



**PETROLEUM
HISTORY
SOCIETY**

ARCHIVES

Newsletter of the Petroleum History Society

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NOTICE

LUNCH AND LEARN LUNCHEON MEETING

TOPIC

HISTORY OF THE DEVELOPMENT OF ALBERTA'S MINERAL RESOURCES

12:00 Noon, Wednesday, January 24, 2001

Willem Langenberg, Ph.D., P. Geol., Alberta Geological Survey (A.G.S.)

Our speaker brings a wealth of historical and technical knowledge concerning Alberta's heritage. Willem has authored or co-authored thirty refereed articles in scientific journals, four A.G.S. Bulletins and four A.G.S. Earth Sciences Reports as well as many A.G.S. open file reports, technical talks and poster presentations. He has a longstanding career in structural geology and is currently Senior Geological project-leader of a study on Alberta's Coalbed Methane Resources.

Willem's topic deals with the formation of the province's Scientific and Industrial Research Council on January 6, 1921. Major challenges at that time included the utilisation of the tar sands, the classification of coals, the establishment of salt reserves and the assessment of petroleum resources potential. Under the guidance of Dr. John Allan (in tribute to his mountaineering quests, Mount Allan bears his name) and university personnel, this organization gradually evolved into the Alberta Research Council. Early accomplishments included Ft. McMurray salt exploration (1921), Drumheller coal potential (1922), Nordegg coal potential (1923), Alberta's first coalfield maps (1924) and Foothills geology (1925).

TIME: 12 noon (receipts at the door), January 24, 2001
PLACE: Palliser Hotel (133 - 9th Avenue SE) - Colonial Room
COST: \$20 Members, \$22 Guests (most welcome)

R.S.V.P. to Clint Tippett (691-4274) by noon, Monday, January 22, 2001

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Next luncheon and guest speaker - to be announced later

if you missed the...

PETROLEUM HISTORY: THEN AND NOW
Wednesday, November 29, 2000
with David Finch - author, historian and
Lifetime Achievement Award winner

...catch a condensed version of David's presentation in this issue.

THE PETROLEUM HISTORY SOCIETY
Calendar of Events and Daily Tips

Next Directors' Meeting: February 7, 2001 at Shell Centre (via main floor Reception).

Canadian Petroleum Hall of Fame Nominations: Nominations must be submitted by May 31, 2001. There have been 56 Hall inductees since initiating this recognition in 1997. Forms and a list of members will be available at future luncheons and newsletters. For more information, contact the Canadian Petroleum Hall of Fame Society at 1-780-930-6833 or send candidate suggestions to Clint Tippett at 691-4274.

Turner Valley Gas Plant Project: Momentum to preserve this National Historic Site (so dedicated in 1995) has been aided by recent substantive contributions. Funding from the Alberta 2005 Committee of \$5 million and \$2 million from the Federal Government Parks Canada will help fund total development costs estimated at \$8.5 million.

Boomtown, U.S.A.: Experiences of our Southern neighbours with an oil boom 70 years ago are depicted in a September 2000 Oil & Gas Journal excerpt in this issue, page 4.

P.H.S. Membership: Total 91 paid, including 23 Lifetime, 8 Sustaining, 1 Corporate and 59 Individual. Membership Renewal forms for 2001 included with this issue.

1999 Awards Luncheon: Winners in all five categories were awarded as follows:

ARTICLE OF THE YEAR: awarded to Roland Priddle for "Reflections on National Energy Bard Regulation 1959-1998" published in the Alberta Law Review (accepted by David Finch on behalf of Roland, who was unable to attend).

BOOK OF THE YEAR: awarded to Bryce Cameron for "Under Sand, Ice and Sea" (accepted by Aubrey Kerr on behalf of Bryce, who was unable to attend).

MULTIMEDIA: awarded to and accepted by playwright Gordon Pengilly for his Alberta-produced play "Wildcat!"

PRESERVATION: awarded to and accepted by Ron Carey for long term dedication to the collection, preservation and display of oilpatch memorabilia.

LIFETIME ACHIEVEMENT: awarded to and accepted by David Finch for dedicated research and professional scholarship in the study of petroleum history.

Oral History Project: The Society is currently applying for 2001 funding. The Alberta Lottery Board has been suggested as an additional source. C.S.E.G. and C.S.P.G. have both agreed to extend their funding programs into 2001.

Dynastic Chart Project: Amoco and Dome in research by Peter McKenzie-Brown.

Spindletop: January 10, 2001 marks the 100th anniversary of the discovery of oil at Spindletop Hill, Texas. A brief writeup on this momentous event, which fundamentally changed the oil industry, is presented in the January 2001 issue of national Geographic.

Tip For The Day: (from *The 365 Stupidest Things Ever Said* by Ross & Kathryn Petras)
"Desert Storm was a stirring victory for the forces of aggression and lawlessness."
Former Vice President Dan Quayle

PETROLEUM HISTORY: THEN AND NOW

PRESENTED BY DAVID FINCH TO THE PETROLEUM HISTORY SOCIETY LUNCHEON MEETING -
24 NOVEMBER 2000

(summarized by Neil Leeson, Director, P.H.S.)

Although viewers of popular television history channels like The History Channel, A&E, or Discovery Channel might be hard pressed to agree, wars or natural catastrophes are not the only topics comprising the study of history. Western Canadians might want to visualize the landscape and culture of the Prairies today if abundant natural resources were not part of our heritage. Better still; consider Canada's fragility in the theatres of sovereignty and world peacemaking. The characters and personalities that championed the discovery, harnessing and application of oil and gas warrant no less than recognition by future generations. Each of us in today's oilpatch benefits from the results of an insatiable purpose, then and now – "the thrill of the hunt".

"How did I get so involved and committed with preserving past, current and future Canadian history? My thirst for Canadian oilpatch history evolved from my Master's Degree thesis on Turner Valley while attending the University of Calgary. To my surprise, Canada and Venezuela share 1914 as the inaugural year of world-class resource discoveries at Turner Valley and Lake Maracaibo. Given being born in Cuba, raised in Venezuela and schooled in California, being in the right place, at the right time, for the right reason may be the only plausible explanation for my determination to research and record Canadian oilpatch history. During my university years of the early 1980's, relatively few books had been published to enhance my study of the oil and gas industry in Canada. Although individual relevant releases appeared in 1917, 1958, 1970, 1975 and 1979, these works were generally written by neither Western Canadians nor historians! When expressing my curiosity over this seeming indifference to one of my Professors, I was informed that Canadian history was still too uneventful to attract authors and researchers. In other words, if events happened in your lifetime they are too young to be worth studying.

It has only been in the last twenty years that organized historical oilpatch research has evolved, mainly due to organizations like the Glenbow Museum, which contribute funding, resources, encouragement and venue for collections of videos, manuscripts and artifacts. Newer entities like the Petroleum Resources Communication Foundation, aided by Provincial Government support, strive to improve dissemination and distribution of this research and motivate the authors among us to preserve the past. Unfortunately, the corporate oilpatch has undergone a significant change of attitude toward promoting future profit growth at the expense of avoiding any exposure to the past that is contrary to this dogma. Rare is an energy firm that has even retained its library."

Aided by the theatrical talents of Gordon Pengilly (Playright) and Thomas Usher (Director), a twenty minute play (a first for P.H.S. luncheons) of rhyming verse dramatized oilpatch heritage, including:

- ✓ The scene on a farm somewhere in Alberta during the Leduc discovery era;
- ✓ The plot being a father-and-son exchange on working in the patch versus staying on the farm;
- ✓ The message being that the meaning of son's quest for adventure is no less important than that of the farming heritage to father;
- ✓ The conclusion relates the son's rise to adulthood through various experiences in the field.

"Now that history preservation has new sources of funding, like Lotteries and Gaming, our sights should be set higher. The future should bring advancements in major studies like decade-by-decade comparison of population booms and busts, expanded Internet sites, aggressive video and feature film undertakings, a Chair of Petroleum History at the University of Calgary or Edmonton, recognition of Fort McMurray and Leduc as Provincial Historical Sites. Last but not least, secure a lasting home for our heritage material and having this public facility, or wings of it, named after our oilpatch legends like Aubrey Kerr and Ned Gilbert, to name a few. Only then should we consider our work as historians meaningful and complete.

online but subscribers only

East Texas Boomtown



Zamora Jenkins
Staff Writer

The carefree, rural lifestyle of East Texas was changed dramatically during 1930-31 when Columbus Marion "Dad" Joiner, a 70-year-old wildcatter, discovered oil on the Daisy Bradford farm in Rusk County. In addition to Joiner's well, two extension wells—the Lou Della Crim and Lathrop—were successful, creating the largest oil field in the world at the time of the discovery.

East Texas field covers 140,000 acres across five counties: Rusk, Gregg, Smith, Upshur, and Cherokee. More than 32,000 wells were drilled in the field, with fewer than 500 dry holes. Today, 70 years later, the field has produced more than 5 billion bbl of oil, with an estimated 1 billion bbl still to be produced. By the time the field is depleted, some 86% of the original oil in place will have been recovered.

The story

Since August 1927, Joiner had been drilling on the Bradford farm and had drilled two dry holes. In May 1929, he spudded a third well, the Daisy Bradford No. 3, under the guidance of A.D. "Doc" Lloyd, geologist. In September 1930, a core from 3,536 ft was taken from the Bradford No. 3, which showed nearly a foot of oil pay sand. On Oct. 3, 1930, a production test was performed, resulting in a gusher that flowed 3,000-10,000 b/d.

Oil fever mounted when Bateman Oil Co. tested a well on the Lou Della Crim farm in Rusk County. On Dec. 28, 1930, the well blew out, flowing 22,000 b/d.

The well was just 9 miles from Joiner's well. The initial phase of the "boom" was on its way on Jan. 26, 1931, when the J.K. Lathrop No. 1 well in Gregg County came in at 3,587 ft producing 18,000 b/d—27 miles north of the Joiner discovery well.

At the time, no one believed that there was any connection between the discoveries and chalked it up as a geological coincidence. It wasn't until several years later that geologists realized that all three wells tapped into an incredible deposit of oil in the Woodbine formation, which is a sandstone formation located at 3,650 ft, driven by an underground reservoir of salt-water moving from west to east.



Photo courtesy of East Texas Oil Museum.

Oil production

By early 1931, the population of most East Texas towns had doubled, and new communities sprang up, as leaseholders, oil promoters, roughnecks, and drillers quickly descended on these boomtowns seeking wealth. Ever-present rain contributed even more to the mayhem by turning dirt streets into marshlands, bottleneaking traffic in every direction.

Activity spread into Upshur, Smith, and Cherokee counties. New production increased rapidly, as drilling stepped up from 7 wells every 2 weeks to 100 wells/day. The first oil discovered sold for \$1.10/bbl, but prices dropped to 15¢ as

supply flooded the market. Early yield predictions for the field began at 1.2 billion bbl, but production tests of 290 wells that were allowed to flow wide open for 2 hr shot the potential open-flow production rate estimate up to 123,750,000 b/d. That would have depleted the field in a matter of days.

On Aug. 16, 1931, armed National Guardsmen were ordered into the area to keep peace in the local communities and to shut down the field until order could be restored to field operations. Subsequent legislation produced a market-demand law, confiscation law, refinery control and felony law, and the Connolly Hot Oil Act of 1935, which restored order and stability to the market.

Museum

Anyone interested in journeying back in time to the oil boom days can do so at the East Texas Oil Museum at Kilgore College, Kilgore, Tex. The multimillion-dollar museum houses thousand of items donated from family treasures of persons who "lived the boom."

The heart of the museum is the diorama called Boomtown, USA. Entering through a leaded-glass door, visitors are transported to a life-sized 1930s oil boomtown, complete with stores, people,

machinery, wagons, mules and other animals, and period vehicles mired in the muddied street (see photo). A visit to the theater brings back the historical film footage of the boom period while you experience a blowout gusher. You can even take "an elevator ride to the center of the earth" to see where the oil deposits lie.

Since its opening in 1980, more than 650,000 visitors have toured the facility. The museum describes it as a "tribute to the independent oil producers and wildcatters, to the men and women who dared to dream as they pursued the fruits of free enterprise." ♦