

PETROLEUM INDUSTRY ORAL HISTORY PROJECT  
TRANSCRIPT

INTERVIEWEE: John Jackson

INTERVIEWER: Betty Cooper

DATE: September 1982

BC: This is Betty Cooper and I'm talking to Mr. John Pitcairn Jackson in Blind Bay, B.C., the date is September 12<sup>th</sup>, 1982. Mr. Jackson, if we could start first by just getting a few of your statistics, where you were born and when and I would like to ask you about your middle name, Pitcairn?

JJ: Well, the Pitcairn of course, being my mother's maiden name. I was born in Calgary in 1915.

BC: You grew up and you never moved out of Calgary?

JJ: No, actually except for a short period when I was with Imperial Oil, I was in Edmonton for a little over a year, the rest of the time I spent in Calgary or travelling out around Calgary but Calgary was my home base.

BC: What part of Calgary did you live in?

JJ: South Calgary.

BC: So where did you go to school?

JJ: King Edward to begin with in the junior grades. The house I was born in was just a block away from King Edward school. And I went to King Edward all through the junior grades, up until Grade 9, which they had in the school at that time. The year that I reached Grade 10 they closed down the high school, which used to be South Calgary High and they opened the technical school down on 17<sup>th</sup> Ave. and I went there for a technical course for 2 or 3 years.

BC: This technical school, would that be tied in with Western Canada High School?

JJ: Right. It is part of the Western Canada project, separately it was called Western Canada Technical Institute I believe it was. I went there and took a motor mechanics course for the 2 years that the course ran. At that time, being the middle of the Depression, there was no jobs, so I took a sort of an extra year just doing motor mechanics and nothing else. After I got out of that, there being still no jobs around I continued to carry my paper route, which I'd had for 10 or 12 years then.

#022 BC: That's quite different from today, their having little youngsters of 8 or 9 carrying the paper route. How big was your paper route?

JJ: The last route I had was 180 papers. It ran straight up 7<sup>th</sup> Ave., from 4<sup>th</sup> St. west, right up to the Armories and that was the end of the route.

BC: And how much would you get a week for those papers.

JJ: We made I think, out of the 25 cents we got 5 cents. The paper cost 25 cents a week and we got 5 cents out of it.

BC: So you were making as much as some people who were working in other kinds of jobs.

JJ: This is true, yes. And I finally got a job in the circulation department at the Herald and I believe my starting salary there was \$8 a week, which was \$32 a month, which was pretty much the same. Although we sort of did other jobs too. I delivered complaints around Calgary at night, you know, people who didn't get a paper would phone in and they had a motorcycle which I rode out and gave them a paper. This got a little hairy too sometimes, on cold nights you know. Finally they did get us a truck that we could use. But the old motorcycle ran for several years.

BC: Would it be a motorcycle with a sidecar?

JJ: Yes it was. There should still be pictures of that machine around somewhere, it was a huge box they had built on the side of it that they used what they called the agents, the stores around the city. They'd load this box with papers and take it out and deliver it to the stores, the ones that were selling papers. At nights we used it for delivering these complaints and oh, the office closed at about 8:00 or 8:30 at night.

BC: Who were some of the people that you were working with at that time?

JJ: Well, the circulation manager at that time was a fellow named Hillicker???, his assistant was a fellow named A. C. Willfong??? who eventually left and went to California and got into the newspaper business there too. My brother worked there, they called him Ty, his name was George Jackson but they called him Ty and just recently he retired from the Herald. You may have seen the big write ups, they had full page stories on his career there. Of course during the war most of the fellows joined up, I couldn't get in the Army myself because of my eyes and so I became sort of the assistant circulation manager for several years. I was working in the country as country representatives and sort of filling in on the city whenever they needed somebody in the city.

#049 BC: You'd have to do a number of jobs at that time because of the fact people would keep leaving.

JJ: This is right. Where they used to have three country representatives, one in southern Alberta, one over in the eastern part and one going up about as far as Red Deer, during the war there was just myself and I pretty well covered the whole southern part of the province.

BC: During that time they didn't hire any women to take the men's place while they. . .

JJ: They did in the office, but not on the country jobs, no.

BC: Just before we go forward from that, I didn't get anything from you on the rest of your family. You mentioned your brother, how many brothers and sisters?

JJ: I had one brother and two sisters.

BC: If we could perhaps for the record, just put them down and where you sat in the pecking order.

JJ: Well, I was the third, second youngest shall we say. I have a younger sister, my older sister is dead, died several years ago. My brother is still in Calgary, retired now.

BC: He was the oldest of the family?

JJ: No, he was second oldest. I had a sister that was the oldest.

BC: I see. And the full name of your brother and sister that are still alive.

JJ: My brother's name is just George, no middle name, just George Jackson, my sister is Elizabeth Agnes.

BC: Where did your brother get the nickname Ty from?

JJ: Well, just picked it up in school. He used to play a lot of baseball, actually played for the Calgary Herald, they had a team of their own at one time, he played for it quite often and just picked up the name Ty in school, after Ty Cobb, the famous baseball player. It was just a nickname that everybody used to give each other.

BC: What about your father and mother, could you tell me where they came from and what your father did?

JJ: Yes, they were both born in Scotland. My father came out in 1912, and my mother shortly afterwards. They lived in Ontario for a year and then they moved to Calgary. He worked with the Burns packing company, all of his life actually, until he retired when he was 65. That's about the story really on that.

#070 BC: And none of you went into the Burns company?

JJ: No. No one every worked that.

BC: So we could perhaps leap forward again, thinking of the time, you were with the Herald during the war throughout but then part way through there, you changed and entered the oil industry.

JJ: Yes, in 1944 I had the opportunity to go with Imperial Oil in the land department, through Ivan Burn, who was their land manager at the time. As I told you before, there was only 3 fellows in the land department at that time, there was Ivan Burn himself, a fellow named George Chadburn, and Gordon Hawkins, who was sort of an office boy, just sort of general chore boy. Gordon's now Land Manager for Canadian Pacific Oil and Gas as a matter of fact.

BC: How did you go from circulation department of the Herald to the land department. What were your qualifications.

JJ: More or less just salesman type of thing. This is what I was doing with the Herald was country salesman, country representative which involved selling newspapers and looking after the country agencies. Any towns where they had delivery boys they were sort of under my care and we also used to go out and try to sell papers to the farmers too. Just a little bit of everything.

BC: So you would know a lot of the farmers in the country area.

JJ: In the southern part I did, I didn't know them in the northern part of the country at all. My first job with Imperial Oil was buying leases and I worked an area south of Lethbridge, in the Stirling, sugar beet country. We leased up quite a large area there and drilled a well which was a dry hole. So the whole thing disappeared.

BC: I'd like to talk a bit about Ivan Burn in a moment but I'd like you to perhaps tell me, what kind of training they gave you regarding going out and getting leases and how did you go about it. Let's look at that first job, you have to go all around Stirling and get leases, how did you do it.

JJ: We had very little training as a matter of fact. The oil business in Alberta, as far as exploration went, had just sort of been nil for years. Turner Valley being the only place where they had drilled any wells. The first leases I bought were in Turner Valley, surface leases to set the rig on. The land underneath belonged to the Crown of course, and the farmer didn't own the right. But we did have to lease the surface rights. There again, that was sort of a cut and dried operation because there had been an established price that they paid for the land and there was no real problems at all.

#102 BC: It was just getting it for Imperial instead of someone else.

JJ: Right.

BC: Were there many other companies bidding for. .

JJ: There was no other companies operating at the time. The only other companies that were doing any exploration at all were California Standard, who were doing some exploration, well it was gravity meter work really. And I believe Shell Oil were doing a little bit too, but there was no competition at all. There was lots of land. We didn't do very much free hold leasing then, we used to pick up the Crown land in an area and they'd drill their wells on the Crown land. As you remember, Imperial had a record of over 100 dry holes that they had drilled, so there was no excitement created on these things at all.

BC: And the farmers were happy to get whatever you wanted to give them.

JJ: This is right. And when we first started leasing for instance, in the Stirling area, there was a lease devised that paid the farmers \$5 for the lease and that covered it for one year and then if we kept the lease after the first year they received a rental of 50 cents an acre. But of course, after you drilled a dry hole you usually surrendered all the land anyway, so they didn't really get very much out of it.

BC: Do you mean it was \$5 to do anything on the whole of their land?

JJ: That's right. Just \$5 for the lease.

BC: And would it be, like the lease would cover as much land as you wanted to put onto that lease?

JJ: No, just whatever that one man owned.

BC: Yes. Like, if he owned two sections, you could get two sections for \$5.

JJ: That's right, if you could, yes. In the Stirling area, in the sugar beet country, most of them were just 40 acre plots. So that they were only getting 40 acres each time, but we did manage to lease pretty well the whole township before we drilled our well. After Stirling the next area I worked in was De Winton, which is still a gas field. We took leases all the way from De Winton to Okotoks and covered the whole area. We already owned the Crown land, or had leases on the Crown land. We picked up most of the free hold owners, again, on this same type of lease, \$5 for the lease and 50 cents an acre rental. A lot of those leases are still in existence I believe because . .

#127 BC: Are they still getting 50 cents an acre?

JJ: No. They get their royalties now of course, now that they're producing gas they're getting a royalty out of it. So they don't get the rental when they get the royalty. After we leased that field, it wasn't drilled for several years afterwards, they just sat and held the leases. By that time, in 1946 I was sent to Edmonton, along with Gordon Hawkins and one of the girls in the office came along as a secretary to do they typing. Gordon leased a field north of Edmonton called Morinville, an exploration play again. And I leased Leduc into it. And there again, we didn't lease a very big area, we just went after the one township. We managed to get enough of it leased that we could drill our well, we already had the Crown land again. The same type of lease too, \$5 for one year and then 50 cent an acre rentals.

BC: Who made the decision as to what land you would . . .?

JJ: The Chief Geologist did the, a fellow by the name of Jack Webb at that time. They would decide what area you had to lease and once they were satisfied they had the land they wanted then they went ahead and drilled their well. Well then of course, after they drilled

the Leduc well and it turned out to be a discovery then the whole thing broke wide open and they decided they'd take leases pretty well everywhere they could get them in that northern part of Alberta, around Edmonton. So they called an expert lease crew in from the United States, a fellow by the name of Lawrence Youngblood did contract leasing. He brought in a crew of about 12 men and we supplied them. . we expanded real suddenly too, we hired 6 or 8 other fellows and trained them to lease and loaned them to Lawrence Youngblood to help him out. They leased an area, all the way from Red Deer over to Camrose, just everywhere around the Edmonton area.

BC: Were there other companies then, quickly trying to. . .?

JJ: Oh, at this time they were starting to move in. California Standard started to buy leases, a company called Rio Bravo, which is now Canadian Superior, they did quite a bit of leasing. And of course, the American people started to come in too, the other companies and individual. . .

BC: Had they come in a little before though, they had started to come in after the end of the war?

JJ: Yes, a few of them did yes. After the discovery there was a few of them came in but it was 2 or 3 years before the thing really caught on. We did get several individual lease men, or oil men who came in and started up. But there really. . after they found Leduc, we had a crew working in just around the Leduc area. I leased there for 3 months after the well was discovered. Fortunately, well maybe not fortunately, but fortunately for Imperial Oil, there was a blizzard blowing, it never got above 40 below for over a month. We were out with old cars that didn't operate too well in the snow drifts, it was pretty hairy going at times.

BC: So you didn't have too much competition?

JJ: At that time, none, because they couldn't get out in the field.

BC: You were already there.

JJ: Well, we were there and our seismic department had just taken delivery of 3 or 4 Dodge 4x4 trucks that they loaned to us. They didn't have any weight on them, they didn't have any boxes on the back, they were just the frame and the cab. But they did have four wheel drive and we were able to keep moving where the rest of them were getting stuck. Because the drifts were so high and it was cold weather.

#179 BC: It must have been really quite a race.

JJ: It was yes. But we leased quite a little bit of land around the original township where Leduc was located, we leased quite a few more leases and got quite a large area put together before the competition really started.

BC: Now, at that time, when you would go in for lease, were you still offering them this same \$5 and 50 cents.

JJ: We were initially and then of course, when Lawrence Youngblood came in, they decided they'd pay 41 an acre for a lease and \$1 an acre rentals for a 10 year lease. This type of lease kept going for several years before the prices started to really boom.

BC: Did the government at any point there, come in and say all right, we're going to have some regulation on how much you can lease, how much you can pay, how long you can have it. Before then there hadn't been too much.

JJ: They had no jurisdiction over the free hold land, the land they didn't control. Now, the

Alberta government, who owned most of the land in there of course, they changed their regulations midstream too. It's a very involved process but you used to be able to take an exploration reservation type of holding, do your exploration work and then take leases out of that reservation, the rest of it would go back to the government as Crown reserve. The original reservations allowed you to take a four mile square lease, in a solid block. If you've ever looked at the Golden Spike field you'll see a 4 x 4 lease block all around the discovery well. Midstream the Alberta government changed their regulations and went to a 3 x 3 lease block, with this checkerboard pattern that you now see on all lease block.

BC: Every other one. '

JJ: Well, it's not every other one, they do allow you to take, or did at that time, they don't anymore but they used to let to take a 3 mile square lease block. But if you took that 3 mile square lease block you had to leave a 3 mile square lease block alongside of it, on all sides of it you see. So in effect it was a checkerboard pattern that they came up with.

BC: And then they changed the regulations again.

JJ: They've changed them dozens of times since. Changed the royalty clauses. At that time the royalties were 12.5%, I believe they're up to 45 or 50 now. So there were several more changes came along during the years and more complex type of land dispositions too. Originally there was just an exploration reservation from which you went straight to lease. And then they came out with various different types of sales, drilling reservations and natural gas licensing, which again, I believe, has pretty well been done away with again now and they've gone back to just the two types of disposition.

#219 BC: Did this make your job rather complex?

JJ: In a sense, keeping track of all the various types of regulations and the sales they had of each one. There was dozens of sales going on all the time. However it wasn't that complex really and it actually made our job quite a bit easier, being as how the Crown owned almost all the land anyway. We didn't have to deal with the individual farmers, for mineral rights anyway. We had to deal with them for surface rights still and pipeline right of ways and things of that nature.

BC: Let's go back to the discovery well. When you leased, what was involved in your leasing of the rights there.

JJ: Over 50% of that particular township was Crown land, which we held anyway. The farmers owned the surface but the Crown owned the minerals. There was quite a bit of free hold land in the township, which we obtained, we obtained leases on everything in the township before we drilled our well. So we controlled the one township actually, where they drilled the discovery well. And after we found it of course, went out around the edges and leased up considerably more.

BC: The land where the discovery well was situated, was that free hold or. .

JJ: No, it was Crown. The initial well was drilled on a Crown mineral lease. We had to deal with the farmer for the surface rights.

BC: What was the name of the farmer?

JJ: Borris I believe.

BC: Somewhere in there you had to make a deal with a family called Rebus I believe.

JJ: Yes, well, that was the lease where the Atlantic 3 blowout occurred.

BC: This was a little later on.

JJ: That particular lease, when we searched the title at the land titles office, it showed the lease as being in the fathers name actually, ????. And when I called on them, they informed me he was dead and the thing was in the estate. But they also informed me, and the sone was right there, he was farming the quarter section, the mother was there, they informed me that the son was to get the quarter section. So I took the lease from the son. Well then, of course, after the discovery and the excitement started, they claimed that the lease should have been taken from the executors of the estate because it hadn't been finally probated. Although there is still quite a bit of question as to whether the lease was good or bad. However Imperial decided they would, they had enough other work to do anyway, they decided they would deal this lease off to the Atlantic company. I forget the terms of the deal but Imperial came out with quite a large oil payment that Atlantic would have to make from . . . And then of course, as you know, they drilled the well and it blew out and they had the famous fire and . . .

BC: But this was all before that happened, that you were having this trouble with the lease?

JJ: Well, we never did have any trouble with the lease until after we found oil in the number 1 well.

BC: I get you of course.

JJ: And then of course, everything happens.

BC: Surely. You didn't have any of that kind of trouble with your discovery well.

JJ: Oh no, it was on Crown lands, so there was no problem there.

BC: And what about, once the discovery was made, your job must have changed quite a lot?

JJ: It changed considerably. I told you before there was 4 of us in the land department. After we found Leduc, within a month or two months we had 30 people working in the land department and it expanded no end from then. I didn't actually do too much active field leasing after that. I was assistant manager, I was put in charge of the Edmonton office, looking after all this lease crew we had. We had 6 or 8 fellows that went out in the field every day, buying leases all the way around the country.

#279 BC: You must have had some interesting stories that they'd come back with or stories that you had. Could you remember any of the little anecdotes of that very exciting period of acquiring leases and you mentioned about your being able to go out with your 4 wheel drive, this sort of thing.

JJ: When we got this lease crew going in Edmonton, the company bought jeeps for them, Army jeeps they were. This was after the war, they weren't the brown ones, but they were a 4 wheel drive vehicle. Of course, there was no cabs on them so we had wooden cabs built over them, on the back of it and put heaters in them so they could keep warm. We used those jeeps for several years until they finally got rid of them and went back to cars again. The roads in those days weren't kept up the way they are now and it was pretty hard to get around and they were tremendous little vehicles for getting where you wanted to go.

BC: Can you remember any incidents where you sort of perhaps got in just ahead of someone else and got the leases or this sort of thing?

JJ: Again, we really didn't have all that much opposition. When we were doing our leasing the other companies were sort of, pick your leases here, there and everywhere. They weren't out on major lease plays the way we were. As I say, we had this Lawrence

Youngblood came in on the first play and leased quite a large area around the Leduc and Edmonton area. Then they brought him back later on, about a year later and he bought a million acres, I believe it was, in the area all the way from Camrose to Red Deer, just everything they could buy.

BC: Wouldn't the rest of the companies begin to kind of scream unfair, Imperial owns half of Alberta or something.

JJ: Well, of course, you got this sort of thing from the have-nots as it were. The other major companies were doing the same thing, they were grabbing up large blocks of land too, mostly Crown lands. Although California Standard and Rio Bravo, acquired quite large holdings of free hold and of course, [we/they??] also were grabbing up large chunks of the CPR acreage, which was considerable holding in southern Alberta. The CPR weren't in business for themselves at the time, they were leasing out all of their mineral rights. So they were issuing exploration type reservation blocks just the way the Alberta government were and at quite considerable cheaper price too. I think at that time, they were only charging 10 cents an acre a year for their lands.

BC: What was the Alberta government charging?

JJ: There's was always \$1 an acre. Under the exploration stage, I forget the exact amounts, it wasn't too much, but once you went to lease it was always \$1 an acre rental that you had to pay.

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Tape 1 Side 2

JJ: . . .Petroleum Drilling Company and was the Chief Engineer or Petroleum Engineer with this New Superior Oils Company that I wound up with. It was through Burt that I got the job with New Superior and it was through Burt that I met Cody. But then after Burt, there was. . .

BC: Well, did you have much dealings with Burt as far as getting land?

JJ: Not then. I dealt with his boss a couple of times, Mr Munro I believe it was. Burt wasn't in the land end of it with CPR. There was a fellow by the name of Bill Little, who became their land man and then Bill Webb sort of acquired the job when Bill Little retired. Now Gordon Hawkins has that job.

BC: And this is Gordon Hawkins that you worked with, back when he was the office boy.

JJ: That's right.

BC: Can you tell me a little about Mr. Hawkins in the early days and any recollections you have of your time with him?

JJ: No, other than Gordon and I always got along real well. He used to do several jobs around the office, a little bit of drafting work, he used to go out with the surveyor and act as his rod man and quite a bit of the more or less technical end of it, the surveying end, the mapping and things of that nature. And of course then, when I leased Leduc areas, I told you, he leased the Morinville area. From then on he was a lease man. Gordon stayed with Imperial quite a little while after I left and then he quit and formed his own leasing company, he worked on his own for several years and then got back with a job with CPOG.

BC: You don't remember any incidents at the time that the two of you were up in Edmonton.



JJ: No specifically. When you're out leasing and working together, there's things happening all the time that are funny at the time but they slip your memory. It's the same with all of this lease crew that we had of course. They were out in these jeeps every day and they carried what we called a swamper with them. This was a fellow who would act as a witness, when you sign a lease you must have witnesses to the signatures, so that we always have to send a fellow with these fellows. There's always personality conflicts and things of that nature that occur. But I can't recollect anything specifically that would be funny to anybody else but us.

BC: The swamper, did they eventually become lease men themselves?

JJ: A lot of them did. A lot of them, I don't know whether you've ever heard of Joe Stratton, he's a lawyer in Edmonton now. Joe started with us, he did some swamping, he actually did our land title searching for awhile when we were on these big lease plays. He was a law student at the time. He eventually went with. . I can't even remember the name of his law firm, Max Peacock was running their Edmonton office for them, he hired Joe and now Joe is one of the senior partners in that same firm.

BC: The swampers probably would be people who were going to go to university or university students for the summer.

JJ: A lot of them were university students. The fellows we hired to buy leases were university graduates. Some of them were lawyers, others had university degrees.

#036 BC: Why was it necessary to have a university degree for this?

JJ: Well, you're working with legal documents and Imperial at that time, thought that it was better to have people with some legal background doing it. A lot of those fellows of course, progressed into jobs with the industry, some are fairly high up jobs too.

BC: One of the names that you've mentioned and we haven't had a chance to really talk about and that's Mr. Burn, could you tell me about him, your first meeting him and your work with him?

JJ: Well, I met him through Mr. McCallum who became Circulation Manager for the Herald, they were neighbours actually and when Ivan needed somebody in his department he got hold of me and asked me if I would be interested. I think I was making \$130 a month at the Herald at the time and he offered me \$140 a month and that's why I went to work for him.

BC: And that was in '44, right. Tell me about Mr. Burn himself, what was he like?

JJ: Oh a very fine fellow. He's sort of a quiet unassuming type of fellow but a very hard working chap and just the finest fellow you could ever meet really.

BC: Did he train you?

JJ: Yes, to a certain extent.

BC: How would he train you?

JJ: Whenever we had leases to buy, he would go out, he was doing leasing himself at the time. I travelled with him on several occasions and when I first went down into the Stirling field he travelled with me for a day or so, until he figured I knew the ropes and then he just left me there with another chap from the land department who we'd hired, who acted as my swamper really, a fellow by the name of Ken Walton, who is I believe, either still with Imperial or very recently retired

BC: Did he become a lawyer?

JJ: No, Ken, he stayed with Imperial Oil. He was doing records in the office at the time when I took him with me on this lease play at Stirling. Ken stayed with Imperial Oil and has worked

with them all his life really and I believe is still there.

BC: Can you remember any sort of particular anecdotes about Mr. Burn, from your office or from your association or even from the social side of things, that would sort of give us an insight into his particular character?

JJ: No, really I can't. I can always remember, there was one particular lease in the Leduc field that we weren't able to acquire and I remember Ivan coming to Edmonton and asking this chap or meeting this chap in Edmonton, in the Macdonald Hotel. Ivan had bought a mickey of rye, because these fellows were notorious drinkers anyway, so this chap came into the room and Ivan offered him a drink. Well, the fellow took the bottle and he just poured the whole thing right in. It kind of opened Ivan's eyes I think.

BC: He'd never come with a mickey the next time.

JJ: That's right. These Ukrainian people out there, they're not heavy drinkers but when they do drink they drink quite a bit.

BC: Was he able to get the lease that you hadn't been able to?

JJ: No that particular lease we never did acquire. Home Oil bought it and drilled their four wells on it actually, on the quarter section and it was just less than a mile from the discovery well. We just couldn't get this fellow for the \$5 we were paying. I think Home Oil paid him \$60,000 finally for the lease and then he's been getting royalties on the four wells every since.

#076 BC: So that sort of a thing would change the whole complex of how you negotiated land?

JJ: This was the start of what you might call the big money being paid, that first lease that Home bought in there.

BC: Do you know just what the lease was, can you put a title on where it was?

JJ: No, it was just northwest of the discovery well, within a mile or so. It was just a quarter section but it turned out to be one of the better quarter sections in the field.

BC: But you're saying this was the beginning of a new era.

JJ: Yes, that's right. This is where they started, well, it eventually got to where they were paying \$100,000 for a quarter section, way down by Red Deer, on what they called the fairway. This is a geological trend. As I say, they were paying \$100,000 for every quarter section for a short while there. This was several years afterwards of course. But the \$60,000 payment that Home made sort of saw the end of our \$1 an acre payments and the 50 cent an acre payments.

BC: That must have been a bit of a shock in your office.

JJ: I imagine it was. I imagine it was quite a shock to the Standard, New Jersey people because in the United States, this sort of thing never really happened. In the States, where they had been used to working, there was very little Crown land really, it was mostly all free hold and the free holders there were quite content to take a chance on getting a royalty out of their lease or getting a producing well and getting royalty than they were in bonus money for their lease. But in Canada here, because of the high percentage of Crown lands and the very small amount of free hold land really, the bonus system crept in and got bigger and bigger and so it did with the Crown land too. They were paying fabulous prices for Crown lands at the Crown sales and still do at the odd sale.

BC: Were you involved with any of the sales?

JJ: Oh yes. We handled all of the . .

BC: Did you personally have to go and . . ?

JJ: Yes, yes.

BC: Now were you paying for these Crown lands with sort of cash on the barrel head?

JJ: It was cash. We paid with cheques of course, but we had chequing accounts issued in our name. We didn't decide how much money we were going to pay for the properties. We were involved in the meetings where they were deciding on prices, but between the geological department and the final decision as to how much to pay was of course, made by managements .

#106 BC: There was a lot of kind of funny prices at that time, sort of ending in odd numbers and everything. Did Imperial have a special system?

JJ: Not particularly. This was sort of left up to the land people, to throw in the odd cents and odd dollars, just to get it off the even numbers. Instead of an even \$50 an acre for instance, well, you'd try to make it say, \$51.30, in case somebody else just big \$50 you see. So this is where that started from, everybody trying to buy it for a few pennies more than the other fellow.

BC: There have been stories where indeed leases were sort of one penny apart, can you recall any of those?

JJ: Not a specific parcel, but I saw it happen more than once, where a penny an acre made the difference in the bid.

BC: Were you ever involved in anything where you won or lost by a few pennies?

JJ: That you really didn't know unless you found out afterwards. The government never divulged how much the other people had paid. Sometimes in talking to other company representatives, they said, well you beat us out by a penny or by a nickle or something like this.

BC: Can you recall any of those times?

JJ: Not a specific example but it happened more than once. I can remember going down to a mining recorders sale, this was in Calgary, it was Calgary Mining Recorder, they were very low scale type of thing. And how was this again now, we had to draw numbers. . .I forget the sequence on how this happened now. . . there was no real bidding on those sales, it was just the first applicant that got them. So when a large number of people showed up for the sale then they issued numbers to everybody there. There was one land broker with, I think he had 15 people there that morning and I was all alone by myself. And I happened to draw the winning number so after I'd gone in and acquired this lease, why he was right on top of me, trying to buy it from me right as soon as I walked out the door. And this happened quite often, this sort of thing too. We actually did it ourselves lots of times. I remember when I was with British Petroleums, we got into the minerals end of it, we were leasing coal leases and base metal leases. This particular sale happened in Edmonton, there was a coal lease sale. So I arrived there, I think we were in partners with another company and I think we arrived with 20 people. Of course, this was something new to the coal mining operators in Alberta, they had never seen it before and they only had one person each there. Well, we got the thing without any trouble.

BC: The first and last time.

JJ: Opened their eyes, just the way we used to get these things thrown at us.

BC: In the regulations, when you first started getting leases, there wasn't any, particularly with the Crown land, you didn't have to give it back within so many. . .

JJ: Oh yes.

BC: Oh did you. When did that come in, do you remember?

JJ: That's right from the time I started. Actually it was always the regulation. As I said, there was no competition so we used to be able to go out and do our exploration work first and then acquire the land. In later years you had to go out and acquire the land first and then do your exploration work. But you used to just go into the government office and file on the land that you wanted.

#150 BC: The Crown reserve?

JJ: Well, it was Crown land, it wasn't Crown reserve. And as I say, you'd obtain these exploration reservations, which involved 100,000 acres each and you could acquire as many of them as you'd want. They had some limitation where you only could have 2 or 3 of these things in one name. But companies used to form other names or you'd take them in individual names and acquire 5 million acres if you wanted to, in one block. But the regulation at that time was the same way, after you had done your. . they allowed you a 3 or 4 or 5 year term to do your exploration work. At the termination of the term, then you went to lease on it, and it was always done in a checkerboard. You were allowed 50% of the reservation and the other half went back to the Crown as Crown reserve.

BC: Were they pretty sticky, if they gave you 5 years, you had to have it done or could you get them to give you another 5?

JJ: Not in the early days, they were quite lenient. If you had a good reason for not being able to get your work done, because of weather or terrain, which still exists in a sense. In the northern parts of Alberta, where it's almost impossible to get on the land at certain times of the year, why you can get dispensations and get longer terms, extensions.

BC: While you were with Imperial, what was the most difficult piece of land that you had to acquire, do you think, that you did successfully?

JJ: I can't specifically name any one, they were all difficult really. In the early days no one knew anything about the oil business, even we didn't know anything about it. So it was quite a simple matter to acquire land then. But when it began to get competitive, really the Crown sales were the most competitive part of it. The free hold lease people, it was just a matter of who offered them the most money really. And how much competition there was for that particular piece of land.

BC: Can we just talk about the Crown sales. Where were they held in those days?

JJ: In Alberta they were held in Edmonton, in Saskatchewan, in Regina, and in British Columbia, in Victoria.

BC: Can you describe a Crown sale, just think back to one that you went to and what it was like, where you stayed, what you were trying to get and what happened?

JJ: As you know, these sales were all conducted with a sealed bid tender. So prior to the sale we would arrive in Edmonton with our certified cheques and envelopes and bid letters, sealed and hand them in to the officer in charge of the sale before the deadline. And then you'd sit back and wait for them to decide who the winner was. And sometimes this took two days and quite often it was 2 or 3 o'clock in the morning before they had the results. When they did get the results we would go back over to the government office and they would read out the results of each individual parcel. But there again, it was just a guessing game on most of it, as to what your geologists valued the acreage at, what your managements were willing to pay for it. Some big surprises at time, like you say, where you would maybe bid \$5 an acre for

land, somebody would pay a million dollars for it. This again, is different geological thinking. Or they had seismic information or information that you didn't have.

BC: Did you ever have a . . . I'm sure you must have in your career, where you went in with a bid which you knew, for instance, Imperial really wanted to get that to drill and you didn't get it.

JJ: Oh, this happened several times.

BC: What was the reaction when you got back home?

JJ: Oh, of course, it's a gambling game in that sense. There's no . . . disappointed mind you. But nothing you could do about it.

BC: Would you be then perhaps, assigned to go and try to get a part of that lease from the company that got it.

JJ: Quite often you would try to take a farm out deal if you could, or if a company paid a large amount of money for a lease, they weren't usually too ??? to farm it out you know, they had ideas of their own for it. Quite often you were able to make a deal. Drill them a well say, for instance, or pay them back part of the money they had paid for buying the lease. It usually involved drilling a well on it in order to get an interest in it.

BC: I understand that there were people who, their big business was just the land speculation.

JJ: Oh yes, several people around the country did nothing else but speculate in land and several .

..

#217 BC: Can you remember any of them?

JJ: Oh, yes, Harold Siebens and now Bill his son, is still operating in Calgary. I would say they made a small fortune out of dealing leases. There was another fellow, what was his name now, there was two of them, they were two little Frenchmen that came out here, George. . . I should be able to remember his name, I can't now just offhand. But they ran quite a leasing business for years and they both made fortunes out of it, they're both millionaires now I'm sure. And several other individuals made a very good living out of it really, just buying cheap leases where they could see them and hold them for awhile until some company got interested. We used to get lists of these acreages shipped around to us every week or so, they would make up lists of what they had for sale with the prices right on it and they would circulate them, mail them to us every week or so. This got to be quite a business, the land brokerage business.

BC: This was really all, post Leduc.

JJ: Oh yes. None of that going on before Leduc.

BC: Did it reach its height at a certain point?

JJ: No, I believe it's probably just as extensive now as it was during its peak.

BC: So it's an absolutely new industry sort of that came out of the Leduc.

JJ: Right.

BC: Was this special to Canada?

JJ: Oh no, this is a big business in the United States, this is where it originated really. Along with the actual ownership of the land or the ownership of a lease on a land, there's quite a big business goes on in overriding royalties too. An overriding royalty is a royalty on top of the lease royalty. So that if I were to acquire a lease from a farmer, say for 12/5% royalty that I was going to pay him, then I would turn around and sell that lease to a company or somebody else and I would take another 2.5% royalty on top of that or 5%, whatever I could get. And sometimes these overriding royalties got built up so high that you couldn't even deal the

lease, it got to be 30 and 40% override, which is right off the top of everything, there's no expense involved in it. So I imagine a lot of that has been trimmed back to reasonable amounts now you know. Or a lot of it's disappeared. When the lease disappears, the overriding royalty disappears with it.

#254 BC: At some point the lease, you have to put up or shut up sort of.

JJ: That's right yes.

BC: You have a couple of other names that I'll get to in a bit. You were with Imperial until what date?

JJ: 1951. That's when I left Imperial and went with New Superior Oils.

BC: What made you decide to move from Imperial?

JJ: Just an offer of a better job, or more money really. It wasn't a better job, it was more money really.

BC: At that point, when you left Imperial, what was your position at Imperial?

JJ: I was Assistant Land Manager.

BC: And who were you assistant to?

JJ: At that time, Mr. Friley, Bill Friley. You've probably heard of Bill too. Before him was Rex Dawson. Now Imperial, being a member of the large American corporation, Standard, New Jersey, they were sending in their executive people from the United States. Both Rex and Bill came from a company called Carter Oils, which is 100% subsidiary of Standard of New Jersey. This was after Ivan Burn had left. First of all they brought Rex Dawson in and Rex ran the company for several years, I was his assistant. Then Rex retired and they brought Bill Friley in. Well, Bill only stayed a couple of years and then strangely enough, I had the offer of a job with New Superior. The day I walked in and gave my notice, I found out bill had given his notice too, he was leaving to go with Alec Baillie, they formed the Baillie Selbourne Group and were very successful with it too. So it sort of left Imperial without a landman at the time, except for the people that had been working for me. Smitty was one, Wes Hewitt lives across the lake here now, he was another one. Smitty acquired my job after I left and then he became a Management Assistant and Wes Hewitt became Land Manager until he retired actually. He retired just a year or two before I did.

BC: Isn't that funny and you all end up in Blind Bay B.C., isn't that interesting. Tell me a little about Bill Friley.

JJ: I never really got to know him that well. He was only here about a year, not too much over a year before he went with Alec Baillie and I believe that's where. . . Alec was well in business then with the Baillie Selbourne Company and both of them came out of that very well I understand. But I never did know bill, he was a very fine fellow, Bill and a very nice fellow to work with.

BC: But you didn't work really, for him that long, to be able to get to know.

JJ: No, as I say, he was just only there a year or so. Rex was there much longer, Rex Dawson.

BC: Could you tell my about Mr. Dawson?

JJ: He was another fellow. Rex was. . well, we called him Pappy Dawson, he was an older chap when he came here and like I say, he was just like a father to us. Very, very find chap.

BC: He'd come from the Carter Oil, where had he been working land?

JJ: I believe they were both in Texas before they came up here.

End of tape.

Tape 2 Side 1

BC: Mr. Jackson, before we move out of your Imperial time in the oil patch, I'd like to just step back to the discovery of Leduc, because this really was I'm sure a red letter day in your life, being as how you had been there right from the beginning of acquiring the land. Can you tell me about it?

JJ: Well, I can tell you all I can. Being a landman of course, we saw very little of the drilling operations. We were sort of the first people into an area and the last people out again, but in the in between part we didn't see much of. The day they were programmed to bring the number 1 well in, they had invited people from all over Canada really, to be there. I was out in the field working at the time so I drove out to the lease. They went through all the necessary operations to get the well producing and it did produce for a few minutes and then it quit. It shut itself, down, plugged itself off. So they just left it, everybody went home again and then later on in the day, when there was very few people around, the way I remember it, they tried it again and it blew in. It blew a tremendous smoke ring in the sky.

BC: Were you there?

JJ: I saw the smoke rig. I wasn't right at the lease when it happened. But when the crowd dignitaries were there, they didn't ever get it in. Actually they did because they lit the flare, I remember that, the excitement when they lit the flare out in the flare pit. But then it died, as I say, it plugged itself off and died out and then they brought it in later again. It was later on that night I believe, before they finally got it on production.

BC: When you say that they had all the dignitaries there, at this point, did they realize what a tremendous thing they had?

JJ: Well, they knew that they had the first oil discovery in Alberta since the Leduc days, of any consequence. .

BC: Since the Turner Valley days.

JJ: Turner Valley days of any consequence anyway. Because they had drilled the well, they had obtained the cores from the well, so they knew what they were dealing with in a sense. This again was the D2 formation that they discovered in that well, which turned out to be a poorer producing horizon than the D3, which they found in the number 2 well. I believe Mr. Kerr worked on the number 2 well and was there when the D3 was discovered. The D3 was a much better producing horizon than the D2. But it's quite a spectacular sight to see a well come in though.

#030 BC: Were you around to see many wells come in?

JJ: Very, very few. As I say, we weren't really exposed to the field operations that much because we were first in and last out. We acquired the leases, we surrendered the leases.

BC: This is what I was going to say, we've talked about the first in, that's going up and. .

JJ: Acquiring the lease.

BC: Yes. And you would just go to whoever is living on the land and find out if they. .

JJ: Well, it was done through the land titles office, you searched the titles. If you had say, purchased the Crown land in an area, that completes the requirement of the lease. And then if you want to drill a well then you have to go back and talk to the farmer on the land and you'd find out who he is by searching the titles in the land titles office. And acquire a surface lease

from his to set your rig on. And then you weren't exposed to any more of that because you weren't there until they had drilled their well and moved their rigs off and then it was up to the land department then to get rid of the lease again, if they wanted to surrender it. So we had to be sure that the lease was properly cleaned up and received all the government approvals that were necessary.

BC: And that's for the surface land.

JJ: Right, before we could surrender the lease. And the same with the mineral lease. When they decided finally that they wanted to get rid of a mineral lease then it was the land department that made the surrenders and cleared the records on it.

BC: You hear stories about the mess that the oil companies would leave on the land and the farmers were pretty unhappy. How did this affect you people as landmen?

JJ: Well, this is where we got into most of our difficulties of course, was with field crews doing messy jobs really. A lot of it was unavoidable really, I agree, in wet weather and mud and rain and everything else, it's pretty hard to do it any other way. But here again, you get good operators, you get bad operators. It's just a matter of time and money to recondition land so that you'd hardly know there's been anything there. But a lot of people or companies short cut and don't do it properly. And even the better companies too. Years afterwards you can often times get a claim coming in years afterwards where land has subsided or something else has happened that you didn't think would when you cleaned up the land and cleaned up the lease.

BC: Would the lease state in it that you would return the land to a certain . . . ?

JJ: Yes. To as close as possible to the condition it was in before you acquired it. You realize it's impossible to put it back in exactly the same condition but like I say, a good operator can do a pretty good job too.

#059 BC: Did you ever have any trouble with operators and/or farmers who just simply weren't going to sign a release because they thought you'd made a mess of the property?

JJ: No, I never did personally. The government of course, formed the Arbitration Rights Board, who took over the, not the responsibility, but the authority on these things and they were the ones that you finally had to satisfy. And if there was any difficulty with the farmer then they would call a hearing, usually right in the field, right at the lease. And you would discuss the problem. I never had any problem or difficulty making a settlement.

BC: When did this Board come in to be?

JJ: I can't name the exact year but it was very shortly after the Leduc field was discovered. I would guess it came in in '47, '48. The Conservation Board actually were the guiding authority at the time, on the oil end of it, on the mineral end of it. And it was through them really that the Surface Arbitration Rights Boards were formed and several different bodies of it have been in power from time to time. They keep changing it you know.

BC: When you were with Imperial, now they certainly were very fortunate in the Leduc discovery and then on to some of the others. Were there any areas that you people in the land department just were not there, and so Imperial did not have a piece of any important plays during the time up to '51?

JJ: Well, I would guess that Texaco's Bonnie Glen discovery is one that Imperial weren't in at all, they didn't have any land there, it was all Crown land and it was a continuation of the reef from Leduc out to the southwest. Texaco, who became quite active in the field operation



had acquired the Crown lands and did their exploration work and drilled, came up with a discovery. Much the same as Imperial found the Golden Spike field, which was immediately, the township just to the north of Leduc. The Crown lands that we held at the time covered both the Leduc and Golden Spike fields. We also had the Redwater field on . . . I didn't, the geophysical people had it on their maps and they drilled the Redwater field shortly afterwards. They drilled two other seismic anomalies that looked very similar to Redwater on the maps, but they turned out to have water in them. The reefs were there but they happened to have water in them.

BC: Do you feel that the fact that Imperial kept plugging and kept being in there when the other companies just weren't around. . .

JJ: Well, initially this is what happened of course.

BC: And this is why they had such control.

JJ: That's right. They had a large land holding and always have held a large land holding in Alberta anyway.

BC: Did this cause problems?

JJ: A little bitterness at times maybe. But the land was there and it was available, Imperial were the first ones to get it.

BC: Could they adequately service all the land that they had acquired.

JJ: I would have to say that major companies who are working all over Canada, all over the world some of them now, it's impossible to keep up with all their commitments.

BC: So what would they do?

JJ: They obtain extensions and they do minimum amounts of work until they're ready to . . . there's ways of getting by for a certain length of time. Eventually it catches up, you have to do your work.

BC: Do you feel that the fact that a company could have such extensive holdings and find ways of getting by or getting around it, held back any of the exploration or the quick exploitation of Alberta in the 50's?

JJ: No, I don't really feel that way at all. It could have been done quicker shall we say, if that was the only operation they had but they're looking for oil in other places besides this particular place.

#106 BC: But you don't think, if parts, some of them had been looking here instead of on their land we might have moved ahead more quickly?

JJ: Well, they could have, as I say, if this had been the only place they'd been working they probably would have too. But when they have commitments here, there and everywhere, you sort of have to space them and do them when you can.

BC: So the overall pattern of discovery, perhaps was slowed down to their pace of their commitments?

JJ: Not necessarily, no, I wouldn't say that.

BC: Did they farm out and let other people do things?

JJ: Yes, they did. In Leduc especially, they farmed out almost all of their D2, outside of the original township where they discovered the well. All the townships around the edges, they farmed out all of the D2.

BC: Would you be involved in that too, in land?

JJ: Yes, we were. At that time when I was with Imperial Oil, we were handling the farm outs and

then they formed a separate contracts department, after I left Imperial they formed a contracts department to handle all the farm outs.

BC: And how would you go about handling that?

JJ: Farm outs and farm ins you mean? Well, it's just a matter of negotiation. If you have a piece of land that you want to farm out, you contact other companies to find out if you can interest somebody else in doing it. Very often you get other companies coming to you asking for particular things and this is where the farm outs really evolve. But if you were going out to drill a well in an area where you didn't control all of the land that you thought you should, then you would approach the companies that did own the land and see if they would make a deal with you, on you agreeing to drill them a well for a half interest in their lease or something like that. You spend the money on the well to get half of their lease interest. This is a very simple one, there's exploration farm ins, farm outs, where you agree to do exploration work for an interest in the land.

BC: This made the land department rather a complex department.

JJ: Yes, it did. And this is why Imperial broke out the contract section because their land men, just keeping track of the land was a major job in itself and then farming in, farming out. I believe they actually, finally put it all back together again too. When I was with British Petroleums for instance, we handled everything, farm ins, farm outs, acquiring lands, surrendering lands, keeping the records, rental payments.

BC: So in the time that you were with Imperial, from '44 to '51, you came in and you became the 4<sup>th</sup> member of a very small office. How many were involved in land, do you think, when you left in '51.

JJ: I would guess there would be 30 or 35 people involved. Maybe more than that because they had a district office in Edmonton and another one in Regina and by that time they were spreading out all over the place.

#139 BC: And it became a very special science almost in the . . .

JJ: Well, this is right. And of course, prior to that in the United States, it was a very specified science. And to this day they still have a university course in Oklahoma, teaching land works, the only one in North America I believe. I think Mount Royal College runs a sort of a course there, but the degree course is at University of Oklahoma.

BC: Do you feel a degree course is now necessary to do the kind of thing you learned on the job?

JJ: Not necessary, but very, very helpful. The only other way you can acquire it is through experience and it takes a while to get experience.

BC: Many years, and sometimes it's one year experience for 10 years because you're waiting for someone else to move so you can get in. So in 1951 you went to New Superior and who did you work for there.

JJ: I actually worked directly for Cody Spencer, who was the President. We had a very small organization, there was just myself in land. We had a geologist, Bert Cory was the Petroleum Engineer. We were never too active, we didn't really every have that much budget and that much money behind us.

BC: How did it get formed, who put up the initial . . . ?

JJ: General Petroleums Drilling Co. put up, I think they acquired a 50% interest, New Superior sold shares on the market but I think, was it \$2 million or something like that, that they started on. And we did quite a bit of exploration work, up around Great Slave Lake and

acquired a few leases in through central Alberta, in the gas areas. The major holding they had was a farm out from Imperial Oil over at Joseph Lake, the first Viking oil discovery in Alberta. General Petroleum had actually made that discovery and then New Superior was the oil arm that they formed. And those little wells are still producing today I believe. Little . . . about a foot of sand that they figured would be gone in 6 years anyway but I think it's still producing.

BC: It's coming from somewhere, yes. Could you tell me about Mr. Spencer, Cody Spencer?

JJ: He was sort of a colourful type of fellow you know. He originally came from Texas, he started, he worked in Turner Valley as a roughneck and he and Gene Denton and Harry Howard started up the drilling company. They went out and bought a rig and started doing contract drilling and were quite successful at it actually. They wound up with 12 or 15 rigs working and made quite a bit of money. So they decided they'd go into the oil business and they acquired this farm out from Imperial Oil. I was quite active in the negotiation and the agreements that we made with them at the time. And they drilled their first well, which nobody thought was going to be any good because of the small pay section but they went ahead and put it on production and like I say, it's still producing as far as I know. And so they drilled several wells on that farm out that were quite good wells really. And then after I went to work for them of course, we were more or less doing exploration work. We drilled several wildcat wells different places. We found some more oil at Rocky Mountain House in the Cardium zone that was, oh, sort of marginal type of production. Found a little more at a place called Garrinton, near Caroline, it was again, Cardium oil. Actually we thought we had the world by the tail there because when we first drilled the well it was on a farm out from Hudson Bay Oil and Gas and we had to drill a Devonian test. And when we drilled out the Devonian, they ran a production test and it started to produce oil. It only lasted about 1/2 hour and then it turned to water. So they really thought they had it.

#191 BC: That would be very disappointing.

JJ: Yes. Although further back up the hole they had the Cardium oil producing, a very small Cardium oil. Now it's quite a large Cardium area. I think they've drilled out that whole area there now. Hudson Bay Oil and Gas owned quite a bit of it and there's quite a Cardium field in there now.

BC: You were just with New Superior for a short time?

JJ: 9 years.

BC: Oh, it was 9 years, oh that's quite a while.

JJ: Yes. And then the company went bankrupt. The bank took over really and made them sell. So Cody sold both the drilling company and the oil company.

BC: This would be about 1960.

JJ: Yes, somewhere in there yes.

BC: Was that a downturn in the oil industry at that time.

JJ: That time was quite a dull period. You couldn't sell oil, they didn't have the pipelines or the refineries to handle the oil and there was quite a decline in it there, for several years, it sort of stayed stagnant.

BC: Is that why you went broke?

JJ: I would say so. The price of oil was down, it was only \$1.10 a barrel or something like that, you could barely make any money on it. There was quite a little downturn there for several

years, and then things started to pick up again, when came the world shortage of oil of course, it really picked up.

BC: When a company goes bankrupt and you're one of the management, that must be a bit of a turn for you.

JJ: In a sense. I really wasn't a member of management, I was running their land department. But the people at Medallion left me in charge of the company when they took it over and I ran in until we were able to assimilate it into Medallion's records. And then of course, when they sold it to Fina, they took all the staff that was left with them.

BC: So you went from New Superior into Medallion.

JJ: Just for a very short time with Medallion.

BC: The bank you say, had really taken over.

JJ: That's right. They hadn't really taken over the operation or anything of that nature but they sort of said, we want our money and you better sell, and get what you can, which they had to do.

BC: So did the bank really sell it to Medallion?

JJ: It wasn't directly through the bank but it was through their pressure I would say.

BC: Who was head of Medallion?

JJ: Ed Galvin, at that time and I think he's still. . I don't know whether he's Chairman of the Board still or not, I think Eddie Battle is probably Chairman of the Board.

BC: Did you have any dealings with Mr. Galvin?

JJ: Oh, very close.

BC: What can you tell me about him?

JJ: He was another fine chap. I hadn't met him before he got into Medallion at all, actually it was some different name than Medallion when they started it. But Ed was a gas engineer with one of the major companies, I believe it was British American or Shell or somebody like that. I had met him just in meetings prior to that but we always got a long very, very well and it wasn't personal or anything that he got rid of the company, it was a good deal for him to sell to Fina. They bought it.

BC: So when it went to Fina, now Fina was obviously a much larger company than Medallion. Were there any problems that you found in your position, going from a little company, being swallowed up by a larger one?

JJ: Just the usual problems that all companies that get taken over have. You're sort of second cousin. I think the Hudson Bay Oil and Gas people are probably finding that out at Dome right now, for instance. The company that's acquired always sort of, whether it's actually so or not because there are companies that do acquire other companies, treat them very, very well, they give them similar jobs to what they had. .

BC: But it's very difficult if you're the only man in land, what did you do when you got into Fina?

JJ: Well, I became sort of a special assistant to the exploration manager. They already had a land set-up, they had a land manager and the whole staff. So I became sort of a special projects assistant to the exploration manager. I used to keep the budgets for him and I was in charge of the map room and the drafting department, just to see if they were running. . .

BC: How did you find this job, after being right in the centre of things?

JJ: Well, it's not the sort of job that I wanted to stay with for too long really. It was very interesting while I was doing it and I acquired a little experience in other phases of the

operations. However. . .

- #262 BC: But it was really a sort of job that was made to fit you into the business.
- JJ: This is right. It was sort of doing jobs the exploration manager didn't want to do himself.
- BC: How did you feel personally, going into a company where you were the poor second cousin?
- JJ: It didn't bother me really that much. I realized the situation, I'd seen it happen to other people in other companies.
- BC: What about others that went with you? Did they all stay?
- JJ: No, I think I was the last one, I believe, that left. They had all left, a lot of them didn't go to start with. The ones that did, didn't stay very long, they found jobs other places.
- BC: This was in 1960. So being sort of swallowed up by another company, or '61, at a time when there was a downturn, this must have tempered your judgement as to what you were going to do if you didn't do that job.
- JJ: Right. Oh yes, well, you always do your job, it's what you have to do.
- BC: But I mean the fact that you couldn't necessarily go and get another job in another land department. Or could you at that time, had it started to turn up again?
- JJ: It hadn't started to turn up but there were opportunities here and there. I had applied for one or two jobs, they were with American companies and they all sort of claimed my qualifications were too high, that they weren't looking for a manager type, they just wanted to hire a landman.
- BC: Was this a problem for some of the people, like yourself, in trying to change jobs, over qualification?
- JJ: Right.
- BC: How did you handle that?
- JJ: There was nothing very much you could do about it. I just kept nibbling around until again, I believe it was Ivan Burn that got me this job with BP, he knew Fred McKinnon, Fred needed a landman so he asked Ivan if he knew of anybody and Ivan mentioned my name. So Fred gave me a call. Of course, I knew Fred anyway.
- BC: What year was that, that you went to BP?
- JJ: It would be 1962 I imagine. Let's see, I was with them 14 years, I've been retired for 7 years. '61 then.

- #300 BC: And Mr. McKinnon was the President at that time.
- JJ: He was Exploration Manager. This was back when it was called Triad Oil actually, they had just set the company up. British Petroleums had just bought Triad from Harold Tanner and Harold Tanner was still the President of the new Triad Oil Company. They continued to operate under the name Triad for quite some time before they started to change it into BP Canada.
- BC: Why did they keep the Triad name rather than BP do you think?
- JJ: Really BP didn't have any exploration arm here, this was their exploration arm. They didn't have very much going in Canada, they were just then, moving in to the eastern Canada, into the refinery and into the service station end of it. So they just sort of left it to run as their exploration arm until they were ready to change the name really.
- BC: And you were head of land department then?
- JJ: Yes, I was land manager. All the time I was with them.

BC: How many people were in your land department at that time.

JJ: There was 3 fellows and I believe 4 or 5 girls. We had a girl looking after the map room and a girl that used to do drafting and then the secretaries and we had a land record man and a field surface rights man and a chap that had been running it before they brought me in. He had been their chief scout, they had lost their landman and they had sort of put him in charge of it and he continued to work there for a year or two after that too.

BC: What was the difference between going into a land department in the early 60's as against the work you were doing in the mid 40's and up til the time you left Imperial, what were the major differences?

JJ: Well, really volume was the only major differences. In the original early days there were no farm in, farm out agreements to speak of. After a few years there got to be quite a volume of this, this got to be the big end of the business was the contract work. And of course, companies had acquired more land, there was more land to look after, they had drilled more wells, there was more surface lease to look after, everything was bigger that was all. More volume all the way along the line.

End of tape.

Tape 2 Side 2

BC: Who else was working with you at British Petroleum when you were there?

JJ: Well, as I mentioned, Mr. Tanner was the President when I started.

BC: Can you recall much about Mr. tanner?

JJ: He was a very, very nice gentleman. As you know his background had been in the brokerage business really. He didn't really stay with BP too long, I think it was only a year or so before he left and they sent a chap out from England to take over. I can't even remember his name now. We had so many different ones in that time. Eventually Fred McKinnon got to be President and Ted Best got to be Vice-President.

BC: Can you tell me about Mr. McKinnon?

JJ: As I say, I first met Fred at Imperial. Fred worked at Imperial when he was going to university as a summer student and I think he came to work there for a short while after he graduated. He went from there to. . well, I don't know whether you remember when Imperial and Royalite sort of split up. When I first started working for the Imperial complex, it was Royalite I worked for. They were the exploration arm, or the production arm from Imperial. And then Imperial decided they would go on their own on the exploration end so they broke up the Royalite end into separate . . . and sold it actually, or left it. Fred, when I first met him, was with Royalite.

BC: You went with Imperial when they split.

JJ: Right. And Fred went with Royalite as I think Exploration Manager to start with and then became President of Royalite and was for several years before he changed over to the Triad group. I had sort of lost track of Fred for year until we met again, under the Triad banner. Not a bad word I could ever say for Fred, he was tops really.

BC: Can you remember any anecdotes about him and your work together?

JJ: No, not really. Just always sort of a joke about what we used to call, him chasing hats. He used to be Chairman of this organization and Chairman of that organization. I think he's still,

or just recently was Chancellor of the university. He was President of the YWCA for years. Had ran the fund raising campaign for the new south Calgary Y, I worked on that myself actually, raised some money for them. And he was chairman of the Petroleum Association and the Petroleum club. He used to get into executive positions with all the organizations really.

#040 BC: And who was his Vice-President that had to carry on when he was doing all this?

JJ: Well, it never did interfere with Fred's work that much really. He was a pretty good organizer. Ted was the Vice-President under Fred.

BC: Did you find that you were involved a great deal in community projects on behalf of you company?

JJ: Not really.

BC: This was not part of the policy?

JJ: We did community chest campaign, collections and things of that nature but we never really got into the running of charity. . .some of them did mind you, some of the people did. Got into it quite heavily.

BC: With Triad, which became BC; in what year did it take on its proper name of British Petroleum? You were still with them I presume.

JJ: Oh yes, I was. We went through several name changes.

BC: Oh did you. Could you go through them for me?

JJ: I don't think I could remember them all now. I believe it went from Triad to BP Exploration Canada Ltd., I think it was and then they changed it to BP Canada Ltd. Of course, in the meantime we had acquired several other smaller companies, we acquired Devon Palmer and we ran it as Devon Palmer for several years, kept the same name. This was for tax reasons I imagine and then we assimilated it into BP Canada and we took over the Triad company too of course, into BP Canada. But they had several. . one other name in there, I can't quite remember now. BP Ex., just. . one was British Petroleums spelled out you know, the other was BP without any periods. There were several name changes.

BC: Where were your land duties during the time you were with British Petroleum, where were their holdings.

JJ: Well, the Canadian arm was responsible for Canada only. British Petroleums, the mother company, had companies in most of the countries in the world. They had an American corporation that did the work in the United States.

BC: Did you get involved internationally at all?

JJ: No, we never did. Anything that occurred in the United States, that company did it, anything that occurred in Alaska, the American company handled. No, we just handled Canada alone.

BC: So whereabouts in Canada were you involved?

JJ: All over. We were in Alberta, we were in British Columbia, we were in Saskatchewan, no too much Manitoba, very definitely the Territories and the Islands and on the east coast, tremendous holdings on the east coast and still have I imagine.

BC: What was the difference between holdings that you'd have, like you'd have the Alberta problem to deal with and then suddenly you're dealing with different provincial governments all over. What kind of problems did this give you as the landman.

JJ: The main problem is knowing the various regulations. When you work with 12 different regulations you have to almost get the book out every time you want to aks a question about

it because every one is different, very one varies.

BC: What were some of the more spectacular differences?

JJ: Just in the methods of handling it really and the names that they called their dispositions. Alberta called theirs reservations and permits, British Columbia called their entirely permits, the federal government called their permits. They all eventually wound up in the petroleum and natural gas lease stage but the methods of getting to that stage were different, the amounts of work you had to do, the patterns of leases that you could take and all this sort of thing.

#083 BC: Were you involved with the work in the offshore on the eastern seaboard?

JJ: I acquired the initial acreage. I think the first we acquired was 12 million acres.

BC: Where was that?

JJ: That was off the coast of Newfoundland which they still hold I think.

BC: Well now, you must have had some problems there because there's still a problem of who you get your leases from.

JJ: There's still a problem of ownership there. I handled the federal government in Ottawa. Ted Best actually went to Newfoundland and obtained some sort of an agreement. At that time they didn't really know whether they had a right or not. They were claiming they had rights so we just got a sort of agreement from them saying that they would honour what we got from the federal government if it ever turned out that they got the ownership.

BC: Was this a real problem with your land problem on the offshore?

JJ: Not really, it's still not settled. They still haven't decided who owns it. So what the companies did was just cover themselves on both ends really.

BC: So whatever happens. That would be part of your job, to make sure you got everybody signed.

JJ: Well, this is right. You had to always make sure of your titles to all the land that you operated on.

BC: Did you ever have the problem of having to decide which government you would approach first so that they would not have their nose out of joint.

JJ: No, in this particular case we did them both at the same time?

BC: But I understand that that was sometimes the problem too that you'd have to almost time it with a stop watch.

JJ: Well, that's right, you couldn't show favouritism. In this particular instance I met Ted in Montreal. He had been over to London and they had agreed to buy this acreage, that was out in the water, off the east coast. We met in Montreal and laid out our maps and plans and he went right back to St. John's and I went over to Ottawa and did the necessary work there.

BC: But did you sort of contact each other by phone and say all right, I'm going in at 10:00?

JJ: Oh no. We just left on a particular time out of Montreal and just went right ahead with it. There was no communication between the province and the other government.

BC: But you did try to synchronize it so that you sort of hit the office at 12:05 or something.

JJ: Well, as I said, there was no real conflict in those days either because Newfoundland was just sort of making a claim that they didn't know whether it was any good or not. So as long as you covered yourself with them, that was all we were interested in.

BC: During the time that you were there, was there always this same feeling or did it become a little more intense with Newfoundland not just thinking they had a claim but really standing



up and saying yes we have.

JJ: Oh no, they were making their claims at that time, they claimed they owned it. We of course, were in the sort of position where we have to sort of half decide who was right and who was wrong you know. So of course, we relied mostly on the federal government because they were the ones that had the titles to the land. There was quite a long involved process in getting them. On filing for their acreage, you had to sit down and write out all the descriptions of the land you wanted, they wouldn't show it to you on a map. Well, they'd show it to you on a map but they wouldn't fill out the application or make out an application form for you. So I can remember, I had to have, I think it was, \$800,000 I had to have to pay for this land. And they wanted a certified cheque on it so we arranged through the Calgary office to get the money down to this bank or trust company in Ottawa. And I went into their office, we had to go to two different banks because there was two of our different companies were taking a half interest in it, BP Canada and BP Exploration or something like that. So I had to get this cheque from the trust company, we went to two different banks to pick up the cheques and then I remember sitting in their office and they weren't just quite too willing to give me too much assistance but they did finally give me a desk. And I can remember sitting there with this map in front of me, copying down all these descriptions of these blocks out in the ocean, you know, which is just a description by degrees and latitudes and longitudes. And I think we took 12 million acres and it took most of a day to do it. And then I had to get their girl to type it for me and then take it over to the government office and present it to him with the cheques, with the money.

#135 BC: With \$800,000 in certified cheques sitting in your pocket. That would be a little nerve racking. Is there anything else that you can think of in your time with BP that you would like to recall, specifics of people or things that you did?

JJ: No particular instance really. Like I say, over the years you run into people and you have little things happen, it's pretty hard to pinpoint any one thing.

BC: There's one thing before I finish the interview Mr. Jackson, that I would like to, because there was this business of the Atlantic 3 special sort of case of the leasing. I know we did talk about it a bit but I thought that perhaps it might be a good idea to just get it down all in one little sweep, about just exactly what the problems were in Atlantic 3?

JJ: In the title, the lease you mean?

BC: Yes.

JJ: Just the fact that the title stood in the name of the estate, in the name of a dead person really. The estate hadn't been probated. I took the people's word for it that this particular son was going to obtain the lease and I took the lease from him, which, according to . . . in fact in later years this is the way we still took the leases. Only we took the lease from the executors of the estate and then we acquired consents from all of the beneficiaries, saying that they would honour the lease when they got it into their hands. As I say, in those days we didn't know much about legal work or oil business or anything else and even our own lawyers didn't check me on it, later, until it was too late anyway.

BC: Who did finally catch this?

JJ: Well of course, the Atlantic people went out and took a lease from these. . . they took some sort of a deal, I don't know what it ever was, some sort of an agreement from the Rebus family and then came to Imperial Oil and said, well, you know, we've got a lease and you

haven't. And then we said, well, we aren't too sure our lease isn't that good either. Because we did eventually wind up, we had the lease from the fellow that was going to get it under the will. We didn't have a copy of the will either at the time, which was bad. I should have obtained that I guess. So Imperial at the time, of course, were very, very, busy anyway, they'd just made a discovery and they had a lot of obligation drilling to do. So they agreed to make a settlement deal really, is all that happened.

#167 BC: Did you have any problems because of the fact that you didn't have everything there that they felt you should?

JJ: No.

BC: So it really was rather like Newfoundland and the federal government. It's really both people's claiming they had.

JJ: This is right. And I think it probably happens to every oil company in business. They buy a cloudy title or a faulted title. CPR as you know, lost all of their gas rights, just on a court decision. They felt they owned them.

BC: They found that it wasn't.

JJ: Well, the courts ruled that they were two different minerals, petroleum and natural gas are two different minerals was the ruling. So they lost something that they thought they'd owned for years.

BC: Did this problem of who owned the lease just surface because suddenly, there you had the discovery?

JJ: Oh yes. I'd say that the oil company has cleaned up the land title records . . . it would never have happened any other way. When we first went out leasing you would often find a title that was still registered in a fellow's name and he'd been dead for 10 years. But he'd left the thing to his son and the son's name was the same, so they hadn't bothered registering a transfer of the title. But you'd go out unknowingly, and say the name was in the name of Joe Smith and you'd talk with a man and he'd say, yes my name's Joe Smith and I own this land, so you'd take a lease from him. And then if you did an historical search on it, or just by chance lots of times, you found out that this was the son, not the fellow who actually owned it, not the father. And there had never been a transfer of title take place. And we ran into this particularly in Ontario, more so than Alberta. Ontario is just terrible, they just pass the title from hand to hand, in the same name, the child has the same name as the father. And of course, a lot of it happened in Alberta too. The governments were charging what they called a Mineral Tax against the free hold farmers that owned their minerals. In order to transfer a title, this mineral tax had to be paid. Well, there had been no interest in minerals for so many years that when lawyers were transferring titles, they just said, well, instead of paying this mineral tax, we'll just put in, [except that meant a lot of it???]. So lots of people just lost their minerals because of non-payment of tax and the lawyers on their transfers, put it through without including them.

BC: So it became a bit messy.

JJ: The tax was only 3 cents an acre a year or something. But it was hard times and people just didn't want to pay them. So they'd just say, well, there's no minerals under my place anyway so I don't want them. And of course, the oil business really brought this all into . . . and that cleaned up title after title after title that had been let go for years. A lot of the leases we actually had to buy, we had to chase beneficiaries all over North America. Sons and

daughters and grandsons and granddaughters. It had been through 2 and 3 generations with people dying and nothing being done about it.

#212 BC: Can you think of any particular one that took you on quite a chase.

JJ: No me particularly but some of the fellows that worked for me did. I was sort of running the department then, so we'd put one of the landmen on it.

BC: Can you think of any particular one that you had to really chase about?

JJ: There's one that I don't remember all the detail on it, I think it was Wes Hewitt that really did the leg work on it, but it seems to me there was 8 or 10 beneficiaries under that one that they chased all over North America before we got it all straightened out.

BC: A little different from your early days in the land.

JJ: Right, very much so, yes.

BC: When you look back on your career in the oil patch, what would you think was the part of the career you found most exciting or interesting or frustrating?

JJ: I think the most interesting part of my experience in land was the actual field work. And the first few years I was out in the field, buying leases and talking to farmers. After you get into the office situations, there just seems to be nothing but grief. That's all you're handling really is. .

BC: Is the problems.

JJ: Right, the problems.

BC: What was so particularly exciting did you feel, about going out to talk to the people who were there?

JJ: Just meeting other people and getting to know what they're doing, their business and how they do it and sort of fitting our business into theirs really. I found it very, very interesting. And not the same pressures that you get when you're running a department, running a land office and you're under pressure, for timing mostly, on sale dates, Crown sale dates and reservations coming due. You have to go to lease by a certain date or you lose it. Everything is worked on deadlines.

BC: And wondering if you've got exactly enough money so you'll get the ones you want?

JJ: Well, we never worried about that, with the bigger companies anyway, it wasn't part of my problem.

BC: Putting the right bid in I mean?

JJ: Well as I say, that was done in meetings and conference really. It was usually done by the Exploration Manager. We were consulted on it at times. Although we maintained maps for their benefit, of land maps showing prices that had been paid for land all over, anywhere that was being sold really. Any Crown sale was posted on our maps and who bought it and how much they paid for it. So they had this to guide them as to what the previous sale had brought.

BC: Who would you think would be the person that had the most influence on you during your years in the oil patch?

JJ: I would say Ivan Burn, the fellow I started with. I was absolutely green, I didn't know anything about the oil business when I started with him.

BC: Was he a good teacher?

JJ: Very much so.

BC: How did he go about teaching you, other than going out with you?

JJ: More by experience, more by taking. . .you know, the office routines were explained to me of course, but the actual lease buying and the rest of it, it was just a matter of travelling with him and sitting listening to him do it.

#264 BC: Was he a man who did. . .you know, there are some people who are teachers, and who seem to be able to share that knowledge. Would you say that he fitted into that category of the. . . ?

JJ: Oh yes. Yes, I would.

BC: Did he help others on the beginning of their career, can you think of others?

JJ: Not too much. Ivan was not an extrovert, he was more of an introvert type. He was able to show you how to do the job. He wasn't the type that would go out and make a big flare out of it.

BC: He wasn't one that said, now, here's how you become the top salesman?

JJ: No, he certainly wasn't.

BC: Interesting that he should be so successful in the land, when he was. . .you say that you came from sales but it's a much more controlled salesmanship.

JJ: Yes, in a way, you're on a different sort of end of it, you're giving money away instead of trying to collect it. It's a different type of sales, quite a bit easier type I would say. Until the thing got more interesting and then of course, you're negotiating and trying to arrive at a price, a little different from the earlier days when what you were offering was sort of . . . offering something they never even knew that they owned.

BC: Would you say that's the biggest change in the land business in the petroleum industry, from when you began to today?

JJ: Oh yes, the competition. And everything is more intricate because of, on farm out deals for instance, some of these pieces of land have been dealt 10 times, you get maybe 10 partners on the same piece of land. Pan Arctic found that out when they went into the Islands out there. Like say, we had an interest in some land in the Islands, which we had acquired from other people and had operated for a few years. Well then, Pan Arctic took it, all of a sudden they're faced with 15 or 20 different partners. So every time they want to drill a well they've got to contact 30 people and get them into a meeting and sell them on the idea of drilling a well.

BC: Operations by committee.

JJ: It gets more and more complicated all the time. Every time a piece of land is farmed out or farmed in or turned over it gets more complicated.

BC: Well, I'd certainly like to thank you very much for giving me this time this morning to look into the land, it's fascinating to see the changes and I want to thank you for your time.

JJ: You're very welcome.