

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Horace Meech

INTERVIEWER: Nadine Mackenzie

DATE: October 1983

NM: This is Nadine Mackenzie speaking. Today is Thursday, the 27th of October, 1983 I am at the office of Mr. Horace Meech. Mr. Meech, where were you born?

HM: Lethbridge, Alberta.

NM: Which year?

HM: 1917.

NM: What did your parents do?

HM: My father was an architect.

NM: So where were you educated?

HM: In Lethbridge and then at the University of Alberta in Commerce.

NM: Why did you choose Commerce?

HM: I think business interested me and none of the professions did, I think that was probably it.

NM: How long did you spend studying business?

HM: Just 3 years at university.

NM: Of Alberta?

HM: Yes.

NM: And then what did you do?

HM: After university I did what I had done in the summers through university, I went to work on the seismic crew. There weren't many seismic crews in Alberta in those days but it was the best paying job you could find.

NM: So did you do that too, as a summer job?

HM: Summer jobs, each summer, I worked for Heiland Research and for Seismic Service Corporation, which were some of the early crews in Alberta in those years, 1938 and '39 and '40.

NM: And what did you do with the seismic crew?

HM: Just a jug hustler and a rodman on the survey, that sort of job.

NM: Where was it in Alberta?

HM: It was on the Blood Reserve in southern Alberta one year. Another year it was east of Lethbridge, the Taber area. And then in 1940 it was in Unity, Saskatchewan and up into Lloydminster and the Vermillion area.

NM: So it was all over the place. And how did you enjoy this type of work?

HM: Oh, it was great for a young man. Usually I was the only Canadian on the crew, they would all be Americans who would come up from the United States.

HM: And how old were you at the time?

HM: I was in my early 20's.

#025 NM: So when you finished your studies at the University of Alberta, then you went back into this type of work?

HM: Yes. And that was in 1940 and I ended up in Vermillion working for the Heiland Research seismic crew and there was an organization there called Western Drilling looking for a man to hire. I heard that their head office was Lethbridge so I phoned my brother to see what I could find out about them and it turned out my brother's best friend was the accountant for this organization, so I got the job in Vermillion. And stayed there for about 3 years as a field office man, keeping time, keeping inventories, you know, a go-fer, go for this and go for that.

NM: Were you using your business training?

HM: Yes. To some extent. And it was great fun because I was seeing new power drilling equipment in action. Granted it was shallow drilling but it was great fun to be part of an organization drilling a well to find oil.

NM: How was Alberta in the 40's?

HM: I would guess there was very little going on in the oil industry really. Turner Valley would have some activity then, in fact all our drilling crews were hired in Turner Valley. They way you got your crews in those days, you hired the head driller and then he went out and got the crews and they all came from the Turner Valley area. It wasn't very prosperous.

NM: So it was not too easy for people to find jobs at the time?

HM: Well, you could find jobs, it was a hard job to find a good paying one.

NM: What about the equipment?

HM: The equipment in the field?

NM: Yes.

HM: We were drilling just 2,000' holes so it was small equipment. It wasn't portable but the company I worked with called Western Drilling was controlled by Mr. E. L. Cord of California, the man who built the Cord car and he was a strong personality and he did things his way. But he sent up a brand new little drilling rig, we used 90' wooden derricks. Initially it took us a surprising amount of time just to drill 2,000' but eventually the crew got so they'd drill a 2,000' hole in 30 hours, once they got set up, just no time at all. The crews were used to heavy steam equipment out of Turner Valley and we had small gasoline power equipment. It was a lot of fun. I drilled . . .

NM: What type of car were you driving at the time?

HM: A little Chevy coupe ??? of the 1940 vintage.

NM: Did you have any problems with it?

HM: No. You have the problem of shaking them to pieces on the roads, problems of cold weather and I did get up one morning in Vermillion and started the car on a very cold morning after it had been out all night and burned out every bearing in the car.

NM: That was the end of it.

HM: Yes, new motor. I once drove Mr. Cord in that little Chevy car and the only thing he asked me about the car was, how much air did I carry in the tires. When I told him he said, it's not enough.

NM: Can you tell me a bit more about the seismic crews in this time?

HM: The seismic crew consisted of a Party Chief, a shooter, a recorder. The Party Chief would have a man in the office who did the mapping, the shooter had an assistant, had a driller

and an assistant, and the recording crew, the number varied. On the SSC we had 3 jug hustlers and a recorder and an assistant in the truck. With the Heiland crew there was just the recorder and 2 jug hustlers.

#072 NM: How was it to work in winter?

HM: Everything shut down in those days, in the wintertime, there was nothing went on. The crews all went home, the Americans all went back to the States.

NM: So everything stopped?

HM: Everything stopped, yes.

NM: So what did you do?

HM: I stayed on the payroll in Vermillion for 3 years and we pumped the wells and tried to ship some oil. The big trouble was, nowhere to sell that heavy oil we had up there. Eventually we got the railways to take some, just at that time the railways were changing from coal to oil and they could burn this oil just as it came out of the well, in the locomotives. I loaded the first car out of the Boardale field, in the winter time. I had a 250 barrel tank full of the oil, I had to heat the oil to move it because it's very thick and heavy. So I got an old steam tractor, fired it up with wood, got lots of wood, had people cutting trees and sawing it up, drove it to the location and hooked it up to the steam coils in the tank. Took all night stoking this thing with, I've still got a mental picture of it, the fireman throwing logs of wood into this old steam boiler to get the oil. Then we finally, it took us about a day with a truck to load that oil out of the tank, into the railway car.

NM: So then you were getting more and more interested in the oil industry?

HM: Oh yes. And during that time, the lawyer for the Western Drilling was Mr. Eric Harvie. And he would phone me from time to time to see what these little wells were doing. They were very small wells. And I just got to know him over the phone. Then Cord's company went to the CNR and did a deal and turned over all their acreage and the railway company formed Canar Oils who undertook to drill out the property. They would drill it and operate it until they got their money back, then it would come back to Cord's company, that was the basis of the deal. Well, it didn't take very long to see that it wasn't likely ever going to pay out. They went ahead and drilled it up because they needed the oil by this time, for the railway. I was moved to Lethbridge and was really, closing down the Western Drilling Co. It had rigs down in Delbonita, Twin Rivers and Ross Lake and my job then became to gather all this equipment up and try to sell it. There weren't many people interested in it. In fact, we shipped a lot of the best of the equipment back to the United States because there was nobody to sell it to and I was still left with a great pile of iron to dispose of. Then I was in and out of Mr. Harvie's office because I was selling things and I needed legal advice. And he said, what are you going to do when this is all over. I said I really don't know but I'm the only man that knows where this stuff is so for now I'll just go along. He said, why don't you come in and work for me and finish this up for Mr. Cord at the same time. He said, I've just bought a half million acres of mineral rights and I want somebody to go to work on them. So that's where I started with Mr. Harvie's companies, which were Western Minerals and Western Leaseholds.

#112 NM: Can you tell me a bit more about Mr. Eric Harvie, what type of man was he?

HM: He was a lawyer. He was a man with a military bearing and a military way about him. He was a very reserved man, he did not like publicity. He'd been in the oil business as a lawyer for many, many years. He'd participated, I think, by the time Leduc came along we figured he'd been in, personally, with a personal investment in more than 80 different oil ventures. He was active in Turner Valley and he brought the first seismic crew into Canada, into Saskatchewan. Many, many years, I've forgotten the date. But he was greatly interested in oil exploration, that's why he had watched these mineral rights for years and when the opportunity was right, he bought them.

NM: So how old were you when you went to work for him?

HM: 25 I guess. And I'm still here.

NM: What did you do there, what was your job exactly?

HM: My first job for him was to clear up all the titles for this half million acres of mineral rights he had bought. There were about 1,000 separate titles of lands scattered from 60-70 miles east of Edmonton to a few miles west of Edmonton.

NM: Was there any problem clearing the titles?

HM: The land had been held by a British Dominions Land Settlement Corporation that, through the years, had brought in settlers and sold off the surface rights, reserving the mineral rights to themselves. And then they had gone into voluntary liquidation, voluntary bankruptcy because they'd sold off all their rights. And it was just a question of what would they do with their remaining mineral titles. They were in poor shape on the face of it, the titles looked bad when you searched them in the land titles because they hadn't paid proper attention to their transfers and in some cases it was pretty sloppy work all the way around, as far as looking after the mineral rights.

NM: So did you have to do a lot of research?

HM: Yes, and mineral taxes had not been paid ever. And municipalities had been able to assess mineral taxes at some points in time. So one of my jobs was to clear up all those mineral taxes, which meant talking to municipalities that had lost their records and didn't even know, you see. And then get the land titles people to do the proper work on the titles so that they were in shape and I guess I worked on that for 2 1/2 or 3 years. Well, 1943 - '46. It was one of my principal jobs with Mr. Harvie and the other was to help him, I worked on the organization of his companies during that time. He, during that time, took some partners into his company, some New York investment people, that sort of thing. It meant some work along that line. But once the titles were cleared and we got them transferred into the names of our own companies that was done you see, and that was finished in '46 and it was the wisest thing anybody ever did because, whereas those titles were not of any real value in '43, by the time Leduc came along then everybody was looking at them. And if you hadn't had them cleaned up you'd have had nothing but trouble because suddenly they were of real value and then it's harder to deal with.

#159 NM: So you were really doing pioneer work.

HM: Yes. I searched all those titles right back to the original land grants from the CPR and set up a record of what had gone on.

NM: That must have taken you back years and years.

HM: Yes, to the original land grants to the CPR and then all the transfers.

NM: Where were you working from?

HM: A lot of that time on the titles was done right in the land titles office in Edmonton. They gave me a table, let a girl help me who was their employee. Because I was sort of half helping them to get a problem off their back too. They knew the work had to be done, it hadn't been looked after in the past.

NM: What did you do after clearing up all these titles?

HM: In 1945, early '46 there was very little going on in the oil business and in Mr. Harvie's own operations in Western Minerals and Western Leaseholds companies, there was very little going on. So I left Mr. Harvie, went down to Lethbridge and set up my own business, as a real estate agent and insurance agent, something that had always been in the back of my mind. I did this until '47 when Dooly Coke, who was one of Eric Harvie's partners and an American geologist, came down to Lethbridge early in '47 and said, how are you doing. I said, fine and I talked to him about Leduc and he told me what he knew about it and he said, you know, you should go back up to Calgary and talk to Eric if you're interested. I did it very quickly thereafter and wound up my business in Lethbridge and moved back to Calgary.

NM: And how was the business in Lethbridge?

HM: Quite good. But not the sort of thing I wanted to do.

NM: Why did you go into real estate?

HM: Really it was a business move I could make without a lot of money, it didn't require a lot of capital and it put me in a business situation where I was watching what was going on in real estate.

NM: Were you selling houses or land?

HM: Yes, houses and land but I didn't really sell much.

NM: And what about the insurance company?

HM: Insurance was pretty good. I knew a lot of people and I was able to do well that way but I didn't like selling. What was good for me in those years was, every farmer in Alberta was getting notices from the income tax department to file income tax returns back to 1943.

#193 NM: How could they do that?

HM: None of them had filed taxes and none of them had any records. So they were coming to town in great numbers saying to anybody like me, will you help me. So I ended up working night and day filing tax returns. The difficulty with that was, you had to be careful that you weren't telling lies for the other fellow because the tax department would trust me you see, and if I had done the return they would know that I had made certain checks and balances that were reasonable. So it was a way to make a lot of money quickly but it wasn't any future that interested me.

NM: Right. It wasn't really what you wanted to do. So then you came back to work for Mr. Harvie?

HM: Came back to work for Mr. Harvie.

NM: Here in Calgary?

HM: Here in Calgary, yes.

NM: What did you do?

HM: Well, by that time, with the Leduc well drilled offsetting Mr. Harvie's acreage which was leased to Imperial Oil there was a fair amount to do and there was more drilling then, going on in and around Edmonton where we had acreage and I had a fair amount to do to watch what was going on. Mr. Harvie then, his land was of interest to a large number of people were knocking on his door wanting to do deals with him, they were coming from all over the world by this time you see. And particularly after '49 when Redwater was discovered because the discovery well in Redwater offset our land too. And at this point we hadn't leased our land, we had it open. So we were in a position to begin drilling ourselves and then I was busy. We had no steel, no pipe. We had a man who knew how to drill wells to work with us, who was interested in the company, an American by the name of Barlow. The problem was, how to get rigs, get casing and drill these wells in Redwater which were very prolific. In the early days of Redwater we'd just cock the well wide open and make 1,500 barrels a day which was wonderful. That didn't last very long but it lasted for a little while. We ended up in the end, doing an arrangement with Imperial Oil, where they undertook to drill our land for us. And if they started a well, they would supply casing and complete the well. Casing was a terrible problem because steel was short. During the period I bought steel in the United States, had to get foreign exchange control permission. Then I'd move the steel to a mill and have something done to it and then move it to another mill and finally have pipe to bring back to Canada.

#233 NM: That must have taken a lot of time.

HM: Oh, a terrible amount of work. I had to get special permits from Ottawa on everything, to get U.S. money, to do this, it was a difficult time. So the deal with Imperial meant that our drilling went ahead and we got our wells drilled more quickly than most other people did in the field. Always the idea is to get your straw in the pool drawing the oil first.

NM: But you did not put everything into Imperial's hands, you were keeping control too?

HM: We kept the land, they acted as a contractor. They hired the rigs and they did the geological work and did a great job for us. They were the best. And we got all our wells drilled quickly and during this period we built our own staff up.

NM: At the beginning how big was the staff?

HM: I was it in the beginning. Eventually I've forgotten how many people we had in Western Leaseholds. By the time the early 50's came along I guess we'd have a staff of 90 or 100 people, by that time. Because we were producing the wells. By this time we were buying acreage all over the place and getting into other plays and that sort of thing. Then in 1955, Mr. Harvie sold Western Leaseholds to Petrofina, a Belgian company. And at that point, Donald Harvie, who had been working on the family affairs side of things and I had been working on the oil operating, I had been managing the oil operating company, we switched. Because I didn't want to go with a large corporation like Fina, I had no desire to work in a large organization.

NM: Why did Eric Harvie sell Western Leaseholds to Petrofina?

HM: Eric had built the company up, we had about 6,000 barrels a day production, we had a lot

of acreage all over the place, he could get a good price for it but in addition, he never enjoyed a public company, he never enjoyed being accountable to the general public. He just didn't like the idea and sitting in that position where the public could question him about what he was doing.

NM: So he was a very private person.

HM: Very private person and so was his wife. So I think that as much as anything. Just the public part of it became a headache he kept the Western Minerals company which held the royalties on all this acreage. And in that shuffle, and by this point he had 6 million acres in the Yukon and the Northwest Territories. Petrofina didn't want it.

#277 NM: Why?

HM: Well Petrofina, Mr. Walters, the head man in Petrofina from Europe, sat in the meeting and he just said, too far down the road, we're just not interested in that play and I'm not sold that you should go, you don't need to go way up there now. That was essentially. . . and he was about right.

NM: Maybe for a European mind, it was too far away and too long.

HM: So we took that 6 million acres out, through a complicated arrangement with some people in Toronto and Western Minerals and Petrofina. So it ended up Western Minerals had it in '55 and under their control with 6 million acres with Conwest Exploration of Toronto as a partner. That was the principal operation I ran in Western Minerals for the next 7 or 8 years, through to the early 60's I guess. And we drilled 5 or 6 wells up there. It was a real challenge because no one had drilled in that remote an area of Canada at that time. It was unmapped essentially, the area. We went in with seismic crews first. We'd done surface geology when Western Minerals had it but we went in with seismic crews in '53. Of course, you go in with your seismic crew with an Indian guide and he ends up at the wrong place. But by that time it's too late to move anymore, the breakup's coming, you can't go over the river, so you stay and work where you are. You find a great big structure, tremendous structure. We found this with the seismic, our first structure on the Eagle Plains with about 4,000' of relief on it. It was just an elephant. And we were very excited so we went looking for a drilling rig right away. Everybody we talked to, we bought the rig and paid them and ended up owning nothing. So in the end we bought a rig ourselves. In Alberta. Got a man who'd done tractor training in Ontario in the early days in the mining industry where they took heavy loads in on big tractors and big sleighs, in trains. And he worked as a matter of fact, for our partner. So he came out and we took this drilling rig apart and got it into pieces that we could handle and that he could handle on the sleighs. And he was a very matter of fact guy. I had confidence in him right away. I said, how do you know your sleigh can handle this and he said, I've got the same weight on the sleigh runner per square inch as I've got on a truck tire, that ought to go.

NM: That was very clever.

HM: Then we bought the big tractors, then these things started out south of Dawson City to go 250 miles at 3 miles an hour. A big tractor and 3 sleighs and another tractor and 3 sleighs. You'd spend all winter getting all your equipment and supplies in, this meant all your fuel in drums, not in tanks, in drums. So we ended up with hundreds and hundreds and

hundreds of drums. Get it all on the rig and then you'd drill in the summertime.

NM: This is the end of the tape.

Tape 1 Side 2

HM: The first well, Eagle Plains #1 was a dry hole all the way. We drilled on it through 2 summers, all kinds of odd experiences but no oil and gas. We found through this experience, we could pretty well work on a schedule although it was a slow one and drill in that part of the world. And it cost, in those days, about a million dollars to drill 8,000'. That of course, is very small change compared to what they spend nowadays. It took us at least a year though, to do that, because we could only move over the ground in the wintertime. The second well was drilled on another seismic structure, a very small one and really, the only drillable structure we had after we'd finished the Eagle Plains, and in that well, Chance #1, we found oil and gas. But it was a small structure and it was a small well with productivity problems and we never really got it on production. It produced medium gravity crude and gas and water. It was so small it wasn't worth really working too long so we continued and drilled about 3 more wells over the years and then started to farm the acreage out. We farmed out to Secony and they went in and drilled a number of wells over a period of 3 years. They gave up, the property all came back to us and we then farmed out to California Standard who went in and drilled 2 or 3 wells and they gave up.

NM: Why, did they not find anything?

HM: They didn't find anything. I was able to tell Mr. Eric Harvie one day, after this was all over, in the early 60's that throughout all this we had forced the pace on our partner and in the end had bought them out, so I was able to tell Mr. Harvie that he had all his money back and he had all the property but no prospects.

NM: What did he say to that?

HM: Well, those were the days, by that time he wasn't very well and it was sort of obvious that someday he would want to do something with all the companies. But it became hard for him. He had enjoyed the northern exploration and he was a great man, always, to take a big gamble. He would make his decision quickly but he drove people crazy on small deals because he wouldn't make his decision. He had a difficult time, usually he would play with a small decision and sort of enjoy the problem but not make the decision. But on a big decision he had no problem at all. I could get him to agree to drill a well in the Eagle Plains but you couldn't get him to drill a well outside Calgary because, really I would be drilling on a small block of land and it was really not a very big gamble. That was his sort of approach to life. Through those years we got into the chemical business, we built a caustic soda coring plant that we eventually sold.

#039 NM: Where was this?

HM: Near Two Hills, east of Edmonton. We had natural gas up there, on our own acreage. Mr Harvie talked to a chemical engineer in Montreal who put the natural gas and the water in the river, or the brine in the salt wells, there was a big salt deposit there. He pumped the brine out of the wells and with the natural gas you could run an electrolytic cell that broke

it down into caustic soda and chlorine.

NM: Was there a big demand for this type of product?

HM: No, we started out with just 10 tons a day, very small plant. It worked it up to 80 by the time we sold it but our problem was, in selling with the chemical business, our customers always say, what do you buy from us. You see, to do business. This was the way a lot of the business was done. But it's an awkward marketing business because if you have a market for 80 tons of chlorine a day and you produce that, you get 80 tons of caustic so you need a market for 80 tons of caustic and vice versa. And either product is very difficult to dispose of if you haven't got a market for it. The chlorine you could make hydrochloric acid, you could do a certain amount of it that way, and the caustic you could do some things with, you could make it into flake or solid or liquid but it was a difficult marketing problem to keep your chlorine and your caustic balanced all the time. And really, we eventually sold out to a chemical company who had much more by way of connections and could trade and keep it going.

NM: At the time, where did you find the staff to work at this chemical plant?

HM: We found the staff in the east for the plant and moved them out to run the plant, the principal.

NM: You couldn't find people in the west?

HM: No, the principal people just didn't know it. We went to people who knew chemical plants or knew the caustic soda, chlorine business, one or the other and moved the principal people from the east. But the staff for the plant came right off the local farms, that ran the plant, the operators of the plant and that sort of thing. Then we also did a business, a little company producing sodium sulphate.

NM: What do you do with sodium sulphate?

HM: Sodium sulphate, you know, you've seen these white lakes in Alberta, there are some deposits in Saskatchewan and Alberta, in the lakes where the alkali or the sodium sulphate is very thick and the problem is to take it out of the lake and to get it clean enough and to sell it and it goes into the paper business. We had a lake in Alberta and built a plant, had a new process of our own which worked but used much more natural gas and much more evaporation than we thought was necessary and so we had to keep trying to enlarge the plant to make it economic and this was just a race. Like chasing your tail. And again, in the end we sold that to Noranda, who wanted the business and knew something about it and could market the product better than we could. And there, for staff, we had pulled from people who had worked for us in the other chemical plant. Mr. Harvie wanted to try to establish industries in Alberta, this was always his, do something for Alberta, do it for the west. That left us with Western Minerals which I continued to run and we had some mineral exploration. Again, in partnership with the Conwest people in Toronto, we did some work in Australia, we did some drilling work in Alberta but not with much success because we were sort of start up and stop, start up and stop.

#084 NM: Why is that?

HM: Depending on Mr. Harvie, what interested him you see, and what direction his thinking was going. It was after all, his, his money. And if he could find a way to spend it that he

enjoyed, he really spent it. You had lots of fun that way.

NM: So in fact, Mr. Harvie was starting a lot of business and then selling them.

HM: Well, he did start a lot of businesses and he did sell them. But I think the selling was sort of always a natural outgrowth of taking the thing to the point beyond which it didn't make sense for his small organization to continue. And he never was interested in having a large organization around him, he always kept the number of people near him to a very few.

NM: What were you doing with Western Minerals, were you travelling for the company?

HM: For Western Minerals, well no, I was President of Western Minerals and doing the negotiating and hiring the staff and that sort of thing.

NM: Mr. Harvie's health was not improving, so what happened then?

HM: In 1973 he decided he would turn things over to his son Donald. Donald had been with Petrofina since '55 and had not been associated with his father, he had his own affairs. Don took the view, looking at Western Minerals and Alberta Sulphate, as we had them then and 1 or 2 other small business subsidiaries, that he really wasn't interested in trying to build an industrial empire. His father wanted him to come back and take over and I think he in essence, told his father, fine, I'll do it, I'll work at the charitable end of it but I'm not interested in the industrial companies, you should dispose of them. Now these were owned by the charities largely, on disposition the money went to the charities. So my job then was, to sell Western Minerals. Mr. Harvie called me in one morning and told me what he was doing, what Don's reaction had been and what would I do. I said, tell you tomorrow morning, so the next morning I went in and I said, I'll go down to the Bank of Commerce and work a connection through to Brascan, I'll talk to them, they're a Canadian company, they should be interested in Western Minerals. Well, we never negotiated with anyone else. We sold the company to Brascan in a few months and it was all done then, we were out of the business and we had a charitable foundation.

#119 NM: And you did all the negotiations.

HM: Oh yes.

NM: Was it difficult?

HM: No, not really. Brascan were good people to deal with and we just laid it out and said, there's our opinion of what it is we have to sell, now you look at it and tell us. They came back and said, yes we're interested and we said, now you can go into everything and make sure that what we've told you is what. . which they did, you expect them to do and there was never any difficulty at all. Mr. Harvie had a reputation for being difficult in negotiations but it always came from the small deal.

NM: He did not like small deals.

HM: Well, it wasn't that he didn't like them, he loved the problem but he'd never get to the solution or it would take so long. Whereas we went into the chemical business, Don Harvie came to me one day and said, gosh, I got a phone call from Dad, he's on his way over, he saw Richie Donald in Montreal and we're in the chemical business. They'd agreed to set the company up and build a little plant. And Don had to go down and pick it up you see, and see how we were going to do it. It was great that way. Eagle Plains was

great. I'd want to abandon a well you know, and I'd be flying mud into it and have lost circulation, no, keep it going, keep it going, a little deeper, keep it going.

NM: Very positive attitude.

HM: Oh yes. Hard worker. He'd put in more hours than anybody else. In the early days he used to keep us in the office till 3:00 till we got to lunch and then call us grocery clerks because we wanted to go to lunch.

NM: Mr. Meech, you were the President of Western Minerals and it was sold, so then what did you do?

HM: I became President of Devonian Group of Charitable Foundations, which was the organization Donald Harvie set up of all the Harvie family foundations, there were about 4 of them. And Donald was Chairman, I was then working with Donald.

NM: Can you tell me a bit more about this charitable foundation?

HM: Mr. Harvie had set up his first foundation, Glenbow Foundation in about 1955. Mr. Harvie personally, and he was a great hunter and fisherman, a great interest in natural history and he had a great interest in human history. And he had taken an interest in the Indian culture, Indian artifacts and that sort of thing and in '55 when he formed Glenbow Foundation this really blossomed because he put money into it, he hired people who were knowledgeable and they set to work collecting, initially, the Indian history. That expanded into the settlers history, the rest of the human history of western Canada and along the way it couldn't help but pick up natural history because of his interest in it. And again, all in western Canada. And then from '55 to '65 he really collected, he spent millions of dollars, put together a large collection, travelled the world during this period. We brought Indian material from England, from Europe, from the United States.

#166 NM: He must have been quite knowledgeable about art himself?

HM: He was very knowledgeable about art of a type and he learned a great deal because he travelled so much. If he went into a museum he went to see the chief man, always. And after awhile they knew of him, they knew he was a great collector, there were doors open for him all over the place. So he became very, very knowledgeable. He got a great deal of criticism locally for this stuff he was collecting you see.

NM: Why is that?

HM: Oh, it was no good and this sort of thing. Well, it turned out it was good and the longer we have it the more valuable and the more use it will be. However, he ended up with this large collection and again, this place him in the position where he'd gone hesitantly with the Alberta government into the old court house downtown, with a public museum. And here he was again, in the public view again, you see. It wasn't much pleasure for him. He enjoyed it to a point, by the time it got open I don't think there was much enjoyment. And then his health by this time wasn't good. So we made a deal with the provincial government where we gave them the collection, the Glenbow Foundation, we gave them Glenbow Foundation, the whole corporate entity with the collections and \$5 million. And the government agreed to put up \$5 million so Glenbow was set up with a \$10 million fund and these collections and the courthouse museum. There wasn't any way he was going to continue his collecting if he had to work through a Board of Directors of 13

people as to when he should do what. So it wasn't long till we formed River Edge Foundation and Mr. Harvie went his merry way collecting again and we set up little small organization, River Edge, which I sort of had all the hard work to do as I used to tell him and he had the fun. We had an organization of maybe 15 people at the most, used a lot of advisors all over the world and he put together another collection, just about as large again. Cost more money by this time, things were costing more. And this time he went into African material, went into material around the world. Again, he liked to use it for comparison. You found the cowry shell all over the world you see, they had it here in western Canada, there it is all over the world, interesting to see. The west coast Indian had house posts, they've got them on the far east you see, interesting. Masks, the same way, it goes all over the place. So it was just a never ending world for him and as he travelled he put this collection together and that was the collection that Don Harvie, in effect, had when Don took over in River Edge. We'd decided then, Don Harvie, Jim Fish and I were the Trustees of Devonian Group, we'd decided, well, you couldn't keep this up forever, you had to stop somewhere. The proper place to put the collection was in Glenbow with the other collection Mr. Harvie had done. That was a difficult, difficult problem if you can believe it, to give the collection to the province of Alberta became extremely difficult.

#213 NM: Why, because they should take that with open arms?

HM: To this day I do not know, to this day I do not know. They were afraid of it, I just do not know.

NM: Was it lack of knowledge about the art or what?

HM: I don't know, I don't know, but the only way, we finally did the deal, I think was, we started to give it away to somebody else. We couldn't get an answer out of them otherwise, we could not get an answer.

NM: That is incredible, you are giving everything on a silver tray.

HM: It's not only stupid, it's rude and everything. Well, they were afraid of it, too much money you see, it's going to cost them. Sure, it's going to cost them some money but we showed them what it was costing us to keep it.

NM: Because for the good of the province too.

HM: Yes. Well, you can't understand politicians, don't ever try. So then we carried on in the Foundation, in Devonian, after we'd given away the River Edge collection, that was the end of that foundation. And we decided, at that point we had about \$50 million . . .do you want to go on with the foundation? After the gift of the River Edge Foundation collection, the Devonian Group had \$50 million, charitable money and the 3 of us as trustees set our guidelines. The first important guideline we determined was, we would spend our capital as well as our income and that eventually we would spend ourselves out of existence. We estimated that might take us 15-20 years, this was in 1973. Then we said, we can't be everything to everybody so we'll pick some particular areas that we're interested in and we'll work in those areas and those areas only. So we chose historic preservation, which was largely our museum collection, which we had at that time, and public parks and applied scientific research. Now applied research, we were looking for

something short term, short term results, not ivory tower and away we went. We also said, anywhere in Canada, not just western Canada. This took a little thinking because after all, the money was all made here but on the other hand, I'm convinced now that it was a good thing. And we in fact, had projects from Halifax to Victoria and all across the country. As of today, I guess we've spent most of the money or committed it and stayed with those guidelines throughout. I am now semi-retired and no doubt they'll fully retire me shortly.

#258 NM: Mr. Meech, were you yourself, interested in the arts?

HM: You couldn't help but be interested because you were able to see it from the business side as to what these things cost and who decided what market price should be and really, how much room there was for negotiating every time, it was the same as anywhere else, it was a horse trade. Every time you bought something. And for awhile in River Edge Foundation we were the largest purchaser on this continent of the kinds of museum artifacts we were after. We had everybody coming to us, we were buying more Indian material in the United States and moving it back to Canada, this was great fun for me. And the purchase of these, we dealt so much where we dealt with a collector who perhaps had a narrow area of expertise but he'd really done a job on it and sometimes, a lot of times, it would represent a lifetimes work for one collector. Well, you had to bargain with him in a business type way and he expected you to bargain with him. And he was always so glad, if he was willing to sell it was usually everything, and he was so glad to find somebody who would buy everything and was taking it away to put it in another collection. And then when you were one of the only people with that amount of money at your disposal, you could say yes, we'll buy it and we'll buy it today, when do you want your money, it really helped you close deals.

NM: So in fact, the money coming from the oil industry helped promote the arts in Alberta?

HM: Oh yes. Yes it has and Mr. Harvie himself often helped people, many people in the artistic field but nothing is known of that and he wouldn't want anything known about it. He was just a private person.

NM: This is the end of the tape. This is the end of the first interview with Mr. Meech. Thank you very much for this first interview Mr. Meech.

Tape 2 Side 1

NM: This is Nadine Mackenzie speaking. This is the second interview with Mr. Meech. Mr. Meech can we talk about the Redwater discovery?

HM: Yes. The discovery was made by Imperial Oil in 1949 and the discovery well offset a section of our Western Minerals land. At that point I was the only employee and a Mr. C. B. Barlow from California came to work with us as a consultant to help us set up some kind of a drilling operation. At the time steel was very difficult to obtain and steel pipe was very difficult to obtain. The first thing I started to do was try to buy second hand pipe which was available hither, thither and yon around the country and you'd get it in bits and pieces. Then we tried to order new pipe and of course you had to have priorities in steel

and that sort of thing, and foreign exchange if you were bringing it in from the U.S. and it was difficult to get U.S. dollars even in those days. Through one of the supply companies we were able to buy some ingots of steel in the United States, which we then moved to a mill and had made into blooms and then moved to another mill and rolled into pipe. Throughout all of this I had to get substantial sums of foreign exchange but I wasn't bringing anything into the country yet you see. And this was difficult to explain to the bureaucrats. I developed a very large file and finally was able to get that pipe into Canada. In the meantime, we had gone to Imperial Oil and they had undertaken to drill our Redwater properties for us as a contractor. And undertook also that if they started a well, they would supply the necessary tubing and pipe for the well to complete it. This was a wonderful arrangement for us because they had the staff and they knew the drilling contractors. So we just had to sort of oversee their operations and that was how we developed and drilled, anyway, 50, 60 wells in the Redwater field. Imperial doing the drilling and then we would take the wells over and operate them after they were finished. It was a busy time and the oil people were flooding into Canada at that time from the United States. And of course, Western Minerals was having all kinds of deals offered to it because it happened to have this very valuable land in the Redwater field. But that way we were able to develop our Western Leaseholds Company, eventually to about 6,000 barrels a day production, principally from the Redwater field. And I guess we had a staff of 70 or 80 people and a few million acres of land, all throughout western Canada.

#035 NM: Can we talk about the importance of the Redwater discovery for the oil patch in Alberta?

HM: Yes. The Redwater discovery was very important to the oil patch because, 1) it was a substantial field, it was a big field and secondly it was the second reef field and it really established the exploration, using the geophysical tool, looking for the Devonian reefs. That was the principal activity in exploration for some years after that and that led to a string of fields all up and down the mountain front in the Devonian reefs. It was the basis of the oil industry starting in western Canada. The oil industry previous to Leduc and Redwater had been Turner Valley, which was really an odd field. Though it was a large field, the gas in Turner Valley had no market and was largely wasted and by the time 1949 came along the Turner Valley was largely depleted and certainly on the fast dropping side of the downturn in production. So it was great hope to western Canada to have a field the size of Redwater and a second reef field. So that immediately the search began for the other reefs that were surely present and the seismic tool was developed and was in the hands of the knowledgeable operators, a pretty precise tool in this exploration.

NM: So it started a lot of interest from people outside Canada too?

HM: Oh yes. This started to bring the operators from the United States, the independents and the majors, back into Canada.

NM: These people coming from the States, did they stay a long time in Alberta or did they . . . ?

HM: Many of them stayed and became Canadian citizens, a great many of my friends are Canadian citizens now who came with the oil business, when the oil boom started in the early 50's.

NM: And decided to stay.

HM: Yes.

NM: You were looking after Heritage Park too, here in Calgary. What were you doing?

HM: I was a member of the Board out there, initially appointed by Mr. Harvie's interest as he had the right for some years after he established the park to appoint one or two Board members. I stayed on the Park Board for I would guess, 7 or 8 years and of course, ended up as President and subsequently as Chairman of the Park. My position out there was a volunteer Board member and as such, we had a very active Board and had a great deal of fun developing the park and bringing new displays into the Park. It was a real community effort and we were able to, in those days, the winter works program was a great federal government give-away program to make work in the winter time for anybody, trades people and that sort of thing. So we were able to get pretty substantial winter work grants and we did a lot of our development out there, using these grants and setting up the exhibits in the wintertime. The Board members were representative of the community and we went out into the community and obtained funds from companies and sold projects from companies to get them to support them, to put the. . . for instance, the Prince house out there, the Alberta and Southern Gas Company paid. The house was on a property they bought to build a building on downtown and that's the big brick house. They paid to have it moved.

#078 NM: And there was a good response?

HM: Oh yes. Great response from the community. Then about that time, 1967 came along and everybody wanted a 1967 project so we were able to get more projects financed that way. It was a project that was one of the happiest times I've had in my life on a community project. It was just a lot of fun.

NM: There is a lot of farming equipment at Heritage Park, where did you get it from?

HM: It came from all over. Glenbow had collected quite a bit of this sort of thing and wasn't really going to develop it much further. So what they had was available to Heritage Park. This was true of all the other Heritage Park artifacts. In the beginning they were largely collected by Glenbow and loaned to Heritage Park and then as Heritage Park grew and got its own organization it collected artifacts itself. So it was a combination. And then people from the surrounding countryside came in and brought things in. When they saw the Park and saw what we were doing. This was the kind of display that people could relate to. It wasn't like a museum with a plate glass in front of you and that way we just gained immediate acceptance all around Alberta and got help at every turn.

NM: And there is also this oil well, ??? #1, what is the story behind that?

HM: As I remember it, this was Don Harvie's project when he was on the Board out there. He, I believe, sold Shell Oil Company on the idea that an old cable tool rig could be put together out there in working condition. And with some people from Shell and other oil companies whom Don will remember, they went out looking for the equipment. The rig of course, the wooden derrick was not difficult to build because there were still people around who could do that. Once they'd assembled what they thought was pretty complete equipment then they found an old Turner Valley driller, I've forgotten his name. . .

NM: Where did they get all the pieces from, the different pieces?

HM: The different pieces came from Turner Valley principally, but from other places also. It was where you could find it because there were substantial drilling rigs in southern Alberta at one time, and cable tool rigs. And there were a number up in the Wainwright, Ribstone area because I drove through the bush up there one day in the early 40's and came across two old drilling rigs. It looked like the people had walked off the floor some years before and just left them.

NM: So it's really an Albertan, it's made from little bits and pieces from all over the province.

HM: It is. Really, they came from all over the place, but principally Turner Valley I would think.

NM: Then somebody put the whole thing together.

HM: Yes. We got the old driller from Turner Valley and they assembled the equipment and actually drilled with it every summer, when the people were in the Park, they could see the rig drilling.

NM: Did it take a long time to assemble everything?

HM: I wouldn't think a long time no, I would guess a year, 18 months to get it all together.

NM: It's in very good condition now.

HM: Well, it's that heavy kind of equipment. It doesn't wear out, a lot of it, very much.

NM: That's a good thing, we'll never see the end of it. Mr. Meech, what do you think of the training of people in the oil patch nowadays comparing to what it was in your time?

HM: My impression is that the university trained people are better trained. And of course, they are now Canadian trained, a lot of them, whereas in the early days, if you wanted a trained and experienced person it was 9 times out of 10 an American and occasionally a European background. The thing that impressed me is the training of the roughnecks and the fact that there are these roughneck schools and I think this has done a great deal for the safety on the rigs. Because in the early 1940's the old timers on the drilling rigs were always missing 1 or 2 or parts of a couple of fingers.

#131 NM: It was a very dangerous job.

HM: Because of the inattention to personal safety and the kind of equipment they had to use. So all in all, I'd say the training is better right across the board for the oil industry, and certainly for Canadians.

NM: And what about the equipment?

HM: It's like night and day, the equipment. The first drilling rig that we brought into the country in Western Drilling, in 1941, was one of the first small power rigs. It had Wackashaw gasoline engines on it and it was to some extent, unitized and could be moved easily on big trucks. Whereas the early steam rigs, they were big and heavy and tremendously more difficult to rig up and to move. The drilling equipment has become progressively more sophisticated until today it is again, it's like night and day in the kind of equipment people use. Now you get into the big electric rigs and that sort of thing. It's like a factory, not like a rough and ready drilling rig.

NM: Mr. Meech, you have seen the ups and downs of the oil patch here in Calgary, can you comment on that?

HM: I haven't seen all the ups and downs in the oil patch but certainly Turner Valley had a number of ups and downs. But in my experience, we had a down in 1945, or '46, when major oil companies, Shell Oil and others pulled right out of Canada and in fact, just dropped options they had on land and everything else and moved most of their senior staff out of the country. Then the boom of Leduc and Redwater came, subsequent to that and really, the growth was steady for the longest period of time western Canada had every seen. From '47 through to the 60's there really were not any serious ups and downs and it was a great period of growth. Beyond the 60's, I haven't followed it in as great a detail but my impression is, it's still been growth but growing in different ways as the industry moves into the boon docks, on to the Arctic Seas and the east and west coasts, which changed its emphasis materially as these are extremely long term areas. Who knows when they'll every get some oil out of them.

#172 NM: How do you foresee the future of the oil patch?

HM: Only in positive terms but you can't think of it in boom terms I don't think. We certainly haven't found all the oil in Alberta or western Canada yet. The exploration will continue, new finds will continue. There will be minor ups and downs. When, if ever, the oil sands, these heavy oil sands become the large developments everyone saw for them in the 60's is an unknown question but they are wonderful assets to have in our hip pockets for Canada and for the world.

NM: So you are optimistic about it?

HM: I'm optimistic generally.

NM: Can we talk about the place of the oil patch in Canada?

HM: I suppose the contribution if the tremendous wealth that the oil industry created in western Canada and for Canada. And the industry that was established in the exploration, development and marketing of the oil. And all this means to a country, you know, is having a large industry established, essentially with American expertise, that is now principally in Canadian hands as far as you and I are concerned certainly. We get all the benefits as if it was Canadian owned. I of course, disagree with the governments that get into the oil business in competition with the private interests. I don't think it will work.

NM: Why?

HM: First because the politician ends up making the rules and playing the game both. And human nature being what it is, he's going to take advantage of that every time the chips go down and that's going to cause a lot of friction. Secondly, I believe, and my experience tells me, that the large bureaucratic organizations are so inefficient that if we really knew how inefficient it was we wouldn't sleep at nights.

NM: What do you think of nationalized companies?

HM: Well, I don't agree with them because I don't see any advantages to you and I in them. I see disadvantages that if we knew how inefficient the large bureaucratic organizations were we probably wouldn't sleep at night. And I see also that the politician ends up as the person making the rules and playing the game and I think, human nature being what it is, he'll take advantage of that when the chips go down and this will lead to terrible frictions and delays and costly delays in the development of things. I think the astronomic costs of

developing the far northern oil resources and the offshore resources means that these large bureaucratic organizations can hide their inefficiencies that much easier because they're so costly and so large, we'll never know. But it also means that the cost to us will be that much larger again. I think in time it will show up, but I see no advantage in the long term and serious disadvantages to Canada as a whole.

#231 NM: And in the meantime they are spending vast sums of money.

HM: Certainly they are. And they will continue to spend, it will never be stopped.

NM: Can we talk about private companies, you have been always working with private companies?

HM: The great advantage of a private company is that it's usually smaller. A smaller organization has more flexibility I think, and should have a faster decision making ability. I've always worked in private companies and enjoyed it and I shunned opportunities to work in larger public companies. The public companies of course, have the ability to raise larger amounts of money, usually, than the private companies. And the public companies of course, spread the risk further to more shareholders. Private companies keep all the risk but they keep the advantages if there are gains.

NM: You are going to retire soon. What are you planning to do?

HM: Well, one of the things I've thought about is, I might just slowly go out and buy a few oil leases.

NM: So you cannot forget about the oil patch?

HM: No, I don't intend to. Do not intend to.

NM: And what else will you do?

HM: Oh, we'll probably do some travelling and that sort of thing. I will certainly take it much easier.

NM: But you will still keep in touch?

HM: Oh yes.

NM: Why are people who work in the oil patch such hard workers?

HM: I think a great deal of this comes from the American way of doing things. Because this was where I first saw it in my career. I worked with, I was the only Canadian on wholly American crews in the seismic business and they really worked and got at it and did it. I saw the drilling crews who came in from the States and the people who came in as drilling contractors, the people that came in and started small oil companies. These were people who really were entrepreneurs and got out and worked. They were away ahead of us Canadians in the way they thought and their ability to get up early in the morning and stay at it late at night. I was a great respecter of these people and I learned a great deal from them, just this idea that one of the first men I worked with in the oil business asked me one day if I was having any fun. I looked at him I guess, a little odd and he said to me, if you're not going to have it when you're working, I don't know when you're going to have it. And this was the sort of American attitude that I greatly admired and from which I hope I learned something.

#276 NM: And then that came to Alberta.

HM: That came to Alberta and Saskatchewan to some extent but principally to Alberta and I

think it had a great effect on many, many Albertans.

NM: And always ready to gamble.

HM: Oh yes, always ready to take the gamble and understand the gamble too. That was the other thing, they knew what they were about. There's an odd thing about it, the Canadians were the better promoters of companies than the Americans. The Americans looked to the Canadians in many ways, putting together a company to take a gamble. The Canadians could organize it and think of the ideas of doing it. The Canadians seemed to have a better ability to do that end of the . . . I don't know whether it was the financing or the organization of the company. . . we had some fantastic Canadians here in Calgary that did this, invented ways really almost, of organizing companies and financing wells. But the Americans could pick it up and do it, get the equipment, drill the wells and get on with it.

NM: Why is that, is it because it takes a decision very fast, very quickly?

HM: I don't know why it was, it might have been because the Canadians knew the Canadian law better, things like that. But people like C. C. Cross and Sam Nickle in Alberta, they really came up with some ingenious schemes to raise money to drill wells. Some of the financing in Turner Valley, some of those wells that C. C. Cross and Sam Nickle drilled, they were really inventive in the instruments they invented they could sell to the public to raise the money to drill the well.

NM: This is the end of the tape.

Tape 2 Side 2

NM: Who was the most influential person in your career?

HM: Oh, that had to be Eric Harvie. I spent so many years associated with him. He was a good friend and again, he was a man that, he really worked every day. He was a hard worker and he worked long, long hours.

NM: What was the most exciting experience in the oil patch for you?

HM: I think the most exciting one was the Redwater discovery which offset our land in Redwater and then, when we quickly started to drill our property and we were bringing in wells that were producing 1,000-1,500 barrels a day for a few months until they began to shut us down. It was an exciting time. This was big league field and very profitable production because wells up there could pay out in 2 or 3 months, have your money back and home free.

NM: What do you consider your achievements?

HM: The achievements that have given me the most pleasure have been the things I've been able to do working with Eric Harvie in the set up of the Glenbow Alberta Institute and some of the things we've been able to do in that institute. My association with the Heritage Park Society and my association with Calgary Boys and Girls Clubs, which grew quite a bit while I was directly associated with the clubs and is now, I think, one of the largest organizations in the United Fund and doing a great work in Calgary. It is one of the best Boys and Girls Club operations across Canada. I was associated with Boys and Girls Clubs of Canada for a number of years and this has really been a lot of fun and I continue my association today as a Director of the Calgary Boys and Girls Club

Foundation of Calgary.

NM: Looking back at your career, is there anything you would do differently nowadays?

HM: Yes, I think so. I think I would take more gambles in the oil business than I did.

NM: What type of gambles?

HM: All types. Because I was here when it all developed and I let a lot of it get right past me. I could have well been investing in it.

NM: On the whole Mr. Meech, what do you think of the oil patch?

HM: I think it is a great place to work, wonderful people. And now that it is fully established in Canada there are just all kinds of opportunity for all kinds of people. And the training is available in Canada for these people now so it's just a great place for a young person to consider a career.

NM: Than you very much for this very interesting interview.

HM: Thank you.