

ARCHIVES

Newsletter of the Petroleum History Society

June 2012; Volume XXIII, Number 5

P.H.S. Lunch and Learn Meeting – Wednesday, June 13, 2012

Donating H.M.S. Investigator Artifacts from Banks Island to Museum Creates Rewarding Experiences

by Don Yont, Retired Geologist

Don Yont carried out geological field work on Banks Island, N.W.T. in 1961 for Texaco. While there he collected artifacts from McClure's Cache, a store of equipment and provisions from the H.M.S. Investigator left on the shore of Mercy Bay where this ship was abandoned in 1853. These artifacts along with photos and a written account of the Banks Island experiences were donated to the Glenbow in 2003 who then forwarded this material to the Prince of Wales Northern History Center (PWNHC) in Yellowknife, NWT. The talk will include pictures of the artifacts, the Texaco field party operations, Inuit at Sachs Harbor, Banks Island wildlife and a history of the voyage of Captain McClure's ship, the H.M.S. Investigator. After the Banks Island data was submitted to the museums, Shirley Taglik, a school teacher from Arviat, Nunavut, used some of this information in developing a new Inuit curriculum project released in 2009. In 2010 a team of Parks Canada archaeologists examined McClure's Cache, in what is now Aulavik National Park on Banks Island and also discovered the wreck of the H.M.S. Investigator resting on the bottom of Mercy Bay. Henry Cary, a member of that team, reviewed the material sent to the PWNHC in Yellowknife and re-identified some of the artifacts collected on Banks Island in 1961. A summary of these more recent events, including photos from Parks Canada's website, will conclude the talk. See page 2 for Don's mini-bio.

TIME: 12 noon, Wednesday, June 13, 2012.

PLACE: Calgary Petroleum Club, 319 – 5th Avenue S.W. – Viking Room

COST: Members \$30.00 and Guests \$35.00 (most welcome) (cash or cheque only)

R.S.V.P. if you wish to attend to: Micky Gulless, 403-283-9268 or micky@fuzzylogic.ca by noon, Monday, June 11, 2012, if not sooner.

Individuals who indicate that they will be attending
- but do not materialize - will be considered
"no shows" and will be invoiced for the cost of the luncheon.
Individuals who do not R.S.V.P. by the deadline cannot be assured of seating.

THE PETROLEUM HISTORY SOCIETY THE BULL WHEEL



Next Luncheons: Our luncheon slate is just shaping up for next Fall and Winter. We are always seeking speakers and interesting subjects. If you are considering making a presentation, please contact Clint Tippett, President P.H.S., at 403-691-4274.

Biographical information for our June speaker, Don Yont: Don Yont graduated from the University of Saskatchewan in Saskatoon, SK in 1958 with a B.Sc. in Geological Engineering followed by an M.Sc. in Geology in 1960. He began his long career in the petroleum industry in 1958 with Texaco Exploration Co. in Calgary. During the summer months he did geological field work in the Northwest Territories, Yukon and the Arctic Islands until after 1961 when he was assigned sub-service mapping duties in the Calgary office. In 1964 he left Texaco and for the next 23 years gained a variety of experience working as an exploration geologist for smaller independent oil companies in Calgary starting with Frontier Oil and Gas and Republic Resources, followed by Acroll, Westburne Petroleum and Minerals, Turbo and Hamilton Brothers. As a result of the severe downturn in the oil industry in 1986 he became unemployed and did some geological consulting for a year until late 1987 when he was hired by AEC Oil and Gas. He spent the next 10 years with AEC working as a development geologist mainly on heavy oil projects on the Suffield Block until his retirement in 1997. Hobbies include genealogy, golf and petroleum history.

MACONDO-RELATED BOOKS

Achenbach, Joel 2011. A Hole on the Bottom of the Sea – The Race to Kill the BP Oil Gusher. Simon and Schuster. 276 p., \$29.99 CDN.

Cavnar, Bob 2010. Disaster on the Horizon – High Stakes, High Risks and the Story behind the Deepwater Blowout. Chelsea Green Publ. 230 p., \$14.95 USD.

Juhasz, Antonia 2011. Black Tide – The Devastating Impact of the Gulf Oil Spill. John Wiley and Sons Inc. 374 p., \$29.95 CDN.

Safina, Carl 2011 A Sea in Flames – The Deepwater Horizon Oil Blowout. Crown Publishers. 352 p., \$28.95 CDN.

Steffy, Loren C. 2011 Drowning in Oil – BP and the Reckless Pursuit of profit. McGraw-Hill. 285 p., \$27.00 USD.

The following letter was sent to Hon. Joe Oliver, Federal Minister of Natural Resources, on February 20, 2012 by well known Canadian petroleum historian Earle Gray:

Dear Mr. Oliver:

Your February 13 statement commemorating the 50th anniversary of the Leduc oil discovery contains an unfortunate historical error. The Leduc discovery was not "the first major Canadian oil discovery," as the statement claims.

One hundred million barrels of recoverable oil, or oil and gas equivalent, is generally considered a major discovery. The 1858 discovery of oil at Oil Springs in southwestern Ontario was not a major discovery by that standard—but it certainly was major by the standards of the time. It was this oil find, one year before the first commercial oil discovery in the United States that launched the world petroleum industry. Moreover, it was the preceding development work of a Canadian that gave immediate value to both the Oil Springs and the U.S. oil discovery at Titusville. It was Abraham Gesner's work in developing a process and establishing an industry to produce a lamp fuel, kerosene, that gave immediate value to the 1858 Oil Springs and 1859 U.S. discoveries. Even the Americans have haled Gesner as "the father of the modern petroleum industry."

But apart from that historical note, **even measured by the stan dard of 10 0 million barrels of recoverable oil, Leduc was not Canada's first major oil discovery.** The Turner Valley oil discovery, southwest of Calgary, was a larger oil field, in addition to housing very large quantities of natural gas and natural gas liquids. Its varied aspects were "discovered" in three stages, from 1914 to 1936. By the 100-million-barrel standard, Turner Valley clearly was Canada's first major oil discovery. But the 1858 Oil Springs discovery was a world historical event.

The significance of the Leduc discovery is that it was the key to finding more major oil fields in Western Canada, and thereby triggered the birth of Canada's post-war oil producing industry. Aside from Turner Valley and an isolated oil field at Norman Wells, near the Arctic Circle, no substantial oil finds had been made in Western Canada after more than half a century of exploratory drilling. For the first time in Western Canada—almost for the first time anywhere—Leduc found oil in a buried reef in an ancient Devonian seabed.

Very few, if any, suspected that oil might be found in reefs buried deep beneath the Alberta plains. This is not what Imperial Oil was looking for when it drilled at Leduc. The discovery of an oil-laden reef was almost an accident. But it pointed the way to a string of Devonian reef oil and gas reservoirs, some much larger than Leduc. The exploratory drilling that Leduc triggered also led to oil and gas discoveries in other geological zones. This was the importance of Leduc.

The role of the 1858 Oil Springs discovery in launching the petroleum industry is outlined in my book, *Ontario' Petroleum Industry: The birth, evolution and challenges of a global industry."* I attach a pdf copy for your interest. A more definitive history of the entire Canadian petroleum industry can be found in my book, *The Great Canadian Oil Patch, Second Edition,* 1970: ISBN 0-9737342-0-5.

Earle Gray

Archives is published approximately eight times a year by the Petroleum History Society for Society members.

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Awards presented at the Annual Meeting of the Petroleum History Society, March 28, 2012

BOOK OF THE YEAR AWARD FOR 2011

TO JOYCE E. HUNT
FOR:

"LOCAL PUSH – GLOBAL PULL:
THE UNTOLD STORY OF THE ATHABASKA OILSANDS
1900 - 1930"

PUBLISHED BY PUSHPULL LIMITED

The creation and production of this book has been a passion for Joyce for quite a few years and it was good to see it finally published and available in late 2011. The book covers the period of time within which Alberta was granted provincial status but without its mineral rights in 1905 up to the transfer of those rights from the Federal government to the province in 1930. It contains the results of exhaustive research and is well illustrated with a mix of maps and newspaper excerpts. Joyce also managed to challenge some of the mythology of the oil sands such as the story about the use of the bitumen for caulking the canoes of the aboriginal peoples of the area.

Joyce is actively promoting the book through various avenues and, if you haven't bought a copy already, you can get one at either Maptown or DeMille.

ARTICLE OF THE YEAR AWARD FOR 2011

TO PETER MCKENZIE-BROWN, ROBERT BOTT,
ADRIANA DAVIES AND GORDON JAREMKO
FOR
"THE HOURGLASS" SERIES:
"REFLECTIONS ON THE OILSANDS ORAL HISTORY PROJECT"
PUBLISHED IN OILSANDS REVIEW,
SEVERAL ISSUES IN 2011

The Oil Sands Oral History Project has been described for us earlier in the meeting by Peter. It is a very significant undertaking that required a major fundraising effort.

It was felt by the members of the Research Team that it would be well worth the effort to publish a series of articles building on the interviews that were being conducted - both as a fulfilment of the mandate of the P.H.S. to communicate Canadian petroleum history and as a way of publicizing the project. It was our feeling on the awards panel that the collective contributions expressed in this series represented the best contribution to Canadian petroleum history in this format in 2011.

I should also mention the support for this series that was received from Deborah Jaremko of JuneWarren Nickles, who is the editor of the series and is here with us today.

MULTIMEDIA AWARD FOR 2011

TO: THE ATCO MUSEUM AND INTERACTIVE CENTRE, 909 - 11TH AVENUE S.W.

THE CREATION OF AN EDUCATIONAL FACILITY
FEATURING CANADIAN-BASED TECHNOLOGIES AND
THE HISTORY OF NATURAL GAS AND ELECTRICAL UTILITIES

The museum is in the lobby at 909 – 11 Ave. SW – the Atco Building. It is relatively small by museum standards but is packed with displays of Atco's various business activities including natural gas transmission, power generation and transmission, and modular accommodation. The historical aspect is the incorporation of numerous artifacts from days gone by into the exhibits. Together with some interactive aspects, it is a venue for learning about these important industrial facets of our modern world. I should mention that the Blue Flame kitchen is in the same lobby and offers cooking classes and kitchen necessities. It has its own interesting story.

I understand that this Atco showcase has been encouraged and supported by the Southern family and that indeed a revamping and modernization is under consideration. The award is being accepted today on behalf of Atco by Lisa Maragh, Manager Aboriginal and Community Relations, Atco Power. Lisa was involved in the creation of the museum.

PRESERVATION AWARD FOR 2011

TO CHARLIE PERRY AND DEMILLE BOOKS
FOR
THE SUPPORT PROVIDED TO HISTORICAL PRESERVATION
THROUGH THE SALE OF BOOKS AND RELATED MERCHANDISE
RELATED TO CANADIAN PETROLEUM HISTORY

For those of you who haven't had a chance to visit DeMille Books, it is located nearby at 207 - 6th Ave. SW across the street from Bow Valley Square. It is the successor to the DeMille operation that was previously a part of McNally-Robinson on the Stephen Avenue Mall and before that a standalone operation run by Evelyn DeMille farther west on 8th Avenue SW. Following in the footsteps of its predecessors, the current DeMille, with Charlie's support, has made a point of supporting the display and sales of books related to Canadian petroleum history by local authors such as Joyce Hunt. Also supported are entrepreneur/publishers like Randal Kabatoff whose calendars and mounted photographs are made available.

I should add that the bookstore is a wonderful place to learn about our industry. Numerous textbooks are handled – this seems to be the only place in Calgary to do so. Charlie has also introduced an interesting habit of adding quality copies of older publications to many of his bookshelf selections. Added to this are magazines not found elsewhere like Propane Canada and The Roughneck.

As Charlie is away on vacation, the award is being accepted today on behalf of Charlie by Evelyn DeMille.

LIFETIME ACHIEVEMENT AWARD FOR 2011

TO PAUL GRESCOE FOR EXCELLENCE IN RESEARCH, DOCUMENTATION AND COMMUNICATION RELATED TO THE HISTORY OF THE CANADIAN PETROLEUM INDUSTRY

Paul's recent contributions include:

P.H.S. Book of the Year for 2009 - Hat Trick - A Life in the Hockey Rink, Oil Patch and Community with Harley Hotchkiss

P.H.S. Book of the Year for 2007 - Northern Tigers: building ethical Canadian corporate champions: a memoir and a manifesto with Dick Haskayne

He has, however, a much longer list of contributions:

Earlier in his career, he was an assistant editor with the *Imperial Oil Review* in Toronto for a year and then, over several decades, wrote for the magazine about everything from a flashback on the Leduc discovery to the dramatic dousing by Imperial's Tip Moroney of the Atlantic Oil Company's wild well of May 1948.

He also contributed articles to Exxon's *The Lamp* on such subjects as a chronicle of Syncrude Canada and the growth of Calgary and Edmonton as Canada's energy capitals.

His as-told-to account of Canadian Hunter's John Masters in his book called "Secret Riches: Adventures of an Unreformed Oilman".

He has had a keen eye for the evolution of the Western Canadian business scene through his authored or co-authored books "The Mavericks: Lessons from the West's Winning Entrepreneurs" and "The Money Rustlers: Self-made Millionaires of the New West".

His next book is another as-told-to volume for Stan Grad of Grad & Walker featuring Stan's petroleum ventures and titled "Lassoing the Dream: A Memoir about Ranching, Oil, Community and Family", which will be published this year.

Paul is unable to be with us today for family reasons but communicated to me that he was both surprised and pleased to be honoured by the Petroleum History Society with a Lifetime Achievement Award. He acknowledged the rare company he is now in with esteemed historians and journalists who have recorded the story of the industry over the years.

The award is being accepted today on behalf of Paul by his friend and fellow author Sydney Sharpe, who is herself a previous P.H.S. award winner with the 2008 Book of the Year award for *Staying in the Game - The Remarkable Story of Doc Seaman*.

A report by P.H.S. Member David Finch on the Presentation to the Petroleum History Society of May 3, 2012 by Ian MacGregor

lan MacGregor entertained a packed house at the regular monthly meeting of the Petroleum History Society on May 2, 2012 with an entertaining presentation – laughter filled the room many times. A mechanical engineer by training, lan is behind the current construction of an upgrader in Alberta – turning bitumen into diesel.

But his presentation to the P.H.S. was about another of his passions. Collecting, building, inventing, and generally being creative has been lan's lifelong obsession. For proof all you need to do is go to his website: http://www3.museumofmaking.org/dbtw-wpd/machine_aboutus.htm lan's grandfather settled in the Red Deer Lake area, just southwest of Calgary. On visits there lan got interesting in collecting things and then fabricating unusual items like a machine to cut through the ice ridges along the Arctic shoreline. Or a large hole driller – big enough to create a hole in the bottom of the ocean in the Arctic where wellheads could be sunk under the ocean floor and remain safe from the scouring action of ice. He also played with wind energy for a time, built small gas plants, and even bought a huge offshore rig, which he then refurbished and sold back to the company that sold it to him!

lan is currently also building a carbon trunk line in Alberta. Although partners recently decided to abandon one of four carbon capture and sequestration programs (CCS), lan remains convinced of the need to capture the CO2 in order to use it for enhanced oil recovery (EOR) projects. According to his presentation old oilfields need the CO2 to allow them to recover more oil. Industry wins by being able to produce more oil, society disposes of some of its carbon, and the government of Alberta gains too with increased royalties from production.

But the Canadian Museum of Making is lan's real "baby" and represents more than 25 years of collecting. A modern-day Eric Harvie - the collector who started the Glenbow Alberta Institute lan has been collecting equipment, machinery and things like a 1915 electric car. He's just that sort of fellow. He owns a Wood Gasifier, for example. It allows the operator to burn wood in a pressurized container, which releases carbon monoxide gas, which in turn is used as fuel. And lan has become friends with Pat Buckley, a collector of oilfield machinery near Coutts, on the Montana border. As a collector of oil stuff since childhood, Pat plans to work with Ian to preserve it all as a testament to early oil technology. All the metal pieces for timber rigs are in hand. And a replica of a doghouse – like the ones used on cable tool rigs in Turner Valley days. A portable rig, a complete set of tools for cable tool rig, and pump jacks, a sucker rod system - like the ones still use din Petrolia today, a pipeline wrapping machine and even a refinery. lan's next great project is the Alberta Energy Learning Centre. He wants to educate children of all ages, and show how the industry works here in Alberta. More than a museum, it will also be an electronic media outlet for the Alberta petroleum story. As to funding for this grand dream, Ian says he will do what he has always done - "lead with my chin and write cheques." All he needs if 40 or 50 acres somewhere near Calgary. A little knowledge is a dangerous thing – and most Canadians know very little about petroleum. But with the initiative and leadership of Ian MacGregor and others who want to educate the public about the petroleum industry, perhaps we can all learn more about the story of oil in Canada.

David Finch reported on this event after P.H.S. President Clint Tippett left the meeting early. Everyone else stayed for lan MacGregor's fascinating presentation. Clint thanks David for this report on behalf of the Society and also for pointing out his premature departure!



OIL-INDUSTRY HISTORY

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The Calgary Stampede and Petroleum

By P.H.S Director Nathan Hawryluk

As Calgary celebrates the one hundredth anniversary of its Stampede, the oil and gas industry plays a major role in advertising and sponsorships. For example, while only one of the 2012 Stampede Champion Sponsors, TAQA North, is a petroleum company, nine of the twenty companies included in the Stockman's Club level of sponsorship are oil and gas or service companies. However, it was not always so. In fact, at first the Calgary Exhibition and Stampede was separate from the petroleum industry. Until they amalgamated in 1923, the exhibition (founded in 1886) and the Stampede (held in September 1912 and August 1919) were separate from each other too. It appears that the relationship between the Stampede and the petroleum industry is relatively recent, developing in the 1960s and continuing to today.

In 1912, little connected the petroleum industry and the Stampede. Guy Weadick's celebration of authentic cowboy skills, received the Big Four's support of a \$100,000 line of credit not as an investment in future events but out of nostalgia, in Max Foran's words, for "a one-time party, a farewell gesture to a dying way of life." The major petroleum event of 1912 occurred weeks earlier when a crowd of 12,000 people watched in "bewildered wonderment" as "a flare of gas ... shot 60 feet into the darkness," marking the first deliveries via Eugene Coste's pipeline from Bow Island. The sole connection in 1912 between petroleum and the Stampede was made 15 July when A. E. Cross, one of the Big Four, invested in Calgary Petroleum Products Ltd., allowing William Herron to drill the Dingman No. 1 in Turner Valley.

Two years later, there was moderate interaction between petroleum and the exhibition when Calgary ratepayers voted in favour of spending \$360,000 to rebuild the exhibition park. Excitement about the Dingman Well made for low turnout and the proposal passed by 33 votes. Days later, the Dingman Well and the assassination of Archduke Franz Ferdinand pushed the opening of the exhibition, 29 June 1914, off the front page of the *Calgary Daily Herald*.

Though expatriates from the American South and Southwest who moved to Calgary after 1947 were already familiar with rodeos and supported the Stampede, the petroleum-Stampede relationship was not created until the 1960s. In 1964, a Calgary geologist, James K. Gray proposed a salute to the petroleum industry, which would require destroying old barns and parking. The board balked but a year later moved ahead with the plan.

In 1966, the Stampede recognized that "the Petroleum industry has assumed an important place in the economy of the Province" and hosted the Canadian Petroleum Exhibition. A 41 meter (135 feet) tall derrick-like steel tower topped with a natural gas flare was erected in what became known as Flare Square. Some \$20,000,000 worth of equipment filled the Corral and another 1.4 hectares (153,000 square feet) adjacent to the Corral. In the space of six days, over 200,000 people watched as 2,000 personnel

used a functioning rig to drill 2,133 meters (almost 7000 feet) below Stampede Park and enjoyed musical interludes from Sammy Kaye and his Orchestra. As a result of the Petroleum Exhibition, 654,120 people attended the 1966 Stampede, breaking the previous attendance records set in 1959, when the Queen visited, by 62,405. Due to the "Salute to the Petroleum Industry," new volunteers joined the Stampede, Flare Square became permanent, and future Stampedes were also themed. In 1967, to allow for growing attendance, a ninth day was added and public transit increased. The 1966 Stampede impressed the visiting deputy chief of Expo '67 so much that the Stampede was invited to hold a Calgary Day at the Expo.

Over time, individuals connected to the petroleum industry participated as shareholders and directors of the Stampede. A. E. Cross remained actively involved with the Stampede and Exhibition as a shareholder and director until his death in 1932. G. Max Bell, who bridged the worlds of horse racing and oil, was a shareholder in the 1920s and 1930s and a director from 1962 to 1971. Carl Nickle, a shareholder from 1972 to 1999, represents someone tied to the petroleum without a background in ranching. According to Foran, ranching and petroleum were compatible groups which interacted on the Stampede Board to create an "urban forum" in which to work together for their 'common interests.' As petroleum has become a larger portion of the local economy, individuals with strong connections to it have been more involved with the Stampede.



Photo: Alison Jackson, aj 94-16, "Road leading to drilling rig erected to carry 20-foot natural gas flare symbolizing Canadian Petroleum Exposition," dated 16 July 1966. Photo courtesy of the Calgary Public Library, Community Heritage and Family History Digital Library.