

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Jack Armstrong

INTERVIEWER: Nadine Mackenzie

DATE: June 1984

Nadine: Mr. Armstrong, thank you for having accepted to participate in our project. When and where were you born?

Jack: I was born in Dauphin, Manitoba, Canada in March 1917.

Nadine: What did your parents do?

Jack: Well, both of my parents have passed on now, but my father was a locomotive engineer on the Canadian National Railroad.

Nadine: Were they Canadian?

Jack: Oh yes, we're all Canadians.

#008 Nadine: Where were you educated?

Jack: Well, my elementary education was in Dauphin and then I took a degree at the University of Manitoba in geology and then later a degree in Chemical Engineering from Queens University in Kingston, Ontario.

#010 Nadine: Why did you choose geology?

Jack: I imagine at the time it was because one of my friends was taking geology. It was just that simple. In 1934 at the early part of the Depression I was just going to school to get an education and geology looked like a pretty broad course at the time.

#014 Nadine: And then what about Chemical Engineering?

Jack: Well, I had worked in the mines and Geological Survey of Canada and decided that I wanted something better if I was to be married and have children than living in the northern part of Canada. And so always having had an interest in chemistry I thought perhaps I should take a degree in Chemical Engineering with the idea of going into refineries in the oil industry. Well during the summer months I was fortunate to get on exploration field parties with Imperial Oil through a very close friend of mine, Dr. Cam Sproule, and I worked on these parties primarily to get enough money to go back to school and became very fascinated with geophysics and decided to go in the field of geophysics. However I applied for the job in the refinery in Sarnia with Imperial Oil and it was an easy decision to make to go back to exploration because the salary they were paying was twice as much as they offered me in the refinery. That was a very easy decision to make.

#026 Nadine: Tell me how many years did you spend at the university?

Jack: Seven.

Nadine: That's a long time.

Jack: Well, I graduated the first time when I was twenty years old so. . .

Nadine: That was really young.

Jack: It was too young.

#028 Nadine: And when you graduated what did you do, did you do some work for Imperial straight away?

Jack: In 1942 when I graduated with Chemical Engineering I went right to the geophysical crew because I had worked with the geophysical crew two years previous, two summers previous.

#031 Nadine: And is it Cam Sproule who hired you?

Jack: Cam Sproule hired me for the geological crews and the geophysical crews. Ted Lind, Dr. Theodore A. Link was really the big boss, but Cam Sproule was my party chief on the Geological Survey of Canada and so when I needed a summer job and he

was working with Imperial Oil I wrote to him and asked him if he would take me on which he subsequently did.

#035 Nadine: Can you tell me a bit about Cam Sproule?

Jack: He was one of the finest men I ever met to a point, from the standpoint of character and the type of person who has all of the elements of being a man and his integrity, his compassion for people, his discipline, his ability to motivate people impressed me so much that I named my first son after him.

#041 Nadine: That's really something then. And what about Ted Link, did you know him well?

Jack: I think I knew Ted about as well as anybody could know him. A very fine man but you had to know Ted's idiosyncracies to appreciate him.

#044 Nadine: So you started in Regina?

Jack: For summer work only. And then on permanent work I started in Brooks, Alberta on a geophysical crew.

#047 Nadine: And how long were you with this geological crew?

Jack: The geophysical crew, I was, on a permanent basis, I was. . . , that was '42 and '43 I went to the United States for the winter. Back to Taber, Alberta for the summer, I met my wife in Taber. We moved back to Shreveport, Louisiana, no we went to Vixburg, Mississippi for the winter, then back to Calgary for the summer work and then back to Shreveport, Louisiana till February and then we moved to Ecuador.

#055 Nadine: That's a lot of travelling.

Jack: Well, in 17 years I think we moved, 18 years we moved 17 times.

Nadine: That's not bad.

Jack: I'm surprised at times that she's still married to me.

#056 Nadine: And then you went to the jungles of South America?

Jack: Ecuador, yes.

Nadine: What were you doing there?

Jack: Looking for oil on a geophysical crew.

Nadine: Did you find oil?

Jack: No.

Nadine: How long did you stay in Ecuador.

Jack: Two years.

#059 Nadine: Two years. So there was no major discovery, nothing important at all. And then when you came back what did you do?

Jack: I came back to the office of Imperial Oil in Calgary as the number two man in the geophysical department.

Nadine: Who were you working with in Calgary?

Jack: In terms of people? Well, there was Doug Lair was in the geological department and oh, I can't remember the name of the exploration manager. Then there was Ray Walters was in charge of geophysics, he died several years later in Columbia. And I worked with Wes Rabey and Bud Coutts and Hank Kuntz, Bill Hancock, Fred MacKinnon, Tim Maroney, Bob Welsh, Don MacKenzie, Vern Taylor, just a whole list of people.

#070 Nadine: Can we talk about your work at the time? What exactly were you doing?

Jack: Well, we were analyzing the [seismagrams ???] which were sent in from the field office and reinterpreting the data in the office, preparatory to looking. . ., or to locating wildcats.

#074 Nadine: And how long did you keep this post for?

Jack: That was in 1947 and I moved to Edmonton as exploration manager in 1950. Doing the same thing but managing the geology, geophysics, land and contracts,

which was farm ins, farm outs.

Nadine: You were not involved with Leduc discovery?

Jack: No, I arrived back in Canada back in the office a week before Leduc was discovered.

Nadine: But you were involved with the Golden Spike?

Jack: Golden Spike, Redwater, Golden Spike, Wood Bend.

#082 Nadine: Can you tell me about Golden Spike?

Jack: There is very little to tell about it. There was only, of all the geophysical work we did, there was only one record, one seismagram. . . , no, let me put it another way. The geophysical data that we received from the field work in the township of Golden Spike was very poor. It showed some kind of an anomaly and so the proximity of Leduc, naturally recommended drilling a hole there. And when Golden Spike was discovered then the major problem was to lease, take a lease out of that reservation and there was only one record which we could use for diagnostic purposes, which covered a quarter mile out of the entire township.

#093 Nadine: That's incredible. So what happened then?

Jack: We got the entire field with the exception of one well. How's that for luck?

Nadine: Absolutely, that's absolutely incredible. And what about Wood Bend #1.

Jack: Wood Bend was much the same problem. There was little or no information from the geophysical field work and so Ray Walters and I sat down one day and said let's put a hole there,

Nadine: And. . . .

Jack: And it was a discovery.

Nadine: That's very incredible too.

Jack: That's right.

#100 Nadine: Which other discovery were you involved with?

Jack: Which others? Redwater. I always forget the name of it now, northwest of Edmonton some distance. You probably know it better than I do, the name of the field.

Nadine: How long did you stay in Edmonton for?

Jack: I moved back to Calgary in 1954 as assistant divisional exploration manager.

Nadine: And how was Calgary at the time?

Jack: 80,000 people. A little cow town and everybody knew everybody else. And the majority seemed to be Americans. . . ., in the oil field particularly.

#111 Nadine: Why were there so many American people?

Jack: The opportunity for bringing their expertise to Canada. And there's a lot of free oil land and crown land available so they came up to try their opportunities and see if they could make their fortune. Many of them did.

Nadine: And they left?

Jack: No, no, no. Oh

Nadine: No, did a lot of them stay?

Jack: Oh a lot of them stayed, yes, the oldtimers. Most of them are there yet and many of them took out their Canadian citizenship.

Nadine: Oh, so that's why when I interview them they don't tell me they are American. So what were you doing in Calgary?

Jack: The second time? Oh doing much the same but looking at the entire exploration picture rather than just geophysics. When I had been there previously I was responsible for the interpretation of the data and as the assistant exploration manager I was responsible for the location of wildcats, buying land and. . . .

#121 Nadine: Were you travelling a lot or staying mostly ?

Jack: No, just in Alberta primarily. Went to New York once in awhile when we wanted to buy some land, like 4 or 5 million dollars or 10 million dollars or something, like 14 million dollars.

Nadine: That's quite something. And for how long did you keep this post?

Jack: Oh, I was there until '59 and then I was moved to the New York office,

ostensibly for two years then after we were there for, I was there for ten months, they asked me to come back to Toronto to head up the production department, exploration and production department.

Nadine: What did you do in New York?

Jack: Oh just listened to what was going on and got to know the New York operation and I had enough free time that I could visit all of the departments, not just exploration and production so I got on a first name basis with most of the brass down there.

Nadine: That can be very useful.

Jack: Oh, on the telephone then you can get things done.

#134 Nadine: Did you find a lot of difference between management in New York and Canada?

Jack: No.

Nadine: And after New York then, you came back?

Jack: Came back to Toronto, been here ever since.

Nadine: And what was your post when you came back to Toronto?

Jack: Head of the producing department and that covered exploration and production.

Nadine: How was the exploration at the time?

Jack: Oh, everything was booming.

Nadine: And the production was. . . .

Jack: And the production was excellent.

#141 Nadine: And for how long did you keep this post?

Jack: It was either 1961 or 1962 I went on the Board of Directors, I think it was '62, I've forgotten now.

Nadine: And then what happened?

Jack: Well then I was on, in that job for a year or so and then I guess they thought I needed some cross fertilization and they gave me the responsibility of the marketing department for Canada. So that was two years in that job. And the man who

was responsible for marketing took on my responsibilities of the producing department.

Nadine: Oh so you changed. . . .

Jack: We just exchanged jobs.

Nadine: And that was here mostly in Toronto?

Jack: Well based here but it was for all of Canadian marketing.

Nadine: So you must have been travelling a lot?

Jack: Oh yes. My nature has always been to get out and see what's going on in the field so that when somebody has a problem or a proposal then I can visualize it without having to be told the word story.

#154 Nadine: And after this post?

Jack: I became executive vice-president. I think it was '67, I don't know, I don't remember. And that was, as you can imagine, number two job for Imperial Oil.

Nadine: And then?

Jack: Then I became president in '73 and in '74 became Chief Executive Officer.

Nadine: What did you do exactly as the president?

Jack: That's a leading question. [laugh] I guess when I reflect on it, before I became Chief Executive Officer I did everything that I knew that would help the Chief Executive Officer do his job better.

Nadine: Was there a lot of relations with the government?

Jack: No, the Chief Executive Officer had that, Mr. [Twaits???) had that, took on that responsibility. My job was more of a Chief Operating Officer and making sure that all the numbers added up right and our programs were moving along well. Putting together forecasts and results and things like that for presentation to the management committee which at that time was the same as the Board of Directors.

#171 Nadine: Did you have to go and give talks too?

Jack: Oh, yes but Mr. Twaits did most of that.

Nadine: What year did you retire?

Jack: '82

Nadine '82 and since '82 what have you been doing?

Jack: I've run a little consulting company and. . . .

Nadine: Keeping busy then.

Jack: Keeping busy yes.

Nadine: That's something I've noticed with oil people, they've never fully retired.

Jack: They change careers and they do it on their schedule rather than some company's schedule.

#179 Nadine:Mr. Armstrong can you compare the training of the oil people of your time to what it is nowadays.

Jack: It's difficult to compare the two periods because the technological advances with the advent of the computer etc. has changed this whole exercise substantially. Although the fundamentals are not too different in terms of the basic sciences, the basic knowledge that's required before you can then branch out into these more refined techniques.

#187 Nadine:But do you think in your time people were trained mostly on the job.

Jack: They still are today.

Nadine: They still have a university background.

Jack: Oh, well they still have, they had the university background then too.

Nadine: It seems there were more opportunities in your time to be self taught?

Jack: Well, that was because there were very few people that knew anything about the oil industry in Canada. There were three of us, at the time we started we were the first Canadian petroleum geophysicists in Canada.

Nadine: Three?

Jack: Three, yes, all from the same company.

#195 Nadine:Can you give the name of the two others?

Jack: Yes. Fred Ross Jones who is retired in Venezuela and he set up his own company down there several years ago, and Bud Coutts, you've met him probably and myself. We all went to Tulsa, Oklahoma on a training program.

Nadine: Can you comment on the ups and downs of the oil business?

Jack: Well, I think there's only really been one major downturn in the oil business and that was in 1981 I guess it was, '82. The rest of the time has been, the curve has been moving up with a few harmonics in it, which were understandable in any business. But there was basically always a home for the oil that was produced, or discovered and produced and natural gas and until just recently, there wasn't any major problem. It's not like trying to sell a commodity such as soap or something like that, it's something that's needed so people bought it. But the people in Western Canada or in Eastern Canada for that matter, never had to sell a barrel of oil. It was always looked after, the government took it and in effect prorated it. But it was a very healthy industry. When I look back it has been a healthy industry since 1947.

#215 Nadine:What do you think of the National Energy Program?

Jack: You spoiled my day? [laugh] It is the worst piece of legislation that has come down the pike as far as the oil industry is concerned. It has been a disaster at. . . ., unfortunately it was brought in at a time when the rest of the industries in Canada were on a downturn and if the government had invited the oil industry to sit down and discuss the problems and saying to us, look, you're fat cats, we need some of your income and negotiated the position rather than giving a directive and taking so much out of the industry, there could have been thousands of jobs retained and a continued growth in the oil industry and a growth towards self-sufficiency in this country.

#230 Nadine: And so many small companies have just disappeared.

Jack: Exactly. The companies that it was supposedly brought in to assist has caused bankruptcy. All the service companies that had to go out of business, you know.

Nadine: It was a real dreadful thing.

Jack: It was terrible and I just cannot understand why they don't scrap it rather

than this so called modification that they. . .

Nadine: Well, they try to patch up things.

Jack: But politically I guess they can't do that now.

#237 Nadine: So how do you foresee the future of the oil business in Canada?

Jack: I think it doesn't have the same opportunities as it had in the past. But the young person going into the business today, if he or she happens to be fortunate, lucky, a combination of the two. Luck always has to be considered, is very important, then I don't see any other way to describe it than a very good opportunity for somebody to make a career in the oil industry today. Every once in awhile you hear of another one doing it.

Nadine: That's right. It comes in cycles.

Jack: Well, no, when I wave my hand like that in a circle, it meant that there was another person who was smart enough to get ahead.

#254 Nadine: Can you talk about the contribution of the province of Alberta to the development of the Canadian oil industry?

Jack: Well, in reflection without Alberta and the many oil fields that the industry discovered, oil and gas, when I say oil that's synonymous with oil and gas, then we wouldn't have had the industry that we have today.

Nadine: So it was really the province. . . .

Jack: It was the core of the industry.

#261 Nadine: Mr. Armstrong who were the most influential persons in your career?

Jack: Well, if you start at the beginning it was the member of parliament for Dauphin, Manitoba. He was able to get me a job with the Geological Survey of Canada and the party chief was Cam Sproule on that party and Cam then went to Imperial Oil as exploration manager and I got on the summer work through my contact with Cam and then I went with Imperial Oil on a permanent basis. But in Imperial itself, Ray Walters was very influential, Gus Beck, Bill Twaits, oh there were many. . . , Don MacKenzie, Vern Taylor, they all had a part in I guess, developing little Jack. [laugh]

#276 Nadine: What was the most exciting experiences in your career?

Jack: Well, there are stages in a persons career. Not having been part of Leduc itself, of course, the discovery of Golden Spike, Wood Bend, Redwater were all exciting as a young geophysicist. I guess the most exciting though in my latter years was the culmination of the Syncrude exercise. And I would imagine that period was probably the most exciting from the standpoint of tension, pressure, you name it. But my whole career was so exciting that I'd gladly do it all over again. I don't think I'd change many places.

Nadine: That's a very good positive attitude.

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Side 2

Nadine: And this is the last question Mr. Armstrong. On the whole what do you think of the oil business?

Jack: I think it's a very exciting section of industry and I can't think of anything in Canada which would be more exciting than being a young man or a young woman looking at the oil industry as a career.

Nadine: So really, you were happy to have had your career in the oil industry?

Jack: Very happy and would be happy to do it all over again.

Nadine: That's fantastic. But thank you very much for this very interesting interview Mr. Armstrong.

Jack: You're more than welcome, I enjoyed talking with you.