

ARCHIVES

Newsletter of the Petroleum History Society

PETROLEUM HISTORY

SOCIETY

March 2004; Volume XV, Number 3

P.H.S. ANNUAL GENERAL MEETING – March 17, 2004

Speaker: Dave Mitchell Oil Industry Executive and Company Builder "The Evolution of Alberta Energy Company (AEC)"

Dave Mitchell was President and Chief Executive Officer of Alberta Energy Company (AEC) from the beginning of its operations in 1975 until 1993 when he became Chairman of the Board. He retired as Chairman in 1999. Dave will review the history of the company and provide background on its unique creation and activities during his tenure as CEO. Starting as a four-person operation, AEC grew to become a very large and successful participant in the oil and gas industry. This is the story of an Alberta event that has some interesting chapters. Prior to AEC, Dave was CEO of Great Plains Development Company. He has been prominent in a number of business and community activities.

For those members wishing to brush up on their AEC history from the period prior to its amalgamation with PanCanadian in 2002, please refer to the September 4, 2000 issue of Oilweek Magazine which featured "Celebrating 25 years of Growth" concerning the company.

TIME:	4:00 p.m., Wednesday, March 17, 2004. Reception 4:00 – 4:20 p.m.,
	Business Meeting 4:20 – 4:50 p.m. and Guest Speaker 5:00 – 5:45 p.m.,
	Concluding with Mix and Mingle with friends and colleagues 5:45 – 6:30 p.m.
PLACE:	Fairmont Palliser Hotel (133 - 9 th Avenue S.W.) – Marquis Room (check marquee).
COST:	No charge for Members and 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, March 15

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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 3:30 p.m. on March 17, 2004 at the Fairmont Palliser Hotel, Spanish Room, immediately prior to the Annual General Meeting in the Marquis Room.

Election of P.H.S. Executive and Board: This month's Annual General Meeting marks the renewal of our Society through the election of a new Executive and Board of Directors. While most of the existing volunteers have indicated a willingness to continue in their present capacity, we are always on the lookout for people with the energy and dedication to help us grow and to undertake projects on our behalf. From a bylaws point of view, there are no automatic rollovers from, for example, Vice-President to President (with the obvious exceptions of President to Past-President and Honourary Director), so all Executive and BOD positions are "open". Please contact Nominations Committee members Clint Tippett (691-4274), Doug Cass 268-4203) or Hugh Lieper (249-0707) if you would like to get involved.

Next Luncheons: On April 21 Shawn Howard of Imperial Oil will address us on the history of the Lynwood refinery site and later housing that has been in the news over the last few years. Craig Lamb of Husky will be speaking at our May 19 luncheon on the history of well logging. 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).

P.H.S. Membership and Renewals: Micky Gulless, Past President and Membership Coordinator, has indicated that P.H.S. membership now stands at 145. Thanks to all of you who have so promptly sent in your renewals and a reminder to those of you who have not that the A.G.M. traditionally marks the cutoff of benefits for non-payment of dues.

Oral History Project: David Finch, interviewer and project manager, has indicated that Bill Fisher (gas processing engineer), Peter Moore (geologist) and Orrin (Lee) Slind (geologist) were interviewed during the latter half of 2003. Transcripts of the interviews are being processed through the Glenbow Museum and Archives.

Leduc/Devon Oilfield Historical Society Update: The latest issue of this Society's "Catwalk" newsletter records their successful fundraising over the last year, specifically: "Our Wall of Honor" continues to be popular, raising \$1,900 to display names of retirees, supporters and those who have passed on. In labour and materials we have raised the equivalent of \$64,000 and cash donations totaled \$223,000. \$120,000 was received from Petro-Canada towards

preserving the Atlantic #3 wellsite and in part was used to purchase the land for the Society. Large donations were received from CAPP, Abe Wiessenborn, BJ Services Canada, Keith Snyder, Marilyn Morrison, Nexen and Universal Compression.

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. Detailed comprehensive descriptions accompany each plush-boxed set.

Winners (and Losers), Continued: Globe and Mail "Report on Business magazine" November 2003. (Smilin') Jack Gallagher in the Mogul category for the 1970's. "Jack Gallagher, founder of Calgary-based Dome Petroleum Limited, is convinced that the Arctic contains more oil than the Middle East. Dome becomes Canada's largest independent oil company, reaching \$2.9 billion in revenues by the start of the '80's. But by 1982 the company has amassed over \$7 billion in debt. A year later, Gallagher is forced out by creditors and, five years after that, an insolvent Dome is purchased for \$5.5 billion by Amoco Canada."

Turner Valley: An item in the Calgary Herald of December 10, 2003 by Maria Canton stated that "Plans to divert the Sheep River by up to 60 metres in order to stop contaminants filtering into the water system from a nearby historic site are expected to be approved next week, says a Provincial Government spokesman. Alberta officials are waiting for the Federal Department of Fisheries and Oceans to give them the green light to move the river banks near the Turner Valley Gas Plant, clearing the way for the final multimillion dollar cleanup." Another individual is quoted as saying that "In 1995, a flood moved the Sheep River closer to the (gas plant) and we plan to move it back to its original path. That distance, along with a permanent containment wall, will stop any migrating hydrocarbons and maintain the integrity of the site for the long term." Some area residents had apparently expressed concern over the risk of contamination of the local water municipal water supplies both in Turner Valley itself and downstream.

Perspectives: I recently read that there is a demobilized offshore rig in Galveston, Texas Harbour that has been converted into a museum called the "Ocean Star Museum". Might be worth a look if you are ever down that way. Also recently read that the Alaskan lobby group "Arctic Power" which has been trying to get the Arctic National Wildlife Refuge (ANWR) opened to drilling has lost much of it's industry support and has had to resort to bingos and pull tab sales. These folks must really believe in what they are after!

Oil Patch Humour:

1. I found a book in the Library discards called "Exploring Careers for the Gifted". I noticed it because it has a picture of two geologists on the cover doing fieldwork. Imagine my disappointment (being a geologist) when I found that there was nothing about geologists in the book!

2. Did you hear about the two cartoon characters that they are planning to use as part of an upcoming joint convention between the petrophysicists of the Canadian Well Logging Society and the geophysicists of the Canadian Society of Exploration Geophysicists? See the end of this section for the answer.

3. We often wonder why the general public doesn't understand the oil industry. Is it any wonder when we call a well that's flowing thousands of barrels of water a day "dry" and describe vast tracts of offshore holdings as "land"?

(Answer: Archie and Jughead (after Gus Archie, the father of modern petrophysics and "jughead" - a term sometimes used for field hands on geophysical acquisition crews).

LUNCHEON PRESENTATION TO THE PETROLEUM HISTORY SOCIETY FEBRUARY 18, 2004 "Before Leduc" and Some Musings on the Meaning of History by P.H.S. Director Frank Dabbs

We thank Frank for making this manuscript available to us and for its partial publication in this format.

I'd like to make several points today:

- That while the Leduc oil discovery was a milestone of enormous significance in Alberta history, it was the product of a long succession of milestones of equal significance.
- That we Albertans and Canadians have been, in the past, far too myopic in our sense of ourselves and of our importance in the world. To mix the metaphor, we have a weakness for looking at ourselves through the wrong end of the telescope. Our Petroleum Imperium is made of very thin, frail, fragile fabric.
- That, happily for this organization, we have a very long way to go before we can claim to have done justice to the subject of oil and gas history and its meaning and import in the life of our citizens and our community.
- The most important insight I have gained since presenting this paper for the first time is the significance of what I now call the Hudson's Bay fur trading company moratorium on resource development in northwest North America, which lasted from 1670 to 1870.
- HBC controlled the north west corner of North America and all its wealth, but could only afford, and was only interested in, harvesting beaver pelts.
- It's stewardship created a template for colonial thinking by governments about Western Canadian oil and gas development that plays through modern history right up to the National Energy Policy of 1980.
- Colonialism and neo-colonial structures impaired resource development in Western Canada until Leduc, and continue to impair it today.
- Colonialism in Alberta oil and gas politics did not end until the 1985 Western Accord and the processes that the federal government is hinting at for Kyoto implementation indicate that colonialism is still in the incubator.

The Purpose of History

Seen from our perspective at the beginning of the 21st Century, the discovery of the Leduc Woodbend Devonian oil reef by Imperial Oil in 1947, which began the Contemporary Period in Canadian oil and gas development, came some time past the midpoint of petroleum industrialization in Alberta and the Canadian West. Leduc No. 1 came in 57 years ago this month. Drilling began on the landmark discovery well on November 20, 1946. But the beginning of the modern commercial development of Alberta's petroleum resources, the beginning of that place we call the Oilpatch; the beginning of the Western Canadian industrial sector that has made Calgary what it is, preceded Leduc by seven decades. On September 7, 1875, John Macoun, a natural scientist doing field work for the Geological Survey of Canada, first grasped and recorded the potential of the Athabasca tar sands and wrote the report that led to the first oil sands commercialization experiments at the Royal Military College in Kingston, Ontario in 1883. It was Macoun who first caught the single strong tide of history upon which the Leduc geologists and drillers were carried, and we are still carried today. Although in the chronology of global petroleum and natural gas development, this was early - it might have been earlier still except for what I call the Hudson's Bay Company natural resources moratorium.

The Leduc story has become a part of our culture; and assumed the legendary quality of a story that helps us to define our commonality. Such stories give us the gift of community; but a community only endures if it also has a history.

Canadian scholar of literature, theology and history, Northrop Frye, wrote, "Every human society possesses a mythology, which is inherited, transmitted and diversified by literature." He also said: "In our culture, some narratives dealing with personalities run parallel to a sequence of events external to themselves; others are based on a sequence of events that seems to be constructed for its own sake. This distinction is reflected in the difference between the words 'history' and 'story'.

Leduc is a story and it cannot become history until we know what came before it.

In the second half of the 20th Century, researchers, authors and journalists; professional and amateur historians; assembled a remarkably complete archival and bibliographic record of Alberta's and Canada's petroleum history and produced many good books that record the early stories of the oil patch. The prevailing reason, in my view, for the quality and extent of the record is that people from within the industry drove this work. For them and most of their peers in the industry, employment in the Oilpatch, in exploration and production, on the pipelines and in the refineries, was a way of life as well as a job or a career.

It is a somewhat unique sociological and anthropological phenomenon. And is similar experience to that in Canadian mining. Out of this passion has come a wonderful record. With a century and a quarter of a shared experience behind us, we have our body of common stories, we have our shared mythology. But is that the same as having a history?

French historian Fernand Braudel, who lived and worked through the middle of the 20th Century and got much of his perspective from being interned in a Nazi concentration camp, distrusted conclusions about history that were drawn from the very recent past, and even the not-so-recent past. He looked for the patterns that mattered in what he called *"la longue durée"* of history and defined as, "those deep, underlying forces that invade our lives and shape the world." "Events are crests of foam that the tide of history carries on its strong back", Braudel wrote: "Individuals do not make history; history above all makes individuals what they become. History is the keyboard upon which individual notes are sounded. The true person of action is the one who can measure most nearly the constraints upon himself, and who chooses to remain within them and even to take advantage of the weight of the inevitable, exerting his own pressure in the same direction." Braudel also asserted that: "To teach or write history is to discover a sense of perspective, of the reality of past time; its direction and significance and the successive landmarks that gave it shape."

When journalist and author Blair Fraser was asked to complete the six-volume Canadian history series edited by historian and novelist Thomas Costain, by writing, in the early 1960's, the story of his current century, he wrote: "Yesterday's news is tomorrow's history. Meantime there is today, when it is deemed unfit for either category. For the one too old; for the other still unripe, still awaiting the nice blend of new knowledge and new ignorance that gives history the appearance of pattern and clears away the untidiness of reality." Every writer and biographer who attempts to record the significance of his times, to write about its leaders and its leading influences, faces Blair's dilemma of being caught in the limbo that lies between the news and history. As we work to build the literature that becomes the unifying mythology of our culture, we are confronted by the task of discerning the difference between the strong tide of history and the short-lived foamy waves that ride on its back.



Greasing the Skids in Victoria 1966.

Workers at Victoria Machinery Depot prepare heavy timbers for the launch of part of the SEDCO 135F drilling rig by applying a thick layer of lubricating grease (Shell Canada).



SEDCO 135F near launch date, 1967, in Victoria Harbour, B.C. This massive rig drilled fourteen offshore wells along the coast of British Columbia on a continuous basis between 1967 and 1969 and later moved to New Zealand (Shell Canada).

Overview of: "Society for Industrial Archeology" By P.H.S. President Clint Tippett

Some time ago I stumbled upon a membership recruitment brochure for the "Society for Industrial Archeology". Having an interest in old petroleum industry sites like the Turner Valley Gas Plant and various old train-related locations (another strange habit of mine), I decided to join and have since become more familiar with the activities and interests of those in the group. Some relevant information follows:

Based In:	Michigan Technological University, Houghton, Michigan
Website:	www.sia-web.org Or www.siahq.org
Meetings:	Various locations – the brochure I had was related to "Montreal
-	2003" and was focussed on Montreal's industrial heritage. The
	2004 AGM is in Providence, Rhode Island.
Publications:	A glossy quarterly newsletter is published and a more scholarly journal comes out twice a year.
Tours Offered:	To Catalonia, Spain (running now) and Sweden. Fall 2004 tour to Wilmington, Delaware.

According to their promotional material the SIA was formed in 1971 to "promote the study, appreciation and preservation of the physical survivals of our industrial and technological past. The word "archeology" underscores the Society's principal concern with the physical evidence of industry and technology – the study, interpretation and preservation of historically significant sites, structures, buildings, artifacts, industrial processes, bridges, railroads, canals, landscapes and communities." [I was crushed – nothing to do with the oil industry (yet)].

"The SIA is a non-profit, international, interdisciplinary organization that brings together people of varied backgrounds who share a common interest in the archeology industry, engineering, and technology in general. Our diverse membership is our greatest asset. It includes architects, archeologists, engineers, industrialists, museum specialists, planners, historians, preservationists, teachers, students, retirees and many non-professionals for whom industrial archeology is an exciting avocation."

Their pitch is "Keep the Industrial Past Alive – Join the Society for Industrial Archeology. Textile mills, machine shops, automobile assembly plants, workers' housing, bridges of all types ... These and other industrial and engineering sites and structures have a unique ability to teach us about life and work in the industrial age, to show us how things were (and are) made, and to tangibly demonstrate how industry and technology have shaped our environment and our history. With knowledge, the stuff of everyday life – from the factory on Main Street to the cast iron manhole cover on your street – comes alive."

Dues are \$35.00 U.S. for individuals. Please contact me at 691-4274 if you'd like more information.

"THE OILMEN'S BONSPIEL" 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

Bob's Introduction:

The Oilmen's Bonspiel is pretty much the way it happened to those who were bonspielers, more than curlers. Bonspiels in some of the smaller centres were more like an endurance contest than a sporting event. Because some of the curling rinks had only a couple of sheets of ice, curling went on around the clock in order to get in the required number of games that it took to name a champion in the time available to do so. Curlers would be on the ice with two hours on, and two hours off, until the job was done. A Rig Manager who I invited to curl with me in just such an event, and who had never curled before, said "I'd be happy to, but since I don't know anything about the game, why don't I shoot last?"

The Oilmen's Bonspiel

"Come on Joe, there's no more snow And the muskeg's starting to thaw. It's breakup time, so let's all climb In the pickup, and make the first draw."

"I've heard them say, down Edmonton way, They're going to have a "Spiel". We'll get our nose in the pail, Chase a little quail, It sounds like a hell of a deal!"

"There'll be booze and broads, And I'll give you odds We won't get too much sleep. We'll get a few crocks, throw a few rocks, But I'll be damned if I will sweep!"

So the boys went to town to let their hair down, And see all the other guys. But once they got there, They started to care About going home with a prize.

The first game was a disaster They really gassed her, Everyone missed a few. The odd wrong turn, a crucial broom burn, Put them in event number two. "It's okay men, it's just our plan To get in the right event!" But the Skip was drunk, His game just stunk, And down to number seven they went.

This game was better, The lead could set her Right in the house each time; But with a clutch shot, right on the pot, The other skip sent them down to nine!

"Come on you guys, if everyone tries, We can keep our chances alive. Maybe a little drink, Would help our rink, After all, everyone's guaranteed five!"

Now they all started hitting, After six they were sitting Eight to one, they couldn't lose, So they all agreed To get the lead To go and break out the booze.

By the end of ten, they were tied again, What a hell of a game! But the booze was too much, They lost in the clutch, Into the suitcase event they came.

Now we've all been there, And it doesn't seem fair When you just can't seem to win. You've done your best Along with the rest, And losing is not a sin.

When you're home next night By the fires warm light, Missed shots won't bring a tear, Good times with friends, Not screwing up ends, Will bring you back next year!

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.

Name:	
Address:	
Phone Number:	Form of enclosed payment: