

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Art Feldmeyer

INTERVIEWER: Susan Birley

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Tape 1 Blank

Tape 2 Side 1

SB: Was the sub-surface completely mapped at that time or was there still some gaps?

AF: Generally speaking there were a lot of wells drilled in the plains area and there was an excellent record at the Conservation Board. They were at that time and I assume still are, putting out a book every year that listed every well and the formation tops and the shows of oil or gas. That was, from that point of view, why Canada was ahead of, you'd have to say of places like California, where, down there all the records were held in the various oil companies files. In order to get access you'd have to get permission from them to go look at their cores or describe them and sample them. Whereas up here, the Conservation Board had complete records, excellent records. All the wells were there in one place and it was easy to have access to them and study the geology. From that point of view I thought Canada was ahead of parts of the United States anyway in keeping good records and having it available to the industry. There were lots of wells drilled in both the foothills and the plains. There was I think, Jumping Pound, had been discovered about the time we came up here, '43 or '44, somewhere along there. Which again led us to believe that there must be more Turner Valley type structures out there to be drilled and production to be found.

#035 SB: Did you lease any land during that early phase?

AF: Just the one structure there on Pakisko Hills. We took over . . . there was a gentleman here that was peddling it and it was one of those deals where somebody had already mapped it and had cornered the acreage. They were looking for somebody to drill it. I can't remember this old fellows name but he was a land dealer. He sold us the structure, he talked us into going out and having a look at it and there was some gas seeps on it and we thought it looked a reasonable prospect and we eventually bought it from him but I can't remember how much we paid him. I don't think it was more than maybe, \$10 or \$15 thousand or something like that. I don't think that we even gave him any . . . I don't think he even had an overriding royalty or anything. Things were pretty cheap at that point. There weren't too many drilling companies but there were several, Snyder and Head . . .

.was it Chandler or something. . Matt Newell's company anyway. I remember meeting him early in the game. It wasn't hard to find somebody to drill a well that was pretty competent. There weren't very many of the old time wire line sort of drilling rigs, most of them were rotary, that sort of thing.

#068 SB: How about places that you would meet with the other oil men, there weren't really any organizations at that time like the Petroleum Club I guess.

AF: No. But the Canadian Petroleum Association, the CPA, started pretty early. I don't think there was either a Petroleum Club or a Petroleum Association while I was here, say from '43 to '46 but when I came back in '50, it seems to me that both of those had started, the Petroleum Club and the Canadian Petroleum Association.

SB: So you left in 1946, you were transferred back to California?

AF: Yes. Well, I went to California then I went to Europe and we negotiated a permit in Portugese Timor, which is in the East Indies, I went to Portugal for that and then came back to France and London and I stayed in Paris for several months. This was getting late in the war period, around '45 or '46, well it would have been '46 and I guess the war was just about over then wasn't it, in '46. The problem was to get transportation there. So the only way you could travel was to get on some of the army. . they had what they called the Air Transport Command. They ran planes over various places and there was another elderly man that spoke German and French and Italian. He and I were supposed to go into the Middle East. He had been there on assignment with the U.S. State Department and was familiar with the Middle East countries. He had done work in Iran and some of that area. So we eventually got transportation with the army. One night they told us to be out at the field at 1:00 in the morning and we got on one of these army planes. All they had was jump seat on the side and we had to wear a Mae West and a parachute. We took off for Rome and our ultimate destination was Cairo, but we stopped in Rome and then our next stop was in Tripoli and then we flew across the Mediterranean and when we were flying across the Mediterranean one of our engines caught fire. Big black smoke flew out and we landed at Tripoli, the fire wagons were waiting for us. As it turned out we got out safely and there was no fire other than a lot of black smoke. Then of course, the airplane had to be repaired so we had to stay al night there and then the next day, they brought a DC-3 in and we flew on then to Cairo. We stopped at one of those places, I think it might have been Ben Gazi where you could see all the old tanks that had been burnt out along the dessert fighting. We went on into Cairo then and eventually went over to Jerusalem. They were still fighting then, I remember. . I've forgotten which hotel we stayed at but I remember the King David, which was a prominent hotel there, they had barbed wire around it. Every night. . I think we stayed in sort of a guest house and we could hear the bombs going off and gunfire at night. Then we went on up to Lebanon and over into Syria, all these places I was getting out and studying the geology whenever I could or getting literature on it.

#153 SB: So you were trying to determine whether there was any potential there?

AF: Yes. Our main purpose was to try and get in to Saudi Arabia and that part of the Middle East to see if we could get oil and gas permits. The older man that I was with, he was supposed to be sort of in charge and as it turned out, he was having problems getting

visas to get us into these places because of his history in Iran had been rather difficult. He had exposed some graft there that resulted in some turmoil in the government and they didn't want him to ever come back again. So the State Department had stenciled in his passport that it wasn't good for that area. And every time . . . I wasn't aware of this and every time we went to apply for a visa to get into Saudi Arabia or some of those places, we'd be denied. So I didn't know why we couldn't get in but eventually it came out and by that time we broke up our relationship and I came on home then. But whenever we stopped someplace to try to get a visa or something, I'd find out all I could about the geology. We did this in Lebanon and Syria and on up into Turkey, then I went back to Egypt and was there for a few weeks and then I returned to California.

#192 SB: Did you travel the whole time by plane to each of these countries?

AF: Yes. The Egyptians had an airline that we flew from Cairo to Jerusalem and then we drove through Syria, they had buses. From Lebanon we took the train I guess, the old Orient Express, I think we took a bus up to Holmes and then we got on that Orient Express and went into Turkey. Coming back there was an airline from Ankara into Cairo. Then I flew out of Cairo to Holland by KLM, then came home by KLM.

SB: So you came back and continued working in the States?

AF: Came back and I worked in the States for awhile. . . well, really I hardly got my feet on the ground until they sent me to the Caribbean. I went down to, at that time, Superior was drilling a well in the Bahamas off Andros Island and they had a float plane there and we went down to Nassau and took this float plane, went out past where they were drilling on Andros Island and then went on to Jamaica, stayed there all night and then we went on down to Curaçao???, refueled and then we went on along the north coast of South America to Trinidad and I stayed there. . . well, from there we flew over to Barbados. There was an interesting seep in the middle of the ocean there on the way from Trinidad to Barbados, I don't know whether anybody had ever drilled it or not but it was a big oil slick out there, we used to cross over that. Then the plane came back and I stayed in Port of Spain there for several weeks and mapped geology around Trinidad and visited some of the islands. I went back over to Barbados and I went up to Granada and eventually went back home. I spent about 4 or 5 months there. I guess that would have been the latter part of '46 or '47. Then when I got home I found out we'd gotten this permit in Portuguese Timor so another fellow and I went to Australia and then followed up to Portuguese Timor, which lies just north of Darwin on the north coast of Australia. We flew first to Sumatra and east to Portuguese Timor. We were there about 6 or 7 months mapping the geology of that country. There was, right down on the south coast, there was a seep of high gravity oil, it was about 40 gravity oil. You could see the oil sand outcropping. Apparently the Japanese had dug a pit just down dip from the outcrop so they intersected the oil sand about 6 or 7 feet below the surface. This oil seeped in there and they were using it on some of their equipment I guess. They had a lot of bicycles there when they occupied the island. We mapped the geology, according to the records there most of the geology that had been done had been done by the Dutch. Half of that island belonged to the Dutch and the other half to Portuguese. The Dutch had done most of the geological work there and they had mapped some big limestone ridges as outliers from a thrust fault zone. But by the time we were ready to leave there it was fairly obvious that a lot of these were not thrust outliers

but were bi-arms???, maybe similar to what we have here in Canada. Some of them even were full of oil. But they were outcropping and oil was just. . . you know, could leak out. They were seeps there of course, and the geology was very complicated and intensely deformed but I think the prospects were reasonable if you could find some of those reefs that were buried and the oil preserved, it would no doubt be productive. We never did follow it up, eventually let the permit lapse and as far as I know, nobody's ever gone back. I'm sure there's been activity there but I don't think they've ever been successful in finding any of these reefs or reef production. I'm not sure of that but as far as I know they haven't. But it was an intriguing area and I'm sure that there's oil there.

#327 SB: Around that time I guess Leduc was being discovered.

AF: That would have been in '47 yes. That would have been about the time yes.

SB: So you were transferred back to the States again then were you?

AF: Yes. I came back to the States and I did a few months then as a geological supervisor where the Chief Geologist had a set up in Los Angeles where he sent out to the various districts the supervisors. And there was another fellow and I were the two supervisors and we'd go to the various regional offices and look at the work they were doing and offer any suggestions we could and go out in the field with them and that sort of thing. I traveled pretty much all over North America. Of course, I'd left Mr. Nicholls here when I left Canada and by that time he had a bigger staff and a bigger office. I used to come up here and see what was going on. About '48 or '49 I guess, Mr. Nicholls decided to go to work for Great Plains. He had a long relationship with Everett DeGuyer, from the firm of DeGuyer and McNaughton, they were famous consulting engineers in the United States. Mr. Nicholls was brought up in the eastern United States and he had been acquainted with Mr. DeGuyer for many years and Mr. McNaughton. So when they decided to start a company up here they hired him to run it and so they sent me back here to take charge while they were going to find somebody on a permanent basis. They had in mind a man that had gone to school with me by the name of Harry Sprague. He had been in the Middle East and he was on his way home and his plane crashed in Cairo and there was a big loss of life there. So I stayed then and I've been here ever since.

#394 SB: So when you came back to Calgary things must have changed considerably from when you left in 1943.

AF: Yes. Things were really booming here then after Leduc. Everybody was leasing land and all kinds of seismic rigs were running and all that sort of thing.

SB: From superior's point of view, your position had changed and I guess your outlook had changed too then. What was your main objective at that time?

AF: By 1950 as I recall, Stettler I think, had been discovered. We had taken a whole spread of acreage out there in that area and Stettler was one of our main objectives. We thought there would be more Stettlers out there. We did a lot of seismic work and a lot of drilling but unfortunately there were different geological conditions up there and there was no extension on the Stettler production. We did end up with an interest in a couple of little fields up there north of Stettler. I just. . .

SB: Harmaton, was that one?

AF: No, no. This was . . . Excelsior and I think there was another small field in that area but

that was where it was. That I think was our first production.

End of tape.

Tape 2 Side 2

#024 SB: I guess there was a strong emphasis on acquiring land too.

AF: That's right. Everybody had taken out permits. You could get quite sizeable permits, however you were required to do so much work on them. It was very easy to hang on to a lot of acreage as long as you did seismic work or gravity work or something on it to show that you were serious about trying to find some oil and gas. There were periods where you had to. . . there were limits, each company could only have two permits or something like that so then you had to form all these subsidiaries. So you could either do that or you could hold the land in the name of some individual that worked for your company or something, but it was safer probably, to just form another company.

SB: Which one did your company do?

AF: We were called Rio Bravo, but we formed a lot of subsidiaries, Rio Blanco and a whole bunch of Rio's, Rio Norte and . . . you know, Rio is River in Spanish and so you can just put any name you want to at the . . . White River, Black River, Bold River, Green River, whatever, it was easy to form subsidiaries that way and we had a whole bunch of them and they all held land somewhere. Eventually the government changed the system and you could take out as many permits as you wanted in the name of one company.

#053 SB: How did you handle the administration of all these subsidiaries?

AF: It was relatively simple, although, one of the things that Canadian Superior did, was to zero on a lot of fee lands here, this was more of our sort of forte if we had one, was fee land because in California most all the land there was fee land and it was just second nature for us to come up here and take fee land leases.

SB: What was the nature of fee land or how did it. . .

AF: Well, it wasn't Crown, you see. You just went. . . most of this fee land originated through the land concessions that the government had given to Canadian Pacific and the Calgary and Edmonton Railroad and several other different companies that had built railroads or had done something to acquire fee lands. Some of them were school lands that had been set aside and then somebody had earned the mineral rights. So these freehold acreages, as we called them, were available and you could lease them from the farmer fairly cheap. So we gathered a great array of these fee lands and often found ourselves sitting in the middle of somebody else's play. In the process of doing this you'd always run into certain title problems, so quite early in the picture we had a legal man and we hired, Dave Jones, a legal man from Milner, Steer??? firm in Edmonton. In the process of accumulating these various fee lands we ran into quite a few legal problems that might have affected titles. There had been certain reservations. . . coal. . . and certain minerals, gravel and gold and silver and some of those things were exempt. So we had to have some legal guidance so we had a lawyer and . . .

#097 SB: I guess you were going through a stage where you were hiring quite a few more

people at that time were you or. . . ?

AF: Most of the land men we brought up from the States. It's just that there weren't too many land men available that knew how to take leases on these fee lands. It was something that had been done here but not that much. If anybody had one they held on to it. So we hired some people from the States. In fact, it was common practice down there that you didn't have. . . if you wanted to get a lot of land in a certain area you wouldn't always have a land man that was available to do that so it was common practice to hire a professional land man to go out and get leases for you. And that's what we did, we brought in some men here. But we did hire one or two locally.

SB: I guess the main one. . . I'm just trying to remember his name. . . Snap Lawson??? was he sort of the main Land Man.

AF: Yes. He was sort of put in charge of our land operations, of our leasing operations and stayed with us until he retired. He was head of our Lease Department. We brought in another man by the name of Bandy Lee??? and John Holmes, I think from Oklahoma and then we had another young fellow up here, who's still here, Dave Smith. All of these people have a kind of a flowery history but it's just too long to go into the details and most of it doesn't particularly pertain to the oil operations here. Dave Smith was a very capable land broker and eventually started his own, and still has, I think a map service here. I think was in Canadian Superior Billing for awhile anyway, I don't know where his office is now.

#136 SB: I guess they had to be a very outgoing personality to be able . . . ?

AF: Yes. He had an excellent land service here where he put out maps that showed what every piece of land was held by and who it was held by. You could buy these sets of maps and it was quite a service to the oil industry.

SB: About 1950 you changed the name of the company too?

AF: Yes, well we went public then, shortly after I came up here, the Superior Oil Company decided that they would sell shares to the public in the Canadian subsidiary. So we went to New York and arranged for an underwriting and put out a prospectus and sold stock to the public. As I recall I think we sold about 2 million shares. It was equivalent to 50% of the issues stock. Of the 2 million, I think only about 10%, what would that be, about 200,000 shares, something like that, came up here. Most of that was distributed through Wood Gundy. I think the stock sold for \$10. I don't remember whether the Canadian and U.S. dollar were the same at that time, maybe it was a little more than \$10 Canadian. Anyway, that was the initial distribution, 50% went into the hands of the public and that was maintained then up until 1978, when the Superior Oil Company came back and bought all the outstanding shares back again to a wholly owned subsidiary.

SB: what was the reason for changing the name from Rio Bravo?

AF: When we went to New York and we went to the financial house, it was Dylan Reed and they pointed out to us that really, we were associated with Superior, Superior was the parent company. And while Superior had discovered the Rio Bravo field and it might be common knowledge in the Bakersfield area or something, it really didn't show any relationship. Rio Bravo Oil Company had no connotations as far as Superior was concerned to. . . as far as the general public was concerned, particularly Canadians. They said we should change the name to relate us to the parent company, Superior. The first

name we were able to get was Canadian Superior Oil of California and that's the one we took for the first several years we operated here and then eventually we were able to just shorten it to Canadian Superior Oil.

#194 SB: The sale of the stock must have given you quite a large capital to work with?

AF: Yes. I think it was what, about \$20 million. But it was surprising how fast it went. I think in about 2 years we were essentially broke again. All the exploration work out around Stettler and that area, we did a lot of seismic and drilling. So then we had to go back to the banks and borrow more money. I think we borrowed another \$13 million or something like that.

SB: Was it very easy to get Canadian financial support?

AF: No way. We went to the banks and asked them to give us. . but the only way you could get support then was to have production. They would give you a loan on your production. We didn't have any production, we just had a big land spread and a hope. The banks wouldn't loan us a cent on that basis. The last time we went back to the United States banks, they pointed out to us that we really should try to get the Canadian banks to participate to some extent. I couldn't talk them into it.

SB: So when you went back and got another loan, did you change your policies at all?

AF: No, no we just continued on, except that, we changed our policies in the sense that, it was obvious we couldn't raise enough money just to continue to evaluate all this acreage on our own. But we had done a lot of seismic, we were going to run out of funds again if we kept drilling it all, so we started a farmout program then and we farmed out a lot of acreage and got a lot of Canadian money interested in drilling prospects. We took money from wherever we could find it, a lot of U.S. companies and individuals, of course, as well as Canadian. Eventually we started accumulating some production. By the time we got to the point where it looked as though we might have a chance of breaking even, we made another stock issue then, which was pretty well underwritten by the parent company and we sold shares. I can't remember exactly the price, it seems to me it was around \$7, it was about that, whatever the market was at that time. We sold enough that we could pay off most of our bank debt and the parent company simply said, whatever your shareholders or the public won't take, we will take. It ended up that they had to buy more than their share and their interest then in the company, increased, I think, from 50% up to about 52 ½ or 53%, something like that.

#260 SB: So you were able to. . you started developing production though in the 50's so I guess you built up quite a sizeable. . .?

AF: Yes. It was slow but gradually we got production over in Manitoba in the Verdun field and 2 or 3 areas in Saskatchewan and a little bit up here in Excelsior, a little here and a little there, gradually it's built up.

SB: Was there much of an interest in gas. Since you were coming from the States, did they really feel that there would be much potential for developing gas markets or anything like that?

AF: Initially there was practically no market for gas here. There was very little gas hit. . it took a long time, many years before they finally built the Trans Canada and that sort of thing, started exporting gas. Most everybody just sat on their gas fields for a long time.

SB: I guess the company eventually began investing in gas processing plants but that was probably later on then?

AF: Yes, well, historically the parent company had been familiar on the Gulf Coast with gas operations because that was pretty much a gas prone area. So we ran quite a few gas plants and we had, I've forgotten the exact date, but fairly early in our exploration endeavours up here we did find the Harmaton field but it had this enormous gas. For many years it just sat there without doing anything because there was nothing to do with the gas. So finally some of our people from the Gulf Coast visited here and they decided that it might be economic to cycle the plant. In other words, take the liquids out and return the dry gas. So we started doing that. The first thing was to cycle and take the gas out and then reinject it back down in the lower part of the field again. Eventually produce quite a lot of liquids, condensate, and some . . .and after that, after the condensate then we started separating the lighter liquids, propanes and butanes and things like that.

#320 SB: The personnel of your company expanded quite a lot during the 50's, would you like to comment on where you hired people from?

AF: Yes. Of course, the Conservation Board was one ready source of experienced ones and that was the first place we got. . Mary Turner. Then eventually we got Bill Macdonald and of course, also Johnny Orr came from there. Johnny, he went to New Zealand with us. Then we started hiring students from the University of Alberta, Gordon Hargraves was one of the early ones that went to work for us from the University of Edmonton. Saskatoon, we got a lot of people from there, I think Lloyd Flood who now works for Bow Valley, he worked for us over in Manitoba and I think he was a Saskatoon graduate and of course, Jack Porter was. And George Macleod and . . .did I mention Keith Latz???

SB: I think so, yes. I had Don Bohanon???, was he in that period.

AF: Don Bohanon was an engineer, he was an American. He came up here when we started to drill, a little later than some of these other people were geologists and they were hired earlier because of our exploration activity. After we started to drill and got some production we needed engineers and Don came up. I think he may have ben here by 1950. It seems to me he was up in Edmonton when I came here in 1950 but I think he hadn't been here very long.

#377 SB: You mentioned before that the University of Saskatchewan had a well recognized Engineering Department, was it?

AF: Oh yes. Dr. Edmunds I think it was, was the head of geological over there. They had an excellent reputation and I must say, that all the boys that we hired out of there were very well trained. They were strong on the mathematical side, the geological curriculum, they had lots of good, sort of, engineering oriented geologists. They were real good boys. A lot of them made successes. We hired some from Manitoba and also some Canadian boys were going down in the States, Harley Hotchkiss and Lloyd Bevensy???, there was one we hired from Manitoba. . .George Willis I guess it was. Most all these boys are still in the oil business. Either they're independent or have made. . .most of them have made a fortune.

SB: During the 50's I guess the company was under a lot of stress really to develop all the acreage. Did you find that your burden increased during that time?

AF: It seemed like, we never really felt that we were under any stress, it just sort of grew naturally. As a matter of fact, we had too many. . .we brought up our own drilling rigs. . . for the first several years, the only stress we were under was trying to find locations to keep all these rigs busy. I think that was a mistake, we spent more money than we should have and we drilled shallow holes with rigs that were capable and should have been used for deep wells in the foothills or someplace like that. So we didn't have a very efficient operation as a result of being under pressure to develop a lot of locations. But eventually we got rid of most of our . . . in fact, we got rid of all our own drilling rigs and then that gave us a chance to sit back and select our plays a little better. We did better and had a much more efficient operation from then on.

End of tape.

Tape 3 Side 1

SB: It's March 26th, this is the second interview with Art Feldmeyer. Mr. Feldmeyer, I wonder if we could just go on with discussing the company's position by the mid 50's. You farmed out a lot of acreage, how did that affect the status of the company?

AF: Well, as a result of our farmout program we were able to conserve our cash and we did dilute our land position to some extent but it allowed us to go on and evaluate more acreage without having to spend money out of our own pocket. As a result we gradually accumulated production and were able to get in a position where our cash flow would meet our needs from day to day and then we eased off on our farmout program.

SB: What year would this have been do you think, that you. . .?

AF: I would say it was probably. . .it must have been the early 60's by that time. It must have been close to the end of the first 10 years that we had been in business.

SB: So can you sort of summarize the 50's from your point of view, how you say the company grow and . . . ?

AF: When I came aboard in 1950, essentially we had no production at all, we just had a land position. That was when we decided to go public and raise funds that would enable us to evaluate some of this acreage. We raised, I think it was about \$20 million and we thought that this would last us quite a while but we had quite an intense exploration program, generally around the Stettler area and with several seismic crews running and drilling occasional wildcat wells, we soon went through most of our money. Particularly we had moved some rigs up here from the United States and in order to keep these rigs busy we were drilling holes that were really not fully evaluated. We should have spent more time trying to get the proper locations. As a result of that we went through a lot of money. So then we decided we'd have to start the farmout program and get someone else in to help us evaluate some of our acreage. We also got rid of our drilling rigs and started contract drilling and took more time to evaluate our proposed locations. This ultimately resulted then, in our accumulating some production. By the end of I guess, about the first 10 years, we could see some light at the end of the tunnel. We could see where we might eventually be on our own and not have to rely on the parent company's backing up our demand for

more money all the time.

#055 SB: During that period you hired on quite a few of your specialized personnel. I wondered if we could talk about a few of them, such as Barney Barnett, when did he first start?

AF: Actually some of these people were here when I came here in 1950 and I think Barney Barnett was one of them. But he must have come just about that time, probably about '48. He'd been drilling for the parent company in Wyoming and I think he'd just come off of one of their very deep tests there which turned out to be a world's record for a short period of time. It was over 20,000' deep. He came up here and was in charge of our drilling and eventually production operations when we got into the production stage. We also had an engineer here by the name of Don Bohanon, who came up, I think, about 1948 as well. He was in charge of the engineering aspects of our drilling and production operation.

SB: Your accountant was Jim Pyle, I guess he was already here too?

AF: yes. Jim Pyle was already here when I came here. I think he had been working for Royalite. He was in charge and remained in charge of all of our accounting and financial problems right up until the time he retired.

SB: And how about Alec Beverage, did he stay with the company?

AF: No. Alec Beverage came as a geologist quite early in our history but I'm not sure whether he was still. . .he was still with the company when I came up here but he left shortly after.

SB: How about Bernie Jones, I understand you met him in New Zealand?

AF: That's right. We had quite a long history. When I went to New Zealand in 1939, we went over to Australia in 1940 and I met Bernie there. His father was the mayor or Brisbane and had been the Minister of Mines for Queensland. Bernie Jones had been working in New Zealand as a geologist on a placer gold operation in the south island. When I met him in Australia he had just completed his work in New Zealand and he went to work for us. We took out a large permit there and he and I worked together for several months and then I returned to New Zealand and he eventually followed me. Then when I came back to California from New Zealand, he eventually came back too and worked for the Superior Oil Company for several years in California and then eventually came up to Canada. So he was here when I arrive in 1950 and I think he had been here about a year or two.

#114 SB: And Dave Jones?

AF: Dave Jones, from the Milner, Steer law firm and he was hired to take care of our legal problems and our leasing of free hold acreage. He worked in Edmonton for several years and then we eventually moved all our departments down here to Calgary and Dave came down and then took over all of our legal operations as far as the company was concerned.

SB: And Bill Keck Jr.???, was he based here in Calgary?

AF: No. Initially Mr. Keck Sr. was an old time driller and he had a contract drilling company and actually operated in the early days in Pennsylvania and then he moved out to California and started the drilling company. I don't know whether the name was different from Superior, I think it was but I don't know the name. He operated as a contract driller

for some time and then eventually he got some production in the Kettle man Hills area, they had a quarter section there. When they struck oil there, that really made the Superior Oil Company. He had 5 children, there were 2 girls and 3 boys, Bill, Howard and another boy, who was killed in a rig accident rather early in his life and the 2 girls, Alice and Willametta. Bill was the older boy of course, and initially he came to the top as Mr. Keck Sr. was sort of phasing himself out of the picture. When I went to work for the company in 1937, Bill was in charge of the California operation and Howard, the next older boy was in charge of the Gulf Coast, as I understand it. Oh yes, the younger boy's name was Theodore, the one that was killed in the rig accident. So the initial operations up here, as far as Canada was concerned, was sort of a division of the California division, so we came up here under the supervision of Bill. It remained under his supervision until about '56 and then about that time there was a dispute in the family as to who should be in charge and eventually it resulted in Mr. Keck removing Bill from his position of authority and turning operations over to Howard. Bill Keck then, sort of started off on his own and had his own company and own operations right up until the time he passed away.

#176 SB: Do you remember the name of his company?

AF: No. He started off, more or less, in the service sort of end of it. He was quite experienced in drilling and had worked of course, both Howard and Bill had worked on rigs but Bill particularly was quite familiar with all the operations of a drilling rig and all the tools that we used in drilling operations. I think his company initially, was mainly a tool rental business. He had one boy, Bill the third, I guess you would say and he eventually took over the business. They did get some production as well but I think initially they were more of a tool company.

SB: So their position was as President was it, of Canadian Superior, or Bill's position was when he was in charge?

AF: Yes. Although as I recall, he may have put John Cody in as President for awhile, up here, of the Canadian company. But Bill was President of the Superior Oil Company for awhile.

SB: What was the Executive of the Canadian company, when you started say?

AF: When I came up here I was sort of on a temporary basis. Whoever had been the President of the company, I think it was John Cody, remained the President for the first few months and then when we went public which was in June of 1950, I'm not just sure who the President was at that point. It may still have been John Cody or it could have been maybe, Bill Keck himself, became, just for the sake of the prospectus that we had put out for the public on the sale of the shares. I'm not really sure just when I became the President but I think it was probably about 4 or 5 years after we went public.

#230 SB: I had, I think it was in Jack Porter's history, he said that you became President in 1956.

AF: I think that's right, that sounds right yes. That was about the time that Howard Keck took over, that was about the time that Bill resigned and Howard took over.

SB: And where did John Cody come from?

AF: He was a close friend of Mr. Keck Sr. and he had worked for Mr. Keck Sr. when he was in the contract drilling business. He was one of several old drilling cronies that Mr. Keck

had accumulated over the years in his contract drilling business.

SB: I wonder if you remember any of the drilling contractors that you hired after you decided to hire contractors instead of doing it yourself?

AF: Shortly after I guess, we got rid of our own rigs, we were in on the discovery of Joffre oil field. Peter Bawden, with Bawden Drilling, you know, he was one of the early contractors in the country. He did a lot of drilling for us, particularly in the Joffre field. Also of course, Paul Boland's??? company, Regent Drilling. I think some of the early ones were Snyder and Head, and then Newell and Chandler, Matt Newell, who you've probably interviewed. I'm sure there's others, they just don't come to mind right off the bat.

#275 SB: By the mid 50's, I guess, you were beginning to expand into other areas too, I think you had began to take an interest in the north. Can you explain how that came about? I'm thinking of acreage that you had. . well, this is according to Jack Porter's History in the Yukon and Northwest territories. Did you begin to feel that the north was a viable prospect at that time?

AF: We didn't restrict ourselves as far as any potential in Canada. Although we had stayed away from the East Coast. I'm sure we had permits up in the north country, in some of the Yukon and the Northwest Territories areas but my memory's kind of vague as to just when we started that. It seems like maybe it would have been later than the mid 50's although I could be wrong. I just don't remember how early we started up there.

SB: I notice that you began starting a company benefit plan, the first one was in 195- with a group life insurance and hospital benefit plan. Was this common for companies at that time, to offer benefits to their employees.

AF: I think so. As I recall when I went to work for the parent company in 1937 they had no retirement plan or any benefit plan that I can recall. But it was about that time that the U.S. government started their Social Security program, in fact as I recall it did start in 1937. It was within a year of that I guess, that Superior Oil Company then, initially started their retirement program. I imagine that a lot of companies may have started about that time because I think the Social Security program with the government sort of drew their attention to the need for some kind of retirement program. Initially in the Superior Company they matched money that we put in, that is we put in a certain percentage of our salary and the parent company matched that. Eventually they funded the whole thing. For some time the money that personally put in, which was after tax money, that amount was kept track of as far as the Social Security program in the United States is concerned and that money is supposed to come back to you tax free. Until you draw on the funds that were put in by the company.

#350 SB: In Canada was the government enforcing that as well?

AF: In Canada as I recall, initially when I first came up here, I had a friend that had worked here ahead of me, from Oklahoma, John McCutcheon, and he'd worked from British American and he had been instrumental in putting some compressors into the Turner Valley field for British American. He alerted me to the fact that you could buy an annuity through the Post Office and I think, as I recall, you were allowed to put \$2,000 a year into that and deduct it from your tax bill. I think that's all that the government had at that point. I did purchase this annuity and it was. . . the maximum amount that you could buy was an annuity that would pay you \$100 a month. I put money into it until I had

purchased an annuity that would pay me \$100 a month when I was 65. Then they said you could pay more into it and pay it up to the age 60, which is what I did. I now get \$122 a month from that annuity, which started off at \$100 but through some gimmick the federal government increased it from \$100 to \$122. I just can't say for sure when this RRSP thing started but I remember we, or I personally anyway, and some of the other Americans that had come up here were able to put \$5,000 away or \$5,500, whatever it was. Because we were still under the parent company's retirement plan and it wasn't recognized here. We started then, very shortly after I got here, we started a Canadian plan. And all the Canadian employees went into that and they were only permitted to put in \$3,500 I think it was. But because I was staying in the American plan, I didn't know at that time how long I'd be here, I was able to put \$5,000 into it.

End of tape.

Tape 3 Side 2

#029 SB: In 1961 you reissued shares in the company and changed your name, could you explain the background behind the name change?

AF: We had initially hoped, when we went public in 1950, to get a name that was very closely associated with the parent company, in other words Superior Oil Canada or Canadian Superior. But there was another company and as I recall it was in eastern Canada, they had the name Superior so that we couldn't get the simple Superior name. We had to associate it with the company in California and the closest name that was acceptable to the registrar at that time was Canadian Superior Oil of California. This was just too long and awkward and eventually, after several years, as a matter of fact, 11 years, we were finally allowed to shorten our name just to Canadian Superior. As I recall it was due to the fact that the other company had either ceased operations or changed its name.

SB: Your company was slowly acquiring more shares in the Calgary and Edmonton Corporation, could you explain what came about as a result of that?

AF: We started off initially just buying shares on the market until I think we had something like 25%. Eventually we bought the whole company, once we controlled it, we merged it into Canadian Superior. When we initially controlled it, when we bought enough shares to elect the Board and control the company, we put in our own staff and the man in charge was an old time geologist up here that had been with the Shell company originally, Alex Clark. He was put in charge of the company. He hired his own staff. He brought up quite a few people from the States, several from the Superior Company, but he also hired individuals here in Canada that he had been acquainted with or, he actually accepted applications for Canadians to go to work for the C and E Company. Eventually the two companies were merged and when that happened, I remained then as the head of the resulting company, which was Canadian Superior and Mr. Clark retired and we had to accommodate the staff of both companies. This resulted in some shuffling in the top positions and Mr. Jones, who had been in charge of our exploration activities took over our operations in Australia and moved back to Australia and Mr. Kane, who was in charge of exploration at the C and E Corporation became in charge of exploration here at

Canadian Superior. Bob Shrader???, also, who had worked for us early in the picture but had gone with the parent company in Montana and had been working in Billings, he had also gone to work for S and E and then he came back to work for Canadian Superior.

#099 SB: Did they bring many reserves with them, the Calgary and Edmonton Corporation?

AF: They had some production but mostly it was the land position that we were very interested in and which has been a great asset as far as Canadian Superior is concerned. They had over a million acres of fee lands. They have resulted in quite a lot of production. Production on this land has had it's own individual tax treatment, which in some cases has been more favourable than just Crown acreage.

SB: Why was that?

AF: It probably resulted from the fact that these fee lands belonged to, in many cases, farm families that had purchased the land through C and E Corporation in some cases, or through Canadian Pacific, some of these railroad lands. I suppose some had been homesteaders. They had actually owned the minerals. That probably influenced the government as to how high they would tax these people because they were taking revenue away from them when they put charges on the royalty or whatever. As a result I suppose, it might have been a political thing to a certain extent, that they've let these fee lands have a more favourable tax regime than is common in the case of Crown land. Historically the Superior Oil Company originated you might say, as a contract drilling company. In other words the Keck family were initially engaged in contract drilling and as a result of that and the partners and friends that Mr. Keck Sr. had when he started in the contract drilling business and then when he finally got into the exploration and producing end of it, a lot of these old friends, which were drillers, came with him in the company. So historically the drilling people that were involved in the drilling end of it, were favoured by Mr. Keck Sr. and they pretty well operated independently. When I went to work for the company, geologists and geophysicists and the technical people, pretty much had to answer to the drilling people. When we started up here, there were sort of two areas of operation. The drilling and production people were located in Edmonton and the technical people, the geologists and so forth and the accounting and that sort of thing was located here in Calgary. For the first several years that I was here I had a very difficult time trying to bring the company together where we would work as one unit. Otherwise there were times when the drilling end of it pretty well told us what they were going to do and went ahead whether we liked it or not. So this was the way things operated for the first 5 or 6 years when I was first here, came up here initially. But when Mr. Keck changed and put operations under Howard instead of Bill, Howard had gone through some of this experience of having to answer to the drilling people, which he had resented so he changed the situation. We moved almost all the staff then from Edmonton, down to Calgary and this was our one main centre of operations. Then Land Department had been up in Edmonton and they had also been operating semi-independently, in that again, the head man, which was Mr. Lawson, was a close friend of Mr. Keck's and he pretty well could take his orders directly from Mr. Keck and this made a very difficult situation for me trying to keep everybody coordinated when Mr. Keck or Mr. Barnett, through Mr. Cody, would pretty well operate their own departments independently of what would appear to have been the Head Office here in Calgary.

#198 SB: Would it make a strain, I guess if they were just going out and buying land independently, you didn't really have much control . . . for the sake of the budget, would that put a strain on your budget too?

AF: At the early days, just before I got here, it sort of grew like topsy initially, they just sort of sent some people up here and said, go up and start buying land. The first thing they did was start buying land like we had in the United States, particularly say, in California, they just bought fee land or bought leases on fee land. As I say, Mr. Lawson was sent up here by Mr. Keck and he answered directly to Mr. Keck. Then when they finally got to the point where they had prospects to drill, the drilling department came up and they pretty well answered to Mr. Cody, who in turn was directly under Mr. Keck. Not under Mr. Keck Sr. but under Bill Keck Jr. so really everything was sort of separate but eventually when Howard came into the picture he pretty well centralized the whole thing.

SB: I guess that was. . . I read somewhere that when they were making the drilling reports, they would have to report it both to the drilling department and to the geologists or something like that, I guess that was because of the way everything was structured.

AF: That's right. Everybody just sort of worked independently.

SB: That must have been confusing at times?

AF: Not only was it confusing but there were many times when there was hard feelings because there were things that the geologists wanted to do and the drilling people just said, we're not going to do that. They wouldn't do it, if you wanted to take the core and run a test sometimes, you had to be pretty diplomatic to get anything done.

#240 SB: So I guess in a way it made things easier when you started contracting out the drilling or did that change things at all?

AF: Yes. After Howard Keck took over we got rid of the drilling rigs. They were bleeding us to death because they were big expensive rigs and we were trying to keep them busy just drilling wells that weren't well planned. But he changed all that.

SB: So you also, in the 60's started expanding into other countries, could you explain how that came about?

AF: I think I've already mentioned that our initial entry into the foreign business was probably through Mr. Jones going to Australia and that would have been about the time that we merged with Calgary and Edmonton Corporation. With that sort of entry, we started expanding into the United States. We started sharing some exploration ventures into the Gulf Coast with the parent company. They had joined a group of companies that were exploring there, I can't think of the name of them right now but it was a group, they were about 8 companies I guess, that went together and did seismic work and then bid on blocks of acreage that came up. We went into that group and jointly with the parent company, we started to buy acreage in the Gulf Coast. Mr. Keith Latch gradually took over supervision of that operation. Again, this was a result of an overlap of staff from our merger with C and E. We were able to expand and take some of these extra people we had into foreign operations.

SB: So what was the position of the company by the end of the 60's, had it changed that much from the end of the 50's?

AF: Our production of course, had increased considerably. We'd become a much more, I think, sophisticated company in the sense that all of our operations were pretty well

centralized and everything was operated out of Calgary. I was in complete charge as far as all of our Canadian operations and the operations of our Canadian company in foreign areas. I had a good liaison with the parent company through Howard Keck. I reported directly to him and he gave us quite a free hand up here. We were able to innovate on our own in the sense that the Superior Oil Company itself, was not that old and having come up by way of a contract drilling operation, in some respects, some of their operations were old fashioned. For instance, they didn't have a budget and Mr. Pyle was instrumental in starting us on the road of having a budget with a regular review and we actually had some of these things that were common place with other companies before our parent company did. So we really became a much more sophisticated company and had some outside directors and we operated more like a professional company. I would say we became a very well run and I think you could say we were a well managed company during that period. Our production started to grow and we started to have extra money and we stayed away from going into debt again. Mr Keck and I had several conversations about the pros and cons of borrowing money to expand the company but we generally. . . I guess by nature I was conservative and perhaps he was too, but at least he was sufficiently conservative that he encouraged me to continue my conservative ways. So we managed to keep the company growing without borrowing any money. . . any more money than we had initially to get started. So we just stayed out of debt and as a result of that when I left the company it had a lot of money on deposit and was in excellent shape from a financial point of view. It was . . . I think as Mr. Nielson will agree, it was called a jewel amongst the companies here because it was one of the few without a debt.

#385 SB: Did you ever feel there was any disadvantage to being say, an independent, compared to the major operators?

AF: You mean, in the sense that we were sort of an independent, in the sense that our parent company was an independent and we were sort of semi-independent from the parent company. But no, I don't think, as far as our operations here were concerned, the fact that we were not a subsidiary, say, of a prominent public company like one of the major producers and refiners, Superior Oil Company has always been looked upon as a pretty high class independent and they had an excellent reputation so far as the drilling and production business was concerned because that was their strong point initially. They had developed a very acceptable record so far as exploration was concerned. I don't think that any of our operations suffered any as a result of being a subsidiary, say, of an independent company rather than one that was recognized as a big public operation.

SB: What would you say was your major accomplishment during your period of time as the head of Superior?

End of tape.

Tape 4 Side 1

AF: I think that the building of the company essentially, from a company that had really

nothing except the land position when I came up here in 1950, to a company, which in 1978 when I retired, was about the 8th or 9th or 10th, somewhere in that area, as far as production was concerned. We had started with very little other than of course, the backing of the parent company which we certainly couldn't have gotten along as well as we did without that backing. But even that was not comparable say, to the backing of the main companies, the big companies that were here, the world wide corporations. We were after all, just a branch of a privately held company or an independent company in the United States. We were able to, in a sense, keep up with the major companies in that by the time I left we were ranking up there as a major producer up here in Canada. I think that this has been quite an accomplishment, particularly in view of the fact that we had done this without putting the company into any debt. It was a debt free company that had a very appreciable amount of production. I think that's the main thing that's happened. I'm sure since then it's grown enormously due, in part at least, to the increase in prices for oil and gas.

#043 SB: Are there any events that stand out in your mind over the period that you were with them that were particularly memorable?

AF: Yes. I can remember a period and I guess it was probably in the early 60's, when we were very close to sort of giving up on Canada. There was a period there that Mr. Keck Sr. started to worry very much about whether this Canadian operation would ever really amount to very much, whether it would survive. I remember, Howard and I went to his office in Los Angeles and I brought all my maps and had to talk very persuasively to convince Mr. Keck Sr. that we had a good prospect of having a viable operation up here. He was really seriously considering trying to get out of Canada, of our operations up here. He felt a great responsibility to the shareholders and he seemed to regret having gone public and sold shares in the Canadian company to a different group of shareholders than he had, say, in the Superior Company himself. And he felt a lot of responsibility for the outcome of our operations and the Canadian shareholders. He was very concerned and seriously considering how he could, in a sense, extricate the Superior Company from their obligations up here in Canada. We had spent an awful lot of money and we had really very little to show for it up to that point. It was just about the time we were ready to turn the corner and things started to get better for us. As I look back upon that I realize how close we came to really, just getting out of Canada. I think if Howard hadn't supported me in wanting to stay here and keep on with the struggle of evaluating our acreage and slowly accumulating production that I'm sure that Mr. Keck would have found a way of getting out of Canada at that point.

#092 SB: Was that before or after the shares were issued?

AF: This was well after. In fact, I would say it must have been. . the shares came out, see, in 1950 and I would say, although I can't really pin it down, I would say this probably happened about 1960 or '61, sometime early in the 60's I would say.

SB: Was it before you had changed the name to Canadian Superior?

AF: No. . . I'm not sure. We may have still had the name Canadian Superior Oil of California but it didn't really matter. The point was we had just about run the parent company. . . we had borrowed so much money and the only reason we were able to borrow money of

course, was because the parent company underwrote it. The banks in the United States would not have loaned us money if we hadn't had the parent company stand behind us and say, look if the Canadian company can't pay this debt off we will. So that enabled us to go on borrowing money and keep our operation going. But as I say by this time we had gotten pretty deeply in debt and the parent company just felt they couldn't go on underwriting our borrowing from the bank until they could see where we were going to eventually make enough money to help them pay this debt off if it came down to that. And that's what really concerned Mr. Keck, I'm sure, that he just couldn't see where this company would become a viable operation and he was really concerned. I'm sure if, as I say, Howard, hadn't backed me up and convinced Mr. Keck Sr. that we should keep on trying for awhile, he was all ready to throw in the sponge as the saying goes.

#129 SB: So I guess that he was glad that he stayed in Canada then?

AF: Yes. Although up until the time he passed away we still hadn't really shown the great potential that the company had that say, came more to the front in the several years after he passed away. I'm not sure that he, up until the time of his death, that he was thoroughly convinced that this ever going to be much of an operation.

SB: So you stayed with the company, you retired in 1978, did any new developments occur in the 70's?

AF: Our U.S. operations started to make money and we did get a few encouraging results in some of our other foreign operations. Of course, when the price of oil increased so much, from '73 on, we were just simply amazed at the amount of money that this company started to produce. It was just fantastic, the increase in our cash flow and I'm sure that the parent company never had dreamed of the potential that was here until about that period. It sort of coincided with the pay off of some of our farmouts and things like that where, not only was the price of oil and gas going up at a rapid pace but our production was increasing and building up at the same time. And it just made a very startling improvement in our cash flow. We just had more money accumulating than we were investing, we had a lot of cash on hand at the time I left here. We just didn't have enough exploration projects going to spend all the money that was coming in.

#175 SB: In 1977 you acquired Almonex, what was that company before?

AF: Almonex was a subsidiary of the Falconbridge Group and of course, we had gotten control of McIntyre, which in turn had essentially a controlling interest in Falconbridge. In fact, McIntyre, which had started off as a gold mining company initially, really by the time we came along as far as the McIntyre picture was concerned, McIntyre gold operation was essentially down to a break even or a losing proposition. In fact, their gold operation alone would not have survived other than they had found some copper and were able to combine the two and keep operating, but they sold out completely shortly after we took over and really their only asset was the controlling interest that they held, it was about 38 or 39% I think, of Falconbridge that they controlled. Of course, when we bought control of McIntyre we in turn inherited their control of Falconbridge. Falconbridge had this little oil and gas company called Almonex and Almonex had started off by Mr. Brown, of the Hole Oil Company, getting mining money into oil and gas exploration here in western Canada. Almonex had an agreement with the Home Oil Company that they

would participate in their exploration projects and put up a share of the money. As a result they ended up with an interest in several of Home Oil Company's properties. Because of the connection between the companies, eventually it was decided that it would be a wise idea just to let all of the oil and gas operations concentrate in one company. As a result, Canadian Superior took over Almonex and I think it was an excellent deal. Initially it looked like it was not going to be able to be accomplished but we had several financial houses, Dylan Reed from New York and Richardson Securities from Canada and between the two of them they figured out an equitable merger of the two companies. It certainly resulted in a good deal from the standpoint of both Canadian Superior and Almonex, the shareholders got a great appreciation from both companies.

#241 SB: When you retired did you have any role in selecting your successor, who was Arnie Nielson?

AF: Yes. I had suggested to Mr. Keck that I felt when I reached 65 I would be ready to retire. He had never mentioned whether or not I would stay on beyond 65 or not. For some reason or other I just assumed this was the retirement age and I would probably be expected to retire but he had never indicated that or put any pressure on me. But I had volunteered that I felt that I should start to look for a successor and so I did. I also went to some of the people here, I consulted with John Poynter, for instance, and I put him on a retainer basis and told him that I was looking for a successor, he suggested several people and there's no point in naming names because they didn't materialize but we did have conversations with quite a few people. And of course, Mr. Keck had ideas of his own and as a matter of fact, the man that eventually Howard hired to take over Superior, Mr. Ackman, was initially considered for this job up here. He was working for Esso or Standard of New Jersey, which is the parent company of Imperial in Texas and he showed some interest initially and I had made arrangements to go down to Houston and answer questions concerning the company when I guess Mr. Ackman decided that he didn't want to come to Canada. Then Mr. Keck suggested that I talk to Arnie Nielson, so I started talking with him. Initially I had reservations in my own mind because I didn't think he'd want to leave Mobil. But after my first conversations with him he made it obvious that he would consider leaving so we carried on from there and eventually he took over.

#303 SB: I was wondering if you wanted to comment on the current situation where Mobil is considering takeover of Superior Oil?

AF: Having been out of the picture for some 5 years now I really have no insight into the situation, other than to be aware, of course, that Mobil has offered to buy the controlling shares of the Keck family and supposedly will go on and buy all of the outstanding shares. In which case, Canadian Superior will become a wholly owned subsidiary of Mobil. Then of course, the question arises as to what happens to the Canadian Superior Company. And of course, I feel very deeply as far as the Canadian Superior operation is concerned because there's still many people working there that either I hired or worked with for many years. I would naturally like to see them continue on as employees of Canadian Superior. Also for sentimental reasons I would like to see Canadian Superior maintain its identity. So I hope that if Mobil does complete their deal with Superior which I think is almost a foregone conclusion at this point, they will decide to, perhaps sell the

Canadian Superior operation to a group, preferably of Canadian companies that are not already involved in the oil and gas business and would therefore be interested in maintaining Canadian Superior as an independent entity up here in Canada. I think it would be an excellent acquisition because of its excellent production and no debt, it would be an ideal situation for a Canadian company or a group of Canadian companies to have entry into the oil and gas business here in Canada. So I hope this is what eventually happens. It will all depend on Mobil and also I suppose, the availability of capital here because Canadian Superior is quite an important company as far as oil and gas companies are concerned here in Canada, it still rates up there amongst the top operators and it would be quite a financial undertaking for any one company to acquire. I understand the asking price, has been mentioned at least of say, 1.5 - 2 billion dollars. This of course, would take some financing. There aren't too many individual Canadian companies that would have kind of leeway but a group of companies might have, could have certainly. I hope that something like this eventuates but I've had no rumours as to what Mobil might have in mind. And I don't suppose at this point. . well, at this point it would be just too early to speculate.

#397 SB: So have you found it easy to retire from working for Superior?

AF: No, I certainly had misgivings initially. Of course, I retired in June of '78 and then in August of that same year Mr. Keck asked me to come back and take charge of McIntyre Mines. They were having problems with their coal operation and the contract they had for metallurgical coal with the Japanese. So I went to work for McIntyre in August of '78 and stayed with them until January of '81, I guess it was, not quite two years. During that time I managed to get Mr. Ted Bethel to come to work at McIntyre with me. He'd been with Canadian Superior and I put him in charge of the marketing of the coal and he did an excellent job there. So that kept me busy for another couple of years.

End of tape.

Tape 4 Side 2

#025 AF: Well, as I say I kept busy with the McIntyre situation for roughly two years. Fortunately we were able to renew our contract with the Japanese and stay in business but the metallurgical coal business has been quite weak, the steel industry has cut back on production during the recent recession and it was very difficult to negotiate a new contract with the Japanese. But we managed to do that and I had to spend a lot of time in Japan dealing with the steel companies. Mr. Bethel was a very valuable assistant in these negotiations. The coal business was rather foreign to me and I must say that I never felt at home with the coal operation in the same way that I did with oil and gas. Although I had some misgivings about leaving McIntyre, I had enjoyed the work and that sort of thing but I didn't see any solution to that and still don't. I think that the current cash operation and so forth is a very difficult operation to make economic sense. It's very expensive to mine the coal and it's got a long haul to the coast and I think the history of Grande Cache

and that coal operation there is very clouded at the moment. I don't envy the man that has to try and straighten it out.

#062 SB: I was wondering if there were any people that were influential to you, either in your career or otherwise?

AF: Having worked almost entirely directly under Howard Keck, initially of course, I worked for the Superior Oil Company when it was managed by Bill Keck but rather early in my career with the company he was replaced by Howard. Although I was always influenced by Bill, I think one person as far as the Keck family was concerned and as far as my career was concerned that influenced me most was Howard Keck. In my opinion he was a very honourable man and always treated me with respect and I always felt that while we made decisions jointly he always put me in a position where I was comfortable to give my own opinion. He didn't always agree with me but he never disagreed in a way that made me feel like I was uncomfortable. He always made me feel as though he respected my opinion but for reasons of his own, he might not always go along with it. Certainly as our operation was carried on up here, after he came into the picture, everything was carried on directly through him and although we did eventually get outside Directors and they were brought in to the picture completely, they understood completely that control remained in the Superior Oil Company. The Superior company in turn, always encouraged us to have our own ideas and to develop as independent a company up here as we could.

SB: I was wondering if you have any professional affiliations with different societies in the oil industry?

AF: Not really. I've become . . . I guess an honorary member of the . . . you know, engineering. .

SB: Oh, APEGGA.

AF: Yes. And I'm still a member of the Petroleum Club but I don't have any other relations with the oil industry any more. I pretty well severed all my connections. Until a few months ago I was on the Board of the Superior Farming Company. I enjoyed that for several years after I retired from McIntyre, I went on that Board. Then last November they decided to sell the farming operation and they retired all of their outside Directors. There were only 3 or 4 of us, so we resigned and that really severed just about all my remaining connections with the parent company.

#130 SB: Are there any other comments you'd like to add about your career or the industry?

AF: No. I really don't think. . . you know, I have many comments that would be pertinent to the Canadian operation. Certainly my career has been a full one and I've really enjoyed a lot of foreign travel and a lot of experiences that I'm sure I could enjoy writing a book about but a lot of them took place early in my career before I came to Canada. I don't think that those kind of experiences that I have in mind really have any particular bearing on this project. But it's been a very rich and full 40 years.

SB: Well, it's been an interesting interview and I'd like to thank you for participating.

AF: It's been my pleasure.