

Archives

Newsletter of the Petroleum History Society

March 2019; Volume XXX, Number 3

P.H.S. Annual Meeting and Awards Ceremony – Wednesday, March 27, 2019

The Future of Alberta

Our Keynote Address by Ian MacGregor, Leader and Entrepreneur

Ian MacGregor is a well-known leader in the Canadian petroleum industry and has been instrumental in the initiation and construction of a number of major capital projects that have strengthened the economy of Alberta. Ian will be speaking to us about the new North West Redwater Refinery, the Alberta Carbon Trunk Line and some of the other projects that he has built over the years. He will also discuss the efforts being made by his company in the area of Big Data and how he believes that this is, in some ways, the future of Alberta. *Please see page 4 for a condensed version of lan MacGregor's biography.*

4:00 p.m. Meeting Commences.

- 4:05 p.m. President's Report.
- 4:20 p.m. Treasurer's Report and related business.
- 4:30 p.m. Election of P.H.S. Officers, Board and Auditors for the 2019-2020 term.
- 4:45 p.m. 2018 P.H.S. Awards.
- 5:15 p.m. Keynote Speaker: Ian MacGregor on "The Future of Alberta".
- 5:45 p.m. Questions, Answers and Discussion.
- 6:00 p.m. Mix and Mingle with snacks and cash bar please stay and join us.

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

- COST: Members and guests (most welcome) \$25.00.
- DRESS: Business dress casual, ties not required.

Please RSVP if you wish to attend to: Micky Gulless at 403-283-9268 or <u>micky@petroleumhistory.ca</u> by noon, Monday, March 25, 2019.

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 get a hold of us. Contact President Clint Tippett at the address indicated on page 3.

Free Student Memberships 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: <u>http://www.petroleumhistory.ca/about/member.html</u>

Petroleum History Society Financials: A website link to the P.H.S. financials for 2018 will be made available to our members. A few copies will be available at the Annual Meeting on March 27, or you can request a copy from Micky Gulless at 403-283-9268.

Petroleum History Society Elections: These elections will take place during the Annual Meeting. A slate of candidates will be presented but there is always the opportunity to add your name ahead of time (please contact us) or to volunteer on the spot.

Annual Awards for 2018: The Annual Meeting is the venue for the presentation of our annual slate of awards, specifically: Book of the Year, Article of the Year, Multimedia, Preservation and Lifetime Achievement. Please come out and meet our new batch of award winners and hear their perspectives on their accomplishments.

Next Luncheon: May 1, 2019. Peter Putnam on "Soviet-era Oil Exploration in Early Europe – Pursuit by Canadian Companies".

A Clever Way to Amplify Corporate History: A feature article in the January 2019 "*Skytalk*" newsletter of the Vancouver Airport (YVR) carried the title: "British Airways marks its centenary this year [2019], despite being founded in 1974". To paraphrase the text – the original company, founded in 1919, was named Aircraft Transport and Travel. It went bankrupt in 1920 and was merged into Daimler Airway Limited that in 1924 merged with two other companies to form Imperial Airways. In 1939 Imperial became part of British Overseas Airways Corporation (BOAC) that, in turn, merged with British European Airways in 1974 for found British Airways. Many Canadian petroleum companies could play this game – for example, Shell Canada's roots reach back into Ontario in the 1880's via Canadian Oil, purchased by Shell in 1962. Shell itself arrived in Canada in 1911. Only Imperial Oil's lineage reaches back that far directly – to 1880 – also in Ontario, where it was incorporated. Perhaps the validity of this approach is just in the eye of the beholder – but claiming old history is to be applauded!

An Invitation from the Turner Valley Oilfield Society: Larry Kapustka (T.V.O.S. Chair) has sent us the following introduction and invitation: "The T.V.O.S. played a central role in the 1990's in getting the Turner Valley Gas Plant and the Oilfield designated as Provincial and Federal Historic Sites. The Society is now in a new phase as it strives to tell the story of the people, their struggles, and innovations that comprise the technical and cultural history of the Turner Valley Oilfield region of southern Alberta. We share a strong sense of community and a desire to collaborate with partners to tell the story of the people and institutions that were key to the development of the area and form a bridge to contemporary challenges broadly captured under the term "energy literacy". This year, we are excited to take on new activities in support of our mission. These include expanding the annual Speaker Series to include a fund-raiser. The featured speaker this year will be Nancy Southern (details of this May 13, 2019 event will be posted soon on the website www.turnervalleyoilfieldsociety.ca. Additionally, the Society is launching a newsletter that will highlight people, places, and events of the past and present as well as a Mystery Photo. A Story Map Project is underway that will allow digital images and narrative descriptions to be pinned to specific locations in the area, like the pins on Google Earth, but with much more detail. And we are in the process of identifying Pioneers of the Oilfield. Members of the Petroleum History Society may wish to get involved with T.V.O.S. to advance these initiatives. The T.V.O.S. is seeking volunteers to help with our annual speaker series and fundraiser, the Story Map Project, our Newsletter and Publicity Committee, our Education and Outreach Committee, our Finance Committee and our governance. To get involved, go to the abovementioned website and follow the links to become a member".

An Electrifying Challenge: A recent article in the "Connect" Community Digest of the American Geophysical Union pointed out an interesting aspect of the trend towards electric cars and trucks. It pointed out that much of the construction and maintenance costs of roads and highways is funded by at-the-pump gasoline and diesel fuel taxes. Electric vehicles are not dinged that way – so normal transportation vehicles are, in effect, carrying the load - with the economic differentiation between these two modes of transport being distorted.

As Usual: An article in the Calgary Herald on March 9, 2019 highlighted the decision of the trillion dollar Norwegian wealth fund to scale back its investments in the petroleum industry. The feature was accompanied by an aerial photograph of the huge Troll Field production platform on the Norwegian offshore. The caption-writer seemed to think that the name of the facility is "The Troll" – perhaps another subtle way of attempting to demonize our industry?

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 Tippett.

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 President: Clint Tippett – contacts

Ian MacGregor – A Brief Biography



Ian MacGregor is an Alberta entrepreneur. He thrives on founding and developing technically complex commercial opportunities that permit growth to world scale. Ian doesn't measure success by business achievements, but against the simple principles his father and mother taught him: Build something cool, have fun doing it, try to be kind, and leave the place better than when you found it.

Over the years, Ian has been involved in numerous business ventures. The one he is most recognized for is North West Refining, where he serves as Founder, CEO and Chairman. North West Refining is the 50% owner of the Sturgeon Refinery. What started as an idea written on a napkin in 2004, has transpired the first refinery to be built in Canada since 1984 and the first refinery in the world designed from the outset to capture CO_2 emissions.

Ian is also the Founder and Chairman of Enhance Energy Inc., the company building the Alberta Carbon Trunk Line (ACTL) project. Enhance specializes in using captured industrial CO₂ for enhanced oil recovery and storage in Alberta.

Ian has also founded several other companies including: North West Capital Partners, a private investment company; Carraig Ridge Inc., a development hub of contemporary architecture, set in the foothills of the Rocky Mountains; Ambyint, the first artificial intelligence-driven optimization for oilfield artificial lifts; and Shackleton Exploration, an Alberta resource development company.

A keen collector of African metal work, industrial revolution machinery and early oilfield equipment, Ian also founded the Canadian Museum of Making, a not-for profit private museum which gathers items from all over the world that live in the intersection between engineering and art.

lan quotes Bertrand Russell: "Do not fear to be eccentric in opinion, for every opinion now accepted was once eccentric."

TRANS MOUNTAIN: PIPELINE IRON-Y



The Trans Mountain Pipeline Expansion Project has been front page news for several years now and our readers are well aware of the political and regulatory twists and turns that have occurred over that period of time. It is a useful exercise to review how and why the original pipeline was built. According to Wikipedia "On February 14 [sic], 1947, large oil deposits [sic] around Leduc, Alberta were found. The idea for a pipeline from Alberta to British Columbia quickly emerged, driven by growing demand for oil both in Asia [?] and on the west coast of Canada and the United States. The U.S. military was also interested in developing this infrastructure so that oil could be accessed more easily for military use, specifically because of the ongoing Korean War [timing is off here as Korean War didn't start until June 15, 1950]. On March 21, 1951, the Trans Mountain Pipeline Company was created by a special Act of Parliament. On the same day, the company made a pipeline proposal to the Board of Transport Commissioners. Ownership of the company was split between Canadian Bechtel Ltd. and Standard Oil. In February 1952, after the Board's approval, construction began. Canadian Bechtel Ltd. was responsible for engineering, design and construction of the project. On October 17, 1953, oil began to be pumped through the pipeline – approx. 3 months after the armistice that ended the fighting in Korea. Total cost was \$93 million. Its length was 1150 km with a 24" diameter and an initial capacity of 120,000 bbl/d. - permitted and built in 2.5 years.

The pictures accompanying this article are copied from a small brochure issued by Trans Mountain upon project finalization. The closing comment in it is: "The completion of Trans Mountain Oil Pipeline will contribute materially to Canada's national security, as well as to that of the neighboring area of the Pacific Northwest. The entire project is rated as a vital defense program by both the Canadian and the U. S. Governments." The irony is that China was an enemy during the Korean conflict – but now is a major potential destination for Canadian crude oil, in particular with the significantly expanded planned capacity. How times change.



Trans Mountain construction photos – Top: Un-welded pipe beside ditch and right-of-way. Bottom: Welding curved pipe over extreme topography, Red Pass, British Columbia.

"DIME NOVELS" ON EARLY OIL (though this one was 5 cents)



This copy of the cover of a 1907 "dime novel" has been extracted from an 8-page brochure entitled "Dime Novels on Early Oil" by Jack D. Rittenhouse published in 1951 by Stagecoach Press, Sierra Madre, California for members of the Zamorano Club. It describes a genre of publications from the 1875-1909 era that have titillating entertainment themes related to the petroleum industry. In addition to the one shown above, titles included: "Nick Carter Strikes Oil", "The Young Oil King of Texas", "The Mystery of the Giant Gusher", "The Bradys and the Texas Oil King", Fred Fearnot and the Promoter", "The Tough Gang of the Wells", "The Boy who Made a Million" and "The Boy who Made Money in Oil". Apparently tracking down some of these creations was handicapped by the absence of petroleum-related terms in their (dual) titles.

The CANOL Pipeline

The following is extracted from the book "*The Romance of the Alaska Highway*" by Philip H. Godsell, F.R.G.S., by Ryerson Press in 1945 and describes this key World War II project.

"... Waterway and Fort McMurray saw themselves converted into enormous shipyards where endless prefabricated steel barges were bolted, welded together and launched onto the bosom of the Clearwater. Loaded with countless miles of pipe, they would disappear around a forested bend before a diesel-engined tunnel-boat, or pushed ahead of the stern-wheeled *Athabasca River*. The shipping end had been placed in charge of the well-known Tennessee and Mississippi authority on inland water transportation, C.C. Cobb, while Matt Barry, famed Canadian bush pilot, flitted up and down the river in his little pontoon plane trouble-shooting, supervising freight movements and checking supplies.

"At Camp Canol [on the west side of the Mackenzie River, opposite Norman Wells], squatted in an ocean of muskeg that at times would almost engulf the tractors, pipeline builders cursed flies, muskeg and torrid heat, and swore the job was worse than the one they'd done in the steaming jungles of Panama. Colonel B. T. Rogers of Buffalo, in command there, made no attempt to minimize the magnitude of the enterprise. "It's going to be tough," he muttered, "but it's going to be done". A feeling reflected by B. W. Lambright, Project Manager at Norman Wells, across the river, a seasoned oil man who'd been stationed at the famous Ploesti oil fields in Rumania."



Photo from the volume showing the Canol Pipeline, as constructed, lying on the ground along the right-of-way and not being trenched-in as usual. This was done for both expediency and for practicality as the ground was often rocky and frozen with permafrost. "Activity literally boiled at Camp Canol. Every day new construction workers arrived from the United States by huge transport planes that winged down out of the sky. Pretty girl stenographers and blonde and brunette clerks tripped ashore, thrilled with the spirit of adventure, adding a touch of life and colour to the dismal background of Quonset huts, mudencrusted bulldozers, mired tractors and tarpaper-covered construction shacks, as other girl employees had already done at Skagway and Whitehorse. "Just having girls around to look at raised the morale of the camp," one of the supervisors stated. "Funny thing, a man who's wintered in the sticks here is scared to speak with them. You'd think that they'd come from Mars. But don't let anyone try and get fresh with them. These boys all feel like they've got to be protective daddies to them, and they'll sure stand for no nonsense". A trait as old as the North, and has characterized Northernmen from time immemorial.

"Chin-whiskered Victor Leval, formerly chef at the Hotel Stevens in Chicago, performed miracles of culinary skill to the thirteen hundred men and fifty-odd women in the big mess hall, where the girls' tables were distinguished by having paper napkins. With his assistant chefs, pastry makers and bakers, many of whom had seen service in famous New York and European hotels, the enterprising Leval also attended to roadside camps and moveable bunk-houses established every twenty miles along the pipeline that was already wending its way above ground through a narrow chasm in the rocky ramparts twenty miles away, and on, seventy-five miles to the westward, over virgin wilderness thick with spruce trees, and covered with a deep blanket of springy moss. To clear the moss and trees was a simple as along the Highway, a snorting bulldozer would push them over like feathers. Instead, however of coming to firm earth, engineers and cat-skinners reached perpetual ice, a legacy from the retiring Ice Age.

"After wallowing through Camp Canol mud the pipeline streaked through the sub-Arctic forests and tundra, forded the Carcajou River and plunged into a canyon that forms one of the most picturesque spots on the route [Dodo Canyon]. About fifteen miles long, its walls rise sheer from a hundred to a thousand feet, culminating in jagged battlements and rocky pinnacles that pierce the sky like cathedral spires.

"But laying a pipeline through this picturesque canyon wasn't as easy as admiring the scenery. The creek flowing through it uses the canyon to find its eventual level in the Mackenzie and the Polar Sea. A foot-loose stream, it has the habit of rising swiftly and changing its bed overnight. The original road passed over the floor of the canyon which forms the creek bed. In late summer the creek is a mere trickle, but in spring, like all mountain-fed streams, it roars down the full width of the gorge. Going up, or down, stream entailed fording it at a series of places, often hub-high in icy water, but the semi-dry creek bed formed the only travel road in many a weary mile, and the U.S. Army engineers were hoping to divert its course and rid the road of many capricious crossings.

"Instead of being buried the pipeline lies on the surface since Norman Oil's pour-point causes it to remain fluid in all-weather to which this region is normally subjected, while winter snow provides an insulating blanket. Apart from the welders, many of them are from Oklahoma and Texas oil fields, one sees few labourers on the pipeline, the ubiquitous "cat" being the master tool of the engineers, moving earth and rubble, levelling surfaces and spreading gravel."

This colourful recounting of the challenges faced in the construction of the Canol Pipeline covers many of its engineering aspects – as well as some of the important human context.



OIL-INDUSTRY HISTORY

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