MMS OFFSHORE GULF OF MEXICO

ORAL HISTORY PROJECT

Interviewee: JOE YOUNG

Date: March 22, 2004

Place: Morgan City, La.

Interviewer: Jamie Christy

Code: MMS049
Keywords: Prod, Leas/serv/Drill

Bio
Joe Young attended Centenary College in Shreveport, La. and received a degree in Geology. He went to work on a seismic crew in 1951 and then went to as an analyst for a mud logging unit called Consolidated Well Logging in Arkansas, Louisiana, and Texas. Later, Mr. Young went to work for Dowell as a service engineer in Kilgore and Tyler. He then came to south Louisiana and worked offshore from 1956 to 1959. He went to Maracaibo, Venezuela and then came back to operate production leases in the Gulf of Mexico. In 1975, he went to work for Lease Service as a salesman. At the time of this interview, Mr. Young was retired and living in Morgan City.

Side 1

JC: This is Jamie Christy and I am interviewing Mr. Joe Young at his home on Onstead Street in Morgan City. Mr. Young, would you mind telling us a little bit about your experiences in the oil field?

JY: Well, I worked in the oil field . . . I graduated from college and worked in the oil field in 1951 on the seismic crew.

JC: And you said you went to Centenary College. And your degree was in?

JY: Geology. At that particular time, geology jobs were scarce as hen's teeth. You had to take whatever you could get. Oil companies were not hiring anybody unless you had a master's degree at that time. They did not hire anybody with bachelor degrees at all. Even after.

JC: In any capacity?

JY: No. Well, I would say a real exceptional person with great grades and, I mean, really exceptional. But otherwise, you had to have a master's to work in the geology

department at that time because there were so many after World War II, so many guys who went into the field, the geology field. It was just completely saturated. So, it was tough to get a job as a geologist.

So, I went to work on a seismograph crew and after that, I came back to Shreveport and went to work for a mud logging unit.

JC: Let's start at the beginning. Where was your first job you said?

JY: It was on the mud logging. And from there, I went to work for Dowell.

JC: The first job was with which company?

JY: Consolidated Well Logging. That was the name of the company. It was just a couple of guys that started their own company. We worked in the "Arklatex" area – Arkansas, Louisiana and Texas. East Texas, North Louisiana, South Arkansas.

JC: And what were you doing for them?

JY: Well, working on the unit as an analyst.

JC: So, a typical day might have been like what?

JY: Well, we had three shifts – eight-hour shifts, or sometimes 12 hours - two guys worked 12 hours. But normally, three guys worked eight hours and you would examine cuttings and the mud, check it for gas and oil shales and that kind of thing.

JC: You said that jobs like that were hard to come by, so how did you . . .

JY: No, that was not hard to come by. The work with the oil companies as a geologist was hard to come by. So, after I worked on that well logging unit, I went to work for Dowell.

JC: Do you remember where you went with the well logging unit? Do you remember any rig numbers or areas that you worked?

JY: Oh, yes. A lot of them. I worked a lot for the old Sun Ray Company. It is no more. In fact, it was bought out by Sun Oil Company. Sun Ray was the name of the company. Sun Ray Oil. And they were headquartered in Tulsa. But we did a lot of work for them. We worked for McAllister Fuel Company in Magnolia, Arkansas.

One rig we worked on quite a bit was Aglit. These companies have all gone by the

wayside. Glen Drilling Company which was also out of Tulsa. They did a lot of drilling in North Louisiana and East Texas. We worked on those rigs quite a bit. From there, I went to work for Dowell as an engineer. Service engineer. That was acidizing and cracking the wells.

JC: Do you remember what you first made at your first job?

JW: My first job, I made $300 a month, and I stayed at $300 a month for about two years. Then, I was raised to $375. That was the first big raise I had. That was after I went to work for Magabar and I worked for Magabar in East Texas, namely, Kilgore and Tyler. I did a lot of work in East Texas oil field, East Texas field and all fields around Kilgore and Tyler and Longview and all that area. I got a lot of good experience there. And from there, I went to work for Magabar and came down here to South Louisiana, went offshore and worked there until, from 1956 to 1959 when I went to South America to Maracaibo, Venezuela, and stayed down there 1-1/2 years. Then came back and went to work for IMC, which is another company in South Louisiana. They are here in Morgan City.

I came back in 1968 and then went to work for the company that operated leases, production leases. Our main customers were Mobil and Union Oil, were the big ones that we worked for. And we operated leases all over the Gulf, really, from

Point Au Fer south of here over to the Main Pass area south of New Orleans. We operated some land leases, too, but mainly, the offshore leases. That was about the extent of my field work. And then, I went to work in sales.

JC: When did you switch over to the sales end of it?

JY: That was after the lease operating job. That was in 1975. The name of the company was Lease Service. Coincidentally, Lease Service, which would make sense! From 1967 to 1975. And then, I worked for a supply store from 1975 to 1992, 1993.

JC: How did you see things change in the oil field business over the years?

JY: Well, surprisingly, a lot of things stayed the same. I am not avoiding the question. I know what you mean about . . . drilling, I think, you could see the most change in drilling. You had guys working, let's say, on one floor of the drilling rig and standing up there, and chains flying and pipe flying and everything else thing. You wondered why people did not get killed or hurt more than they did which, there were not all that many injuries. I do not mean it that way but it was not really a safe job, I'll put it that way. I think they went more to automation to where they did not have to handle things as much as they did back then. They would run a block, a drill block, a drill line, ran it up there and snagged them. The stay in the pipe, 90 -oot

stay in the pipe, 4-1/2 inch pipe, latch on to it and jerk it up. The guy would have to hang on to it and stab it . . . I mean, it was routine but still, it was . . . they do not do that now. They run up there and there is not even anybody on the derrick now. They used to run up there and latch onto it, automatically latch onto it. It slides out – they stick it in, they hook it up, make it up and run on in the hole. It used to be everything had to be done by hand. The man in the derrick to pull that pipe out, latch onto it. The elevators came up through . . . they were moving up to the derrick, and you had to latch those elevators on that pipe and it grabbed the pipe, pulled it out and there was the guy on the floor. Now, this is a 90-foot stand of 4-1/2 inch drill pipe that big around. It is pretty big.

JC: Did you ever see anybody get hurt?

JY: Oh, yes. I've seen pipe set on his foot or something like that, you know, or a chain would break or something or something would pop and it would knock a guy back, those kinds of things. I think the biggest change that took place as far as drilling was concerned was the automation of the things that used to be done by hand. You still have guys on the floor but it is just not the same the way things automatically moved around the floor, where they used to have to all do it and wrestle it themselves. Have you ever seen a spinning chain?

JC: Yes.

JY: It would make up the pipe . . . you would have the jerk line. The driller would jerk on that line to tighten that chain up and you had the spinning chain that the roughneck would wrap around that pipe, and it was tied to the . . . but anyhow, it would spin the pipe, the chain. The pulling on the chain would spin the pipe and the guy, he was holding onto it while he was spinning, you know, to make up the pipe, turn the pipe with the chain wrapped around. That is what spun the pipe. So, you had a lot of pressure on there that if a guy did not know what he was doing, he would get hurt. You do not have that anymore. You put those tongs on there, and automatically the tongs spin it up. You do not have that chain to fight anymore. And just things like that. The pipes standing and the derrick is moved out automatically. Really, you would have to see how it was before to know all the changes that had been made out on it.

JC: Why do you think they made those changes?

JY: Safety and speed. Just more efficient operation. You did not have to have . . . you had three guys on the floor and one on the derrick – you could get by with two men on the floor. Now, you do not even have anybody in the derrick. They can be doing other things. I think safety more than . . . a drilling rig did not used to be the safest

place you could find. In spite of all that, there were not that many people that got hurt. A lot of people would lose fingers. In fact, if you see a guy that worked in oil . . . it used to be if he worked in the oil field any time at all, he had a couple of fingers missing where he would get it in the wrong place and have a stand of pipe on his finger, he did not get it out of the way in time.

JC: If you were injured, did the company take care of that situation?

JY: Oh, yes. They all worked for the drilling contractor. Then they would work for the oil companies. Let me back up: Back in those days, some oil companies had their own rigs, the company rigs. And, of course, all those people on those company rigs worked for the oil company. I want to say in the 1950s, late 1950s and early 1960s, you did not see a company rig any more. They got rid of all of them. And then, the contractors. That is the way it is today. The only contractors are the drilling contractors. But as far as production goes, there has been so much change in things that are going on now . . . I can think back, when I first went offshore, things that were going on out then. Well, pollution, for one thing. Oh, listen. It used to be something how the Gulf was polluted by . . . you would throw everything over the side. It did not make any difference what it was. I do not think it is a big shock . . .

JC: No, I have heard people saying that.

JY: That is not new. I can tell you, just to give you an example . . . the mud system, #1, I will not go into all the . . .

JC: You can talk, that's fine.

JY: It had to be changed because we went into different formations and you had to weight your mud and all that kind of stuff. For various reasons, you had to convert the mud system to something else. Or you just started off with essentially just clay and water. And then, you would add chemicals to it and all this kind of stuff – weighted material. But anyhow, you would get to a point where you would have to change the mud system over. So, it took a lot of, mainly, chemicals to convert. So, we used to have cans, 50 pound cans, of caustic soda. Do you know what caustic soda is?

JC: Not exactly.

JW: Well, it is highly corrosive. In other words, it will dissolve. Aluminum will just dissolve in it. It is corrosive on anything. But anyhow, it has a pH at the top of the scale. I am trying to think of the chemical formula. It will burn you. I mean, you would use rubber gloves and goggles and everything. But anyhow, that derrick man

that was down in the mud pit on the mud pit, he had a hatchet and he just chopped holes in that caustic can and take a water hose and wash it into the mud system just with water. Lye. That is what caustic soda is, in its purest form. But anyhow, they just washed that 50 pounds. And we would have as many as 100 cans. 100, 50 pound cans, 100 of them, and do that in a couple of hours time. Put them all in that mud system. And guess where those cans went?

JC: In the water?

JY: Right over the side. You would take sack after sack after sack of chemicals, I mean hundreds, when you were converting that mud system on it. Dump them in there. All those sacks went over the side. And not only that, do you know what you did with that mud that you did not want? You just opened a valve and it went right into the Gulf. Chemicals, oil, anything else that was in that mud system, it went right into the Gulf. Everybody did it. I mean, you were not breaking any rules. There were not any of them. But anyhow, that does not have anything to do with the . . .

JC: Sure it does.

JY: Well, I mean, of course now you have zero amount that is allowed in there. You cannot even let rain water go in there. You have to have a trap to put it into the

container to get rid of it. And all those cuttings that used to come out . . . as the hole was made and go to the shale shaping. Well, you know a little bit about a drilling rig, don't you? I may be telling you something that you know more about than I do!

JC: So, that shaker went in there, too?

JY: Yes, all those cuttings that it would shake out of the mud, it would go right into the Gulf. It did not have anything down there to catch them. You had a great big thing – what they called a possum belly - that would collect it for a while and then you would just go down and open . . . you had a butterfly valve and you just opened the butterfly valve and dump it all out. That was just the way it was. It was believed that the Gulf was completely recoverable, you know – that anything that happened to it, it would just heal itself. You didn't have to worry about . . . the main thing was the shrimpers would holler about getting that net snagged on all that junk you were throwing in there. All kinds of iron like those cans and that stuff.

JC: Do you think it affected the shrimping industry?

JY: No, I do not think so. They never complained about not catching shrimp. They just would get their nets fouled up.

JC: Do you think it may have contributed to pollution in the Gulf?

JY: Oh, yes. Sure. Then, they came out with rules and laws and everything else that you could not put anything in . . .

JY: You always have some outlaws in every . . .

JC: That's the mentality, I think.

JY: Right. There was a case here you may have heard about it. It did not happen here but the people that were out of this office here it was over in Mobile Bay, those cuttings and all that stuff, oil based mud and that stuff that they had to collect, they put them in barges and then would take them in – they had a disposal system on land and would get rid of that stuff. Something happened one time where the supervisor out there decided they did not have the time or for whatever reason, and they got caught. It cost the oil company $5,000,000 is what was the fine. That was back in the late 1970s or early 1980s. Probably the early 1980s. So, you could imagine now what would happen. It would not be a $5,000,000 fine – it would be something like a $500,000,000 fine.

JC: So, those guys just got caught?

JY: Yes, they got caught.

JC: A lot of people were doing it but they just happened to get caught.

JY: Yes, but then, they quit doing it.

JC: It was expensive.

JY: Yes, well, the oil companies came to their senses and said we are not taking this anymore. I mean, our people are going to do like their supposed to do or they are not going to be here, or they are not going to be with us and I am letting you know right now. They made examples of those guys. It was a drilling superintendent and four drilling foremen, and a marine foreman, a marine supervisor. They all got fired on that deal. And that got a lot of people's attention, I will tell you.

JC: Which companies did you work with that you thought were maybe a little more progressive as far as the way they treated their employees, the way they treated the environment? Did you see any differences between company philosophies?

JY: Yes, I always thought Mobil and Union Oil, I think, were real conscientious people.

The ones that I had dealings with, they were a bunch of no-nonsense guys that were intent on doing it right. They impressed upon us that we were working for them and we were to do it right. If you wanted to do any business with them, you had to do it the right way or we would not be there. Those were two companies I always had a lot of respect for and the people, like I say, that I had dealings with were real conscientious about pollution. That got to be a really . . . in fact, Mobil, for one, took some leases away from us that we were operating because they wanted a more hands-on . . . it was not anything we were doing that was not right. It was just that they wanted more hands on operation. They wanted their people to take it. In other words, they did not want any middle men. They wanted the people that they could go straight to, their own people. So, they took over a lot of leases and I remember that happening. That was back in the early 1980s. In fact, that really hurt our business bad because not only Mobil but the other companies were going more to their own operations; whereas, before, they had been more inclined to go with the contractor to operate it. It was a lot cheaper. They did not have to have the people on their payroll operating. But it just stands to reason that you do not have the . . . it is not the same control over the operation that you would have if you have outsiders operating it. So, the federal government really more than the state. The state, especially Louisiana, they could be managed otherwise but not the federal government. They did not know who you were, did not care who you were. You played by their rules and you did not have some good old boy that you could buy off

or anything like that. Especially that these companies were operating in OCS, the Outer Continental Shelf which was federal. And boy, they were held . . . well, the federal government took their lease away from them. They would not bat an eye if something happened out there. If they got caught doing something they should not have done, they would take the lease from them. And they knew it. They paid millions of dollars for that lease. So, they had a lot at stake. They shaped up . . .

JC: Do you remember . . . I know you were not of age then but do you remember the Lease 340, the controversy between the state and the federal jurisdiction? Three miles or ten miles . . .

JY: Yes, that was all back in the 1950s.

JC: Do you remember any . . .

JY: I mainly remember that the state tried to collect the money. The federal government gave the states the jurisdiction three miles out. Did they go beyond that finally? I am not sure.

JC: It was three miles and ten miles, you know, and it was this big controversy because Huey P. Long was apparently offering a dollar a lease.

JY: Oh, you are talking about back in the 1930s? Oh, yes.

JC: The controversy continued.

JY: Yes, South Marsh Island. Well, Texaco still has all the South Marsh Island. That was because of Huey Long. He made the deal with Texaco. He would not let anybody else even in on it. And I do not know what the payoff was on it, what the state got out of it.

JC: You may never know!

JY: The state probably didn't get . . . Huey Long is the one . . . but yes, that was State Lease 340.

JC: Do you remember why did Texaco, for instance, get these leases and not another company? I mean, did you ever hear any talk about that? Why do you think?

JY: Because they paid the right people off. They did. They were in. They had the in. I guess they bought their way in because it sure was that way. It was Texaco only, and Texaco to this day has more state leases than anybody in any other oil company.

JC: So, do you think that the Texas Company and Texaco later had the most in-roads to the state government, to state politicians and things like that?

JY: Most definitely I think that. It had to be. Absolutely. I heard all my life that back in those days, when the oil companies first got started in Louisiana, Texaco got preferential treatment all the time. They were just in. They had the right connections. That is just the way it was. I guess you could just say a "prayer for the Pure and the Humble. "

Do you remember Pure Oil Company?

JC: Yes.

JY: You do? The preacher says, "Let's say a little prayer for the pure and the humble now." This one Cajun fellow stood up and said, "Don't forget Texaco! They need some too."

JC: Yes, they definitely had a lot of Louisiana.

JY: Yes, no where else that I ever heard of . . . I mean, having the influence only in Louisiana. It was big time, too.

JC: You said your area was mostly Louisiana, Texas.

JY: Yes, that is where I worked mainly. Some in south Arkansas but mainly out in the offshore. Well, up really the first three years in North Louisiana to East Texas and South Arkansas. Then, after I came down here, I first came to Morgan City in 1953. We were working on a job out here on the other side of Amelia . . .

JC: Bayou Boeuf?

JY: No, it was right on the other side of Bayou Boeuf.

JC: Gibson?

JY: No.

JC: Chacahoula?

JY: You are getting close. Back this way. Bayou L'Orse. You know where that area is over there? Well, that is Mayfield Oil Company drilled the well and I can tell you somebody here in town that worked for them. In fact, he just died. He died last

week. John Cryder.

JC: Oh, I saw that in the paper.

JY: M.L. Mayfield was from Houston, and he was in the refining business and he got hold of some leases down here and one of them was at Bayou L'Orse. Incidentally, they called it Amelia field. But it was really in that Bayou L'Orse area. And he came down here and drilled some deep holes with some big steam rigs on those jobs. And he got a lot of attention because he drilled down. There is a saying around here back then – you go below 15,000 feet, you are wasting your time. He drilled down to below 15,000 feet and found some production. And in came the California Company – that is the old Socal, and that is Chevron now. But the California Company had some leases in that area and they were watching that well real close and he was drilling what you would call a tight well. That means, no information out about it and you could not get on the lease. Could not put a fence around it. They had a guard there and he would not let anybody in. Then, you had trouble finding out . . . you could sit out there with some binoculars or something and you could count the stands of pipe, coming out of the hole and figure out about how deep it was. But you did not actually know what was going on because if they would log a well, well . . . Schlumberger was under an agreement where they could not say anything about what the log showed. So, they would keep it to themselves and only

the interested parties would know what was going on. And I remember these guys with the California Company that were trying to snoop around and find out what was going on. I mean, it was just ridiculous then. It seems so now that they would go through all that trouble of trying to find out what was going on.

JC: Why do you think all the secrecy?

JY: Well, if they found anything, they would want to go lease all the land that was around that was not leased already. Of course, if they did not find anything, well, they wanted people to think that maybe the lease was still valuable. In other words, it was not a dry hole. If they could get hold of a log and say they had not found anything, so we are not going to worry about this. Just let it go. Will not even try and release this land. The price of it is not going up anyway, we know that. So, anyhow, that is the reason for keeping the information confidential.

JC: Did you find that the workers were pretty loyal to the different companies they worked for?

JY: Oh, yes, very much so.

JC: And what about the contractors like yourself? I mean, you could have known this

information and passed.

JY: We would not dare to.

JC: Why not?

JY: We just would not. You just did not do it.

JC: Out of loyalty?

JY: Yes. Well, it was just your job. If they told you they did not want anything to get out about what was going on, why you just kept it to yourself. I don't know anything. If you said something, they would find out about it. They would know. It would show up some way. And they would find out who did it. When we were working in that logging unit – we had access to all the . . . I mean, we knew just exactly what was coming out of that hole – whether it was shoal, any gas or oil, anything, salt water, whatever. So, we had access to what was going on but it never occurred to us to even think about it, really. It just did not occur to me, I will just put it that way. It really did not.

JC: It was very competitive though at that time in the 1950s?

JY: Oh, yes, right. Now, if somebody was going to drill a well, they would get other companies in on it and it is usually people that have acreage around there, you know. And if they were in on it, they would get access to all the information. So, it is all pretty well cut and dry. It is not like all that detective stuff going on trying to find out if somebody was trying to pull a fast one.

JC: Do you think the mentality of oil workers has changed, people who worked in the oil fields? Even those who kind of lived on the edge?

JY: Yes, those guys were dedicated back then. They really were. I mean, they would give you a day's work and they would stay with the same . . . they did not change jobs all the time, you know, like they do now. I remember the rigs that I worked on, those guys had been working for that contractor for 20, 25 years, you know. All the drillers, they usually had 15 or 20 years before they ever got to be a driller. Those guys worked roughnecks 10 to 15 years.

JC: Hard work.

JY: Yes, but they made good money.

JC: The roughnecks as well?

JY: Yes. Those were some of the best paying jobs. Well, the oil field paid better back in those days, paid better than most jobs did, really. Like you say, it was tough work. You earned your money. But it was good money.

JC: More than a lot of jobs that you might . . .

JY: Yes. I can think back to when minimum wage was about $1.50 an hour. Those roughnecks made $7 to $8 an hour. An average paying job was probably $3.50 to $4.00 an hour, and those guys were making $7 and $8 an hour.

JC: Did those guys have any education, the roughnecks?

JY: No.

JC: Most of them were high school grads?

JY: Yes. They all were.

JC: Did you find them mostly from this area?

JY: Offshore, they were more from Mississippi than anywhere else – Mississippi and Texas because the thing was you could work seven on and seven off or fourteen and seven or something like that. And you could live anywhere you wanted to. So, if you had to travel 300-400 miles, it did not make any difference because you were on your own time then. If you came in to work on your seven days off, it did not make a difference how long it took you to get home. You were not on company time. So, they did not care. As soon as you got off that tower where you worked the shift, well, your last tower on your shift that you worked, that was all. When you caught the crew boat in that was it, you were off the payroll. I mean, the company was still liable for you but, I mean, you were not drawing money. They did not pay you to ride a boat in or catch a helicopter flying. They did not pay you for that. They just paid you that eight hours or twelve hours which you worked on one shift, and that was it. So, they did not care where you lived – as long as you could get back in time to go to work the next shift, that was all that mattered. So consequently, you had a lot of guys that lived in Mississippi and a lot of guys in Texas.

Also, a lot of guys that lived down here would move, would go and buy land, say, over in Mississippi cheap. Land was cheap in Mississippi at that time. I am talking about back in the 1950s and 1960s. And you could buy a little farm over there.

Side 2

JC: So, on the catering crews, the crews that went out to, I guess, there were some catering companies that made pretty big money serving the rigs?

JY: Yes, they did. Back when I first went offshore, I was really amazed at the food they served and the living quarters that they had. I mean, everything was first class. All clean sheets all the time. The food was excellent. It surprised me. I thought it was going to be pretty rough living, you know, with accommodations kind of primitive, but far from it. The first couple of years that I worked down at the Gulf, it seemed like just about all of the jobs were on tenders - the ships that would have a platform, the drilling rig on a platform, and then they would have this tender that was tied up to it. You had access to the rig floor from the tender. You had steps going up. So, it was just easy to . . . the only thing they had on the rig floor was the drawworks and just what they needed. Everything else was down – all the mud pumps and the generators and the engines and all the power and everything was down on the tender. That is where all the crews stayed, where all the service people – everybody stayed. Nobody lived on the platform but on the tender. But anyhow, there was staterooms on this tender where you had your own private . . . well, it would be two guys in a room. You had your own shower. It was really nice. Great food, like I say. But then, I got on with some contractors and they did not have quite as good

accommodations.

JC: Not the same set up?

JY: No. It was a company called Moveable Offshore. They are not in business anymore. They were bought out by somebody a long time ago. But anyhow, they had these little rigs that they would put on that platform – they would put everything on the platform, and I remember the bunk house where we slept was on top of the generator. Noisy as the devil. Then, down where you ate, you ate in shifts because they did not have enough room for everybody to eat at the same time. But they were notorious for those . . . the oil companies would hire them because they were cheap. They would have a platform already set up that they had wells already on the platform. Well, they could just put that rig on there to drill another well, and then they would stack all the living quarters and all the other accommodations right there on that platform with it. And it might not be that big where all that would fit on there but they would make it fit. It was pretty different living conditions on that tender, I will tell you that! But that was just the way . . . they took all the tenders out of the Gulf, incidentally. They got so expensive to operate. And if you stop to think: When you have got that self-contained ship and by itself there, away from everything – I mean, everything has got to be on it, and you are paying so much a day for that ship, well, it gets expensive. Anyhow, from an economic standpoint,

they had to get rid of all of them, and they had had a lot of them in the Gulf. In fact, they were originally owned . . . the oil companies originally owned them, and they wound up selling them to the contractors. Then, the contractors could not . . . it got too expensive. The irony of that was the oil companies sold them to the contractor because they were too expensive to operate, so the contractors had to charge the oil companies the exorbitant prices because they were so expensive to operate! The oil companies refused to pay for them and so they had to get rid of them. It was a screwy thing. And then, the contractors started this life and death situation with them and they got squeezed more and more.

JC: How so?

JY: The oil companies would not work . . . believe me, not only drilling contractors . . . boat companies can squeeze them. They can just refuse to pay, well, I do not want to say what they think they ought to pay . . . they want to pay what they want to pay. It may not be enough for a contractor to make it on but they charge so much a day for that rig and if the contractor says, "I can't make it on that," well, that is all it takes. Or that boat – so much a day for that boat – "Well, we can't operate that boat." "That is what we set the price at." They set the price. The operator does not set the price. The contractor will set the price. Oh, they may set it but then, when they cannot work that rig, they have to come down on that price. And I can

remember rigs back in the boon days in the late 1970s and early 1980s – you have heard about those – or just about all of the 1970s really, when oil got up to as high as $42 a barrel – there were rigs that they would get $85,000 a day for. $85,000 a day! Now, they were, I mean, some of the finest rigs you ever saw. They had swimming pools, bowling alleys and everything else on those rigs. They built them like that so they could charge that – they could get that money for it. But when the bottom fell out and oil dropped back down to $10 a barrel, you can imagine what those $85,000 rigs were going for. Maybe $20,000. But it was nothing for a jack-up barge that can drill in 40 feet of water, to go to $2,000 a day. $2,000 for a rig. Now, that is hard to believe, isn't it? But I have seen it. I mean, that does not hardly pay the wages of guys working on them. I think now, $25,000 is probably a good . . . I do not know what rigs are going for now but all these semi's, those floaters, they probably get $50,000, $60,000 a day for those. But that is a lot of rig, I will tell you for sure.

JC: So, you think the bigger companies were able to squeeze the contractors out?

JY: Oh, yes. In fact, they are all in cohoots. Big and little . . . when one decides on something, they all do it. It is not just coincidental. It is all contrived. When one of them starts shutting down, they all shut it. It has always been that way. What has this company got to do with this company? Just because they are shutting down, what is this one shutting down for? They decided they were going to shut down,

they were going to shut down, too. It has always been that way.

Speaking of Texaco, they are the most notorious ones. I do not know how they are now, but I have been on jobs where Texaco would be drilling a well and they may be down 10,000, 12,000, 15,000 feet – it did not matter – they would get word to shut that rig down and right in the middle of whatever they were doing, it did not matter, they would pull all of that pipe out of the hole, they would stack it in the derrick and they would shut that thing down completely and walk off. They had a certain amount of money allocated for that job and when it got to that amount and they did not want to spend any more on it, they shut it down. And they would do that invariably. Anybody that worked for Texas, they knew it. You and I would be out there one day and the next day, you would be looking for something else to do. But they were notorious for that. We used to laugh about it. Well, I cannot say who they used to blame.

JC: You can say.

JY: Are you sure?

JC: Oh, yes.

JY: The New York Jews! That was what Texaco was always talking about – the New York Jews, which they owned Texaco. Oh, yes.

JC: So, it was about the finances?

JY: The finances, that is right. Those Jews said that is enough money, we are not spending any more on it. They said, yeah, well, wait a minute – we are going to go down to 18,000. No, you are not going down to 18,000. We got word from New York that you are not going any farther. That is all there is to it.

JC: And there was no talking them out of it?

JY: No. That decision was made and it was iron clad. That was it. That was the end of that. I do not know what this has got to do with your research.

JC: It has a lot to do with it actually.

JY: It would not be that way now because the thing I have noticed now about oil companies more than anything else is their image. It is the stockholders' image. That is all they are concerned about is what their stock can sell for. Of course, it has to do with reserves and not getting in trouble with the government or anything like

that. The bottom line is stock. Don't you agree?

JC: Yes, I think the primary concern has gotten more so over time.

JY: That did not used to be of any concern whatsoever. The least of it. Of course, oil was $3.75 a barrel then. It was for years. It got up to about $7 or $8 a barrel and the oil people thought that was really something. We used to laugh about how so much money was spent in the Gulf at $3.75 a barrel and still, the oil companies were making plenty of money.

I can remember the CATC well, we used to call it Catco, we called it. There was Continental, Atlantic, Tidewater and Citiservice. That was the biggest lease holder, that group. The CATC group was the biggest leaseholder in the Gulf. And they sent a man out, I remember the job I was working on. He came out there on the job and the previous well that they had drilled out there, the mud bill on that well alone had been over one million dollars. Just the mud bill. And he was out there . . . why in the world . . . it was costing $100 a foot to drill those wells in the Gulf. In other words, if it is a 10,000 foot well, it would cost $10,000,000. They had spent $10,000,000, or $1,000,000 for the well. You wouldn't happen to be a math major, would you?

JC: [Laughter] A lot zeros!

JY: Taking $100 a foot. And he was out there wanting to come up with answers about how in the world that well could have cost $100 a foot. Well, I did tell him why. We had saltwater flows and when you run into a salt water flow, it is not only the well kicks on you but it kicks with salt water. It is gas and salt water. It is not gas and oil. Gas and salt water. Well, salt water, I mean, that will tear your hole up, stick your pipe, you lose the hole unless you can control it. And the only way you can control it is by offsetting the pressure - layering your mud up until you overcome the flow of salt water. But in the meantime, you have got to get all that stuff out of there and get good mud in there, keep losing your hole. Anyhow, you go through that a couple of times and you will spend some money. Like I say, that mud bill alone was $1,000,000. You take everything else in there, all the service companies you had to have, all the equipment, the materials and everything to fight all the salt water flows and everything that you may have had to do three or four times – well, you will spend some money. And it does seem ridiculous to have a 10,000 foot well cost $10,000,000. That is highly unusual but it was not all that unusual, to tell you the truth, because you ran into those salt water flows all the time. It was new. This was back in the 1950s and all that was new. You did not know what the pressure was when you were drilling down there, what you were going to run into. You know, where to set pipe. All that came later as you had more

experience and especially in certain areas. And you would get a drilling program where you could drill down to so far and you would know that it is time to set pipe there before you go any deeper. That means you set a string of pipe in there to take care of your well, hold the well so that you can go deeper. But this guy, he understood . . . I mean, he took all the information, and it was all legitimate. The reasons for it were all explainable. Now, you can drill a 10,000 foot well for $500,000. I mean, that is offshore. On land, you can drill it for a whole lot less than that. It is nothing to drill in 10,000 feet now. But at one time, it was a big deal, especially in an area where you did not have any idea of what you were going to run into. Those leases then were the first time that we had ever been that far out in the Gulf. We were only about 30 miles offshore then, I guess. There was not anybody out there to drill. That was in 1956 that there was not anybody out there drilling in that area. It was all Cameron.

JC: Cameron Parish?

JY: Yes, the gas area. There are some big gas fields. That area that I worked in back then . . . that was 50 years ago. That turned out to be a big field, a big gas field but they run into all the saltwater flows and all those wells cost all that money to drill out there. But they wound up being real profitable because it was a big gas field. It is probably depleted by now. There always has been some money spent in the Gulf

and a lot of money made. That is what I used to laugh about. In spite of all the money spent out there, all the rigs and the boats and the helicopters and everything else they spent out there, still, the oil company was making tons and tons of money. There was nobody going broke out there. When was the last time you heard of an oil company going broke?

JC: This is true. That's the truth. Well, is there anything else you would like to add or anybody else you can think of that we might want to talk to?

JY: Do you know Craig Bennett?

JC: No. Craig Bennett? He is here in Morgan City?

JY: Yes. Craig Bennett lives right over here on Spruce Street. Do you know where M.E. Norman is?

JC: Oh, yes.

JY: He lives a half a block away from M.E. Norman. Craig knows a lot of people, knows a lot of stories. He is real interested and he would be happy to talk to you. I know he would. I worked with Craig and for Craig. He is very knowledgeable. He

started out, I think, the first oil field job he may have had with Brown & Root. Do you remember Brown & Root?

JC: Yes, sir.

JY: Of course, that may have just been an office job but he has a lot of experience in supply. He knows a lot of the equipment. In fact, he is working for a company now. He is a manager over in Lafayette. We have a branch in Lafayette that he is a manager and they have all kinds of pumping equipment, high pressure pumping equipment, and production equipment like . . . I cannot think of all that stuff they had now but they do a lot of business with Halliburton and companies like that. But Craig, you may know his wife Debbie. Debbie Bennett?

JC: It sounds familiar.

JY: Debbie works for Judy Arceneaux over there at Judy's Boutique. That is his wife, Debbie. Of course, you would have to catch Craig.

THE END