



# ARCHIVES

Newsletter of the Petroleum History Society

January 2016; Volume XXVII, Number 1

P.H.S. Lunch and Learn Meeting – Wednesday, January 20, 2016

**Energy and National Security in the United States:  
A 20<sup>th</sup>-Century History of the Concept of “Energy Security”**

*by Dr. Petra Dolata, Canada Research Chair,  
History of Energy, University of Calgary*

Four decades ago, two oil price shocks shook the Western world and led to the emergence of the strategic concept of ‘energy security.’ Ever since the 1970s this concept has linked economic and (geo)political discussions of energy use and markets. However, this has been a very specific U.S. discourse and until very recently was not shared by most European NATO partners nor Canada.

**Please see page 3 for the rest of this abstract and for our speaker’s bio.**

Time:	Time: 12 noon, Wednesday, January 20, 2016
Place:	Calgary Petroleum Club 319 – 5 Avenue SW, Calgary; Viking Room (but check marquee) Business casual dress.
Cost:	P.H.S. Members and Student 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: Instructions for Registering for the Luncheon:**

Reply, if you wish to attend, to: Loreen Sherman at 403-289-2292 or  
[loreen@petroleumhistory.ca](mailto:loreen@petroleumhistory.ca) by noon, Monday, January 18, 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 Tippet at the address indicated on page 3.

**Membership Renewals, Information Verification and Hard Copy *Archives*:** Membership renewals for 2016 have either been e-mailed to members or are enclosed with this issue. Lifetime members are asked to simply verify their membership details. 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 on your form, by contacting Micky Gulless at the "contact" address indicated on page 3 or by calling her at 403-283-9268.

### Upcoming P.H.S. Events:

**February 17, 2016:** To be determined.

**March 30, 2016:** P.H.S. Annual Meeting featuring keynote speaker Charlie Fairbank discussing the interpretation of petroleum history in southwestern Ontario.

**May 4, 2016:** Luncheon with Graham Taylor (Trent University) on International Petroleum Ltd., the subsidiary of Imperial Oil that operated in South America, including the parallels in developments with Western Canada.

**June 1, 2016:** Luncheon with Chris Turner (author) on the use of the P.H.S. Oil Sands Oral History Project records in the Glenbow for the research involved in his forthcoming book on the oil sands.

**Free Student Memberships Now Available:** The Petroleum History Society offers free membership to full-time students until the end of the year in which they graduate. They will receive the same benefits as regular members - *Archives* newsletters and invitations to our events. Membership applications are available at [www.petroleumhistory.ca/about/index.htm#join](http://www.petroleumhistory.ca/about/index.htm#join).

**Industry Situation:** Reports in December 2015 indicated that oil and natural gas royalty income payable to the governments of Alberta, B.C. and Saskatchewan would be down 67% for 2015-2016 compared to the preceding period, specifically from \$10.07 billion to \$3.33 billion. This is on top of a virtual cratering of land sale revenues in those jurisdictions that had reached into the billions during the heyday of the unconventional resource boom. Where's Pierre Trudeau when you need him? If this sort of calamity was happening to the Eastern Provinces, you could be sure that some sort of scheme would be in the works to protect their economies.

## Luncheon Details:

**Abstract (continued):** In order to understand the unique U.S. construction of ‘energy security’ one needs to historically trace the particular framing of the term since the 1930s. This will highlight the emerging linkages that were made between national security and energy as well as focus on specific actors and their interests in creating such a security-specific understanding of energy. It engages with questions that contest the idea that the 1973 energy crisis was a major turning point and contributes to the larger debate of how to generally contextualize the 1970s in international history.

**Biography:** Dr. Petra Dolata, Associate Professor, is Canada Research Chair in the History of Energy. Before joining the University of Calgary in July 2014, she was Lecturer in International Politics at King’s College London, UK and Assistant Professor for North American History at Freie Universität Berlin, Germany. Petra’s current research focuses on European and North American energy history after 1945 as well as the history and politics of the Canadian and circumpolar Arctic. She has published on Canada’s natural resources, foreign and Arctic policies, and the concept of energy security. Her book on US-German energy relations in the late 1950s and early 1960s was published in 2006 in German (*Die deutsche Kohlenkrise im nationalen und transatlantischen Kontext*). She is the review editor for the online network *H-Energy* and the series editor for *Energy, Ecology and Environment* (University of Calgary Press).

**Expanded Bibliography:** P.H.S. Director Doug Cass has continued his work on the Bibliography of Canadian petroleum publications and related audiovisual productions. The latest version, now available on the P.H.S. website, is 789 pages, up from 776 pages in September 2014. It is formatted as a pdf for your use.

**Mining History in the North:** The NWT Mining Heritage Society is based in Yellowknife and runs a multi-faceted program intended to preserve and communicate the mining history of that region that spanned 1934-2009. A recent visit showcased their “Save the Head Frame” initiative to protect the surface equipment at the now-abandoned Con Mine. Several comprehensive brochures were picked up during a recent visit that included a discussion with some of their members at a trade show booth during the November 2015 Yellowknife Geoscience Forum. There are some interesting parallels with the P.H.S. and the Turner Valley Oilfield Society.

**Editorial Comment:** Please note that unless otherwise indicated, all contents of this newsletter have been created or assembled by P.H.S. President and *Archives* Editor Clinton Tippet.

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Killer, F.  
Link, T. A.  
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*Res. 4 H. 1161*

## On the Cusp of Leduc: The Alberta Society of Petroleum Geologists in 1946

The A.S.P.G., later to become the Canadian Society of Petroleum Geologists in 1973, was a relatively small organization in 1946, just before the discovery of Leduc. However, as comprehensively described by P.H.S. Director David Finch in his 2002 volume "Field Notes", the group included most of the prominent individuals of a geological persuasion who were involved in the exploration for and production of oil and gas in Western Canada. In 1946 the Society produced a pocket-sized (2.5 "x 4.5") membership directory of 52 pages, analyzed here.





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W3883.



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M9480.

This issue of *Archives* contains 18 of those 52 pages. The following points can be made: Imperial Oil's staff at two adjacent addresses (335 and 339 – 6 Ave. SW) were most numerous at 32. The main centre for offices of smaller companies was the Lancaster Building (6 companies with 21 people total). These were AngloCanadian, Denton-Spencer, Gulf Research, McColl-Frontenac, Socony-Vacuum and J.S. Irwin (consultant). Next in line were Calstan (later Chevron) at 14, housed in the Examiner Building (location to be researched) and Shell at 13 located at 809 – 4 Street SW. Other companies were scattered about the downtown.





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There were about 125 members in total. Addresses indicate mainly Calgary-based individuals. Using the location of their undergrad degree as a measure, 85 were Canadian and 33 were American. Of the Canadians, 42 were from the University of Alberta with Saskatchewan coming in at 12 and Manitoba and UBC at 8 each. Calgary didn't have a geological program at this point in time. Americans were from across that nation with a total of 23 schools represented. Of the Canadians, 4 were female being Turner (subsurface geologist – Rio Bravo), Batty (assistant geologist, P&NG Conservation Board), Hewson (geological clerk – paleontologist – Socony-Vacuum) and Loranger (paleontologist – Imperial Oil). Three were from U. of A., one Manitoba.

## PERSPECTIVE

My spouse is often curious as to why I spend so much time reading various publications and clipping articles. Besides the obvious answer that this is a part of my routine for the preparation of *Archives*, I have to admit that I find a certain fascination in trying to fit all the pieces together and to see patterns that might become apparent only over time. The world seems to be to be a huge, multidimensional jigsaw puzzle that can only be solved through continuing analytical work. So here's an idea resulting from my labours.

### The Art of War

This seminal work by the Chinese strategist Sun Tzu included the observation that “**the supreme art of war is to subdue the enemy without fighting**”. If we look at the global situation, with an emphasis on China, it is possible to see a potential game plan along these lines being pursued. First the basics. China is for the most part resource-poor and therefore reliant on imports for raw materials, purchased on the open market, for its manufacturing industries. This introduces a degree of vulnerability. China has also amassed a huge amount of foreign currency as a result of its export prowess but these funds are not really accomplishing anything strategically. Despite having opened the door to a certain degree of free enterprise, China is still strongly directed by its central government with the ability to “turn on a dime”, as our friend in Ottawa has observed.

So what would you want to accomplish in these circumstances and how would you go about it if you were the Chinese Government. I would want to be a master of my own destiny and plot a path to the direct ownership of the resources that are important to me - to not be reliant on others. But how to do this in a way that might not be obvious or overly aggressive. The trick might be to drive a strong expansion of the Chinese economy requiring vast amounts of imports. Resource companies elsewhere would respond with aggressive capacity expansions. Commodity prices would soar. Otherwise marginal resources would become economic. Does this sound familiar for the last decade or so? The next step is less obvious and would involve slamming on the brakes of the Chinese economy. Globally commodity prices crash – companies and entire sectors go into cardiac arrest. Now the in situ resources long coveted can now be picked up cheaply – in some cases with the purchasers being described as “saviors”.

So what have we seen? Certainly havoc has been playing itself out across the resources spectrum. We are all too familiar with the petroleum sector – but if anything the situation is even more dire on the coal and minerals side. There is hardly a product, be it coal, iron ore, tungsten or even gold whose price isn't at a historically low level. Companies like Glencore and Barrick are literally tearing themselves apart in attempts to escape the downward spiral.

In Canada there has been caution at government levels about the role of State Owned Enterprises (SOEs) in our economy, for example in the case of Nexen's acquisition by CNOOC. But witness the elation by shareholders of struggling producer Long Run Exploration “saved” by Chinese investors. Money talks, regardless of the consequences.

This isn't a Tom Clancy novel or a Mel Gibson “Conspiracy Theory” movie. This is a reflection of events that are unfolding day by day. External state control of resources may gradually slip into the destruction of the free markets that we depend on.





This picture is showcased in the lobby of the Fairmont Newfoundland Hotel in St. John's, Newfoundland with the caption "On the occasion of the signing of the Hibernia Agreement at Hotel Newfoundland, Friday, September 14, 1990. Left to Right: Tom G. Rideout, Frank D. Moores, The Hon. Joseph R. Smallwood, The Hon. Clyde K. Wells, The Hon. A. Brian Peckford. (5 Premiers of Newfoundland from 1949 (Confederation) – to date.)" This event was clearly a great cause for celebration in NL. Please refer to October's luncheon talk by Brian Maynard.



Finally an oil patch-themed birthday card!