

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Fin Lineham

INTERVIEWER: Susan Birley

DATE: September 12, 1984

SB: It's September 12th, 1984 and this is Susan Birley interviewing Fin Lineham at his home near Edmonton. Mr. Lineham I wonder if you could just start up with telling me a bit about where you were born and raised?

FL: I was born in Reist???, Alberta, which consisted of one elevator and on building, which the elevator man was in and in which also there was the post office. The old folks and quite a few people from Okotoks went out there to homestead in either 1908 or 1910 so there were many of our relations, on my mother's side, the Creighton side, and dad's, which is the Lineham's. And it was December 12th, 1912 when my twin brother Jim and I were born. We stayed there until we were 5 years old. I should mention that Youngstown was the closest town and that Coronation was the end of steel, in those days. We moved from Reist to Cochrane, west of Cochrane to Horse Creek Valley and started school there at the age of . . . we were not quite 6 and they accepted us in the school in September because we were going to be 6 in December. We went to school there from . . . well, we moved out of Cochrane and arrived in Okotoks in 1918, which was the year of the flu, which I remember very well, the flu after the First World War, '18. This was where Dad was born and raised, no, I shouldn't say born, he was born in Ontario, he was raised there from the age of 4 because his people came out to Okotoks after the railroad in 1885. We started school, Mother was a school teacher nearly all her life and we started school, Jim and I went to school from Grade 2 until we got out of Grade 8.

SB: At the same school your mother was teaching at?

FL: No, Mother taught in a number of different schools prior to the time we moved out to Turner Valley, not only the Okotoks school but we were in Carmangay and the old folks farmed at Black Diamond. We moved from Okotoks to Black Diamond and then Black Diamond back to Okotoks and then to Turner Valley in 1927 when Jim and I were going to be 14 years old that December. We moved out with old Jim and Jerry, the team that Dad and Mother were given when they were married in 1904 and old Nobster, the cat. And we went out with a team and wagon and a wagon. We lived in the tents that summer while Dad was having a house built because Mother was going to summer school in Winnipeg, which was one of the requisitions that teachers were required to do in those days. Dad had teams in Turner Valley and did team work for Royalite, mostly Royalite. He also had 6 or 7 saddle horses and the summer of '27 was so wet that there was no way that the fellows could get around, the tool pushers could get around or any field man wanted to get around without having a saddle horse. So Dad supplied saddle horses to all the tool pushers. Old Bill Applegate and Sutherland and Max Bell, I can't remember all those guys that far back.

#047 SB: So he raised the horses then?

FL: Oh Dad was not a farmer. Dad was a cattleman, brought up a cattleman because that's what the Lineham's were when they were in Okotoks was cattle. Dad should never have gone farming because he wasn't a farmer. We went to school until we finished our high school in Turner Valley and every summer the old fellow would rustle a job for Jim and I, either in the machine shop or in the warehouse or down in the plant, or on the pipeline, I was on the pipeline a couple of summers. When we finished high school I went down to California for one year. I didn't finish high school, I didn't get my Grade 12. I went down to California because 3 of the boys I went to school with, their dad was the head ramrod for McDougall, Seiger.

SB: Who were the three?

FL: They were the Hollingsworth's. Bill Hollingsworth's three boys, Stan and Chet and Bob. So I had a little money after we had worked on the pipeline. That year in 1933 we dug the pipeline up from. . . the oil line from Turner Valley to Calgary. And it had never been tarred or wrapped so they wanted to tar it and wrap it. And we dug ditch for 5 cents a foot and once we got too far ahead of the pipeline crew the Dad and I worked for the pipeline crew. Merle Hunter was the pipeline ramrod then. After I finished that, we didn't finish that until quite late in the year, it was well into September when we got to Turner Valley. We started in Calgary right at the bridge, where the line goes under the bridge to go to the refinery, under the Bow I think it was, maybe the Elbow, under the Elbow. When we finished that I went to go and stay with the Hollingsworth's on a farm just out of Durham, which is very close to Chico in California and I spent the winter there. Dad wrote me a letter saying that he and big Jim Tardiff were going to make a trip into Great Bear Lake to see if there was any work up there and that was 1934 and LaBean??? had discovered his radium mine at LaBean Point out of Cameron Bay in 1932, I think it was '32 and work was pretty prevalent. And at that time you couldn't buy a job you know, the hungry 30's you couldn't buy a job. So we built our own boat at Waterways and we left McMurray on the 24th of May and we were the first boat down the river to Fort Norman. When our boat pulled in at the shore everybody at Fort Norman came down for certain types of things, oranges, eggs, lard, anything fresh that you had. But we were going to stay for the whole winter, we were in going to stay and we had to have our own grub.

#080 SB: So how far was it from Waterways to Fort Norman, how many days did it take you to get there?

FL: We left on the 24th of May and we were in Norman on the 15th of June. We went from Norman, old McKinnon was the head ramrod down at Norman Wells, which is 50 miles below Fort Norman. Norman was right at the mouth of the Bear River where it joins the Mackenzie, it comes from Great Bear Lake. So we went down to McKinnon's, big Jim Tardiff borrowed the priests boat and he and I went down to Norman Wells. McKinnon of course, knew my dad real well.

SB: Was that Hugh McKinnon.

FL: No, his name was Fred McKinnon I think. He's long since gone. Mac, we always called him. .

SB: And what was his. . .

FL: He was the head ramrod there, over the Norman Wells thing at that time. And Dad and I built tanks for McKinnon, bolted tanks and big Jim worked with Lorne Federson and big Jim Rowan on the cable tool rig, which was the only rig they had at that time. We worked there for approximately 2 weeks and came back up the river and started up the Bear River and arrived at Cameron Bay on the 4th of August. By this time Spears and Graham had brought in what was left of the 44 men that they had on their scow and they were all going in to get work and of course, there was no work for guys like Dad and I, we didn't know anything about mining or lumbering as such. But big Jim Tardiff was a hard rock miner and a lumberman from Tomiscame???, in northern Ontario. And they were waiting for him. Lucky Scot who was the head ramrod for Labine's Mine knew that this big guy was coming down the river and he was waiting for Jim. He must have known something about him in the days when he was also down in Ontario, heard a lot about him. Because big Jim, he could neither read nor write but he'd done a lot of things and made himself known from the things that he did. Because he was a big man, he was 6 foot 4 or 5 and weighed 245, not an ounce of fat on him.

#109 SB: He was a rig builder too wasn't he?

FL: Yes, big Jim was a rig builder in the valley for old Shorty Mann. That's where we met him, he came to work in the valley. We worked there, I used the boat and I hauled a few logs for old Joe Koosknow???, he wanted to build a log house. And I used the boat to haul a few spruce logs for him. Then we sold the boat and all our grub stake to Darcy Arden, who was. . . not an Iranian, what's the other people that were associated with the Greeks?. . . can't remember what he was but he was this thing. He bought all our grub and gave us a very fair price for our grub and all our gasoline because we'd brought gasoline from Norman Wells and gasoline was \$1.25 a gallon at Great Bear Lake. We took the canoe route out with an old fellow there who was an old timber cruiser from Ontario and had come in there, he'd lost everything that he owned when the fire went through the Windermere. He'd had a great big sawmill and the whole bit and the fire went through the Windermere. I recall that, it was about probably 1917 or '18, I'm just guessing here. But I remember the smoke being in town and he had a canoe, 17' Peterborough canoe with 3' cut off the end to put a kicker board on. And we took the canoe route out from Great Bear Lake, up the Canzu and down the Marion and we crossed the height of land on the 15th of September, 6" of new snow. 44 portages later we arrived in Fort Rae. This is where or very close to where the town of Yellowknife now is. Not right at the Point Rae because it had to be back inland a little bit. And we had to wait for the last Hudson's Bay boat, which was the Deeslake and old Cap Morton was the captain to come through there and he was delivering the relief supplies, whatever you want to call them, for the Indians, that was provided by the federal government. He had pork slabs, salted pork slabs that were 3' wide and 5' long and 2" thick. And he had sheep on the boat that he was taking off to these different places. So Dad and I helped him unload whenever they'd come. We weren't allowed to ride on the boat itself, we couldn't get a cabin on the boat, we had to ride on the barge. But old McAfferty, who was the guy that we came out with, it was his

canoe, it was his canoe that we had, he bought himself a passage on the boat. And they had room for him but they didn't for us. But we helped unload the barge. I'll never forget to this day taking those pigs and those sheep off and they never even picked up these slabs of salt pork. We ran the pigs and the sheep off over top of it. And we hauled all this stuff off and we finally wound up at Snowdrift and the Indians up there had cornered a band of caribou out on a small point and we were going into Snowdrift and I was up in the wheel house with old Morton and he showed me these, he gave me his glasses and they shot 28 of these. Because when you get the caribou out on the point and you shoot them they do something, they just start milling around and they shot 28 of them. And Dad and I bought a quarter from them and the quarter weighed 28 lb. so caribou wasn't very big. We used that for part of our food on the way out. We arrived at where the Hudson Bay skid all their boats out, below the rapids at Fort Smith, Fitzgerald is the top end of the rapids and Fort Smith is the bottom end. They had a big skid way there for pulling all their boats and barges out and we were to go out on their last boat up the river, it was an old, beat up old tugboat to Moose Lake. It's funny I tried to remember that name and I was writing my things down and I couldn't, Moose Lake. And we all got under this damn thing and we were piled in there like sardine. Bunks that were only 18" apart, ice forming on the river, coming up the Athabasca or the Slave River there and then up to where the Peace and the Athabasca come together to form the Slave and then up the Athabasca to Waterways. I arrived home on the 13th of October, in Turner Valley, October 1934, I was 22 years old.

#179 SB: So how long had you been gone?

FL: We bought all the grub and took the train out of Edmonton on the 15th of May. By the time we got to Waterways big Jim had the boat all built and it was a lumberjack's pointer, he had it all built.

SB: So when you got back to Turner Valley had things changed at all or were they still basically the same as when you left?

FL: Basically the same as when we left, you couldn't buy a job or get one in 1934 for love nor money. So I went back to school in 1934 and I finished my Grade 12.

SB: Did you go to Turner Valley, could you do it there?

FL: Yes, to Turner Valley. They had that when old Jimmy Shearer was there, he was the principal and magistrate, he taught Grade 12 and so did Roy Gould, he was there prior to Jimmy Shearer. So I was able to finish Grade 12. And I got everything that I wanted. There were some subjects that I didn't want to take, who the hell wants to worry about history of English literature. What a dry subject. So I didn't take that. But when I finished school I worked on different jobs, pipeline jobs, we built the south plant in 1935, I started rough necking in August of '36 with old Bob Sanford.

SB: Was that after the discovery?

FL: No.

SB: Not after the discovery but. .

FL: After Turner Valley Royalties, yes. That was the real big discovery was Turner Valley Royalties, I don't recall the year.

SB: I think it was '36.

FL: I'm just guessing, I think it was while we were building the plant in 1935 but I'm not sure about that. But anyway there was quite a few openings and Royalite was starting up quite a few rigs and quite a few of the old drillers, rotary drillers for Royalite were at this stage working for Royalite. As each rig started up, and each driller was selected to go back to work, he hired his own crew. You weren't hired through the Royalite office, he hired his own crew. As a result of that I started out as a derrick man which was unheard of. But I'd been high rigging on the south plant, when we built the south plant.

#218 SB: What's high rigging?

FL: That's when you put up the scrubbers and the bubble column and different high towers, plant towers. Old Scotty Toss, Frank Sharp, I can see the other guy standing there but I can't remember his name and we worked for the old fellow that had been hired to erect these things. A fellow that came from Ontario and had worked for Imperial. Anyway he'd worked to help erect the plant in Calgary.

SB: And what was his name?

FL: I can't remember his name. As I say we built that and then as I say, I went rough necking in 1936 for old Bob Sanford as a derrick man. And Jimmy Archibald and Fat Campbell and Bill Lockhart and old Dave Carpenter was the fireman. I should say that old Dave never did learn to read or write and he was one of the first drillers that came out from Ontario when old John Lineham drilled his first well at Waterton Lakes and Dave was one of the drillers on it. And they drilled that well with pole tool cable rigs, they called it a pole tool rig. Because they had ash poles that had brass furls on them and you furled them together, like drill pipe and this is what they used for drilling strength. I worked in Turner Valley and went on my first wildcat job in 1938 at Lethbridge Southern #1. And I went down there as a derrick man for Archie Miller whom you probably interviewed. We wound that well up in '38 and I came back to Turner Valley and in 1940 Royalite bought their first power rig, instead of steam rigs which we were working on before. Bought their first power rig and it was Wilson #1 and it was to drill a hole on the Blood reserve just straight north of St. Mary's River and about 6 miles from Tommy Three Persons place. This Tommy Three Persons was a very prominent Indian. In 1912 he rode in the Stampede and won the World's bucking horse championship. We finished that well and I moved from there. . I should say, I stayed wildcatting on the wildcat rigs practically until I retired in 1952.

#269 SB: So then you were travelling all over.

FL: All over yes. We travelled all over and during the war we went down to Saskatchewan and they brought another rig in, which Archie Miller was pushing. And between the two rigs we drilled 13 dry holes in Saskatchewan before we moved to Provost and we hit a little well there at Provost that only produced oil, there was a little sand, it was only about 6'. I don't recall the sand, I think it was the home sand, what we would have called home sand in Turner Valley but it was shallow out by Provost. And the thing only produced for 30 days. We drilled another well there and then Bob Stanhope and Lorne Leason came in

with another rig and they drilled one well and we moved from Provost to Leduc #1. We drilled Leduc #1 and I was on Leduc #3 and was transferred from #3 out to Winfield to take Ginty Woolridge's place at that stage. From then on I had my own rig, I was the tool push. As I say I stayed with them until 1952 and the last hole that I was on was up at Bistcho Lake, up in the northwest corner of Alberta, where Alberta and B.C. and the Yukon all come together, we were just east of Bistcho Lake about 3 miles. About 50 or 60 miles back from Steam River where Imperial had built a big air strip at Steam River. The air strip is still there, a 3,000' air strip which is unheard of for a drilling strip in those days.

SB: I was just wondering if we could go back and look at say Turner Valley and just sort of compare the different stages that the industry was going through in each of these areas. You know, like, what was Turner Valley like say, in 1927 when you first got there, was there a lot of activity, what was your impression of it then, do you remember?

FL: Oh yes, Turner Valley was really booming in 1927 because the big gas discovery, Royalite 4 had come in in 1924. The McDougall, Seiger wells were producing, light gravity crude oil out of McDougall Seiger sand and they'd already discovered some wells over south, going down towards Longview on what they called the Home hill. Home had already discovered a well or two in there that was light gravity crude. The Wellington well wasn't crude at all, it was almost straight Naphtha. So this created a terrific amount of work. There were a lot of people came out to Turner Valley. By the time we arrived there Royalite already had their great big bunkhouses up and I don't know how many men they were employing for the different aspects of the oil industry.

#329 SB: Those were the tings like the camps, they called them Calmont camps, well not Calmont. . .

FL: That was another camp yes. Calmont Oils was formed by an English organization. Old Jack Draper was their head ramrod in Calgary. They built a camp out there, the Calmont camp and the Okalta, old Harron had the Okalta flats. He had formed his company Okalta and they were drilling wells. And the Macleod wells were drilled and still drilling at this time, just back of Fowler's store, just out of the corner of Turner Valley.

SB: That's the end of side 1.

Tape 1 Side 2

FL: And Calmont, Calmont I have an idea was an English organization and they headed up down in the States, probably Oklahoma or Kansas and they brought three rigs in and strung them up one beside the other on old Carl Olson's land. And they built a great big camp and nobody could work for Calmont unless you were an American. This was the trigger that made the hard feelings between the Canadians and the Americans. Because they felt that we didn't know anything about the oil industry. And in a sense they were partially right, we were just learning where they had been in it for 100 years or more eh. But they were pretty arrogant about this sort of thing. And coming down the line my saying to the American was go back to the States where you belong, we can probably teach you a hell of a lot about the oil industry you never knew. And this is the way I felt, even when I was with Imperial Oil. I didn't mind telling them. It's funny they didn't run me off. Because the Americans were the top notch job. Like Maroney was an American, from Carter Oil. He was the Operations Manager.

SB: There were some people I guess, from Petrolia that had experience.

FL: Oh yes, well this is where old Dave Carpenter came from. He was a driller in Petrolia in the very, very early days. Another fellow that came from Petrolia was. . . he was a fisherman for years and years and years for Homeco. . . can't remember his name. But there were a number of people that came from Petrolia.

SB: One that I know was Tiny Bevans.

FL: No, Tiny was born. . .

#038 SB: Oh, but his father came from Petrolia.

FL: Yes, from Petrolia, that's right. But Tiny was born out here beside Viking. I rough necked with Tiny. I can't remember those names, I know what they are but I just can't remember them. But Turner Valley was the booming place in 1927. And of course everybody got involved in the stock market. And there were so many companies that were formed, fly-by-night companies. In particular that came out of Vancouver. Not to say lots of them came out of Toronto. Everybody bought stock and old Dave Carpenter, who was the fireman I mentioned, in 1929 when the stock market hit the skids on the 20th of October, 1929, old Dave was probably worth \$300,000. But later on, I worked with him for a little while and later on he asked me to go through his stock with him and I did and he didn't have \$20,000 worth and some of it was no good at all.

SB: So he lost a lot of money in the crash.

FL: Yes, he had a pile of stock like this, 2" thick and it was worth about \$20,000. And the fellow that you and I were discussing before that came from Petrolia was Corky Valway??? and there were a number of fellows that came to work out in Turner Valley in the early days. As well as from Petrolia and also from the coal mines in Drumheller, when the coal mines shut down. A lot of them came, up to the crash.

SB: How about Lloydminster, had many of them come from there?

FL: Well, this is where Tiny Bevans got all his, before he came to the valley. And Tiny had a

number of brother, 5 or 6, and nearly all of them were in the oil patch out in Lloydminster and Viking, not Kinsella because that was discovered later. But you know, they had gas out there, many, I think years, before we had gas out in Turner Valley, really.

SB: That they were using?

FL: That they were using yes, in Lloydminster and in Viking. Not only that but they had gas right here around Edmonton, there were cable tool rigs around Edmonton which Fort Edmonton doesn't even know about. They didn't think there was any oil industry here until they got digging back into. . . because I wanted to help them build a cable tool rig. They thought I didn't know what I was talking about or that there just was never. . . But when we came out here, when we first came in here and started our company over here, there was part of an old cable tool rig laying down over here, it had fell down.

SB: So I wonder what company that would have been.

FL: Oh, you'd have to go back through the books. I'm trying to get a set of those and you can get them from the Conservation Board in Calgary. They used to come in a little set of three and they were paper backs and it had every well that was ever drilled recorded, out here. But there wasn't very much information on many, many of them because they weren't required to keep that. But I had a set of them but I don't know what happened to them, I'm trying to get another set.

#077 SB: So with the stocks and those things too, were people going around setting up companies and then selling stock in them and then going out and drilling a well? Would many of them ever get to the drilling stage, there were a lot of them I guess that were just sort of a sham.

FL: Oh yes, many of them were just promotional.

SB: So that they'd never actually drill anything or. . . ?

FL: All they wanted was you to buy their stock, they put it on the market and usually it was \$1 a share. They'd probably incorporate the company with maybe 300 or 400 thousand shares and if they only sold 100,000 they still money in pocket. Because it was your money and mine.

SB: So a lot of the companies did make money at that then I imagine.

FL: Oh yes, this is why Vancouver was. . . if the company's head office was in Vancouver after the crash, '29, people took a pretty dim view of those promoters. Because they were still in the business and they'd been in the business ever since day 1, out there promoting mining stock. So you wouldn't invest in those unless the guy was a hell of a good promoter and talked you into it.

SB: I guess one of the companies was Solway, Mills???

FL: No, they were stock brokers. They formed a stock broking company just like James, Richardson and Sons, and what happened, what really made the crash or made it bad for stock buyers in 1929 was that you could buy stock on . . . I forget the term but you only had to put 10 cents down. If it was \$1 a share, you put 10 cents down. 10% of the value of what you were buying you put down and then if the stock rose up you didn't have to put any more money in it. But if it went down you had to put more money in it. For every time it went down 10 cents you had to put another 10 cents in. Well, when the stock

market fell it didn't go down by 10 cents leaps, it just went whoosh. And of course, there were a lot of these people that were buying, well, I would say pretty near 100% of the people who bought stock prior to 1929 bought it in this manner. They've got a term for it but I can't remember it now. So nearly everybody lost everything they had in it because if you didn't put the 10 cents in they took it and tried to sell it, the broker. Well Solway and Mills, that's what happened to them. They had so much money out and no way that they'd ever, ever recover it that they went broke. Then when they investigated them they find out that they were selling stock that they didn't own, didn't have, I mean they didn't have a right to sell. And these kind of things eh. So one guy got 6 months and the other guy got a year.

#113 SB: Who were some of the promoters that you remember in Turner Valley in that early period? There were I guess the Browns, Bob Brown.

FL: Well, actually Bob Brown, his dad, Bob Brown's dad was the manager or they didn't call him manager, of the Calgary Street Railway when I first knew him. And they promoted Turner Valley Royalties and they had a well right off the bat. So it wasn't, I don't know who supplied the money at that time because I don't recall that Turner Valley Royalties was listed on the stock market as such. Of course, I wasn't very interested in stock in those days, I was too young. That was in 1935.

SB: Were there many other fellows that would go around that you remember, promoting in Turner Valley?

FL: I don't remember anybody by name or anybody coming around trying to entice you to buy stock. Because once they got the company set up in Calgary, they'd list it on the stock exchange, mostly on the Vancouver Stock Exchange, but it would be sold through the Calgary Exchange at that time. If you wanted to buy it you'd just go to some broker on the Calgary Exchange and buy it. So that you'd maybe never even see any of these people that were involved in it. Well, you never would see them.

SB: Did you ever go to Calgary during that time, you know there's one photo of this street that's covered in signs selling different stocks, do you remember seeing that?

FL: Oh yes, we'd go in, not very often, we never went to Calgary very often. But I recall going in with my older brother, Bill and we went down that. Because Bill was 6 years older than Jim and I so he was more interested in this sort of thing. We went down the street to have a look at it and all these companies had a little office you know. Like Quinalta???, one that I recall, which was promoted by the Quinton's, Bobby Quinton and some of his associates and they called it Quinalta. They were one of the few that survived. I think it's still on the market if it hasn't been bought up within the last few years.

#146 SB: What do you remember about, as you were growing up in the Turner Valley area, was there much for kids to do at that time, I guess were you mostly looking for jobs in the summer when you weren't going to school?

FL: Jim and I were fortunate in that Dad worked for Royalite in the machine shop and he was able to, and he was very popular with everybody, very well liked and popular so he was able to rustle jobs for Jim and I. But there were a lot of the kids, like the Kirkpatrick's

and the Archibald's that there was no work, except for one year there was a fire up west of Turner Valley and then everybody that was loose on the street had to go to the fire. If you were walking down the street the RCMP would just pick you up and take you to the fire. That only lasted for a month but that was one of the instances. And I worked on the Bar U, Jim and I went out to the Bar U in 1932 and worked for old Miller. He was the head ramrod for the Bar U and we stayed there about 5 or 6 months. And I worked one summer all summer for Uncle Fin Creighton. The only reason was I was his nephew. But everybody else couldn't get work. They just couldn't get work.

SB: I guess you'd spend a lot of time in the evenings getting together with other families would you, there was a lot of social activity in the towns around Turner Valley or. . ?

FL: Well, in Turner Valley town itself, we all kind of associated as a gang, girls and boys. There was a good swimming hole on Sheep Creek, just below the plant and then there was another good one on the north fork, which everybody, not only the kids but everybody that swam went to these. Royalite had a hall right down where all their office buildings were and different people would rent the hall and put on bridge things, where you'd play bridge. Or they'd put on a dance, there was always a dance somewhere, either in the Turner Valley hall or up at Q??? or down at Longview. Because people were scattered from one end of the valley to the other and hardball, we played hardball in those days, baseball you know. And during the winter a bunch of us guys all got together, fairly early in the years we were there, I don't recall what year it was we did this but we got together and got Royalite to allow us to tap on to their water line and we build a skating rink, an outdoor skating rink. We bought all the lumber from the sawmill up by Priddis and the lumber was all slab and Royalite made a deal with the people that were running the lumber yard to supply all the lumber. But we built the skating rink, the Kirkpatrick's and the Archibald's and Jim and I and the Hann's, different people that we went to school with. We built the skating rink and this was very popular. Royalite slid two old shacks in for dressing rooms, one for the girls and one for the boys and one for the visiting teams when we played different teams. And we played High River and Nanton and Calgary and different places like that. There was lots of social activity really, in Turner Valley. Somebody would have a get together and invite all of the kids, not all of the kids, because you know when kids are young, that age, there's discrimination. Not because of racial things but just discrimination. You know what I'm talking about so one kid wouldn't be invited or two, whatever. But they'd have a get together and we'd put on toboggan rides and everybody would go tobogganing. So we were always pretty busy.

#206 SB: And I guess a lot of the old people would go to the Longview and places like that?

FL: You know as I look back on it, there weren't that many people that patronized the bars, like the one in Black Diamond, which was the first one and then the one at Longview. There weren't that many people that patronized them, the people that patronized that mostly were fellows that were single and were living in camps or in boarding houses and that sort of thing. Really the married people didn't patronize those bars, it just wasn't the thing to do among those people at that time.

SB: I guess there were a lot of wild times that went on around some of them?

FL: Oh yes. Well, this is natural with a boom town. You read about the things that happen in Drumheller, which was a boom town in the coal days. Well, the same thing happened in Turner Valley. Plus the fact that everybody was working shifts, 8 hours daylight, 8 hours afternoons, 8 hours morning tower. And you worked 2 weeks daylight, 2 weeks afternoons and 2 weeks morning tower and then you got off on your long change, so your long change was from Saturday at 8:00 in the morning til Sunday at 4:00. But while you were away, this happened in many, many instances, everybody was young practically, so there was lots of young married people, so there was lots of young dollies stayed at home while the old man was out working but there was always somebody to come visit her. And you know, this always created, when it was found out, this created a lot of. . .but this went on all the time. And Uncle Jack one time took the census, this was Dad's brother, he was the census taker so when you take the census you've got to take your name and your husband's name and how many people are in this house. Well, it was surprising, you see, Royalite built a town site up on the hill and we called in Knob Hill and Uncle Jack said that of all the people that he went to take census on it was surprising the number of people that were living in Knob Hill that were living common-law. Far more than there were otherwise in those days. Because common-law in those days wasn't accepted. You kept that a deep, deep secret.

SB: So only a few people would know about it.

FL: Like the census taker, nobody else. Except themselves and their people in all probability but in many cases, not even then. People would come up from Taber and they're Mr. & Mrs. So and so and they move in and that's who they are.

#250 SB: No one know the difference.

FL: Yes, because they come all the way from Taber. But he's probably got somebody else's wife, his wife is probably living with somebody else down in Taber.

SB: What about the Turner Valley Oilers, did you watch them very often?

FL: Oh yes. Jim and I knew all of those players very, very well. Because we were batching, Jim and I and Dad batched for 8 years and these guys were all our age or very, very close. When you run a little bachelor establishment you have poker games and they'd come in and they'd drink with you and you know. So we got to know all those hockey players very, very good and we went to every game, even the old fellow. Dad like hockey so we went to all the hockey games.

SB: They had a lot of support throughout the whole valley and. . . ?

FL: Oh yes. Their home games were in Okotoks, in the new arena that they built there. You had to put your name in for a seat or you didn't get one, they were that popular. And they worked on the different crews, every one of them had to work. So the place to put them was on the rigs and they'd come out as a spare man, during afternoon tower or morning tower, when they weren't playing hockey. Or daylight, they weren't playing hockey that day and they'd come out as a spare man and they didn't have to rough neck. But many, many of them did. But there were a few guys that would come out there and knew that they didn't have to work so there was no way that you could get him out of the doghouse, he stayed right there.

SB: So they had special treatment in some ways because they were on the hockey team?

FL: Oh yes. Trammel was the head ramrod, he was the field sup in Turner Valley at that time and it was his idea to get this hockey team going. He was going to have a Canadian champion seniors hockey team at that time. They never did win it. They came close once. But the hockey players really didn't have enough to do. And they had so much time off, like I say, they just didn't have enough to do, enough to keep them interested. So they got to drinking and carousing around, not good for hockey players.

#292 SB: When did you start noticing a change in Turner Valley, well, I guess after the Depression, was there a different kind of people after things picked up again or did a lot of the same people stay through the Depression in Turner Valley?

FL: Oh yes, quite a few people stayed right through. And Royalite put on a relief program. Old Sandy McNab headed it up and I used to go around with him because old Sandy didn't want to pack flour and sugar and that sort of thing into the different places. So we'd go and we'd go to the different houses of the people that had worked for Royalite and some that hadn't. And Sandy would give them the staples.

SB: All through the Depression.

FL: All through the Depression. And then Royalite was very good. If you had been an employee of Royalite they tried to see that you got at least one, if not two days a week work. The old fellow got two days every week that he was there. And after the Depression and things started to pick up, this was why in 1935, when we were building the south plant, that we had so many drillers and old rig hands working on the building of the south plant.

SB: Because they wanted to give them. .

FL: Wanted to give them jobs yes. Mind you all we were getting in those days was 40 cents an hour. This was. . the drillers were accustomed to getting \$12 or \$14 a day, not \$3.20.

SB: But I guess they were glad to get anything at that time.

FL: Oh yes. Anybody.

SB: So when you made the changeover from Royalite to Imperial, what was your job with Imperial, well, what was your job when you left Royalite first of all.

FL: Actually we didn't leave Royalite. What happened on the change there, everybody had a choice, when Seagram's, the big whiskey company, they bought Royalite from Imperial and everybody had a choice. You could either remain with Royalite or go to Imperial Oil and they would find you a job. It may not be the kind of job you had when you were with Royalite but they would try to give you one similar to that. And certain people that didn't want to leave Turner Valley, who had homes and families and this sort of thing, stayed with Royalite. Of course, I was out on the rigs wildcatting when this transaction took place. It happened in, sometime in the 40's I think, I'm just guessing about that. So Imperial took over the Royalite rigs, except for 2 or 3 that were in the general area of Turner Valley. So I just stayed on with the rigs and I stayed on wildcatting. That's why we went all over the country from then on.

SB: So that was prior to the Leduc discovery?

FL: Oh yes, prior.

End of tape.

Tape 2 Side 1

SB: You decided to go on with Imperial and you were mostly working on rigs as a roughneck?

FL: Well, when that change took place I was already drilling. I can't recall exactly when it took place but it prior to our drilling of Leduc #1 in 1947.

SB: Oh yes, you worked on Royalite #4 did you?

FL: No, no. That was in 1924.

SB: I was just wondering if you knew any of the people were who worked on that?

FL: Yes. Old Clarence Snyder was the cable tool driller on tower when that thing blew in. Royalite had decided that they'd drill down. . for cable tool rig they were deep, deep in those days and they decided that they would shut that hole down at 4:00 that afternoon. Bul old Clarence was on afternoon tower and they didn't bring the information out to him to shut down drilling, so he kept on drilling and that afternoon he hit that heavy, heavy gas flow. They were in the line and it was very high pressure but nobody knew it was there until they hit that well. And for many, many months and when the thing blew in the flakes coming off the line got into old Clarence's face and his eyes and for many months he was in the hospital and they were picking these little things out of his eyes. Fortunately he didn't go blind. He later on formed Snyder, he later on formed Snyder and Head Drilling in the south end of Turner Valley. I never worked for him because I was working for Royalite. But I went to school with the two girls and the boy.

SB: How many other people that you went to school with stayed in the industry, were there quite a few?

FL: Oh yes. I would say that 90% of the people that I went to school with in Turner Valley were associated with the oil industry right up till at least when I got out of it, got away from Imperial in '52.

SB: Do you remember Bill MacGregor, was he living in the same area as you were?

FL: Yes. Bill went to school in Black Diamond and I went to school in Turner Valley and we competed against each other every 24th of May when we'd have our school meet, track meet. After that Bill and I were very good friends, still are but I never get over to see him, I should go over but I never do. And old Stu Armstrong that's one of his head ramrods, Vice-President or something. Young Stewart, Bill's son is now one Vice-President but I don't get to see Bill that often

#033 SB: So when you were working for Imperial, who were some of the people you were working with then on the wildcat rigs?

FL: Well, Charlie Visser was the drilling superintendent and they headed up out of Calgary. They moved from Turner Valley to Calgary when the change took place. Charlie elected to stay with Imperial Oil and he was the drilling superintendent and Joe Jackson was pushing. Vern Hunter was pushing, George Jackson was pushing, I think Archie Miller had left and formed his own company. No, he didn't leave then, he was still there. At the

time that I joined Imperial, or when the takeover came, Imperial had about 6 or maybe 7 rigs working.

SB: That were all wildcatting?

FL: Most of them wildcatting yes. There was George Kirkpatrick and Mac Brown and Ginty Woolridge.

SB: And then your crew went on to drill Leduc #1?

FL: Yes, Vern Hunter was pushing that rig, I was assistant push.

SB: And where had you come from just before that?

FL: Provost.

SB: So what was it like drilling Leduc #1, can you remember any of the details, did you have any problems with it?

FL: No. Leduc #1, in that general area, drilling out in the Leduc area is just straight ahead drilling, flat formations, no problems, as long as you keep your mud doctored up and do a little looking after it. And when you're drilling a wildcat well for Imperial Oil, as soon as you hit a porous zone or any zone that looked good to the geologist, you normally, after he examined the sample, you'd circulate for an hour until he examined the sample and then he'd tell you to either go ahead drilling or pull out of the hole and take a core. When we hit the Cardium sand, which is the big sand producer out at Drayton Valley, we pulled out and took a core and then we ran a test on it and we had a 1,900' oil run and right then is when I knew that we had an oil field of a sort. Like a damn fool I didn't go out and try and buy any leases, because they were selling for nothing. You know the oil rights and I didn't try. But by the time I got to Redwater, which was the next year, I knew, 1948. So I'd already made a deal with a guy in Edmonton that as soon as we hit anything out there, I would phone him, even if it was the middle of the night and tell him to go down to the land titles office and find out what leases were free and so on and buy them. But there was only two freehold leases out at Redwater and they were already taken by Imperial. Because Imperial had a blanket lease on about probably 30 sections or more at that time. And then they'd run seismic surveys on them and then go and drill. That's how we hit Leduc you know, was from a seismic survey.

#070 SB: And was there any clues, did any of the geologists have any idea that it would be a discovery?

FL: No.

SB: So they weren't paying any special attention, other than . . . ?

FL: Just coring and testing. Just normal.

SB: So after working on so many dry holes it must have been quite a feeling to finally . . . ?

FL: Oh it was a thrill. Old Rod Morse??? was the geologist, no, it was McClintock who was the geologist. Rod was the geologist out at Redwater 1 and he was so happy. 13 dry holes and never got a whiff of anything. And he was just so happy. I've got a picture of old Rod sitting at a table and this old farmer is leaning over him, got him tied in, can't get out and they're both drunker than billy goats and he's leaning right over Rod, his face that far and they're talking about the well at Redwater. It's really comical.

SB: Were there a lot of Imperial dignitaries that came out when the discovery was made at

Leduc #1?

FL: Oh yes. Old Hank came from Medicine Hat, Hank. . . Jack White, Pendergast, the old boy that was the director of safety and personnel, old Buck Pierce.

SB: Jack Well, was he there then?

FL: No, I didn't know him. I know his name but I didn't . . . And Scorch the Earth Hyder, who later on was Chairman of the Board, or President of Standard Oil, because Imperial is owned by Standard. The guy I'm trying to think of was one of the nicest fellows I've ever met in my life and he came from a dried out farm down at Medicine Hat and he finally wound up as the Chairman of the Board at Standard Oil. Hank. . . . It wouldn't be hard to find his name if you look for him.

SB: How about Ted Link?

FL: Oh yes. I knew Link when he was in Turner Valley. Jim worked for Link.

SB: Yes, he mentioned it. So I guess there was a lot of activity around there for awhile then?

FL: Oh yes. Old Walker Taylor was the head ramrod for. . . he was the District Area Superintendent over everything west of Winnipeg, for Imperial Oil, in Calgary. And Vern Taylor was his assistant, no relation. Everybody came out. Sooner or later, at Leduc #1, within a short time.

SB: And how long did it take you to drill it and complete it?

FL: We came in there in the winter time and I think it was in October because there was snow on the ground. And we rigged her up and we brought Leduc #1 in, in February 13th or 12th.

SB: Yes, 13th I think it was.

FL: 13th. And we cored and tested everything that looked like it would produce even a bucket of oil.

SB: And do you remember Leduc #2, were you tied in with that at all?

FL: No, that was drilled by Lorne Leeson and Bob Stanhope. They brought a Frank's #3 in to drill that well. Leduc #1 was a Devonian 2, you see, they had two oil bearing zones in Leduc. The D-1 as such had shelved out and there wasn't any. They don't call it shelved, had pinched out, but there was the D-2 and the D-2 was the one with all the gas on it, it had the big gas cap. And this is what we were in, we weren't in the D-3 because we didn't know about it at that time. I don't recall when they hit. . . I don't think they went down to the D-3 on #2. But the rig that I was on #1, moved and drilled #3 and while they were drilling that I went out to Winfield to take Woolridge's rig over. And they went down I think there, they decided that they'd go on down and see what was down below. So they hit the D-3, which is the prolific producer. So every well, everybody would drill. That's why when you go out to Leduc field, there's two pump jacks working side by side on the same lease. Because they drill the D-2 and the D-3. Down in the States they drill wells and they'll have 7 wells producing out of the same hole and run 7 strings of tubing with different packers.

#130 SB: So they didn't think of that here?

FL: Well, they thought of it but what Imperial Oil was primarily interested in was developing the field. And they hit that one in February and I hit Redwater #1, I think it was in the

latter part of August or the very, very early part of October the next year in '48. And this one, we had 148' of oil bearing porosity in the D-3. There was no D-2 or D-1, we just hit the D-3 there, everything else had shelved out. And then of course, they immediately stepped out, you have to be 4 miles on a step out, so we stepped out 4 miles and we drilled Agermont #1, which is now Redwater #4 and they brought in about 5 or 6 different rigs to drill because they have to declare their lease within 90 days. And they have to checkerboard it. They had 36 sections of lease, they have to checkerboard it and they're only allowed 18 sections and they can't put them all around Redwater 1. They can run 6 sections this way and 4 this way or vice versa and so on. But you just can't take a square around Redwater #1 that would take in say 6 or 8 sections. Because this takes away the value when Alberta sells the oil rights.

SB: So they can drive the price up.

FL: That's right, yes. And Royalite, you see, when they declared their lease after that, Royalite bought the section that the town of Redwater is on. And it runs south and that was old . . . no, old Harvey was the other outfit, but Royalite bought that section. And they paid at that time, I think it was \$3.5 million for a section, which was unheard of. And they just moved 2 or 3 rigs in there and drilled it up right now. And before a year was out they had it all paid back, plus all the installation of every production battery and they had a battery in every well in those years. Now they drill a series of wells and they bring 6 or 8 or 10 wells into one battery. Cuts their cost down. But they had it paid for all in one year.

SB: Royalite you said, not Imperial?

FL: No, this was Royalite, the company that Seagram's bought from Imperial.

SB: So I guess those discoveries made the industry really step up for awhile, there was a boom going on?

FL: Oh yes. This is what created the activity in the oil industry right til . . . when did our brains that were in the Liberal government, Trudeau and Lalonde bring in that energy thing.

SB: '78 I think.

FL: Was it? Then everything died.

SB: Oh '81.

FL: Very active. And brought in all these other discoveries eh. People really got out and got after it after that, oil companies. And then they just kept bringing all kinds of new fields in, in different places where they'd never, never been before. Like Drayton Valley. Westrose down here, where Texaco have the big field. Bonnie Glen, which is a Texaco field. And they've just kept moving on further north until they got way up into B.C., way up on what's that first great big town north of Dawson Creek?

#179 SB: Fort St. John?

FL: No, the next one.

SB: Fort Nelson.

FL: Nelson. Terrific play in there, in what they call the Charles Lake sands.

SB: Oh right, Clark.

FL: Clark field, yes. This instigated it, these two finds.

SB: So had you started by that time, thinking of having your own company, or what made you

decide to do that?

FL: Well, Alec Kenyon was drilling for me. He'd worked on service rigs with his uncle, who was Sandy Addison, out in Lloydminster and in that area and then he worked for Imperial. And he was drilling for me and he kept after me to start a service rig company. Well, I didn't know anything about service rigs and all I did know I thought, what the hell would you get into one of those things for. But finally we bought one in 1950 when we were up at Jarvie, drilling a well at Jarvie and Alec left and started Kenyon's. In 1951 I was way up out of Peace River and I got a phone call from Jim and Kenyon had died with a heart attack, 32 years old, in Jim's house at Devon. Because he'd caught the flu and that year we had a bad flu and he'd caught it and he was living in the old Braun monk??? house when Braun built the refinery out at Devon, the plant. And he didn't look after himself and he came up to Jim's that morning and he went into the bathroom to wash up, he came in at 7:00 and Jim and Jennie got up and were getting him breakfast and he hollered at Jim, he said, I'm going to faint. Jim went in and he was dead. So there were 4 of us in that company, Jim and Kenyon and Van der Griff and I and Van der Griff was working for Imperial as a production foreman out at Redwater. While we were driving home from the funeral Van der Griff says what are you going to do. I said, I don't want to leave Imperial Oil right now, I'm just at the stage where I might get a jump up, maybe be field superintendent or assistant or something, so I thought I didn't want to leave right away. He said, how would it be if I take it over. Suited me fine, so we went and in 3 years he's got 4 rigs running. We just went ahead and bought 4 more rigs in no time. We had 11 rigs.

#218 SB: And you were still working for Imperial?

FL: I left Imperial in '52 because he wanted to get into the drilling business. And that's all I knew was drilling, I didn't know service work. He bought a Cardwell mobile hoist, which is a trailer type rig, which a lot of them were being used for shallow hole drilling, particularly over in the eastern part and down in the southern part of Saskatchewan and Alberta. He asked me if I wouldn't leave Imperial and come and run the drilling end of it, which I did in '52, that's when I left.

SB: Did you find to make the decision to leave Imperial?

FL: Oh no, not at that stage. Imperial Oil were starting to change their attitude, I shouldn't say they were starting to, I don't think that any big company has a very good attitude towards any one of their employees, except that there's somebody working for them and there's somebody to keep their eye on to see if he's going to develop and produce higher up the line the way they want him to. But you can be damn sure any time you're working for a big company that they're going to just give you the works coming down the line, if you start going up. Like Jim Lineham says, during that time after I left, when he and Kelly took over the drilling for Imperial Oils, the drilling company for Imperial Oil killed a man every week. Just worked him to death. And this is the way these big companies are, doesn't matter what job you get as long as you're climbing up the ladder. You're behind the 8 ball.

SB: And is it possible to just stay at one level?

FL: Oh yes. You don't have to take any promotions when they offer them to you, you can just stay. But once you don't, if they offer you a promotion and most big companies are the same, until somebody in the general top management comes along, that's a new guy come up the ladder and he sees you and he sees that you're productive and he tried to have you change your mind. Because they know more about you than you know yourself. They've got a file on you that's fantastic.

#254 SB: They know what you can produce.

FL: They knew who you slept with last night.

SB: So did you find making the change, from working for a big company to working for yourself?

FL: Not really. One of the reasons is that when you're a push for Imperial Oil, particularly for Charlie Visser, you were left almost exclusively on your own. You did all your own ordering and quite a bit of your own purchasing and you kept a little set of books of your own. At least I did, I kept a little set of my books so that I knew what was happening on the rig. I didn't know what it was costing initially, I just knew what it was costing for the parts that were coming out on the rig. But I didn't know about warehouse costing and management costing and all this sort of stuff that was added on. All I could find was they sent you a little paper about 4" wide and about that long and all these items are on there. And then you begin to realize, I used to do this. So when I went with Van der Griff we had a pretty comprehensive cost analysis on everything that we were doing, even at that stage.

SB: And what about Van der Griff, what was his background?

FL: He went to school in Turner Valley only he was 9 years younger than I so I didn't go to school with him. He worked on all different kinds of aspects in the Turner Valley, dug ditch and pipeline work and all this sort of thing and gradually got to be the point where he was production foreman and arrived up in Redwater. He and little Brick Macdonald. Van der Griff looked after the north end of the field and little Brick looked after the south end.

SB: For Imperial?

FL: No, this is after we hit Imperial #1.

SB: But who was Van der Griff working for?

FL: Imperial. And he elected to stay with Imperial when the change took place, I'm sure it was in the 40's.

SB: So he was a good manager then as far as that went?

FL: Oh yes.

SB: Knew how to handle the costs and. .

FL: Oh yes, and one of the best, I would say he's one of the best promotional guys that you'd ever meet. He promoted himself and had people believing that the only people to hire was Kenyon's. So that's all they did was hire Kenyon's.

SB: That was the name of your company?

FL: Kenyon's Oil Field Servicing. And Kenyon's Drilling and Servicing was the drilling company.

#295 SB: So you operated two different companies?

FL: Not at arm's length. Because at this stage there's Van der Griff and Jim and I and then we brought Jim Keer??? in, the old northern pilot that piloted for Imperial Oil for a long time. He's still here in Edmonton. He's got his own company, I don't know what he does now but he was an old, old pilot. Flew into the north country all the time on the Imperial Oil planes that flew up there. The major proportion of the shares were owned by Jim and Van der Griff and I, so that when we brought Keer in, we can't say that we were at arm's length as far as the income tax people are concerned.

SB: So who were some of your clients then?

FL: Everybody that was in the business. Imperial Oil, Cal Standard, Superior, hell, everybody that was in the business, because we had rigs all over. They were down at Redwater, up at Fort St. John, as far north as Mile 101 and out at Drayton Valley, in Coalville, when Royalite and other companies were drilling that stuff up over at Coalville and Smiley. We had drilling rigs down at Estevan, had one drilling rig at Estevan, as far out as Oxbow. Every major. . well, a lot of small companies too.

End of tape.

Tape 2 Side 2

#026 SB: Was it a good time to start a drilling company then?

FL: Oh, at the time that we started Kenyon's, everything was on the boom after the war and remained, like I was telling you before, remained that way until the energy program was brought in.

SB: You didn't notice many ups and downs in the business from your end of things?

FL: No. Really everything was booming, full out. That's why the land prices and everything boomed and went up, was because Alberta was booming.

SB: Some companies started up in the 50's and didn't make a go of it, you know, drilling companies, do you have any idea why some would fail where others would succeed?

FL: I think one of the problems with a lot of these companies that started up in the 1950's is that it wasn't the personnel I don't think, it was the fact that when they started up, you know, if you're only going to start up and drill with one rig you only have to have one fishing job to break you, if it's a bad one. So when some of these started up they didn't have enough finance behind them to overcome a bad time. Plus the fact that there were ups and downs in the oil industry and at certain stages when there was a down the oil companies, if you were in the drilling business, the oil companies would send you out drilling programs that they wanted you to drill on, on a certain well. Well, they didn't only send them to us, they sent them to everybody within the drilling business. So everybody else was cutting everybody else's throat and the oil companies were sitting back there laughing at you. And you would bid on a program of wells or. . what I'm thinking about when I say a program of wells is the time that somebody asked, I think it was the outfit that Bill Dyson worked for, anyway it was out at Coalville, they wanted 100 wells drilled, they wanted to give it all to one contractor. So this is fairly straight

ahead bidding. And at that time the price per foot, it was just a break even project really. So when I gelled up the bid for this I bid it at \$1.25 a foot. And you could drill a well in two days because it was only 2,200'. Two and you'd be spitting in on the next well on the third day or approximately. So I bid it at \$1.25 a foot but Commonwealth Drilling bid it at \$1.10 and they moved 2 or 3 rigs out there and they were really going to drill this up in a hurry. Well, they only worked at it for a very, very short time till they found out that at \$1.10 it was costing them money. So they sublet it to GP, for \$1.50 to get out from under. They realized, and they were willing to pay that extra 40 cents a foot just to have it done for them and to get out from under it. Well, this is what happens. Like we had a recession, kind of a recession in '56. All over every place, a little recession in '56. We had another little recession in '64. It wasn't that small really, but things slowed down, really slowed down. Then in '65 things started to pick up and it hurt us, we were operating in the bank with an overdraft of \$120,000, which is a pretty good sized overdraft in those days. This recession in '64 hurt us and then in '65 things started to pick up so we went around and visited all the oil companies personnel to find out what was going to happen in '66. And how much work they were going to have and what prospects did we have for getting some of their work. Well, the Conservation Board were going to make everybody service so many wells every year in every part of the oil fields. So we thought we had a hell of a lot of work gelled up. But in June of '66 the provincial government stopped this. And by this stage we've spent, well, I brought 4 rigs in and reworked them all. And one of them, the drilling rig, the big rig, rig 12, we spent \$46,000 on and we didn't have \$46,000 in the kitty. We were working on the cuff??? eh. So we got behind a bit. We were dealing with the Treasury Branch, well, it got so damn bad that every time we wanted to even send out a payroll I'd have to go back and see Woods.

#086 SB: Why did the government decide to cancel?

FL: I don't know what the . . . I talked to Getty about that because he was in there at that time, I talked to him about it but Getty is pretty close mouthed. I knew I shouldn't have got anything out of him, I knew him real well too because I used to play gin with him a lot but I didn't get anything out of him or anybody that I talked to what really happened. But by December of '66 I'd made a deal with Woods that we would go along into the new year and we would have another meeting with he and all his head ramrods of the Treasury Branch down on Jasper Ave. But as soon as our payroll hit the Treasury Branch they closed the door and we were broke and Kenyon's went under. They sold her. They had enough to get. . . they were preferred customers, we had enough to get the preferred customers all paid but those that weren't preferred were only going to get about I think, 34 cents on the dollar. But I agreed not to take the part that was owing to me so everybody wound up with 70 cents on the dollar, except Jim and I.

SB: So probably a lot of companies ended up the same way then because they didn't have enough to carry them over the slack period.

FL: The same way. Yes. During a short period, you had to have a little extra cash. We had extra cash, like I say, we spent \$46,000 on rig 12 alone. And then I brought 4 in all together so you're going to spend some money and you've got to keep people on the

payroll. I don't remember how much was spent overall on it but our creditors were all going along with it, except the Treasury Branch, they closed the door. This is why there were some drilling companies and servicing companies that went under, because they didn't have any surplus to carry them over as they were coming down.

SB: Were you always guaranteed payment by your clients?

FL: Oh no. We had creditors that wouldn't pay up for as long as 120 days, Hudson's Bay for one. Jesus Christ when you're talking about a company as big as Hudson's Bay. Like I told the only guy that I went to school with and he was one of the production ramrods down in Calgary and Eastland??? and I went down that time and we had dinner with him, Eddie Shapo???. I was just waiting for an opening and he gave it to me and I said, Shapo, there's no damn way that Kenyon's can be Hudson's Bay's creditor. He only had one eye, he got the other one knocked out playing hockey as a kid. And I'm talking to him and I said, Kenyon's can't be Hudson's Bay's creditor and he said, what are you talking about and I said, you fellows have owed up over \$120,000 for over 120 days. And I said, we can't stand that. By god, there was a cheque in the mail for over half of it the next day. As soon as you got to the right guy. But this happened, one of the worst offenders and still are, was Amoco, which in those days was called Pan Am. And you know what they'd do, they'd hold up the payment on that thing over some 10 cent little, chicken shit deal, they'd hold the whole payment up. They're still this way. People don't like dealing with Amoco. You've got to when you're in the oil business though because they're one of the larger ones.

#128 SB: How about when you started up the company, did you have any trouble financing it?

FL: Oh no. I'd been in the oil patch a long time by that time, that was in 1950. Everybody was supposed to put \$3,000 in, well, Jim and Van der Griff, Kenyon didn't have \$3,000, so I had the money in the bank and I went down and guaranteed the purchase of the rig, the first rig we bought, with Cardwell. I had the money at the time to pay for it if we ran into trouble. And I told Kenyon that, I said, when you start this up don't be chicken about things, I said, go out, even if you haven't got the money you go out and do what you think you want to do. And we'll talk to, I was dealing with the Royal Bank, I said, I'll talk to the Royal Bank and we'll go from there. But Kenyon was an excellent operator. Probably one of the smartest drilling guys I ever worked with.

SB: And you built it up from one rig to how many?

FL: We had 12. Two in the drilling company, rig 11 and rig 12 and the rest, 10 were in the servicing company. But we had two that were big enough in the service company that could drill shallow hole stuff like that, 2,200' stuff out at Coalville and Lloydminster.

SB: So did you try starting up again after 1966?

FL: I didn't. Not in that. I went out consulting then, as a drilling consultant. And I worked for Dome and Mobil Oil. And Harold Lister was a very, very personal friend of mine, every since the days when he went to school in High River and I went to school in Turner Valley and he had Lister's Oil Field Welling over here and I wasn't doing anything and

he wanted a bookkeeper. Well I wasn't a bookkeeper by any stretch of the imagination. I used to do my own bookkeeping and I'd do nearly all the fellows income tax on the rig when I was a push. So I got to know a little about it so I said, okay I'll try it. So I went over to try it and then I did a lot of contract work for him. And right at that time, that was in 1968, right at that time, there was a terrific boom going on down the Mackenzie River. And NT were doing all the hauling, Northern Transportation. It's owned by the Canadian government and a fellow by the name of Mampati??? was the head ramrod, the President of it and he headed it up right here. But they were doing all the transportation. And there were one or two little outfits that started, that hauled stuff up the Liard River, from where the Liard flows into the Mackenzie and he hauled up the Liard and a hell of a lot of that stuff that he hauled up there was drilling equipment and drilling stuff. I went around to see Bob Teskey one day, we were doing a lot of work for Imperial Oil, not as much as I thought we should do under the circumstances so I went to see Teskey. Teskey was a funny guy but he was a brilliant, brilliant man. He said, do you really want to do something for us, he had a funny way of looking at you, he'd look at you then he'd look up like this and he'd sometimes have 2 cigarettes going at once. I said, yes, what is it, he said, why don't you guys build us a barge, we want a barge that will haul at least 50 ton or better, 100 ton and we want it for Inuvik. Because they were just starting the Beaufort Sea operation, the second year or so into it. And they wanted a barge that they could use to haul from Tuk out to their rigs. I didn't know anything about tugs and barges so I said, Bob. . I was going to take him out to dinner and I said, I'm not going to take you out to dinner, I'm going to go and see Lister and I'll phone you back right after you get back from dinner. So I went to see Lister and I told him what Teskey wanted. Hell, he said, we can build a barge, Lister was a brilliant, brilliant, brilliant, he was always inventing stuff like boilers and stuff like that, he said, we can build a barge. I said, Teskey wants to know how soon we can have it ready, he said, how soon does he want it. I said, he wants us to deliver him the barge in the water at Fort McMurray on the 7th of July. He said, you go back and tell him that he's got it. I didn't know what he was going to do. So that's how we got into the tug and barge business. Lister and I started L & L Tug and Barge. And we did so damn well. One of the things that I told Teskey, which was a lie at the time, we didn't have that much money between Lister and I at that particular time so we had to . . one of the things I told him was how much the barge was going to cost and that the bank insisted we have it all paid out at the end of the year, which was October for the navigation. Teskey said, you'll have it, we'll figure out what it's going to cost per day, we'll pay you by the day or the month and at the end of that term you'll have your, I forget what it was, \$58,000 for the barge. So that's what we did. Well, the next year he phoned me, he said, I want you to come and see me. No, that was still that year, it was in December, I said, okay. And then he wants us to build a tug, both an ocean going and a river tug, which had to have not more than 3'-3'8" of draft so that you wouldn't pile up on the rocks and things and it had to have a hull, an ocean going hull. Well, we didn't know what the hell we were getting into. So I came back to see Lister about this after he. . and I asked Teskey a lot of things about it, but he didn't know too much about it either. He'd been around them quite a bit but he hadn't paid that much attention. But he gave us quite

a few pointers. So I went back to see Lister and I told him what he wanted. So we started working on it and the first thing we did was go out to Vancouver. He sent me out to Vancouver to go to tug building people out there and the one guy who we were advised to go and see, I talked to people out in Vancouver that I knew and nearly everyone advised me to go and see a fellow by the name of Brandelmeyer. Well, he wasn't an ocean going tug builder, he was an ocean going sail vessel builder. But he was meticulous as hell and the guy that drew up the plans and everything was meticulous as hell and knew what he was doing. So we got all this information and they drew up the plans for us and we started it before the 1st of January.

#220 SB: Where did you build it?

FL: We built it right here in Edmonton. We rented a great big old Quonset type building from old George Windsor. We got all our material, it was all scalp metal from Regina where the metal plant is, where they roll the big pipe, the inch pipe before they started the one at Camrose. Well, they make all that scalp out there, all that metal and anything that's scalp is stuff that doesn't pass the test for pipeline, where they're going to have pressures, sometimes fairly high pressures on pipelines. But for tugs this is ideal, there's no pressure on a barge, no internal pressure or a tug, except the thrust back and this isn't taken up by the metal itself, it's taken up by the big beams and things that you put in to stand this sort of thing, for the thrust of the propellers and all this. So we started at this thing and one of the things that Lister and I neglected to really pay attention to, although they told us about it, was that they had until the 7th of March to renege on the deal. And god damned if they didn't. We've got the hull all built and we've ordered. . you know, we had to have 2 radars on it, we had to get them in from England, I couldn't get them in Canada or the United States. Phoned all over hell and back, and the engines and we had to get the drives and all that stuff and the props and everything from Vancouver. And all these things are ordered, waiting to be delivered.

SB: So all your money is tied up in that too?

FL: Oh yes. We went to the bank. Old Plant was the manager of the Royal Bank for Lister at that time and I owned this place at that time. See, I bought this before Kenyon went broke and I paid cash for this quarter but I didn't for that one, I was paying for that one. I told Plant that I wouldn't put my property up, I wouldn't guarantee that property, I said, I've gone through that once with Kenyon, I'm never going to personally guarantee anything again. But I said, when the pinch comes I'll look at it and I'll see that Lister and I won't go down the drain just because I won't sell this farm. And he took me at my word. We owed them. . . we figured that the thing was going to cost us somewhere around 280-300 thousand dollars. When the smoke all cleared it was \$358,000 in that god damn little tug.

#262 SB: Did you finish building it?

FL: Oh yes, we finished building it. And we got a job with Cap. Cap Chinsky had a contract to take a whole bunch of stuff out on to the big island that's off Tuk, not Sable, that's down . . whatever that big island that's out there. And Queen Charlotte Island and the channel that runs down between it and Queen Charlotte Island. And he always rented a

tug when he needed one from NT but he'd built about 4 or 5 barges and was going into competition with NT. But his tugs weren't ready, he was building 2 big tugs, big tugs. Not necessarily ocean going, yes they were ocean going, no they were river tugs, not necessarily ocean going. And he had to have a tug and couldn't get one. So we were quite a long ways in the hole even old Plant was getting a little bit worried. Cap dealt with the Bank of Montreal on 132nd so we all went down there and old Cap agree to put \$125,000 at our disposal. This is just. . .we didn't use it all up but we needed most of it by the time we were finished. And Plant was happy with this, to get the Bank of Montreal involved too. And we got a contract with Cap for the use of that tug for the entire season.

SB: So did that pay off your debt.

FL: It didn't pay off the tug, oh no, no, you couldn't charge that much for one season. So after that season, then everything died. The next season NT had been watching this tug, we called it the Lister and it was ideal for communicating between the drilling platforms and Tuk or Inuvik, all through the islands down there off the mouth of the Mackenzie, ideal for this. Because it was shallow draft and had lots of power, we put two big 12 cylinder Jimmy's in it. So they rented it for a year, straight rent for the sea, starting on such and such a date and ending on such and such a date and we were to get paid on the 15th of December, no we were to get paid at the end of the season. And in the contract they had an option to buy it. They were going to pay us \$180,000 for the season and they were to pay all expenses, repairs, maintenance, people, everything. It was ideal for us. And then they were to give us another \$180,000 on the 15th of December if they wanted to buy it and the guy forgot to phone it and didn't phone it until just before the first of the year. And he phoned up, Smoky, he phoned up and he said, we let our option run out, I said, I was watching that. I was keeping books for Lister and I said, yes I watched that, what happened, he said, we just forgot, neglected to renew it. I said, do you want to renew it for next year, no, he said, we want to buy it now. I said, no, the selling price of it is \$260,000, that's what 180 and 180, no, that's 360, that's the selling price. Oh gee, he said, that's too much money, I said, we know that but you fellows should have picked your option up. Well, he said, I'll talk to Mampati and we'll go along with it. And they wanted it for the next year so they agreed to it for the next year. And they paid us another \$180,000 for the use of it for the year and then they gave us another \$180,000 and picked up their option the next year. So we came out of that smelling like a rose.

End of tape.

Tape 3 Side 1

SB: You were saying what your impression was of that whole experience, it wasn't something you'd want to repeat or. .?

FL: Oh no, no. Really it would have been, what happened was that Dome and Imperial, everything stalled in that year, the next year everything stalled, 1968, everything stalled. There was very, very little. Even NT, that was the first year in the history of NT when they showed a loss on their operation up in the north country. Now it's up for sale, Northern Transportation, I see a piece in the paper. The whole thing, and they're all through the north, the Northwest Territories and right down into Montreal.

SB: It doesn't say much about their hopes for the future I guess.

FL: No. They want to sell, they've got a few guys who are interested, there's a German company that's interested, quite interested but I think it's priced too high.

SB: How yes, I was going to ask, how did you get the barge up to . . .?

FL: We didn't put the motors or any of the finishing touches on it until we got into Cap's camp, which was right across from the road going to Providence, right across from Providence on the Mackenzie River, he had a big camp there. And we hauled it up there. . well, the tug was 34 or 38 feet wide and about 58 or 60 feet long and we got a permit. I knew the old boy with the road, from the days when we had our service rig and we used to have to get permits to haul heavy loads. And I knew him, he was still in charge of the transportation thing, the permit portion of it. I went down to see him and I told him, he said, why in the hell didn't you come down here and tell me you were going to build this before you started it, he says, I could have told you. Because we couldn't cut it apart, like the barge, when we built the barge, we cut it apart in four sections. It was 50' wide and 100' long so we cut it in four sections and took it up. And we got permits from him to do that eh, 25' wide going down that road all the way to Hay Lake, and 50' long. Well this thing is 34' wide which is another 9' wider than the parts of the barge and the whole thing is 58' long I think it was. He eat my rear end out over that, I didn't think I was going to get a permit from him, but he finally. . the thing that did it for us was that it didn't weight that much. The weight of it you know, because we could put lots of wheels under it, which we did, low boys and that sort of thing to haul it on and this didn't hurt the road bed. When you'd go through certain areas you'd have to have somebody ahead to shut the traffic off and somebody behind to hold the traffic until you got through that area and then everybody could go again. Where the road was not built out to full width or something.

#035 SB: You didn't have any underpasses to go through or anything?

FL: No. It's wide open from here all the way through.

SB: And it was just one truck pulling it?

FL: We had two trucks pulling it. But it was just one load. Oh yes, we had two trucks, not

side by side but one in front of the other. Because we anticipated that we might run into some wet weather and you know, when you get north of 101, in those days there was no pavement.

SB: Did you have to take a winter road or something.

FL: No, it was the main highway, all the way, right into . . . on the road going to Fort Simpson, which was finished as far as the road went. . . you see, it was the road going to Providence really, and then the one to Simpson necked off and went down the other way. But they had to take ferries across to Providence in those days, maybe they still do. They were talking about building a bridge and have been for years. But that was where Cap had his staging point, where he loaded all his barges and all this sort of thing.

SB: So you went from Edmonton up the Alaska Highway then, did you?

FL: No, no, up the Mackenzie Highway.

SB: Yes, I thought you said 101, but you don't mean 101 on the Alaska Highway.

FL: No, we put this in at Hay River, we put the tug in at Hay River. I'm trying to remember how we got the tug through the rapids between Fitzgerald and what happened there. . . I forget now.

SB: So that was quite an adventure then?

FL: Oh yes. I guess we were just lucky in that I knew this fellow and had known him for so long. Because we'd been running trucks and service rigs and that sort of thing, or we never would have got a permit. We'd have had to cut the thing up. And you know every time you make a weld on a tug, it has to be x-rayed, every weld has to be x-rayed.

SB: So what were you doing next, what was your next venture?

FL: Well, I bought this farm and I've stayed out here since '68. We had two quarters and I farmed it. I didn't make any money at it but I farmed it. And did a little consulting work for Jim. He was doing a lot of consulting work out at Redwater when he was doing those Redwater salt water disposal wells. And he wanted somebody to relieve him for a week or two weeks at a crack so I'd go up and relieve him. And he was paying pretty good. Because the salt water disposal people were paying him pretty good. They couldn't have got anybody better than Jim to do that job because he was the head engineer at Redwater during a lot of the boom at Redwater. So he knew exactly what the story was, knew what the drilling problems were and all this sort of thing. So I worked there for Jim off and on. That would bring me up to. . . well, the last time I worked out was about 1976 I guess, for Jim. And then I sold this part of the farm right here, 109 acres, and just kept 40 during the boom, when the land was high. So she and I are living on the velvet.

#077 SB: So looking back over your career in the industry, what do you think are the more significant things that you've done or say, changes that you've seen?

FL: I think one of the major problems with the oil industry in Canada is that we don't have enough independence. One of the reasons we don't have enough independence is that the Canadians won't invest money in it. The fellows that got the money won't invest in it. And up till the boom days here, after Leduc, there wasn't that much money in Alberta for people to get involved. A prime example is Bawden. I first met Bawden when I was up in the Peace River when I was up working for Imperial and he came in there, he wanted to

come west. And his dad apparently was a very wealthy man, his dad sent him west and he owned Peace River Transport, he bought it, for something to keep him going eh. And it only had a couple of trucks and he was transporting all the way from Edmonton up there, like Calmar Transport, transports from Edmonton to Calmar. Well, this is what he was doing. We were on the way out to Red Earth Creek at that time and there was a hell of a road out there. And I'd go out and I'd come back in, I was staying at the old McNamara Hotel and he was staying there and he'd heard of me, being in the oil patch and he was interested in the oil patch. And he came up to the room to see me, he wanted to. . and he had the money, his dad I think sent him out here with a lot of money and he was on his own, 21 years old, about that age anyway. He wanted to start a drilling company and he wanted me to show him how and tell him what kind of equipment to buy and all of this sort of stuff. And I wouldn't take the job, so he hired George Merk, and made him a partner. He was going to make me a partner but I wouldn't. I just felt I was married to Imperial Oil, which was a hell of a mistake. But you make these coming down the line. And other things about the oil industry, the worst catastrophe to ever hit the oil industry was Trudeau, Lalonde. And Lougheed. Went in there before, when they were going to have this meeting in Calgary and he's on TV and he's going to this, and you know, this is this energy thing they're going to do eh, and what he's going to do. Well, he was, he was carrying the big stick, but when he came out of that goddamn meeting he was a sheep. And he's smiling and writing down his name on all of these things that they want. And they really crucified us didn't they. And Lougheed is as much to blame as Trudeau and Lalonde because he didn't have to accept it. None of us had to accept this. I'm all in favour of some kind of. .we still remain within the Canadian concept but have our own government out here and call our own shots, in the west, the four western provinces. And if not the four then Alberta and B.C. You wouldn't believe the activity that would happen in these two provinces if that did happen but it's not going to. This has been a bad, bad thing for the oil industry. They're talking now, you hear them talking on the radio or on the TV about everything booming up, it's not. These economists and that sort of thing. . we're not in as bad a shape as the rest of the provinces. The only two provinces that are showing any, even trying to get their head above water is Ontario and Alberta. And unless we have a change in this, with these guys that we've got in. And this doesn't look very likely with Mulroney being a Quebecker, I don't say he's French, he isn't, he's Irish French, I don't say he's French but he's French in his thinking. He was born and raised and brought up and he was the head ramrod for the Steel Company of Canada in Quebec and he's got 56 people out of Quebec that followed him into this new government, we've only got 21. When our guys get down there, it's going to be just like the last time there was 21 down there, they aren't going to carry very much weight. This is why I think we should have a change in the west. Because they've been using the west ever since Sir John A. Macdonald formed the Dominion. And the two people that got the gravy out of it was Quebec and Ontario. And this is one of the reasons that Quebec gets all the subsidies and the gratuities and everything they do out of the federal government. Is because these things are all given to them because old John A. had to have Cartier to back him up, or he couldn't have formed the Dominion.

#140 SB: Do you think Canadian Independents have a better chance. . or what is. . you know a lot of people say that the National Energy Policy was aimed at the majors to try to. .

FL: Force them into becoming. .

SB: Giving Canadians more control over the industry, do you think that would be a good concept?

FL: To be owned by them?

SB: Well, to increase Canadian ownership in the industry?

FL: We don't have the money. Canadian people won't put the money into it. And you know, when you get in talking about the oil business, particularly now when they're talking about oil sands plants, they're not talking about a billion dollars, it's 10 or 12 billion. You've got to have some kind of federal money behind you for these sort of things eh. And they're going to get the lion's share and look what they did to Newfoundland. On that off the shore thing eh. They overruled the Newfoundland, what would you call it, their Privy Council, it's the Canadian Privy Council, that's the top law place that you can go to of the last resort. But they overruled the ruling in Newfoundland. And they claimed, the federal government claimed the offshore rights off Newfoundland. After that goddamn guy that was running the fishing business broke the fishing people out there. And this was their major source of income. And then they did this to them. If I were that damn guy, Peckford, I would go to Britain, I'd make a trip over to Britain and I'd say, would you take up back within your Dominion and rule us. And I'd bail out and I'd send old Joey Smallwood right over somewhere, I don't know where but some place. Because that should never have happened, you know. Of course, at the time Smallwood did that it was put to them in such a manner that it was the best thing that they could possibly do, to get away from British control. But look what happened to their power industry. They built that big damn and they had to come down through Quebec to sell it to the eastern United States. And don't let anyone tell you that power isn't energy. There's a few things that are energy and power is one of the major sources. Water power, which when you're talking about it in areas like that big dam, is a non-depleting, it isn't a depleting resource, it's a non-depleting resource, for that particular. . . . And it had to come down through Quebec, so Quebec bought the power from Labrador, Newfoundland for peanuts and they sell it to the eastern United States and make 4 to 5 hundred or maybe a thousand percent on it. And now Newfoundland wants a cut on it and our federal government won't give it to them. This is one of the major problems that's happened to our oil industry, is the differentiation between energies. People I think would accept it, if they brought all the sources of energy in as energy. But Ontario and Quebec are selling energy across there you know, . . like northern Ontario's got terrific power projects and they sell it, because they're dying for power down in the United States. They're short. Every time they have a little storm or something they're out of power because they can't turn on and hook into somebody else's, they're out.

#187 SB: Do you think people would change their view of the oil industry or fuel energy?

FL: Not unless Alberta and Saskatchewan, which is another province, their prime source of revenue now is the oil industry, not grain, not agriculture, it's like Alberta. Not unless these two provinces get together and declare what they want, don't pussyfoot around, declare what they want. And if we don't get it then we'll do something else and to hell with them. You know what old Trudeau said, the west can go to hell, they can look after themselves. Well no wonder they brought in this energy program and crucified us, we had to sell our damn oil at what, \$15 a barrel when the world price at that time was \$26. Because they wanted oil down there for eastern Canada. Anything east of a certain line in Ontario, there's no oil. Particularly New Brunswick and Nova Scotia and Prince Edward Island. And nearly everybody in that country, believe it or not, burns diesel fuel in their homes. And everybody has a vote. And you can understand why the Liberals would go in, in Ontario with an overriding majority in the federal government and yet they vote Conservative and have for 20 some years now. Because they want cheap fuel and the Liberals were the people that were going to give it to them.

SB: Do you think that it's going to continue to be an important source of energy, they say that Alberta has only a certain number of years that they'll continue finding reserves or working the present reserves. Do you think the future of the industry. . they're going to find a lot more reserves or do you think that it's on the decline?

FL: I feel that what these people are talking about when they tell you this now, and I was listening to a goddamn guy talk about the same thing today, they're not talking about the oil sands. They've got enough oil up in the oil sands, if they put the plants in, to last us for 4 or 5 hundred years. But it's an expensive, expensive, proposition. They're talking about the conventional oil in place and gas. When we're talking about gas, we've got gas wells that have been closed in for I don't know how long, many, many, many years. I drilled 4 up at Jarvie for Imperial and put caps on them and at one of them we had 14 million cubic feet a day. Now this is a hell of a gas well. Or it was in those days, it isn't now in comparison to what they get out here at this place north of. . Devon, I forget what they get out of those but they've got terrific pressures. And Dick Lake. But those people are talking about like I say, energy from conventional sources. But if we do get our marbles together and decide to really go in and produce energy from the tar sands we won't have what you would call a shortage for at least 400 years I would say.

#238 SB: And that would be a major expense though, like you say, Canadians couldn't support it themselves.

FL: Well, they could. I should rephrase that when I say that Canadians don't have it. They have it. But Canadians are too conservative, they won't invest it, they won't invest it.

SB: Why do you think that is, what are some of the problems that they see with investing in the oil and gas industry?

FL: Well, Canadians won't invest money in things. . in anything. I don't just mean the oil and gas industry, they just won't invest it in anything. That's why there are so damn many millionaires in Ontario and Quebec, multi-millionaires. They've made their money and they won't invest it in anything, they won't step out and invest it in anything. Some of us coming down the line were willing to invest in a few things eh, and start out eh, and take

- a chance. But we just didn't pour the whole works into one project or anything like that.
- SB: I guess it's also a high risk industry, maybe more than other industries are, you know you can sink all your money into a rig or a company and the market drops for awhile and . .
- FL: Well, the fluctuation in the market, you can be almost. . personally if I were going to go back into the oil industry I wouldn't go into the drilling industry. I'd go into the servicing end of it, where the thing is already there and has to be serviced. But if you're going to go into the drilling industry and you buy a big drilling rig, and nowadays they cost millions, not what we paid for them, \$200,000 for a drilling rig, that would drill to 4,500. But they call it a high risk industry and it is in certain phases, but by the same token, once you've got production the only thing you're up against is the price of your production as an independent company. One of the problems was when people went into these things, is that they didn't integrate, they were in the drilling business and nothing else. They didn't even go into the transportation business, just drilling. So there's so many phases that are involved with the oil industry that you could get into if you wanted to. Another thing that they didn't go into, a lot of the drilling companies is production. They didn't try and buy up some leases and drill a hole or two to see if they could get some production. Like S & T Drilling were owned by an English outfit so they bought leases out there at Torrington. Jesus, they hit an oil field. And just expanded terrifically, S & T. We're too conservative, the average Canadian is too conservative and won't take a chance. Like the average American, they. . well, they'll put their money into anything if they think they can make a dime you know. They may lose the whole shot.

- #292 SB: Do you think that the people that went into the industry are different in that respect because they are sort of more gamblers, do you think that it would attract a different type of person than another industry, say the coal industry or something like that?
- FL: We don't know too much about what kind of people were attracted to the coal industry in the days when it was first evolving. But we know about the gas industry when it was first evolving. Now you're talking about a guy or somebody that wouldn't be attracted to it. I grew up with Bill MacGregor, went to school with him when he had to go to high school because the high school was over in the valley and after they got out of Grade 8 they had to ride to high school. So I went to school with him. And I recall when he drilled his first well, when he formed Micmac, MacGregor and Mitchell, this isn't ???, this is another Mitchell, a wild ass guy. He came to see me and I was living in a little skid shack in Devon and he wanted me to put money into this well that he was going to drill down there in the Campbell field, just across the Calmar Rd. and west. I just finished drilling Hyatt Lake down there and we never got a whiff of anything. I drilled that for Imperial and we moved from there to Redwater. And never got a whiff of anything and I said Bill. . I had all the geological things with me because I used to keep a record of every damn well I was pushing on, I'd keep a little record of what formation we were in and what we did, all the way through. I'll give you some of these, I've got some. I was trying to find them the other day but I think I know where they are. I've given a lot of them away but I kept one of every rig, every hole. I said, I knew what was going to happen there, I thought

eh, and I didn't buy. You could buy I forget what it was, 1/20 of 1% for \$2,000. And I was so damn stupid I didn't buy. He knew that I had some money and he wanted me to put more in it, he said, Fin, I'm confident from the seismic reports that we've got and everything, and Mitchell was with him, everything we've got, that we're going to hit oil there. He said, we may not hit very much but it'll be a producer. Because you didn't know whether it would be a good producer or whether it wouldn't. Well, gee, he hit a well. That was his first well. He, at that stage, owned MacGregor and Johansen Construction with old Connie Johansen. Staples runs it now and I think probably owns the most of it. He probably bought Bill mostly all out but Bill is still involved in it. And I don't know whether he got involved in it to the stage where if he hadn't got a well out of it he might have lost the construction company or whether he had them up for security or what. But the drilled that well and the got a well and this started Micmac and then he sold Micmac to Hudson's Bay and already had Newmac formed and was already in the process of going along, already had wells drilled.

End of tape.

Tape 3 Side 2

SB: He didn't tell me that part of it.

FL: Oh yes, and I wouldn't buy it eh.

SB: Looking back, you've known a lot of people in the industry, who are some of the ones that you feel were real characters, that had a real personality?

FL: Old Hank Hewittson is a guy I was trying to tell you about, who finally wound up as the Chairman of the Board of Standard Oil of New Jersey, farm boy from Medicine Hat. You couldn't find a guy that was more personable or got along with people the way he did. He didn't care who the hell you were or what you were, he just associated with everybody. Some of the guys that I worked on the rigs with, old Leo Cassidy for one, was a very personal friend of Charlie Visser's and I rough necked with him in Turner Valley and Cassidy had done a little of everything. He came from a dried out farm in Saskatchewan and he left there, he left the farm and the two sisters stayed. And then they started to produce but he didn't go back or even take a part of it. Cas was a drinking man and he'd been a high rigger and he was one of the men that built one of the first steel buildings in Detroit as a high rigger. Now most of the people that work on that are the Indians from

SB: Kaknawaga???, I think it's called.

FL: Kaknawaga Reserve, yes. Well, Cas was one of the guys that was on this thing. And coming down the line he'd tried a little bit of everything, but as I say he was a drinking man so he never got very far, never got past roughnecking. And I don't know whether he ever wanted to or not. He tried drilling once and he only stayed there a week and then he went back working catting. That was a good example. Another fellow was old Buck Pierce who came out to the west and he worked down beside Nanton on an oil rig, for something. I don't know what his job was but it was some menial job, maybe hauling groceries or something out to the camp that they had. And he married a girl from Nanton

that Jimmy Archibald went to school with. And he wound up the Director over personal and safety for Imperial Oil. And every year he made one or two trips out to the west. And you never saw a guy get a reception that that fellow got when he came around the rig you were on. Because everybody knew him and he knew everybody. Terrific guy. People like that. And big Jim Tardiff, I gotta say, he came from Tamiskamine???, could neither read nor write, came from a hell of a big family and was a hard rock miner and a lumberjack. He and another guy took a contract to dig the first gold mine shaft in the Porcupines, that's just on the boundary of Manitoba and Saskatchewan there, in the Porcupines. They went out there and they took a contract, but this guy who gave it to them, I forget his name. . .it was guys who were involved in the gold mining business for so many years, probably still are. And I met them when we made that trip up to the Great Bear Lake. On the way out on the canoe route I met him. Anyway, Jim and this guy dug that bloody hole and in no time they had it done and they were drilling through granite and this sort of thing and they had it done. And it was a man sized hole, they had to drill it by hand, do it all by hand and the guy didn't want to pay them because they made so damn much money. This is another character. And like I say, he was 6'5" maybe and weighed 245 and was the softest spoken and the easiest going guy that you'd ever want to meet, until he got a few drinks in him.

#059 SB: And then he'd just change.

FL: Then he'd change. But he never got tried to instigate any arguments or any fights, he'd just change personality. Another fellow that I suppose impressed me coming down the line was my Dad. He was the oldest son in that family, old W.D. Lineham and never got out of Grade 6 I don't think. Because they were in the cattle business and he went on the ranch, as soon as he could ride he was out on the ranch and worked on the ranch. And he stayed there. All his life until he went out to Youngstown to go homesteading. And of course, everybody was going out to Youngstown because there was no brush clearing to do and all you had to do was just apply for homestead rights on certain, certain things and then you kept it for 3 or 4 years and it was yours, 160 acres. Well, they went out there, Mother got 160 and Dad got 160. You couldn't get any for your children unless they were 18. None of us were 18 at that stage, Bill was only 6 and Janet was maybe 4, maybe not that old because Bill was 6 years older than us and Jim and I were born out there so Bill might have been about 4 and Janet 2. But I think Dad influenced me a lot in possibly my attitude towards people and how I came down the line. There's so damn many people but you can't remember their names. People in the oil industry like old Sam Coltass, you've probably heard of him, he was the field superintendent out at Turner Valley and was a very, very well known fellow and everybody. . . Like I say about old Buck, when he came to visit the rig, everybody wanted to talk to him and pow wow. Well the same with Coltass, he made it point to talk to everybody on the job, didn't matter what the hell the job was. He'd try and see everybody, call you by your first name. And you know what an impression this has on people, when they would remember your name. Like Charlie Visser, when he was coming out to our rig in Saskatchewan and we hired a lot of guys in Saskatchewan, in different places, he would look up the time sheets and see whose names

were on there and then he'd come out there and walk out on the floor and shake his hand and call him by his first name. Well, you know what an impression this has on people. I knew Charlie, went to school with him in Okotoks, he was 10 years older than Jim and I and we were grade about 6 and he was just finishing, a very popular person in Okotoks. His ethics with handling people weren't that good but other than that he was a nice fellow. There's so damn many of them that you can't remember them all.

#094 SB: What do you think, from the drilling point of view, were some of the biggest technological improvements that came about?

FL: In the days when I started roughnecking we were using cone and cross section bits. But I was there when Dad was working in the bit shop where they were using fish tail bits on the rotaries. You hammered them out and there were just two things that turned around in there, just two big spades that turned around and you circulated mud to bring the cuttings up. And after you'd been in the hole an hour, if you put any pressure on it, any weight on it, you had to pull it out because it wouldn't last that long. So one of the big, at that time, the biggest innovation to the drilling business was the cone bit that Hughes brought out and the cross section bit that Reid brought out. And then coming down the line in the drilling the bits kept getting better and better and better. And everybody went to the cone type bit, even Reid finally wound up building cone type bits. And Chicago United. Because these cone type bits would drill the hole so much faster. Then they come out with button bits which really revolutionized the drilling industry. Because you could run one of these bits in and leave it in the hole 4-6 days before you had to pull it out. As long as it was still going and drilling. And all they were was three cones and the little buttons that were set in there were set in a matrix and they're all that hit the formation. So the matrix wasn't bothered with it eh, wasn't hurt in any way. And as I say this was the biggest revolution and the new types and different materials that they used for mud. Because we finally learned that we didn't have to have mud that was so damn thick you could hardly shovel it, we could drill with water and just a little bit of additives to it, a little bit of aqua gel. And in certain areas where you were drilling in salt we had what they called salt based muds, or red muds and we made the mud red with tannic acid and other things that we added to it. Because you know, after we got drilling down deep we ran into a terrific amount of salt and potash. But we called all that potash out in Saskatchewan, when we were drilling there during the war, salt. We actually thought it was because it tasted like salt. Now they've got those potash wells out there and they're bringing it up and they make fertilizer out of it. This was I think, the biggest. . and the different machinery. The different types of machinery and things that they have on the drilling rigs themselves. Another thing that they brought out, was for pumping wells, was the solid pump rod and they just spooled it on great big spools. And you ran her in, you didn't have to pull. . pump rods are all 25' long, so we had to have service rigs out to pull each one. Now they've got this Corad, there's other companies but this is the one that I'm thinking of, they came up here from the States with this continuous pump rod and they've got it on great big spools that are about 20 or 30' in diameter. And they haul them down the road at an angle like this, so that they can get by without having permits. The only thing they

have to worry about is power lines. They can haul one of those things out of the damn hole now while you're pumping and run the thing back in again and an hour and a half, two hours. Where you'd have a service rig over the same hole, at say 5,000' and you'd be there 3 or 4 days. This was a great cost saving thing. And their muds, the different kinds of muds that they use for the different drillings and everything. I suppose, even exclusive of the drilling bits, it was the major factor for the number of wells that were drilled in the short time that they were drilled, were the types and the kinds of mud that these damn mud engineers came up with. Mind you they were experimenting with you when they came out with a new type, they were testing you. They'd get the job to supply the mud to that hole and they'd talk to the engineer who was looking after it and the company and the tool push and that sort of thing and they'd agree to let him come out with this new mud. Like Eastland Testers, when Eastland and I formed Eastland Testers he came out with a new tool all together to test formations. I didn't mention that in this thing but he came out with a new tool all together. And he was working for Johnson Testers, and there was a guy up here by the name of Barlow who was the head ramrod for Johnson Testers and he'd worked for Testers long, long ago when their head office was down in Long Beach. And Eastland told him that he'd come up with a new tool and do you think that Johnson Testers would be interested in it. And his answer was, he was Barlow's assistant, he said, Eastland, we've got a whole staff of people down there in Long Beach, in that big building we've got doing nothing else but coming up with new innovations. Well, he was talking to the wrong guy. Eastland was a big, tough rascal, he said, if that's the way you feel about it I won't even show you the prints. So he quit and old Griffiths owned Barber Machines. So he went to old Griff and old Griff was interested, he was one of the kind of guys that would jump into anything if it looked good. He was a hell of an astute business man. And he came to me because when he came roughnecking after the war he came out to Provost and he was on our crew. So I got to be very good friends with him. All the time he was with Johnson Testers, so he came to me and he said, I'm going to form a company and Griff has agreed to come in and he said, I want you guys to put some money in it and I'm going to put my blue prints up for my third share. I said, sounds like a hell of a deal and it was just at the time when I left Imperial Oil, 1952. And Carrie and I were going to go for a holiday because I had 7 weeks holiday pay. So we took off and went to Mexico. So Eastland phoned me, I told him how to get in touch with me at Bill Hollingsworth's place in Taft???, I said this is where I'll be. So he phoned me and he said, I want you to come home as soon as you can, we're all ready to go. I said, okay, so Carrie and I left, drove home. And we got the company formed and he'd already started work on some of the tools. And this damn tool revolutionized the testing. Yes.

#180 SB: What was it called?

FL: Eastland Testers. That's what he called it, Eastland Testers.

SB: And what does it do?

FL: You know how to test a formation, how they do it do you?

SB: Mmmm.

FL: When you go down and you set a rubber in the formation and then you open up a valve

into the. . . you run it in dry or if it's a deep hole you put a cushion, a water cushion or whatever the engineer decides. So that before you open it you don't collapse your drill pipe with the hydrostatic head on it or when you open it up you don't collapse the formation where you're testing rubber is. Because those rubbers are about that long. And when they were testing real deep holes they'd sometimes put 2 or maybe 3 on, to be sure that you'd get a seat against the wall, to shut everything off, all the hydrostatic head out of mud above when you opened up this down at the bottom. And when you ran it, Eastland used the Amarada chart and it's a little chart about that long and about that wide, and it's got a needle on there and it shows you, when you start in here and it shows every stand as you pick it up until you get down to the bottom. And then there's a stall and it runs across this way while you're getting all rigged up putting the chick sands on and your testing head and all these things on the drill pipe. Then with Eastland's tool, you set the packer and you rotated the tool 13 turns before the first set of ports came into what we called the wash area. The first port was like that, one across from one another. Not the first one, we put them in series this way. But they washed out, we had to have one coming from each side so that the pressure from here was hitting this pressure and then it would go up through the opening in the mandril. And you can imagine that this, when you opened up that little wee port, that this is not going to damage your formation, put a terrific shock on it. And then you could turn it and at any given time there was only three of these ports open in the wash area. And they started in size from I think, it was 5/32 up to when you had the last. . . and it pulled the mandril up through the wash area and the last three sets of ports that were in there, when they were in there open, gave you what we called an inch and a half bore for anything to come in. And then you could stop it, slow it down by just bringing it on up and just leaving the one in which was the biggest one. The bottom ports were 3/8, I recall that quite well, the two bottom, so there was two, one on each side. And then there was 1/4" and 1/8 or something. So you had a pretty big flow area coming in at this stage. And this revolutionized the testing business. And Eastland had it patented but it wasn't very long until every testing company in the business was using it. Because the company's wouldn't use them unless they changed their design of their testing tools, so that they don't shock the formation the way they were doing. See with Dow's and Johnson's, you ran in dry and there was a little plate, aluminum plate that you put in before you ran, in the tool and you set your packer then you dropped a bar down. And this little plate was concave this way going up so that it held the mud, no it wasn't it was the other way because this held the pressure ??? coming up. Your hydrostatic head coming up through the tool, when we were running into the mud eh. And when you hit that you broke it and you should see the drill pipe jump. Everything just went whoosh. Well, you can imagine what's happening to the formation down there and what's happening, particularly to opening up the formation to a column of air inside the drill pipe that's open up at the top. And everybody had to change their design.

#235 SB: But why didn't he make piles of money?

FL: He did. Oh yes, it wasn't very long. The thing was going so well that it wasn't very long until he wanted to buy Griff and I out. And we sold out to him. I got a good slice out of it,

Griff didn't because he sold out too soon. Griff got all the contract to build the tools, all of the tools. Because they all had to be machined for, fairly fine machine work on these things. So Griff got the contract for all of that because he was a partner and he owned Barber Machine, which was fair enough. He charged us quite a bit more than anybody else.

SB: I'd like to thank you for taking part in the project, it's been interesting.

FL: I've enjoyed it. I enjoy these interviews. I think everybody in the oil business that you people come around and visit likes to have you come around. They're nearly all old crocks like I am eh, so they feel that they're still being thought a little bit of.