

PETROLEUM HISTORY SOCIETY



Newsletter of the Petroleum History Society

January 2004; Volume XV, Number 1

P.H.S. Lunch and Learn – January 21, 2004

Speaker: Robert (Bob) Bott

Author and Editor

"Access to Resources: The Evolving Relationship between Petroleum and Forestry on Public Lands in Alberta"

Robert Bott is a Calgary-based writer, editor and communications consultant who has specialized in the "political economy" of natural resources since moving to Alberta in 1974. His publications in the energy field include *Life after Oil; Mileposts: the story of the world's longest oil pipeline*, two editions of *Our Petroleum Challenge*, and numerous booklets and articles. His publications in forestry include *Our Growing Resource*, an overview of the Alberta forest industry; several corporate environmental reports; *Decade of Excellence: the Alberta-Pacific Forest Industries story; Learning from the Forest*, and other articles and brochures. *Learning from the Forest* is subtitled "*a fifty-year journey towards sustainable forest management*" and it describes forest management at Hinton since 1955 as an exemplar of adaptive management and progress towards sustainability. The other co-authors are Bob Udell, president of the Foothills Model Forest and forest policy manager for Weldwood at Hinton, and Peter Murphy, professor emeritus of forestry at the University of Alberta. One key chapter describes how multiple uses, including petroleum and coal development as well as forestry, have been accommodated on publicly owned forest lands in Alberta. Bob was recently awarded the Petroleum History Society's Lifetime Achievement Award for 2002 in recognition of his petroleum-related work.

TIME:Noon, Wednesday, January 21, 2004PLACE:Fairmont Palliser Hotel (133 - 9th Avenue S.W.) – Canadian Pacific Room (check marquee).COST:\$25.00 Members and \$30.00 Guests (most welcome)

R.S.V.P. if you wish to attend to: Clint Tippett, 691-4274 or <u>clinton.tippett@shell.ca</u> by noon Monday, January 19

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THE PETROLEUM HISTORY SOCIETY THE BULL WHEEL



Next Board Meeting: The Executive and Board are reminded that the next meeting will be at noon on January 14, 2004 at the offices of Board Member Sean Callaghan.

Next Luncheons: The Society has been trying to firm up a slate of talks for the spring. The previously announced February talk by P.H.S. Member Tina Crossfield to discuss "Oil Archives at the Okotoks Heritage House" has been postponed until a later date. We are pleased to announce that on February 18, P.H.S. Director Frank Dabbs will be presenting his talk "Before Leduc" summarizing the developments that ultimately led to Leduc as well as the situation in Western Canada at that time. Please also pencil in our Annual General Meeting in the late afternoon of March 17 at which we are planning to have David Mitchell, one of the early Presidents of A.E.C., address us. If you would like to present the results of a project that you've been working on, please let us know and we will fit you in. Contact Clint Tippett, President P.H.S., at 691-4274 or Director Debbie Knall at 780-463-3859 (Edmonton). Thanks again to Debbie for all her hard work.

Website Inquiries: If you consider yourself knowledgeable about petroleum history or are a trivia buff and would like to help P.H.S. Past President Micky Gulless out on this front, please let her know and she can forward the questions we receive to you for your attention.

North Sea Scam: For those of you who are constantly bombarded with Nigeria-originated pleas for assistance in transferring huge amounts of ill-gotten money, here's one with a twist. The other day I received a plea from "David Roberts" allegedly of the Barclays Group in London, England. It was concerning "a late customer by the name of Sir John Paul Getty, an oil magnet [!!] and philanthropist ... who had "lying in his inactive account" \$30 million dollars". How long before these schemes feature some of our home-bred businessmen and bureaucrats?

Turner Valley Weblink: For those of you who may not have accessed the well-illustrated site containing a summary of the various interpretive plans for Turner Valley, here's the link: http://www.cd.gov.ab.ca/enjoying_alberta/museums_historic_sites/site_listings/turner_valley/in_dex.asp Thanks to David Finch for bringing this to our attention and to Micky Gulless for putting the link on our website.

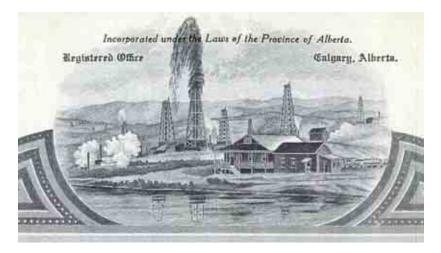
Laugh of the Day: Two book titles recently noted – "Iron Men, Wooden Women: Gender and Seafaring in the Atlantic World, 1700-1920" and "Refractory Men, Fanatical Women: Fidelity to Conscience during the French Revolution". What would an oilpatch book be called?

P.H.S. Pin Sets: Our pin sets (of 6) have recently been reduced in price to \$40.00. Please contact Joyce Wright at 252-4143 if you are interested in buying one or several sets. These make great and original Calgary- or Western Canada-related gifts. A comprehensive description accompanies each plush boxed set. One of the pins features **Leduc** with the following description. *"Imperial Oil's February 13, 1947 landmark crude oil discovery at Leduc, 40 kilometres southwest of Edmonton, represented the beginnings of the modern oil industry in Canada. Based on a classic photo, this pin shows industry (personified by Vernon Taylor, Imperial's production manager) and the Alberta Government (personified by the Honourable N.E. [Nathan] Tanner, Minister of Lands and Mines). Their hands on the valve wheel symbolize the vital and enduring linkage between enlightened regulators and energetic industry."*

Monument at Little Chicago: A movement is afoot to erect a monument honouring the early days of Turner Valley at the former location of Little Chicago between Hartell and Longview. Helen Goldenberg of "Little Chicago Revisited" is seeking to raise money for this purpose. Helen can be reached at 281-2225 or at #12, 2225 Oakmoor Drive S.W., Calgary, Alberta, T2V 4N6.

Licence Plates: Last month we asked if anyone knew if there are some provinces or states that feature rigs or wells on their vehicular licence plates? The one that I have uncovered is Texas in which two small rigs are depicted in the lower right hand corner of the plates for "The Lone Star State" – about equivalent in size to the central cowboy!! Any others? How about internationally?

Winners (and Losers), Continued: In a recent issue of the Globe and Mail's Report on Business Magazine, the Canadian business was profiled with multiple categories of good things and not-so-good things. In a section entitled "Oddest Man Out", Robert (Bob) Blair is described as being "an oil patch anomaly in many respects [as being] both a patriot and a Liberal" with an accompanying description of his 1970's and 1980's efforts to build AGTL and Nova into a globally diversified pipeline and petrochemical empire. Under "Least Government Red Tape" the Irvings are described as having benefited from a 1964 New Brunswick Legislature bill that allowed them the trespass on and expropriate the property of others without the need for government permission.



Header from Stock Certificate for "The Mount Stephen Oil and Gas Company, Limited" 5 shares at \$1.00 each issued to E.P. Warren on June 21, 1914 in the aftermath of the first Turner Valley oil and gas discovery. The company actually did drill several (unsuccessful) wells in the Valley. Does anyone know who E.P. Warren was?

The First Commercial Shaped Charge Plant in Canada

A luncheon presentation to the Petroleum History Society By Norman Lussier, Explosives Manufacturer November 26, 2003 (Thanks to Norm, summary by Clint Tippett, President, P.H.S.)

Norman Lussier provided the keynote address for the Society at this recent luncheon. After a few minor technical difficulties, luckily overcome by one of our members in the audience, Norm presented a very interesting overview of the petroleum-related wellbore explosives situation in Canada and the evolution of that sector of the oilpatch. The following summary has been abstracted from Norms's bio and is provided in order to illustrate the dynamic nature of the oil business and the skill sets necessary to thrive in this environment.

"I graduated from Queens University in 1962/63 with an Honours B.Sc. degree (Chemistry/Geology/Mathematics). For the next eight years, I worked for Brockville Chemicals (Genstar) in the Lab, Production, Engineering and Sales departments. Here I developed technical knowledge and sales skills, and experienced the priorities of all these parts of a company. This covered the eastern Canadian fertilizer and industrial chemical (notably explosives) marketplace.

For the next seven years I worked for Esso Chemical Canada (Edmonton) in sales; the last five years as their Senior Account Executive. Here I developed, through day-to-day activity and many courses, a wide range of marketing skills, financial skills and decision-making processes. This covered the western Canadian fertilizer and industrial chemical (also notably explosives) marketplace. For the next two years, I worked for Explosives Limited (Calgary) as Assistant General Manager. Here I developed the practice of managing people and their activities.

In 1979 I founded and built the distributorship of Prime Explosives Limited (Calgary); a company with \$10KK in sales; 41 employees; 11 branches and 2 manufacturing plants; serving Alberta, Saskatchewan, British Columbia, Yukon and NWT. Internally I directed Prime via its Mission Statement using the Total Business Plan concept and utilizing computers to provide timely information to inform and involve all employees. I operated Prime under my philosophy of mutual benefit for employees, suppliers and shareholders.

In 1985, the collapse of the seismic industry, in concert with a 6 month B.C. logging strike, rendered Prime Explosives Ltd. insolvent. Prime Explosives Perforating Supplies Ltd., a subsidiary of Prime Explosives, remained intact, and thereby became my main activity. Over the years, Prime evolved from an importer/distributorship to a fully integrated Canadian manufacturing company (hardware, shaped charges, etc.) with added distributorships in Venezuela and the U.S.A. The company was sold to Innicor Subsurface, a public company, in July of 2002.

Over the years, I have learned/used/experienced the intricacy/necessity of: the budget and review process; the monthly and annual audited financial statement; the normal banking system; the merchant banking system; the Federal (Business) Development Bank; the associated legal systems; labour/partner/shareholder rights; marine law; importing/ exporting; national and international financing and negotiation; Form 44 of the Alberta Securities Act; the "Debenture" d.b.a. the "Indenture"; foreign/provincial/territorial regulations; friendly and hostile company takeovers; dissident shareholders, contractors, suppliers, customers and employees; the patent process; the financial analyses (EBTDA et al.) process and the attendant legal (share purchase agreement) process of selling the Company ; the management philosophies and attendant processes of Drucker, Humble, Porter, Deming, Goldratt, Crosby, Juran, Shingo, De Bono, Six Sigma, and the ISO 9001 umbrella."

"Reminiscences of Myron Zandmer" by Leroy Field, PHS Lifetime Member

Myron Zandmer

I worked for Myron in the early 1960's. At this time he had the National Petroleum Company, the Northland Petroleum Company and the Permeator Corporation. My job was the engineering sales and service for the Permeator completion tool. During my time with him I heard his entertaining stories of the early days and how the modern generation, like me, did not listen and couldn't see past their noses. Dick Gibbons, who brought the first cementing pumper up to Alberta, was also working with Myron at the same time. Between the two of them I had an interesting time of it.

Myron was one of the most unforgettable characters that I have known. He was a Turner Valley oilfield pioneer, a great promoter and innovator without peer.

Myron was born in Spokane, Washington in 1897. He attended Stanford College in California where he received degrees in Engineering and Chemistry. I understood that he lectured at the college but I was never certain for how long. I think he first came up to Calgary and southern Alberta in the 1930's. He was with the U.S. Army during the Second World War in weapons research and development and probably returned to Turner Valley after the war. He married his wife Sandra, a Viennese opera singer, in 1946. Neither he nor his brother Herbert had any children that I am aware of. He died when he was in his late 80's.

Myron was somewhat eccentric and could be very personable and gracious if he wished, although I didn't witness this side of his character too much. He was always well dressed in a suit and was an international traveler. When I knew him he had a house in Banff, an apartment in the Palliser Hotel, an office in Calgary, a suite in the George V Hotel in Paris and, I believe, a place in London. Myron was the promoter and idea man while younger brother Herbert looked after the shop.

Myron was brilliant and his mind worked much faster than the rest of us. In the early NASA days he kept telling them they were doing it all wrong when trying to achieve orbit. What they needed to do to hit the small exit window was to send the space vehicle off with a rifled gun barrel first for accuracy, then radio the jets to kick in when aligned to drive it in the final spurt for earth orbit. Maybe that is where Iraq got the idea for a simple accurate gun barrel missile launching method. Time and place meant nothing to him. I could get a call in the middle of the night when he got a thought and wanted to talk about it. He could be in Calgary, also in the middle of the night, or in Paris in the daytime. He was wired into the scientific community of his time and I understood that he had over 100 patents applied for and quite a number approved.

Delbonita

Myron raised the money and drilled in Delbonita, near Whiskey Gap, in the south of Alberta, very early on. The well was National Petroleum LSD 4-25-20-W4M, drilled in 1939. There may have been more wells there but I couldn't find any. He obtained a very light high quality oil from the tight Madison Limestone-dolomite formation. The oil was trucked to the Purity 99 refinery at Hartell. Unfortunately it was very low productivity so he conceived of the idea to drill horizontally. He constructed some knuckle jointed drill pipe and got off two short laterals from the main vertical hole. You might say he was the father of horizontal drilling technology. Nothing much came of this well but he successfully promoted it for further financing, which at this time was quite an accomplishment. By letting the well bore load up and then shutting the well in to build up pressure you could get a pretty good flow for a short period of time. He built a warehouse there and it was full of surplus, unused valves and other fittings that he had picked up from the Canol project. Some of the six inch cast iron pipeline valves were 4 to 5 feet in height. He also drilled a well farther north at Vulcan at 15-5-21-3W5M in 1942, which was dry. There may have been other wells Myron was involved in but which were under a different name.

Turner Valley

Northland Petroleums had a warehouse in the south end of the Turner Valley Field, just south of where Little Chicago was and which is now gone. It was located on the west side of what is now Highway 22 at the brow of the hill as you look down at Longview from the north. There is a llama farm there now. It had two WW II vintage LST Marine landing craft turbine motors still in their original packing cases. There was a real assortment of oddities in there and I could spend all day just looking around at the collection. Roy Shields took care of the facility.

Myron drilled wells in Turner Valley under National Petroleum Co. There are two wells listed as being drilled in 1937, National Petroleum #1 at LSD 8-29-18-2-W5M and #2 at LSD 14-9-18-2-W5M, both drilled in 1937. These wells were drilled to approximately 7500 feet in the Mississippian formation. Again Myron showed his mettle as a promoter since it was difficult to raise money for anything in the dirty thirties, let alone a well. The #1 well was just a short distance north of the old Little Chicago town site. It turned out to be a stripper oil well. However it is the 1945 workover on this well, which he renamed "Oil Well Reflow", that is remembered.

At that time Hugh Leiper was going to the South Turner Valley High School, which was situated in the settlement of Little Chicago. He remembers getting the day off from school due to the dangers involved with the unique workover. Residents were asked to absent themselves due to the concern that the town could be leveled with the force of the explosion. However, "We kids snuck down for a look from the ridge a half mile to the north to see the happening", says Hugh.

The wells in the old days were often stimulated using a small container of nitroglycerin placed in the open hole at the bottom of the well and detonated from the surface with a wire line electrical charge. At this time nitroglycerin was very unstable and could be detonated by a physical jolt. Therefore the shooter had to be very careful and was highly paid. Aubrey Kerr remembers that a shooter called Charley Stalnacker would bring his nitroglycerin up from Shelby, Montana (Sunburst Oil Field) and shoot the wells in Turner Valley. Myron was involved in research work which developed the addition of a miscible oil that would make the liquid nitroglycerin stable by keeping the nitro particles apart, rendering it safe to handle until detonated. There were not too many that shared his theory at that time. However Myron thought that if he could pump a larger volume of nitro into the tight formation and then detonate it, it would shatter the rock and allow the oil to flow in abundance. This being much more effective than a little shot in the well bore. Therefore you could say he was also the father of "fracing" wells for formation communication. Ned Gilbert, who had come up from down south with Sun Oil Company, was living at the Palliser Hotel in 1945 until he could get established. Myron had accommodations there as well. Ned remembers Myron inviting him down to see the operation first hand but he had an obligation elsewhere at the time.

As Hugh remembers it, a truck was loaded with cans or carboys containing 5000 quarts of a nitroglycerin-oil mix in the northeastern U.S., probably from the Pennsylvania oil fields. It traveled across the country on roads that were less than ideal at that time, with police escort and without incident or fanfare. On arrival it was placed in an open field called the Little Gap, about 2 miles west of town, with two guards staying on site in a tent. While waiting for the job some boys were out shooting gophers nearby. The two guards took off at high speed for fear of a stray bullet and a massive explosion.

To Be Continued

"AND THE GRASS GREW GREENER" By R.J. Bob Dunn

With Bob's permission - from the poetry Compilation: *"And the Grass Grew Greener as I Meandered through the Oil Patch"* published 2000 by Dunderosa Publications

(Part 3 - Continued from the previous issues of Archives – You may wish to refer to them to follow the story)

> The Strike starts slow As the mud begins to flow, Back up through the shale shaker. By the time the crew knows it, It's too late to close it, And the well is a real widowmaker!

There's a hell of a roar, as the mud covers the floor, And the bushings blow out of the Kelly. "My God", cries the driller, "this one's a killer, I've never known quite so smelly!"

> They ran to the Push Shack, And brought out an airpack For every man on the rig. Cried the Push in despair, "you could gag on this air, To me it smells like pure pig!"

You think this was bad, well, poor old Dad, At the farm [he] just wandered around; What a surprise, when before his eyes, His barn sank into the ground!

So they sent for Adair, but he wasn't there, So they called for a local team To kill the well, with the terrible smell, And get her back on stream.

> When they got her shut down, Everything was brown, There was even a tinge in the sky. As the grass grew greener, Than you've ever seen her And the corn stood ten feet high!

> > To Be Continued!

BOOK OFFER FOR: Roughnecks, Rock Bits and Rigs: The Evolution of Oil Well Drilling Technology in Alberta, 1883-1970

by B. A. (Sandy) Gow, Concordia University College of Alberta



The University of Calgary press has approached the Petroleum History Society with an offer to sell us copies of this soon-to-be-released book at a substantial discount. It is described as follows:

"This book traces the evolution of drilling technology in Alberta with an emphasis on the human side as well as technological aspects of the oil well industry. Gow's portraits of former drillers and toolpushers add a nostalgic element to a well-researched and technologically savvy exploration of this seminal Alberta industry. This is the first Alberta-specific book written on oil well technology, reserving a unique place on any bookshelf. The volume is handsomely and thoroughly illustrated with many photographs, maps and charts related to the industry. Gow has consulted a wide breadth of resources to obtain his materials including museum archives, interpretive centres and the personal collections of "old timers".

The Petroleum History Society is now taking orders for this book. With the offered 40% discount, we estimate that the book will cost approximately \$25.00 including GST. If you would like to order one, please fill in the form below and send it with your cheque or money order in this amount to the Petroleum History Society, c/o Doug Cass, Glenbow Museum and Archives, 130 – 9 Ave. S.E., Calgary, Alberta T2G 0P3. Any differences from this price will either be charged or refunded.

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