

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: William Herron

INTERVIEWER: Jack Peach

DATE: July 1981

JP: This is an interview with William Stewart Herron, conducted in Mr. Herron's lean-to at his own home in Calgary and the date is July 16th, 1981 and I'm Jack Peach. Bill, I suppose a thousand times I've seen it in print, a story about your father and the bacon and eggs thing. I want to get to that but let's first of all find out, where did you come in to the picture, where were you born and when?

WH: I was born in a ranch house on the south side of the river from Okotoks, on May 4th, 1908.

JP: That's where the ranch house was?

WH: Yes.

JP: I'm delighted to hear you say Oko[talks], because everybody nowadays argues with me about this Okotoks and I say, well this is a brand new thing.

WH: I've always heard it pronounced Oko[talks]. The Indian interpretation of that is Stony Crossing.

JP: Right. And it's Oko[talks] not 'tokes'. Okay, so we've got you at 1908 and your father was doing what at the time, ranching?

WH: At that time he was farming, farming and ranching you would call it, mixed farming. He came out from Haylaberry??? Ontario, in 1901 and checked over the area around Calgary and south here and he bought some land just at the east of the town of Okotoks, approximately where the Okotoks fairground used to be.

JP: Okotoks wouldn't be much of a town then would it, I suppose just a wee settlement when he came.

WH: Oh, a very small settlement, yes. But they thought at that time that it had great prospects and he thought that would be the place to settle and the land was cheap. He returned to Haylaberry and interested a few friends and disposed of all his assets and equipment Also one of the friends that had come out with him, Jim Bullafant??? lived about two miles south and it was handier for them to work together and help one another with different farming operations than having to cross the river. So he built a home over there and then he had to build a footbridge across the river for my sisters to go to school. He had a chap helping him and he was hewing logs, you might say that dad was a master craftsman with an ax. He was hewing and fitting these logs to build a footbridge to cross the river and this chap that was helping him let the log roll and the ax struck the log sideways and he cut his toe off. After becoming an expert axeman in Ontario.

#043 JP: To lose it that way, that's tough.

WH: He worked for Pugh and Livingston that lived on the farm west of him, which is known as the old Hoadley??? place and is now more popularly known as Max Bell's.

JP: Oh, so his was the old Hoadley place eh.

WH: And they had a big timber limit in the Crowsnest Pass at Door???, right close to the United States border. He worked down there with them for about 3 winters and he made a deal with them that if he increased the output he was to get a 25% bonus for everything that he increased production. Well, he sent east and brought two of his brothers and a couple of other real bushmen out and they spent most of the first part of the winter expanding the facilities of their camp and started cutting logs on a production basis.

JP: Oh, this would be further west then, up the river?

WH: No, this was down in the Crowsnest Pass.

JP: Oh, this was in the Crowsnest, I'm sorry yes.

WH: Pugh and Livingston Timber Ltd.

JP: But the family house was still at Okotoks.

WH: Yes. And his wages at that time were \$11 a month but he made considerably more than that through the bonus that he made. Now. . . .

JP: What sort of a year would this be, Bill, about when?

WH: That would be 1903 and '04, possibly 1903, '04, and '05. Their production went so well that they found they needed more horses. At that time Pugh and Livingston had hundreds of head of horses running the open range west of Okotoks, as far as Turner Valley, at least as far as Black Diamond. There was practically no fences in those days, out there. So he made a deal with them, in the summertime that he would break horses on a share basis and he got one of every three that he broke for them. Finally his own farming operations got to where they were taking up most of his time and he got some real good crops and he got a number of cattle to feed during the winter. After about 3 or 4 years working in the lumber woods for Pugh and Livingston, he resigned and let them operate it themselves and he kept breaking horses for them and he was making pretty good money on breaking horses and having few to sell. He made a deal with the town of Okotoks to supply coal for their electric plant and cut the price considerably to where he obtained the contract on the condition that they could haul enough coal in the winter time to supply them for the whole summer. And he went out to Black Diamond and talked with Ad McPherson??? who was an old time freighter that used to freight from Fort Benton to Edmonton with bull teams. He had the coal mine at Black Diamond and just had the market for the local ranchers and some of the town of Okotoks power plant. He enlarged his mining operations and opened up another shaft. Dad advanced him some money to do that and he was set to haul coal.

#104 JP: Bill, was this the mine that was just beyond the bridge, west of the bridge, in the side of the hill as you went in towards Turner Valley.

WH: Yes.

JP: I can remember that as a kid.

WH: I think you can still see traces of slack coal along the road there.

JP: So your father got that contract, that's great.

WH: The new shaft that he opened was up on top of the hill and that was the best producer. But Ad McPherson was very faithful to all his former customers, all the ranchers and customers in the area and he made it quite plain to dad that he wouldn't forsake them for the production to go to the town in Okotoks. So different times that dad would go out there, there wouldn't be enough coal and he would maybe have to wait until it was mined or sometimes wait overnight until the next day. On one of these occasions he was waiting for coal and he'd heard about the gas seepages up the river from different people around. He didn't discover the gas seepages by any means, it had been well known.

JP: These would be some early settlers, the Indians maybe.

WH: The early settlers, the Indians knew about it. So he walked up to see these. He had spent some time during his youth in the oil fields of Pennsylvania and he had read a lot about geology and he noticed the anticline from the rocks, on the rock cut and further up Sheep Creek and it immediately struck him that this would be petroleum derivative gas.

JP: Good for him.

WH: Now, he had that in mind for several months and later in the spring when the weather was good he hitched up a team in a light wagon and took some equipment with him, including a wheel barrow and he drove out and camped there for several days. He went back from the river some piece and dug a hole down to the shale and buried the barrel and packed it with wet clay that he wheeled from up the bank farther in a clay bank and packed that round the barrow, drilled a hole in the top of it and inserted a rubber tube and sealed it with sealing wax. He had two gallon jugs that and my mother's copper wash boiler and filled that with water, put it under water, inserted the tube from the bottom of the jug to displace the gas and corked it and sealed it with sealing wax. He sent one gallon of sample to the University of

Pennsylvania and the other sample to the University of California to have them analyzed.

#154 JP: This was Naphtha wasn't it, it's a wet naphtha that he had found.

WH: No, no, this was a dry gas that was seeping out of the ground. The reports came back that it was not a marsh gas, as a lot of people claimed, that it was a petroleum derivative gas and it gave the analysis of it and the analysis of both samples checked out identical.

JP: You mean to say that his primitive, but actually very skillful efforts, actually did captivate the gas and keep it in the barrels until they reached the destination.

WH: Yes, that's a fact.

JP: Isn't that terrific that he could do that.

WH: Well, he had it pretty well sealed. It was an old wooden vinegar barrel I believe that we'd used and that barrel was buried there for many, many years after. When we lived there in the 1920's, there were still remains of that barrel buried there. I still have the wash boiler that he used to hold the water to fill the jugs.

JP: I was wondering if your mother ever demanded the wash boiler back from him. Well, wasn't that ingenious of him. So much for the fried egg story, I feel sure, that was. . . .

WH: That was some reporters fantastic dream to possibly create interest in it or something.

#173 JP: Now, with those reports that he got back from the two universities, what was his next step?

WH: His next step was to gather up all the leases that he could, in the area. He got all the leases then, were given out by the Dominion government.

JP: And they included the mineral rights of course.

WH: Yes, that was the leases on the mineral rights. With the exception of land that was homesteaded, I believe, prior to 1900. And the homestead in the. . . southwest of the main corners of the town of Turner Valley belonged to Michael Stoos. He bought that homestead later, Macleod wells were drilled on it. But he gathered all the leases he could afford and bought what land he could afford at that time and he moved to Calgary in 1912 and he got involved in the real estate business.

JP: Which was going great guns in 1912.

WH: Which was booming in those days. At that time, he tried to interest a number of people in forming a company to drill for oil in Turner Valley. He interested a number of them, including R. B. Bennett, and A. J. Sayer and several others, I can't recall the names right now. He took them down to the valley and showed them the gas seepages and had a geological report from

JP: Could it be the Geological Survey of Canada or one of the universities.

WH: Well, he had all the maps and so from the Geological Survey. . . but a geologist that was here by the name of

JP: Was that Rickard???

WH: Julius Rickard. He tried to interest the gas company but they weren't a bit interested in

anything in Turner Valley.

JP: They were making gas here, weren't they?

WH: They were making gas down here in east Calgary and they'd drilled. . .I believe they had drilled a gas well down near, along the Bow River.

JP: Yes, they drilled one at 5th Street East and 8th Avenue and that was dry and they tried one down there and . . .they were making gas, they had a gasometer right by the CP tracks. So he couldn't get them interested, isn't that interesting that he couldn't get them enthused about this.

WH: No. Then he got a number of prominent men in Calgary interested in it and they formed the Calgary Petroleum Products Company. They were looking for somebody, an experienced oil field man to manage it and Dingman??? was hired.

#229 JP: Oh, that's where A.W. Dingman came into the picture.

WH: Yes. And they got the well started and they brought in two drillers, William A. Elder and Bob Brown and later Mark Hogus??? drilled on the number one well.

JP: Now, where was that well?

WH: That well was located in the Royalite yard, close to the river, some 150-200 yards from the river.

JP: On the north shore of it, or the south.

WH: Well, at that spot the river runs practically due north and south.

JP: Oh yes, there's a big turn there.

WH: And of course, they got showings of gas on down, as they drilled, and of course, discovered oil, I believe it was May 9th, 1914.

JP: Now, this was a very deep well Bill?

WH: No, I believe about 3,000-3,200', something like that.

JP: This was cable tool that they were using?

WH: A cable tool rig.

JP: Certainly a great moment for your dad, to have this happen.

WH: He was thrilled to death.

JP: You were just a kid then but you would remember this.

WH: Oh yes, I remember it, I was six years old and I remember going down there with him different times and seeing the oil run into the barrels.

JP: You were living in Calgary because the whole family lived in Calgary.

WH: Yes, we lived on the corner of 1st St. East and 12th Avenue.

JP: Which was on the edge of town then wasn't it?

WH: Oh no, that was pretty well. . . .

JP: Oh no, we're talking about 1912, of course.

WH: Yes. The house is still standing, it's the house. . . the property was later purchased by the Air Force for a parking lot and the house was moved east on . . .so that it now faces 12th Avenue. A big grey house with a lot of signs on the side of it. But the war struck and everything was shut down practically in the oil business. They had great difficulty financing and keeping going.

#276 JP: Manpower was a problem too.

WH: Manpower was a big problem. All the drillers and tool dressers and so on had to be brought in from the States, practically, there was no experienced men here.

JP: What did you father do then during this time, when things closed down so tightly during World War I?

WH: We had to move out on the ranch west of Calgary, in Springbank on the south side of the river, across Twin Bridges. We used to drive out there every Sunday of the year, unless it fell on Christmas or New Year's with a horse and buggy. We kept a driving horse and during spring and fall, when the roads were bad, the snow was deep, we kept a team of trotting horses and drove out. . . Dad had to go out and see the livestock and see how things were going on the farm every Sunday.

JP: So this is really one of the recollections you have of World War I is that commuting as it were, between the two properties, the one in town and this one.

WH: Oh yes.

JP: So when World War I was over, Bill, what did your father do? He got back into the petroleum business when it opened up again?

WH: Before the war was over, in 1917, they sold the ranch out west and moved to Turner Valley. They rented a place known as the Fisher place, which was southwest of the town of Black Diamond, and they landed down there in 1917 with 250 head of horses. But the pastures that we had were poorly fenced and a number of them got out and headed back for the home range. Most of them got stranded on the Sarcee Reserve and we used to pick them up from the spring and fall roundups pretty regularly. But Dad got the contract, later on, to haul the gasoline from Turner Valley to Black Diamond and haul the freight from Okotoks to Turner Valley. In 1923 the family moved down and operated that cartage business for several years.

#333 JP: That was with teams or did you have motor vehicles by then?

WH: Yes, at one time we had 16, 4 horse teams on the road at one time. But the trucks were improving, getting better and finally the trucks ran the teams out of business. We had to find work for the horses and for two years we went thrashing, my brother and I went thrashing with Carl Olson and operated a thrashing outfit out in the Okotoks district, between Okotoks and Black Diamond. We were on one of those thrashing crews when Royalite #4 well came in.

JP: Now had your father had very little to do with petroleum between . . .through all these years?

WH: Yes. We were all working hard to keep up the payments on the leases that he still held. He never lost faith in the leases.

JP: That's what I was going to get at, he kept the leases. Well, what happened then, did he come into his own that way, with these leases?

WH: Oh yes. They formed the Okalta Company, a great many of them and some of them sold to the Macleod Oil Company and then they purchased back a number of leases that he had formerly owned, from the Sheep River Oil Company, which were. . . .

End of tape.

Tape 1 Side 2

WH: which was operated by the Jennings Brothers and the Indiana Alberta Company. Things just went on from there. The next big move was when the Turner Valley Royalties well came in with a big crude strike in the south end of the field. At that time, we were working up in the Cariboo on gold claims that Dad had. . .

JP: Oh, he'd really diversified.

WH: I guess there was plenty of gold there but there was too much gravel mixed with it.

JP: An old problem. Now, when Royalite #4 came in, that started, of course, a whole new thing in the valley didn't it. That would be 1924 wasn't it?

WH: Yes, 1924. We hauled the boilers there, I believe it was 8 boilers to get up steam to put the fire out and we hauled them all there with horses from all over the fields, where they could be picked up from rigs that weren't operating and spare boilers that different companies had. A huge square tank, an open top tank that they ran a pipeline to the river and pumped water in to have the reserve of water for the boilers. I recall we had to haul that on skids and it took 16 head of horses to move it.

JP: I remember as a very young fellow, seeing those boilers and that big tank out in the field. I was in the crown in that chilly, chilly weather, watching this big manouevre to put the fire out. I didn't realize that the Herron's were the people doing that, doing the hauling and so on. Now, had you got yourself immersed into the oil business at all or were you

still thrashing, teamstering and so forth.

WH: I had worked around the field, driving a team around the field a lot and around the Royalite yard for much of the time that we lived in Turner Valley.

JP: Did you have a connection with Royalite or was it just one of the employers there, your family connection with Royalite, did you have one at all?

WH: No family connection no, other than the contract to haul gasoline. And my mother kept borders and a number of the Royalite men boarded with my mother at that time.

JP: Because it would be very handy to their particular operation?

WH: Yes. Then we moved back to Calgary in 1925, chiefly for we boys to go back to school. We went to school in Calgary and later when Dad got Okalta started, they had difficulty hauling the boiler out. They started out. . . Sam Johnson was a contractor then and he started out with six head of horses, hauling the boiler on big steel wheels they called boiler trucks and he got it as far as the cemetery and couldn't get it any farther. Then Nicholls started out with eight head and he got it about three miles and couldn't haul it any farther. So Dad came home and asked me to take a couple of days out of school and go down and round up what horses we had on the farm there, which was located just at the northwest of the Black Diamond bridge, and I gathered up sixteen head of horses and we went down the next day, hitched onto the boiler and brought it out to the valley, brought it as far as Black Diamond bridge that first night. I believe I hold the record for driving the longest line team, friggling in Turner Valley in those days. That was in1926 I believe that was.

#063 JP: Did you father consider himself to be an oil man, or a rancher, farmer, what did. . . how did he really consider himself? What was he best at, or was he good at all these things?

WH: Actually he considered himself to be a lumber man, a logger.

JP: He still was a logger, because of his axemanship.

WH: Yes.

JP: He never lost that huh?

WH: He never lost his love of logging. But I guess he would figure himself more a rancher for many years, until he got really involved in the oil business. But Dad was a very well read man, he read continuously, geological books, anything he could find on geology and the production of oil. He was very knowledgeable.

JP: What were some of his other involvements then Bill, because with that interest in it he must have been involved in other petroleum ventures, besides Okalta?

WH: Oh yes. Later on, in 1929, he was up to Moose Dome with the Pilling??? family to see their operation up there and he spotted a likely looking area along the Elbow River, west of the Ranger Station and filed on a large block of leases up there and drilled a petroleum well, but got considerable sour gas showing, but encountered heavy flow of water and that was abandoned. Well, it was kept on, we kept the rig there for a number of years, and kept a watchman there thinking that it might renew operations to drill another well but it never did.

JP: Did you get involved around this time, yourself, were you involved in this?

WH: I worked at every job in the oil fields, driving a team and when I got a job labouring at \$5 a day I thought I was on top of the world, I didn't have horses to look after before and after

JP: Did you get into the administrative end of it at all, Bill?

WH: In later years, when we got the rigs running, in 1930, I started working on the production of the number one, two, and three Okalta wells and worked on separators there for a number of years. That froze up and collapsed and blew out and it blew chunks of ice out of the Bow River, as big as a piano. We had to back the pipe off and get in there and work the gas on that and get it under control. When the crude oil was discovered in the south end of the field, we drilled a number six well down there. But I worked at every job, labourer, tool dresser, roughneck, worked on the diamond drill that we had and worked up to field superintendent. After Dad's death in '39 I became President of the company.

#112 JP: I see. So you eventually did wind up deeply involved in the petroleum . . . ?

WH: Oh yes, I was deeply involved in all of it.

JP: Just to back up one minute, when you were talking about the big chunks of ice, you mentioned the Bow River, did you mean the Elbow?

WH: No, I meant Sheep Creek.

JP: Sheep Creek. Yes, I was wondering because the Bow is a bit north. Now, you winding up full time in the petroleum industry; your father must have been very pleased, in his later years, to find you in the business with him, I suppose?

WH: Oh, I think he was.

JP: How about your brothers, did they get into it too?

WH: Yes, my brother Harold was interested in working with us.

JP: Now, in your time, with your amazing background, from teamstering to the whole bit, all the field jobs and what not, this gave you wonderful background for the petroleum industry administration. What was your career once you took over that part of your. . . ?

WH: Well, we got involved in the Leduc field. We drilled several wells in the Leduc field.

JP: Now this is still Okalta we're talking about?

WH: Yes. But we were just a struggling independent. At that time, we were the largest independent, integrated company in the business.

JP: It was a big name.

WH: Because we did all our own work, all our drilling and production work and hauling, we did our own, we did everything.

JP: When you talk about independent, you mean independent.

WH: Yes.

JP: Was it very much a family firm.

WH: Other than we pretty much had control of Okalta Oils, then we had a private company that worked for Okalta and any other company. It was the Herron Cartage Company, we got into the trucking business and bought several big, heavy, oil field trucks. And I drove one of those for a good many thousand miles.

JP: You were still working there with your hands and muscles, not just your head. What was the area of the range of your activities, of Okalta's activities, you're talking about down in

the south here, in Turner Valley and up in Leduc, where else?

WH: We drilled a well at Barons, on the leases down there. We took over the operations of the Barons Oil Company, they drilled a well near Keho??? Lake and got good favourable showings of oil. But we had a seismograph run in the area and drilled a well where the seismograph looked promising but got no. . . . We later drilled a second well but it was no good.

#157 JP: So you hit your share of duster as well?

WH: Oh yes, we drilled a few dry holes. But at that time we were the second largest contributors to the Alberta Petroleum Association and with the American rigs coming in over the Leduc discovery and all the activity going on, why, we couldn't get any information out of the old Alberta Petroleum Association. It was operated at the time by Ed Cobe???, who used to have the restaurants in town, and a Mrs. Kinsley and he had to have a number of helpers and you couldn't get to see old Ed for days at a time. I finally dropped out. We couldn't compete with the business the way it was developed there because we couldn't get any money. The government wouldn't allow us to raise any money, they wouldn't give us the same write offs that they were giving the Americans that were coming in.

JP: You had a different set of rules for you?

WH: We had a different set of rules for the Canadians. They started selling reserves and holding out reserves in the field and you had to bid on them and buy them and there was no way we could compete with the tax dollars of the Canadian oil companies or the American oil companies coming in either. Because they were using American tax money to come to Canada and then getting another cut on it from the Canadian tax department by forming a subsidiary company in Canada.

JP: And you had to have the money up front.

WH: I tried to raise money and had \$3 million promised from 3 big firms in Calgary but we couldn't get the same consideration as the American companies that were coming in. If I could have got that \$3, in those days, I would have been the biggest oil man in Canada.

JP: Were some of these leases that you were still using, some of the land that your father had acquired or had you branched out a good deal beyond that?

WH: No, that was pretty well drilled up by the time we got to Leduc. We drilled a number of wells under the War Time Oil Program, where the government advanced the money. But that was about the last of the wells we drilled in Turner Valley.

#197 JP: Was this a penalty of being an independent, that you did have a different set of rules that weren't nearly as favourable?

WH: Oh yes, because you couldn't get the write off or depletion allowance, unless your income was derived from the petroleum industry. At that time, it was believed that the Imperial Oil largest income was from real estate rather than from the sale of oil.

JP: It would seem then, that the emphasis really, was being placed, by the government, on the activities of the larger companies, of the integrated oil companies at this time.

WH: Oh yes.

JP: Would this be a provincial government thing or the federal. . no, the federal wasn't in on this?

WH: It was both. In 1940, I was at the oil show at Tulsa and N. E. Tanner, who was the Minister of Lands and Mines at that time, came down and gave several talks to the petroleum industry at dinners and luncheons, during the oil show, telling all the American operators about the new discoveries of oil in Alberta and how they wanted them up here. And they came up here and they just sort of moved in, as I say, with rigs and equipment coming in. I dropped out of the Alberta Petroleum Association because I couldn't get any information from them, they were too busy bringing in American equipment and American rigs. And they were just coming in to run opposition to we few contractors that were here, the few people that were here. Because Okalta had two rotary rigs. . .no, three rotary rigs at that time, and when we weren't working them on our own work we did contract work, in the contracting business. The American rigs just put us right out of business.

JP: When did you get your first rotary rig Bill, do you remember? For what job, let's put it that way?

WH: We got the first rotary rig for Okalta #6. That was drilled to about 4,000' with cable tools and it was well out on the west flank, right along the Highwood River. We could see that it was going to be a deep test and we got the rotary rig to put in there. That was, at that time, that was drilled, to the deepest well in the British Empire. And that is the final bit over there that was silver plated by the Hughes Tool Company and given to me as a souvenir of the deepest well. . . .

JP: How deep did it go eventually?

WH: 10,209'.

#252 JP: Oh, that's deep. Was there anything technical that was interesting about that, in switching from cable tool to rotary at a certain depth, at the 3,000' level.

WH: No, nothing. As a matter of fact, a great many of the wells were drilled at that depth because you could drill to 3,000-3,500' with cable tools, quite rapidly and much cheaper than rotary in those days. Also there weren't that many rotary rigs around. There were several cable tool rigs that would start and drill to 3,000' and set 10" casing and then move the rotary rig on later.

JP: It became a thing that was done quite frequently? Yes. That's quite something to have that original bit.

WH: It makes a good ornament.

JP: Indeed it does. Who were some of the people you worked with Bill? Do you remember some of the people around that era, the independents that you would obviously be particularly close to the independents.

WH: Oh, I worked with them all. And if I hadn't. . . the independents had to loan and borrow enough equipment to keep everybody going. But I was down east in the summer of 1930 and I came back and I worked as a tool dresser for Roy Whitney???, down on the well in the south end, near Longview. I dressed tools for Bobbie Burns that later became the drilling superintendent for Hudson's Bay Oil and Gas Company. He's now retired. And

Lloyd Stafford, who's also now retired, Roy Whitney of course is dead. Was on very good terms with Ralph Will and Cody Spencer. In those days in Turner Valley I knew everybody.

JP: It was possible to know everybody and necessary too I suppose.

WH: When I moved to Calgary in 1941 and was working in the office here, I used to be able to call about every second person on 8th Avenue by his first name. Now, I can't find anybody I know.

#300 JP: As I said earlier, Royalite was a very big name in those days.

WH: Oh yes, it was the big octopus in those days.

JP: Were you ever criticized for that, for being big? Did people forget that once upon a time you were small and had to grow big, or were they too busy, loving the independents and not the integrated companies?

WH: No, I don't think that there was any criticism over that. We just had to increase on our own income. And then all of a sudden it got to where you had to have millions of dollars in the treasury to back you up and do exploration and seismic work and that sort of thing.

JP: Was money hard to come by?

WH: Original money, investment money wasn't too easy to come by. Although the stock markets didn't reflect that, I've seen huge fortunes made and lost in the stock market, practically overnight. I saw Macleod shares go from 50 cents to around \$25 in one day.

JP: How did Okalta fare in that regard?

WH: It did very well. Okalta shares went from . . . they were as low as 15-20 cents, common shares. But they . . . Okalta was financed on a little different process, it had preference shares, probably about \$100 and for every three preference shares purchased, you got one common share. And the preference shares all held up their value, they were paid back 100% and the converted to common shares. So the shareholders did very well but shares went to . . . after they were split 100 for 1, they went as high as \$6.50-\$7.00.

JP: Where did most of this money come from?

WH: There was a lot of it come in from the east, from Montreal and Toronto.

JP: What about local money?

WH: Oh there was lots of local money but not as big money as they had in the east. Any companies that were financed, pretty well had to be underwritten by eastern brokers.

JP: Which as you said, was big money, that you really needed during your exploration. What happened to Okalta, what was the story of it beyond where we've talked about, Bill?

WH: Now, there's a long story and I don't recall the last couple of developments of it. I never knew them. But my brother and I sold out our interest to three brokers in Montreal, Savard, Bellanger and Robertson. Three separate brokers. At the conclusion of the . . .

End of tape

Tape 2 Side 1

WH: . . .three separate brokers. At the conclusion of the dealings they just assumed that I would continue to run the company and I thought I would maybe be just asked to stay on for a few months to train staff for them to run it. But they wanted me to sign a contract, a three year contract or a five year contract and I wouldn't sign. Because at that time I was paying myself \$300 a month and they agreed to raise the salary to \$1,000 a month, which I thought was more money than I'd even seen at the time. I agreed to a three year contract, subject to cancellation by either party on one year and that I would be running it just the same as I had been. I would be the President and run the party. Well, it wasn't 30 days until they started writing me and telling me what reports to give to the paper about. . . .and the well looked like it would make 5,000. . . the well coming in, that we were right close to the line and had a site that looked like it would make 10,000 barrels a day and that sort of thing and I told them I wouldn't give out any production figures until I could measure it in the tank. We were to take all our money out of. . . we were to quit dealing at the Toronto Dominion Bank and put it all at the Royal Bank and I didn't think that was good policy because when things were going tough and the Royal Bank shut down on us, the Bank of Toronto bailed us out. So I wouldn't quit that and finally, at a meeting, they got pretty stormy and Savard told me that they had the money in this and they wanted me to do as they said and that I had to do so and so because they were playing the stock

market, they were waiting to make their money out of the stock market. I told Savard at that meeting that I thought that wasn't too honest and that I had travelled over a lot of this country, from Montreal west to Victoria and a goodly part of the western United States and I liked Calgary better than any place that I had even been and I intended to live there for the rest of my life. And I wanted to be able to walk down the street and look every man right in the eye, they couldn't point a finger at me and say I ever did them out of a dollar. When I turned crooked it would be for a lot more money than that and it would be for me, not for him.

#039 JP: Good answer.

WH: So I was . . . the next meeting I was relieved of my duties and they got an injunction. . . no, I wasn't relieved of my duties then, they got an injunction to prevent us from spending any money, other than their maintenance payroll until the annual meeting came up and then I was relieved of my duties and paid a year's salary in advance and they put in a new Board of Directors.

JP: Sort of, for you, a sad ending of a big family enterprise, really.

WH: Well, it was sad to see the way they bled the company and took everything out of it. Because there was a good operating account in the treasury, over half a million dollars when we sold out. They just bled that buying . . . coming out and buying any leases that they could possibly lay their hands on for practically nothing and then turning it into Okalta for huge profits, huge prices. And then Okalta was burdened with the yearly rentals on those worthless leases. They finally couldn't operate any more and they were taken over in a stock deal with another company, it finally wound up that now Oakwood has it.

JP: And Oakwood is the successor.

WH: Oakwood is the successor to Okalta. But its new manager came in and cleaned up everything, sold the steam rigs and draw works and everything for \$6 a ton.

JP: You have nothing to do with Oakwood now then?

WH: No, not a thing.

JP: Was that the end of your career in petroleum Bill?

WH: Yes. Then I went into the building business, contracting business. Played around with my horses for. . . .

JP: I was thinking horses, surely back to horses.

WH: Yes, and I bought this land here to run my horses on and then the city forced me out, forced me to sell.

JP: This part of Calgary was farmland then?

WH: Oh it was farmland, yes.

JP: What did you have in the way of acreage here?

WH: I had 120 acres.

JP: And you got big hay crops off it?

WH: Oh yes. It had been rented from different parties from year to year and everybody just scratched it in the spring and put some seed in and expected to get some crop out of it. I summer fallowed it and put commercial fertilizer on it and killed the quack grass in it that

was greeding the land out and sowed it oats and timothy hay. I took some enormous crops off it.

JP: For instance, in weight, what crops did you get off it, what size?

WH: I got a terrific crop of oats off it the first year, sowed a real light crop of oats but it grew higher than my head, the oats grew higher than my head and I cut that for green feed and then the timothy that sowed with it, got a good chance, had an open fall and it kept on going and stooled??? out well in the next year. I got 2 ½ tons to the acre off of that.

#087 JP: 2 ½ tons to the acre, that's a heavy crop. I'll bet it all came home to roost didn't it, at last, with your own land here. Now, you have horses here still do you?

WH: No, I don't. I got rid of all my horses, I couldn't find anybody that would look after them. Help got so hard to get. I had a sad domestic situation, the wife and I split up and we were later divorced and I couldn't look after the horses, the boys had all gone out on their own.

JP: This happens, the family grows up and. . .

WH: The family grows up and disperses.

JP: You've seen some tremendous changes Bill, this far in your life and you've got some more years to go yet, but some big changes.

WH: When I bought this land here, I thought that one of these days the boys might be selling it for city. . the city would come out this far. I never expected to see it come out here in five years and go so far beyond me.

JP: Right. What about Turner Valley, do you think that'll ever become a producer again, with modern technology? Or have you kept track of that at all?

WH: I think there'll be a lot of production taken out of Turner Valley yet, with this water flood and the modern technology. A lot of these wells would have good production in the upper sands wouldn't they, when they start tapping that.

JP: Prices being what they are now, it'll soon be. . . .

WH: The prices now. . .when we were. . . .we were selling for \$1.50 a barrel.

JP: Astonishing, just astonishing. But you still keep track of that, just for kicks.

WH: No, I just can't keep track of it. I find enough keeping me busy right around here and around my little farm and so on, looking after what I got.

JP: Where is your little farm Bill?

WH: Six miles west of the city, on Richmond Road.

JP: Watching the city come closer every day.

WH: They're building houses right along on the quarter east of me, right along my east boundary and there's eleven houses started there, one of them is finished and they're asking \$475,000 for it.

JP: And that does not include mineral rights.

WH: No, but I have the mineral rights on my quarter. But on the subdivision you have to have poor farm land. That poor farm land stops at my fence and it's the best land from there on, both the north. . . .all four quarters around me have subdivisions on them, they won't allow a subdivision on mine.

JP: Right. That should give you a great deal of joy. Thank you Bill so much, that's quite a story and I appreciate it very much.

17 William Herron

July 1981

Tape 2 Side 1

WH: Well, it's been nice talking to you.