

# ARCHIVES

Newsletter of the Petroleum History Society

January 2009; Volume XX, Number 1

## P.H.S. Lunch and Learn Meeting - Wednesday, January 14, 2009

The Politics of Oil and Gas in the Social Credit Era, 1937-1952 by Brian Brennan, Author

Brian Brennan, author of *The Good Steward: The Ernest C. Manning Story*, tells how Alberta's Social Credit government set up a regulatory framework for the oil and gas industry before there was much of an industry to speak of; how it encouraged American investment in the oil patch when Canadian and British companies declined to take the risk; and how it managed the oil and gas economy after the major discoveries in Leduc and Redwater. Drawing extensively from interviews given in the late 1970s by former premier Ernest Manning, Brennan provides the Social Credit rationale for some of its more controversial oil and gas-related decisions.

Brian Brennan is the award-winning and best-selling author of six critically acclaimed narrative non-fiction books about the colourful personalities of Western Canada's past. Brian's latest title, The Good Steward: The Ernest C. Manning Story, is the long-awaited first in-depth biography of the radio preacher who became Alberta's longest-serving premier. One of his books, Romancing the Rockies, won him the inaugural Dave Greber Freelance Writers Award. Another title, Scoundrels and Scallywags, topped the regional best-seller charts for more than eighteen months and was short-listed for the prestigious Grant MacEwan Author's Award. His other books include the first biography of renowned Canadian historian James H. Gray, and the first biography of the celebrated nineteenth century Irish folk poet Mary O'Leary, which was nominated for the Irish Times Literary Prize. A former staff writer with the Calgary Herald, Brian has written freelance articles and columns for magazines and newspapers across the United States and Canada, including the New York Times, Globe and Mail and Toronto Star. He serves on the National Council of The Writers' Union of Canada. He is also a talented musician. For more information, see <a href="http://www.brianbrennan.ca">http://www.brianbrennan.ca</a>

TIME: 12 noon, Wednesday, January 14, 2009. NOTE NEW LOCATION

PLACE: Calgary Petroleum Club, 319 - 5 Avenue S.W.

COST: Members \$30.00 and Guests \$35.00 (most welcome) (cash or cheque only)

R.S.V.P. if you wish to attend to: Helen Turgeon, 403-239-4863 or <a href="mailto:heldon@shaw.ca">heldon@shaw.ca</a> by noon Monday, January 12

Individuals who indicate that they will be attending but do not materialize will be considered "no shows" and will be invoiced for the cost of the luncheon.

Individuals who do not R.S.V.P. cannot be assured of seating.

# THE PETROLEUM HISTORY SOCIETY THE BULL WHEEL



**Next Board Meeting:** The Board will meet on January 29 at the Glenbow Museum and Archives. Thanks to Treasurer Doug Cass and the Glenbow for their hospitality.

**Volunteers:** We are always on the lookout for people with the energy and dedication to help us grow and to undertake projects on the Society's behalf. Please contact Clint Tippett (691-4274), Doug Cass (268-4203) or Hugh Leiper (249-0707) if you would like to get involved.

**Next Luncheons:** We are seeking speakers and interesting subjects. If you are considering making a presentation, please contact Clint Tippett, President P.H.S., at 691-4274.

Canadian Centre for Energy Information: The P.H.S. has a "Content, Marketing and Traffic Partnership" with the Centre. This arrangement is an expression of the mutually beneficial cooperation that exists between our two organizations. Please see <a href="www.centreforenergy.com">www.centreforenergy.com</a> for more details. Of particular interest to our members is their on-line historical volume "Evolution of Canada's Oil and Gas Industry" that can be downloaded free of charge.



www.centreforenergy.com

**Donations to the Society:** We wish to thank, once again, our generous donors for their contributions during 2008. Member David Marks and Lifetime Members John Andrichuk, Evelyn de Mille, John Downing, Bruce Goodall and Gordon Wells all came forward to help us out financially. Thanks very much.

Headline: "Canadians Blissfully Ignorant of History": As reported in the Calgary Herald on October 20, 2008, a recent study discovered an interesting correlation between education and pride in Canadian history. Nearly 60% of those with only a high school education agreed with the statement "I am proud of the history of Canada", while only 40% to 49% of those with college and university education voiced the same sentiment. As stated by Jack Sedwab, Executive Director of the Association for Canadian Studies "Those who argue that people lack pride in the country and its history because they lack awareness of it might be startled to learn that those with less education – which can be safely be equated with less knowledge – are most likely to express pride in the country's history. More awareness of Canada's history may reduce pride in the country rather than augment it". Not quite sure that this correlation of knowledge and education is a valid one and certainly people with different life experiences value different things about Canada, but in any case, something to ponder. But not applicable to petroleum history!

Barbecues, Booms and Blogs: 50 years of Public Relations in Calgary: A book by this title was recently released by the Canadian Public Relations Society: Calgary member Society. Edited by ex-P.H.S. Board Member Peter McKenzie-Brown and Jim Rennie, it contains a number of chapters devoted to different aspects of the public relations in Calgary over the years. Of particular note are the chapter by Peter entitled "Centre of a Storm: The Canadian Petroleum Association during the Energy Wars" and the one entitled "Working for Big Oil" by David Annesley. The book does not appear to be for sale but a contact with your friendly neighborhood P.A. person will likely net you a look.

**GeoExpro magazine and Website:** A great new publication of interest to those in the oil and gas industry has recently become available. It is called GeoExpro and can be accessed at geoexpro.com. The publication contains lots of very well illustrated technical articles about emerging technologies and activities in "hot" areas of the world and, two series of articles of particular interest to our readers. The first is called "History of Oil" and has recently featured "Spindletop, Texas – The Discovery that Changed the Oil Industry Forever" and "Persia 1908 – The Centenary of the First Oil Well in the Middle East". The second series is "Geotourism", having a broader historical aspect, and includes "Marching in Murchison's Footsteps" concerning the definition of the Silurian System in Wales in the early 1800's. At least for now, subscriptions can actually be obtained free of charge and articles can be downloaded.

**Déjà vu?:** The October 31, 2008 issue of Swerve magazine, distributed with the Calgary Herald, contained a feature article by David Campion entitled "When oil was \$15 a barrel". It is a photo essay based on a collection of photographs that David took in 1992 and 1993 in the Alberta oilpatch and primarily in and around the operations of PanCanadian Petroleum. An excellent accompanying text was provided by P.H.S. member David Finch who recalls the rollercoaster ride of oil prices at that time. The photo project was endorsed by the P.H.S. and was facilitated by P.H.S. Past-President and Membership Director Micky Gulless through her contacts at PanCanadian. Micky appears in the article wearing her fur coat while admiring some pumpjacks in the field. The shot is strongly reminiscent of a widely circulated picture of a lady wearing her furs striding away from the Atlantic No. 3 blowout on the morning of March 8, 1948. That shot, by Howard Blanchard, was published on page 63 of Aubrey Kerr's book "Atlantic No. 3".

**De Mille Technical Bookstore:** This bookstore, originally established by P.H.S. Lifetime Member Evelyn De Mille, was up until recently part of the McNally-Robinson bookstore on the Stephen Avenue Mall. With the demise of the latter location last July, the fate of the Technical bookstore was uncertain but we were pleased to learn that it is due to re-open in early January at 207 – 6 Avenue S.W. The store has always been one of the key outlets for new historical books concerning the patch and we trust that this tradition will continue. An update as to the titles carried will hopefully appear on the P.H.S. website sometime soon.

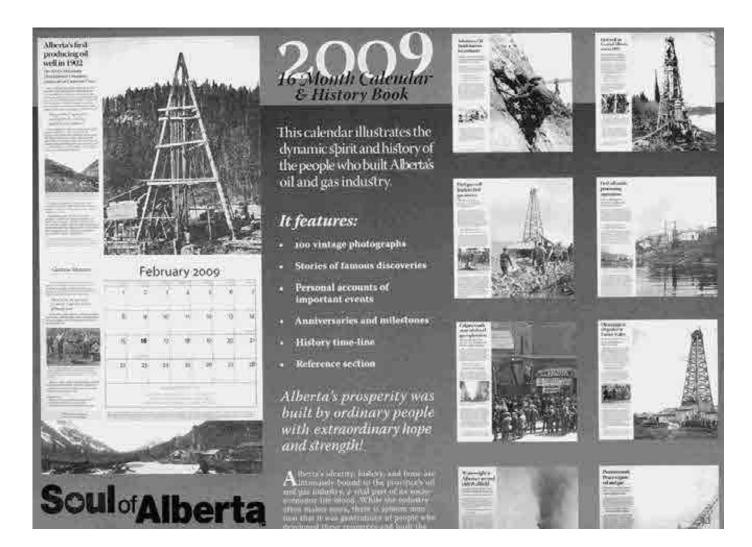
**Archives** is published approximately six times a year by the Petroleum History Society for Society members.

**Archives** is copyright to the PHS – all rights reserved.

Back issues are archived on our website at <a href="www.petroleumhistory.ca">www.petroleumhistory.ca</a>

Contacts: info@petroleumhistory.ca

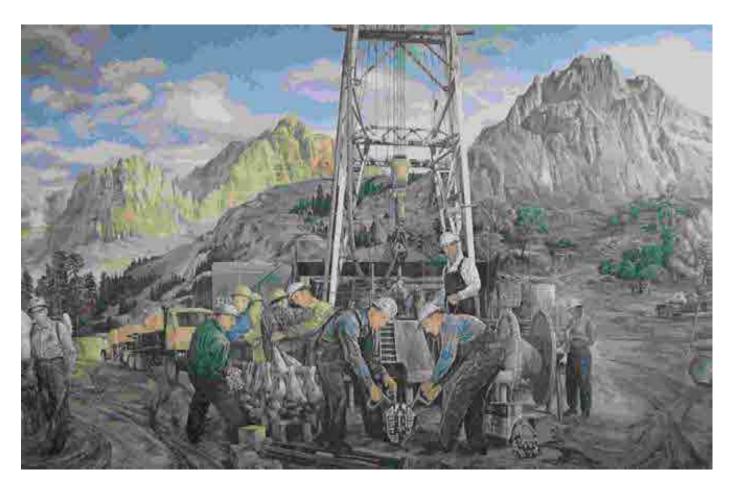
President: Clint Tippett – <u>clinton.tippett@shell.com</u> 691-4274 Secretary: Peter Savage – <u>p2savage@telus.net</u> 249-3532



### ALBERTA PETROLEUM DISCOVERIES – 2009 CALENDAR AND HISTORY BOOK: CREATED BY RANDAL KABATOFF AND SOUL OF ALBERTA

The appearance of the 2009 edition of the calendar that first appeared last year (and won our Multimedia Award for 2007" was a welcome sight. Randal has worked very hard to create a worthy successor and he has succeeded. As described above, the calendar is jam–packed with 100 vintage photograph and voluminous accompanying text. It retails for just under \$20.00 and is available as described by Randal below.

Randal communicated the following in a recent note that illustrates his dedication to this work: "I was late in getting this one out as I only started researching it in August (thought I was going to do a Canadian Oil patch history instead and switched topics). It took me two months work to get it to the printing stage in October. I think it is better than last years on several counts - always room for improvement! I am planning now the 2010 Alberta edition and the 2010 Canadian editions and hope to have them out by the late spring this time. I am interested in receiving topic input now. In Calgary the History Calendar-Book, as we are now calling it, is available at the Glenbow, and most Coles, Chapters and Indigo, SAIT Book Store and ArtPoint Art Gallery. We intend on promoting it heavily until the end of January or February 2009. Energy TV is working on a segment about it and other media have picked it up. We made the cover of The Wildcatter and I am the Wildcatter of the Month." Well done Randal.



DETAIL OF AMOCO MURAL, AS DONATED TO THE PETROLEUM HISTORY SOCIETY BY LIFETIME MEMBER LEROY FIELD

The P.H.S. was recently approached by Lifetime member Leroy Field to see if we were interested in receiving a framed colour print of a mural-style picture that has been created for Amoco and its employees, apparently back in the 1960's. We indicated that we would be pleased to do so and Leroy brought the creation to the December P.H.S. luncheon where those members attending were able to have a look at it. [For those of you who don't remember Amoco, it started as Standard Oil of Indiana (Stanolind), became PanAmerican and then Amoco before being purchased by BP. It was a long-term player in Canada but its strongest Canadian connection was its purchase of bankrupt Dome Petroleum in the 1980's.] The photo above is approximately a quarter of the panorama. The full scene starts farther to the left with the most upstream of upstream activities – field geology – and passes to the right through seismic acquisition, drilling, completion and testing, pipelining, refining and transportation of finished products to customers. The illustrations are remarkable detailed and it is clear that a major effort was made to include as many facets of the petroleum activity chain as possible. One of the most remarkable features of the panorama, and something that one needs to be informed of by an ex-Amoco employee like Leroy, is that that actual "individuals" in the illustration are the senior managers and other executives who were in control of their respective parts of the Amoco organization at the time. This somewhat humourous aspect is something perhaps unexpected in an otherwise very serious organization. The item is in storage but efforts will be made to bring it along if the P.H.S. has a booth at a convention or other gathering where it would serve as an excellent conversation piece. Thanks again to Leroy for allowing us to provide a home for this valuable piece of oilpatch history.

#### John Lineham's Three Little Wells Pointed the Way

by

P.H.S. Member Sandy Gow, Concordia University College, Edmonton.

The gas strikes at Langevin Siding and Medicine Hat excited the imaginations of southern Alberta entrepreneurs. Three among them were John M. Lineham, John Leeson, and Allan P. Patrick. They were convinced that their fortunes lay in exploiting an oil seep reported by Native people at Cameron Creek in the Waterton Lakes area, where a national park had only just been established. Their Rocky Mountain Development Company freighted in its \$700 cable tool rig by team and wagon and in November, 1901 the crew began to drill in what was then a wilderness. Oil flowed at 1,020 feet but then the problems began: the casing failed, allowing surface gravel to plug the hole above the tools, and when the safety-valve on the boiler was wired down to increase the steam pressure for "one big pull" the boiler burst. That ended the season. The visionary in the group, John Lineham, found new funding, the hole was cleaned out, and a crude refinery processed a little of the oil that reached the surface. Well #2 (1904) and # 3 (1905) followed, but in both cases the tools were lost and the holes had to be abandoned. Several other small firms tried drilling at Cameron Creek after he was forced to leave, but all failed for financial or technical reasons. One company (1909-1910) drilled to a depth of about 3,000 feet and part of the hole was completed with a diamond drill. By 1912 some 20 holes had been drilled in the area of the South Kootenay Pass but little oil was produced. If money was available the technology was not; the tools of the time could not deal with the difficult geology of the Rocky Mountain foothills. Furthermore, the federal government put a stop to exploration in national parks.

But oil was in the area; in April, 1926 Evrett Marshall, editor of the Alberta Oil Examiner, stood next to Lineham's first hole and saw oil near the top of the casing. However, by then the wildcatters had moved on and found light crude in Turner Valley and heavier crude in the Wainwright area. And yet, the possibility of making it big in the Waterton area, whether through oil or gas, was not forgotten. As for John Lineham, he left wildcatting and moved on to farming, ranching, trucking, and finally working part-time for East Crest Oils south of Turner Valley. He passed away in 1952. Some 50 years after Lineham's first attempt, Shell led the way and with solid financing, beefed-up technology, and a good working knowledge of the local geology it managed to find what most others had sought many years before. At the time Shell could not market the field's wealth of natural gas because of a lack of immediate markets and a processing facility, but that changed a few years later. Lineham's dream became a reality, and his three little wells had pointed the way to the future.

Our thanks to Sandy for this historical story from Southern Alberta.



Tank Cars at the Shell Waterton Gas Plant

#### It started with a bang!

by

Sandy Gow, Concordia University College, Edmonton.

Early petroleum discoveries in the Canadian west were dominated more by the successful exploitation of natural gas than of oil, and the Alberta gas industry started with a bang, not a whimper.

In December 1883 a drilling crew, under contract to the Canadian Pacific Railway, was searching for all too scarce water for locomotives at Langevin siding (today Alderson), approximately 55 kilometres west of Medicine Hat. The crew was using a cable tool rig, a small and flimsy collection of wood, steel, and wire, which used percussion from a steel bit dropped repeatedly down a bore hole to break up the sub-surface formations.

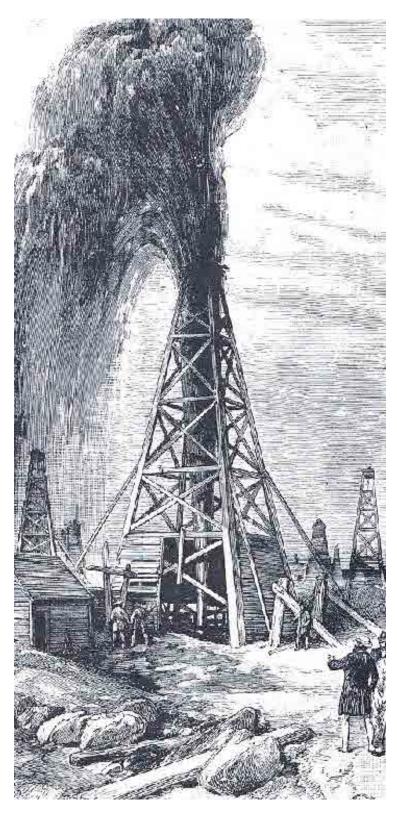
They hit gas at 1,120 feet, passed through the formation, and continued the search for water. Their luck ran out on 8 January, 1884 when at 1,155 feet they hit gas again, but this time with disastrous results. The gas, pouring out from what is today known as the Milk River Formation, crept along the ground to the wood frame shack housing the coal fired steam engine which provided the percussive power for the bit, and exploded. One of the crew, forced to jump from the derrick, had his leg fractured, while another on the ground received burns to his face and arms.

How the fire was extinguished – by the actions of the crew, or the natural intrusion of water produced with the gas – is not known. Once under control the gas from this well was used to power a second steam-driven rig, which soon drilled a second well and also struck gas. The flow was estimated at 50,000 cubic feet a day. This gas was used for heating at the station and the well produced gas for over fifty years.

Thanks to Sandy for this final contribution of his four articles that he has submitted to Archives.



The Old Ways of Exploring and Exploiting!!



An Old Style Gusher brought instant wealth and fame to many communities around the world. Some led to extensive exploratory and development drilling and sustained production, while others only enriched the promoters and those who supplied the operations. Whatever the outcome, cities, towns and villages romantically dreamt of "the big strike" that would catapult them into the limelight and bring fame and fortune to all that were associated with it.