PETROLEUM HISTORY SOCIETY

ARCHIVES

Newsletter of the Petroleum History Society *October 2015; Volume XXVI, Number 6*

P.H.S. Lunch and Learn Meeting – Wednesday, October 28, 2015

Three Points of View – One Oil Patch Participant

Not many people have participated in the oil industry in multiple diverse and important roles. The speaker for this month's luncheon is **Brian Maynard**, a man who has a unique perspective on the Canadian oil industry that spans the country and is from three distinct angles. Brian is President of Marathon Oil Canada Corporation and is a native of Newfoundland. He served as Deputy Minister of Mines and Minerals for the Government of Newfoundland and Labrador, as Vice President of Government Relations at C.A.P.P. and is now in the midst of managing an oil sands company with operations in Fort McMurray in this time of challenging prices. Brian is a chartered accountant by trade with a degree from Memorial University of Newfoundland. He is an excellent speaker, and not shy to tell it how he sees it. For example, he believes Alberta needs a provincial sales tax, and eloquently makes the case for adding this tool for creating stability to the way government operates in this boom and bust province. Come prepared to ask questions and learn from an interesting oilman.

Time:	Time: 12 noon, Wednesday, October 28, 2015
Place:	Calgary Petroleum Club 319 – 5 Avenue SW, Calgary; Viking Room (but check marquee) Business casual dress.
Cost:	P.H.S. Members and Student Members $30 and Guests $35 (most welcome). Only cash or cheque at the door. Payment can be made in advance by credit card or by e-mail. Please advise payment method with reply.
Lunch:	Soup, sandwiches and cookies. Gluten-free? Vegan? Advise with reply.

NOTE: New Instructions for Registering for the Luncheon:

Reply, if you wish to attend, to: Loreen Sherman at 403-289-2292 or phs@star-ting.com by noon, Monday, October 26, if not sooner.

Those who register but do not come, or cancel after the deadline, will be invoiced.

Those who do not register by the deadline may not get a seat.

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

Hard Copy Archives: Members are reminded that if you would prefer to receive *Archives* as a hard copy through the mail rather than via e-mail, you can request that by contacting Micky Gulless at the "contact" address indicated on page 3 or by calling her at 403-283-9268. This option is also offered when membership dues are paid and/or information verification is sought at the beginning of each year. Different strokes for different folks – we just want to ensure that you read *Archives* one way or the other!

Upcoming P.H.S. Events:

November 25, 2015: Luncheon with David Sandmeyer (Orphan Well Association) on the status of orphan wells in Alberta, plus Sisi Fu (U. of Calgary and winner of P.H.S. scholarship for 2014-2015) on the affect that Crown vs. Freehold ownership has on the industry.
January 20, 2016: Luncheon with Leslie Reid (U. of Calgary) on her experiences as an interpreter at the now-dissolved E.R.C.B. Energeum interpretive centre and as a professor of geoscience at U. of C.
February 17, 2016: Luncheon with Curators from the Royal Alberta Museum on the development of petroleum history displays that are planned for a 2017 opening linked to the 150th anniversary of Canada.
March 30, 2016: P.H.S. Annual Meeting featuring keynote speaker Charlie Fairbank discussing the interpretation of petroleum history in southwestern Ontario.
May 4, 2016: Luncheon with Graham Taylor (Trent University) on International Petroleum Ltd., the subsidiary of Imperial Oil that operated in South America, including the parallels in developments with Western Canada.
June 1, 2016: Chris Turner (Author) on the use of the P.H.S. Oil Sands Oral History Project records in the Glenbow for the research involved in his forthcoming book on the oil sands.

Subjects of particular note in the Canadian Petroleum Industry: In a recent technical meeting we were recently asked to think about those aspects of the Canadian scene that are both important and distinct enough to warrant presentation to a global audience. Amongst the ideas put forward were: 1.The complete regulatory framework for operations in Alberta, 2. The Alberta land tenure system with differential ownership keyed to stratigraphy including deep rights reversion, shallow rights reversion and zone-specific postings, 3. The impact of proactive Frontier exploration during N.E.P. days on current activities. Let us know if you have more.

Canadian Petroleum Hall of Fame – 2015 Inductions: The annual induction ceremony and related dinner was held in Calgary on the evening of September 24, 2015. The P.H.S. was informally represented by President Clint Tippett and Directors Helen Turgeon, Doug Cass, David Finch and Loreen Sherman. All were seated at Helen's table with a good view of the stage. Helen (a member of the Hall in her own right since 2000) provided grace. The inductees this year were:

Clayton Howard Riddell – local oilman and philanthropist.
Gordon Jaremko – oilpatch journalist and P.H.S member.
Ronald Patrick Mathison – entrepreneur.

Their lengthy individual citations can be found on the website of the Hall. Event Chair Bill Whitelaw performed admirably and was kind enough to refer to the historical efforts of the P.H.S. in his remarks. He promoted the concept of E.S.L. – Energy as a Second Language. Prior to the presentations, both Jim Gray (a previous P.H.S. speaker) and Mike Timms (stockbroker) provided some context for the industry today. Clay Riddell spoke on behalf of the recipients and included his reassuring words that "there has always been a turnaround". Calgary Herald reporter Stephen Ewart reported on the event on September 25 with much of his text focused on Gordon's background and accomplishments. Congratulations Gordon!

Christmas Present: If any of our readers are interested in buying a relatively unique Christmas present, you should go to the Ten Thousand Villages store on Crowchild Trail just north of Kensington. They have for sale wall hangings made in Haiti from used oil drums. According to the description provided*: "To create these pieces, first artisans purchase old 55-gallon steel oil drums and prepare them by cutting them open, stuffing them with paper, straw and dried banana or sugar cane leaves and lighting them on fire in order to burn off any remaining chemicals or impurities. Once the drum has cooled down, the metal worker climbs on top and uses his weight to open it up and flatten it into a 3 x 6 foot sheet from which sculptures can be created. After it is flattened and hammered, artisans use chalk to transfer a hand-drawn paper design to the metal and then cut out this design with a hammer and chisel. To finish the product, pieces are sanded and sculpted. Some are brightly painted using vibrant hues, while others are buffed and coated with a rust inhibitor to allow the natural colour of the metal to show."* The piece that I purchased was made from the lid of the drum and therefore included the bung to give it a true oil industry connection!

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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Back issues are archived on our website at http://www.petroleumhistory.ca/
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Petroleum Club of Calgary Evolution: We all remember the old prohibition on women in the Calgary Petroleum Club – and the uproar caused by Pat Carney's selection and reception as "Oilman of the Year" in 1985. Women are now accorded the same rights as men at the Club and indeed three of their recent Club Presidents were/are women – B.D. DuPont in 2007-2008, S.E. (Sarah) Raiss in 2012-2013 and S. (Sippy) Chhina in 2015-2016. Their pictures are on the wall at the Petroleum Club along with those of all the others. Which reminds me – when is the Club going to have a proper history written about itself, just as the (now defunct?) Edmonton Petroleum Club did? I was reminded of this discrimination issue by a recent newspaper article describing how the Scottish St. Andrews Club, a 145-year-old organization based in Winnipeg, was still trying to remain exclusively male. Luckily they have now seen the light.

Geophysical History: I recently had the occasion to be reviewing some back issues of the magazine "Geophysics" from the late 1970's and early 1980's. Several notes of interest. In 1975 the average costs per mile for onshore seismic acquisition were dynamite $1996, compressed air $3179, gas exploder $1795, and vibrator $2253 while for offshore work the seismic cost per mile were for compressed air $363, gas exploder $409, implosive $296 and solid chemical $3636. In 1980, a graph was provided showing the average number of land plus offshore crew months per year in the United States. Somewhat to my surprise, the number ramped up continuously from 1932 (at just over 30) to 1952 (at just over 630) before continuously falling to 1970 (at about 190) and then beginning to climb again. So, if one assumes year-round operations, this is about 2.5 active crews in 1932 to 53 in 1952 to 16 in 1970. It would be interesting to know how much of that rise and fall were driven by oil prices, by pure prospecting zeal (or disappointment), by new geological ideas and by improvements in technology. Not sure what the significance of the 1952 peak was though. Any ideas? Finally the 1976 Professional Directory in the magazine included the following names for Canada: Peter Bediz (Exploration Consultant), Norman J. Christie (Geophysicist), Sudhir Jain (Consultant) and Roy O. Lindseth (Petroleum Geophysicist). During that period, Roy also featured prominently within the executive of the Society of Exploration Geophysicists while Sudhir is still today actively writing letters to magazines and newspapers.

Haenau Tirwedd: daeareg a theithio ym Mhrydain yn y cyfnod Rhamantaidd: This was the Welsh description for an upcoming convention in Wales on November 27 which translates as "Layered landscapes: geology and travel in Romantic-era Britain". It is described as *"A day of lectures and discussions exploring how new concepts in geological thinking changed perceptions of landscapes in the Romantic period, particularly in Wales and Scotland. How did the writers and artists, mineral- and fossil-hunters who travelled to and through these places respond to and interpret the unfolding dramas of the deep past? Planned to coincide with the exhibition celebrating the bicentenary of William Smith's* ***Geological Map of Britain (1815)****, this is the second in a series of collaborations between National Museums of Wales and the AHRC-funded project* ***Curious Travellers: Thomas Pennant and the Welsh and Scottish Tour 1760-1820.****"* Any interest?

Alberta Oil dominates the World: The July 2015 Alberta Venture magazine provided a profile of a key oil-producing part of Alberta – and we learned that Bow Island is important for more than its gas fields. The substance in question is dill oil, used in the production of dill pickles. The article states that *"Three farms in southern Alberta could be responsible for a majority of the dill oil used to flavor foods North Americans love, like the pickle. Dale Thacker estimates that about half the dill used in North American comes from Bow Island"* Thacker himself cultivates about 1000 acres of this crop using proprietary knowledge. Wow!

BOOKS OF INTEREST

Mau, Mark and Edmundson, Henry 2015. Groundbreakers: The story of oilfield technology and the people who made it happen. 462 p. Illustrations by Abigail Whitehead. Priced at $39.95 (presumably U.S. dollars). This is a print-on-demand publication that can be accessed through http://www.fast-print.net/bookshop On its back cover it is stated that *""Groundbreakers" describes an amazing technical journey. The challenge of finding and producing oil and gas relies on three centuries of research and experimentation in the field. The story is packed with human drama, extraordinary innovation and oversized personalities who dared to dream."* As P.H.S. member and speaker Roy Lindseth is mentioned in several parts of the book perhaps he falls into that latter category!

Bader, Christine 2014. The Evolution of a Corporate Idealist [When Girl Meets Oil]. Published by Bibliomotion. 242 p. $26.95. On its dust jacket the description is: *"Deep inside the world's biggest and best-known companies, there is an invisible army of people pushing for safer and more responsible practices. They are working to prevent the next Rana Plaza factory collapse and the next Deepwater Horizon explosion. Obviously they don't always succeed. Christine Bader was one of those people. She loved BP and then-CEO John Browne's lofty rhetoric on climate change and human rights – until a string of fatal BP accidents, Browne's abrupt resignation under a cloud of scandal, and the start of Tony Haywards's tenure as chief executive, which would end with the Deepwater Horizon disaster. Christine's story of her time deep inside the belly of the beast is unique in its details, but not in its themes: of feeling like an outsider both inside the company (accused of being a closet activist) and out (assumed to be a corporate shill); of getting mixed messages from senior management; of being frustrated with corporate life but committed to pushing for change from within.. "The Evolution of a Corporate Idealist" recounts Christine's extensive experience with BP and then with a United Nations effort to prevent and address human rights abuses linked to business. Using her story as a framework, Christine weaves in accounts of fellow Corporate Idealists in a range of industries, all of them fighting for more responsible social and environmental practices in companies across the globe."*

Gillmor, Don 2015. Long Change – a novel. Published by Random House Canada. 353 p. $29.95. This book was reviewed by Fred Stenson, a P.H.S. award winner, whose comments on the back of the dust jacket are*: "A rig hand become petro-millionaire follows his oil hunger to the continental edges. Don Gillmor's novel is fast-moving and smart, and his prose has a keen edge."* The book was also reviewed in the Calgary Herald by Eric Volmers on October 13, 2015. He makes the following comments*: "It's Calgary circa 2004, and the reader is dropped into a surreal domestic scene where our protagonist, wealthy oilman Ritt Devlin, is gunned down by his third wife Alexa when his back is turned fixing her a Snow Queen vodka on the rocks. It kicks off the sprawling 70-year tale of Devlin's life, following his story from 15-year-old West Texas oil-worker to enterprising geologist to globe-trotting executive and company owner. The story veers from Alberta' oilpatch to Nigeria, from Equatorial Guinea to the Arctic. Along the way we meet Devlin's three wives: sweet and bookish Oda, business-minded Deirdre and fiery, gun-toting Alexa. But while Long Change, named after the day when oil workers go from the night to afternoon shift, follows the life and loves of Devlin with intimate detail, the idea was to point to a bigger story about the local and global forces that help shape the world's most powerful industry, Gillmor says."*

NORMAN WELLS IN THE 1930'S

During the first half of the 20th Century, Norman Wells in the western Northwest Territories was celebrated on two fronts. First was the discovery of its Devonian pool in 1920 involving such colourful personalities as Ted Link. The second was its strategic role in being the origin of the crude oil for, and stating point of, the construction of the Canol Pipeline during the later stages of the Second World War.

The intervening two decades have generally been forgotten, despite the fact that they contain what is arguably at least as important a set of events for the development of northern Canada. Perhaps this is understandable given that Norman Wells was not the main event during that time but rather played a very important supporting role in the exploitation of the North's mineral riches.

The following is extracted from Richard Finnie's 1942 book entitled "Canada Moves North" published by The Macmillan Co. (pp. 120-129) The 1920's had been disappointing time for Norman Wells as there had been limited impetus for additional drilling and production. The passage begins just after the onset of the Depression.

"The excitement proved premature. Imperial Oil's activities in the Mackenzie District were just one phase of a long range program of exploration across Canada. It was said that a pipeline to carry oil to railhead at Waterways would cost forty million dollars, which was out of the question. The local market was composed of only a few motor boats, gasoline schooners, and donkey engines, whose owners were accustomed to paying as much as three dollars a gallon for imported gasoline (at Aklavik, Mackenzie Delta). The Hudson's Bay Company's freight and passenger sternwheelers still burned cordwood."

"When I paid my first visit to Discovery Well [Norman Wells] in July, 1930, the camp was a forlorn spectacle. It had been deserted for about five years, the log bunkhouses, workshops, and drilling rig were languishing in desuetude, and grass and weeds were growing everywhere in almost tropical profusion. From the spout of the well casing oil drilled steadily, as if in protest against its neglect, and nearby little pools of seepage glistened in the warm sunlight."

"For a year, airplanes belonging to or chartered by mining companies and syndicates had been combing the barren lands, and in the summer of 1930 the Royal Canadian Air Force began systematically photographing key areas of the Mackenzie District so that aerial mosaics could be assembled to facilitate the work of prospectors. Government geologists and investigators, too, were in the field. Promising indications of various base metals were found, and over on the east side of vast (twelve thousand square miles) Great Bear Lake, prospector Gilbert LaBine staked claims on which he had seen veins rich in silver. The next season he was there again, and this time he made sure of a hunch that he had had before: That his claims were laden with pitchblende. Yes, he had a mine, a mine about thirty miles south of the Arctic Circle that would break the Belgian Congo radium monopoly."

"Now at last Imperial Oil had ample justification for reopening its Discovery Well. The distance from Eldorado, the new mine, to the head of the Bear River at the west end of Great Bear Lake, was one hundred eighty miles; the Bear River, the lake's only outlet, flowed swiftly seventy-five

miles westward into the Mackenzie, bisected by eight miles of rapids; and from the mouth of the Bear River to Fort Norman [now Tulita] it was fifty-one miles to Discovery Well."

"At once the problem was presented of getting the mine's pitchblende concentrates to railhead, and oil and gasoline from Discovery Well to the mine. The Bear River had never been navigated except by canoes, York boats, and small scows which were laboriously tracked upstream. Existing craft on the Mackenzie were wholly inadequate to meet the new need."

"Meanwhile, in 1932, Discovery Well was called into service again and a small steam still which had been set up in 1921 was operated to supply motor gasoline and diesel oil for an expanding market: by this time there were many motor boats and kicker-propelled canoes running on the Mackenzie. The price of imported gasoline had been around two dollars at the settlement of Fort Norman, but now the local product became available at ninety cents per imperial gallon."

"In the spring of 1934 there was a shipbuilding boom at Fort Smith, where a hundred men toiled to complete a flotilla of specially designed freight barges and power boats in time for the season's navigation. A relay system was planned to transport heavy mining machinery, miscellaneous supplies, fuel and pitchblende concentrates to and from Great Bear Lake, Norman Wells and railhead, a water route of nearly fourteen hundred miles. I visited Discovery Well again that summer and saw a striking contrast to the scene of desolation there in 1930. Production was going on apace, and gasoline could be bought at the well for sixty-four cents per imperial gallon, fuel oil for thirty-two cents."

[Intervening text then describes the discovery of gold at Yellowknife in 1936.]

"Other mines were in the offing. Oil and gasoline were required here, and the cost of importing them from Alberta was exorbitant. Norman was filling the breach now, more than ever, drawing from two or three wells and sending three hundred thousand gallons of gasoline and fuel oil to Eldorado and twice that volume to Yellowknife in a single season."

"[In 1939] I paid my third visit in nine years to Norman Wells. Gasoline could be bought here for around thirty cents, and fuel oil for thirteen cents. Tractors rumbled to and fro, hundreds of steel barrels awaited shipment on the beach, big storage tanks gleamed in the sub-Arctic sunshine, while the original rig of Discovery Well was drilling a new hole. A steel power boat with a freight barge attached bellied up to the shore. On the barge, about to be unloaded, was an eleven ton cracking tower that represented another milestone in the progress of the world's first far northern refinery."

"Norman was suppling not only Eldorado and Yellowknife but nearly a dozen settlements along the Mackenzie, and also, of course, all the diesel-engined river boats. Among the customers were thrifty, sophisticated Eskimos who sailed their own barges from Aklavik to the Wells, where – avoiding middlemen – they purchased wholesale lots of fuel for their motor schooners."

"Hitherto only low-test gasoline and fuel oil could be produced at Norman Wells. The new equipment now being delivered meant that henceforth there would also be Intava Ethyl 87 octane aviation fuel, 80 octane light diesel oil, and a bunker "C" heating oil. Combined distillation and stabilizer units were capable of refining the native crude at a rate of 840 barrels per day."

"From the Wells I started towards Great Bear Lake on a sternwheel boat and barge combination carrying 8349 gallons of oil in bulk and gasoline in drums. (In 1934 I had watched this sternwheeler, which was built at railhead and weighed eleven tons, being hauled out of the Slave River at Fitzgerald, tricked over the sixteen mile portage and launched at Fort Smith.) Pushing her barge, the sternwheeler chugged up the Mackenzie to Fort Norman, then continued about thirty miles up the Bear River to a camp at the foot of the rapids. Here a hose was immediately connected to the barge, and the oil was pumped up a hillside to an 18,000 gallon delivery tank. Hence it was forced through a pipe line eight and a half miles in length, skirting the rapids, to a similar tank and fed, as needed into barges running to the head of the Bear River. There, on the edge of Great Bear Lake, stood a 79,000 gallon tank which held the oil pending its transfer in other barges to Eldorado."

"Meanwhile, some fifty tons of sacked concentrates together with empty steels [drums] from Eldorado, all of which had been brought by truck over a Government portage road (most northerly in Canada) from above the rapids, were piled aboard the sternwheeler and her barge for their return trip to Norman Wells."

"Thus the Bear River relay system operated: Trip after trip, up and down all summer long, unceasingly, in which two boats and barges regularly ran below the rapids, another combination above the rapids, and two more shuttled back and forth across Great Bear Lake. Of varying capacities but uniformly shallow draft – the Bear River channel being only a couple of feet deep in places – all these boats were diesel-powered and, with the exception of the sternwheeler, had twin engines and twin screws."

[Intervening text concerning life in the North.]

"During the season of 1939 they delivered 325,000 gallons of oil and gasoline to Eldorado, brought back 1200 tons of concentrates and moves more than 500 tons of mixed freight. All this was done in approximately ninety days, the period of operation for Norman Wells. The northern rivers are usually open between the end of May and early October, but ice in Great Slave Lake may obstruct boat traffic on the Mackenzie until sometime in June, while Great Bear Lake is navigable only from around the middle of July until the end of September, after which storms and imminent freeze-up make it dangerous."

"The Eldorado mine temporarily closed down in 1940, its directors announcing that a surplus of uranium concentrates in storage at Waterways would keep their Port Hope, Ontario, refining plant supplied indefinitely. [Plans were subsequently made to reopen the mine in the summer of 1942]. Ninety percent of Eldorado's products were exported and the war eliminated certain markets. In the Mackenzie District generally, further exploration and building enterprises were being somewhat delayed; but the demand for gold was greater than ever, and Yellowknife's mines were going full blast. The energies of the Northern Transportation Company were to be focussed mainly on the Mackenzie River and Great Slave Lake for a time, while Norman Wells continued to supply northern communities, boats and aircraft as well as mines."

This text illustrates that the economy and related infrastructure of the western part of the Northwest Territories was quite vibrant and well-developed before the decision was made to construct the Canol system and to greatly expand crude production to supply the new refinery in Whitehorse. No refinery exists at Norman Wells today and the community relies on diesel imported from southern Canada. Co-produced natural gas is dwindling as oil production drops.

SOCIAL LICENCE AND THE NATIONALIZATION OF THE MEXICAN OIL INDUSTRY IN 1938

It is always easy to look back at history with simplistic assumptions concerning context and motive. Perhaps a good example concerns the 1938 seizure of the Mexican oil industry by that government and the creation of Pemex to carry it into the future, two events that continue to be played out even to this day. Most people would probably think that this was simply a revenue grab by the government although its timing was well after the prolific discoveries of the Golden Lane made prior to the First World War. The setting was far more complex, as partially described in the following passage from R.R. Miller's 1985 book "Mexico: A History", published by the University of Oklahoma Press (pp. 320-321):

"The most dramatic event of his [Cardenas's] administration occurred in March, 1938 when Cardenas announced the nationalization of all foreign petroleum companies. This bold act culminated a two-year dispute over wages for oilfield workers. The seventeen British and North American firms had refused to pay the amount set by arbitration and confirmed by a Supreme Court order, thus the expropriation was based on Article 123, the labour code, rather than Article 27, which declared subsoil wealth to be the property of the nation. Citizens of all sectors enthusiastically supported the president's assertion of the revolutionary promise, "Mexico for the Mexicans", and the action was a boost for the nation's honor, since the foreign oil companies had a long history of operating as if they were above the law. In the president's March 18 radio message to the nation he summarized the dispute and briefly traced the spectacular history of the oil companies' economic success in Mexico. Thus Cardenas, who had been based in the petroleum zone for several years, castigated the firms for their lack of social responsibility:

"Let us now examine the social contributions of the companies. In how many of the villages bordering on the oil fields is there a hospital, or school or social centre, or a sanitary water supply, or an athletic field, or even an electric plant fed by the millions of cubic meters of natural gas allowed to go to waste? What centre of oil production, on the other hand, does not have its company's police force for the protection of private, selfish, and often illegal interests? These organizations, whether authorized by the Government or not, are charged with innumerable outrages, abuses and murders, always on behalf of the companies that employ them. Who is not aware of the irritating discrimination governing construction of the company camps? Comfort for the foreign personnel; misery, drabness, and insalubrity for the Mexicans. Refrigeration and protection against tropical insects for the former; indifference and neglect, medical service and supplies always grudgingly provided, for the latter; lower wages and harder, more exhausting labor for our people ... Another inevitable consequence of the oil companies, strongly characterized by their antisocial tendencies, and even more harmful than all those already mentioned has been their persistent and improper intervention in national affairs ..."

Even though Mexico agreed to compensate former owners, nationalization of the oil companies caused some unfavourable international reaction. Diplomatic relations with Great Britain were severed for three years, but the Good Neighbor Policy of the United States kept channels open in that direction. For a few years oil production declined under the new government monopoly called Petroleos Mexicanos, or Pemex, and most foreign oil companies boycotted or refused to transport Mexican oil or sell the nation vital petroleum equipment."

The Growth of Royalite Oil

Royalite Oil Co. was the dominant company operating in the Turner Valley Field for most of that field's productive life. It was created by Imperial Oil in 1921 to enter this part of the industry in Western Canada. Imperial sold Royalite in the early 1950's in recognition of the mature status of the Field and in order to provide cash for the development of its many other new discoveries in places like Leduc, Redwater and Golden Spike. Over the intervening period Royalite was not static in terms of growth or ownership but rather was constantly on the lookout for attractive acquisitions, be they assets or corporations that would increase its reserve base and productive capacity. Of course one of the dominant themes from those days was Royalite's control of both infrastructure and marketing that it could use to its advantage by "putting the squeeze" on smaller players. Perhaps a small scale version of the earlier Standard Oil Trust.

David Breen, in his 1984 book "William Stewart Herron: Father of the Petroleum Industry in Alberta" provided a table in his Appendix 7 (pp. 354-355) of its major transactions up until 1939. The list features many of the company names that one runs across in any description of the early days of Turner Valley. Royalite's major tool in this regard was the issuance of Royalite shares so basically the shareholders of the acquired company became interest holders in the newer and bigger Royalite. This approach minimized the cash outlay required from Royalite or Imperial. The first target, of course, was Calgary Petroleum Products (1921) that was picked up for 8000 shares of Royalite, apparently at a ratio of 1:116.25 which implies that there were at that point 930,000 shares of CPP outstanding. In 1933 all assets of Mayland Oil Co. were added in return for 40,000 shares of Royalite on the basis of 1:25, implying 1 million shares of Mayland originally outstanding. In 1934 all of Regent Oil's assets were picked up for 1200 shares. In 1935 Midfield Oil Co.'s assets for 1800 shares and in 1936 Director Oil's assets for 3000 shares. What seems to be missing from the record, although it may be buried in Royalite's archives, is the Imperial Oil ownership status over time. Presumably in order to avoid dilution and to maintain control, Royalite must have been issuing and selling additional shares to Imperial. The shares of Royalite issued during the acquisition of these companies were probably distributed to their individual shareholders. Of course Royalite was also active in acquiring individual properties. These are included in Breen's table where the list includes properties picked up from Seneca Oil (1927), Southern Lowery (1932), Alberta Pacific Consolidated (1933), Sterling Pacific (1934), Calmont Oils (1934), McDougall-Segur (1934), Commonwealth Petroleum (1934), Freehold Oil Co. (1934), British Dominion (1934), Wellington Oils (1934), Okalta Oils (1934), Macleod Oils (1934), Homes Oils (1934), United Oils (1934), Hargal (1935), Spooner Oils (1935), Mar-Jon Oils (1936), Alberta Federated (1936?), Model (1939), British Dominion (1939) and Highwood Sarcee (1939). It is not known to what extent the properties in question formed a portion or all of the assets of the respective companies. The 1934 flurry of activity is interesting as it predates the 1936 discovery of the downdip oil leg in the Mississippian. Did Royalite have some early clues? Additional interests obtained by farmins are generally not itemized but would supplement the list. An example that was provided is that in 1928, following the discovery of sour gas in Royalite #4 in 1924, Royalite added a 51% interest in all the assets of Dalhousie Oil in return for a $600,000 commitment to development expenditures on Dalhousie lands. In addition, Imperial had its affiliates Northwest Company (formed 1917) and Foothills Oil and Gas Co. Ltd. (formed in 1927) active in the region. The creation of each followed the major discoveries of 1914 and 1924.