

## PETROLEUM INDUSTRY ORAL HISTORY PROJECT TRANSCRIPT

INTERVIEWEE: Frank Manyluk

INTERVIEWER: Harry Simpson

DATE: January 9, 1986

### Tape 1 Side 1 – 45:00

Harry: ...Frank Manyluk who is now retired from the Energy Resources Conservation Board, and the meeting is being held at the Board's office on January 9, 1986. Also present at this meeting are George Warren and Murray Blackadar and Willis Gibson and Harry Simpson.

[Quite often it is not clear who is asking questions and who is answering.]

[muffled question...]

FM: My first visit there, it was already cleared and ??? [very muffled] So it had already ??? the first time I saw that.

Did the rig come down?

FM: No, it was still up.

I don't think I saw that. Did the rig eventually disappear?

FM: Pretty well, yeah.

That's interesting because...

FM: I had – before Leduc I had been on a well where the rig disappeared. And we later threw a plank, or some planks or something across it. We went and tried to find the top of it, but it was a twenty-foot hole at this point and it just kept going. It went somewhere, we don't know where.

Where was that from?

FM: It was at Lac la Biche, across the lake. it was a standing well, I don't know, what do they call it now?

Amoco.

FM: Amoco? I don't think there was more than two or three. I think there was one other somewhere, and I can't remember where, where the rig actually disappeared down the crater [muffled]. Kind of unusual. Usually you got it off.

Harry, is it your intention to discuss these things first?

Harry: Yeah. Well, at any time. This is the same set of questions, I think, that I passed on to George. Maybe it would be useful as a bit of a guide for us anyway. And we can certainly expand on this as we go along.

FM: Harry, I read the questions, then I sat down and sort of thought about what the Board did and why they did them. I wrote some scattered notes and I might read them. It will put the rest of the discussion in perspective.

Harry: Yeah, that's be great.

FM: My recollection of the Board requirements or regulations, whatever you want to call them, regarding surface casing or any other regulations, the Board's philosophy was that it set the minimum or slightly more than the minimum requirement, what they really thought should be done, having in mind that the good companies would exceed them, and they usually did, and that with time, the other companies would follow suit and, if necessary, the Board would strengthen them. This was reasonably successful. Then one other factor came in to play, and that was in those years, and for at least three times, every fifth year the Board made a very comprehensive review of all regulations. It would update them from the point of view of things that had happened in the previous five years, technological improvements that would allow us to make improvements. The reviews would consider additions, changes, and deletions so that we didn't get a big bunch of regulations that weren't necessary. The original set probably started with cable tool drawings and all this sort of thing, and a lot of them became just obsolete. But I say this because I think it will explain why we didn't rapidly move when something happened. If it was really important, yes we did. But if it was unimportant, well then we'd catch it in the next [review?]. If something did happen, it usually applied to a local area and we would issue a directive or put it on as a condition of the license in that area. Now in doing these five-year reviews, they were very comprehensive. My recollection is that they all lasted about six months. The first three I know I was involved in, and it was one heck of a chore. In all cases, I think, CPA committees and/or CAOBC ??? or whatever... were always consulting to what should be done.

Harry: That's sort of exciting...

[both talking at once...]

FM: ...and may put some of the answers to your questions...

Harry: Yeah, it does help, Frank. I wonder, you mentioned the Board reviewed, did a comprehensive review of the regulations every five years. That was starting when? I mean, was that sort of a practice...

FM: The first one I really remember was in the year that I – I think it was the first one – I don't remember the year, but I think we can pin it down pretty close. George, can you tell me the year that McKinnon was chairman of the Board, but also Deputy Minister, and it was the year he was in Edmonton when he was both?

That was the year...

He was...

It had to be the early 1950s. 1951.

FM: Well, it would probably be 1950 or 1951.

Well, I guess there was a major reorganization in the 1950s.

Okay, well...

I think that would be it then.

FM: Then every fifth year after that. We were pretty uh...

But we can check it.

Shortly after Atlantic Treaty [three day?].

FM: Although I don't think it was, it was not because of Atlantic... It was just something we intended to do. So we didn't wind up with regulations that thick and with a whole bunch of things that didn't matter and didn't belong in there.

Harry: Yeah, I think that does help answer some of the questions on here, Frank. Perhaps we could just go through this in order, if you like. I guess currently, speaking of the rig inspection and procedures, currently there's a very comprehensive inspection procedure.

FM: I guess, Harry, I should interrupt again. To understand my questions, I notice you say "now." I resigned from the Board and became a Board advisor in 1971 and dealt mainly with helping the Board with publications and special assignments, and I sort of lost track of all this. So most of what I am going to say today will be based on 1971.

Harry: Okay, I guess we can handle that. George can fix us up with the answers to what are the current procedures and so on, if not today, later. Okay that's fine. Maybe we should skip over the current situation then. What's the frequency of inspections? How long does a written inspection take? That sort of thing. We'll catch that later with George. But back to 1948 then, how often were rigs inspected and how long did the inspection take?

FM: Well, unfortunately for the purposes of this discussion, my first field job was Black Diamond and I was on one particular assignment and that was getting 5,100 quarts of nitroglycerine down Westpoint No. 2 and firing it off just as a last part of a ??? formation and I'm writing a report. I no sooner then finish that report, then they hit flowing heavy oil discovery called Ledos [??? 0:10:16] SAC core drilled by Lloyd Clinch, and I quickly ended ??? and got transferred up there. Of course, most of the rigs that I covered were either in Lloydminster, with a few still being drilled at Borradaile and a few at Wainwright, and in addition the odd well away from that little triangle. And the number of times you would see a rig would depend on where it was, how close it was to where you were. When I first hit Lloydminster, there was no such thing as a geologist or engineer either consulting or with the company. For some reason or other, it just developed or evolved that if they were going to run casings of any kind, surface, production, run a log, run a drill stamped head, you name it, for some reason or other they phoned me and asked if I would design it and whip it [??]. So I saw everything. In each case, ??? the rig. Our philosophy on outside wells depends on how far away they were, was to visit them and minimum, and it wasn't a time period, it was during the drilling of that well [muffled] and the housekeeping around the

rig. But the rigs close by, I might visit them six or eight or ten times. Usually during a five to seven-year period. So it's hard to put a number on it because... And that was essentially my experience at Lloydminster. Now, when I moved to Redwater, things were still pretty early. I would say in the Redwater field, we would visit always a minimum during the life of the well. Occasionally, two or three times depending on any problems and that sort of thing. But if you had to travel a long distance, say up to Athabasca or somewhere, our philosophy was get up there at least once while that well is being drilled.

Harry: So you would check such things as what sort of blowout prevention equipment was installed?

FM: Yes, but in these days, the early days, we did not ask for tests. It was a visual inspection: is it there? is it ready to put it on? Everything was visual, but not testing.

Harry: Right. There was also no heat ??? to are the crews trained in the operation of this, know how to operate...

FM: We used to make comments about that and, even though I hesitate to say it, where we saw unsafe conditions or working procedures or things of that sort – I know this is going on tape! (laughter) – uh, we had a loose arrangement with the Workmen's Compensation Board because we didn't think we had the authority, but we would report any such situation, if it was serious enough, to them and they would send a man out.

Harry: Would they help in the training, then, of the people, or just insist it be done?

FM: They would just correct the situation. I don't believe they had anything to do with the training.

Harry: No. But were the inspections impromptu or...

FM: Did they know we were coming?

Harry: Yeah.

FM: No. Always impromptu. Well, I shouldn't say always, but nearly always. Perhaps this might be a good time to put this comment in. It is not in your questions but it is very important. On a hindsight basis, although I was concerned to some extent at that time, and ??? a fault, but I'm not sure to what extent it has been corrected. It's a difficult matter, and that was surface [service?] rigs. We virtually paid no attention to surface [service?] rigs.

Harry: Neither did the oil companies, I don't think. Or very little.

FM: There were situations there that resulted in blowouts that could have been prevented if more attention had been paid. I just thought I would [muffled].

We all did surface [service?] rigs, I guess, even around Red Deer, Redwater. They were migrated in from Lloydminster... [muffled] into Leduc.

FM: I remember quite a serious blowout from a producing well that didn't have a surface rig on it. [muffled??] (Should I say it, George? It was Imperial) (0:15:58) The day before Christmas.

We find that hard to believe, Frank. (laughter)

FM: I was stationed in Edmonton. [muffled] ...Seltier was a Pacific.

Harry: Was it Comer? That was a German rig?

FM: No, this was a service rig operation, production casing in the hole. It was near... I was stationed in Edmonton and I used to have to drive through Devon???, on that side of the field. [muffled] We eventually had to call Kinley out and a digger. If either one of you are familiar with the wells that didn't blow out, I believe there were... We would keep putting the fire out at ???. We deliberately lit it so it wouldn't cause oil and sour gas to blow overnight and maybe do something that we didn't expect. And every morning we'd re-light it and go back to the car, put the fire out so they could go back to work on it. Do you remember such a well?

Harry: No.

FM: I can remember there were mornings when it took us six tries to re-light it. (laughter)

Harry: What year would that be?

FM: Or at night we'd light it and then in the morning. Well, this would have to be in the early 1950s, very early 1950s.

Harry: I was only in Devon from 1948 to 1950. It was after my time.

[muffled]

FM: I just throw that in as an example that service rigs were a bigger problem than the attention they got.

Harry: They get specific attention in the regulations today. The service rigs are set separately as...

Of course, [muffled] sometimes they just moved in for eight hours..

Harry: Oh yeah. But they are now covered by specific regulations, I guess.

(0:18: 35) Harry: I guess we might move on to licensing procedures then and now. I guess George, you were going to see if you could locate a 1948 well license?

George: Yeah. I didn't... Did you have a chance to look, Murray, to see if there was a ???

Murray: 1948 well license?

FM: Perhaps what I thought we should do... I think I could speak to two or three things that I think are quite different. And probably because of technology, the Board, between those two periods, there was a big difference between the amount of study [muffled] license in regard to casing and cementing. To go back to the early days, the Board looked over, checked over, approved the license, but the eventual

approval had to be ?? to Edmonton?? (0:19:46) and at some date that approval in Edmonton became unnecessary, but I can't tell you... Those were a few changes that stick out in my mind.

Getting back to Redwater, where the hell did their licenses come from then?

Harry: Did you issue it out of [??] Leduc?

FM: No. To my knowledge, there was never a case, and never has or still is a case where they're issued in [??] Leduc. There were times when a well... By this time we're into hosting [???] licenses, on the rig floor and this sort of thing, that we would make special arrangements that rather than the license go back from Edmonton to Calgary and then to be reissued out, we would make special arrangements with Mr. Sommerville [??] to shoot them straight out. Perhaps he would shoot them up to us, and we would give it to you. That may have given you the impression that we were issuing them and we weren't.

I thought I remembered us cutting it tight to the line and getting a license...

FM: This happened quite often that we would have a license shot straight out... and we would make sure it was off as quickly as...

Harry: I suppose one of the other changes in the licensing procedures is the attention that is paid to the rights of the surface owner.

FM: This happened after 1971.

Harry: Yes. Right.

FM: There's other main change that took place, and I don't think it's of any interest to you and that is the introduction of the [???] [low, muffled]. And I can't tell you much about that.

Harry: The casing programs were set out at that time.

FM: Oh yes.

Are they not now?

Harry: Yes.

FM: But you see, what I'm getting at, I think the Board became more sophisticated because of improved technology. There was a time when we allowed the use of black oil for casing. Then eventually, no way. And there was a period in Lloydminster, it didn't continue on, it was a short period, it was after the war. Casing was very short. [muffled] every string that was run, be it surface or production casing, at Lloydminster it was used casing. And the Board representative had to inspect it and approve it before it could be run. Again, it was a visual inspection, perhaps with the use of some micrometer, you'd look at the threading, the pitting, measure the deterioration of the hygrometers ??? You take your best guess as to whether it might collapse or not. But I think, and with time the Board got more interested in the collapse features of the type of casing being run in the hole. It just got more sophisticated with the improvement in technology. And the Board started to improve this on the licensing, considering the application and issuing...

Harry: Mmm-hmmm.

FM: And the same... Back in the early days in Lloydminster, I don't know whether their folks will remember this or not. The majority of the cement used on a well was construction cement you bought from a lumber company. Some of it was real old. But that was all you could get. Again, there was a fantastic shortage and for a period of about six months, I don't know how this occurred, but the Board representative was allotted a certain quantity of cement, and it was up to him to allocate it to the wells that were being drilled. With some cooperation with the drilling and adjusting the schedule and the timing of it, we never really got into any serious trouble. But to give you a good example, one of the wells that Imperial drilled at Lloydminster, ??? some cement that they bought from a lumber yard. And two weeks later after pumping it down the well, the pumped it right back out. It never did set up. (laughter) The samples eventually set up after about three weeks. In those days, we always took samples. [muffled]

Well, that's be when McCaskill ?? was up there. He drove about four or five.

Harry: Well, going on to the surface casing requirements in 1948 or thereabouts. How was the casing setting depth determined? And anything particular at the Leduc field, the Atlantic 3 in particular?

FM: You see, I was never involved in Leduc, but if you go back early enough, pre-Leduc, our main concern at that time, and I'm speaking of Lloydminster and that area, was protection of water supplies, domestic water supplies. We took the attitude at Lloydminster, for at least a few years, that you had a choice. Because it only took two or three days to actually drill the well, you could set enough surface casing, which was around 100 to 150 feet, and then not have to run ??? cement on your production casing, or not set any surface casing and cement your production casing full length. Most of the operators took the second option. Because there's only two or three leaves ??? (0:25:50) in between, and then a cup protected anyway. And of course, later, with wells outside the area, yes you had to set enough production casing, mainly to protect the production casing and also to act as an anchor to the drill pipe.

Harry: Yeah. Getting away from Lloydminster, though, I wonder who we could ask, what was the general philosophy on how much surface casing we should be used in a particular area?

FM: Oh. Well, when we switched from just the protection of domestic water supplies, our philosophy then was to get it to a signif... Let me start again. To run sufficient surface casing so that it got through the...

Harry: Glacial drift?

FM: ...glacial drift and significantly into...

Harry: Competent[??] formation.

FM: ...competent formation, that had more to do with determining the depth. Of course, that in turn affected the effectiveness of [low and muffled].

Harry: I guess I'm wondering... I gather the regulations were not very specific at that time with respect to how much the surface casing... So it was really a matter of a procedure that was approved for a particular area...

FM: It would be quickly changed after the drilling of the first well, because in those days you were required to take samples every ten feet, starting from the surface. And we'd quickly work back from ??? as to how much ??? there was, although it did vary a lot.

Harry: In the case of Atlantic 3, you may recall reading about it in any case, that they set something a little less than 300 feet of surface casing. And they had difficulty. They never did get returns of cement to the surface when they were doing the cement. It was, in fact, bobbined [??] in an unconsolidated glacial drift. Of course they should have drilled a little further and gotten into continent formation or something. That was one of the things that caused a lot of the problems after that. I guess 300 feet of surface pipe was sort of standard practice in drilling to the D3 in Leduc at that time.

FM: I went from Lloydminster to Redwater and 600 feet by then was the standard. I notice that in Leduc shortly after Atlantic 3 ??? under control, I guess, that a lot of wells continued to set the same amount of surface casing, and I hope, adjusted to get into a continent formation. And then the production casing was set and cemented prior to ??? D3. But I also noticed that a few wells didn't quite, or got into D3 a bit before ???

Wasn't there a requirement that returns made from...

FM: Yes, and when this didn't happen, we would ask for the temperature log, and having some general knowledge about the depths of the domestic water supplies, you may not have received returns but if the temperature survey indicated that the domestic water supplies were well protected, you weren't allowed to re-cement. But if the temperature logs showed that domestic water supplies were not protected, we required you to [muffled].

Harry: Say, I wonder if that procedure was adhered to in the case of Atlantic 3 then.

FM: You'd have to know whether...

They didn't get returns.

FM: Well, the temperature log made sure that the ???[muffled] were well protected. Maybe, you know, the cement was only twenty feet down.

Harry: Did Atlantic check for that?

I don't know. That would be something we could, I suppose, could be checked.

I don't have the tar receipts here but it says here on the 22<sup>nd</sup> they drilled to 300 feet, seventeen and a half hours, fifteen ??? [too soft and muffled to understand]... ran surface casing ten feet towards to 296 feet. With 100 (and I've got that in brackets with a question mark beside it) bags of cement. The plug was down at 10 p.m. Then it was allowed to stand approximately twelve hours. This is another question that's coming up. They backed the collar off and put in seven sacks of cement around the top of the teasen ?? [0:31:09].

FM: Some operators used to do that just so that they didn't have to keep moving the table around on the floor of their rig to stabilize the surface casing.

Yeah, but obviously they didn't get cement returns from the surface or it would have been ??? There's no record as to whether the temperature log was along?

No.

Because we were always concerned about protecting the domestic water supplies.

Harry: That was the major concern in setting the surface pipe, rather than wild control at that time?

FM: Well, in Lloydminster, as I said, you had the option. You didn't have to set any if you would then cement the production casing full length.

[microphone does not pick up very clearly the other men in the room]

Am I not correct in this, Frank? It seems like in you could go deep for maybe the D3 or the D2 had been penetrated, and you were obliged to come up with the cement on the production string, high enough to cover the bite, and in some instances it didn't and we perforated a pipe and re-cemented.

FM: As I remember the Board requirements, it wasn't necessarily the ripe??? It was 300 feet above the top of the highest potential producing horizon, whatever formation it was. And it varied from area to area. I am quite sure that 300 feet was the ???

As I remember, ??? shooting holes in Thiessen quite a way up...

FM: We caught a lot of static on that, yeah. Because there were risks in doing that, too.

There's getting holes plugged.

Harry: I guess this next question, did the Board staff monitor and witness the running and cementing of surface pipe or order inadequate jobs to be repaired? And I guess we've gone through part of that, Frank. You mentioned if they didn't get returns to surface, you required a temperature survey.

FM: And it would depend on the results of that survey as...

Harry: Yes.

FM: The main thing you'd be looking for protection of domestic water supplies as to whether you were recoursed to use cement or not. But if the domestic water supplies were not protected...

Harry: Now the current 1986 surface casing requirements, I guess, are...

FM: ...much more sophisticated than that.

Harry: ...are pretty protective and comprehensive.

FM: Don't they go by percentage of depth and that sort of thing in drilling?

Harry: They have a bunch of lesser of and greater of and options...

Actual use, depending on depth you have to use different ??? casing.

Harry: Yes, yes. But there's mention of such things as getting through the unconsolidated glacial...

FM: This was going on instead of ??? and much earlier.

Harry: I'm sure. So at least...

FM: ... occasionally because I can remember the ??? Athabasca or somewhere out in that northern area. God, we were getting over a thousand feet of ??? [very muffled]. And it would be just a little pocket. You could move a location away and it'd only be 100 feet or 200 feet.

Back in 1971, how was that enforced? When you say on the license it should be drilled to 1,000 feet ???

[muffled and people coughing]

FM: No, we used to depend on the geology department from their samples and logs, usually on very early wells, to see if we were getting into a competent [continent??] formation, and if we weren't we'd quickly adjust our ???

But once the license was issued, that was cancelled.

Harry: It seems to me, looking over that sample drilling license that's in the rig inspection manual, it refers to a surface casing setting depth but then it goes on further and says that the well shall be drilled in accordance to the current regulations, or something like that. And those regulations include this business of getting to a competent formation and through the glacial rift before you cement your surface pipe.

FM: What ??? is that?

Harry: Currently.

FM: Oh currently. Oh. Fair enough.

Harry: So, but whether that was the case in 1971 or not, I don't know.

FM: Oh, I'm sure it was, but I don't know when... I can't put a year on when we switched over from just protecting domestic water supplies to making it more useful as an anchor for blowout prevention. I think you have to go back quite far.

Harry: I'm sure that's right.

I would guess that the Atlantic 3 blowout must have had a significant impact on the care and attention that was given to such things as surface casing procedures.

FM: I don't think so.

You don't? Really? I'm surprised at that. They would in the Leduc field, I'm sure, but you're saying generally probably perhaps not.

FM: It certainly never impacted operations at Redwater. And I wasn't at Leduc. I have looked at the schedule of wells and looked at the completions after the control of the Atlantic 3, and I notice this large proportion of wells not drilling into the D3 before ??? any production casing, but I also notice a few that entered the D3 with only 300 feet of surface casing before ??? (0:38:05). Now whether this was by mistake, I don't know. There are a few, I can name a few ???

Harry: Presumably they were cemented in a competent formation.

FM: This I couldn't tell you. I would think that by then, enough wells were drilled that we would have gotten geological advice that we weren't in a competent formation [muffled]. But again I would go back to these little pockets.

Harry: Well yeah. That's what happened at Atlantic 3 really. There must have been...

FM: ...kind of an unusual...

Harry: Yes. I think so. Because Atlantic 1 and 2 had no problems cementing their surface pipe.

Harry: I guess you would agree, Frank, although you weren't at Leduc, that the attention paid to blowout prevention equipment on rigs was probably considerably more after the Atlantic 3 blowout.

FM: I would only agree that perhaps more often, and a little bit more meticulous, I'm sure I'm right, that we hadn't reached the stage of requiring and witnessing tests. It was still visual.

Harry: Yes. But I guess... I don't know if your familiar with the Hasmerg button type of so-called blowout prevention equipment that was on the Atlantic 3, and it was really completely inadequate. And I assume that that was not allowed...

FM: There were some types of hydro equivalents that were later found inadequate.

Harry: Is that right. So it would seem that there were certainly some changes made as a result of the Atlantic 3 blowout in some ???

FM: Yes. As blowouts continued to occur after Atlantic, and I am sure you remember there was a series almost in every large field, we would add things. I think more because in studying any particular blowout, we determined a reason or were able to – some you couldn't. Well, we can easily correct that by requiring this. But I think it went that way rather than a study and saying, well, we should set surface casing and then a set of intermediate casing before you get to here and another string before you... Almost an old cable tool theory. Things that referring to the number of outlets, I'm referring to a flare line and a kill line and what size should they be and should the lines be in and tied down before... Then

you'd get a blowout that the prevention equipment would close around the drill pipe but the drill pipe was thirty feet up in the derrick. Well, yes, you should have a stabbing valve immediately available that you can stab it in before the blowout is so large you can't do it. Little things like that, yes we kept... As they occurred to us that this would have stopped the situation.

Harry: I guess in 1948 the regulations were very general, would you say? And it was after that they became more specific with respect to blowout prevention equipment.

FM: I'd say in 1948, or prior to the first major review, that a lot of the regulations were really meant for cable tool drilling.

Harry: Oh really. Yeah. So as far as rotary rigs were concerned, they were very general.

FM: They were new to the Board.

Harry: Yes. Right. Yeah, don't misunderstand us. We're not criticizing the Board...

FM: No, if you want to criticize the Board, go ahead. I've already criticized the lack of attention the Board gave to surface rigs.

Harry: Right. Um, well, pressing on here. This was the one that Gibby brought up a minute ago. What is the current requirement of the regulations or procedures for cement setting time in casing operations?

FM: Since 1971, Harry, the Board, oh wait a minute. I think I'm referring to abandonment ??? Has any of this followed through into casing? I don't know. When I, in 1971 when I sort of lost close touch with this..

Twenty-four hours.

They were the requirements [muffled, soft voice] (0:43:35)

FM: There were areas, and I'm very vague, I'm going to be very vague on this because I can't... where if you ran straight cement, it was twenty-four hours. And if you ran two percent calcium chloride mixed with cement it was less than twelve hours.

Harry: This requirement in 1971, which probably hasn't changed a great deal now, how would that have compared to what was in place in 1948?

FM: ...going back to Lloydminster? (laughter) Because there was quite a different situation there. We knew we were using cement from lumber yards, it might be old, and we depended more on samples taken at the time of cementing than we did any regulation. If the samples weren't set up – I think the regulations said twenty-four hours – but if the sample wasn't set up in twenty-four hours, and the Board representative usually took at least one of the samples or had access to all of them, no way. You waited till the sample was ready.

Harry: I see.

So there were no samples taken in Leduc?

FM: Well, ??? you'd have had an office full of samples. You would have had an office full of samples.

Harry: Right. Okay.

FM: But you see you weren't getting cement ???

### **Tape 1 Side 2 – 18:00**

FM: I personally did because of my career at Lloydminster. If there was something in the ??? hour about to happen, turn around and watch it. SO learn something about, for your own good and to report for regulations. But if it wasn't going to happen till tomorrow, I didn't have time to wait [muffled].

Harry: This last question on this list here asks, Did the Board increase the number of field personnel soon after the Atlantic 3 blowout? I guess maybe a better question would be, how soon did the ratio get to be somewhat reasonable?

FM: I think it had more to do with [muffled] and production facilities and the things that had to be inspected rather than the blowout.

Harry: Would you say it was not until, what, the early 1950s that the ratio got to be more reasonable of rigs to inspectors?

FM: I think the Board... See I was only at Redwater two years and when I got there, two, essentially one year, by the time I left there was five ??? [soft, muffled].

Harry: That was in what year?

FM: I was only there two years. During the next year, they added a few more.

Harry: Yeah.

FM: But at the same time, the Redwater office was called upon to cover [soft, muffled]... But not that much drilling. ... But on the field trip, ... only person. There were field trips that I can remember, I was gone long. Now that wasn't there. I would say the average field trip was ten days to two weeks. We'd wander all over northern Alberta.

Harry: Now at that time, you made into some awfully bad roads.

FM: Oh yeah. The roads...

[two men talking on top of each other...]

FM: Wasn't paved roads. Just gravel roads and muskeg, and quite often ??? and somebody'd come pull you out.

[muffled voice...] ...and I don't remember a Conservation man ever showing up to that one.

Harry: He was probably masquerading as a drill bit salesman. (laughter)

FM: I can remember, from Lloydminster, going up to Lac la Biche and north to Athabasca... But I guess you're talking... Maybe I don't know my geography very well. [muffled] If he was involved in some series of tests, it could take a week [muffled].

Harry: Setting those holes [???] road awfully slow.

FM: Well, I was gone, both of them, a year ??? From the coast, there's no road in. We had to come in by train.

I don't know. Maybe there was someone in there that I don't recall.

Harry: I know on Hunter Browning ??? that would be in the 1940s I guess, early 1940s. [muffled]

FM: Yes, he made trips out from Calgary occasionally, not very often. He ??? I would guess he would probably make arrangements with the Calgary office. If someone there was going, maybe he would accompany them.

Well, at that point in time these rigs, we reported to Turner Valley, you know.

Harry: Something I was wondering about was how was the Board financed in 1948. Now it is financed 50/50 by the... [two men talking at once]

FM: I'll ask if I can think for a minute or two. If my recollection is right, initially the Board financed itself by assessing all production or near production areas, including the Crown ??? And then they would tax them according to what they owned. Then experience showed that this was usually 48 to 52% one way or the other and it would oscillate back and forth, and they said, why go through all of that? Why not just make it 50/50? The assessment of the industry composed fifty percent of our budget requirement [muffled and low] ... grant.... But I can't tell you the year that happened.

Well then in 1948, [muffled]...

FM: Do you remember the year the changeover took place where we just got an automatic...?

I think it was in the 1960s when they changed, just before I...

FM: But it was because it was so close to 50 and involved so much work.

So close to 50, why bother?

The 50% remains.

What's the basis for the industry assessment?

That's changed in recent...

To make us look independent.

FM: No, no. I appreciate that, but...

Harry: It used to be based on the discount of the present value of the remaining reserves.

Reserve base.

Well, no. It wasn't really. Not in the early days.

On, I'm sorry... [two men talking at once...]

FM: If you drilled two wells, then it was obvious that this acreage was also productive. You'd get assessed on that, too. Be it Crown or be it anything. If it was Crown [muffled].

Harry: Now today it's production.

FM: Reasonable certainty...

And I think that's ???

Reasonable certainty?

Yeah. ??? was included.

Yeah.

At the time I went up there, the areas were assessed. [very soft and muffled voice] Said on the package all the areas that ... and they included wells that were produced, areas adjacent to it, and mostly ... geological department... what the timberline was. So everybody in there got assessed on same base or another. The ones that produced, clearly got assessed on production. [muffled] There was a neat little formula...

FM: To make sure we are abundantly clear, no area was ever assessed that was out in the boondocks and no well on it.

Harry: Gibby, I guess the basis of actual production is a much more reasonable basis, and they use that now for these assessments. The reason they didn't before was the province didn't have the power to levy an indirect tax.

I was just going to say that.

Harry: And it was the change in...

FM: Production was used for a while, and then we shied away from it because of some Supreme Court decision and we realized that if somebody challenged us, we were going to lose it. ???

Harry: And the assessment was being done for information purposes rather than have another system to ???, we used the same system.

FM: [muffled, two men talking at once]...to tax production.

Harry: It was in the BMA Act, actually. It was beyond the powers of the provinces. But they now have that power. That allowed them to change to this basis now.

...Prior to 1983, it was all done on the basis of a reserve base, but there were different formulas. One, as you are well aware, was a complicated thing...

It sure was.

The other one was just, you know, you made it complicated so it was difficult for them to appeal on the estimate.

(laughter)

That didn't stop them!

(laughter)

Harry: Well, I'm just about out of questions. Maybe we could go back a little further, Frank, just for the record could you tell us when you graduated from the University of Alberta in chemical engineering, was it?

FM: 1945 in mining.

Harry: In mining engineering.

[muffled]

Harry: And did you go directly to the Board when you graduated?

FM: I think I had two summers of rough necking. I also worked for ??? building the last three wooden derricks. I also fired steam boilers... Whatever job I could get. And then following graduation, I spent about five months in the Canadian army infantry, getting my basic training. They dropped the first bomb on Japan and put everything on hold [muffled, soft]. ...at their suggestion because they said if you wait till the big wave starts coming in from Europe, it may take years. So I got out quite quickly and joined the Board in '45.

Harry: That was in 1945? And you retired for health reasons in what year?

FM: In 1980, partly for health reasons and partly because it wasn't worth the pay. I had reached the maximum pension, I had put in my thirty-five years which is the maximum under our pension. There's a little rule in the pension regulation that says you cannot draw a salary and your pension at the same time. Your pension went back in the general revenue and what's the difference? [muffled] One was just as important as the other.

Harry: Sure. What have you been involved in since that time?

FM: I took over the supervision of ??? of a couple of wells [muffled]. ...just enjoying my pension.

Harry: Just enjoying it. Yeah.

Have you been doing any traveling?

FM: Very little. I haven't got in the mood again. I did so much traveling both car wise and airplane wise while I was working that it is going to take a few years to get back... To be fair to my wife, she has some friends that – is this going on tape? – she has a friend that got widowed that was in a ??? group also [soft and muffled], they both drive and they both [muffled]. ...Maritimes. So it's worked out well. If my situation stopped her, I would feel guilty. This way, I don't.

[muffled question]

FM: That hasn't been the main reason, no. I just haven't been inclined. I just haven't wished...

Harry: ...to chase all across the country.

FM: Well, even going in a plane. This living out of a suitcase. I'm getting too much of a... I'm sure, I hope, the feeling will come back that I'll want to.

Harry: Well, I sure want to thank you people for having us over here for this little meeting. It's been very interesting.

FM: I guess the thanks go to George and Ory.

Harry: And to you for showing up and giving us your help, Frank.

[muffled]

FM: Surprisingly enough, I took away a lot of books to read, primarily on Canadian history, particularly western history, to read when I retired. I find myself just looking up technical books, rather than...

(laughter)

Harry: Once an engineer...

Has anybody here read the book on Decalta? Western Decalta?

FM: I haven't seen it. The one that I've found most interesting is the one by George ??? (0:14:52). It's quite well done.

The one you're speaking of, I was supposed to be getting a copy of that, but it's never shown up yet.

If we're talking about the same book, it was written by the same man who was [muffled] and I'd never heard of it before.

[misc. chatting about getting hold of this book...]

Have you read this one on the natural gas processing?

Yes.

You read that one too, eh?

FM: Yes, that wasn't quite as interesting to me 'cause I wasn't a processing man, as Georges was....

End of interview