA teams when the ethane-based petrochemical industry was pushed into being. Inevitably this led to work on the hazardous waste treatment facility at Swan Hills. The good news story here is that in creating and testing this plant, WR's high science teams evolved a great many procedures and tests that are the basis for much of what is done to this day in the area of hazardous waste treatment.

So what happened? Why don't we hear about Western Research any more?

What happened is that Bow Valley Industries decided about 1984 to divide itself into two big companies. The exploration and development company would hold onto the old name and Bow Valley Resource Services would take over the rigs, on shore and off, and all the service companies and manufacturers under the BVI umbrella—including WR. In 1989, the company was basically restructured to death. That was the beginning of the end for WR as it started to fail on the bottom line. A company that had a rock solid profit line for every year from 1970 to 1990 except for the killer NEP year when no one profited was suddenly unprofitable too. So much of WR was sold off eventually that you could only find it in pieces not as an identifiable entity.

EARLY CALGARY OIL EXCITEMENT

Oil stocks lured countless thousands of dollars out of bank accounts and mattresses. For a few heady months, the oil boom took over where the real estate boom had left off. A week after the Dingman discovery, more than 100 brokers had paid city license fees - \$50 for inside brokers, and \$10 for those who did business on the curb.

The oil fever from which Calgary is suffering at the present time is being reflected at the city hall, where little business is being transacted, owing to the fact that people seem incapable of thinking and talking about anything but oil shares, leases and prospects. The general rush to invest savings in oil shares and stocks is reflected in the receipts of the electric light department, where the revenue has fallen off about half and it has been found necessary to put on a number of extra collectors to bring receipts up to the normal. The receipts in the waterworks department show a similar falling off.

Stories of small fortunes made by lucky or far-sighted persons in oil stocks are heard on every hand. A sweeper in the street cleaning department drew his "pile" - \$1,000 to wit - out of the bank Saturday and invested it in stocks. The same evening he sold out at exactly double the price at which he had bought, returned his \$1,000 to the bank and reinvested the \$1,000 he had made. This is only one example of the small fortunes that are being made by men in humble positions.

"I know a chap who borrowed \$100 and gave a note which he could not redeem last fall," said an official in the city health department. "He held 350 shares in a newly-formed company, which he had purchased at about a dollar a share. These he gave to his creditors in lieu of payment on the note. Today the 350 shares are worth easily \$2,500 and the creditor is congratulating himself on the deal."

Arrangements were completed yesterday for providing Calgary with a big oil exchange and workmen are busy today preparing the first floor of the new steel skyscraper Mackie block at Eighth Avenue and Second Street west for the exchange. The plans provide for 30 offices and a big rotunda capable of providing for a crowd of more than 1,000 people.

A balcony will run all around the rotunda for the convenience of women buyers and sellers and also as a rendezvous. Blackboards, telegraph wires, messenger service and all the equipment of an up-to-date exchange will be afforded and some exciting scenes are promised when the exchange gets down to business, especially if another of the wells now drilling should bring in oil in the next 30 days as promised.

All hotels in the city are crowded to capacity, reservations are made in advance and all the trains are full bringing in the crowds. The Canadian Pacific is straining every effort to get the new hotel (the Palliser) opened up as soon as possible and it is probable that the big hostelry will receive guests on the first of the month.

Calgary Herald on May 21, 1914

APPLICATION FOR MEMBERSHIP and RENEWAL FORM:

PETROLEUM HISTORY SOCIETY

Individual Member: _____	Corporate or Institutional Member*: _____		
New Member: _____	Renewal: _____		
Name:			
(If a corporation or institution, please give company name, plus name of representative.)			
Address:			
Postal Code: _____	Email address: _____		
Business phone: _____	Home phone: _____	Fax: _____	
Individual Members - please indicate your company or institutional affiliation (if desired):			
<p>Note: P.H.S. memberships are annual, with renewals due each January. For NEW members joining after June 30, first year membership will be extended to the end of the following year. See your address label on the P.H.S. Archives newsletter for your expiry date.</p>			
Individual members select your membership type:	<input type="checkbox"/> Individual Member (\$20 / year) <input type="checkbox"/> Sustaining Individual Member (\$50 / year) <input type="checkbox"/> Lifetime Senior (+65) Member (\$100 one time only)		
Corporate / Institutional members select your membership type:	<input type="checkbox"/> Institutional Member (\$100 / year) <input type="checkbox"/> Sustaining Institutional Member (over \$100 / year)		
Please enclose a cheque or money order (for the amount indicated above for your membership type) payable to The Petroleum History Society .			
Date: _____	Signature: _____		
Please mail fee and completed form to:	Membership Committee - Petroleum History Society c/o The Glenbow Archives Attention: Doug Cass 130 – 9 th Avenue SE Calgary, AB T2G 0P3		

* All employees of a Corporate / Institutional member are eligible for Member rates at P.H.S. functions. We can also provide additional copies of our newsletter on request. And your company will be doing more to help preserve our colourful past, for which the Society is very grateful.