

PETROLEUM INDUSTRY ORAL HISTORY PROJECT TRANSCRIPT

INTERVIEWEE: A.P. Bowsher

INTERVIEWER: Aubrey Kerr

DATE: July 26, 1991

Tape 1 Side 1 – 47:00

AK: Okay, sorry for the delay, but I'm Aubrey Kerr and today is Friday July the 26 1991 and I'm in the apartment of A.P. Pat Bowsher, and it's apartment number A4, and the name of the building is Hampton Court, right and I'm very pleased to have the opportunity to first of all get some of your vital statistics, and then to work through your career and I guess to start right off with it Pat, first of all, what does the A stand for?

PB: The A is for Allison, A-L-L-I-S-O-N. It's a family name.

AK: Right. And you were born in Oyama, British Columbia on October 28th, 1909.

AK: Right. At that time was Oyama a fair, larger than it is now or was it, has it shrunk, or, what do you say has happened to it.

PB: At that time, it was very small, with less than a dozen families there, folks came there in 1908, bought some land cleared it, and planted orchards.

AK: Right. Now where had they come from?

PB: My father was from the west of England, near Hunterford-Wilshire. The mother was born in Ireland, Northern Ireland and she and my father met but she took employment with a banker in London.

AK: England?

PB: England, yeah.

AK: Right. So they met in the old country and they were married when they decided to immigrate to Canada.

PB: That's right.

AK: And were they influence by advertisements about what there was in Canada?

PB: Oh, to a certain extent. My mother's brother, however was located at Oyama. He'd been in the Klondike and had done rather well and bought some land at Oyama and they decided to come out to him. He'd taken an option on an adjoining acreage for them.

AK: Yes, at that time was there was there the ability to pre-empt land and get title to it or how did you... did you go direct to the Crown and get Crown land or how was that.

PB: Yes, they bought it from a company that was already set up and actually owned the land. I don't know how they got it. It had to do with the water supply as well.

AK: Well and something to do with irrigation, so maybe it might have been one of those land companies that was set up in England and like so many of them around there, up around Kamloops, there were some.

PB: I tried...

AK: So when your parents arrived you hadn't arrived. No, you were... where there are other children besides you.?

PB: I was the second white male child born in Oyama. There was one born a few months before I was. He had since died so I'm the oldest living.

AK: Oyama resident. Well, that's really something. At that time where there are many Indians around?

PB: No, the reserves were over on Okanagan Lake and one was south of Oyama, place now known as Winfield.

AK: Right. But they were, were they a placid sort of presence, or?

PB: Oh, yes. They were easy to get along with, in fact, we bought horses from them once in a while.

AK: And did they, did they help in in the orcharding work, or?

PB: No.

AK: They never seemed to catch on to that, did they? But, so when your parents arrived they had to start from scratch, like getting their own trees and... where did they get, did they get those, as cuttings from other trees or how did they do it?

PB: Young trees, they'd buy from Nursery companies, I imagine they were down on the coast, Fraser Valley or Vancouver or somewhere down there and they'd buy the young trees in the varieties that they wanted.

AK: Yes. So they would, this would have taken several years for them to even get the beginnings of a crop.

PB: Oh yeah, 7 or 8 years before apples would come into bearing.

AK: Yes.

PB: And in those in the meantime, they grew vegetables and tomatoes, and melons and all and a cannery was set up in Oyama, had all that stuff for the early years of the orchard.

AK: Well in those days there was a series of canneries all the way up through, there were many canneries, and the products were canned right there.

PB: That's right.

AK: Yeah, but in those days the trees were of the normal size, they didn't dream of going to what we have now, the little dwarfs.

PB: No, that's a recent development.

AK: That's right, and how much easier would it have been for them to pick the apples. Did your parents ever express an opinion that this was a wise move on their part?

PB: Oh, I think they had their doubts. When they came out they were confident they'd make their fortune in 4 or 5 years and go home.

AK: Oh, is that right?

PB: But they spent the rest of their lives there.

AK: Working hard, eh? And did your parents stay on the same property of land they had started with?

PB: That's right. Yeah until 1948, and they sold.

AK: They sold out then, eh? And then did they move into another, into a town or no?

PB: No, no there was no town, ???

AK: Right, I thought maybe...

PB: They came and stayed with us in Calgary for some years and then they, the call to the Okanagan was too strong, so they went back and bought a cottage on Okanagan Lake. And stayed there until my father died.

AK: Right. And then your mother...

PB: She came to live with us for a while and then she went out to Victoria to live with my sister. And she lived there till she died in her hundred and first year.

AK: Right. And that what year would that be?

PB: 1980? She was born in 1879.

AK: Right. So when she came to Canada she would be a relatively young girl of 25...

PB: She was 25, I don't know...

AK: Right. So Pat Bowsher, his first early years were at school in Oyama? There was a school there, and...

PB: Yes, there was a school and eventually high a school, and I graduated from, matriculated as we called it in those days, in 1924.

AK: And where was the high school?

PB: In Oyama.

AK: Oh, right in Oyama as well? Oh, I see. Well, okay, during those early years like when school was out, what was your job?

PB: Working on the farm.

AK: Right. Did you have cattle and...

PB: Yeah, we had a secondary herd raised, yeah chickens and pigs, and we always had horses. Those were the days of the horse.

AK: Yeah. Well now in order for you to travel from Oyama say to Penticton or to Kelowna, was it the boat on the lake or the train?

PB: Neither. It was horse and buggy.

AK: Is that right? There was no...

PB: No train down in that valley till 1926 I guess, and...

AK: Oh. Well, what about travel by lake boat wasn't there travel...

PB: Oh, there was, but it wasn't, it was mainly freight, it wasn't geared for passenger travel. You'd go to Vernon, was are shopping town.

AK: Yeah, it wasn't too far away.

PB: Well it was 16 miles from our home to Vernon.

AK: Yeah, that would be a whole day's trip wouldn't it?

PB: There and back, yeah.

AK: Yeah, would you do it in a day?

PB: Oh, yeah.

AK: Yeah well Vernon was a well-established town by then, and it had rail then, did it?

PB: Yeah. It was the, rail line came down from Sicamous on the main line on the CPR.

AK: Right.

PB: Went to Vernon out to the head of the lake, of Okanagan Lake, that's where the steamship...

AK: Oh, yeah Okanagan Landing. And that's where the steam ships would come. That's right, and then they would they would sail down to...

PB: Penticton.

AK: Yeah, right. Now those vessels would, they would have passenger facilities.

PB: There were 2 main ships, the Sicamous, which is now a museum at Penticton. It was a regular CPR passenger boat, it carried freight too but the passenger accommodation was very posh, you know...

AK: Yeah, you'd have State rooms where you'd... and then the big dining room, and...

PB: Yeah. CPR...

AK: CPR service, eh? CPR coffee? I guess you, would you have any idea at all of what transportation cost in those days...

PB: Not very much in today's terms.

AK: No, it wouldn't be much in today's terms but then there wasn't very much anyways.

PB: Nobody travelled very much out of Oyama.

AK: No, I guess not.

PB: Horses didn't cost much to fuel.

AK: No. Well then, what about, say hospital services? Did you, if, say if somebody really got ill would you have to go to Vernon.

PB: Vernon was the closest hospital? And if anybody got sick it was usually in the depth of wintertime and no cars, it was horses, team of horses and sleigh to get there. It was about four or five hours trip.

[00:13:47] AK: Right. Okay, so during your formative years then you worked on the farm and for your summertime, and what was the first job that you got that was not on the farm.

PB: In 1925 in the ??? I went to work for the Canadian Bank of Commerce in Kamloops.

AK: Is that right. How did you apply for that job, did you...

PB: Through the Vernon branch of the bank.

AK: I see. They couldn't give you a posting in Vernon.

PB: Well, I don't know that they tried very hard.

AK: No. Did you have to fill out an application form or...

PB: Oh yeah. Had to... quite a rigmarole, I applied and had to take, pass their examination before I could... showed that I could add up some figures, and pass a medical, had no trouble doing that off course.

AK: Yes.

PB: But the Kamloops, that was, I started in the bank.

AK: Right. Now that year, that was '25 was it?

PB: Right.

AK: And you would be completed your high school, and you'd matriculated, and was there any thought on your mind that you should have stayed on the farm?

PB: No. No, I don't think so. My mother particularly wanted me to get away from the farm and have an easier life.

AK: Right. Did she see promise in you that she wanted to push and...

PB: Oh, I guess so...

AK: Right. She was very anxious to...

PB: A driving woman ???

AK: Well, that's wonderful. And so she thought that by taking on this sort of a career that it would... Okay, well when you got to Kamloops, you'd travel by train there wouldn't you?

PB: Yeah. Yeah up to the, from Vernon to Sicamous and then on the main line to Kamloops.

AK: Yeah. Now that was before the CN line came in. There was a CN line that was built that came across the. through Falkland and then it come down and it hooked on, and then it used some of the CP track and then it went across to north Kamloops. But that wasn't in operation then.

PB: No. Yeah, that came, CNR came down from Kamloops to, through Falkland to Armstrong, where they used CP tracks from there...

AK: Oh, I see, that's where it hooked on.

PB: And from Vernon it went down through Oyama, Winfield down to Kelowna. That was the CN.

AK: Yeah, and then there was a CN line out to Lumbey. Yeah, for you know,... But when you got to Kamloops, what kind of a salary did you start with, do you remember?

PB: Was it 60 or some dollars a month?

AK: Now was that with board?

PB: No, I had to rustle my own rabbits. They gave me a place to sleep.

AK: Was that upstairs over the bank?

PB: Yeah.

AK: Yeah. So you had a room up over the bank, which was... now what about the manager. Did he not live up there too?

PB: No, he got paid a little more than I did and he could afford to rent a house.

AK: I see. So he was renting a house and this was downtown?

[pause in tape]

AK: Not north Kamloops, no. So what was your first job then, were you just a ...

PB: Just a junior.

AK: Yeah, just learning the ropes, eh?

PB: Yeah, new boy around town, subject to all the tricks that they put the juniors through.

AK: Oh, yeah, how big a staff would that have been when you started there?

PB: Oh, six or seven I imagine.

AK: And then you couldn't go home until you'd balanced...

PB: That's right.

AK: Right balanced, what, to a cent?

PB: Oh, yeah.

AK: It had to be to a cent. Yeah, none of this rounding off.

PB: No, no, that's a modern invention.

AK: So you stayed there for how long then in Kamloops?

PB: I was only there for four or five months. I got moved to Salmon Arm [pause in tape] a few months... down in the boundary country ???

AK: A trail?

PB: Yeah, it was ??? Trail, near Grand Forks.

AK: Oh, yeah, down in the hot country. So they were moving you around. Did you ever suspect why they were moving you around?

PB: No.

AK: Was it ...

PB: I just took it as it came.

AK: Was that like promotions for you?

PB: Oh, yeah a little bit.

AK: Yeah. And of course the fact you were single they could move you around easy. Did they pay your fare?

PB: Oh, yeah, they paid expenses?

AK: Did they? That's something eh? And by the time you got to Greenwood had you advanced to being a teller or?

PB: No, I was a ledger keeper there, doing, I was just a three-man office at Greenwood. There was the manager, the teller and the ledger keeper.

AK: Right, so it was pretty small...

PB: The ledger keeper did everything that the other 2 didn't do.

AK: Yeah, and sometimes you had to do the teller's job. Okay, so from Greenwood, where did you...?

PB: I got moved from there down to what was then called Mission City. It's now called Mission in the Fraser Valley. I worked there for a while and then to Port Hammond, which is down the river a little bit and then into Vancouver.

AK: What, into the main branch or?

PB: I was in the main branch, I was at the Victory Square Branch and I was at the East End branch, and then two other branches.

AK: And, by this time had you become manager?

PB: No.

AK: You were still ???

[pause in tape]

AK: Over what period of time would all this be?

PB: It took about three and a half years, resigned from the bank, since then lots has improved, both the bank and myself.

AK: Oh, I see, they felt there was a good parting of the ways. Okay. What, when you were in the bank, did you start to think about accounting as a career?

PB: Yeah.

AK: Had you started to take any courses at night, or?

PB: No. No, I went to, applied for employment at a couple of Chartered Accountants offices in Vancouver. Finally got into one.

AK: What year would this be approximately?

PB: '28.

AK: '28. And at that time you were what, 19?

PB: Yeah.

AK: You were 19. So you had quite a bit of young experience and then you went with this firm, what was the name of the firm, do you remember?

PB: ??? McLaughlin and Co.

AK: Oh, yeah. That's a well-known name.

PB: It was in those days.

AK: In those days. It's been swallowed up I guess by now.

PB: Yeah, they've been absorbed by some International firm, I don't know which one, they had an office in Calgary later.

AK: Well when you joined that of course you were an article...

PB: Articled student.

AK: Yeah, and they'd get you right...

[tape cuts]

PB: Forty dollars a month.

AK: And there were those Partners up there living in luxury. Well, that's the way it's always been. So you articulated for that, what was the address of that...

PB: 525 Seymour Street in Vancouver.

AK: Is that right? That, is that your letter...

PB: I was told I could come to work for \$40 a month.

AK: That letter, eh, and what was the date of that letter?

PB: September 24, 1928.

AK: '28 and it was written by?

PB: A.A. Fairnie. Oh, he wrote your letter at Oyama?

PB: I'd been home for a month.

AK: Oh, I see, yeah. [Reading from letter] "We believe we could find work of a junior nature for you to do for probably a month or two. By that time a permanent position might develop. In order to keep in line with the remuneration paid to other juniors in the office, we could not pay you more than \$40 per month. If you care to come on this basis for say two or three months, we will be glad to see on October the 1st." Which was just a week away and you... packed your bag and went.

PB: Yeah.

AK: Did you talk this over with your mother?

PB: Oh, yeah.

AK: Did she...

[pause in tape]

PB: Well McLaughlin had some local clients in ??? and got letters of recommendation.

AK: Oh, excellent. They knew what they were... Yeah, well, that's excellent. So that was really the beginning of your real accounting career.

PB: That's right. Yeah. I got ??? various Industries.

AK: Right. They would send you out to, would you do some auditing?

PB: I was a Junior with a Senior Auditor...

AK: And you would help audit.

PB: Yeah, and...

AK: And everything was pen and ink?

PB: Yeah, my first exposure to machine accounting was when I worked on the gas company audit in Calgary here. They had the old Elliott Fisher bookkeeping machine.

[00:27:25] AK: Gee. By this time had you married?

PB: No, I wasn't married until 1935.

AK: Oh, I see, so you had a few years still then.

PB: I had to get a certain learning ability ???

AK: Well, that's right, absolutely. So when you went with Hilley??, well then you would travel fairly extensively once you got going there?

PB: Yes, did quite a bit of traveling to Calgary, Edmonton, Medicine Hat and Moose Jaw was as far east as I went.

AK: Now did they have eastern connections or was this just a Vancouver-based...

PB: Vancouver-based. They had a, there was another job audited in Winnipeg, but I never got to work on that.

AK: So all this time you were, did you become a partner with them?

PB: No, I didn't get to be a partner, I didn't stick around long enough for that. Because I got to the point where I was conducting my own audits.

AK: I see, they'd send you out and trust you to... I just turn this off for a minute.

[00:29:34] Okay? So when you thought that you were ready to leave then you decided to, well wait a minute, I'm getting ahead of myself. You had audited Columbia Oils' books and at that time George McMahon was the, you might call him the bookkeeper? Right, and he was he was at that time associated with his brother Frank, of course.

PB: That's right. Now where were their offices in Vancouver .

PB: They were on Fender Street in the Hull Building and...

AK: Fender Street. Is that, how far up on that...

PB: That's a block above Hastings.

AK: Right.

PB: South of Hastings, and they had pretty nice offices there. Frank was a financial agent. He'd been in a number of enterprises. Diamond Drilling.

AK: Now this was 1938. I've jumped ahead a little bit too but by that time Frank. ??? run through the [pause] drilling project that was...

PB: That was that was in the past as far as...

AK: That was in the past, yes, right.

PB: He had acquired a lease in Turner Valley on which the Westerner Number #1 well was later drilled, and that was acquired from a man named M.M. Shore, who was CPR agent at Abbotsford, and I'd heard of this lease and dashed out to Abbotsford and made a deal, dashed back to Vancouver and got Victor Spencer, Norman Woodall and two or three others together and they raised enough money to pay for the lease.

AK: Right. Well, that was ultimately drilled wasn't it?

PB: That was drilled in April of 1939. It was the second largest producer that Turner Valley ever...

AK: That was wet...

PB: No, it was oil.

AK: Oh, that's right, '39, by that time, sure because Bob Brown had already discovered oil in '36.

[00:33:21] Okay. Well, let's just back up a little bit. You mentioned that you and your wife got married in '35. Is that right?

PB: That's right.

AK: And you were then in Victoria, in Vancouver...

PB: With Frank McMahan...

AK: Oh, you joined them in what year?

PB: No, I was with Hill and McLaughlin...

AK: Yeah, you were with still with Hill... did you have to go in and ask permission to get married?

PB: No, I went and told them I was getting married.

AK: Right. Yeah, so, well, you know in some of those outfits you had to go and get permission.

PB: Yeah, but...

AK: Didn't occur to you to...

PB: No, ??? I don't even know if there was such a clause in my article.

AK: No. No, well there may have been, in some of these outfits, I think in the banks you had to though.

PB: Yeah.

AK: Yeah you had to get the okay. So you lived where in Vancouver, did you rent a place or?

PB: We rented a brand new bungalow [pause in tape]

AK: Lulu Island?

PB: Yeah, that was, now a part of Richmond.

AK: Yeah, that's right. It's all filled in now.

PB: It was on an acre of land, and we paid the rent of \$15 a month.

AK: Right? And then how would you get into work?

PB: Oh, I ???

AK: You did, oh. Do you remember what kind it was?

PB: Then it was a ???

AK: Oh, gosh, an Overland, eh?

PB: It was after the Overland. It was a nice car.

AK: And then you'd drive in every day...

PB: Right, it was a neighborhood friend of ours that, who had worked with Hill and McLaughlin, and they lived just down the road.

AK: So you'd share...

PB: He'd pay for some of the gas...

AK: Oh good, so it didn't cost you that much. But, was there a tram that ran out to Lulu Island?

PB: Yeah, ??? the closest point was about a mile...

AK: Oh yeah.

PB: [inaudible]

AK: That's right, yeah. The old... so you lived out there and did you start to raise a family then?

PB: No. ??? after 2 or 3 years, my wife got, my wife got sick and spent most of 1939 in hospital, and, well half the time, and we moved to Calgary then at the end of '39.

AK: Right, yeah.

PB: Opened up the Pacific office and...

AK: Yes, right, right. So let's just get the...how you got to become associated with Frank and George. You said that you had been auditing their books, and you said to George that you're not probably the greatest bookkeeper in the world. And what you need is somebody that's going to really run it right, and a few months later, he called you down for a cup of coffee and offered you a job.

PB: That's right.

AK: And did you become an officer of the company?

PB: Yeah, I became Secretary Treasurer of Westerner Petroleums which was the oil company that we had started at that time.

AK: Well, what about Columbia Oils?

PB: Oh, that was gone. That was a name, eh?

PB: Yeah.

AK: Well I thought when you mentioned Columbia Oils, I thought that you were referring to the play out there on, out by Fernie there.

PB: That's right. They drilled a well out there.

AK: Yeah. Was that on the Columbia Oils play, that was in '35 wasn't it?

PB: Yeah.

AK: That was before you joined up with...

PB: Yeah, and they, I had nothing to do with the operations of Columbia Oils. It ended up with Bob Wilkinson of Calgary who took it over.

AK: I see

PB: They finally abandoned the whole... right Pacific drilled a well down there some years later.

AK: Right. And that's...

PB: Just the same results too.

AK: Yeah, well that's when, that's when George Hume went with that group and went down to look at it. There's a picture, a group picture of him and Frank and you probably have that picture in there. [pause in tape]

AK: I'll just shut this off.

[00:39:58] So, during the time that the company was in Vancouver, did you get it listed up... [pause in tape] Exchange?

PB: Yeah, it was listed on the Vancouver Stock Exchange, and it was in 1939 that Pacific... the take over of Westerner Petroleums and British Pacific Oil, which was another company in which Norman ??? and Frank McMahon, and others had been associated. They merged the two into Pacific Petroleums.

AK: The beginning of Pacific Pete's... in that, those very formative days, was Norm Wentall, would you say he was, he was the real money man?

PB: Yeah, he was our financial....

AK: He was the one that went out and got the money, and...

PB: Yeah, well he and ??? worked very closely together, Frank had connections in in England. He'd been over there and Norman of course was in the financial business in Vancouver and had been for a number of years.

AK: He had his own brokerage firm.

PB: Yeah Ross Whittall Limited. And his partner was Major J.C. Ross. But Norman was the active man.

AK: Right. During this time that these things were happening before you moved to Calgary. Did your activities, that is, the company that is that is Frank and George Whittall and yourself, did they ever crossover with Major Lowry and Home Oil or you kept separate...

PB: We were separate from them...

AK: I just wondered if...

PB: Never did get close to doing any business deal during my term with the Hill and McLaughlin, they had worked on Home Oil product?? which we did, and we did a job for them at Royalite who'd done their drilling and the result of that was quite a rebate to Home Oil company, overcharges.

AK: Oh, yeah, that would be understandable. But Home Oil at that time had an office in Vancouver.

PB: Yeah.

AK: And was George S.D. Hudson, was he...

PB: [pause in tape] Hudson's...

AK: Oh. There were there were two George Hudsons, did you know that?

PB: No.

AK: There was one in Edmonton, who was a buddy of Lowry's and they hired him on in '49 but he was kind of a runner and a landman and everything else but George F. Hudson, he was the fellow running...

PB: The Vancouver office.

AK: Yeah.

PB: Yeah, he was Secretary Treasurer I guess of Home Oil, and ??? Jim Lowry was always paid the Directors in a gold coin attending meetings, I've forgotten how much, ten, twenty bucks or whatever gold coin was in those days.

AK: That was their Director's fees.

PB: Right. And Home, you had to old Jim Lowry a lot of credit, it was a company that just started and by the time crude oil was discovered Home Oil Company was well off financially, had been financed solely with the sale of shares.

AK: That's right. That's right. And he had some pretty powerful people, he had Odlum...

PB: Victor Odlum?

AK: Yeah, and then he had a Montreal broker that was very powerful.

PB: I don't know.

AK: Well, anyway, there was there was quite a gang of them.

PB: Bid?? Lowry was his brother.

AKI know, I worked for Bid.

PB: Did you? ??? I knew his son 20 years later, who was National President of the Society of National Accountants.

AK: Right. Is he the one that died?

PB: He died, yeah.

AK: That was Boyd.

PB: Teal.

AK: Yeah, and then Boyd's still alive, I think he's at... well anyways, just think we're just about the end of this, at the end of side one of tape one and we'll continue on the other side.

Tape 1 Side 2 –

AK: And I wanted to get into this business of your studies while you were at Heliwell and the progression you made up to the point, about seven years, that you got yourself sufficient knowledgeable that you felt you could sit for the final exams for a CA. Now you'd already past the primary and the secondary.

AB: Right intermediate.

AK: Intermediate, yeah. And you tried the exam and you said that you had missed by three marks. Is that right?

AB: About that?

AK: Yeah, very close. So a Miss is as good as a mile?

AB: Yeah, better, ??? Yes and I was not prepared to rewrite which I couldn't have done for another year anyway, and, oh, I just went about my daily work and forgot about my CA, I went out on Audits and that was about it.

AK: And when did you first get the idea that you should have some designation?

AB Well that was quite a bit later after I moved to Calgary. Of course I worked on audits in Calgary and I knew quite a number of the accounting for fraternity. And I was invited to become a charter member of the what was known as the Society of Industrial Accountants of Alberta. And that was in 1944.

AK: Now was that the year when the RIA kicked off?

AB: That's when it started in Alberta.

AK: Had it been operating in Eastern Canada?

AB: Yeah, for quite a number of years and it started in, actually the active impetus originated in Edmonton, with a gas company chief ??? John Wieland, and it was Lloyd McPhee with the gas company in Calgary that actually got me to come to the meeting and join up...

[00:03:09] AK: So at that at that juncture then, if you became a charter member were you required to write any exams?

AB: No, no we got in the back door at this charter membership...

AK: And then when the door closed then the exam started.

AB: That's right, and they were very strict and deep, exams, a five-year course was involved and there's students that took that ??? and [tape cuts] Greg Grant who worked in the accounting department of Pacific Petroleum and is now First Vice President of the Society of Management Accountants of Canada, he ??? National President next year.

AK: Oh wonderful, yeah.

AB: I feel very proud about that one.

AK: Because you must have brought him along.

AB: To help.

AK: That's wonderful. Now you feel good about that. So there was no, there was no real opposition by the CA's to the formation of your new Association because you said it filled a certain need of combining management skills with routine procedures, whereas the CA was purely a, you might say a verification, and a final verification wherein a company had to have its books audited and signed by an auditing firm appointed by the stockholders.

AB: Right.

AK: Yeah. So the CMA then as it's now known, that's the designation now, was originally RIA, Registered Investment Accountant. And I note on your wall here, I think I see the one where the charter went up there, May 1944, that's the one up there. And then there are other ones here. Now how did the other ones like the American Institute of Management come into this, was this a more recent thing.

AB: No, that that was a part of my working with Pacific, I was a member of the American Management Institute and became a Fellow of the President's Council when I retired.

AK: Oh I see.

AB: And the, as a result of having been president of the Canadian Society, I became an honorary life member, and was later elected a Fellow of the association.

AK: Right. Now where does the National Association of Cost Accountants come in?

AB: That's the American counterpart of the Canadian ??? They changed their name, I don't know what it is now, but I was away...

AK: So you became a member of that.

AB: Yeah.

AK: Right. And then the other one is the Chartered Institute of Secretaries. Is that a UK...

AB: That was based in the UK. I was elected a fellow of that in, oh, I don't remember, can't see it from here.

AK: Yeah, well you know, it doesn't say there. That's all right, but you became a member of that. So then your record was recognized by you being elected president of the National B, in what year?

AB: 1962, and I was in office for a year. My successor was elected to the Halifax Conference in 1963.

AK: Right. And you continued to be an honorary life member and...

AB: That's right.

AK: I hope you don't have to pay dues anymore.

AB: No, no.

AK: You'd paid your dues.

AB: The bylaws indicate that the honorary life members don't have to pay dues.

AK: Well, that's wonderful. Yeah. So then your, how active are you with the organization, are you still...

AB: I'm very inactive. I go to the national conferences because I don't have to pay a registration fee.

AK: Well, good, that's the idea. Do they pay your plane fare?

AB: No, have to find my way there and pay my hotel, but I see a lot of the old-timers.

AK: Yeah. Well, that's a wonderful way to keep up. Well that was a bit of a diversion there from your career, but we have to get back to the decision that Frank, I guess it was Frank's decision to move the offices of Westerner Petroleums to Calgary.

AB: Yeah, but it was Pacific Petroleums by then.

AK: I see.

AB: It was in January of 1939 that Pacific was set up as the amalgamation of Westerner and British Pacific.

AK: Now, was it listed on the Toronto Exchange.

AB: Yup.

AK: And Vancouver of course.

AB: Yeah, and Alberta, or Calgary was known...

AK: There was a little stock market here, was there?

AB: Yeah. Oh, yeah.

AK: Right.

AB: And later we were on the New York Curb Exchange, and I think, and I'm sure we were in the first Canadian Oil Company with the exception perhaps of Imperial to be listed on the New York Stock Exchange.

AK: Right.

AB: The big board.

AK: As Pacific Petroleums. What year did that accomplish?

AB: Oh, it was around late 50s or '60,

AK: Oh, on in there, yeah. After West Coast Transmission became a fact.

AB: Yeah.

AK: So when you, when Pacific was created you were still an officer, you became an officer of Pacific.

AB: Secretary Treasurer.

AK: And you continued under that same letter, that letter that Frank wrote you...

AB: No, we put that away, he said we don't need to be bound by this anymore.

AK: Oh, I see so was it a new letter?

AB: He wrote it up and we agreed to it.

AK: Oh, I see, so it was just a tacit understanding.

AB: It just went on, he said, we're not going to observe any restrictions of that letter. And that's a relationship that, with Frank McMahon and George ???, but it was a big part of my life, I'll tell you.

AK: Well it was, it was a big part and over that cup of coffee, that cup of coffee, but at that time when Pacific was formed, was George's role more junior to Frank's or did they work as a...?

AB: they worked a pretty good team, I'll tell you. They worked as a team, and George did a lot of detail work Frank didn't like doing anyway.

AK: Well Frank wasn't a detail man, that that came out in some comments that Gordon Allen made. At one time, I guess Gordon was kind of a lawyer for Frank, personal kind of, and that was before they changed, that was around '45 or '46. And then, '48, and then Gordon had to cut off his association because he became TransCanada's, well, there was a break there, that Gordon Allen mentioned that he had to...

AB: Oh, I don't recall why because Gordon Allen, well, started with Marsh Porter. And then Gordon Allen, that's when their offices were in the Lougheed Building.

AK: That's right, right in there with Home Oil.

AB: And of course Marsh was close to Jim Lowrey...

AK: Very close. Yeah, he was on the Board.

AB: And as far as I can recall, the there was no break in the connection with that firm.

AK: So then when the decision was made to move to Calgary and of course the obvious reason was that you had got this well, had the well been drilled by that time?

AB: Oh, yeah, there was, we had three wells on production.

AK: Right. So that would tie him that this French Engineer's report talking about the three wells at that time in '39, and where did you set up your first offices.

AB: In what was known as the Toolgate Building, little building behind Hollingsworth's on 2nd Street West in Calgary,.

AK: Right, and that's been demolished to make room for the Bankers Mall. And was that a two-story building?

AB: Yeah. We were upstairs at the back.

AK: What did you have, one or two rooms?

AB: Yeah, two rooms, three - the Reception area and two offices. Bill Braeburn with the ??? Press Company had the front part of it, second half, he had done a lot of our work for us before I came to Calgary.

AK: Well then he got on the Board, didn't he?

AB: He became vice president years later, I don't think he was, oh yeah, he was on the Board, yeah. And, but I would say in those days that Schneider and Head were doing our drilling for us, and you remember Clarence Schneider, 5 foot two and eyes of blue, that's in his elevator shoes.

AK: Right. He was a U.S., he came up from the U.S. hadn't he?

AB: I imagine, he worked for Roy, he on the derrick drill for Royalite when it blew out.

AK: Oh, was he? In 1944, yeah.

AB: And he'd tell me the story of this thing blowing out. I don't know whether it was drilled with cable tool...

AK: Oh yeah, cable tools.

AB: I don't know what was blowing out of the hole but...

AK: Everything, casing and everything.

AB: And he said, I heard this roaring, and he looked around he says, there was stuff ??? coming out of the hole. I said, what steps did you take then? He says, whatever ones I could take ???

AK: Yeah. Well, I thought there was something about Clarence Schneider having been the driller on that well.

AB: He was either the driller or tool push.

AK: Well, as the folklore goes, is that he was not supposed to drill that far, and he disobeyed and he broke into the lime. Nobody had ever drilled into the lime before. [tape cuts] And then he, apparently he got run off but maybe that's when he started Schneider and Head.

AB: Did you know Jig Head.

AK: No, I didn't know him.

AB: Great big fellow, must have weighed close to 300 pounds, well over 6 feet. And they was Mutt and Jeff those two.

AK: Oh, yeah, they would be. He was in the field most of the time.

AK: I think his widow is still alive.

AB: I don't know. Woodrow Wilson was the tool push.

AK: Yeah, right. He left Royalite and, or no, he'd come with...

AB: ??? and then went with Imperial.

[00:18:28] AK: Right. So when you drilled this West Turner hole, was Schneider and Head the contractor.

AB: No, we had our own rig, we had a drilling rig at that time.

AK: Where had you got that?

AB: Oh, in the States somewhere. It was a hydro, drilling rig.

AK: And was it rotary?

AB: Yup.

AK: And he, was that the beginning of the company called Drillers and Producers?

AB: Well, that was a few years later and it was an offshoot. That was when Frank left Pacific, joined up with Max Bell.

AK: Yeah.

AB: Drillers and Producers was ??? Tanner and ??? Tanner went belly up over that BC oil well, or commercial ???

AK: Oh is that what killed it. Yeah, fishing job went for years.

AK: Yeah, right, BC government. Well they were paying, they were picking up the tab for a while.

AB: Well, they finally settled, and, well that covers a lot of gray area, because [inaudible] made a deal and I took over the secretarial work for Drillers and Producers, that contributed to the costs, which reduced the costs to Pacific.

AK: But this was this was around '39 or '40.

AB: Later than that.

AK: Was it?

AB: Yeah.

AK: Well, my understanding was that Frank McMahon was being too extravagant and spent a lot of money and the Board didn't seem to go for that, and that there was a parting of the ways between Frank and Warren???

AB: ??? too much money, there wasn't too much money to spend, so no, but that was the Board's opinion at that time. They worked as progressive or as aggressiveness as Frank, and...

AK: Well, was it Whittall that kind of made the big decision, or who was it that, in the Board...

AB: No, Frank's association stay close together all through this.

AK: Oh, is that right eh.

AB: Yeah, and when Frank was away, he said, now I can help you, just shout. He said that to me. And he had the same arrangement with Norman Goodall, and I consulted with him a lot, and his advice, well the Board didn't always take it but I listened pretty closely to it, I'll tell you.

AK: Right. Now it was in around that time, was it that Neil McQueen appeared on the scene?

AB: That's right.

AK: And it was a company called oil Ventures.

AB: Oil Ventures Limited was his company in Turner Valley.

AK: That was Neil's company.

AB: Yeah. And they operated, the Oil Ventures were on crude oils, deep oils and ??? down there, Ken Bose was down there as production superintendent and we took that over and jolted into Pacific.

AK: That was later on though.

AB: Oh, it followed Neil McQueen's appointment as managing director of the company.

AK: Yeah, but there was a... Okay, just let's clarify this that Frank, Frank went and set up this company called Drillers and Producers Limited and he brought into this, into the orbit, he brought in Newell and Chandler. Now up to that time, had Newell and Chandler, they'd been a drilling company hadn't they?

AB: Newell and Chandler were early oil drillers in Turner Valley and were responsible for the development of rotary drilling in in the field, and their partners Matt Newell and Shorty Chandler. And they had three or four rigs going and were prominent and did well in the oil industry drilling out there. They got the contract to drill a well in British Columbia for the British Columbia government, at Commotion Creek, right? That was, to make a long story very short, disastrous.

AK: Yeah, now I was under the impression that Commotion Creek was drilled with cable tools.

AB: Rotary, reservation job that killed it.

AK: Yeah, well it went on and on for months, I never really... no. So this was this was what pulled Newell and Chandler under then?

AB: Right. Well, then when they had when they went.

Tape 2 Side 1 – 46:00

AK: With Pat Bowsher and we're talking about the British Columbia governments not releasing any acreage for private development. And I believe there's a story about Frank McMahon. Did Frank try to influence the BC government to get the land posted or

PB: Oh well i hate to use the word lobbying, but it was a long time before we could get the release for exploration for any land in British Columbia.

AK: That's right. Who was in power then was that that coalition government?

PB: Well, it was T.B. Pattullo I that put the freeze on it and I'm not too sure who was, who was...

AK: Yeah, Pattullo was the Premier and they named that bridge after him.

PB: That's right. When they were finally released. Frank was first in line and that Peace River group got permits number one, two, and three.

AK: Yeah. Well he didn't it wasn't there a story about him staying up all night in line to make sure he was...

PB: Probably but Phillips Petroleum, Bartlesville, got four five and six. Of course. They were a thorn in our side for years, in the development Peace River and oppose us before all the commissions. Finally we got together with them but...

AK: Well, but not the story I get from, do you remember a fella named D. Potter with Phillips. D, his first name was DeWitt. D. Potter, h e was a geologist with Philips.

PB: Porter, no.

AK: Potter, and he had, he said that he'd been up in that area up around Kobe's Creek. You've heard of Kobe's Creek, and they had done surface geological work and they had mapped this anticlay??, and this is in '43. So Phillips was not unaware of the acreage. Although when it, when it came loose, they were pretty close behind Frank in filing.

PB: Yeah that's right. They were next in line.

AK: Now at that time had Pacific or Frank filed on acreage on the Alberta side? They had some didn't they?

PB: Yeah, we had some up in that area Wycroft is one that I can think of and we did some drilling there, got some production. And Pushkobie?? area, there was that field...

AK: That's the area I'm thinking of Pushkobie...

AP There was that field that supplied Dawson Creek, which was the first gas export from Alberta, and that was October the 31st, 19... can't remember the year. Okay, we drilled gas and produced gas from the Pushkobie?? field under the name of the Peace River Natural Gas Company. And the gas was piped

from there to Dawson Creek and that pipeline was installed and opened on October 31st, again, I haven't got the year.

AK: It was probably about '47, well that's okay, but there was gas and that preceded drilling Fort St. John Number One.

PB: No Fort St. John Number One was drilled within weeks of getting the permit.

AK: Right. And it was completed in '48.

PB: Yeah.

AK: See after that time just to kind of round this out a bit because I want to go back, but up to this time. old Les Clark had been working for Seaboard...

PB: Yeah, and he came to us after he left Seaboard, I've forgotten when he joined...

AK: Because he had been with Shell before that.

PB: Yeah, and then...

AK: [looking at photos] There he is with a cigar. He came in '51. Right, right. So yeah, he died in '76 didn't he?

PB: Yeah.

AK: But just let's go back. Yeah, you see he couldn't have been around when they were drilling those first. No, well that's all right, but I know that he became very active as soon as he joined you people and... okay, but let's go back to '46 and Frank is still not in the operational end of it yet. And it took, it took, you know, some other activities. Well now as we get into '47 when Imperial discovered Leduc, what was the attitude of the company? Did they say, well we should go up there and start trying to get in...

PB: Pacific? Well, we were rather passive there, didn't do anything. It was Frank that got the Atlantic lease...

AK: Right.

PB: The ??? family.

AK: That's right. He did.

PB: We had a small interest in Atlantic, gained two amalgamations of Atlantic Oil Company and Princess Petroleums and Allied Oil Producers.

AK: Yeah, well you see when...

PB: And all that. Then Frank got the lease drilled.

AK: Right. But when that first prospectus was filed in the summer of '47, there was no mention at all of the Rivas Quarter because he hadn't obtained it then. The portfolio was mainly Steve??? and Princess' acreage. But I think there was one or two quarters out east of the Leduc out in the boonies there, but the other, the other prospectus was never showed, it never showed the Rivas Quarter. But at the same time, the stock brokers in in Calgary, they were very busy starting to market Atlantic stock in the summer, late summer '47 after Frank had gotten the quarter, but you are saying that another time that Frank once again went to Red Smith to get the money to, for this 200,000 is that right?

PB: Well Atlantic had the money. He just mentioned he was doing some financing, shares were moving... and the prospectus...

AK: Yeah but I think that was a chicken and egg thing. I don't think, I think they were able to push it very hard, once they got the Rivas Quarter under their belt ready to go, but I thought you mentioned at one time it was S.R. Smith of San Francisco that...

PB: That doesn't ring a bell, his connection was the Pugh family.

AK: Right. Well, anyways, the thing that I never was able to find out was and I don't know whether you know or not, it's just a question, how Frank found out that that Rivas Quarter had a cloud over it.

PB: [inaudible]

AK: Well they took it, well no, they took it with the two administrators. That story isn't right, begging your pardon. But what they, where they made their fatal mistake is they went to two administrators who had appointed themselves through the court. See there was no executor to the estate, and administrators don't have the same power as an executive as you know. So what they should have done was to have gotten everybody on the lease, all the heirs, but they signed it on behalf of just the two of them. So that's where the flaw was. So...

PB: Well they got the thing cleaned up.

AK: Oh, yeah, that's right and they paid...

PB: Paid Imperial 100,000 barrels.

AK: That's right that was done.

PB: And they get paid off rather quickly, Atlantic Three ???

AK: So when Frank McMahon found out that there was this billion dollars left in the kitty after the Conservation Board had paid its bills for the drilling of the two holes, and that money was turned over to Frank.

PB: It was turned over to Atlantic Oil Company.

AK: Atlantic Oil, then that enabled Frank to get back into Pacific by trading Atlantic, had Atlantic positioned...

PB: Not, Pacific acquired its interest in Atlantic through shares, property deals and so on. And Atlantic, Pacific sold a great big chunk of Atlantic at one time, provided 20... Redwater. Redwater was parlayed into Peace River. We had, the acquisition of Atlantic was in and out and in again, there were several stages to that development.

AK: Well, I thought that by the winter of '48 that Frank had enough control over Atlantic stock that he traded three for one, three shares of Atlantic for one share of Pacific and got in that way.

PB: Yeah, Pacific took over Atlanta.

AK: Yeah and Frank got on the Board again.

PB: Yeah.

AK: Yeah, but was the money... I thought that most of the money that was being made up in, up at Leduc was going to, first of all to Northeast BC to develop that [pause in tape] Well Redwater didn't come on board until '49.

PB: Well, that's where the big, well certainly the money was going into the Peace River Country but a lot of money ??? went into Redwater...

AK: To buy parcels there.

PB: ??? were doing the seismic ??? they took leases around the ??? and parlayed that into much more money which went into Peace River.

AK: Yeah. All right, but then these two things were going on at the same time. '48 when Atlantic was going wild, my recollection is that Spy Langston was spending a lot of time up in in the Peace River, helping to core, he had that new diamond core ??? and he was coring a lot of the wells for you people up there. He was he was doing a lot of well site work.

PB: I wouldn't...

AK: No. Because everybody was spread pretty thin then.

PB: Yep.

AK: But by that time the dream was starting to become a reality with the fact that you were getting gas both on the Alberta and the BC side.

PB: Yeah. It was the BC side that... the gas from Alberta wasn't very important. No, it was a PR deal, you get an export gas lines going and supply Dawson Creek.

AK: But did you have to appear before the Board of Transport Commissioner to get that okay to cross...

PB: I don't know what Board it was...

AK: Because at that time it was the Board of Transport Commissioners that looked after pipelines.

PB: That was before the...

AK: It was before the NEB came into power.

PB: Yeah. That's right.

AK: So you might have some kind of...

PB: We got a permit.

AK: And then, when was it that Frank first formed West Coast Transmission - when did he...

PB: The first company was formed in, first West Coast Transmission company was formed as an Alberta company in... Jim Mahaffey, I think was a lawyer that acted for it. Later than that we...

AK: But that was a provincial Charter?

PB: Yeah. Mainly to protect the name. And later we got the West Coast Transmission Company incorporated under the Pipelines Act ???

AK: Yeah, Act of Parliament.

PB: Yeah. And it was there that we had all the long negotiations getting the endorsement of that of Ottawa for the west coast line.

AK: Yeah, but the it was...

PB: It was to be an export line so Ottawa had control.

AK: Yeah and of course the, but the Act created West Coast fairly early on.

PB: Yep.

AK: Created by an act of Parliament. That was probably one of the first things that Frank did.

PB: It was the first ??? pipeline company under the Pipelines Act.

AK: Frank got this million dollars as you say he parlayed it in two directions. He parlayed into parcels up in Redwater. And also then he started to put the money into ????. Did he have any help from New York Financial interests in purchasing those Redwater parcels?

PB: We'd done a financial deal, sold some shares.

AK: The Civic shares.

PB: Yeah. ??? Financial was around six dollars a share in New York.

AK: What firm was that?

PB: [inaudible]

AK: Yeah, well that's that, well that was your continuing association then with...

PB: The bankers.

AK: Right, then they fold the stock and...

PB: Well, they hit up a group of underwriters and insurance companies, pension funds. What they had to great care about was ensuring that they didn't sell any of these securities to the Union, Union pension funds. We weren't having any dealings with them.

AK: Well was that that orders from Frank?

PB: No that was orders from me.

AK: Oh, right. Right you were going to... so you had to be careful. And of course they had some pretty good size pension plans.

PB: Oh, yeah.

AK: They weren't poor. So they, but you'd want to keep that whole operation non-union. Yeah. Of course, the oil industry has been kept, except for the refiners it's been kept non-union. Right down through the years. There were attempts made from time to time to try to...

PB: Even in Turner Valley.

AK: Is that right?

PB: Those organizers didn't last very long. Even when the boys were drilling getting, paid to ??? they wouldn't have any union organizers in.

AK: That was when they were getting ??? Aberhart's funny money.

PB: Well we didn't handle very much of that, ??? royalty...

AK: Yeah, right.

[00:22:03] Okay, so then you had your Redwater acreage which you didn't buy it all at once, you bought it over a period of time.

PB: Yeah over some years as they came up. We became a Pacific group, we had a lot of ??? We all joined ??? Calvan Petroleum, National ...

AK: That's right, there was a bunch, there was a bunch of companies and... now did you get in with as you get in with ??? Seaboard at all in there. They had some acreage and CPR I think...so you had a bunch of , well there was Max Bell in there too...

PB: Yeah, Calvan Petroleum.

AK: Yeah, and that was old Frank Fornier, remember him. Yeah, he was part of it. So you jointly bid on them and...

PB: We were operators for the whole group, I've forgotten how many wells we acquired, big ???

AK: Well now was Scotty Tosh superintendent there too?

PB: Drilling supervisor.

AK: And he was running back and forth I guess between Peace River and...

PB: Up at Fort St. John, we took over the old military establishment at the airport, that was our headquarters for quite a while. Until we built an office building in Fort St. John.

AK: Right in the town.

PB: Yeah, and we built a residential subdivision there which was named the Graburn Subdivision.

AK: G-R-A-B-U-R-N. I stand corrected. It's a good thing to have it spelled. So then as the Fort St. John thing came of age and then you were starting to block out reserve so that you could start to make noises.

PB: Took quite a while to get through the federal power commission. got turned down once.

AK: I know you did. Yeah, right. I'm just wondering if this is a good place to stop and we can get into the gas part of it and also the... we'll stop here, it's now 4:30 and we'll resume.

[00:25:00] Okay. Today is Tuesday, July 30. And once again, I am having the pleasure of talking to Pat Bowsher, it's Aubrey Kerr, and we're still on side 1 of tape 2. And we are going to talk a little more about West Coast now and the people that made it tick. and as early as 1952 Pat, I think BP had started to formulate and this is a part of the commission hearings here in Alberta. the Dinning Commission hearings, which were trying to evaluate Alberta gas but at that stage probably Alberta gas was a lot more of a fact than British Columbia gas.

PB: Very much more, Aubrey, it was, there was virtually no gas in BC at that time and certain elements in in Alberta were very strongly opposed to any export of natural gas, they wanted to keep it all for Alberta. And so Alberta had not been at that time developed its gas reserves to the point where you could think of a transcontinental dash line.

AK: And yet, and yet Link said that there were at least seven trillion cubic feet of gas and that was in the early stages, and there were companies, what was it, the Fish Corporation was one of them who was trying to build a line, and then there was another line that was supposed to go through Idaho and Washington and then come back into Vancouver?

PB: Yeah, that was through those people who could see that the gas was going to be available eventually and they were staking their claims with on various routes.

AK: Right, and then of course there was the Eastern option, the two of them the Merkasons?? and then the Omaha group, the ones that were going to build a line to Winnipeg and then straight south to Omaha. But in any of those, in any of those proposals was Frank involved in any of those at all?

PB: Not until the time of the famous pipeline debates in Ottawa. Frank ??? noted there.

AK: Yeah well that was where he was going to try to build a line of his own to the east.

PB: Yeah, he made an offer and undertook to C.D. Howe, the minister of everything in Ottawa, and he built a line, he's got it financed and he built a line. That letter was addressed to C.D. Howe personal and confidential. But somehow Conservative opposition found out that there was a letter but it I don't think it was ever placed on the, tabled in the House.

AK: No. Well, well going back, let's go back to the early 50s. And it seems to me that there was some kind of a proposal where a line would come up through Northern Alberta and come across through Dawson Creek and then down to British Columbia. And was, was that the beginning of Frank's dream on that, or...?

PB: Well, we'd always counted on the availability of gas in Northwestern Alberta and used a little of it, put in the Dawson Creek system, but the main thrust of our endeavors was to develop BC gas and transport it, what turned out to be the present route of the west coast line.

AK: Right. So really then, kind of in summary then, that Frank was only indirectly in opposition to say that line that went down through Kingsgate and Spokane and across and up to...

PB: We didn't oppose that we just showed to the people that were concerned that we had a better route.

AK: Yeah. Well I mean it, as a matter of, but there was a lot of a lot of politics played with all those different proposals, and some of them, I think there was one line that even went through Trail and came back in Trail or something.

PB: Well Doug ??? But they, as the benefits of the BC route was posted as compared to the other was that that Vancouver would be on the ??? line coming up from the States, our route, it would be the first big, the city...

AK: Yeah the first big user,.

PB: But it would not use enough gas to finance the line. We had to get the export contract.

AK: Yeah. And another thing that aggravated it was the fact that Vancouver's requirements were seasonal, lots of gas in the winter, but hardly any in the summer. So you had your peaks and valleys and what you had to get was some firm, you know, you might...

PB: Take the bait, yup.

AK: But, so this was, this is one of the problems with the with the concept that you had to get a market in the US, and this is where you got into real trouble when you had to finally well, maybe I'm getting ahead of myself. But the original idea was that you would sell your gas at Sumas for a price that would still be hopefully higher than what you would sell it at Vancouver for, but it didn't work out that way did it, to start with?

PB: No it didn't it was because the economics of the American pipelines when we, of course had to go before the federal power commission to get permits to export that gas to the States and the opposition down there was a national thing, they didn't want to be dependent on Canadian gas and they wanted to use their American gas. The four corners area was being developed at that time, it never came to very much, but it was touted as a supply source for the west coast of the United States, and it was a long series of hearings in Washington for the federal power commission before, after being turned down once we finally got the permit.

AK: Yeah, but in the end the first go-around wasn't it, wouldn't it wouldn't you say it was more political that that you had this Pacific Northwest as your real enemy. And then you finally had to make a deal with them to sell gas to them.

PB: Yeah Pacific Northwest is still the big buyer in the States as far as I know, and it was all political, the whole setup depended on political approval, even West Coast ???

AK: Yeah. But the big problem was that when you finally made your deal with your US buyers that you had to accept a lower price, you normally would have had just to get the thing going. And that's where the objections arose in, Vancouver having to pay more for their gas. Although you couldn't really equate them because you were selling you were selling uninterrupted gas.

PB: Oh, yeah, and the price differential didn't worry anybody too much because later when Dave Barrett became premier, he told the Americans they couldn't have any more gas at that price. And he increased the price for...

AK: Yeah but I thought and I thought the Board in Ottawa finally got a deal worked out whereby the gas, they got the price at Sumas up. They got it up just before Barrett. That was quite a while before Barrett, this was in the middle 60s.

PB: Well Barrett was the fellow that really stirred the pot and got things going.

AK: So in a sense was he a beneficial...

PB: Oh, yeah.

AK: He wasn't all bad.

PB: No, no. He, well the final deal with that government was when they set up their purchasing agency and they bought the gas.

AK: Oh, yeah, that's right.

PB: West Coast became then a public carrier.

AK: That's right. And all the gas was the property of the BC government. And then the BC government would allow a pseudo royalty to flow back to the producers, but it got terribly complicated because you had these damned, he had these people with overrides and they couldn't handle it that way. They had a, couldn't make...

PB: Too many overridings in BC.

AK: Well up into, Fargo acreage had some.

PB: Well yeah, but generally they, being so young the companies took the permits themselves, so there were no ???

AK: Well that's true. Well, we're kind of getting ahead of... but the 1954 turn down was on the basis that they couldn't, the FPC said that they couldn't depend on BC gas, wasn't that the...

PB: Probably.

AK That was the nuts of it wasn't it?

PB: Yeah I guess.

AK: Or what was that the reason that they turned you down.

PB: I wasn't too...

AK: You weren't involved in that.

PB: No, all I know, we got turned down and we owed the bank quite a bit of money at that time, but they weren't worried, we weren't because within days Frank was working on a new deal which eventually went through.

AK: Yeah. So at that point did, was Pacific still looking for gas?

APP Oh yeah, we were drilling, drilling more.

[00:40:17] AK: Right. Well going back a little bit more, there's another thing that happened very early on, was a report written by Hume and ????. Did you ever know nothing about that? And that was a report which I think it was quite helpful in delineating how much gas there was.

PB: Well, I don't know that they got down to actually saying there's gas in such and such a spot, and another field or something. As their opinion that there was lots of gas in that area.

AK: Well the other thing that was happening and this happened after you got your approval, but I think they'd filed on this acreage before and that was Gulf States the El Paso subsidiary? Did you know much about...

PB: I don't know much about it but they came in after us. They were part of the opposition during the hearings to decide on which route was going to be, whether it was going to be the west coast one or the one down to the States and back up. Yeah, they were in, they were the opposition. We, our production, our exploration officers were in Edmonton at the time and we were getting our reports in by telephone, we had to put scramblers on our phones so that they could listen in.

AK: But meanwhile, they were drilling and they started to find gas of their own. And I'm just wondering what caused the takeover, you see in 1962 Phillips got control of Pacific.

PB: Well, that's a bad way of putting it but...

AK: I know it's a bad way of putting it. All right, well Phillips...

PB: We took control of Philips acreage ???

AK: Yeah. Okay. Alright, and in return for that they got X number of shares. But then shortly thereafter, Gulf States was taken over by Pacific.

PB: No, not that I know of.

AK: Yeah well they had that acreage up there that like at Clark Lake, they had all that acreage.

PB: Well I don't remember taking over Gulf States.

AK: Well. Okay, that's.... so anyway...

PB: There was no particular reason why we'd take over any company because, even if they had gas because they had no place to sell it but through us, so we had the reserves.

AK: Right. You were the sole outlet anyways, and of course... the other thing did you have much to do with Charles R. Hetherington?

PB: Some, yeah.

AK: Yeah. We're talking about personality and he was a personality.

PB: Yeah, no argument there. He was general manager I guess it was at Pacific for a while.

AK: Yeah, but that wasn't very long.

PB: And during that time Kelly Gibson came to work for Pacific, and Hetherington went out. Not right away but...

AK: Yeah. But when I was, I often wondered, you know when West Coast is being planned and engineered why the company chose this two-phase system, in other words, all the gas was gathered at the well and shipped raw and sour to the Taylor plant and rather than having little scrubbing plants all scattered out through the country.

PB: There was a lot of liquids in that gas, they had a combination liquids and gas.

AK: It was all in one line. And then you'd have to ??? it every once in a while.

PB: Yeah, that's right.

AK: But that was the decision was it...

PB: Yeah, we made that ???

AK: And that was, was that basically on Charles R. Hetherington's ...?

PB: No, not necessarily. Harold Macintosh was one of the ???, Scotty Tosh, ??? and we had a management committee. That was their decision.

AK: Right. But that being mostly with the Pacific people?

PB: Yup. ???

AK: I see because it was Pacific's wealth.

PB: And Pacific's fields were connected, fields on up the line. And actually up to Fort Nelson, but Fort Nelson was, became a processing center of its own, it was too far away from Taylor. And the gas was dry, and there was no liquids in it.

Tape 2 Side 2 –

AK: But the engineering involved in the two-phase system. Okay, well part of these decisions were made by the management committee. And one of these people on the management committee was Scotty Tosh who had worked in Turner Valley and had tool pushed for Ralph Will were you aware of that?

PB: And after that ??? Chandler, and that's when we got to know him, Frank got to know him there.

AK: Right. So he came to work after he'd been, I think Ralph Will was the last place he worked before he came with you people.

PB: I don't know he'd been known to the West Indies, Trinidad or some place...

AK: Oh, really? I didn't know...

PB: He came back from there and went to work for us. We had set up the Bear Oil company which was...

AK: Oh yes, that's another subject.

PB: A five million-acre spread. We had about 25 different companies who had to own the permits.

AK: Yeah, because of the regulations. Yeah.

PB: But Scotty became our drilling superintendent at Bear Oil, and after Bear Oil was finished, they'd spent their five million dollars, it faded out of existence, but we inherited the exploration department. That's how Scotty actually got in working directly in Pacific and he ramrodded that show out through Redwater and up into Peace River country and it became, well Scotty got to the point where he wanted to retire and we said he couldn't retire until he found somebody to take his place. He recommended Kelly Gibson. That's how Scotty got to retire and Kelly Gibson was engaged to take Scotty's place.

AK: That was about, what year would that be approximately?

PB: Oh, well, that would be about 1960, in the 60s anyway, when Kelly came.

AK: Right. So Scotty was the one that pointed the finger at Kelly eh?

PB: Yup.

AK: He must have known him.

PB: Oh yeah, Kelly was a contemporary of his up in the Edmonton area.

AK: Yeah and then Kelly was working for Gulf.

PB: Yeah, but in the drilling end ???

AK: Yeah right, production, he was production superintendent at Stettler and then he went on. Scotty didn't last much longer, did he, he had a heart attack?

PB: He retired and he... he had lived in Millarville southwest of Calgary, lived there for a number of years and had a ranch out there right across the road from the Millarville Race Track. And I used to visit him out there after I retired, I was ranching in the Priddis area and I did see quite a bit of Scotty after he retired. And Scotty Tosh died on December 31st, 1971.

AK: Right. Well, he had a little bit of retirement, and as I mentioned earlier his brother George is still living out at High River.

PB: That's where he is now.

AK: He was Imperial Oil all the way, he never changed. Okay. So then the other person you mentioned was Al McIntosh and my records indicate that Al was a kind of a student engineer at Atlantic. He was working as a summer student.

PB: He, up till the time Pacific was taken over by Petro-Canada, Al's list of employers was one. Pacific was the only company he ever worked for, and he did get summer jobs at Pacific when he was going to university. Then he came on permanent staff, and he stayed there and became what was he, his final position was ??? something or other.

AK: Yeah, well, that's right...

PB: He left, he was very much opposed to Petro-Canada's very existence. He went from Pacific, he became was it president of Home Oil? And that didn't last very long either. But he was, I had great admiration for Al McIntosh and he was quite highly regarded in the oil industry, he was President of the Canadian Petroleum Association for a year, for a term and appeared before numerous commissions for the industry.

AK: Well then there was another person that, I don't know when he got started with you but Merrill Rasmussen work for Pacific for a while?

PB: Yeah, he came back, Kelly Gibson brought Merrill Rasmussen to become production superintendent, and he became an executive and finally the president and chief executive officer of Pacific, Merrill Rasmussen until the Petro-Canada takeover, and he didn't stay very long then.

AK: Well was he over Macintosh?

PB: Yeah. Merrill was President and Al McIntosh Executive Vice President.

AK: And where had Merrill been before, was he with Husky?

PB: No, what he'd been through, in the Gulf...

AK: Oh, he was ???

PB: Yeah. That's how Kelly got to know him.

AK: Oh yeah well Kelly would know him there. Then Merrill went on with Husky didn't he.

PB: No he went down to the States. I don't know if it was Husky or who he went with, he's still down in the States. He won't be back, I don't think, his kids went to school down there and they stayed down there.

AK: Yeah. It would seem to me like he was involved with Husky Oil.

PB: He may have been, I don't know.

AK: Well that's all right, but now when those fellows saw their stock options and the kind of price that, the ridiculous price that Petro-Canada was going to pay for Pacific that they just couldn't make any other decision then to take their option in gold.

PB: I don't know but the price was ridiculous because I think Pacific was the best deal that Petro-Canada ever made.

AK: Is that right? Yeah, but it was only trading around 20 some-odd, \$26 wasn't it, when it was, when they when they put the arm on it wasn't it \$26?

PB: No, Phillips sold at the \$64 price so they had to offer the other shareholders the same, same price. But that was ??? Petro-Canada.

AK: Oh, yeah, it was the backbone...

PB: It was the best deal they ever made and there was never any political opposition to that one. But there was to Fina. They said they bought Fina without looking at it. Well, they inherited the great big bloody file because we'd try to get Fina years before or a few years before. I had a complete dossier on Fina.

AK: Had you.

PB: So Petro-Canada had it and used it as the basis of their offer, so they..

[00:11:03] AK: We've gone down that bit of a byway, we're already at Fina so we'll just go back and let's discuss Len Youell and his role in the company.

PB: Yeah, it was in the 40s, and our office then was I think in the ??? building. Len Youell came in one day and applied for a job.

AK: Yeah. Let me just spell that's Y-O-U-E-L-L and incidentally his brother works for Chieftain.

PB: In the oil business. And Len had formerly been employed by, at a place called Bishoprik?? in Saskatchewan, a mining venture that operated during the war. Len came to work for us as accountant when we had just a small staff and he stayed with us for many years, eventually becoming secretary of the company and was in my mind the best corporate secretary in the business. And eventually he transferred to a similar position with the West Coast Transmission Company. He took early retirement from there and became the first employee of Petro-Canada.

AK: Right. He threw his lot in with Petro-Canada.

PB: And he and Bill Hawber?? got Patrick Canada going. And he retired from there and is now living at Whiterock in BC.

AK: That's right.

PB: Very fine fellow, he was an accomplished musician, he could play that piano. ??? music too.

AK: That's an accomplishment. Well his role then was keeping, his role would kind of go along with you to some extent too.

PB: We worked very closely, he retired from Petro-Canada in September '82. He was Petro Canada's first treasurer.

AK: Right. Well, I know that it was he that I believe helped pull together Earl Grey in getting this book written. He was one of the ramrods behind the scene.

PB: Well he was the one who knew where everything was, right from Pacific days on.

AK: Yeah, where all the bodies were buried, eh?

PB: And he, Earl gave him a lot of credit for working on that.

AK: Yes, right and that was around '80, '81 that...

PB: Yeah.

AK: Well, then, let's see. We have Les Clark coming in fairly early in about '51 and Les had been with Shell oil.

PB: Yes. Les did prospecting for Shell Oil Company up through the Peace River Country to Peace River, Finley, ??? and that country, had boated down the Peace River through the rapids and so on and went to work for Seaboard.

AK: Yeah, well Shell pulled out and...

PB: And we finally persuaded him to come to Pacific. I don't, I know we never regretted and I don't think he did.

AK: And although some of the, some of the operations had started to become concreted in like for instance... and there's his picture there. The, to what extent you think Les, let me put it the other way around. Les' love was the mountains, he was a mountain goat, he'd go out every weekend and climb mountains. And to me it's, I don't understand why, maybe he did try to get Pacific into more Foothills plays but it seemed like he didn't get the company into those kind of plays.

PB: Well I think the mountain climbing was a matter of conditioning and exercising...

AK: Or a personal hobby.

PB: And it was geological. Oh, he did, he liked to climb mountains all right.

AK: Well, he had certain areas that Seaboard had gotten into like, you know Seaboard had gotten into this acreage of Pembina. And of course by the time Pembina was drilled Seaboard had long since lost all, I mean all the people had gone. And there was Con Haig went with Shell, and Con was a geologist for Seaboard, and then there's our friend Courtney who worked for Seaboard, and Les brought him over...

PB: From Pacific.

AK: Right.

PB: That's Courtney Cleveland.

AK: Right, Courtney Cleveland. Then the other person that I think deserves some discussion is Bob Manahan.

PB: Bobby came to us when the Bailey Shelburne takeover, he was chief landman for a career for Bailey Shelburne company and he came to Pacific at that time and he was one of the few that stayed. Most of the Bailey Shelburne people left, including Alec Bailey himself.

AK: Yeah. Well Alec went on to greater things.

PB: Oh I don't know...different things.

AK: Yeah, but there was a fella named Louie Millward that was with Bailey Shelburne.

PB: Didn't know him. He didn't come.

AK: No, I guess he didn't. Now that that raises another, that's an interesting point. Well, maybe we can talk about Manahan little bit first. He went on to become would you say your chief landman?

PB: Yeah. Yeah and he stayed with us quite a while. I think I stayed on till he reached retirement age and he was quite a curler and a golfer and his father was a Canadian curling champion at one time, Cliff Manahan.

AK: Is that right?

PB: It was in his blood?

AK: Oh sure it would be. Well Manahan was always, anytime I had very much to do with him, I found him to be very interesting and I guess he's still alive isn't he?

PB: Yeah, I saw him a couple weeks ago.

AK: Is that right? Well, there's a story about him in the Leduc book, about him and Merrill Rasmussen going up to... you probably saw that.

[00:21:04] Okay. Well there's another there's another aspect of this interview that's important is what was the reason for Bailey Shelburne wanting to sell or Pacific wanting to buy, was there any particular...?

PB: Well they had good acreage.

AK: Was there some acreage that was interlocking, in other words...

PB: No, some were re-worked and it was a good acreage. I saw a reference to that somewhere recently. It was acreage they wanted and it had acreage up in the Peace River Country, they had production, and we paid a fair price for everything and the profit in the deal was the production we were to get from this other acreage. It turned out well, it was a good deal. And the Bailey Shelburne acquisition was a good one. And we also took over, oh...

AK: You took over Calvin didn't you?

PB: No, Cliff Walker's company, Cascade...

AK: Merrill?

AP Merrill Petroleum.

AK: And Cascade Drilling.

PB: And Cascade Drilling, that's right?

AK: Okay, that's a very interesting subject because the Merrill Petroleum Company was headed up by N.E. Tanner and his son-in-law Cliff Walker, who was something else? And he had tried a couple of times to get into different into different plays. He bought a parcel up at Leduc, you know, right on the edge of the field, drilling ??? but that was before it became more. But he had, I think he had another company called, there was another name to it, but that doesn't matter. Well what was the...

PB: Well there were three partners in that, Eldon Tanner, Cliff Walker and Orville Matheny. Orville Matheny headed up the Cascade drilling company. And Orville, Cliff wanted Orville to come up from the States, and told him when he came up, Orville was not a Mormon but decided it was in his political best interest to become one.

AK: Oh, so he was doing missionary work.

PB: Cliff was. Cliff of for course married Tanner's daughter and he had to become a Mormon.

AK: No question to that, milkshakes?? and he had the TV, did you know about that house? With the TV up in the ceiling.

PB: So Orville, he's back doing missionary work for the Mormon Church down in the States, Dallas or somewhere.

AK: Oh, he got converted then?

PB: Oh, yeah.

AK: Oh, I see.

PB: He had to get into that company?

AK: It was worthwhile. Well, then they had Howard Rhodes, did you know Howard Rhodes? He was a geologist.

PB: I didn't know any of their staff, I might have known Merrill.

AK: Well now what about Merrill himself. There was somebody making inquiries about Merrill the other day to me.

PB: Merrill who?

AK: Well the name Merrill, was he a kind of a mystery man?

PB: I did hear once how that name got into the, the company took that name, but I've forgotten.

AK: It was an individual?

PB: Yeah. I've forgotten who it was. Well there were some lawyers in town that used to work for Bailey, they might know. I can't think of their names now.

AK: Well then Merrill was taken over, Merrill was a publicly traded company?

PB: Oh yeah. We took it over on a share deal. Cascade drilling came with it. We weren't particularly anxious to have a drilling company, so Cliff Walker talked Orville Matheny and Eldon Tanner into buying the company, buying the Cascade Drilling Company back from us. And Walker, part of the deal was taking over Merrill was that Walker would go on our Board and he came up with this scheme and we told him ????. If you're going to pay cash for it, that's fine. If you're not you can't stay director of Pacific. He decided he'd resign as a Pacific director and he took over Cascade... he hit the skids then.

AK: Yeah, I that was a ... well he was no manager at all. He was terrible and get into these weird deals, but there was also a fella named George Hobson. I guess you wouldn't know too many...

PB: No.

AK: Where were their offices when they were Merrill?

PB: They weren't too far from around 9th Avenue somewhere I think.

AK: Yeah.

PB: I'm not sure.

AK: Well that was a pretty much of a... well now, you said that you did not take Calvin over.

PB: No, I don't know where it went.

AK: I think Fina took it over.

PB: Yeah, probably.

AK: Yeah. Well, then there was another fellow that wasn't involved with Pacific but I think he was around quite a bit and that was Frank Fournier. Did you know him?

PB: I knew Frank ???.

AK: I mean George Furnivall, sorry, George Furnivall and Frank Fournier, and Frank was involved with the Calvin thing. And there was another fella Named Gus Beck who set up Canadian Export Gas.

PB: Yeah.

AK: There was another company that was created and it seemed like there were several people responsible for its being brought into being, one of these people was as I seem to recall, it was Ted Link and Ted Link had some input into the creation of Bear Oil. That's B-E-A-R, and how did they get the name of that?

PB: Oh, I don't know. That was a name that was available and, but you're right, Ted Link did have, it was his theory that the oil sands had to come from somewhere and if you get down deep you might hit an oil field. So we took out acreage up around Fort McMurray, Athabasca River and down towards the south from there, from McMurray, and five million acres in total which were owned by ??? to 25 different oil companies that we had to create because of the government regulations limiting the amount of acreage any one company could have. And we set up a company, Bear Oil Company as an exploration vehicle and Sunray Oil Company was in it, Tidewater who are five different companies in it, Sunray and Tidewater I can remember, and General Bogarts from Toronto, he had a group in it, Frame was in it and we set up an exploration office in Edmonton.

AK: Yeah on 97th Street.

PB: I've forgotten where.

AK: Yeah, well that was where Jack Browning and...

PB: Browning, Warren Falkner and Scotty Tosh. I think Art Ross had something to do with it, too. But anyway we drilled a number of wells and found nothing and Bear Oil, having spent its money just faded out of existence but Pacific inherited the operating staff, which became the exploration department of Pacific.

AK: Yeah but would there be any of that acreage that Pacific would take over.

PB: No, let it all go.

AK: Let it all lapse. Well in the first, very first instance, there must have been a money person that thought of this was, was this ??? do you remember or?

PB: Oh, I don't remember.

AK: Yeah, the details. Well, then who is, was it Browning or Macintosh or?

PB: No, Macintosh wasn't...

AK: He wasn't in on that.

PB: No, and Warren Falkner was the he was kind of the...

PB: He was the manager and Scotty Tosh was drilling superintendent.

AK: Well then Falconer went on to form Ponder Oils.

AK: Falconer? I don't know where he ??

AK: Oh, I see. Okay.

PB: He was a native British Columbian, played basketball for the University of BC when they won the World Championship. ??? championship from St. Catherine's.

AK: Gosh. Well, he, when I first met him, he was assistant production superintendent at Devon for Vern Hunter, and then he must have found out about this other operation.

PB: I don't know where we got him, but he was experienced in the north country. He spent years up in the Arctic.

AK: Did you know that he had walked the Arctic Coast.

PB: Yup.

AK: That's quite a feat, looking at the geology. So the other the other person that you mentioned, there was an article written about him and his name as you mentioned is Hogarth.

PB: Oh yeah, he was a mining...

AK: He was a mining person. But according to this article Hogarth himself said that he was the one that was responsible for putting Bear together.

PB: No. He was last one in.

AK: Last one! Is that...that just shows you how stories go. So you had, you had this kind of a side issue with went along somewhat on its own.

PB: Yup, and then...

AK: Remember the year that it started, was it '49.

PB: No, it was after that.

AK: No wasn't much longer after that.

PB: It was '50 I think, maybe in there.

AK: What did it last about three years or so?

PB: Yeah. Then we, some good things happened when all these deals were ????. We got an exploration department already made.

AK: Yeah, right. Yeah, Browning didn't last long. He went over with Bay Petroleum. But he was in with ??? and I think he and Les Clark locked horns.

PB: They may have done.

AK: Yeah, whatever. Browning was a pretty controversial figure. So then, Sunray though, didn't Sunray pick up some of the action in Northeast BC and partner with you on some of that acreage?

PB: Oh, yeah. Yeah.

AK: Because they went on and...

PB: We took over their interests in Canada as well as the Intercept of Phillips for share consideration.

AK: Right.

PB: And that made Pacific one of the largest oil companies in Canada then.

AK: That's right, yeah. With all that acreage. How did how did some Southern Production get involved in...

PB: Oh, in making the farm, we tried to make a farm out or I guess we did make a farm out too.

AK: Well you did, I know.

PB: And they sent up...Ken Germond??

AK: They sent up ???

AK: Yeah and wasn't there a fellow named Jerome.

PB: Germond. Ken, that's G-E-R-M-O-N-D.

PB: Yeah and he stayed up here.

AK: Oh yeah he did and he went to work for Oakwood?? but Mike Strong was a very controversial figure.

PB: Yes, I agree with that.

AK: And kind of, maybe even probably flamboyant wouldn't you say?

PB: Yeah. Yeah.

AK: And they, did Southern Production, they drilled to earn a position.

PB: Yeah, I guess they earned it, I don't remember the details, I worked on the deal down in Dallas and Fort Worth, Fort Worth I guess it was, we used to get to the Petroleum Club down there that had only Russell pictures.

AK: Oh yeah.

PB: I've forgotten the name of the fellow that owned the pictures and hung them there.

[00:37:19] AK: So you had these arrangements, now the other arrangement that you had, I seem to remember and this seemed to come along a little later, you had a deal with Imperial Oil, whereby they would earn 75% of the oil and 25% of the gas, Pacific 75% of the gas 25% of the oil and some mutual acreage. Does that ring a bell?

PB: No, don't remember it.

AK: Okay. Well that was just one of the other deals that went on during that time.

PB: Well, there were a lot of other oil people that we would bump up against during our development and I've talked already about Clarence Rider and Matt Mule?? Jack Webb we got to know very well. And Gene Denton and Cody Spencer, Denton and Spencer Drilling Contractors. And both gone now.

AK: Oh, yeah. Well, did at anytime Jack Webb consider coming to work for Frank McMahon or...

PB: Not very seriously. I don't think, I don't know they he was ever asked to...

AK: Well Anglo, he worked for Anglo. And then he left to go with Imperial and then he left Imperial to go back with Anglo, with Grant Spratt, you know, but then he was his old buddy. And then he set up Elvinex??

PB: Very shortly, I had a connection with Anglo. It was a matter of two or three weeks after I joined up with Frank McMahon when I got a phone call from Calgary, from a fellow named Fred Smith who was connected with Ray Milner in Edmonton. Offered me that job of chief accountant at Anglo-Canadian law.

AK: Oh, is that right.

PB: And Phil Burn, the stockbroker was associated with it, Milner and I don't know who else would, because I didn't take the job, a friend of mine ??? a chartered accountant, he got that job. That's trivia.

AK: Yeah. Well, it's all part of the process and... okay, then there was one, on your Board to start with, you had Whittall, Norm Whittall. As the as the company matured and got larger how much input did Whittall have as the...

PB: Very much, he...

AK: He had a fair amount of...

PB: He was sent, he, George and Frank and I were the originals in Pacific. And there were others who contributed to the early growth of the company, Colonel Victor Spencer of the David Spencer stores.

AK: Yeah. I know.

PB: And Dr. R.B. Boucher, a well-known doctor in Vancouver, George Martin, and S.R. Reg Smith, who was the man who originally brought Marlin Oil Company into Canada. Marlon became Hudson Bay. It was Reg who brought them in to Canada.

AK: What was that name just before Reg Smith. You mentioned, not Boucher but...

PB: Martin, George Martin.

AK: Where did he come from?

PB: Originally Saskatoon, I believe but he'd been in Vancouver for many years, and was the, a director and manager at the Vancouver Mortgage Corporation and several other companies. And he'd been the director of Pacific and West Coast for many years.

AK: And of course, Whittall served until his death or?

PB: Whittall was the first president and when Frank left, he took on ??? as president and managing director. Then when Frank him back as managing director, Norman stayed as president. When Frank became president Norman became Chairman of the Board, and stayed on that, oh for years, he was a director until his death. I believe he died after I retired so I don't know. He and I ran the company for those years when Frank was away.

AK: Right. That's an important part. This is just about the end of side 2 of tape 2 so we'll now switch over and go to tape 3.

Tape 3 Side 1 –

AK: Okay. We're on side one of tape 3 and it's still July the 30th, the afternoon July the 30th, and we would like to now go through the various steps that the company took and I remember you tell me the other day Pat, that we at your company decided to move to Calgary. Was it '38?

AP: '39.

AK: '39, and you granted the part of the upstairs of the Toole, Pete building which no longer exists, which was just south of the Hollingsworth building and it's now where the north edge of the Bankers Hall lies. And of course, there is a story about Bankers Hall that we'll get into later. It involves you twice. I mean, this is like coming back reincarnation. But at any rate you rented space there. Do you remember how much you pay a month for rent?

AP: No, I don't Aubrey, it wasn't very much because we didn't have much money. But we had office space there, and I borrowed a stenographer from Eastern Trust Company, which was in the Toole, Peat building, Bill Grayburn was the manager of that, so I had at that time a stenographer and myself, and that was our staff.

AK: So that's how Bill Grayburn got kind of involved in the Pacific organization.

AP: He had been doing work for us before that. That's how we got that space.

AK: And he ultimately, he became a director didn't he?

AP: And vice president, retired as vice president in charge of land and leasing.

AK: That's right and he would have had a Manahan under him.

AP: Eventually yes. A few years down the road.

AK: Yeah, we're way ahead. Well, let's go back to this this Toole, Pete building. And as I said, it's long gone. So then when you found that you needed more space, where did you go then?

AP: Well it wasn't so much a matter of getting more space as... I'll go back a little bit, during the time we were in that building, we established a connection with James E. Barber of Barber Machinery, Barber Engineering Company, who supplied us with our worst string of casing and production equipment for our first well. And they needed accounting secretarial help. There was a spare office next to ours they moved in there and I did their work for a while, but I got busy with Pacific and I wasn't able to do much of a job for Barber. Derek Connolly having recently been released from the sanitarium came in one day and asked if I knew where he could get a job. I had known Eric through the ??? and I said, yes, I'll take you into Jim Barber. And I told him the story that I was unable to do a proper job, there really wasn't much money in it, but he could have it to start with. He went in, made a deal with Jim Barber and ended up owning the outfit.

AK: Now did Eric have a designation.

AP: He was a chartered accountant.

AK: Yeah, right, but he had been out at Baker?

AP: ???

AK: Yeah, the one out here, Bowness.

AP: He had TB? He got rid of that, got cured?

AP: Yup.

AK: Isn't that something. Well he went on to other things, a lot of other things.

AP: Well, he and Earl Griffith succeeded to, and took over the Barber Machinery.

AK: That's right, Earl took it over, Earl was absolutely a brain when it came to...

AP: With a welding torch.

AK: Yeah. He was a, you could call him an artist. His work was not just welding. It was artistry, because of some of that stuff really had to be very delicately welded.

AP: Well Jim Barber got Earl to come up from Denver. They had both worked for the Mining and Martin Drilling Company down there.

AK: Oh, is that right?

AP: That's how that's where they got connected. And Jim had bought Walter Mueller's machine shop out at Longview.

AK: That's right. He was a German water wasn't he?

AP: Walter Mueller? I don't know if he's still alive, but he was in town, lived in town for a long time. ??? pictures in the Petroleum Club.

AK: So that's how Eric got going, and then he went on, he got into other things.

AP: Oh, yeah, he got into pipelines, and others, but Barber, ??? Barber Machine Company. I think they eventually sold it to the employees after Earl died.

AK: Yes, that's possible. But then there was another company formed Braylorn got a hold of it. But that's the way down... Well anyways, then you moved...

AP: Went over, and Frank had established this connection with Matt Gill?? and set up Drillers and Producers. And made arrangements whereby I, the Pacific office moved over to the Drillers and Producers' office and I would look after the secretarial and financial records of both companies. Their office was over the BA service station, the corner of 6th Avenue and 1st Street West.

AK: Yeah, the southwest corner.

AP: And Bert Dyson's service station. George Watt was the BA Oil Company manager, had offices over that service station too. And I was, that arrangement carried on for a while and the next move for Pacific was to the termination of this deal with Drillers and Producers and we opened up our own office again

in the Imperial Bank Chambers over the Imperial Bank office of the corner of 1st Street, Centre Street and 8th Avenue.

AK: That was the northeast corner.

AP: Right.

AK: Well now just going back just for a second with the BA outfit, at that time was R.H.C. Harrison involved with British-American.

AP: No.

AK: Bobby Harrison.

AP: Bobby Harrison, I got to know him later, but no, he may have had some connection with BA Oil Company, I don't know.

AK: But at that time BA was not an exploration company.

AP: No.

AK: It was 100% marketing.

AP: Yeah, and not too much of that I don't think.

AK: Well anyway, then then you went to this Imperial Bank Chambers, and of course the manager must have been living somewhere else. He didn't have to live upstairs. And that was the main purpose wasn't it, in the building those buildings. There were always two-story buildings even out on the prairie, because that's where the manager and maybe some of the staff would live.

AP: It was at that time when we moved, Neil McQueen came with the company and became our managing director, and we stayed in the Imperial Bank Chambers for oh, maybe a year and moved, then moved to the fifth floor of the Lease and Lineham?? building.

AK: And this is during the ware of course. And when Neil come on board, what was it, '42, '43?

AP: Yeah. And we moved to the Lease and Lineham building and had our offices there for some years.

AK: Well Frank out of it then?

AP: He was out of then but after some unfortunate drilling experiences on Cache Creek, Cat Creek, Montana, Neil McQueen left the company. Frank McMahan moved back as managing director and we put our officers together. I moved over to the Toronto General Trust building, where Frank's offices were.

AK: Oh, Frank had offices already there. Oh I see, and that's why Atlantic had the address of 304 General Trust. Was that right next to Richardson's.

AP: Above them.

AK: Oh above them.

AP: 3rd floor.

AK: OH, it was the same building.

AP: Yeah.

AK: I couldn't figure out just where that was, but that's where it was, above James Richardson's brokerage firm. Handy to the...

AP: Yeah. It was from there, we kept the space in the Lease and Lineham building and still there that we acquired the property on 9th Avenue West from ??? and built the petroleum building.

AK: And now when you were in the Toronto General Trust building, do you have any recollection at all of what you paid? Was it so much a square foot?

AP: Yeah, so much a foot, but I don't remember much. We built the petroleum building and moved in there and after two or three years, we built the Pacific building next door, which was a taller building and moved in there. These two buildings were same plans. There were strictly utilitarian buildings. There was nothing really fancy about any of it.

AK: No, they were... I'm trying to remember which one was a little bit shakier than the other ??? well it seems like you get up there...

AP: We moved what you call computer equipment in there...

[00:12:51] AK: Yeah right. You moved into the petroleum building in...

AP: In 1951 and ...

AK: Now that building you said had been built by Red Dutton.

AP: Right. He was the general contractor. And that building was, was it butted right up against the Albertan building, was there any...

AP: No.

AK: There was a space...

AP: There was a ??? in between there we used for parking space.

AK: Right, right, and in the basement of the Petroleum building there was a lunch place, restaurant.

AP: The Pump House owned by Carl Nickels, originally by Carl Nickels and John Mayberry.

AK: Was Art Smith in that one.

AP: He may have been.

AK: Yeah. But it was Carl Nickels.

AP: Yeah, and there was a barber shop down there. And the man that run that barbershop, Frank, can't think of his last name, works in the Chinook barber shop out in Chinook Centre. And there was also Gordon Polks??

AK: Oh, yes right. Well now did Pacific occupy the entire building?

AP: No, Carl and McCarthy had the first floor.

AK: Oh, the brokerage firm, yeah.

AP: I forget who else was in there.

AK: Well was Carl in there?

AP: No.

AK: Where was he, he was running his Daily Oil Bulletin out of... see he started off in the Lancaster building.

AP: I knew Carl before that. He started in the basement of his house on the North Hill. He used to deliver his bulletins on a bicycle. He took me for a ride in the first car he ever bought.

AK: Is that right?

AP: That was in 1940.

AK: Yeah, well he started off in '37, '38. And so in the early days, he didn't work out of Lancaster building.

AP: No, I forget what he moved in there but...

AK: Yeah.

AP: Things had developed so he had enough money to buy a car, so I guess...

AK: It was a weekly, you see his bulletin to start with was a weekly. Okay, well then getting back to the building. How many floors were there that you had.

AP: 6, I think, 6 or 7.

AK: I thought it was higher than that.

AP: The Pacific building went a few floors higher.

AK: Like 11 or 12?

AP: 10 I think.

AK: But in those days you see, a 10-storey building was a big building, like a skyscraper. It was way above everything else. Well then the, was the building the Petroleum building, was it owned by Pacific petroleum, or did you do a leaseback or?

AP: No, we built it, there was a mortgage on it.

AK: And then you rented space out to whoever. You occupied most of the rest of the...

AP: Yeah.

AK: Now..

AP: We were getting to be a sizeable...

AK: Sure. Well, then West Coast had, was with West Coast starting to use space?

AP: Oh yes. Integrated with Pacific.

AK: Yeah, right. And Frank and George had their offices there, and yours...

AP: They were on the top floor, and my office was up there, and...

AK: You had a Boardroom of course up there.

AP: Yeah.

AK: Right.

AP: And a back room.

AK: Right. What about the cost, do you remember what it cost?

AP: No, no. We sold them to an Ontario man, name of Toronto man, name of Ted Hauser?? I think, and ??? At that time, we were building the Pacific 66 ?? 66 yeah. ??? Pacific 66 and that was '66..

AK: Right, I know. So with the second building you had started to, really could see that you had the need for this extra space. What was it, was that, quite a bit of it the marketing, the Pacific marketing, the gas used to develop the Pacific 66.

AP: We used, I guess ??? We made the deal to build a ??? at the same time the Royal Bank was building its building, with the same contractor coming from Toronto or Montreal or someplace. And he came in,

he had the deal with the Royal Bank and he dearly wanted to have another building going up the same time. So we, we made a very good deal with him. And, I had retired by the time they moved into there.

[00:19:09] AK: Okay, but going back to the Petroleum building, was it snug right up against the Pacific building? Was there space there or was the building...?

AP: It was pretty close I think, yeah.

AK: And then right next to it was, as we mentioned was the Purity?? 99, which that's where, well that's where Sam Sr. and Carl...

AP: Carl's office was there.

AK: That's where Carl's offices were! In the basement. Remember, he had the Daily Oil Bulletin offices in the basement. It was kind of a split-level thing, not a full basement...

AP: I was never down there, I don't remember.

AK: Well anyways...

AP: The main floor. ??? the basement.

AK: Yeah. Now just to complete the cycle, you, when you were building your plaza over at 6th and 6th, the northwest corner of 6th and 6th, the two buildings were sold to this Toronto person?

AP: Right.

AK: And that was, you were finished with him.

AP: Yeah, everything.

AK: And then whatever he did with it... they remained empty didn't they?

AP: I think they were empty for quite a while until they got blown up by the Bankers Hall.

AK: Yeah, but right on the same, on the northwest corner was the old Albertan building which Imperial oil occupied.

AP: Yeah, that was east of...

AK: East of the...

AP: It was the Albertan building then it was Mannix for awhile, or Imperial then Mannix.

AK: Mannix and then Amoco.

AP: I don't know what happened after that.

AK: And then of course as you say it got demolished. And did you ever know about what the price was on any of that?

AP: The bankers didn't care how much they paid, they wanted the property.

AK: Yeah, right.

AP: I imagine that the fellow that bought the Pacific and the Petroleum Building made a partial...

AK: I imagine that he did pretty well. Okay, so all those, and then on the extreme west end was the Michael building.

AP: The Michael building, yes.

AK: Which had been built by Burns.

AP: Yeah, named after Michael Burns.

AK: Named after his son. But, his son didn't, he died ???

AP: He died, I think.

AK: And it was a memorial to Michael.

AP: And Hy's Steakhouse was in there...

AK: Well that was later on. ??? whatever happened to it, it caught fire the grease burnt up, and then of course, then that corner became part of the Royal Bank complex, and the Royal Bank had been over on 4th Street, the main branch, and it became the Montreal Trust. So there's a lot of changes in there. But so actually in essence they wiped out that whole block on the south side of 9th Avenue to get the Bankers Hall plus the Royal Bank.

AP: Right.

AK: Is that getting the record straight.

AP: Yeah, that's about it.

AK: And then what did you, what impelled you to say, well, look, we've got to have another new building and what, when was that decision made to go over to build the plaza?

AP: Well that must have been '67, '66-'67. I retired early in '68 and it wasn't completed then.

AK: So the decision had been made.

AP: Oh yeah. And it was built while I was there. And the, I don't know how much of that, but they had a real good deal with fellow, Cummings, the contractor and I don't know how, what Petro-Canada did with it, sold it or let it go or what.

AK: Well, they were the, I guess you probably realize they was a biggest landlord in downtown Calgary there for a while.

AP: Who, Cummings?

AK: No, Petro-Canada. They went haywire with renting space on crazy lease terms.

AP: This ??? Cummings came in one day, saw Kelly Gibson, he said he had a chance to buy that family of man?? from the Montreal Expo, for \$45,000, they wanted to bring it to Calgary and wanted us to share it. And Kelly asked me what I thought of it, and I said, I'll share it very happily if you go put it flat in the Bow River. I don't think too much of that statuary. So I don't know, they're in front of the education building now.

AK: Yeah, that's where they are.

AP: ??? Cummings, maybe he found another circle or something, but we ...

AK: You didn't ???

AP: And during all this time, from 1940 on, we were clients of the Royal Bank. And it's quite a story of how we got there. When we were in Vancouver, we were clients of the, or customers of the Bank of Nova Scotia, when we came to Calgary we transferred to the Nova Scotia. Bob Dales, R.L. Dales was the manager of the Bank of Nova Scotia, and he had assisted in the financing of Bob Brown's Turner Valley Royalty well. And we went in one day and applied for a \$25,000 loan. And in those days ??? had to go to the Board of directors.

AK: Oh, yeah, had to go right straight to the Board.

AP: They turned it down. So we went across the street, saw Ernie McLean at the Royal Bank, he says, sure you got it right now. I'll look after it at head office. So we moved over to the Royal Bank. But Ernie McLean, he was a bit of a Maverick as far as the Royal Bank was concerned, but he made them number one in the oil business, and...

AK: Well there was another fellow named Mackenzie that worked in the Royal Bank. Then there was fellow name MacLellan, Vaughn MacLellan.

AP: Oh, yeah that was 3rd Street.

AK: 3rd Street. But you dealt with the main branch, Centre and 8th.

AP: Yeah.

AK: That was the old building where well Hindman took over as manager there later.

AP: Ernie McLain was manager he had a succession of assistant managers come in. And Tarley?? Dobson, T.S. Dobson, was one of them. He went back east and went way up the ladder and is one of the senior men at Royal Bank. Another one...

AK: And he's back here.

AP: Yup. He's retired.

AK: Yeah, he's living in...

AP: ??? Hall.

AK: Yeah, the estates.

AP: ??? Dern was their western superintendent at the Royal Bank, his offices were upstairs. So I was walking up and down those damn stairs all the time.

AK: Yeah.

AP: And Jack Main?? was the next room. And then ???, then Norman Stewart.

AK: Oh, yeah Norm Stewart.

AP: He was assistant manager for ??? at Third Street in the earlier days.

AK: There was a picture of MacLellan in the book.

AP: And, we got to owing the Royal Bank millions of dollars, but I became, as Norm Stewart says, a VIP and the red rug was there when I went to Montreal the red rug was laid out.

AK: In other words, you owed them so much money that they had to look after you.

AP: Well, there's the section of this book is [inaudible].

AK: Oh, that was that was down in ???

AP: [inaudible]

AK: Right, they had their offices there. At that time, what was Tommy doing then, what was his job? Assistant General Manager. Yeah, well he sure moved up the ranks.

AP: Early '66. And John Coleman was the vice president. I got to know him pretty well and we sent, ??? Thomas he was the agent in New York and he did the West Coast.

AK: Oh, yeah.

AP: And [inaudible] was from the Royal Bank management ??? the Montreal Trust Company and John Anderson, he was one of the assistant managers in Calgary. He became assistant general manager and later the vice president. ??? Dobson.

AK: Yeah, right.

AP: So this was...

AK: He was Executive Vice President. He ended up as Executive Vice President.

AP: Yeah, I guess, yeah.

AK: He moved right along.

AP: Yeah, he sure did.

AK: He never married did he?

AP: Oh yeah.

AK: OH did he?

AP: His wife's name is Wilma.

AK: Oh is that right.

AP: He was married before he left Calgary. This is Nick Harding he was an assistant manager here, moved up to be chief inspector in Canada, finally head man in Europe. Nick's father was Lord Harding, first Lord of the Admiralty at one time, and when he died, Nick became a member of the House of Lords.

AK: Can get elevated to the peerage?? eh?

AP: Yup. And Jim Miller was [inaudible, background noise]

AK: Well yes, it's interesting that you know, going back that one of the key, well you probably were right in the middle of it, one of the key financial arrangements was the loaning of, a production loan, that it was charged against the Atlantic quarter, that you'd borrowed some money against that production and then you paid off so much a month. Of course when the well blew out, everything changed. That was that was the way you were financing it, because you weren't that greatly endowed funds.

PB: No, we spent it as fast as it came in.

AK: And also you had to pay Cody Spencer for his contract work.

PB: We didn't pay him for Atlantic 3 though.

AK: No, but... you know, one of the things that, I'm getting off the subject, but I think it's important that one of the things that I'd dearly loved to have gotten my hands on and I'm sure it was in the Imperial oil file because you know, it was Tip that signed the contract with Cody for the two directional holes, you know, you weren't in that at all.

PB: No, the Conservation Board ???

AK: Yeah, the Conversation Board...

PB: ??? The Atlantic Number 3 Act...

AK: I know.

PB: ??? them, had complete authority, over the well and everything.

AK: So there had to have been a contract between Imperial Oil I mean, it's really the Conservation Board and Cody, but I'd have loved to have been able to find out just what that was because it had to be a day work???

PB: ???

AK: It had to be, now Cody really made some money out of that. But you know that those General Pete annual statements never showed a thing in there. Maybe that was our friend Howard that was pretty clever.

PB: Yeah, he was in charge of government ???

AK: And he must have done some real fast footwork to have figured out how to... and you know, there was hardly any mention at all in the, those little, we used to have little brown annual reports, you probably, kind of on yellow paper and... Nothing in there. So, you know the financing like you're saying about the World Bank, and of course Cody he had, who did he deal with, and what, was he Nova Scotia or?

PB: ???

AK: No, I mean Cody Spencer, who did he bank with?

PB: I don't know.

AK: Yeah.

PB: Funny thing happened. Gordon Allen was acting ??? at the time and he lived up 2 or 3 doors from Harry Howard, ??? in Lansdowne area, and somebody dropped a bug in Gordon's ear that [inaudible] Atlantic 3.

AK: You mean, General Petroleums.

PB: General Petroleums. Gordon told me this and I said, Gordon, next Saturday when you're walking down past Harry Howard's, why don't you drop in and tell him we're thinking of suing?? him out for all the damages incurred in the blowout of Atlantic 3. Gordon phoned me on Monday, can you come over? I said, yeah, he says you should have seen Harry Howard's face when I told him. His jaw dropped and his face went white. He says you won't hear any more about that other suit.

AK: But of course all mixed into this was, far more importantly, I shouldn't say it that way but far more importantly in a sense were the insurance companies. They were the ones that really were wondering know who the hell's going to pick up the tab here?

PB: And for what. There wasn't such a thing as blowout insurance.

AK: Never.

PB: And Reed Stenhouse or whatever it was, Reed Shaw, McNaught in those days were our insurance people and I got them in and I said, you write us a policy, you get us a policy that covers against further blowouts. There is no such policy, I said, you are in the business of underwriting, you can make one up and sell it. And I don't know if they ever did our not.

AK: Well you see, Halifax was the other, on the other side you see.

PB: I don't know.

[00:37:13] AK: Okay. Well, we've got the buildings straightened out. Let's, now we've agreed we should try to get something about George McMahan. I guess we should start off by saying there were three brothers, there was John, George and Frank, which was the elder of those?

PB: Frank was the eldest, George was next and John was the youngest.

AK: Yeah. Now would John still be alive?

PB: No, they're all dead. They're all gone.

AK: Yeah.

PB: John was in the securities business until he was promoted in a natural gas company.

AK: Oh, he was the one behind that.

PB: Yeah.

AK: Was Whittall in on that too.

PB: Yeah. Oh, yeah.

AK: Yeah, that was, the idea there was to furnish gas to the Okanagan and other areas...

PB: All the small towns, didn't matter small or large, all the towns in BC.

AK: Did John become like the chief cook and bottle washer in that.

PB: Yeah, he we had ??? natural. Of course, one of the basic things about that was the fact that they had to have a what we call the postage stamp rate for gas. That is gas at Prince George at the head of the line would cost just as much as it would at Trail which is the end of the line.

AK: And that was really where the fan, that's really where the problem...

PB: Well ??? the only problem on that was Prince George, they wanted to set up their own company, gas company and buy direct from West Coast. But West Coast would not go on that road.

AK: You see all it was, building a few miles of line from the main line over to Prince George and Prince George couldn't understand why the heck they had to pay, as you say the postage stamp price. Now, could they have, do you think that looking back on it, do you think that Prince George could have gone to the courts and...

PB: No, no. No, too much political pressure put on it. And Inland was set up then.

AK: And it had its charter.

PB: Yeah.

AK: It was a provincial charter.

PB: It was a BC outlet, and controlled by the Public Utility Commissioners of BC. And I doubted the, and I don't know if it was taken before the Board of Public Utility Commissioners, and this postage stamp rate approved or not, but I assume it met with their approval, whether it was a formal hearing or not. That may have had something to do with Prince George backing off. So John was the man that headed that up. Of course, there was close cooperation between him and Frank and George setting it up. I worked on it, feasibility study in that with John, and it's been eminently successful, sold out to BC Gas Company or something now.

AK: That was taken over by, was that Hydro or?

PB: No, I've forgotten the details now, it was a ??? company.

AK: Okay, then the people that bought gas at the Vancouver gate, who were they?

PB: That was hydro, BC Hydro...

AK: BC Electric.

PB: Well Hydro took BC Electric over.

AK: Yeah, because BC electric with the old, used to run the tram lines and furnish power and... weren't they owned in the US?

PB: No, it was originally British Capital.

AK: Oh. Something like BC telephones. Well that was US wasn't it?

PB: I don't know.

AK: But they were the two anomalies in Canada, not public ownership. Well, of course you had Calgary Power here.

PB: But Calgary Power didn't sell you power.

AK: No. No, they wholesaled it out. Okay, so John was using his, was he a degreed person?

PB: I don't know, I don't know where he went to school or anything about him. He was well known in the securities business in Vancouver.

AK: And there were public offerings.

PB: Yeah. And the three boys were born at ??? down near Cranbrook in BC, and from there they moved to Kimberly. the boys went to public school there. And then later, when Frank came to, went to Western Van that year, and then on to college in Spokane. George got a degree in ???, MBA or something.

AK: So John carried on then with Inland pretty well, solely. He, that was his sphere of ???

PB: Frank and George had nothing to do with the management.

AK: Well did they had their hook on at different places, I guess at Kamloops, where ???

PB: Kamloops was their main line, went down through the Okanagan ???

AK: Yeah right.

PB: And a six?? hooked up with the land that went from Pincher Creek out through the Crowsnest.

AK: Oh yeah, Turner natural gas.

PB: Yeah, they were hooked in both ways.

AK: Oh, I see, so they got a, swing the gas back and forth. Well that makes sense. There's another company, I guess maybe this diverting for a moment, but I didn't want to forget about it and it's jumping ahead, and it's Saratoga.

PB: Well, that was that grew out of our development of the sour gas field out here at Savannah Creek.

AK: That was a Husky field wasn't it.

PB: Well, we had Pacific, whether Husky was in there or not, but it was our pipeline hired on, and we made the deal set with Saratoga with West Coast and, that gas was so sour that you couldn't do anything with it, except ??? We sold that Savannah Creek field to...

Tape 3 – Side 2

AK: This is side 2 of tape 3 and we've just been talking about Saratoga and was it a publicly owned company, did it...

PB: I don't think so. It may have been.

AK: Was it kind of a subsidiary of West Coast or Pacific?

PB: West Coast I think. They write about it ???

AK: Right, so it has its own sulfur extraction plant and it sells gas but I think there'd been other wells added to it...

PB: ??? wouldn't be enough to keep it...there must be others.

AK: No. You didn't, did you have any connection with that much, Saratoga?

PB: No. West Coast was set up and doing its own.

AK: Was this a name that you think Frank put on it, Saratoga from New York and the horses and..

PB: Maybe. ???

AK: Yeah. Okay. Well, we've pretty well dealt with John McMahon. Now you, just to refresh my memory, he was the younger...

PB: He was the younger.

AK: Well, then George...

PB: George was the middle. Now George had, what had he been doing in the 30s before he got into...

PB: I don't know. I didn't know George until '38, '37.

AK: Was that the time he asked you for a cup of coffee and took you down...

PB: Yeah.

AK: At that time, he was what, kind of...

PB: He was with Frank, Frank was...

AK: He called himself a financial agent.

PB: Yeah.

AK: On the letterhead there.

PB: He was promoting companies and Columbia Oils was one, Westerner Petroleums was the best one he had...

AK: Yeah that's right.

PB: ??? wasn't too much, he got into Pacific and ???

AK: Was George more, would you say George was in Frank's shadow, or was he his own person?

PB: Well, a little of both. He did a lot of the legwork for Frank, and we had a little brokerage company out there ??? We sold Westerner shares, and did the general brokerage business, we had half a dozen salesmen working, and that was in '39 and I left there in December '39. George ran that for a while, for a few years after that before he came to Calgary, Frank came to Calgary but not when George did.

AK: Right. So George stayed back in Vancouver and...

PB: He came and worked with Frank in Calgary, and he became president of Pacific and was active in their public service work at McMahon Stadium.

AK: Well in the pictures of the Board of directors George sitting there with them, he was on the Board.

PB: Yup. And he was a responsible director, and a good ???

AK: Albert Rutgers, do you remember Albert?

PB: I remember the name.

AK: He was a Dutchman that came to work for Pacific when Les was there. And Alberta remembers George fondly.

PB: Everybody does.

AK: Yeah, well, Albert, he was a professional, make no mistake that he was a well-educated professional geologist, but he arrived and he didn't have much in his pocket. So George arranged for a mortgage on the house for him, on Sifton Boulevard. Albert remembers that. But that was the sort of thing that I imagine George...

PB: Oh, big hearted.

AK: Within the limits of his ability. When did George first get the idea of the stadium?

PB: Well, you can read a bunch of stories.

AK: Yeah, I know.

PB: He used to be the sports reporter, you know Gordie Hunter? He takes all the credit for it. He put the idea in Frank's head.

AK: Oh, Gordie Hunter did.

PB: That's what he says, yeah.

AK: Oh well there's always people like that. I wonder if it's the fellow I was talking about.

PB: I don't know who put it... I guess George was the push.

AK: Well was he on the Stampeder's Board?

PB: Yeah.

PB: Frank was on it before George was. Frank was already retired and George took his place.

AK: Well, all of our games when I was here in the 50s were played up here at the Mewata. And that was a pretty good-sized place for those days.

PB: Oh yeah. I had season tickets there.

AK: Yeah. Well then George would have, do you think George was doing any forecasting about how many people they would put up.

PB: Oh, I don't if he went into details, it was decided that they needed an arena and Frank and George said they would finance it. ??? would put up the equity. The thing was built on debt, on bonds.

AK: What, did they sell bonds on it or?

PB: Oh, mortgage and, I'm not sure where they got the money from but anyway....

AK: Debentures?

PB: And George and Frank put up the equity money and I remember the day they signed the ??? cheques and turned them over.

AK: Right.

PB: And 100 days from the date the first shovel full of dirt was turned, until they played their first game.

AK: Is that right. So that was a whole summer season. They must have started early in the spring.

PB: 100 days before the first game.

AK: Well of course in those days they didn't start playing until September, now they start playing in July. It's crazy.

PB: 30 years ago, August 15th, they played the first game there. It would be August the 15, 1960.

AK: Is that right? 31 years ago.

PB: Yeah. Here's a picture of the 30-year celebration, ??? George's son.

AK: Well, John McMahon, was he ???

PB: John, George's son.

AK: Oh, I see. Oh and this is, oh, I see this fast-tracked.

PB: He kicked off the ball in the first game when he was ??? he was 30 years younger.

AK: Oh as a kid. ??? Isn't that wonderful? Well that's a very historic moment.

PB: Well this is, in the Herald from last year, and... 1959 [inaudible]

AK: Well, ??? August the 15th. Then they added, kept on adding.

PB: Added more for the Olympics.

AK: Oh yeah, much more.

PB: But Gordie Hunter, he takes all of the credit. He said he had just ??? Frank ???

AK: Yeah well always that kind of people.

PB: This is the Boardroom.

[00:10:37] So John's, of course by this time he naturally had this boy, John, and how old would John be then, just a little guy?

PB: Yep.

AK: How many children did George have?

PB: 4 or 5, I don't know.

AK: Oh. He would be quite young. Well then George continued on the Board. And of course, probably having quite a bit to do with this.

PB: Yeah, he was active on the Stampeder Board for a long time, and stayed on the Pacific Board until he retired and went to Nashville??

AK: Right. Did he establish permanent residency there?

PB: Yup.

AK: He and his wife? His wife was still alive then.

PB: Yes, she's still alive now.

AK: Oh is she?

PB: As far as I know. As of last Christmas anyway.

AK: And her first name is?

PB: Catherine.

AK: And of course at one time they lived on Elbow Drive there, in the 3600 block.

PB: Yeah. A big red brick house, and then they built out on the north side of Fish Creek.

AK: Oh, they built there did they?

PB: Yeah, became neighbors of ours.

AK: Oh. And you were out there at one time.

PB: We were on Anderson Road, yeah.

AK: Okay, and how long ago since he died? Since George died.

PB: Oh, it's in here somewhere...

AK: Well, that's okay. No, that's all right. So we have George then as a middle sort of a person then. And but more as he went on, more public affairs sort of thing.

PB: That's right.

AK: Now wasn't there a fella named Grogan?

PB: Jack Grogan was the public relations man, he used to work for the gas company Canadian Western Natural Gas, and [pause in tape] He came over and worked for Pacific. He was, to put it politely, a gopher.

AK: Yeah right.

PB: Any job that needed to be done, Jack was the man to do it. And he was very public spirited, he ??? one year, was on the Stampede Board for many years.

AK: That's right, that' where he spent...

PB: He headed the parade committee.

AK: Oh, that's right, yeah. But he was an integral part of your organization. Well, it's now nearly a quarter to 5:00. And I think we've done quite of good lot of material here this afternoon, but let's call it a day and we're still on this tape and will continue at a time to be mutually agreed.

Tape 4 Side 1

AK: Well today is August the first and this is tape 4 and once again, I have the pleasure of talking A.P. Pat Boshier, retired from Pacific Petroleum and we're in his apartment here and this is side one of tape 4. I thought that subject to your okay, we could maybe hit some of these directors here and other officers in no particular order. There's one name in particular here, that's A.S. Mayne.

PB: Right. He was Executive Vice President and General Manager of the Royal Bank head office. And the Royal Bank did a lot financing for us, and he became, Art Mayne became a director of West Coast Transmission Company.

AK: Yeah. Was he also an officer of Pacific?

PB: No.

AK: He was on West Coast Board. Now is he a relation to Jack Mayne.

PB: Yeah, he was Jack Mayne's brother.

AK: Oh, was he? Yeah, because Jack had a senior position here in Calgary, didn't he?

PB: He was manager of the main office and then western manager, used to call it superintendent.

AK: Right, yeah. Okay and he served well from the beginning or did he?

PB: No, he came in to West Coast around in the 50s.

AK: Right. And then I guess there's another one here, R.B. Stewart.

PB: He was a man sent up, he actually came from Philips Petroleum to West Coast and became their general manager for a year or so, that's all.

AK: Yeah, I seem to recall him back in the 60s with me. He was succeeded by Hetherington or?

PB: No, Doug Owen I guess.

AK: Yeah. I have Doug Owen on the list here, had Doug Owen been in pipelining before or had he...

PB: No he was an assistant to C.D. Howe in Ottawa for a number of years.

AK: Was that during the war?

PB: Yeah, I believe so.

AK: So he would be a valuable connection to Howe...

PB: He was, he came as an assistant to Frank McMahon and later became president of West Coast Transmission.

AK: And then when did he leave, you remember?

PB: Same time as Frank resigned from West Coast, whenever that was.

AK: In the early 70s or?

PB: Yeah.

AK: And then where did he go?

PB: He went into, looked after Frank McMahon's interests, mining interests mainly.

AK: So he was still connected with Frank.

PB: Yup. For a while, I don't know, I lost touch with him.

AK: Is he still alive?

PB: I don't know.

AK: And there was another one here, Honorable F.M. Ross.

PB: Yeah, Mike Ross was the Honorable was Lieutenant Governor of British Columbia.

AK: He was John Turner's stepfather?

PB: That's right.

AK: Right. He married...

PB: Mrs. Turner.

AK: That's right. Was his position with West Coast as well, or was he more with?

PB: He was connected, wasn't supposed to be but he was on the West Coast Board.

AK: There again a good connection?

PB: Oh yes and a good director., good advisor.

AK: Right. What was his background?

PB: Scottish? He got into the machinery business in Vancouver. Vancouver Machinery Depot and another ??? out there.

AK: Right. That wasn't that VMD was it? Over at Victoria?

PB: No.

AK: That was a big machinery outfit there in Victoria.

PB: We bought a couple of boilers from them. Had a lawsuit over them.

AK: Uh oh, well that wasn't the only lawsuit you had, you had lawsuits over pipe, a lot of pipeline, bad pipe in the ground. And then Dick Williams who I believe was with Seaboard at the same time old Les was.

PB: Yup. He came to West Coast much later after I had some connections with him.

AK: Well, did he work his way through Pacific?

PB: No.

AK: He never did. What was his discipline?

PB: He was a lawyer. He became the secretary of West Coast transmission for a while. I don't know what happened to him after that.

AK: I guess he's still living out in Victoria there somewhere.

PB: Oh, I don't know.

AK: I guess a lot of these people you've kind of lost touch with, is that a fair statement?

PB: Oh yeah, that's very fair.

AK: I mean, I'm not trying to say that you're out in left field. The other person which was certainly very controversial of course. we mentioned him a little bit was Charles R. Hetherington. And there was a man with three degrees. He got his doctorate degree from MIT, and he graduated about '43 or '44 I believe, and then he went with Ford Bacon and Davis.

PB: They were the engineers for West Coast Transmission. And that's how, he was assigned to that ??? and came up here to work with them on the West Coast Transmission development of cash reserves, etc.

AK: So he in this first instance, then he was West Coast not Pacific.

PB: That's right. In the first part of their story, he had nothing, he had no position with West Coast.

AK: No, he was an engineer with ??? And then how did it happen that he got himself into the West Coast?

PB: Well, he worked on West Coast for some considerable time, became very familiar with it and he knew more about the reserves than anybody else, but his work got him.

AK: Yeah. And then as we mentioned earlier, he had, and whoever was on the committee had decided that they were going to have this two-phase gathering system.

PB: Oh, that was much later. That was after Taylor was operating.

AK: But they wouldn't have had to have that system in before Taylor to get the gas...

PB: No, it was on the operating problems, and that's how we solved it.

AK: Yeah, right. Well, that's right. Either that or build a little scrubbing plant. Well that that was part of the reason for hooking up that Alberta gas from that reef field, and they built the line in that that line entered the system downstream from the Taylor plant. So that that was sweet gas from reef field, you know the one up there by Wembley or...

PB: I don't know anything about that.

[00:09:52] AK: Okay. All right. Okay, so Hetherington must have attracted Frank's attention because then he got into the Pacific side of things. Were you still there when he was...

PB: Yeah. Oh yea.

AK: It was a fairly stormy time there wasn't it?

PB: It was turbulent.

AK: Turbulent, yeah, turbulent in the pipeline, and turbulent in the office. And then he, when did he leave Pacific do you remember?

PB: No I don't remember.

AK: Was that kind of an abrupt departure?

PB: Oh, yeah, everything happened in those times was abrupt.

AK: Yeah, bang you're dead, eh? Well, okay, then we've got Hetherington who then moved on into the Pan-Arctic scheme of things.

PB: That's right, he's still with them.

AK: That's right. I think there's only about two or three people down there.

PB: I don't know anything about it. I saw him the other day. He looked good.

AK: He's hanging in there, I guess. Okay, then a couple of other people that I knew pretty well was, who used to come down to the Board, was Peter Cutney and Maurice Killick.

PB: ??? Cutney...

AK: He became group vice president or something.

PB: Yeah, he had something to do with West Coast.

AK: He'd been with Texaco before.

PB: Cutney had something to do...

AK: I think that's what I read somewhere.

PB: He left West Coast and ??? company, Vice President of Sales and Supply for another mining and oil venture, which was spectacularly successful, of course he...

AK: Yeah, for a while. Yeah, we won't say how it ended up.

PB: I don't know.

AK: It didn't, it went down the tube. Anyways, I think I mentioned to you before, did you see Ed Phillips' book yet?

PB: No I haven't. I got a review of it but I haven't got around to getting it yet.

AK: Well, it's kind of gossipy and it talks about Peter and Maurice and, I don't really understand all of what was going on behind the scenes there, but I guess this may be a good place here just to look at some of these problems that both West Coast and Pacific had and also the plant that was built out at Empress for the extraction of propane and butane. And there was quite a quite a controversy over

whether the National Energy Board should have jurisdiction over that plant and it was decided that they did not.

PB: Well it was an Alberta plant, it was built in Alberta. I don't know whether they did or didn't.

AK: Well the argument was that the line went to Winnipeg and because it was an inter-provincial line, they felt... but that was, you probably remember that line, that was shot full of holes, that was terrible, poor quality pipe.

PB: IPSCO.

AK: Oh that was one of IPSCO's.

PB: Yup.

AK: I suppose like a lot of those other things it was settled out of court was it?

PB: I imagine, yeah. It was a lot of pin holes.

AK: That's right. Did it turn out to be a money-maker after they got ???

PB: Yeah.

AK: That propane, they were selling it right there in Winnipeg weren't they?

PB: We built the line from the plant which was near Burstall, Saskatchewan, it's a long way from Empress but...

AK: Well, they called it that.

PB: And built a cavern in a salt Dome at Regina.

AK: For storage.

PB: And we stored the propane in there in the summertime, shipped it out of there on the line in the pipeline to Winnipeg. We had a fleet of tank cars operating out of there, out of Winnipeg. Yeah, that was a good deal, that was I imagine, the first of its kind, well certainly the first of Canada. And it reduced BTU content of the natural gas down to the contract level ??? BTU. And to do that had to take propane butane out of it.

AK: Oh, yeah. Well, I mean it was money that was just sitting there waiting to be made, might as well clean the gas up.

PB: It was being wasted.

AK: That's right, it was going down as 12-1300 BTU gas and you wouldn't get any more for it than you would if it was stripped.

PB: Had a minimum BTU content and maximum.

AK: No, that's right. Well did Pacific it into the marketing of that propane?

PB: ??? Did it all. That was a Pacific operation, a whole plant and distribution system.

AK: Right. Well did they, did Pacific sell it or did they...

PB: Sell what?

AK: Sell the system.

PB: No, no, it was ???

AK: Of Canada, right. Well then how far east did they market it?

PB: As far as people wanted it. It went back into the States, a lot of went into the States.

AK: Oh did it?

PB: From Winnipeg.

PB: Yeah. By frequent tank car.

AK: Well were there storage tanks there and...

PB: At Winnipeg?

AK: Yeah.

PB: Oh yeah, not big ones. The big storage with at Regina.

AK: Yeah right to get the... the other line that there was problems with was the line that ran from Fort Nelson out to Yoyo. Did you know anything about that?

PB: No, I knew there were problems but I didn't have any part of it.

AK: Okay, you had enough to do.

PB: And that was after I retired.

AK: Yeah, I suppose, yeah.

PB: But West Coast was a separate organization by that time and I was, while I was on the Board for a while, I didn't stay on there.

AK: No. Did you, when West Coast started up it had its head offices is always in Vancouver did it?

PB: No, it was in part of our office, they were all in there together with us. They opened up and then they set up in Vancouver.

AK: But during the formative stages they were..

PB: Part of Pacific. But we ran it, looked after the secretarial and the financial end. I trained the accounting staff for West Coast, shipped half our office out there when we opened.

AK; Right, yeah. Well there would be quite a need for a lot of different types of accounting procedure.

PB: Oh yea, accounting, secretarial, purchasing, our purchasing agent went out there. That was Sid Gray. And we, his assistant took over as Pacific purchasing agent.

AK: Right.

PB: Cat?? Megas was Treasurer of Pacific then he moved over and became Treasurer of West Coast, and his assistant went with him, John Payne. We moved our accounting staff up, didn't miss a step.

AK: Right. I'm sure with your organizing it and getting it on the way. Okay, there was another person here that I haven't mentioned yet. I certainly have a lot of admiration for him. That's John Anderson, but did he ever work with Pacific?

PB: Oh yes. John Anderson came in, John Bellam was our legal counsel our counsel in office.

[pause in tape]

[00:21:24] AK: An employee.

PB: At Pacific. And John Anderson came in as his assistant.

AK: Oh is that how it worked.

PB: And when Bellam left to go into his own private practice, Anderson took over as Counsel, head of our legal department and became Secretary of the company. [pause in tape]

PB: ??? And any other companies that we happened to have at the time.

AK: So John...

PB: Later, after Kelly Gibson became president, John Anderson went out there with him and we had, before I retired Gibson and I worked very closely together, training, planning the succession of staff Bill Rasmussen, Bill Tye??, John Anderson with one we kept in the line of succession, but he went to West Coast and Rasmussen and McIntosh, Tye, became the backbone of Pacific. John Anderson was under, well, he was corporate secretary out there to start with chief legal counsel. He went up, finally became chief executive officer. And another man that used to be in the legal department here, Gordon Laid, he went out, followed Anderson, succeeded him as the Secretary of West Coast.

AK: Well who did, when Anderson became CEO who did he take over from.

PB: Ed Phillips.

AK: Oh, it was Ed Phillips. [pause] get into all this.

PB: Frank got him in.

AK: He was working down east.

PB: I don't know where, yeah I think he was. Frank got to know him somehow and was impressed, got him out there, and it was Kelly Gibson made Phillips president of West Coast, and Kelly became Chairman of the Board.

AK: So Phillips was in a sense...

PB: There was Phillips and then next in line was John Anderson.

AK: I see. So then when Phillips left, Anderson moved up. So he would have still been in the driver's seat if his health hadn't broken down and I guess I was a terrible shock to everybody.

PB: It surely was.

AK: He went very fast and hard. Was that two years ago now?

PB: Yeah, I think so.

AK: Time marches on.

You got that all indexed.

PB: [inaudible] August the 13th, 1987. [tape pauses]

AK: For heaven's sake, four years ago. Well yeah four years now.

PB: He'd been president from 1980 and CEO from 1982.

AK: Right. Does it say what his age was there?

PB: No.

AK: Well, that's okay.

[00:27:08] Okay, we've discussed quite a few of these people, now let's look at Kelly Gibson for a few minutes.

PB: Yeah, Kelly had been working for ??? Oil Company up in the Stettler area in the exploration and drilling end, and in that business he became known to Scotty Tosh our drilling superintendent. Scotty wanted to retire and we told him he couldn't retire until he found a replacement. And he suggested Kelly Gibson and eventually Kelly was employed in Pacific and that would be in... when will that be, 1957, he came to work as drilling superintendent. And took over the department, gradually took over more departments and more responsibilities and was appointed executive vice president succeeding Hetherington. He held that position during the time of the negotiations with Phillips Petroleum Company and Summary?? Oil, whereby Pacific took over the hook over all of their interests and at that time, Phillips had the right under the agreement to appoint two men to the Board of Pacific, ??? and to name the president. And John Getgood was appointed president. Kelly was Executive Vice President.

AK: I wonder if we could just stop there for a minute. Let's go back, Gibson was a graduate of a military academy in Oklahoma, and quite a quite a disciplinarian. And did you ever hear that story about him standing up the elevator in the morning and checking people in?

PB: No, never heard that before.

AK: Never heard that one eh.

AK: But I doubt it.

AK: Okay. That's how these folkloric stories get going. Was the fact that he had grown up and had a lot of experience in Oklahoma a factor in Phillips coming together with Pacific.

PB: No. No, I don't think Gibson had that much experience in Oklahoma. I think it was in Michigan. I'm not so sure about that. He was drilling supervisor for Gulf Oil in a field near Bay City Michigan. Then Gulf brought him from there up to Canada.

AK: Yeah, and then he was working for Gulf. What, does it say what year he came up to Canada?

PB: '49.

AK: Right. That was just about the time when Golden Spike and Redwater were getting going, and there's a story about, in my book actually, about Golden Spike in about Gulf bidding on this quarter but to what extent ??? any implants on that, I'm not sure but he did have a pretty strong background with Gulf.

PB: Oh, yeah. He was one of the senior men and lined up for promotion.

AK: Now when he was with Pacific and the negotiations started, was he in on any of the negotiations?

PB: Oh, yeah. The preliminary negotiations were conducted by Frank, ??? and myself in Bartlesville. We met with Adams, ??? Adams of Phillips and Stanley Learned the president, and John ??? the vice president. And Clarence Wright was in on it too. And a shell of an agreement was reached by us half dozen people at that time.

AK: Would that be in '61 or? Because the deal was consummated in '62 wasn't it.

PB: '60. ???

AK: Oh it was done in '60 was it?

PB: Yeah. And after that John ??? a man from Summary, Harder, they got together and I was in on it and I think my opposite number for Phillips was in on it, but we hatched up our method. ??? because it had to be done on relative values of the various properties, Pacific's, and a yardstick arrangement was reached. Now all this was done in Calgary and most of it in the Palliser Hotel. We had rooms there. But it's all very quiet. Frank Ronagan?? was in on it. He'd just leave his offices and tell his secretary, you can't reach me for the rest of the day and maybe for the rest of the week. They would meet over in the Palliser, they would never be seen two of them together. A Phillips man and a Pacific man or a Summary man would arrive differently and be on different floors and walk down or up.

AK: They'd arrive at different times so as not to attract suspicion.

PB: And there wasn't a squeak of a rumour out there.

AK: Well that was pretty airtight was it?

PB: Yeah. And the deal was arranged and ??? was in Bartlesville and I was down in ??? and I don't know if Kelly was there or not, and on the way back Frank said to me, he says, you know, you're not bound by this but he says, you know that part of this deal is that you stay with Pacific. They suggested that to me and I said I'd tell you but I couldn't bind you to the deal. So you have a choice, stay with Pacific or go to West Coast. That was quite a choice.

AK: Well that's right.

PB: And I mean, I stayed with Pacific, I thought it was part of the deal and I had pretty deep roots there.

AK: Sure you did, yeah, your family, and...

PB: And it didn't interfere with Frank's and my relationship, we were still good friends.

AK: Just going back, during these negotiations did Phillips ??? the firm to verify the reserve estimates.

PB: No, that was done by the Departments of the three companies concerned and they all agreed, they all came to an agreement.

AK: That's really something because today, you know, everything's got to go through a consultant.

PB: Well just had good ???

AK: Well sure you are.

PB: And the Phillips engineers, the Pacific engineers and the Summary engineers all had to agree what ??? each of these companies.

AK: Yeah, to arrive at a fair exchange. And were there any need to go to bankers?

PB: No. Money wasn't involved.

AK: It was just a share exchange. And did that require the issuance of treasury shares?

PB: Oh yeah.

AK: Which were of course there to be issued.

PB: And there had to be filings made with the Securities Commission ???

AK: Well how much did they want to know?

PB: They want to know everything. They always want to know everything. Well, they had to be told everything, the investors are entitled to know everything.

AK: Yeah the stockholders. So they, but that was, you didn't have to tell the SEC until it was a done deal.

PB: That's right.

AK: And it was a done deal.

PB: Subject to SEC approval.

AK: Yeah, but I mean everything was in place. And what happened to the Phillips employees in Calgary, did some of them get absorbed into...

PB: Yep some of them did, the rest went back to Phillips.

AK: I remember the other day I mentioned D. Potter.

PB: Didn't know him.

AK: No. There must have been some others that...

PB: They went back to Phillips. Well, nobody lost a job over it.

AK: Les Clark had come up for this...

PB: He was with Shell.

AK: He would have been with Shell but he had never had never been involved with Philips.

PB: No.

AK: So this was a ??? And was in the middle of 1960 that the deal was done?

PB: Yeah. About then yeah. ??? middle of '60.

AK: Date isn't all that terribly important, but the net result as the record shows that our friend Getgood was appointed president of Pacific, was that by common consent of rank and???

PB: ??? the deal. Phillips was named the president.

AK: And have 2 other people on the Board.

PB: No just 2 people altogether.

AK: Oh, counting.... yeah, I see and the other person was?

PB: First was Stanley Learned. He was president of Phillips.

AK: I see, so he served on the Board.

PB: Then succeeded ??? Houchim.

AK: What were their disciplines?

PB: Engineering people I believe, Phillips had a very definite line of succession based on seniority. Following Learned, the president was Bill Keeler. And he was head chief of the Cherokee Nation, full-blooded Indian and a terrific guy.

AK: Well there was some of those Indians from that group of Cherokees that were pretty top people.

PB: Right.

[00:42:49] AK: Okay. So Kelly was, you might say too IC??? then? And Getgood came on board so Kelly had more responsibility.

PB: He didn't know anything about production. He was a marketing...

AK: He was a marketing person, that's right.

PB: But Kelly was Executive Vice President or Managing Director, whatever his title was...

AK: He was running the producing department.

PB: Yup. And exploration, everything.

AK: But when this happened in 1960, there was a ??? under Pacific 66.

PB: Well we had one before that ??? joint account on marketing and refining and ???

AK: Shell refinery a part...?

PB: That was part of it yeah. We had bought that and after ??? Brooks came in as partners, and then after that came the big Lund deal when we took over all their ???

AK: Yeah, right, but there was a marketing Arrangement in place before the actual financial were coming together. ??? And at that time had they started to use the Pacific 66 logo.

PB: Yup.

AK: Who decided using Pacific 66, was it just to be ???

PB: We decided and requested Phillips so they, I don't know who the person was, and Phillips agreed. ??? had an interest in Pacific we could use the 66 shield. Which we did, until Petro-Canada took over and that deal was cancelled.

AK: Right. But at that time, my understanding was that that little Excel refinery was working, but Imperial, with the usual marketing tactics moved in and undercut the price of it. There was...

PB: In order to sell product to Imperial, we had to up a cost centre as ???. And the other cost centre was Edmonton. So the boundary between the two was ??? price equalized and as Edmonton price ??? to X point, set the price for Taylor production which would at price less freight. So Fort St. John became a cost centre to ??? marketing. Kamloops became one later and that refinery sat there and [inaudible].

AK: Yeah Royalite. But they were hammered right into the ground by Imperial there too.

PB: I don't know. We weren't hammered into the ground.

AK: Well, I thought it was...

PB: It was a ??? agreement. We knew that this had to happen.

AK: Well it forced the closure of XL didn't it?

PB: No we had no room for it so we didn't need it.

AK: Oh I see, okay.

PB: We used it as an asphalt plant or something, we bought it to get their outlets.

AK: Right.

PB: We were building, we were making production.

Tape 4 Side 2

AK: Okay, a bit of a noise. Okay, still talking about Kelly. He became CEO and Getgood went back to the States and we'll come to Getgood in a minute. But Kelly then became an officer of West Coast and as what as president or?

PB: Yeah, he went out he retired from Pacific and stayed on the Board for awhile but he went out to take over as Chief Executive Officer of West Coast Transmission.

AK: He stayed there until his retirement.

PB: That's right. Yeah, and he was succeeded by Ed Phillips, who was in turn succeeded by John Anderson who used to work for Pacific.

Right. So when Gibson retired from West Coast, did he, was he still in good health in or when did he get this bad stroke, was that sometime later?

PB: He had been subject to heart attacks for a number of years.

AK: Oh, his health wasn't...

PB: He had 2 heart attacks while Getgood was here.

AK: Oh, is that so. So it's not surprising that he had a stroke then.

PB: No. No, it's not and as a bit of trivia, I took early retirement from Pacific and I told Gibson that I was not going to work myself into a grave, and I said you'd be well advised to quit while you're in good health too.

AK: But he didn't listen.

PB: He didn't listen and worked himself to death.

AK: Yeah. He was a driver. What year was it that he got knocked down with that stroke?

PB: I don't know. I don't remember.

AK: Probably seven or eight, ten years ago. I remember going over to see him and he was in pretty tough shape then. Let's go back, now we have a bit of a discussion of John Getgood. You were going to give me a little bit on him and my understanding was that he was a marketing person.

PB: That's right. He had, in the marketing department of Phillips, and I forgot what his position was what he got sent over to Pacific. And he was here for two or three years. And Phillips promoted him then to, I guess general sales manager in the Phillips organization, which meant he had to leave Calgary. And while he was here of course he had certain ideas, to put it mildly, he didn't make himself too popular in the Pacific organization, so that when he left it was like a breath of fresh air coming into the organization, which resumed to former harmonious way of operating.

AK: Well, what, was there anything specifically that stirred up people or was it just a general demeanor.

PB: Oh, pretty general when he came in Pacific had been an informal company, people start working at 9:00 in the morning, quit at 5:00, didn't work on Saturdays. Getgood came in and said either 8 or 8:30, we started work and all the manager here expected to be down there on Saturday mornings to chew the fat. That didn't go over very well.

AK: Well he got more mileage out of you.

PB: I don't think he did.

AK: It never works. Well, what, did he have anything much to say about the construction of that propane at the plant ??? area.

PB: No, he was into that, the ??? fleet.

AK: Right. And what else, was there any other things that...

PB: No that was the big thing when it happened, during his term at Pacific and there's no denying, that was a big thing that they ???

AK: Well sure, we touched on that and it's pretty important. The other thing, during that time there wasn't any great discovery, the last discovery had been in Virginia Hills in '57 and I was just wondering did, during any of this time did Pacific ever get a position [pause in tape] Who did they work with on that?

PG: It was a consortium and I've forgot who it was [inaudible]

AK: City Service was one of them, there was City Service and Royalite and some of those others...

PB: I don't remember.

[00:08:57] AK: Now let's talk about Frank who started off life in mining and then he got involved in, the thing that really intrigues me about Frank is that he got involved in the delta, drilling mines out there in the delta. Now that was back in the 20s. That was long before... and you know they are back in there now? You know the gas companies are back in there.

PB: ??? that Frank drilled out at ??? Island, ??? but they produced gas for a long time.

AK: Is that right?

PB: Did a small amount. The company was International Pipelines was the company that was incorporated ??? they were never going to find a lot of gas on a little island and ??? company.

AK: That's right.

PB: And they raised some thirty-three thousand dollars and spent that and that was it. They got that one small gas well and a farmer used that for a long time. They drilled 4 wells before it showed one was producing. That was the start of that. And Frank actually was a diamond driller. After he left Gonzaga...

AK: He got that from the [inaudible]

PB: And he drilled for a while up the west coast of the ??? from Mexico to Alaska and one of these contracts was to demolish a pier that had been built for the Second Narrows Bridge in Vancouver. And every once in a while the Second Narrows Bridge would be taken out by some ship, and their plans for the new bridge involved demolition of this big pier so Frank undertook to do that, and ??? drilled a whole bunch of holes down in the pier and plugged them up with dynamite and set it off, pier disappeared as did a lot of windows in east Vancouver to the blast. And then Frank got interested in oil and eventually, but he was very interested in the in the Flathead Valley in Southeastern BC and drilled a well there.

AK: Did he ever tell you, did it ever come out, how his interest first was drawn to the Flathead, was there..

PB: There were some indications of gas, whether there were ??? there or not. I don't know. I kind of think the work and there were other Vancouver people that were interested in it and they got together and raised money and drilled, bought a drilling rig and drilled.

AK: And this was in the mid 30s.

PB: Yeah, and that was when he became a financial agent because he had quite a mailing list, was always mailing out progress reports.

AK: Oh, yeah.

PB: Promoting his stocks ??? I got on the mailing list, that's when I first got to ???

AK: And you were with the chartered accountant.

PB: That's right. Flathead Valley endeavours and it didn't result in production being ??? there was enough oil produced in one of these wells to fire the boilers, but that was about it. After that towards the end of the Columbia oils operation, Frank got to hear of this 40-acre lease in Turner Valley, which was owned by M.M. Shore who I think is a member of the shore hockey-playing family.

AK: Oh, yes there was a Shore...

PB: Eddie Shore was a hockey player. This was Maitland ??? corner and the got that lease and then drilled the well, got three adjoining leased turned up a ??? quarter section eventually, drilled the 4 wells and that was the start of Pacific Petroleum. They drilled some wells further north on CNE acreage that was ??? got through the British Pacific Oils. And as Frank said we never did look back from that time on. And his that story is [inaudible] which actually is the Frank McMahon story. And there's been a lot written about it.

I don't think any of his associates would ??? him and I had thought of doing so at some time or other but, the association was a very close one and I don't know whether I could handle that or not. But Frank was a great man.

AK: Well, I think we were talking about that the other day. You're pretty close to a person, you mean you can't help but be subjective. You can't, you get somebody that's way off over here objective, but their problem is that they can't get the sense of the person. There's a certain mystique about everybody and in a certain type of personality that you have to kind of get into and develop that. It's something like Jack Pierce, you know, Jack Pierce, I just finished an obituary on him and you know, I knew a little bit about him, but there's a lot of other controversial things which, I don't know, you could just keep digging with Jack you could write a book on Jack, and probably never get [pause in tape]

[00:18:17] Getting back to Frank. When, was there any particular reason why Frank was attracted to the idea of getting together with Phillips. Was there any particular, was it to get more money, or?

PB: There wasn't any money involved?

AK: No, I mean access.

PB: To develop the company. He was through promoting at that time. The promotion had been done. Pacific was a well-established company. West Coast was operating and here they had to keep on drilling and you know, the particular things that to make the company larger and it would patrol more acreage which in turn would benefit West Coast.

AK; So it was partly maybe, would you say that part of it was to increase the amount of ???available to West Coast.

PB: Well they were available anyway, Phillips had agreed you see that production was going to West Coast.

AK: Oh, I see so they had already agreed to that.

PB: It was set. Partly developing a larger company, securing reserves, assuring us of engineering and marketing and systems whenever we needed it and also partly here was a deal to be done and he liked doing deals.

AK: Yeah, I'm sure.

PB: We all did.

AK: So when the deal was finally consummated then there was a kind of a plateau that... growth, some more growth, and with the propane coming on and all these other things, where did they, the company start to go, say when, as soon as Petro-Canada came on the scene, the company had expanded more, hadn't they?

PB: Oh yeah, ??? Petro-Canada, we had nothing to do with Petro-Canada, there were a lot of personal opinions as to the legitimacy of Petro-Canada and the people of Pacific were no exception. The way

Petro-Canada got Pacific is that first they bought Pacific shares from Phillips. Then they had to make an offer to the remaining shareholders of Pacific. So that part, I don't know that Frank had any, well, I guess he was involved to a certain extent in the original Phillips sale to Petro-Canada. He had nothing to do with the takeover of Pacific. He had no shares of Pacific at that time.

AK: Is that right?

PB: He traded his shares ??? West Coast shares and Phillips shares.

AK: Well during all this time was there some kind of an arrangement where there was interlocking share ownership between Pacific and West Coast?

PB: No. We owned a bunch of shares from West Coast.

AK: Pacific did.

PB: Yeah, West Coast didn't own any shares of Pacific.

AK: Right. So there was a share relationship then.

PB: Yeah. Some 35% of West Coast was owned by Pacific and not Petro-Canada.

AK: But what year was it that ??? relinquished his control and stepped down.

[pause in tape]

PB: We just found that it was probably 1970 that he became Chairman Emeritus and relinquished his, all of his duties, but he had a secretary out there. Her name, that kind of kept things going in the office there?

PB: Oh, Edna Reskey.

AK: Reskey, yeah. And just wondering whether you have any idea of where if any of those records ever got sorted out. You wouldn't have had anything to do with that.

PB: No, we had access to all that stuff.

AK: Right. And the other thing, when Betty Vets was up here, we were trying, after Frank passed on, we tried to get her permission to look at a lot of the files that were supposed to be down in Florida apparently he had a lot of files down there, but she didn't seem to want to show me... what we were prepared you see to put a ??? man in there. I mean, it'd be no, it would be all confidential but she still didn't want to... I'm sure there's a lot of paper.

PB: No doubt about that.

AK: But we haven't, I haven't heard from his widow for, I guess about five, four years. I've written her but she doesn't seem to, I don't know where she ??? That whole episode I guess ??? dealt with in Earl's book ??? changes in Franks marital situation?

PB: Yup.

AK: Right. I'm just wondering.... on January '79, the final offer was made by Petro-Canada to the stockholders, they're the ones, the Phillips stockholders, and they...

PB: No, to the, Pacific Petroleums, they'd already acquired the Philips shares, end of January 1979.

AK: Then they came to the, publicly came to the stockholders.

PB: They had acquired the Phillips shares back in November of '78. November the 21st 1978.

AK: Right. Yeah, that's that was the Morgan Stanley. Yeah, right. Then the deal was done then there were over some that stayed and some that left. ??? was one of your proteges was Fred Grant and he continued with them as a senior Financial Officer.

PB: Yeah he was a vice president and treasurer and he took early retirement a year or so ago and he'd never went to work for anybody else. He has truly retired.

AK: He just packed it in. Well Tye went over to Bow Valley didn't he?

PB: Right, and he had recently retired.

AK: And Gordon Laid had already moved to...

PB: He was with West Coast, I don't know if he's still with them or not. I get the reports but I don't keep...

AK: Yeah, and the others are pretty well scattered, of course there's been some clean-outs of staff from time to time but... Manahan has long since gone and retired. I was wondering, we've pretty well covered, you think...?

PB: I think so, we got up to the end of Pacific anyway. It's been an eventful story and ???

[tape cuts out for a few minutes, conversation breaks up]

[00:31:03] The Petroleum Association changed their name, became the Canadian Petroleum Association. Ed was quite a character, he was a professional baseball player, pitched in the World Series back in the early part of the century. He was quite democratic and he was quite concerned about income taxes and the oil industry. And one day he called a meeting of the accountants in the oil patch, there were not very many, about half a dozen, and [inaudible] Ross Henderson was one, and I was there, and income tax was quite an onerous burden in those days ??? I had written a memo suggesting it was not inconceivable that the income tax department would enact legislation whereby an oil company

wouldn't have to pay income tax until it had made a ??? I was laughed out of court pretty well in that meeting but it wasn't too long before that became the law.

AK: You could write off your expenses. But then there was another aspect that Imperial oil capitalized on and that was me the allowance against the wartime?? income tax, excess profits...

[tape cuts out]

AK: ... in play at the time of Leduc.

PB: It became the law ??? to pay income tax until they had recovered their costs, but any allowances that they got had to be recorded in their books, most poignantly showing a loss ??? And as time went by, ??? worked out of that loss position not to increase production, but they were writing off the accumulated costs. And it was a very fair ??? oil company. ??? because you work continually drilling new ??? and figure it had a lifetime. It was easy. You knew what your depletion was and, and an oil company had to keep drilling wells. Keep exploring. So the tax situation wasn't too bad for many years.

AK: So it enabled a lot of companies to ??? go to the bank and borrow some money and not have to worry about paying tax until...

PB: I don't know what the law is now... [inaudible] personally concerned ??? oil industry.

AK: Yeah, that's right. Well, I'm just wondering was there anything else, talking about ??? were you around when ??? was the executive director, and then it became Western Canada Petroleums.

PB: Yeah. I knew about ???

AK: I've got him written up in the book there. And then he was, let's see, who replaced him after?

PB: Was it Proctor?

AK: Yeah, probably Proctor, John Proctor. ???

PB: Seems to me Alec Bailey was there too.

AK: That's right, because according to Gilbert, Alec put the run on Bobby. That was the story. I don't know who... himself or not, I don't know. Seems to me he took over. [tape cuts]

PB: I don't know. Going back a few years when the Petroleum Association was just getting active, and ??? Greenfield, Green??? was the perennial president of the Petroleum Association and I was a perennial scrutineer at annual meetings and... Greenfield? I'm not sure of that name.

AK: Well it was... was that the one that was... ??? scandal?

PB: No, you're thinking of ??? worked for the grain company, grain growers.

AK: Well anyway, this other fellow, Greenfeld or whatever his name was...

PB: Well he had a small oil company, I've forgotten the name of that company too. He probably and Atco were the ones that the Petroleum Association should ??? got it started. ??? if he got any.

AK: Well he probably just, almost volunteer work.

PB: He had an office in the Lancaster Building.

AK: That's right, yeah.

PB: And there was lawyers in business in those days. Campbell McLaren was our lawyer when we came to Calgary and continued as our lawyer until he went on the Bench, and then Gordon Allan took over from there. And Campbell was a good friend of mine as well as Gordon. When he got elevated to the Bench, ??? and Dick Matthews took over.

AK: Right.

PB: [inaudible] National Supply Company and we got ??? he drew up an agreement.

AK: Well in those days there was a lot of ???

PB: Oh yeah, well [inaudible] he was a good friend of ours and a neighbour outside of ??? He died a few years ago and his widow is a good friend of my wife?

AK; Right. ??? We should touch on it.

PB: Another lawyer who made a very important ??? Marshall and Porter.

AK: That's right. And ??? became quite a good friend of mine, too. He was number one man in the oil industry late end of it. He was with Home Oil Company. Lot of colorful characters in those days. [inaudible] He had a little trouble with the ??? but they say he rendered better judgment drunk than he did sober. [inaudible]

AK: And he was one of the counsel that went over to the UK on that last appeal before the UK Privy Council?

PB: Well, he and Doug McDermott were partners. Riley and McDermott became judges, they're both gone now.

[00:42:56] AK: Would you like to say something, Pat about how you saw the whole vista of the oil industry starting with nothing in '38, '39 through to your retirement.

AP: Yes, Aubrey I would. I started in 1938 with Westerner Petroleums Ltd. and oil was selling at \$1.20 or \$1.30 a barrel. But now it's over \$20 a barrel and the development of the industry since those days has been the result of quite a number of people like the McMahan brothers, like H.R. Milner, Eric Harvey, Gene Denton, Cody Spencer, Jack Webb, you could name a whole list of people who contributed to the development of the oil industry.

The connection to the company and industry was financial and I, but in the early days we had very little, very small staff. There is no limit to the jobs that any one man was hired to do and expected to do, and I served on a number of industry committees having to do with water flooding in Turner Valley, unitization in Redwater and I also participated in a large number of meetings of having to do with joint ventures in which we were the operator and I don't know how many little joint ventures there were, must have been 50 or 60 of them. And we were the operator for the majority of them so the records had to be pretty exact because you had people like Orson Brown??? of Hudson Bay Oil and Gas who was very experienced in the industry. We were all greenhorns and in the accounting end of it we were, as I said before flying by the seat of our pants and didn't know very much about it, and we developed along with the industry and we developed pretty good procedures...

AK: Yeah, well you were involved ??? accountants' set of rules to follow and accounting procedure.

PB: I was the founder of the Petroleum Accountants Society of Western Canada, which is affiliated with the Petroleum Accountants Society in the United States, and it has developed procedures, audit procedures for joint ventures, ??? accounts, accounting procedures and so on, and through all these activities, I got to know an awful lot of fine people. So thank you for that opportunity of recording these thoughts.

AK: Well I think it's very important that you can write all you want, but I think the spoken word still has a certain drawing to it that that the supersedes what's written and I want to thank you very much for all your time and it's now 3:20, and I think ??? interesting and very informative three sessions and I want to thank you very much Pat, for your time and I'll say...

End of Interview