PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Leo Vladicka

INTERVIEWER: Nadine Mackenzie

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NM: This is Nadine Mackenzie speaking. I am interviewing Mr. Vladicka. Mr. Vladicka, thank you for having accepted to participate in our project. Can you tell me, when and where were you born?

LV: In 1918, Estonia, one of the Baltic states, now occupied by Russia.

NM: What did your parents do?

LV: My parent first, as long as I can remember was a conductor on a railway and then he became a mechanic with some rail shop. Mother I think she was graduate in home economics but whether that was in a high school or a special school I don't know.

NM:` So where were you educated?

LV: I was educated in Lithuania which is another Baltic state. Remember that I said to you I was born in Estonia. My father was conductor, apparently he travelled all around this Baltic seashore, Estonia, Latvia and Lithuania. I was born in Estonia and we lived in Lithuania for as long as I remember. So I must have been born and then we shifted to Lithuania.

NM: So you went to elementary school and. . ?

LV: Elementary school, gymnasium so called, and University of Calmus???, Lithuania.

NM: What did you study at the university?

LV: Civil engineering and architectural engineering.

NM: Why?

LV: That's a silly one because I think I was impressed, my father pointed out one engineer whom he knew and at that time, even in Lithuania still, some engineers on the railroad were wearing uniforms. His uniform was such a beautiful ones, bronze buttons and he's an engineer, I said, I would like to be an engineer. My cousin either was an engineer or was starting engineering and when you are talking to someone who is studying and is enthused, you become involved. So I think more my cousin than those buttons of the uniform I saw.

NM: How many years did you spend at the university?

LV: At university, 6. Not because I was lazy but because at the time, I went from 1939 interrupted, started in '40 and with several interruptions again. And remember I said to you that we were occupied by Russians first, since 1939. So the university life became a little bit more difficult than under the normal circumstances. In several cases, under Russians and Germans, universities were closed because students do not behave according to the powers that be.

NM: That's right, so it's safer for them to close the university.

LV: So the education was interrupted, for 6 years. And I needed money too, we were not rich

so I needed money and I worked.

#038 NM: And what did you do?
LV: Actually it would have been required only 4 years, so it took me 6 years. What did I do? Oh, I also graduated before the university, from the technical school. So I worked as a technician on projects, architectural projects. In Lithuania we had a different definition, civil engineering was ??? which means you can build bridges and buildings. Architectural engineering was the buildings. Here I understand, you don't go to university, you go to certain architectural academy or school. So they are not combined. In Lithuania at that time, engineering was either architectural or civil, in the same university.
NM: And after university what did you do?
LV: I ran away. We finished our courses probably, May, June and I escaped July.
NM: How did you do it?
LV: That's another story. The Germans were withdrawing because the front was moving in to Calmus, and Germans either needed or I signed up willingly to work on their railroad so that they could take us and we could use the passes on the railroad.
NM: That was a very good idea.
LV: But those trains, from the beginning it was a cattle train. The flat cars. So one night, it was not very pleasant, but then when we got to Germany, we got into the normal looking railroad cars. We didn't need the flat cars anymore.
NM: Did you escape alone, or did you escape with your family?
LV: Alone. My father and mother were left in Lithuania. I asked them but at their age they decided not to go because it's too tough when you're old. At my age now I probably wouldn't run away either.
NM: Were you with friends or completely alone?
LV: Oh yes, with friends. One friend specifically, one friend, a boy and 2 girls, so we had a group of 4 from the same university.
NM: All engineers?
LV: No. One girl was studying medicine, the other I don't know. She was actress. We liked her.
NM: So you escaped, and where did you arrive?
LV: You mean when I left Calmus?
NM: Yes.
LV: In Germany but probably Konigsberg would be the first, and then Breslau. Here is a story, in Breslau, I escaped that train. ??? Germans too.
NM: Did you have any papers with you, ID papers?
LV: Yes. It's interesting, before I ran away I was working with one company, civil engineering firm, as an engineer. So I got the papers from the company that I am going to purchase war material in Germany. When I ran away I used those papers to obtain passage on the German trains.

#080 NM: With no problem, nobody questioned?
LV: No, nobody questioned. The Germans either are believers in stamped documents, or it

was official document, it was stamped. The only thing I was not purchasing any war materials.

NM: It was very good to have these papers with you.

LV: But when you put this sentence, they respect. So it's not a jerk running around loose.

NM: Right, you had official papers.

LV: I had official papers.

NM: Then what did you do in Germany?

LV: First for 3 months we were splurging. We had a little bit of money so we visited around for 3 months, Vienna, Salzburg, Innsbruck, ??? which is by ???, ???. Our money ran out and I looked for a job. Fortunately at that time the war was still going on, so they needed and they hired me and trained me as surveyor. I didn't have much surveying experience but they trained me as surveyor and I worked as surveyor engineer. Mostly in so-called stollen???, which were excavation under mountains or in earth, to either protect machinery or people. Underground. But you notice that was Austria, not Germany.

NM: That's right, you crossed the border.

LV: ??? landed in Austria. But at that time the war was still occupied so German considered as their own part of the country.

NM: And for how long did you keep this job?

LV: Only for a year. They released me after the war was finished. So then the life was not very beautiful. In the camps, I lived in Grats??? camp and also around Salzburg, in ??? camp.

NM: The camp must have been crowded.

LV: They were. I think it was probably as good life for people who don't have a country that could be provided at that time. The food was sparse but what can you expect.

NM: And how long did you stay in a camp?

LV: Probably 2 ½, 3 years, in camps. Then I applied for immigration. There were many countries who would have accepted us even educated people, but I didn't want to go. Like Brazil, Argentina, even England would have accepted. But I wanted to get to North American continent, preferably to United States. Every European had that love with United States, the country which stands for freedom. And North Americans did not, they have a quota already. So Canadian immigration was open and I applied.

#125 NM: Was it easy for you to apply?

LV: It was easy. The only thing is, at that time it was '48 or so. They didn't want anybody who is educated. The requirement was you are a labourer on the railroad or in the lumber industry. You are a labourer as a farm labourer or if you are a woman, you are a domestic. Three categories of people Canada wanted at that time.

NM: And you did not fit any.

LV: I didn't fit any. But I am probably smarter than I look. You needed to present yourself as a strong man to be a labourer. I worked in mines before I left Austria for 3 months, just pulling the cars, shovelling the coal, and so when they looked at my hands they were really fairly dirty and calloused. So I was a labourer. I signed with CPR to work on CPR railroad, as an extra gang labourer.

NM: Did you have to wait a long time before being sent to Canada?

LV: I've even forgotten but maybe for a year or less, not too long a time. I lived in Austria for 4 years so a year of wait, I don't think that's a long one.
NM: And then what happened? Did they put you on a train and then a boat?
LV: Oh yes, we arrived. What is interesting to me, I didn't have seasickness. Half of the passengers on my boat were seasick so we loaded ourselves with food and sugar, it was like a party.
NM: So you had a good time on the boat.
LV: A good time, because somebody else suffered. Also we landed in Halifax and from Halifax we were put on a train, and soon to western Canada, and were put to work at Banff.
NM: Which year was that?
LV: 1948.
NM: And you worked on the train by Banff?
LV: Yes. We moved the railway ties, replaced the tracks, tamped the gravel. Worked for 10 hours a day, including supper I think.
NM: Were there many people like you, refugees?
LV: In that particular group? Probably 25% of all were educated people, not necessarily engineers. That is a very large proportion. When you think what's in Europe and I think in Canada, what, 7% of people graduate. So there was in that group, 25%.

#167 NM: Were you living in Banff?
LV: No, we lived on that track on railway cars, which were no better or worse than any other cattle cars.
NM: And how long did you work on this job?
LV: Oh, we were shifted all over western Canada, from Banff to close to Edmonton. But for 5 ½ months. They didn't like me very much, they transferred me to Calgary.
NM: Why they did not like you?
LV: Because I said to them that the living conditions are not much better than in bombed out Europe.
NM: So where did they send you then?
LV: They sent me to Calgary and I rented a room. It was better. But for some reason or other they decided to fire me before the expiration of the contract, 2 weeks before. So actually they gave me freedom. Because I signed for a year to work on the railway and in British Columbia. But since they fired me I said, you broke the contract, I am breaking my contract. They threatened that it will become difficult for you when you apply for citizenship. I said that it might be difficult but when the time comes I will explain.
NM: So then you came to Calgary?
LV: Yes. And when they fired me I started looing for a job independently as an engineer.
NM: And did you find one?
LV: I find in the oil industry. I looked first in the civil engineering firms and they were not very impressed with me because I couldn't speak English. I don't know, I told them that if I cannot speak English, put me in the drafting department, I don't need to talk to people. So they would offer a salary which I felt, even an immigrant shouldn't be offered.

I was making $150 as a labourer, they probably wanted to pay me $120 and I thought, that's not really fair.

NM: It was insulting.

LV: Yes. So I looked around and walked the streets, tried any company. So I started looking in the oil industry. One company, General Petroleums of Canada Ltd. said to me, if you are any kind of engineer we hire you. It was opportune time. Leduc was discovered in 1947.

#208 NM: And everything was booming then.

LV: Everything was booming, they needed engineers of any kind. And it was '48 when I applied. So they put me there learning the words in the oil industry, making some reports and trying to learn English. After 3 months of work I felt that I knew English sufficiently enough. Anyhow that's how I started.

NM: So it was with General Petroleums?

LV: General Petroleums of Canada Ltd. I liked, the feeling at that time was beautiful. Not only at the time that I was hired but let's say a year or two after, I felt that I knew everybody in the oil industry. You go on 8th Ave. and everybody is your friend. They were only a few people in the oil industry at that time.

NM: Yes, now it is competitive and . . .

LV: Now if seems to be you don't know anybody. Or at least you only know the old timers, but the younger generation seems to be too numerous to know.

NM: So what was your job with General Petroleums?

LV: First probably, they couldn't call me an engineer, I don't know how they called. Either technician or clerk. I was preparing some reports, drilling reports, mud reports, so a very menial job and then when I learned those things, and I learned a little bit more English so I became engineer. Then I became reservoir engineer.

NM: Were you working mostly in Calgary or. . .?

LV: In Calgary.

NM: They did not send you out of Calgary?

LV: Oh it depends. I went to the well yes. Several wells we were drilling at that time with General Petroleums at Rocky Mountain area, Edson area, yes. For completion, drill stem testing, they needed engineers so we go there. But major work was in Calgary because I really didn't like going to the oil fields. But as engineer I became reservoir engineer, evaluating the reserves.

NM: Tell me, what does a reservoir engineer do?

LV: In short, a reservoir engineer determines the reserves in place or produceable reserves. He also evaluates those reserves economically, meaning according to the economy. There might be some reserves but if the economy is such that it's too expensive to drill to obtain those reserves his recommendation would be, do not venture to drill in this area. How he does, that's a long story.

#257 NM: Very technical.

LV: Not difficult but it's a very long story. You must analyze all data available, core analysis, electric ??? activity logs, you must interpret this analysis in those logs to determine what

the porosity, permeability, water saturation. By having determine this you can calculate how much space is available for oil or gas, then determine whether it's oil or gas, calculate the reserves, attach a certain economic value, present this in an economical report. That's the general reservoir engineering job. Certainly he goes further into primary, secondary and tertiary recovery. But each of them almost becoming like a specialty. The same like medicine, you have the pediatrician, you have gynecologist, you have surgeons. And I would say in the petroleum industry the same, reservoir engineer can become a very specialized person for secondary recovery.

NM: So did you have people working for you?

LV: When I was working for General Petroleums I was the only one. The first engineer which they hired.

NM: That's very historical then.

LV: Not for long. After a year they hired another one and another one and another one. So we grew rapidly, but it was interesting to become an engineer without even knowing what you were doing.

NM: Were you ever asked to take again, some exams?

LV: Yes. That's interesting. Since the graduation in Lithuania was such that I even don't have a diploma, I ran out after graduation and convocation would have been much later. So I presented to association when I applied, my study booklet and my recommendations, my job descriptions in Germany and so on. They looked it over and whether they did contact the university or not, and whether or not the university was accredited, this I do not know. The only thing that they asked me to pass certain examination. At that time I needed only to pass 3 exams, one of which was reservoir engineering because I claimed to practice reservoir engineering. And I failed that.

#304 NM: So did you take it again.

LV: I took it again. The others, my ??? mechanics and I've forgotten the third, production, I passed the first time. But the reservoir engineering, which I claimed to practice I failed. So I passed. Really it was nice feeling. Because at that time I left General Petroleums, after 6 years. I studied for the exams and didn't have a job yet. So it was trepidation studying for the exams without a job. And I was married by that time.

NM: And then you passed all your exams?

LV: Yes.

NM: So you got your ring?

LV: Yes, I got my ring and certificate. Now, when I say now, since the association accepted me, I can claim to be a full engineer.

NM: Which year was that?

LV: When they accepted?

NM: Yes.

LV: 1957.

NM: And after leaving General Petroleums and passing your exams, what did you do?

LV: After I passed my exams. Well, there would be no difference, I would be still working. But since I left General Petroleums I started with Hudson Bay Oil and Gas Company.

They gave me a title senior reservoir engineer I think.

NM: This is the end of the tape.

Tape 1 Side 2

NM: So tell me what did you do then?

LV: With Canadian Well Logging Society. Oh, became a president of Canadian Well Logging Society in what would that be, 1962. Canadian Well Logging Society was dedicated to disseminate the knowledge of understanding and interpreting the well logs. And well logs you might be familiar with, are squiggly lines recorded by different methods, either sonic or electrical resistivity or radio activity. So Canadian Well Logging Society, actually it's interesting that Canadian Well Logging Society was created first, before the American Society.

NM: How come?

LV: In 1955. I really don't know. Maybe you should check this statement, I feel that we were the first. I could check with some other people but I am almost sure.

NM: That's an interesting point.

LV: Then I worked also for Engineering Institute of Canada, Calgary branch and became a treasurer and also a chairman, in '67, '68.

NM: And you were working with HBOG as a reservoir engineer.

LV: Oh, I didn't stay very long there.

NM: no, how long did you stay with them?

LV: For a year, then I joined CPOG, Canadian Pacific Oil and Gas.

NM: Why did you leave Hudson Bay Oil and Gas?

LV: Because one person, who was my superior with CPOG liked me very much and wanted me to join CPOG.

NM: So then you joined this company as a reservoir engineer too?

LV: As a reservoir engineer yes.

NM: And how long did you stay with this company?

LV: One year. The person who liked me couldn't stand me anymore.

NM: What happened?

LV: Apparently the transition from railway to oil company was the primary disagreement. I learned evaluations with Hudson Bay according to the oil and gas people. They wanted the evaluations still according to the railroad economics, which I told them that this was foolish. They didn't need to hire me if they want to use their old fashioned, as I called them, evaluation methods. That probably started. . . Actually personality problems evolved. So I started consulting in '58.

NM: In '58. Did you have your office downtown?

LV: I sub-rented from Blanchett and Associates, they were going out of business. Yes, I had downtown.

#038 NM: Were you alone or did you have a partner?

LV: At that time I was alone. But in '62 we had grand plans. There were several of us

consulting engineers, geologists, who joined together. Among them was Nick Taylor, Rudy Martin, who else. . . we were 7, I forget the other names. And we thought that by joining our forces, we have different experience, somebody is geologist, somebody is reservoir engineer, somebody is production engineer, accountant, we could grab the larger market. But apparently it did not materialize to the extent we worked separately, even if we joined as a group, rented offices in the same building so we would be able to provide the clients with that varied experience and recommendations. But because of personality we still went away separately. So idea was good but . . .

NM: It did not work. So what happened then?

LV: Everybody went his own way. And after years, people separated, died. So then actually, I practised alone until I retired. I got involved with the Calgary School Fair too.

NM: How come?

LV: It seems to be I had enough energy.

NM: And what did you do there?

LV: First, screener, judge, then became the treasurer, then the first time, I became a president of Calgary School Fair. Because it was run mostly by the school teachers. The professional groups contributed a lot as screeners and judges but not to the management. When I joined they had problems financially, so they appointed me to be the treasurer and fund raiser. Since I knew lots of people in the oil industry so I raised the money and we came out of the red. We could afford the prizes for kids and send them to the school fairs, like for example, the winners go to the National School Fair. So it required certain expenditures, more than $1,000 or so. So when we weren't in the red we could send more kids to National School Fairs. So in appreciation of that good deed to the school fair, teachers said now, you could become a president. I said, my god, you teachers are running this organization all the time, I don't want, we are contributing. But somehow it got along nicely with the teachers and they elected me president of the Calgary School Fair. I was feeling good about.

#077 NM: And what else did you do?

LV: In oil industry or someplace else?

NM: Both, let us start with the oil industry?

LV: I sued Calgary School Board. You probably don't remember.

NM: No.

LV: I could refresh my memory. That was around '73, '74. The trustees raised their own salaries upon election. I don't know what stimulated me to object to this but we discussed at home and I got more and more disgusted with people who want to serve the public but really want to serve themselves. After election, just raise the salaries. So I objected and I spoke to my lawyer in that time, who was Bill McGilbraith???, now he's Supreme Court Justice. He gave my question to his junior lawyer and the junior lawyer said, yes, you have reasonable grounds to sue them if you want to. Because the School Act does not allow them to act the way they did.

NM: So you had very good grounds.

LV: Supposedly I had very good grounds. Upon advice of reputable firm I did that, but we

lost. It dragged, I didn't like very much the judgement but what can you do. So I asked my lawyer, should we appeal it and he said, it will be tough. First it's long procedure, second, lots of expense. So I dropped the subject.

NM: And what else did you do, in the oil and gas?

LV: Well, I started representing a few companies. For example, when you say, what else did you do, I worked but as a consultant I got involved in representation, before the Energy Board. And certain litigations too. If a client feels that his reserves are larger, then the company which is participating in the unitization, he can have certain recourse, even a legal recourse. That is certainly the last recourse it should be. So a representation would be for energy board, litigations. What else reservoir engineer does, he works for a living I suppose. As I said, I started representing the companies, certain companies, like ??? Petroleums. They didn't have any technical personnel and the consultants who worked for them at that time were moving out of Canada, going back to United States, they recommended me, the Board of Directors accepted me and I became their representative here in Calgary, of that company. Then I also represented for a few years, Panalta??? Petroleums, which was small company but they needed somebody to represent them occasionally. I did not discover many fields, I'm not a geologist so I cannot claim fame.

#129 NM: Can you tell me about key people you worked with or you came across?

LV: Key people, for example, with General Petroleums? I was hired by Ralph Binnu??? who was vice-president at that time. And president was Cody Spencer.

NM: Oh yes, I heard a lot about him from Gene Irwin.

LV: Gene Irwin, yes. I liked him very much because he was outspoken and trustworthy. Later they hired a few people who even became my superiors. I didn't think that they were trustworthy. You would like to know about some other key people with Hudson Bay. With Hudson Bay, Fry was chief engineer, I've forgotten his first name. I reported to him. Who was the president at that time I don't know. Stan Olson was district superintendent. I'm trying to remember the name of the president at that time and can't.

NM: It doesn't matter.

LV: Gerry Maier was there, now he's what, president of Bow Valley Industries. At that time, Gerry Maier worked for, he was second in command to Stan Olson. Stan Olson later became president, Gerry Maier became president of Hudson Bay after Stan Olson. With CPOG, John Taylor was the first engineer who hired me. And then he went along and became president of Pan Canadian. He was really the only one from the oil industry because the others were the railway people. I even don't remember their names. John Taylor was the only one whom I can claim as an oil man, the rest of them, they weren't yet.

NM: Which year did you retire?

LV: I really never retired until last year. But I was retiring. When my companies which I represented were slow I didn't want to work anymore. I had enough I felt. So I semi-retired maybe '82.

NM: What was the name of your company?

LV: My name, I even did not incorporate. Leo Vladicka Consulting Petroleums, that's all. I'll

give you a pencil in memory of that.

NM: This is the end of the first interview with Leo Vladicka.

Tape 2 Side 1

NM: This is Nadine Mackenzie speaking. This is the second interview with Mr. Vladicka. Mr. Vladicka, can you compare the training of engineers in your country to the training of engineers in Canada?

LV: I found that the number of hours we have spent on certain subjects, be it theory or practice, is lower here than in my own country, by approximately 25-35%.

NM: Why is that, what are the reasons? I know it is difficult to pinpoint.

LV: I cannot answer this knowingly but just guessing, maybe Europeans felt that education should be something valuable and if you don't want to work you better ship out. Maybe in Canada and the United States, we feel that we should educate the masses. I don't know really, how many people graduate in Canada and the United States but I feel that graduation is similar, maybe around 7%, just a guess. But I know that more people go to the university in Canada and the United States than in Europe. In Europe we are not all rich. So Canadians send their children to the university because there are many people, apparently universities are just the program to the mass, not to the select group. So that's my guess but I couldn't . . .

NM: Did you find Canadian engineers as well trained?

LV: Depends. You see, Canadian engineer which I have had experience with were petroleum engineers. At that time, in '49, '50 and slightly later, there were not many, if any, Canadian trained petroleum engineers. The same like myself, they were either Oklahoma or Texas graduates. Depending upon which university they attended or their own characteristic of learning or not, some of them, especially from Oklahoma, disappointed me. They were not seriously interested in their subjects or learning. I had 2 of them and I was disappointed. Later, when the University of Alberta started the courses, they seemed to have been more serious and more knowledgeable than the Oklahoma graduates.

NM: So it has been improving.

LV: They were improving. So University of Alberta, apparently, had a better program than University of Oklahoma. Or maybe the kind of people who went to Oklahoma were different than the kind which went to University of Alberta.

#037 NM: That's right. Could you comment on the ups and downs of the oil business. You have been a witness to that, you have seen the oil business going up and then down.

LV: Are you referring to the income or activity?

NM: Both.

LV: I think that's like the styles of women. Somebody decrees short skirts or long skirts, yellow stockings or black stockings. I feel that something in the oil industry also is directed by the psychology of understanding. If somehow the idea is ripe that we must explore in Newfoundland or Beaufort Sea, most of the money is flowing that way.

Alberta's exploration decreased very rapidly and the exploration around Newfoundland or Beaufort Sea, took the millions and millions. Where we could have explored here at one tenth of the price spent in Beaufort Sea or Newfoundland. It's psychological I feel. The ups and downs are not necessarily created by really slack or up side of economy. That is not the whole answer.

NM: Can it be created by the international economy, it seems to follow?

LV: Yes, too. But there is also a national psychology. National psychology can counteract international if we are well. I certainly can get a flu which came from Russia or Peru, but I can't have a flu made in Canada.

NM: You were in Calgary during the OPEC crisis, in '73?

LV: Yes.

NM: What happened, the reaction in Calgary?

LV: Could you rephrase the question because I'm not sure I understand?

NM: I was saying you were in Calgary during the time of the OPEC crisis. What do you think of it, what were the reactions of Calgarians?

LV: When you speak of OPEC crisis, are you talking about the sudden rise in price of crude oil?

NM: That's right.

LV: What happened in Calgary at that time?

NM: Yes, what was the reaction of the people.

LV: What people felt? Even I was excited. I am not a war monger but I thought, my god, let's go to war if things are going to raise the prices so rapidly. I think many people, if I who is not really an oil magnate, who's holdings were not damaged, could have had such a feeling, I think maybe whole industry would have preferred war against peace. ??? It was a very strongly perceived, like almost somebody knocked off the main support of the building. Psychologically, it was very damaging.

#083 NM: So what do you think of the National Energy Program?

LV: I don't want to say very bluntly, so I'll try to skirt. It was very damaging, not only in actual terms but in psychological terms. When you tell somebody who is feeling sick that you are going to die, he feels even sicker. So to me the National Energy Program did that to oil industry. Oil industry felt sick and . . .

NM: And so many small companies disappeared, they could not survive.

LV: I hope there will be some wisdom in our Progressive Conservative party to substitute and to give certain incentives. Not tax payers money necessarily but to reward somebody who is an achiever. Previously there was no achievement, that was only necessary to be a Canadian company.

NM: That was enough.

LV: Yes. If that was enough, that's like discriminating between blacks and whites.

NM: So what do you think of nationalized companies, for example like Petro Canada?

LV: Here is a little bit different situation. Maybe we as tax payers spent too much money in acquiring several companies which are now Petro Canada. But sometimes there should be a national pride. So I am not against Petro Canada per se. I feel maybe expenditures were

too high but I would not sell it out.

NM: It's too big now to be sold out in any case.

LV: Oh, it can be done but what is the purpose. Are we only to tell ourselves that we are against national companies. I don't think. If we made a mistake, another mistake would not make it any better, that would be 2 mistakes. First acquiring, the second selling it.

NM: So how do you foresee the future of the oil industry?

LV: How do I feel about. . .?

NM: What do you think is going to happen?

LV: Meaning whether I am optimistic or pessimistic. I think I am moderate. Not because I feel that I know how it will advance. What I'm trying to say is that I'm moderate because I feel that way. I hope that oil industry never booms again bit it practises good management, good policies, and good savings policies, not only the expenditures. So like a father looking at the child, I would like to see the oil industry grow up.

NM: What were the most exciting experiences in your career?

LV: Oh, we discussed that.

NM: That's right. I would like to have it on tape now.

LV: The only thing is, I will not mention the name of the company. Most exciting was after I started consulting. I represented one company which had certain problems with very large company in Calgary. The problems were that large company never gave the information according to one area which was pooled. When I started representing this company, it took me almost one year, with threats of litigation to obtain this information. When I analyzed finally, the data which was submitted under the threat of litigation I found that this company plainly cheated my company which I represented. Removing certain parts of pooled area, substituting other parts of ??? reserves and allocating now, the production to that particular area. If that would have been only once you could assign this to a plain error. It happened 3 times in a period of 2 ½ years of production.

#142 NM: That was a bit too much.

LV: To repeat such mistake, I cannot believe it was a mistake. And when I discovered this and we presented to that company, they felt obligated to repay for over production of our wells and reduce our production until such time when we have balanced. For an engineer who started on his own to fight this large company and win, was a very exciting situation for me.

NM: So that was a victory.

LV: It was a victory, which even now I am proud of.

NM: Do you have any other exciting experiences?

LV: I was excited but I didn't win. I represented a coal company against one oil company in Vancouver. I felt very good with my presentation because my findings indicated that this coal company was correct in assuming what they assumed and presented to the courts. And with my technical support, we still lost the litigation. So it was exciting but it's not as exciting as if you had won.

NM: You had one publication, can you tell me about that?

LV: Yes. In reference to temperature measurements in oil wells and the effects of erroneous

temperature recording upon estimates of reserves. Should I go a little bit further.

NM: Yes please.

LV: Temperature recorded in the oil wells is affected by the mud which is circulated down the hole. The longer the mud remains stationary, the closer the mud temperature and the subsurface temperature come together. Meaning that if we shot in the well and don't circulate the mud for let's say, 20-30 hours, temperature of the formation and temperature of the mud will become almost the same. But usually, when we run electric logs or any others, the service companies arrive a few hours after the stoppage of circulation of the mud and the temperature and the survey is run. Therefore this paper deals with the time elapsed since circulation has been stopped. By recording temperature and the time elapsed since the stoppage of circulation, we can draw a graph which approaches the true reservoir temperature. Therefore if we start calculating by using the temperature of the mud which is only a few hours after the circulation has been stopped, we have erroneous estimate of the reserves. Up to 25% error could creep in depending on. . .

#193 NM: That's a lot.

LV: That's a lot. Because 25% can make economic or uneconomic exploration.

NM: So where was this article published, which magazine?

LV: First for the symposium of Canadian Well Logging Society, which I think was around 1957, and then I believe in Oil of Canada. Before Oilweek there were 2 publications, I forget, Oil in Canada or. . . I could look up if you want.

NM: What about your professional affiliations. Are you a member of the Petroleum Club?

LV: Professional affiliation. I belong to so many, you mean associations and. . .

NM: Yes, and clubs.

LV: I list what I belonged and what I belonged to. First, Oilfield Technical Society, Chamber of Commerce, Independent Petroleum Association, CIM, AIME, Canadian Well Logging Society, Engineering Institute of Canada, APEGGA, Petroleum Club. Maybe I've forgotten one or two. But now I am only a member, life member of APEGGA and I am going to be a life member, as of next year, of Engineering Institute of Canada. Not because I am brilliant but because I am old enough.

NM: What do you consider your achievements?

LV: My achievements. I'm not very proud but I think for an immigrant to learn the language and to learn the profession which you are not experienced with or I didn't graduate in, that was nice achievement for me.

NM: Yes. Is there any other achievements?

LV: Oh yes. I was climbing the mountains but that was not professional achievement.

NM: Looking back at your career, what do you think of it?

LV: At my career. I would repeat it. It was exciting, it was beneficial to me. I do not know whether I would be as glad in practising, let's say, civil engineering versus petroleum engineering. But my feeling was that petroleum industry at the time, when I started, was exciting industry. Civil engineering goes on and on, Romans, Greeks built. . . but petroleum industry was something new. And something new always is more exciting than the old.

#241 NM: Before I ask you the last question, is there anything I have forgotten to ask you or something else you would like to talk about?

LV: I don't know. Professionally, I don't feel that we have forgotten much. Because as I said, I just plainly dedicated myself to work. I don't have many achievements in discovering the oilfields or banging somebody on the head or defrauding someone, this I have not achieved.

NM: So here is the last question. On the whole, what is your opinion on the oil industry?

LV: That's a very broad subject. How much time do we have?

NM: Plenty.

LV: Don't have close knowledge now, what's happening to the oil industry. I had suspicions in the past that the larger and the stronger a person or a company becomes, the less morals they have. I am only thinking about my suspicions, not a true knowledge. As you can remember what I said about one company, what they did to my small company, I feel the stronger the company the more pressure they put on the smaller partners. I do not know how to remedy. I worked on unitization projects very frequently and on large unitization projects. For example, Harmattan-Elkton was the first engineering project which was like a prototype for unitization of oil and gas properties and distribution of this engineering wise we did not have too much conniving. But a stronger company would direct me, I was consulting engineer for maybe 15 companies at that time. So I was doing the work and they were managers of the project. So engineering wise there was not too much conniving but I feel that when it came to the management there was a pull of a stronger company to obtain much larger allocation of reserves than engineering wise we could give them. So oil industry to me, is famous for shenanigans of this nature. But oil industry doesn't feel that way. Even few friends of mine who became millionaires now did that. And I don't know whether you forget where you started or that is the general feeling of the industry. If you can stomp somebody down, why not do it.

NM: So it is a tough industry?

LV: It's a tough industry.

NM: Mr. Vladicka, thank you very much for this interview, it was very interesting.