



**PETROLEUM  
HISTORY  
SOCIETY**

**ARCHIVES**

*Newsletter of the Petroleum History Society*

*March 2001; Volume XII, Number 3*

## **2001 ANNUAL GENERAL MEETING**

**4:00 p.m., Wednesday, March 28, 2001**

**Palliser Hotel, Marquis Room (Mezzanine Level)**

**AGENDA (There is no charge to attend the meeting)**

- 4:00 – 5:00 Business Meeting and Elections**  
**5:00 – 5:45 Guest Speaker – Herb Spear (WestJet Airlines)**  
**5:45 – 6:30 Reception – mix and mingle, munchies provided, cash bar**

### **TOPIC**

## **OILPATCH CORPORATE AVIATION HISTORY**

Herb Spear will be presenting a talk to our meeting on the role of corporate aviation in the development of Canada's oil and gas industry. He will be describing Canadian aviation history in the petroleum industry from the days of Imperial Oil and their Junkers in the Arctic to Dome Petroleum in the 1980's.

Herb has had an incredibly diverse range of experience in the Canadian aviation business since he began in 1950 through 1964 in the R.C.A.F. Reserve 403 Squadron, reaching the rank of Flight Lieutenant. He worked for Great Northern, Northward, Arctic Air, Mackenzie and Field Aviation before getting into the corporate side of the oil business with Dome and Petro-Canada during the late 1970's-early 1980-s boom. He continues to be an active participant in a wide range of aviation areas.

**R.S.V.P. Clint Tippett, 691-4274 by noon March 26**

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**Next luncheon April 25,  
2001; guest speaker Alex  
Hemstock on "Canol et al."**

### ***if you missed the...***

**QUIN COLA:TOM PAYNE'S SEARCH FOR GOLD-OIL & GAS CONNECTION  
Luncheon**

**Wednesday, February 28, 2001  
with author Alice Payne, C.M., M.Sc., LL.D., P. Geol.**

**...enjoy a condensed version of Alice's presentation in this issue of Archives**

THE PETROLEUM HISTORY SOCIETY  
Calendar of Events and Daily Tips

**Next Director's Meeting:** April 4, 2001 at Glenbow Museum and Archives, noon.

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

**Society E-Mail Address:** [petroleumhistorysociety@canada.com](mailto:petroleumhistorysociety@canada.com). All members with e-mail service please take a moment to send in your address to Clint Tippett, President, at "clinton.tippett@shell.ca" to build our file.

**Oral History Project:** The Project has received \$12,500 in funding from Canadian Society of Exploration Geophysicists and an additional \$18,000 from the Canadian Society of Petroleum Geologists. These funds are dedicated towards the interviewing of members of their respective societies which, in the case of the C.S.P.G., is part of the leadup to their 75<sup>th</sup> Anniversary celebrations. Other societies and technical groups are encouraged to become involved in capturing their members' recollections of the past.

**National Petroleum Show 2002:** The Society considers it valuable to participate and is soliciting Member participation to form a committee to coordinate booth promotion.

**History Trivia:** New service to Members. Submit any question (person, place, thing – why, what, who, when) you may have on oilpatch history and our Board will be poled for adequate response. Queries and replies to be printed in this section. Our President asks two questions. 1. Where did the gas come from that was flared at Hell's Half Acre?, and 2. What happened to the H<sub>2</sub>S in the Turner Valley gas stream before 1952 when the sulphur plant was built?

**New Books:** Frank Dabbs expects his new book on the life and times of Bill Herron, Jr. to be out soon.

**Media Miscues:** Director Hugh Leiper brought to the attention of the Executive the ambitious plans of Anadarko Canada. In a Calgary Herald article by Scott Hagggett dated February 10, 2001, Anadarko is quoted as saying "The company, which ended 2001 with production of 112 million barrels of oil equivalent a day, wants to raise that to 200 million barrels a day by year end, according to company spokeswoman Teresa Wong." Let's keep in mind that WORLD oil production (although not BOE) is something like 70 million barrels per day and that, as far as we know, 2001 isn't over yet! Phil Benham also pointed out the headline in Pennwell's "Offshore" magazine which stated "Gulf of Mexico shelf declining sharply" – is this regional subsidence?

**Tip For The Day:** (from *The 365 Stupidest Things Ever Said* by Ross & Kathryn Petras)  
**"English Aristocrat:** "Who is that ugly woman who just came in? **Lord North:** Oh, that is my wife. **Aristocrat:** *Sir, I beg your pardon. I do not mean her. I mean that shocking monster who is along side her.* **Lord North:** *That is my daughter.*" Conversation with Frederick North, British Prime Minister, 1770-1782.

## QUIN KOLA: TOM PAYNE'S SEARCH FOR GOLD – THE OIL AND GAS CONNECTION

Presented by Alice V. Payne, C.M., M.Sc., LL.D., P.Geol.

to the Petroleum History Society Luncheon Meeting – February 28, 2001

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

"Quin Cola" is primarily the story of Tom Payne's (Alice's father) involvement in the gold exploration and mining business, which took place mostly in the Northwest Territories. In 1948, following the excitement triggered by the Leduc discovery, he decided to try his hand in oil and gas. Sound geological judgement led him to interpolate between Leduc and Redwater discoveries and to predicting the presence of additional pools in between. Alice reckoned the best way to share her father's legacy was to preserve his exploits in a book she researched and published. Alice is an ex-President of the Canadian Society of Petroleum Geologists, the first woman to hold that position.

*"Lots of petroleum folks got started in hard rock geology, therefore the objective of my book was to capture the major characters, all 52 of them, to tell the tales of my father's exploits. The theme chosen was a fictitious cocktail party where everyone gets to recount their stories of Dad. Having married late in life after making his fortune, many adventures were quite unique.*

*Dad grew up in England, just north of London, the son of a doctor. His Mom died of cancer in 1905 when he was 14. Her dying wish to her husband was to ensure each of the kids went to Private School. It was there that he was exposed to Latin, Greek and Religious studies and to plentiful harsh treatment. It did not benefit his oldest brother, who was killed at Gallipoli in World War I.*

*When he graduated, Dad was supposed to work in a bank. Instead he went to Canada in 1912, just barely missing being a passenger on the **Titanic**. Fate landed him in Manitoba where he pursued railroad work, mostly hauling freight to Hudson Bay. Environmental concerns at that time were almost nonexistent, laying track directly on top of ice in winter and using crude gravel beds in spring. One adventure involved seal hunting and falling asleep on an expanse of ice, only to wake up adrift in Hudson Bay. After several days of floating around, the last ship in use before freeze-up picked him up. Otherwise the Payne family history would have been altered!*

*Dad's first Miner's License was issued in Doddsland, Saskatchewan. In 1929 aerial photography opened up the North. Life in the bush around Ear Lake, near Yellowknife, left lasting scars and lessons. Once Dad was left behind to fend for himself. His survival skills paid off in future business challenges, as did his training in machinery maintenance. In 1935, after investors put up a million dollars for an area survey, gold and copper were discovered near Yellowknife, which promptly became a boomtown. Dad staked four claims, in the shape of a T, which turned out to be in the right place, at the right time, for the right reason. In 1938 he sold out to Cominco for \$500,000 and a share of production. A subsequent mine on his claims was in production before World War II started. Dad got married, ending the rough and unpredictable life of mining prospecting.*

*Following the War, Dad was exposed to oil well blowout photos by accident and was immediately bitten by the "thrill of the hunt". He bought Freehold leases at Excelsior, near Redwater, from homesteaders who refused overtures from all the majors. The exchange of three thousand dollars for a drill-to-earn option and the raising of \$60,000, resulted in instant success with Excelsior #1, despite being drilled on the edge of a Reef without the aid of seismic. Life excelled for the Royalty Owners, buying new cars and vacationing in California. Their goal of spending it all as quickly as they made it came true. Dad's legacy ends in a big, English-style home doing what he enjoyed most – painting duck decoys and living life to the fullest."*

Alice supplemented her presentation with numerous rare photographs, many donated during her book research by associates and friends of her father. A true story of adventure and success in the early years of the oilpatch – we need more. Her book is available at the C.S.P.G. office/bookstore on 5<sup>th</sup> Avenue.

## Don Binney: A Master of Oilfield Culture

byline: By Gordon Jaremko (with our thanks to Oilweek and JuneWarren Publishing)

Why have generations of youths flocked from across Canada into the oil industry – then stayed with it for life despite its notorious ups and downs – as if it were a promised land? Ask H. Donald Binney, whose fans call him the oilpatch pastor and put him in the Canadian Petroleum Hall of Fame last fall.

The answer has nothing to do with religion. He is no missionary, on the prowl for converts. The answer belongs to the 38-year career he had before his reincarnation as a minister of the Anglican Church. Binney personifies the human side of the oil and gas game. It yields livelihoods, often best for newcomers who begin with survival instincts and a work ethic rather than formal training. For wage-earners, oil can still be black gold after more than a decade of unreliable commodity prices, skittish stock markets, corporate downsizing, mergers and computer automation. If all the industry's employees and their dependants assembled in one place, they would make a city. A count by the Canadian Energy Research Institute found year-2000 direct employment by the oil and gas industry to be 230,900. That was down 16% from a peak 273,800 in 1990. But most of the loss was in the "downstream" sector, where a 40% "rationalization" cut in the number of service stations to about 13,000 from 22,000 and was matched by a 42% reduction in retail staff to 65,000 from 112,800 over the past 10 years. In "upstream" exploration, production and associated contracting, service, supply, scientific, technical, industrial and construction specialties, employment has been steadily recovering. After falling 26% from a 1985 peak of 96,100 to a 1994 low of 71,000, jobs have been coming back and reached 89,400 this year. This community started coming together long before the turning point that made it big, the 1947 Leduc discovery. The welcome mat was out for workers with drive by the time Binney arrived 61 years ago from Moncton, New Brunswick, via Boston and Toronto. The western oil industry that let in Binney at age 18 in 1939 was in its embryonic stages.

He had barely heard of the clutch of wells, pipes and tanks in the Turner Valley region south of Calgary. "I didn't think about it much." He only knew about it all because one of his father's cousins had a connection. "He got me a job on the end of a canal wrench – which is a shovel – working for Anglo Canadian Oil." For 50 cents an hour, Binney paid dues as an oilfield beginner on one of the manual labour crews known at the time "the bull gang," digging ditches for small pipelines from batteries of pumpjacks. He knew enough to be glad to have his \$4 per day. "You paid your rent. You could eat. You could buy overalls." That was more than thousands of others could say in the depths of the Great Depression, which lingered on in the West until the Leduc gusher brought scale to the oil industry.

It took only 10 months for Binney to take his first step up the oilfield occupational ladder. For a 50% raise to \$6 per day, he became a roughneck, fetching and carrying on a drilling rig powered by a steam engine. "Even if it wasn't well paying, it was steady work. You'd do as you were told – clean tanks, keep the rig clean, do chores." Turner Valley oil and gas were "sour," laced with lethal hydrogen-sulphide. There was no counterpart to today's thorough training in coping with the stuff. "We all knew it was there. We all were damned careful. It was all on-the-job. You learned the hard way. If you were successful, you stayed alive." The step up put Binney in touch with the oilfield officer class, which in the early years of the western Canadian industry came from the United States. It shows in old photographs, he says: "You could always tell the toolpushers (rig chiefs) and superintendents. You watched out for tan shoes, light khaki pants and jacket, and a Stetson hat. They were all American guys. It was the traditional outfit from Texas and Oklahoma. When you saw a guy coming dressed like that, you made sure you were working." It was a gruff, rough culture where it was not smart to flaunt special accomplishments in any way that could be mistaken for putting on airs. The formula for fitting in was a blend of respect, initiative, accepting authority and refusing to be intimidated. The way ahead was performance rather than bragging self-promotion. This culture lingered on for decades. It reached into the Alberta legislature, where former premier Peter Lougheed had no fear of losing popular support for describing people as divided into two broad classes. There were "doers," who were the good guys. Then there were "the critics," who included "the Toronto-NDP crowd."

Binney proved himself to be a natural doer with one of those Americans. Binney was a high-school graduate – a rarity in the West in those days – and put his education to work. His rig boss was an Indian from Oklahoma likely named after his home-town Norman, John Norman. "I was 18. I weighed 135 pounds. He called me into the doghouse (rig mini-office), closed the door and said, 'Can you read?' I said yes. He pulled out a newspaper and had me read him the funnies. He said, 'Can you write? Can you add?' I said yes. He said, 'Write my name in this book.' I did. I became his bookkeeper." It was worth a quick promotion to derrickman, with a 25% raise to \$7.50 a day. Binney's knack for jumping on opportunities earned him another trade and promotion after he and two friends quit the rigs in 1942 to join the Royal Canadian Navy. His chance came in Newfoundland, with a transfer from cleaning ship boilers to be a "swamper" or assistant to a welder whose trade carried the rank of petty officer. The welder preferred to relax and taught his helper to do the work. Binney learned so well that he passed welding tests and rose to petty officer. He also won his wife, Sally, in St. John's. Discharged from the navy in Calgary in 1945, Binney immediately landed a rig job from an American toolpusher who held military service in high esteem. Then the drilling rush set off by the Leduc discovery multiplied chances for rapid advancement among those who mastered the oilfield culture. Get it right, and promotions could be instantaneous. Binney's big step up to supervisory rank came when he showed his stuff as a doer while working as a driller or non-commissioned officer on a rig. The bit got stuck down in the hole. Binney made a suggestion. The irritated boss told him to take off, then drove off himself to cool off with a beer. Binney took a chance. He tried his idea. It worked. By the time the prickly boss came back, the rig was running again. He called the daring junior over to his car (he always drove a big Packard in keeping with the formidable stature of an oilfield chief, Binney recalls). "He said, 'You think you're a smart S-O-B don't you.' I said, 'Sometimes yes and sometimes no.' He said 'Well, now you're the toolpusher (captain) of this rig.' I advanced rather quickly after that." Binney rose up the drilling outfit's ranks into management and moved to Calgary. Renamed Hi-Tower, the firm was eventually bought by the Seaman brothers' Bow Valley Industries. Binney became senior vice-president and a director of the parent firm, involved in operations from the Arctic to the North Sea. It was as far as he could go in a family outfit.

Don took early retirement in 1978 when the Anglican Church made him an offer to follow one of his family's traditional callings, the ministry. An ancestor was the first Canadian Bishop of Nova Scotia. Binney retired again at age 65 in 1987 after serving in church executive roles but remained a household name and popular figure in his community. While fans including the Seaman brothers call him the oilpatch pastor, he makes no such big claim. He just practises the oilfield culture. Be there when needed. Be competent. "A lot of guys I worked with are church-goers but they don't go around with a badge on saying they go every Sunday. When they turn feet up and there has to be a funeral, they call on me." Rather than preach, Binney serves a brotherhood. In the oil and gas community, "you bond together as a family to get it done."