



# ARCHIVES

*Newsletter of the Petroleum History Society*

*September 2015; Volume XXVI, Number 5*

P.H.S. Lunch and Learn Meeting – Wednesday, September 30, 2015

## **Petroleum History Inspired Film Festival (PHIFF)**

With a tip of our hat to the Toronto International Film Festival (TIFF) and the Calgary International Film Festival (CIFF), we offer to luncheon registrants a chance to see two vintage films related to the early days of the petroleum industry in Western Canada. The first is entitled "**Petroleum, Alberta's Newest Industry**" and is dated **1925**. It is 32 minutes long but we will focus on the first 15 minutes or so as they deal with the upstream part of the story. Facets include: oil in U.S. along mountains – suspected in Alberta at Turner Valley, 1913 date of discovery, Dingman beside first compressor at gas plant, 1924 and Royalite No. 4, wooden rig, wellhead with frost on it, geologists at river with plane table, examining rock samples in the lab, Athey wagons with materials, steam boilers, building the wooden rig, spudding rotary well, gas fired boilers, rotary drilling, adding drill stem, running the bailer, sample taking, drilling samples being examined in office, microscope work, and lowering casing into well. The second is a National Film Board feature called "**The Story of Oil**". It is 16 minutes long and shows the Turner Valley Oilfield from many points of view in the **late 1940s**. Though it does have a few minutes of content about the gas plant, it also shows many other aspects of life in the oilfield and social life as well. Discussion will follow.

**Time:** Time: 12 noon, Wednesday, September 30, 2015

**Place:** Calgary Petroleum Club  
319 – 5 Avenue SW, Calgary; Viking Room (but check marquee)  
Business casual dress.

**Cost:** P.H.S. Members \$30 and Guests \$35 (most welcome).  
Only cash or cheque at the door. Payment can be made in advance by credit card or by e-mail. Please advise payment method with reply.

**Lunch:** Soup, sandwiches and cookies. Gluten-free? Vegan? Advise with reply.

### **NOTE: New Instructions for Registering for the Luncheon:**

**Reply, if you wish to attend, to: Loreen Sherman at 403-289-2922 or [pks@star-ting.com](mailto:phs@star-ting.com) by noon, Monday, September 28, if not sooner.**

**Those who register but do not come, or cancel after the deadline, will be invoiced.**

**Those who do not register by the deadline may not get a seat.**

## The Bull Wheel



**Call for contributions and speakers:** The Petroleum History Society values your input. If you have an article that you'd like to see in *Archives* or if you have a talk that you'd like to give, please be sure to get a hold of us. Contact President Clint Tippett at the address indicated on page 3.

**Hard Copy Archives:** Members are reminded that if you would prefer to receive *Archives* as a hard copy through the mail rather than via e-mail, you can request that by contacting Micky Gullest at the "contact" address indicated on page 3 or by calling her at 403-283-9268. This option is also offered when membership dues are paid and/or information verification is sought at the beginning of each year. Different strokes for different folks – we just want to ensure that you read *Archives* one way or the other!

**Turner Valley Oilfield Society – Annual General Meeting:** This event was held at the Turner Valley library during the evening of September 15. It was attended by about 15 people in total including your President and Directors David Finch and Doug Cass. A range of Society business was transacted. Two items are of particular interest to the P.H.S. The first is that the T.V.O.S. is moving ahead with its plans to run a program of regular guided tours through the gas plant during 2016. This will involve them coming to a signed service agreement with the Culture branch of the Alberta Government and the subsequent hiring of guides. The P. H.S. has indicated its support for this initiative, as outlined in our June issue of *Archives*. The second item was the decision by the T.V.O.S. to donate a significant collection of historical materials related to the petroleum history of the area to the Glenbow Archives. This had been preceded by a tour of the Glenbow's facilities by members of the T.V.O.S. and a detailed explanation of how donated materials are handled, including future access. Other topics included the donation of a "[pipe] line walker's shack" to the Society (now stored courtesy of ConocoPhillips), plans for fund raising and a visual presentation by David of the historic Britannia Mine site in British Columbia whose operations are conducted by a volunteer organization that might be a good future analog for the situation at Turner Valley gas plant.

**Prized Possession:** When your President moved to Calgary in 1980, one of his first purchases was a Bordeaux bottle filled with crude oil. These were sold at Eaton's downtown and were labelled as having been produced from the Hibernia P-15 discovery well. This was all well and fine until it was realized that true Hibernia crude was light and far too volatile to keep in such a container. The crude in the bottle was dark and viscous – and a contact made to the company that produced them led to the revelation that the contents were actually Bow Island Heavy, a distinctly different product. In any case, this bottle was kind of neat to have. It is only about 10 years ago that the safety issue raised its head and the item had to be disposed of!

**Alberta Royalty Review:** As our readers will know, the Alberta Government has empowered a panel to investigate this issue of royalties in Alberta and to report to the Provincial Government by the end of the year with their recommendations. Of course this is a hot potato given the current prices of oil and natural gas – as well as the timing with respect to the Federal Election. In any case, Director David Finch has issued an appeal to the Board and to our membership for people to get engaged in this process. Additional background on this topic is available through the Canadian Association of Petroleum Producers at [www.capp.ca](http://www.capp.ca). This is particularly relevant given the high level of knowledge on this subject by many of our industry veterans. David's message is captured below:

*“As you may know, the Government of Alberta has begun a royalty review. As part of this, the review panel has established a website to collect input from the public and I think it's important that you participate in this conversation over the next two months. You can share your thoughts at [letstalkroyalties.ca](http://letstalkroyalties.ca). The site will ask questions and provide periodic updates on what the panel is hearing. You can also share your input on the panel's social media if you so choose. I'm really hoping you'll take the time to participate in this conversation, now and throughout the course of the review. A strong turnout of Albertans to voice their thoughts will do a great service to the royalty review conversation. Head over to [letstalkroyalties.ca](http://letstalkroyalties.ca) and have your say.”*

**Alberta Climate Change Initiative:** The Alberta Government has also launched an appeal for input and suggestions. Workshops were held in Calgary and Edmonton in early September. An internet survey was also put forward that can (could) be accessed at: <http://alberta.ca/climate-leadership-get-involved.cfm#library>. Thanks to Director Penny Colton for this information. Director Loreen Sherman attended the Calgary workshop and reported that it was very well done with lots of relevant posters and handouts.

**Alberta Historical Resources Foundation Funding:** Director Doug Cass passed along that the A.H.R.F. has just announced its grants. One is to The Fort McMurray Historical Society: Fitzsimmons Drill Rig (Fort McMurray). Grant of \$18,250: The project involves the restoration of the portable cable tool drilling rig for interpretive (not working) purposes. The restored rig will be housed in a new Visitor Centre/Large Artifact Storage facility to be built at the Fort McMurray Heritage Park in 2017. The rig is the only one known to have a direct connection to Robert Fitzsimmons and his efforts in 1920 to extract, process and market petroleum from the Athabasca Oil Sands. A second is to Soul of Canada (Edmonton): Doing the Groundwork: How the West Was Built Research. Grant of \$18,700. Funding will help complete the research that will produce the first of a planned nine-book series on industrial and infrastructure development in Alberta. Topics will include: road construction, oil and gas, utilities, agriculture, surveying, coal, forestry, steel, concrete and aggregate, trucking, rail, and heavy construction.

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Contacts: [info@petroleumhistory.ca](mailto:info@petroleumhistory.ca)

President: Clint Tippett – [clintontippett88@gmail.com](mailto:clintontippett88@gmail.com) 403-208-3543

**The Great Leap Forward (Again):** On September 15, 2015 author Naomi Klein and a significant group of prominent Canadians issued “The Leap Manifesto” as a benchmark of what changes they would like to see in the Canadian political and economic landscape over the next few decades. Readers can access the full text on-line but the summary provided by National Post writer Joseph Bream on that date regarding their topic of “energy democracy” includes the following aspects: “Canada should be “powered entirely by truly just renewable energy” with 100 per cent clean economy within 35 years. Getting there will require retraining for energy sector workers and democratically run clean energy services, with indigenous people getting the first public support for these projects. “Power generated this way will not merely light our homes but redistribute wealth, deepen our democracy, strengthen our economy and start to heal the wounds that date back to this country’s founding” it reads. Agriculture should be “localized and ecologically-based”. Trade deals should be torn up because they interfere with local economies. It also proposes a new “iron law” of energy development, awkwardly based on NIMBYism: “if you wouldn’t want it in your backyard then it doesn’t belong in anyone’s backyard”. ... High speed rail that runs on clean energy will replace “cars, pipelines and exploding trains that endanger and divide us.” Old infrastructure needs investment but no new projects should lock in energy demands for the future. And everyone should be guaranteed a basic annual income. And the drop in oil prices is a “gift” that makes this all possible.” Signators include Neil Young, Bruce Cockburn, Leonard Cohen, Donald Sutherland, Ellen Page, Rachel McAdams, Pamela Anderson and David Suzuki.

**Renewable Energy Examined (in the real world):** On August 6, 2015, Calgary writer Deborah Yedlin presented an analysis in the Calgary Herald concerning the initiatives currently underway to disengage from coal as a source of power by increasing our reliance on renewable energies. Part of her article is quoted below as a counterpoint to the “Leap” idea in the preceding section. “It’s true that costs have come down for both solar and wind power generation, but that’s only a starting point. The existing grid system is not capable of handling what could be an explosion of decentralized power generation from renewable sources that are bound to specific and disparate locations. There is also something more fundamental to consider when looking at boosting the power input generated by what are called Variable Renewable Energy sources. According to a paper recently published by German economist Lion Hirth, who runs an energy consulting firm in Berlin, there is a saturation point in terms of the economics of these options. Hirth’s research concludes the greater the penetration of VRE, the lower the price will be. Much of this has to do with the fact that peak periods for power generation by VREs are concentrated and narrow. This effectively furthers the argument that even with renewable power, reliable base load sources cannot be discounted for reasons beyond the reliability factor. The economics point toward an indeterminate period of support in the form of subsidies. “In practical terms, renewables have a long way to go in terms of providing reliable baseload power. Natural gas is abundant, affordable and the best way of meeting the goals of the new regulations” said Dan Whiten, senior director of communications and media affairs for the American Natural Gas Alliance.””.

**Conclusions:** Even leaving aside the need for petroleum as a feedstock for necessary things like petrochemical manufacturing, it does not seem to be practical for renewable energy to displace fuels such as natural gas as a reliable source of energy on an as-needed basis. The crux of the matter is that energy generally needs to be used as it is generated and, in the absence of large scale storage technologies, renewable energy is generally too erratic in its nature to be anything more than an adjunct to our main non-renewable energy sources.

## Remembrances

**Maier, Leonard Frederick:** October 9, 1934 – September 1, 2015. Len Maier, beloved husband, father, grandfather and friend, passed away peacefully at home in Calgary on September 1, 2015. Born on the family farm near Kronau, Saskatchewan, he attended a one-room school near Jameson and moved from home to attend high school and a year of liberal arts at Athol Murray College of Notre Dame in Wilcox, SK. He moved to Leduc at age 17 to work as a roughneck and graduated from the University of Alberta in Petroleum Engineering in 1956. While in Edmonton, he met the love of his life, Sylvia, at a student nurse's dance, leading to an inseparable 58 year partnership. Len worked for Halliburton Services as a truck driver and service hand in summers, and permanently after university. For the next 37 years, he held engineering and management positions in Regina, Calgary, Singapore and Houston, including Canadian President, Asia-Pacific Region Manager, and Vice President of International Operations, overseeing operations in 56 countries and was the first non-American company officer. After retiring from Halliburton, he consulted for Canadian energy and service companies.

Although the consummate engineer, he never forgot his roots and held a passion for his tree farm near Calgary. He created a haven of trees and ponds, a gathering place for family and friends to enjoy nature, tell tales around a fire, catch fish or skate on the pond, and to teach children and grandchildren new skills and experiences. Len was inducted into the Saskatchewan Petroleum Industry Hall of Fame, held volunteer positions as President including Triwood Community Association, Bow Valley Toastmasters, Singapore Petroleum Club, and the Friends of Science Society, and served on numerous boards. Len enjoyed golf, fishing, woodworking, skiing and producing amazing family videos and music collections. He was a member of Silver Springs Golf Club and the Calgary Petroleum Club. Above all, he loved his family, and they loved him. Even during his battle with cancer, he continued to spread joy with his humorous stories and positive outlook. Len was until very recently a Director of the Petroleum History Society. He was awarded the P.H.S. Multimedia Award for 2013 for his creation of the DVD "Killing the Most Northerly Blowout in the World, 5<sup>th</sup> ed."

**Ballem, John** (The following memorial appeared in the Globe and Mail on January 13, 2010. At the time of John's passing a complete obituary had not been identified). "Known to his business colleagues as a keen legal scholar, to mystery readers as a polished writer, to his adopted hometown of Calgary as a leading citizen and to the world at large as a perfect gentlemen, Calgary lawyer John Bishop Ballem died Saturday while correcting the final proofs of his 14th novel, *Murder on the Bow*. Although the globe-trotting lawyer often placed his mysteries in the exotic settings he visited with his wife, Grace - "all parts of the world you really didn't want to go," according to the couple's daughter, Mercedes Ballem - he enjoyed his greatest success with tales of Alberta. *The Oil Patch Quartet*, a Ballem omnibus praised by the Calgary Herald for painting "an invaluable picture of the Alberta oil industry from the halcyon 1950s through the tumultuous 1980s," virtually sold out within a few days of its publication, according to Marc Côté of Cormorant Books. Mr. Ballem's steadiest seller remains *The Oil and Gas Lease in Canada*, a standard legal text currently in its fourth edition. Among the experiences that fed both his scholarship and his creative writing was a job representing Big Oil at the historic Berger inquiry into the first Mackenzie Valley pipeline, flying from place to place in the Northwest Territories on a DeHavilland Twin Otter with Judge Thomas Berger at 60 below zero. "We practically lived in the aircraft, and our little joke at that time was if Berger saw a trapper out on his line, we would land the plane and have a hearing," he told industry newspaper Upstream in 2006.

Born in New Glasgow, N.S., educated at Dalhousie University and Harvard, Mr. Ballem was "the kind of man who embraced everything, the physical and the cultural," according to Beverley Slopen, his Toronto literary agent. "He was a very glamorous figure." He was a pilot and a horseman, providing commentary for broadcasts of the Calgary Stampede and local equestrian events. He filed regular reports to Alberta newspapers on his exotic travels, visiting both the North and the South Poles late in life, was a long-time member of the Crime Writers of Canada and served for 10 years as president of the Calgary Zoo. Last year, the Law Society of Alberta and the Canadian Bar Association of Alberta awarded him the Distinguished Service Award for Legal Scholarship. His interests were "multitudinous," according to his widow, Grace. "But his main love was the law."

John once spoke to the P.H.S. on the subject of his legal work as well as his fiction writing.

**ANDERSON, James Carl:** September 21, 1930 to September 3, 2015. James Carl Anderson (JC), 84, peacefully passed away on Thursday, September 3, 2015 with his family by his side in Calgary, Alberta.

JC was born in Oakland, Nebraska, educated at Midland Lutheran College and then transferred to the University of Texas and graduated as a petroleum engineer. He worked for what later became Amoco in the United States. JC first came to Canada as Chief Engineer for Amoco in 1965. He decided to step out on his own and form his own exploration and production company in 1968. He started with an initial investment of \$400,000 which he ultimately grew to one of Canada's largest exploration and production companies with a total enterprise value of \$7.2 billion, with production of 200,000 BOED that was ultimately sold to Devon Energy in the fall of 2001. In 1971, JC found the Dunvegan gas field near Peace River Alberta which proved to be one of the ten largest natural gas fields in Canada with over 1.4 trillion cubic feet of natural gas reserves.

In 1995, in response to a hostile takeover attempt by Amoco towards Home Oil Company, JC submitted a one billion all stock bid for Home Oil Company as a white knight. This bid was ultimately proved to be successful, and was at that time in Canadian public markets, the first successful all stock bid to succeed over an all cash hostile bid. Anderson also acquired Columbia Gas Canada, Amax Petroleum Canada, Ulster Petroleum and Numac Petroleum. A larger than life personality, JC had a reputation of being a shrewd deal maker and a demanding taskmaster. His prodigious memory was legendary as was his passion for the nuts and bolts of exploring for hydrocarbons.

To those who worked closely with JC, the days were filled not only with high expectations, but also with laughter and humour. To the end, he remembered not only the details of many deals he was involved in, but also the people he did them with and the many others he worked with over the years. In February of 2002, JC and other members of the Anderson Exploration management team formed Anderson Energy Inc., a private company which ultimately went public in September 2005.

Business accomplishments aside, JC's family was a great source of pride, and his most special times were those spent with his children and grandchildren. JC lived to support his family's activities wholeheartedly.

## Field Trip to the Leduc #1 Energy Discovery Centre, June 20, 2015



This field excursion to the Energy Discovery Centre was organized jointly between the P.H.S. and the History and Archives Committee of the Canadian Society of Petroleum Geologists. The C.S.P.G. handled the logistics so thanks very much to them for that. The trip involved a three hour bus ride north from Calgary to the Centre which is just south of Devon and to the SW of Edmonton. Likewise in reverse with stops at the Donut Mill in Red Deer on both legs. We left at about 8:00 a.m. and returned at about 6:30 p.m. Historical movies and commentary filled most of the bus time. This is a fantastic facility and well worth a visit no matter how you get there.

Our participants were:

(L-R, front row): Claude Ribordy, Ken Drummond, Lorne Larson, Lisa Kirkland, Holly Crawford, Paul Sherman and Loreen Sherman

(L-R, back Row): Don Hunter (outdoor guide), Clinton Tippett (trip leader), Rick Green, Ian Kirkland, Don Yont, Allison Brown, Peter Meehan, Ryan Link, Stan Lavender, Masanori Okamoto, Earl Fawcett and Lloyd Nelson (outdoor guide)

Missing from the photo: Penny Colton (photographer), Jim Kirker, Lynne Dunstan (inside guide)

We hope that this expedition leads to a stronger relationship between our two Calgary-based groups and the Leduc-Devon Historical Society.



### **Downtown Calgary, approx. 1971**

On July 26, 2015, the Petroleum History Society hosted a petroleum history walking tour in downtown Calgary as a part of Historic Calgary Week. The trek was well-attended for a Sunday morning with about 30 people joining in. The two hour walk was led by P.H.S. President Clint Tippett. Directors Penny Colton and Loreen Sherman were among the participants providing moral support (and a few supplementary contributions).

The photo above was taken just before the initial oil boom was to take root. It is actually quite amazing to see how dominant the Calgary (then Husky) Tower was on this vista. Even the well-known Palliser Hotel, just to its right, is dwarfed. The Rockies Mountains form the distant skyline with the Bow River and Langevin Bridge in the foreground. Other than City Hall, roughly in the middle of the picture, buildings in the remainder of the core of the city are not easily identified. Calgary has often been accused of ignoring its past in the haste to demolish and re-build – and I suppose this shot tends to support that opinion. Indeed many of the buildings that we featured in our tour were constructed post-1971.

This illustration was extracted from a 1973 Calgary telephone book (remember those?).