

PETROLEUM
HISTORY
SOCIETY

ARCHIVES

Newsletter of the Petroleum History Society

November 2010; Volume XXI, Number 8

P.H.S. Lunch and Learn Meeting – Wednesday, November 24, 2010

Nathan E. Tanner: Religion and Alberta Petroleum

by Nathan Hawryluk, Historian

Most historians have examined Nathan E. Tanner's role as either a petroleum or a religious leader. Tanner was initially Minister of Mines in the Alberta Government and later a director of TransCanada Pipelines during the vital early days of its existence. Although Tanner (1898-1982) left industry to serve in the Church of Jesus Christ of Latter-day Saints full-time, it is too simple to divide his career into a petroleum period and a religious period; he was involved in the Church throughout his life. To evaluate how Tanner's religion influenced his petroleum work in the public and private sectors, this presentation will look at Latter-day Saint doctrines and Tanner's beliefs in social welfare, free enterprise and resource stewardship. His discourse will be studied to determine if he used evangelical, Social Credit or Mormon rhetoric. On the whole, religion cannot and should not be separated from Nathan E. Tanner's petroleum work in government and industry.

Nathan Hawryluk graduated from the University of Calgary in June 2010 with a B.A. with Distinction in History and minor in Russian. After a history course on the North American petroleum industry, which led to joining the P.H.S. and its Board of Directors, Nathan wrote the James Gray Prize nominated paper on which this presentation is based for a course on Canadian religious history. His article "Military Linguistics: Russian in the Red/Soviet Army" was recently published in Journal of Military and Strategic Studies. Nathan is a member of the Canadian Association of Slavists and the Canadian International Council and intends to combine these interests in his next research project on energy and security in Eastern Europe from the Cold War to the present.

TIME: 12 noon, Wednesday, November 24, 2010.

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

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

**R.S.V.P. if you wish to attend to: Clint Tippett, 403-691-4274 or
clinton.tippett@shell.com by noon, Monday, November 22, if not sooner.**

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. by the deadline cannot be assured of seating.

THE PETROLEUM HISTORY SOCIETY
THE BULL WHEEL



Next Luncheons: Following the November 24 event, our next luncheon is scheduled for December 15 as a talk and Christmas social. We are always seeking speakers and interesting subjects. If you are considering making a presentation, please contact Clint Tippett, President P.H.S., at 403-691-4274.

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 www.centreforenergy.com 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.



Canadian Centre
for Energy Information

www.centreforenergy.com

Report from the Board - Board Changes: There have been a couple of changes in our Board since the Annual Meeting. Helen Turgeon is now Secretary, replacing Peter McKenzie-Brown who is working with Bob Bott on the Oil Sands Oral History project. Micky Gulless has taken over as Treasurer from Doug Cass who held that position for many years. Doug lines up speakers for our lunches, updates his extensive bibliography (currently over 600 pages at <http://petroleumhistory.ca/history/phsBiblio.pdf>) and answers queries from the public about old companies. Both Peter and Doug remain on the Board as Directors. Your current Board is: President - Clint Tippett; Vice President - Bob Rintoul; Secretary - Helen Turgeon; Treasurer - Micky Gulless; Directors - Bob Bott, Doug Cass, Penny Colton, Nathan Hawryluk, Ryan Kalt, Neil Leeson, Hugh Leiper, Peter McKenzie-Brown, Bill McLellan.

Membership: 81 New Members! Membership has increased by 15 new members so far this year, PLUS 66 more Honorary Members. At our April board meeting, the Society decided to thank those who have contributed to the preservation of Canadian petroleum history. We offered a free Honourary membership to those who have spoken to us or received an award since the creation of the society in 1985. Current members and organizations were excluded. A few people declined the offer, some have passed away and there were some we couldn't find. We will continue to offer a 1-year membership to new speakers and award winners in the future. Nearly all the Honorary Members receive information by email only, saving us money on postage and saving labour on mail-outs.

Welcome to all these new members. We hope to see you soon at an event.

Our membership now totals 188: 39 Lifetime Members; 83 Individual Members – including some Sustaining Members who have also donated to the Society; and 66 Honourary Members.

Donations reach \$4120: Thanks to all our generous donors this year. Donations of \$4120 are far above \$725 last year and \$630 in 2008. We will apply for an Alberta Community Spirit Grant which will match these donations if our application is successful.

Petroleum History Society Scholarship at the University of Calgary – Award winner this year is P.H.S. Member Kelly Ogle: Congratulations to Kelly on this award of \$1500 in support of his studies. The following is the research proposal that Kelly submitted and is currently pursuing. It is particularly appropriate as October 28, 2010 marked the 30th anniversary of the introduction of the controversial National Energy Program by the Federal Government in Ottawa.

"In 1974, the Government of Prime Minister Pierre Trudeau pursued energy policies underpinned by economic nationalism and created Petro-Canada as a direct response to the oil shocks of the early 1970s. The company was a direct attempt to "Canadianize" Canada's oil and arguably, the nationalist impulses leading to the creation of Petro-Canada reached their apex in the National Energy Program (NEP) of October 1980. The NEP was one of the most controversial policy initiatives in Canadian history but was destined to fail and was formally dissolved in 1985-86. As two crucial components of a "Made in Canada" energy policy, Petro-Canada and the NEP seemed to represent a policy approach that reflected the imperatives of the energy crisis in an increasingly volatile industry and would enhance energy security for Canada far into the future."

Since 1970 national or state-owned oil companies have come to dominate the global oil industry. Presently, 17 of the 20 largest oil companies in the world are National Oil Companies (NOCs). Given that Canada has one of the most globally significant petroleum deposits in the oil sands – estimated to hold 1.3 trillion barrels of crude oil of which approximately 100 billion barrels is recoverable using current technology – can the private sector best secure adequate oil and gas supplies to ensure Canadian energy security in a rapidly changing global environment? Furthermore, the impact of the oil industry in western Canada in the second half of the twentieth century caused a quantum shift in national economic importance for the western provinces, most specifically Alberta. Unfortunately, there exists in Canada a disparate attitude between west and east relating to the oil industry's importance. The social construct of our nation is at an interesting crossroads over the importance of Canada's energy future. By surveying citizens from St. John's to Victoria, I hope to better understand the dynamics of how Canadians perceive energy and its importance in the future, both short and long term."

Best wishes for this investigation, Kelly!

Archives is published approximately eight 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 www.petroleumhistory.ca

Contacts: info@petroleumhistory.ca

President: Clint Tippett – clinton.tippett@shell.com 403-691-4274

Secretary: Helen Turgeon – heldon@shaw.ca 403-239-4863

Mount Royal University Conference: October 13-16, 2010 saw the gathering of many experts at M.R.U. for an event entitled “Under Western Skies: Climate, Culture and Change in Western North America”. Among the participants was Andrew Nikiforuk (author) speaking on “Canada over a Barrel”; Keely Kidner (Applied Linguistics, U. of Alberta.) on “Oil Sands or Tar Sands?: What these Words really mean in Alberta”; Conny Davidsen (Geography, U. of Calgary) on “Political Ecology of the Tar Sands Discourse and Transformative Governance”; Jon Gordon (English and Film Studies, U. of Alberta) on “Unraveling Fort McMurray: Literature, Ecology and Politics”; and Glenn Mitchell (History, University of Wollongong, Australia) on “The Athabasca Oil Sands and the Burrup Gas Project: How Environmental Justice Failed in the West of Australia and the West of Canada”, followed by a special screening of Warren Cariou’s documentary film “Land of Oil and Water”. Can anyone say “political agenda”?

Edward Burtynsky: As previously reported, Burtynsky’s high resolution photographs of industrial activities continue to attract attention. At the M.R.U. event described above, Richard Kover (Philosophy at K.U. Leuven (Belgium)) spoke on “Are the Oil Sands Sublime?: Edward Burtynsky’s Challenge to Environmental Aesthetics” in the session entitled “The Toxic and the Ugly”. A new photo exhibit by Burtynsky in Edmonton was reviewed in a double page spread of the Calgary Herald on September 26, 2010 that featured shots of the Fort McMurray area mines and upgraders, the Cold Lake facilities and shipbreaking in Bangladesh. And not to pass up an opportunity, the artist was featured on the cover and in an 8 page spread in the Fall issue of the glossy “Canadian Art” that carried his photos of the Gulf Oil Spill and adjacent areas of the Mississippi Delta. To be fair, these were some of the most graphic aerial shots that have been available of this environmental tragedy.

Calgary Business Hall of Fame posthumously honours Ted Rozsa: Junior Achievement recently celebrated the induction of three individuals into the Hall. The following is extracted from an article about Ted in the November 2010 issue of “Business in Calgary”.

“Born in 1915 in Grand Rapids, Michigan, the son of a Hungarian immigrant who instilled in him the values of hard work and education, Theodore (Ted) Rozsa was the kind of man whose integrity was a defining trait of his character. “He lived by example,” says Ruth Anne Rozsa Rayner, one of his three children. “If people emulate his enthusiasm and dedication to learning, that would be very important to him.” ...

His journey to Calgary began in 1949. After getting a Bachelor of Science degree from what is now Michigan Technological University, he became a pioneer in the postwar oil industry. While working in Texas, he met and married Lola in 1939 and moved to Calgary to become Chief Geophysicist for Shell Oil Company. “I can remember even when we were driving up here when I was only seven, going through Colorado, dad would point out all the different rock formations,” recalls Ruth Ann. “His education and his passion – rocks, geology, geophysics – all played a part not just in his work life but his whole life.”

One year later in 1950, Ted made the bold move to leave Shell and start his own company, Frontier Geophysical, which was later sold in 1963. He then founded Rozsa Oils, which became Basset Oil Ltd. in 1969 until he sold it in 1979 to form Rozsa Petroleum, of which he was the owner and president until 2002. Ted was the kind of a man who could easily run a one-man outfit, playing the role of everything from book-keeper to on-site geologist in the field. Throughout his career and entrepreneurial ventures, he was always known as a man of his word. His passion for the arts, education, health care and many other charitable causes left an indelible imprint on Calgary’s landscape. “When he set his mind to doing something, he did it,” says Lola. “

REMEMBRANCES

Frank Colton: P.H.S. Member Frank Colton was born December 7, 1931 and passed away September 26, 2010 the age of 78 years. Frank was the husband of P.H.S. Director Penny Colton to whom we convey our condolences.

Frank, in his youth in the late 1950's and early 1960's, had been a Formula 2 race car mechanic for Tulip Motor Racing, and a truck driver for their flower shops on the Strand. He served as a radar technician in the Royal Air Force in the early 1950's on air bases in the UK and in Egypt. His electronics training prepared him for later work on seismic crews (land and offshore) as a "seismic observer" for Petty Ray in Niger and Chad and as a seismic survey navigator or gravity operator for Western Geophysical, CGG and GSI. Frank came to Canada in the 1960's and worked in Toronto and the Yukon, before he running airborne EM surveys for Barringer and meeting Penny on survey crews in the NWT. After moving to Calgary, he worked for Seiscan Delta as a geophysical processor. He returned to offshore survey drill rig positioning for the Canmar and Beaudril fleets in the Beaufort Sea, as well as through other contracts in the North Sea and offshore Africa. He served one year as President of the Prairie Schooner Branch of the Canadian Hydrographic Association and operated gravity surveys and rig positioning on ice sheets in the High Arctic. Frank retired in approximately 1992 – after the Calgary based flotilla of seismic survey vessels and drill ships had exited the Beaufort Sea and northern exploration had largely ended. He had been expecting his stay in the Rockyview Hospital to be a short one and to be back attending the luncheons of the Petroleum History Society, Canadian Society of Exploration Geophysicists, CSPG, APEGA and the Calgary Mineral Exploration Group.

Gordon Kelly: P.H.S. Honourary member Gordon Kelly was born December 27, 1933 and passed away Saturday, October 9, 2010 in Calgary at the age of 76 years. Gordon graduated from the University of Toronto with a degree in Mechanical Engineering and also received an MBA from the Harvard Business School. He spent his professional life working in the oil industry and as a business management consultant in a variety of industries. He recently completed a book entitled "*The Oil Sands: Canada's Path to Clean Energy?*". Gord was the luncheon speaker at our June 2010 event where he described the investigations and conclusions that formed the basis of his book.

Fred Hulme: P.H.S. Member George Frederick "Fred" Hulme was born on April 23, 1920. He had a modest beginning on a farm near Manitou, Manitoba. Being a natural athlete he excelled in track, hockey and football. His track career included Manitoba record setting championships in the late 1930's. He was courted by both the Winnipeg Blue Bombers and the Toronto Maple Leafs. Instead, he answered the call to duty in the Royal Canadian Navy where he served as Yeoman of Signals on Corvettes ("the little ships that saved the day") that escorted supply convoys safely across the North Atlantic for the duration of World War II. After the war, Fred completed his education at the University of Manitoba with degrees in Geology and Law. Upon graduation, he was employed by TransCanada Pipelines for whom he secured the right-of-way across the prairies and Northern Ontario for the pipeline which would enable the delivery of Western Canada natural gas to Southern Ontario and the Eastern United States. Subsequently, as TransCanada's principle gas supply representative, Fred was highly respected in the Western Canada natural gas industry for his ingenuity and integrity. Following his TransCanada career, Fred embarked on a successful international career consulting to the natural gas industry. In addition, he was instrumental in organizing the small natural gas producers of Western Canada into an independent marketing consortium. Fred passed away on October 31, 2010.



This classic stock certificate was recently donated to our Society by Wilma Wright of Edmonton. The certificate represents 12 shares in the Herron-Elder Oil and Gas Development Company, Limited, as purchased by her husband's grandfather on May 24, 1914. Nice flare! There are several interesting aspects to the document. First is the name "**Herron**" in the company. William S. (Bill) Herron was one of the earliest proponents of the petroleum prospectivity of the Turner Valley anticline and had assembled a considerable spread of subsurface rights in "The Valley". It was the company of which he was part, Calgary Petroleum Products, that was drilling the Dingman #1 well. John Elder was one of the people in charge of drilling that well but it isn't clear what relationship Herron and Elder had in the Herron-Elder company. Perhaps this was to raise money for additional drilling on other lands in the region that they held jointly? Second was the **timing**. The discovery of sweet oil and gas in the Cretaceous section at Dingman #1 at Turner Valley occurred on May 14, 1914 and this certificate is dated May 24, 1914 – only 10 days later. Obviously they were wasting no time in raising additional funds to capitalize (so to say) on their success. This certificate was undoubtedly purchased during the frenzy that erupted on the streets of Calgary immediately after word was received of the discovery. As background, the company was established in Alberta in November 1913 (Dingman #1 spudded in January 1913). It was later merged into Herron's Alberta Petroleum Consolidated and was struck off the register in 1924 by which time Royalite had gained the controlling interest in the play and was on the verge of discovering the prolific sour gas accumulation in the underlying Mississippian section in the well Royalite #4 to the north of Turner Valley. *Thanks to Treasurer Micky Gulless for arranging this donation.*

1925 PETROLEUM FILM AWAITS CONVERSION

On October 7, the Glenbow Archives celebrated Archives Week with a well-attended first-ever Film Night. The films were on a petroleum history theme and comprised:

- the first reel of a 2-reel 1925 silent movie gem called "Petroleum, Alberta's Newest Industry" made by the Canadian Pacific Railway and the Canadian Department of Immigration and Colonization,
- amazing film footage of the wildly-spewing Atlantic #3 oil well blowout at Leduc in 1948, and
- a selection of Esso service station television commercials from the 1950s.

The Glenbow also has reel 2 of "Petroleum, Alberta's Newest Industry" but it hasn't been seen. The film is on old nitrate stock - the pioneer of motion picture film bases - which is unstable and highly flammable. The Glenbow also has about 10 more nitrate film reels, including:

- "Homemaking by Irrigation: How the magic of engineering has made a new Eden in Western Canada" (2 reels),
- "Coal Mining in Alberta" (1 reel),
- "Indian Days in the Canadian Rockies", starring Chief Buffalo Child Long Lance (2 reels), circa 1920s,
- "Funeral of Sir James Lougheed" (1 reel), 1925,
- Banff and polo playing (1 reel), circa 1920s, and
- "All over the World" (1 reel), circa 1930s, about the Red Cross and its activities around the globe.

The Glenbow has had good results with a conversion company in Thornhill, Ontario. The cost is \$500 per reel, which takes the film from nitrate to DVD.

Here's my challenge to PHS members:

Can we raise enough money to convert the Glenbow's nitrate films, especially reel 2 of "Petroleum, Alberta's Newest Industry" so they can be viewed?

Glenbow Archivist Susan Kooyman has recommended that the Petroleum History Society collect any contributions from our members and submit them all at once. If you want to contribute to this cause, please mail your cheque **payable to the Glenbow Archives** to:

The Petroleum History Society
c/o Micky Gulless, Treasurer
1638 Broadview Rd NW
Calgary T2N 3H1

- Micky Gulless
- Treasurer, P.H.S.
- and Silent film buff



STUNNING OIL & GAS GIFTS

- The Best Gold Plated Oil & Gas Gifts
- Perfect for anyone within the energy industry
- Impress that special someone this year

G-Products Executive Gifts carries a range of fabulous oil & gas gifts guaranteed to impress. Give a gift that will be memorable for years to come. Our animated gifts simulate the pumping of oil!

Visit our website or call now!

www.gproducts.ca

sales@gproducts.ca

403-870-9413



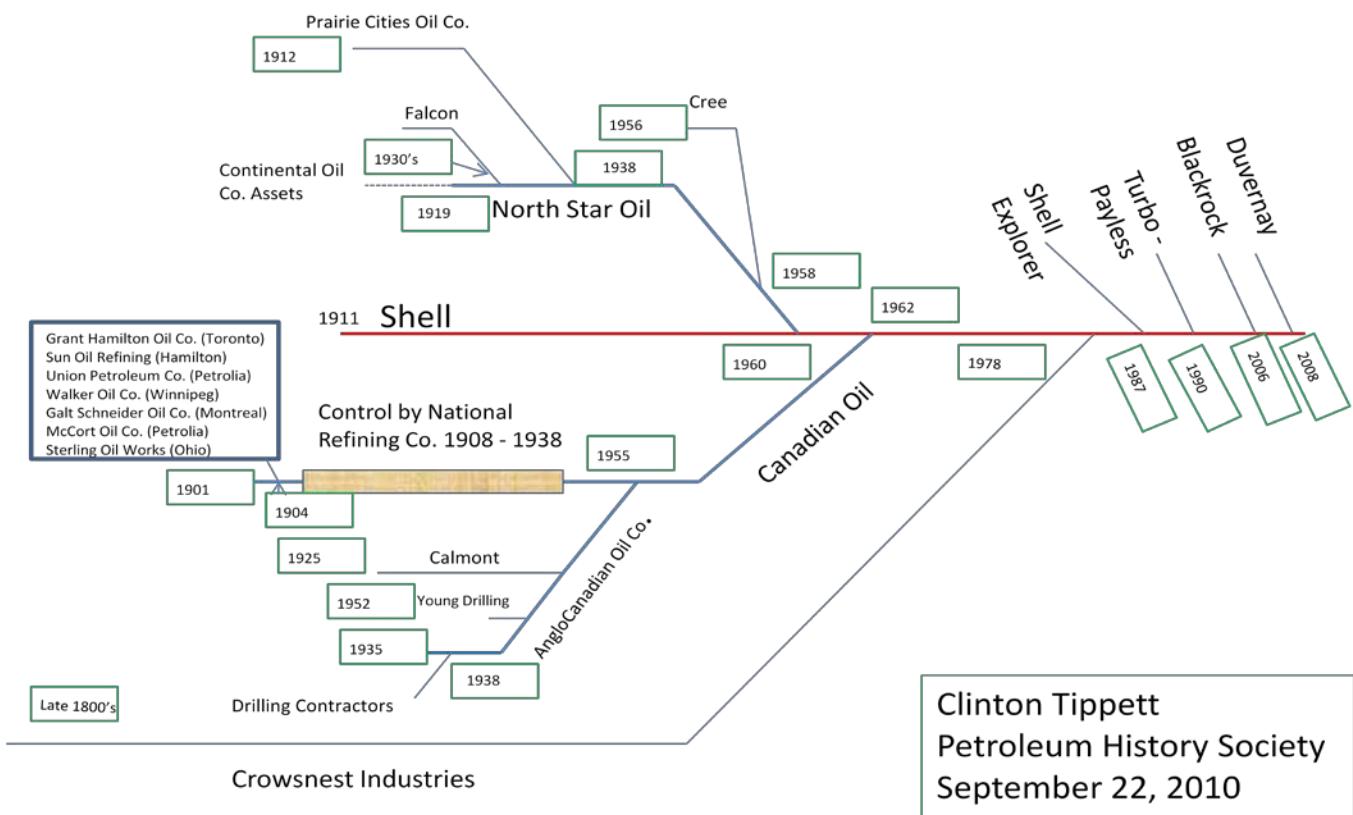
OFFSHORE DRILLING DISASTER – ONTARIO VERSION

The following is extracted from the Newsletter of the Canadian Drilling Rig Museum in Selkirk, Ontario, near Lake Erie.

“1930 John B. King Drill Skow Disaster – St. Lawrence River

Brockville J.B. King Drill Boat, at 140 feet long, was the largest drill boat at that time and was owned by J.P. Porter and Sons of St. Catherines, Ontario. It had 12 Sanderson Cyclones on one side [presumably the type of drill]. They were drilling holes for blasting a channel through Brockville Narrows, off Cockburn Island in the St. Lawrence River. On June 26, 1930 several holes had been drilled in the rock and loaded with dynamite. As the day crew was drilling additional holes, the night shift workers were sleeping below. At 4:30 p.m., a sudden severe electrical storm hit. A bolt of lightning hit the barge causing an explosion. The J.B. sank immediately. Twelve crew members of the 42 were rescued and 30 perished in the blast. Seventeen bodies were never recovered. This area of the St. Lawrence is approximately 120 feet deep and the wreckage of the drill scow is said to be right under the busy shipping lane. To this day, divers go down to explore what remains of the rig, which lies between sheer walls of granite rock.” If you are interested in joining those who support this local museum, please contact them at P.O. Box 97, 259 Kohler Road, Selkirk, Ontario N0A 1P0 or e-mail them at rig@canadiandrillingrigmuseum.com

The Inherited History of Shell in Canada



This diagram summarizes the presentation made earlier in the Fall by P.H.S. President Clint Tippett on the evolution of Shell Canada in terms of the major (and minor) acquisitions that it has made over the years since 1911, when it was first established in Canada, and in particular the degree to which these acquisitions have brought into the Shell fold a large amount of Canadian petroleum history. For example, the acquisition of North Star Oil in 1960, as a major step in expanding Shell's presence into Western Canada, brought along downstream roots in Prairie Cities and Falcon as well as its own short term venture into the upstream through its acquisition of Cree Oil (of which Ted Link of Imperial Oil, Norman Wells and Leduc fame) had been President. The story of Canadian Oil is even richer as its roots stretched back into the very earliest days of the Ontario oil industry in the Petrolia-Oil Springs region. The colourful 30 year period in which Canadian Oils had been controlled by National Oil Refining (Enarco) of Ohio was bracketed by eras in which Canadian Oil enjoyed its own "organic" growth. A very interesting side story is the degree to which Shell has inherited the mantle of some of the major players in the Turner Valley Field, specifically Calmont (est. 1925, bought 1952) and Anglo-Canadian Oil (est. 1935, bought 1955), who were major players in the post-1936 oil boom in "The Valley".

Shell has grown through a combination of its own investment/reinvestment and selective strategic acquisitions. Shell in Canada has also experienced some very interesting changes in its corporate ownership structure – but that's another story!

Please log onto the P.H.S. website at www.petroleumhistory.ca to listen to an audio record of the story that was told on September 22.

WHEN “IRON MAN” MEANT SOMETHING BESIDES AN ATHLETIC COMPETITION:

“IRON MAN” WANG JINXI OF THE PEOPLE’S REPUBLIC OF CHINA

The oil industry has always been a strategic enterprise in China, in particular given the relatively oil-poor nature of most of the country. Efforts to improve its production and performance, and to encourage workers to lead by example, were strongly encouraged after the Revolution.

The following is extracted from an article by Bao Lifang, George Yurkas and Gloria Zhao published in the Autumn 2003 – Winter 2004 issue of *The Petro-Philatelist* with the text having been translated from promotional material provided at Daqing, the historical centre of the petroleum industry in China.

“Wang JinXi (1923-1970), who was known as “Iron Man” in Daqing Petroleum Massive Campaign, is a vanguard fighter of the Chinese working class and one of the prestigious Communist Party members since the establishment of the P.R. China. He dedicated his whole life to the country’s petroleum industry. He made great contributions to make China self-sufficient in oil. Mr. Wang and his team not only drilled more than one thousand wells by overcoming many difficulties but also made fortune for China. His priceless “Iron Man Spirit” has been passing on from generation to generation.

“Iron Man Wang JinXi Museum” is located by the first well which Mr. Wang and his No. 1205 Drilling Team drilled in Daqing. It is a base for people nowadays to cherish the memory of Wang JinXi’s achievements and to develop the “Iron Man Spirit”. The museum covers an area of 54,000 sq. meters with the construction area of 3950 sq. meters. The exhibition covers a floor space of 2500 sq. meters. It includes a museum, one well and other historical remains. There are four exhibition rooms which display about 240 photos, 200 precious items and art works including oil paintings, statues, audio and video tapes, etc. It vividly presented not only Mr. Wang’s glorious life and outstanding contributions but the accomplishments in Daqing oilfield under “Iron Man Spirit” over the last 40 years. This museum has been nominated as the model museum for Patriotism education by the China Publicity Bureau. Honouring the 80th Anniversary of the Birth of “Iron Man” Wang JinXi, China Stamps Company published a commemorative stamp of the “Iron Man Museum” on October 8, 2003.”

Daqing Field had been discovered in 1959 with the name meaning “Great Celebration”.

It should be noted that Daqing is a sister city to Calgary, Alberta in recognition of their common petroleum focus and heritages. This relationship was established in 1985 and it had been preceded by the pairing of Heilongjiang Province in China with Alberta in Canada in 1981. Daqing has a “Calgary Road” while Calgary has “Daging Avenue S.W.” (part of 2nd Ave. S.W. in the downtown). Perhaps some guidance for the long-promised Turner Valley Interpretive Centre may be taken from the Daqing Museum?

For further information on the Calgary-Daqing connection, please visit:

<http://www.calgaryeconomicdevelopment.com/AboutCED/CEDdetails/dagingchina.cfm>