

Pan-Am Southern Will Enter Petrochemical Field Shortly

El Dorado, Nov. 10.—Pan-Am Southern Corporation will enter the petrochemical field shortly with the addition of two important manufacturing units at the El Dorado Refinery.

R. T. Colquette, Pan-Am's vice president in charge of manufacturing, said the units will turn out "polybutene" needed for manufacture of motor oil additives and other products, and propylene tetramer used to manufacture synthetic detergents. The polybutene unit is to be completed by February 1.

From the point of view of national security both the units are extremely important, said Colquette. Pan-Am's production of "polybutene," a product made by only two other refineries in the world, will help solve a national shortage for "polybutenes." Figures gathered by the Petroleum Administration for Defense indicate that the national total sales of "polybutenes" are currently about a million gallons a year, limited by availability. It is indicated that the current total national sales demand is in excess of 1,500,000 gallons a year, and is rising rapidly toward a total of 2,500,000 gallons a year. The new unit is believed to be the largest of its kind to date. Since the market for "polybutenes" is mainly located in the Middle West and East, sales will be handled by Indoil Chemical Company, Pan-Am's fellow subsidiary of Standard Oil Company (Indiana). Indoil's main office is in Chicago.

2,000,000 Gallons Yearly

The unit to be operated at El Dorado will be able to produce more "polybutene" than is currently sold

in the entire nation—two million gallons per year. This will be used to meet future increased national demands for military and important civilian uses.

In addition to its use in lubricating oil additives, "polybutenes" are used in calking and sealing compounds, electrical condensers and capacitors, aluminum roll oil, surgical tape and pressure sensitive industrial tapes, laminated paper, tracing paper and surface coating materials.

The propylene tetramer unit is being constructed by revamping the present polymerization unit at El Dorado. This unit will be reworked in such a way that high grade "poly" gasoline also can be made whenever desired, depending on fluctuation in market demands for tetramer.

3,800,000 Gallons Yearly

Annual production of tetramer by the unit will be approximately 3,800,000 gallons a year after its completion. The entire output of the tetramer unit will ultimately be consumed in making "alkylmer," one of the three principal base stocks for production of synthetic detergents. This will also be sold by Indoil.

The manufacture of synthetic detergents was only getting started during World War II, and most of it was used by the Navy and Army for salt water soaps. Since then the American housewife has found the detergents product better than soaps, and as a result, 1950 production was 1.2 billion pounds and is heading for 2 billion in the next few years. The nearly four million gallons of tetramer that Pan-Am will supply will make a substantial part of this total requirement.

Paul Shipp Finishing Smart Field Well

Gazette State News Service
Stephens, Nov. 10.—Phil Shipp is completing a well in the Smart Oil Field for a Travis Peak producer. Casing has been set at the 3,400 foot level and the final test will be run early in the week.

Shipp says the well, the D. M. Green in NW SE 11-15-20 Columbia County, promises to be a good pump. It is on a tract where a number of other good wells were drilled in the early period of the Smart field.

In recent weeks the Lion Oil Company has completed two wells in the Pace City field about eight miles east of Stephens. Both came in for good pumps and are located in 25-15-17 Ouachita County.

Southwest Arkansas Produces Most Of State Petroleum, Natural Gas

By far, the leading mineral products in Arkansas are petroleum and natural gas, and most of this comes from southwest Arkansas.

Comparable figures for the year 1949, compiled only a few weeks ago, show that 29,700,664 barrels of petroleum were produced in the state valued at \$73,954,653. Natural gas marketed amounted to 39,426,439 cubic feet valued at \$5,677,407; natural gasoline and products marketed included 1,319,415 barrels valued at \$4,723,506.

The progress of oil and gas in Arkansas dates from Jan. 10, 1921, when the Bussey well was discovered and turned El Dorado from a quiet village of 3,500 into a wild oil-mad city of 25,000.

From its obscure beginning in 1921 the oil industry in Arkansas grew until now it ranks among the first five in the state's industries and has an annual payroll of \$60,000,000 which goes to more than 20,000 workers.

The oldest refinery in Arkansas is Pan-American, located in El Dorado. It originally was the Root Refining Co., and only recently was merged with Pan-American.

The Root firm entered Arkansas with the discovery of oil in 1921 and built on a hill in El Dorado. El Dorado people will tell you that the story of oil in Arkansas is the story of the Root refinery.

Refineries Enlarged

With only a small "still" with a capacity of 1,000 barrels, the company began expanding late in 1921 with the addition of several small shell stills to double its crude oil output. This program of growth has continued a steady march down the years and today the refinery has a capacity of 25,000 barrels, produces some of the finest high octane aviation gas in the world

and has won many laurels in the industry.

The plant manufacturers more than 30 grades of asphalt for streets, highways and airfields; a full line of motor oils, greases and cans and ships motor oil as well as gasoline products. It refines some 8,000 barrels of crude oil daily.

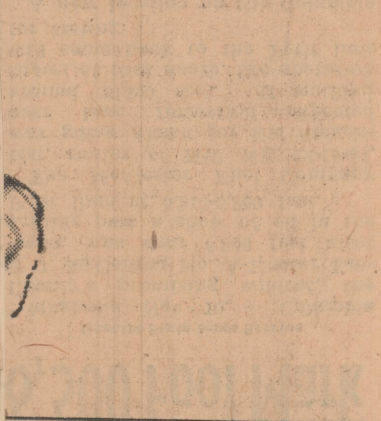
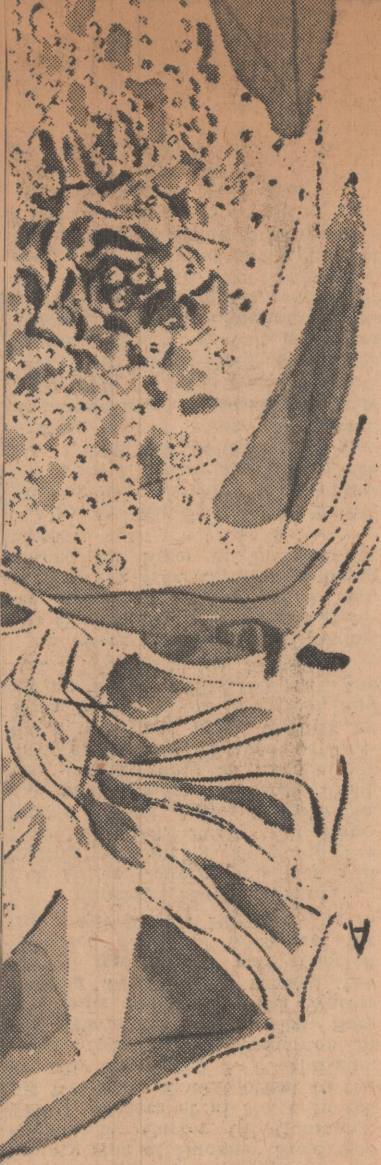
From 1942 to 1944 Root built, under government contract, \$6,000,000 worth of special facilities for the production of high octane gas, including a fluid type catalytic cracking unit, butane isomerization unit, and alkylation unit, later purchasing all three from the federal government.

Crude is sucked into the refinery from fields in Arkansas and Louisiana over the Pan-Am's own network of pipelines, moving some 7,800,000 barrels a year. And its finished products in turn are moved to markets via barge, rail, truck and pipeline, many of which are Pan-Am's own.

Lion Formed In 1922.
The Lion Oil Company was organized in 1922. Today, some 29 years and millions of barrels of oil later, Lion boasts a refinery with processing capacity of 22,000 barrels a day; one of the nation's biggest chemical plants, producing 10 per cent of the country's supply of synthetic nitrogen; oil-proofing properties in five states; bulk plants and service station outlets in eight states, plus wholesale distribution throughout the remaining 40 states, Mexico, Cuba, Canada and Europe.

Today, it is a \$66,000,000 industry with sales totalling \$64,000,000 yearly.

Lion's employment rolls list over 2,276 people directly employed by the company and it is estimated that more than 11,000 persons depend upon the company for their



Arkansans Pay Million For Oil Mill

Brinkley—Farrell Bros., Brinkley, have announced the purchase of the Home Oil Mill properties, Decatur, Ala. The price is reported to have been approximately \$1,000,000.

The oil mill properties include the plant and buildings in Decatur and adjoining operations in Athens, Huntsville, Madison, Peet's Corner and Hartsville and also several cotton storage warehouses.

The company formed by Farrell Bros. is known as the Decatur Cotton Oil Co. Paul Farrell is president, J. J. Farrell and Hanford Farrell are vice presidents and Clarence Farrell is treasurer. H. B. White, Memphis, will be manager. He has been in the cotton oil industry for the past 30 years and at present is an executive with one of the large companies.

The Farrells have business interests in Arkansas, Alabama and Oklahoma. They are engaged in coal mining, operating the Murfreesboro & Nashville Railroad Co. are contractors and are in the lumber business.

In Miller county, several tests are on the program. Skelly Oil Co.'s wildcat, Agnes Philpav No. 1, 330 feet s and e of nw corner of n half of sw 20-16-26, is still testing, at 3,551-3,560 feet, where perforations were made. The company was drilling about 20 barrels per day. The company was drilling in a new location, Purifoy No. 1, 330 feet n and w of se corner of se 19-16-26, a west offset to the Philpav. The drill had gone to around 4,100 feet, with a proposed depth of 4,250 feet.

T. W. Murray was reported drilling ahead in the Luther and Ruth Lowe No. 1, 695 feet s, 407 feet e of ne corner of 24-15-26, below proposed depth of 5,500 feet.

Jay Simmons' Frost Trust Estate No. 1, 50 feet se of center of ne sw 35-16-26, was reported below 4,000 feet. The Skelly was near 4,000 feet in the Dickson Heirs No. 1, 1,295 feet s, 1,424 feet e of sw corner of 36-19-27.

In Ft. Lynn field, Stanolind Oil and Gas Co. is below 4,200 feet in the Miller, Land and Lumber Co. B-1, center of sw 17-18-27, due to a depth of 7,700 feet for a Rodessa series test.

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Here are some facts about oil and gas in Arkansas:

The oil and gas industry spends approximately \$122,000,000 annually on salaries, lease rentals, equipment, exploration, etc.

With such figures as quoted above it is easy to realize what a great part oil plays in the state's economy. Arkansas' petroleum story really began 61 years ago with the discovery of natural gas.

The state's largest refineries, besides Lion Oil and Pan-Am Southern Corp., are operated by the Barry Asphalt Co., Magnolia, at Stephens; and Waterloo, at H. H. Cross Co., Chicago, at Smackover and MacMillan Petroleum Co., El Dorado, at Norphlet.

There are gasoline plants at Magnolia, Norphlet, McKame, Lewisville, El Dorado and in Miller county.

Arkansas experienced the excitement of an oil boom, when Smackover field was at its height in the mid-twenties. It also knows the quiet period that often follows a boom.

It has experienced the thrill and bulging pocketbook that comes with a big field. It also knows the disappointment—and cost—of a dry hole.

ARKANSAS DEMOCRAT, Sunday, November 11, 1951—3D

Oil News Pettit Lime Field Looms At Emerson

McAlester Has 10 Feet Of Saturation In Wildcat Test

Magnolia—A wildcat near Emerson is showing for a producer. An official of McAlester Fuel Co. said 10 feet of saturation had been re-covered in Pettit lime to indicate a producer from that formation between 5,840 to 5,890 feet. A deeper 50-foot core showed no oil, but the drill will go on down through Travis Peak and Cotton Valley to the proposed depth of 10,500 feet, or to Smackover lime. This well has stirred hopes for an oil field in the southern part of Col. county.

Carter Oil Co. set surface pipe in a new test in Buckner field, a west offset to the recently-completed J. P. McKean No. 70, a fine producer. The new test is J. Waters et al No. 4-16-22, 10 feet e of sw corner of se 7-16-22, with a proposed depth of 5,520 feet. Surface pipe was set at 396 feet.

In McKame-Patterson field, Lafayette county, Carter Oil Co. is near 7,800 feet in the directional hole being drilled in the McKame-Patterson Unit C-216 No. 1, 550 feet n, 200 feet w of se corner of 34-17-24. In the same county, California Co. is below 6,600 feet in the P. D. Burton Jr. et al No. 1, center of ne 9-18-23, drilling for a proposed depth of 9,700 feet.

In Nevada county, Sinclair Oil Co.'s J. P. Nichols No. 1, a wildcat, 660 feet n and w of se corner of 30-14-22, is near 5,850 feet, after having recovered spots of saturation.

On the Lafayette-Nevada border, Atkins and Pannell have installed pump for the Pelt No. 1, in center of ne sw 8-15-22, in Falcon field, after having drilled to 3,404 feet and perforated between 3,391-3,393 feet. It is pumping.

Also in the Falcon field, Sneed Brothers installed pump for the T. M. Works No. A-2, in section 9, 1,212 feet. The company was drilling on the T. M. Works No. A-10, for a depth of 1,200 feet, in same section.

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4 Get Permits To Drill Wells

El Dorado—The Arkansas Oil & Gas Commission issued four permits to drill new wells during the week. Union county operators got three.

Pan-Am Southern Corp., Ezell No. 5, section 13-17-15, East El Dorado field, to be drilled to 3,600 feet.

Roberts Petroleum, Inc., Pumpfrey No. 1, section 1-17-14, Rainbow field to 3,500 feet.

Kerr-Trimbler Drilling Co., O. C. Smith No. 1, section 16-16-17, Bear Creek field, six miles northeast of Mt. Holly to 4,000 feet.

I. B. Downs et al will drill the Grove Land and Timber Co. No. A-2, section 1-14-21, Nevada county, three miles east of Waterloo, to be drilled to 3,500 feet.

Three permits were issued to plug and abandon wells to: Burnett Production Co. S. J. Roark No. A-4, section 17-16-24, Lafayette county, dry; Phillips Petroleum Co., abandon two wells—the Alin No. 3, section 3-16-15, Union county, dry; and the Arnold No. 3, section 27-15-15, Ouachita county, dry.

Here are figures it gives on motor vehicles, including tractors:

On the roads in 1930 were 23,016,000 passenger cars, 47,000 buses and 3,643,000 trucks. The number dropped in 1933 to 20,842,000 passenger cars and 3,409,000 trucks, although the number of buses had increased to 55,000.

This applied not only to vehicles, but also to equipment for heating and industrial purposes.

The NPC is made up of representatives of the industry appointed to advise the secretary of interior on oil problems.

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Steady Rise In Petroleum Users Shown

Council Reports Total of Passenger Cars Up to 29 Million

Washington (AP)—Everybody knows that petroleum products power more automobiles and heat more homes now than in 1930.

Just how many more of these, and of airplanes, trucks, buses, rail locomotives—yes, even yachts and outboard motors—is shown in a recent report of the National Petroleum Council (NPC).

The council submitted the report to the Interior Department and the Petroleum Administration for Defense (PAD), which will use the data in charting production goals.

Although there was a slight decline in numbers of motor vehicles on the highways during depression and World War II years, there has been a steady and almost uninterrupted increase in petroleum consuming equipment in operation throughout the nation since 1930.

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Atlantic Oil
Stakes Well
In Lafayette

3,000-foot Wildcat Is
Ready to Begin; Slight
Show in Another

Magnolia — Columbia county's wildcat, McAlester Fuel Co.'s Sam J. McCollum No. A-1, near Emerson, center of NW NE 22-10-21, drilling for a depth of 10,500 feet, is near 7,600 feet and expected to be in Cotton Valley soon. Travis Peak was drilled through with no show recovered. This is the test that showed for a Pettit lime well with 10 feet of saturation between 5,840-5,890 feet.

In Bucker field, Carter Oil Co.'s J. Waters et al No. 4, SE SE 7-16-22, has been coring 5,116 feet. It is now below 5,800 feet with a proposed depth of 5,520 feet in Lower Travis Peak.

In Lafayette county, California Co.'s wildcat, P. D. Burton, Jr. et al No. 1, center NE 9-13-23, is below 7,800 feet, with proposed depth of 9,700 feet. It is reported that a slight show was recovered at 7,400 feet.

In the same county, Carter Oil Co. is below 8,200 feet in the direction hole in the McKamie-Patton Unit C-216 No. 1, 550 feet N, 200 feet W of SE corner of NE of 34-17-24.

Also in Lafayette county, Atlantic Refining Co. has a new location, C. W. Mulkey No. 1, in center of SW NE 21-17-25, listed as a wildcat, to drill to 3,000 feet. Kern and Trimble of Magnolia are drillers and were expected to spud first of this week.

A new test in Nevada county is the J. B. Downs et al's Grove Land and Timber Co. No. A-2, 230 feet W, 990 feet N of SE corner of NE NW 14-24-21, due to drill to 3,300 feet. It is below 1,800 feet.

In Miller county, Kern and Trimble, drilling for Skelly Oil Co. the M. G. Puritoy No. 1, 330 feet W and 330 feet W of SE corner of SE NE 19-16-26, perforated between 3,340-3,348 feet and squeezed. Total depth is 4,617 feet.

Also in Miller county, Ft. Lynn field, Stanolind Oil and Gas Co. is near 6,000 feet in the Miller Land and Timber Co. B-1, center of SW SE of 17-18-27, due for a depth of 7,800 in Rodessa. G. W. Skelly's Dickerson Heirs No. 1, 1,295 feet S, 1,424 feet E of NW corner of 36-19-27, is below 6,600 feet, due to go to 7,500 feet.

In the new Garland City field, Garland Anthony Oil Co. is drilling near 3,000 feet in a new location, E. A. Smith No. 4, near No. 3, which was drilled to 5,850 feet, but this may go deeper.

2 Wildcats
Among 13
Oil Permits

El Dorado—The Arkansas Oil and Gas Commission issued a total of 13 permits to drill new wells during the past week. Union county drew five, including two wildcat tries. They are:

McAlester Fuel Co., W. H. Harry jr., No. A-1, section 32-16-12, 3 1-2 miles east of Wilmington, to be drilled to 4,000 feet, and McAlester Fuel Co., Southern Co. No. B-1, section 4-16-17, five miles east of Mt. Holly, to be drilled to 4,000 feet.

Other union county permits are: Roberts Petroleum, Inc., Winn No. B-5 and No. B-6, section 14-18-13, each to be drilled to 3,100 feet; Caddo Oil Co., Strong Motor Co. No. 1 section 13-18-12, Sandy Bend field, 4 1-2 miles northwest of Strong, to 2,350 feet.

Calhoun county drew a wildcat try in the Garland Anthony Oil Co., G. K. Hornaday No. 2, section 3-11-13, 1 1-2 miles south of Fordyce, to 3,300 feet.

The Arkansas-Oklahoma Gas Co. will drill the Jewel Morrison No. 1, section 29-10-13, Crawford county, Rudy field, to 2,000 feet. Berry Asphalt Co. will drill the Berry Asphalt Co. B-1, section 1-14-21, Nevada county, Irma field, three miles east of Waterloo, to 1,150 feet.

Other permits are: Burnett Production Co., S. J. Rock A-1, section 17-16-24, Lafayette county, two miles west to Lewisville, to 3,000 feet; J. B. Warmack et al, J. J. Barr Unit No. 1, section 20-14-21, Nevada county, 1-4 mile south Willisville, to 1,200 feet; Phillips Petroleum Co. Lion No. 10, section 14-16-15, Ouachita county, 3 1-2 miles east of Smackover, to 2,600 feet; Phillips Petroleum Co. Elder No. 10, section 28-15-15, four miles northeast of Smackover, to 2,700 feet. The Atlantic Refining Co. will deepen the Levi Garrett B-1, section 24-17-20, Columbia county, Magnolia field, to 7,594 feet.

FPC-Phillips Hearing May Determine Kerr Bill's Fate

Gazette Washington Bureau
512 National Press Building
Washington, April 7.—Whether another fight will be made in this Congress to pass Kerr natural gas bill depends to a great extent on the outcome of a case now under way before a Federal Power Commission examiner at Bartlesville, Okla.

The case which began Tuesday is to determine whether Phillips Petroleum Company is a "natural gas company" within the meaning of the Natural Gas Act. Also to be determined is whether—in connection with any transportation or sale of natural gas subject to the jurisdiction of FPC—any rates, charges or classifications are unjust, unreasonable, unduly discriminatory or preferential.

The big issue at stake, however, which makes the hearing of special interest and vital concern to natural gas producers throughout the Southwest—and the nation, for that matter—is whether the Federal Power Commission intends to assert jurisdiction over the sale of natural gas to interstate pipe lines by independent producers or gatherers of gas.

Hot Subject for Years

The matter of FPC jurisdiction over and regulation of independent producers of natural gas has been a hot subject for years. The bill introduced in the last Congress by Senator Robert S. Kerr (Dem., Okla.) would have solved the matter once and for all. By amendment to the law it would exempt independent producers and gatherers of gas for "arm's length" sales from FPC jurisdiction.

The Kerr bill passed both houses of Congress but was vetoed by President Truman. Because of the House vote was close, no effort was made to override the veto.

Independent gas producers are those who produce or gather gas and sell it at "arm's length" to natural gas companies who subsequently transport it in interstate commerce. By "arm's length" is

meant sales within the area in which the gas is produced or gathered—where short transportation is involved.

In its famous Order No. 139 issued August 7, 1937, the FPC stated that it would not assert jurisdiction over independent producers and gatherers who might be subject to jurisdiction solely because of such sales.

2 Members Not Bound

Later, however, two members of FPC said they did not then approve Order 139 and indicated they would not be bound by its promise not to extend Commission jurisdiction or regulation to independent natural gas producers.

The membership of the Commission has changed. How the Commission itself will vote on the Phillips case is somewhat in doubt. Independent natural gas producers are hoping for the best.

Senator Kerr has told reporters he still has no plans about reintroducing the Kerr gas bill in this Congress. It obviously depends upon outcome of the Phillips case and the precedent set by FPC.

The measure has been introduced in the House by Representative

John E. Lyle Jr. of Corpus Christi, Tex. No serious effort has been made yet to obtain House action, however.

Phillips Is Large Producer

In its oil operations, Phillips Petroleum Company is a large producer of natural gas. It sells the gas to numerous companies which are "natural gas companies"—interstate companies—within the meaning of the Natural Gas Act.

Phillips has stated in data relating to the hearing that it is the sole supplier of natural gas to Michigan-Wisconsin Pipe Line Company, distributing gas to Detroit and other points in Michigan and Wisconsin.

The city of Detroit and the Public Service Commission of Wisconsin filed complaints with the FPC regarding increases in rates charged by Phillips for natural gas it sold to Michigan-Wisconsin, which, in turn, it was claimed, resulted in higher rates to consumers in Michigan and Wisconsin.

An investigation was ordered by FPC to obtain data on the status of Phillips in relation to the Natural Gas Act and on its natural gas operations.

Wildcat Drilling Near Stephens

Gazette State News Service

Stephens, April 7.—A new wildcat oil test east of Stephens is holding special attention. C. G. Davis, J. M. Passwaters and C. H. Whaley have started the Lawrence Elliott No. 1 in SE NE NE of Section 16-15-17, Ouachita County. It will be a 3,500-foot Travis Peak test.

In the Smart Field, Phil Shipp et al are completing the D. M. Green No. 2 in SE SW SE of Section 11-15-20, Columbia County. Stringers perforated Travis Peak sand from near 3,300 to below 3,400 feet and the test swabbed in

Pumping equipment is being installed.

Arkansas Fuel Oil put Henry Brown Estate No. 1 in the southwest corner of Section 18-15-19, Ouachita County, on pump this week and reports that it is making 30 barrels of oil daily.

Subversive Hearing Set

Washington, April 7 (INS).—The Subversive Activities Control Board announced today that a hearing will be held Monday on Attorney General McGrath's petition for registration of the Communist Party under the McCarran law.

Arkansas Democrat, January 28, 1951

Industry's Need Cited
By Lion Oil President

The need for new industry in Arkansas is constantly being hammered on by progressive-minded businessmen spotting truth in the statement that "What helps Arkansas helps us."

That's why many of these men were worried when the 1950 census showed a population decline in the state consequently causing a decline in the per capita consumption.

The one big way to offset this situation, most businessmen agree, is to entice new industry into the state which will jump the population in the trade areas and at the same time provide a higher per capita income through annual payrolls.

How is this to be done?

Well, T. M. Martin, president, Lion Oil Co., in a speech delivered to the Oil Dealers' Association at a meeting in Little Rock last month, offered these suggestions:

1. Improvement of roads. Suggests Tax Revisions.
2. Modernization and revision of the state's tax structures.
3. Individual and organizational help in promoting Arkansas.

Basic advantages Arkansas has to offer new industry and pointed out by Martin in his speech included:

The state's safe location from a defense standpoint while at the same time being near the center of the United States, with 55 million people living within 500 miles of its boundaries.

"Geographically, Arkansas is in the heart of the country and is strategically situated in a region rich in natural resources."

The entire state, he said, is in a temperate zone with a generally mild climate, a long growing season, and ample rainfall. It is one

of the finest timber areas in the United States and as a result of this substantial lumber and wood processing industries already have located here, he said.

"Arkansas is the source of virtually all the nation's supply of bauxite, and has a substantial segment of the aluminum processing industry. Still other natural resources have brought much new industry. Bauxite deposits, clay, glass, sand and coal have made their contribution."

"The state is rich in limestone,

\$130 Million Pipeline Crossing
State Begins Serving Midwest

One Well
Completed
In Union

El Dorado—One well was completed in Union county during the past week. It is the Atlantic Drilling Co.'s Mason No. 2, section 13-18-17. The well was pumping nine barrels of oil and 79 barrels of salt water at a depth of 7,694 feet.

D. Bradham's G. L. Phillips is waiting on cement at 3,902 feet. The well is in section 7-17-13. Roberts Petroleum Co. is testing the Helms & McCall No. 1, section 31-17-13, at 3,265 feet. Lion Oil Co. is testing the Cottrell No. 1, section 32-18-17, at 7,750 feet. Marine Oil Co. is coring the Pine No. 1, section 32-17-12, at 6,198 feet. H. D. Donnell is drilling the Moody Estate No. 1, section 17-17-14, at 180 feet.

Location has been made for McAlester Fuel Co.'s Southern Co. No. C-1, section 4-16-17. Murphy Corp. is drilling the Chester No. 1, section 32-18-17, at 4,335 feet. Roberts Pe-

By MARCUS GEORGE,
(Democrat Staff Writer.)

Texas-Illinois Natural Gas Pipeline Co.'s gigantic new \$130 million line, which extends 305 miles across Arkansas, began serving Illinois markets for the first time yesterday.

This announcement by Keith Bentz, who has been working as superintendent of construction from the company's Little Rock office, came as a climax to more than 14 months of back-breaking labor that went into the huge 30-inch pipeline.

It represents one of the biggest projects ever undertaken in the United States by private industry. Texas-Illinois is a subsidiary of People's Gas, Light, Coke and Fuel Co. of Chicago.

\$10 Million Spent in One Month.
At the peak of activity, monthly expenditures on the line exceeded \$10 million, according to Mr. Bentz. By comparison, on Boulder Dam expenditures never topped \$3 or \$4 million during the height of construction.

Beginning in the Gulf Coastal region of Texas, the pipeline enters Arkansas near Texarkana, crosses the Arkansas river about five miles downstream from Little Rock, and leaves the state near Corning. From Arkansas the line runs across Missouri and terminates near Joliet, Ill., from where the gas is distributed to consumers in downstream Illinois and the environs of Chicago.

Mr. Bentz said the line was designed to transport an ultimate total of 500 million cubic feet of gas per day. (This indicates a capacity greater than the combined total for both the Big Inch and Little Inch lines.)

Arkansas' 305 miles of the line is a sizable section of the total of 1,400 miles that extends from Texas to Illinois.

Arkansas River Big Problem.

The Arkansas river presented one of the toughest problems of all for Bechtel Corp., which was prime contractor for laying the line in Arkansas and Missouri. Bechtel Corp. is the world's largest contracting firm, with headquarters in San Francisco.

Placing pipelines across the Arkansas so that the current, even at its height, won't snap them has long been a problem for engineers.

Burying the pipes underground has not always worked, but Mr. Bentz yesterday expressed confidence that the Texas-Illinois lines across the river have been buried so deep and secured so well that officials "can walk away from the Arkansas river and forget it."

The pipes are 13 to 18 feet below the lowest point of the river bed and are buried from 55 to 60 feet below the top of the banks, the construction superintendent said.

Two Lines Cross River.

Construction difficulties made it necessary to lay two 24-inch lines instead of one 30-inch line across the river. (Due to physical properties of gas, two 24-inch lines will not transport much more than one 30-inch line.)

Ceremonies marking completion of the new line are slated to be held in Joliet Wednesday.

Mr. Bentz explained yesterday that the main work is finished but that minor details remain. The superintendent's office here will be closed but field offices along the line in Arkansas will be maintained to operate it. Two of the main

The Texas Railroad Commission and the states of New Mexico and Kansas have intervened in the case, claiming the FPC does not have power or authority to regulate independent natural gas producers and gatherers.

The Bartlesville hearing, now under way, is for the purpose of taking evidence. It probably will last several weeks, perhaps two months, FPC Commissioner Claude C. Draper said in Washington. It is being conducted before FPC Trial Examiner Edward Marsh.

The five members of the Commission will hear oral arguments on the case in Washington later in the year. A decision will follow that—and the natural gas industry is eagerly waiting to learn what it will be.

Doctor to Form
Group to Drill
Cabot Test Well

Cabot, Jan. 23.—A company will be organized here to drill a test oil or gas well in the Cabot area, it was announced yesterday.

Dr. John A. Martin, who holds more than 5,000 acres of leases near here, reported that three companies were interested in drilling. But he said that he planned to form a company of his own to drill the first well.

The Cabot physician said that he is holding the acreage in trust and that the property owners will be the first to cash in should oil in commercial quantities be developed.

Dr. Martin said that the drilling company, not yet formed, would benefit in obtaining a portion of the acreage already under lease and that there would be no speculation in leases adjacent to the drilling site because the landowners would be protected.

Several major oil companies have sent geologists into the area and they have reported that the presence of gas and oil in the city's water mains is a clear indication of oil and gas in commercial quantities, Dr. Martin said.

The company to be organized by Dr. Martin will include members of several oil companies and several civic leaders in Cabot, he said.

The time and the location of drilling will be announced in a few days, he said.



Allen B. Williams of St. Louis, (left) president of the Aluminum Ore Company, and Carl R. Stout, works manager of the Company's alumina processing plant, hearing completion at Bauxite, visited Little Rock yesterday en route to Pine Bluff, where Williams will speak at the Rotary Club luncheon today. The Aluminum Ore Company is a subsidiary of the Aluminum Company of America.



ADDRESSES ARKANSAS OIL DEALERS—L. T. White, New York, director of business research for the Cities Service Oil Companies, today was one of the speakers before the 17th annual convention of the Oil Dealers of Arkansas in the Hotel Marion. (Democrat Photo.)

Oil Marketing Future
Overlooked by Youths

Test Well Drilling
Set Near Clarksville

Gazette State News Service
Clarksville, Nov. 21.—Drilling of a test well at the foot of Yarbrough Mountain, 11 miles northwest of Clarksville, is expected to begin shortly.

Big Chief Drilling Company of Oklahoma City probably will begin moving in equipment tomorrow, upon completion of a road to the site. Yarbrough and Ross Company of Clarksville has been building the road. GAZ - 11-22

Young people are overlooking a great future in the oil marketing business, L. T. White, New York, director of Business Research for Cities Service Oil Companies, said here today.

Out of 2,543 grammar school seniors in Cleveland, O., only 13 said they wanted to work "in gas stations," Mr. White today told the Oil Dealers of Arkansas convention in the Hotel Marion.

The University of Denver conducted a national poll of 6,000 men in college age and the oil marketing business ranked just a fraction ahead of the occupation "singing in a night club."

So, finally in Charlotte, N. C., they decided to take a second survey of students and find out the reason for this low rate of participation to the oil business.

"The second survey reported that the boys considered service station work dirty and mean; the pay low and there is little chance to learn and advance," Mr. White said.

"Analysis of these thoughts eliminated two of them. Gas station work is no dirtier than printing, which was popular; nor is it meaner than plumbing, which was preferred by these young men to oil marketing. The earnings depend largely on the employee's ability—could be high instead of low."

Mr. White said there are over one million men engaged in the oil marketing business, "yet we are undermanned."

"We have one man for each 50 vehicles," he said. "The marketing team includes men who transport products from refineries to terminals, to bulk plants, to warehouses and to service stations."

"They perform all the functions of accounting, promotion, credit, finance and control. They do the selling, wholesale, retail and service. They have products ready when, where and as the public wants them."

In getting younger people into industry, he advocated starting education work in the schools.

"We have to begin at the very small sources," he said. "If we want a new supply of men who like the oil business we may have to approach children in schools. They will like our work if we make their studies more natural and interesting."

SEND IN THIS COUPON

6 Oil Fields In Shallow Wildcat Union County In Marion Gets Permit to Drill Busy This Week

Gazette State News Service
El Dorado, Dec. 1.—Calling the roll on operations in six Union County oil fields this week:

EAST FIELD—Pan-Am Southern Corporation, with several successful completions in the northwest part of the field, was preparing to set production pipe on the Ezell No. 5, NE NE SW 13-17S-15W, bottomed at 3,615 feet... On the southeast edge, L. L. Oil Company's C. L. Smith Estate No. 1, SW NW NW 29-17S-14W, was ready for testing.

URBANA FIELD—Roberts Petroleum, Inc., was testing the Torrence No. 1, NW NE NE 23-18S-13W, through perforations at 3,217-3,320 feet. The well flowed oil and salt water in an initial test and it was necessary to squeeze... Roberts' Duke No. A-4, SW SE 14-18S-13W, was drilling below 3,662 feet.

SANDY BEND FIELD—Roberts Petroleum, Inc., was drilling at 3,320 feet on the Webb No. B-1, NE SE NW 13-18S-13W.

LAWSON FIELD—J. S. Beebe Oil Company spotted the Jerry No. 1, SW SW SW 32-17S-13W, and will drill to 3,200 feet. Roberts Petroleum, Inc., was still testing the McCall and Helms No. 1 and the Axum No. 1, both in 31-17S-13W.

RAINBOW FIELD—Curtis Kinard has set production pipe 3,120 feet on the C. K. Rowland No. 3, NE SE NE 15-17S-14W.

HIBANK FIELD—Caddo Oil Company was waiting on pumping unit for the G. A. Patterson No. A-3, NW SW NE 30-18S-14W, after drilling to 2,167 feet... Caddo was below 1,500 feet on the G. A. Patterson No. A-4, NE SW NE of the same section.

Lafayette Well Stirs Excitement At 7,000 Feet

Gazette State News Service
Magnolia, Dec. 1.—A Lafayette County wildcat stirred up excitement this week when a drillstem test in the Cotton Valley formation at 7,336-7,356 feet recovered 4,000 feet of oil and gas and 50 feet of oil-cut mud.

California Company's P. D. Burton Jr. et al No. 1, in 9-18-23, had a flowing pressure of 1,815 pounds, no salt water and gravity 43 degrees.

With a contract depth of 9,700 feet, it was drilling ahead near 8,000 feet.

Carter in Angle Hole

In McKamie-Patton Field, Carter Oil Company was near 8,375 feet in the angle hole in McKamie-Patton Unit C-216 No. 1, in NE 34-17-24. It was drilled to 9,350 feet in the straight hole and recovered gas, which prompted whipstocking at 7,500 feet and the directional hole to the south in search of Smackover pay.

Kern and Trimble, drilling for Atlantic Refining Company, were near 2,500 feet in the C. W. Mulkey No. 1, a wildcat in center of SW NE 21-17-25, proposed for 3,000 feet.

In Spirit Lake Field, C. A. Lee has a new location, the Russell No. 1, 100 feet N of center of E half of NE SW 21-16-25, which was rigging up and moving in for a depth of 3,900 feet.

Gazette State News Service
El Dorado, Dec. 1.—A shallow wildcat test in Marion County was among the 11 permits to drill and five plug-and-abandon jobs approved this week by the Arkansas Oil and Gas Commission.

The Marion County permit was issued to Lawrence E. Otey to drill the J. M. Marrow No. 1, NE SE 26-18S-16W. Proposed depth was 800 feet.

Other permits were:

Caddo Oil Company, Inc., drill G. A. Patterson No. A-4, 330 feet south and west of NE SW NW 30-18S-14W, Union County, Hillbank Field, 2,350 feet.

Ed-Ren Oil Company, drill Ester C. Ross No. 1, 330 feet North and West of SEC SE SW 34-9N-21W, Clark County, 1,200 feet.

Arkansas-Oklahoma Gas Company, drill Perry Arnold No. 1, 490 feet north and 1,320 feet east of SWC N 1-2 SE 20-10N-31W, Crawford County, 2,100 feet.

Lawton Oil Corporation, drill Union Saw Mill Company No. B-2, 330 feet West and 380 feet south of NEc SW SW 35-18S-14W, Union County, wildcat, 4,000 feet.

J. S. Beebe Oil Company, drill Jerry No. 1, SW SW SW 32-17S-13W, Union County, Lawson Field, 8,200 feet.

Carter Oil Company, drill S. T. Crone No. 9, 160 feet south and 710 feet east of NWc SE SW 8-16S-22W, Columbia County, Buckner Field, 5,600 feet.

L. M. Bibby, et al, drill J. H. Fagg No. 1, SE NW SW 8-16S-16W, Union County, Smackover Field, 2,700 feet.

Alean Oil Company, drill Freeman-Smith Lumber Company No. 2, 660 feet south and 25 feet east of NWc NE NW 2-15S-14W, Calhoun County, 2,600 feet.

Garland Anthony Oil Company, drill Price No. 4, 990 feet north and 330 feet east of center 18-16S-25W, Miller County, wildcat, 3,400 feet.

J. D. Reynolds Company, drill Saxon No. 1, 330 feet south and 200 feet west of NEc Lot 10 NW 4-16S-16W, Union County, Smackover Field.

Floyd P. Wilson, plug J. T. Arnold Estate No. 1, 24-15S-16S, Ouachita County.

A. B. Turner and J. W. Coan, plug George L. Ritchie No. 4, 19-15S-18W, Ouachita County.

Garland Anthony Oil Company, plug Price No. 3, 18-16S-25W, Miller County.

McAlester Fuel Company, plug Raymond Peace, et al, No. A-1, 32-15S-17W, Ouachita County.

Sinclair Oil & Gas Company, plug J. P. Nichols No. 1, 30-14S-22W, Nevada County.

Oilman Raps "Nibblers" At El Dorado

El Dorado (P)—The real internal danger to American freedom is "revolution by nibbling," a Standard Oil Co. official told 500 persons at the El Dorado Chamber of Commerce's annual banquet last night.

Dr. Robert E. Wilson, board chairman of the Indiana company, declared that human freedom is "the scarcest and most precious thing in the world today," adding that Americans are "doing far too little to guard against deadly peril."

The oil industry executive declared the strategy of the "nibblers" includes taxing industry heavily, calling big business monopolistic, attacking integration, attacking big business if prices rise or fall, and attacking doctors and insurance men if they show signs of resisting moves to regiment them.

John Alley, El Dorado grocer, assumed the office of president of the chamber, succeeding Attorney J. A. O'Connor.

Col. T. H. Barton, chairman of the board of Lion Oil Co., introduced Dr. Wilson. Sam Brooks, first vice president, presided in the absence of President O'Connor.

Other officers installed for 1951 were: Chester L. Greene, first vice president; Dr. Frank Soday, second vice president; Ann Cordell, secretary; and Jimmy Sinnott, treasurer. New directors are: W. H. Hanna, E. A. Mahony, R. E. Meinert, Jimmy Sinnott and Dr. Soday. Other directors are: Bill Brown, Dr. J. W. Bertetti, J. A. O'Connor Jr., J. H. Sheehan, P. G. Anderson, J. M. Byrd, H. C. McKinney Jr. and D. H. Thurston.

The Rev. Ira A. Kirk, pastor of 1st Christian Church, gave the invocation, and Corliss Arnold provided music.

Oil News Busy Week For Oil Industry

Magnolia—Three operations were on the Columbia county program last week.

McAlester Fuel Company's Sam J. McCollum No. A-1, near Emerson, southern part of the county, center of NW NE 22-19-22, has been in Cotton Valley for about 500 feet and was drilling near 8,100 feet, toward a total depth of 10,500 to Smackover. It has had no oil signs since it left Pettit line at 5,890, about which 10 feet of saturation was recovered, sufficient to produce from that line.

Travis Peak was topped at 5,060 feet and Cotton Valley around 7,600.

In Buckner field, Carter Oil Co. was testing the J. Waters et al No. 4, 575 feet N, 713 feet E of SW corner of SE SE 7-16-22, which was perforated between 5,160-5,167 feet and packer was set. This is in lower Travis Peak, where it is expected to make a well.

In Village field, Bradham and Ragsdale have recompleted the Machen No. 3 (formerly B-1) 100 feet E of center of SW SE 19-17-19. It flowed 125 barrels of oil from between 7,365-7,372 feet through a 10-64-inch choke, with tubing pressure at 450 pounds and casing pressure at 615 pounds. Gas oil ratio was 500 to one, and gravity was 45 degrees.

Lafayette County Active.

In Lafayette county, the program is highlighted with the promise from a wildcat, California Co.'s P. D. Burton Jr. et al No. 1, which is reported as assured for a producer in Cotton Valley, between 7,336-7,353 feet, where a drill stem test recovered 4,000 feet of oil and gas, and 40 feet of oil cut mud, with no salt water, gravity was 43, and flowing pressure 1,815 pounds. It was drilling near 8,000 feet, due for a proposed depth of 9,700 feet. Location is center of NE NE 9-18-23, near Bussey, this county.

In the same county, in McKamie-Patton field, Carter Oil Co. was near 8,375 feet in the angle hole toward the south in the McKamie-Patton Unit C-216 No. 1, 550 feet N, 200 feet W of SE corner of NE fourth of 34-17-24, which is the result of a whipstock at 7,500 feet from the main hole that recovered only gas at 9,350 feet. The search is for Smackover oil promise.

Kern and Trimble, drilling for Atlantic Refining Co., the C. W. Mulkey No. 1, a wildcat in center of SW NE 21-17-25, were drilling near 2,500 feet toward a final contract depth of 3,000 feet.

Spirit Lake field, C. A. Lee's Russell No. 1, 100 feet N of center of E half of NE SW 21-16-25 was spudding as the week closed for a depth of 3,900 feet.

In Nevada county, one test, J. B. Downs Grove Land and Timber Co. No. 2, near Irma field, was waiting on orders at 2,800 feet. Proposed depth was 3,500 feet. Location is 330 feet W, 990 feet N of SE corner of NE NW 1-14-21.

Miller has five tests on the program. Kern and Trimble have completed the drilling of the Purifoy No. 1, a wildcat near Fouke-Northeast Field 330 feet N & W of AE corner of SE NE 19-16-26, and was moving rig out. This is a Skelly Oil Co. test and preparations were in progress to install pump. It was perforated between 3,340-3,350 feet. Total depth is 4,615 feet. It is expected to make a producer, but amount not a guess.

Kern and Trimble were rigging up on Skelly Oil Co.'s Shelton No. 1, in Fouke-Northeast Field, a wildcat, one mile and a half west of the Purifoy No. 1. It is due for a final depth of 5,500 feet.

In the same county, other tests are: In Ft. Lynn field, Standard Oil and Gas Co.'s Miller Land and Lumber Co. No. B-1, center of SW SE 17-18-27, due for a final depth of 7,700 feet for a Rodessa test, should be around 7,700 feet; in Garland City field, Garland Anthony Oil Co.'s E. A. Smith No. 4, should be near final depth, which should be around 3,800 feet, and the other wildcat in the county is G. W. Skelly's Dickson Heirs No. 1, 1,295 feet S, 1,424 feet E of NW corner of 36-19-27, with a proposed depth of 7,500 feet, should be down around the proposed depth, or near final steps.

Section 5-16-16 at 50 feet. Kinard is drilling the Humphrey No. C-5, section 12-17-14 at 3,380 feet.

Roberts Petroleum Co. is waiting on cement at 2,561 feet for the Winn No. A-30, section 11-18-13. Roberts Co. is drilling the Sledge No. 10, section 6-18-13 at 1,156 feet. C. G. Davis is drilling the A. C. Sewell No. 1, section 7-18-17 at 2,910 feet. Holmes Creek Oil Co. is moving in material for the Hepshaw No. 1, section 17-16-15. Locations have been made for Herff & Lewis, Annie Smith et al, No. 1, section 17-

in that sand in about three years and is an edge well on the J. M. Davis tract. A second test is to be made on the W. M. Green Estate at the north end of the unit in section 22-15-19. Burnett Drilling Co. is drilling the unit test for McAlester.

Burnett Production Co.'s R. O. Alley wildcat test near Ogemaw in Section 36-14-19, Ouachita county, was dry and abandoned at near 3,000 feet.

1 Completed; 3 Abandoned In Union

El Dorado—One well was completed during last week as a flowing well and three were abandoned as dry in Union county.

Roberts Petroleum Co. completed the Duke No. 3, section 14-18-14, at 3,644 feet. The well is flowing 70 barrels of oil per day.

Wells abandoned were: H. D. Donnell's Moody Estate No. 1, section 17-17-14, at 3,070 feet; Cobb Oil Co.'s Mrs. M. A. Britt No. 1, section 13-16-16, at 2,767 feet, and Kerr-Trimble Drilling Co.'s O. C. Smith No. 1, section 16-16-17, at 4,131 feet.

D. Bradham is waiting on cement for the G. L. Phillips No. 1, section 7-17-13. Roberts Petroleum Co. is testing the Helms & McCall No. 1, section 31-17-13, at 3,265 feet. Lion Oil Co. is waiting on standard rig for pumping the Cottrell No. 1, section 32-18-17. Marine Oil Co. is waiting on cement at 6,297 feet for the Pine No. 1, section 32-17-12. Murphy Corp. is drilling the Chester No. 1, section 32-18-17, at 6,120 feet. Roberts Petroleum Corp. is testing the Axum No. 1, section 31-17-13, at 3,240 feet. Murphy Corp. has made location for the Sallie No. 1, section 34-18-14. Roberts Petroleum Corp. is waiting on cement for the Torrence No. 1, section 23-18-13, at 3,389 feet. Curtis Kinard is drilling the L. N. Hill No. 1, section 13-18-17, at 1,200 feet.

Curtis Kinard is waiting on cement for the Rowland No. 3, section 15-17-14, at 3,600 feet. Roberts Petroleum, Inc., is drilling the Webb B-1, section 13-1-8-13, at 3,320 feet. Roberts Petroleum, Inc., is waiting on cement for the Duke No. A-4, section 13-18-13, at 3,662 feet. Locations have been made for McAlester Fuel Co.'s Southern Co. No. C-1, section 4-16-17; D. Bradham et al's W. N. Raulston No. 1, section 12-17-14, and Danman Christopher & Van Pelt's Annie Smith No. 1, section 4-16-17.

Oil Commission

The 16-year-old Interstate Compact Commission will convene at Little Rock next Tuesday for two-day session. Twenty oil-producing states are members of the commission and two are associate members.

In addition to representative from the 22 states, the Venezuelan government is expected to have delegates at the meeting. The 100th met in Arkansas in April 1950.

One of the principal items to be discussed will be problems connected with the underground storage

Crude Oil Output Off in Arkansas

From the Associated Press
Tulsa, Okla., Nov. 27.—Arkansas's crude oil production dropped 100 barrels during the week ending November 24 to a total of 76,450, the Oil and Gas Journal reported today.

On a national scale the daily average crude production spurted 1,275 barrels to a total of 6,154,425. About half the net gain was in Eastern fields, which increased 5,875 barrels to 60,000.

Gains were recorded also for Illinois, up 3,700 barrels to 165,000; Michigan, 2,600 to 36,300 and Mississippi, 2,850 to 98,950.

Other declines were reported in Alabama, off 50 barrels to 2,800; Indiana, 800 to 31,400 and Nebraska, 150 to 7,600.

Production was unchanged in Florida, 1,625 barrels.

Oil News

East Schuler Field Makes News With New Producer

Gazette State News Service
El Dorado, Dec. 1.—East Schuler Field was the big oil news in Union County this week with completion of a producer at the northeast edge of the field.

Curtis Kinard's B. M. Carroll No. 1, in SW NE NE 13-18S-17W, was gauged at 246 barrels of oil per day through perforations at 7,584-7,590 feet. The well flowed through 12-4-inch top and 5-8-inch bottom chokes. Tubing pressure was 700 pounds.

The flow will be cut back to 140 barrels daily—the allowable set by the Arkansas Oil and Gas Commission for the Jones sand in East Schuler Field.

Kinard Drilling

Kinard was drilling below 3,000 feet on the L. N. Hill No. 1, SE NW NE 13-18S-17W, a west offset to the new producer. He was below 5,000 feet on the Bishop No. 2, NE SE SE 14-18S-17W, which also offsets production.

On the southwest edge of East Schuler Field, Lion Oil Company was installing standard pumping rig on the Cottrell No. 1, NE SW NE 23-18S-17W, and will attempt to complete the test in the Cotton Valley formation at 6,620-6,229 feet.

Miller Well To Install Pump

Gazette State News Service
Magnolia, Dec. 1.—One of Miller County's five oil operations was near completion this week and ready to install pump.

It is Skelly Oil Company's M. G. Purifoy No. 1, a wildcat near Fouke-Northeast Field, in SE NE 19-16-26, which was drilled by Kern and Trimble to 4,617 feet. Perforations were made at 3,340-3,350 feet. Production was expected, but how much was still in doubt.

Kern and Trimble were rigging up for another Skelly wildcat, the Shelton No. 1, a mile and one-half west of the Purifoy in Section 26, for a depth of 5,500 feet.

Near Final Steps

Three other tests were near final steps, which limited information. They are:

Garland Anthony Oil Company's E. A. Smith No. 4, in the New Garland City field were the Smith No. 3 was abandoned as dry at its proposed depth of 3,800 feet.

Stanolind Oil and Gas Company's Miller Land and Lumber Company No. B-1, due for 7,700 feet for a Rodessa test in Fort Lynn field, was near final steps. It is in center of SW SE 17-18-27.

G. W. Skelly was reported near testing depth in Dickson Heirs No. 1, a wildcat in NW 36-19-27 proposed for 7,500.

Naming Warren As Oil Aide Proves Popular Choice

Gazette Washington Bureau

Washington, Dec. 1.—J. Ed Warren, the Texas independent oil man who will become deputy administrator of the Petroleum Administration for Defense next June, will take office with the strong and enthusiastic support of the oil industry.

The Midland, Tex., oil operator will replace Bruce K. Brown, former president of Pan-Am Southern Corporation of New Orleans, as head man of the government agency handling petroleum problems.

In a letter to members of the Independent Petroleum Association of America, President Charlton H. Lyons praised the Warren appointment as a promise of "assured continuation of sound policies by men familiar with the problems of the industry."

Warren recently retired as president of IPAA after two years in that office.

Ralph Hunneycutt, superintendent of the Planters Cotton Oil Mill, Inc., here is arranging the meeting.

Other regional meetings will be held next year at Memphis and Greenville.

Gasoline Users May Profit By Octane Decision

By MAX B. SKELTON
Of the Associated Press

Houston, Tex., March 3.—Pocket-books of many motorists may have received a break this week when defense officials decided not to place ceilings on octane ratings of gasoline.

The Petroleum Administration for Defense decided, instead, to allocate tetraethyl lead, vital anti-knock ingredient for automobile and aviation gasoline.

This leaves any adjustment in octane ratings to the individual refiner.

Industry spokesmen are confident refiners, operating under the allocation system, can prevent at least to a large degree, a discouraging trend, that developed when octane ratings dropped under World War II government orders. They believe the quality of automobile regular gasoline can be maintained to such levels comparatively few motorists will switch to premium grades.

Increase During War
Poor performance of lower quality gasoline was credited with causing a sharp shift during World War II.

An industry survey indicates only 15.2 per cent of United States motorists were using premium grade gasoline in 1942. By 1946, 39.4 per cent were using premium but there has been a sharp decline since the wartime octane regulations were dropped.

Success of the allocation system depends to a great extent upon the ability of the refining industry to prevent motorists from switching to higher grades during the emergency.

A sharp increase in demand for premium grade gasoline would make the tetraethyl lead shortage even more acute.

Such a shift to high quality gasoline would be accompanied by a rather sharp increase in the gasoline budget of the automobile owner now using regular grades.

Order Effective Thursday
Bruce K. Brown, deputy PAD administrator, announced the allocation order Tuesday. It became effective Thursday.

He blamed the tetraethyl lead shortage on increased demand for motor fuel, a growing desire for improved anti-knock quality, and heavy military demand for aviation gasoline.

PAD originally had proposed ceilings of 90 octane premium grade and 84 octane on regular. The national average premium grade rating last fall was 91.0, regular grade 84.4. In the winter of 1947 the ratings were 85.9 premium and 80.2 regular.

Several major refiners termed the ceiling proposal as arbitrary and artificial. At a Washington hearing, they said such a plan would disrupt competition in the manufacture and sale of gasoline by forcing all competitors to turn out grades identical in octane number.

Incentive Removed
This, they said, would remove the incentive for refiners to conserve lead.

They asked for an allocation formula based on prior consumption.

In granting the request, PAD ordered refiners using less than 1,000,000 pounds of lead last year be allocated a similar amount for the year starting March 1.

Major refiners drew 1,000,000 pounds, plus 80 per cent of last year's consumption that was in excess of 1,000,000 pounds.

Brown, in issuing the order, admitted octane ceilings may have to be imposed later but said current conditions indicate the allocation system will be sufficient.

Union County Drillers Reach 3 Dry Holes

Gazette State News Service
El Dorado, Dec. 1.—Three dry holes in separate Union County oil fields were chalked up this week.

Cobb Oil Company and associates junked and abandoned the Mrs. M. A. Britt No. 1, NE NW NW 13-18S-16W, Smackover Field, after drilling to 2,767 feet.

However, two other tries are slated for the Smackover Field. L. M. Bibby et al have spotted the J. H. Fagg No. 1, SE NW SW 8-16S-16W, four miles south of Smackover. J. D. Reynolds Co. has location for the Saxon No. 1, NE Lot 10 NW 4-16S-16W, in the Saxon City area.

Another duster for the Travis Peak formation of Bear Creek Field was marked up when Kern-Trimble Drilling Company abandoned as dry the O. S. Smith No. 1, SW NE NE 16-16S-17W, after drilling to 3,350 feet.

Operations Stop
The failure left operations at a standstill in Bear Creek Field. Although McAlester Fuel Company has had location for several weeks for the Southern Company No. C-1 SW Lot 5 NW 4-16S-17W, and Denman, Christopher and Van Pelt spotted the Annie Smith No. 1, NE SW SW of the same section, work has not begun.

A dry hole was recorded for the El Dorado East Field when H. W. Donnell's Moody Estate No. 1, SW NW SW 17-17S-14W, was abandoned at 3,070 feet.

Columbia Well Is Recompleted

Gazette State News Service
Magnolia, Dec. 1.—A recompletion in Village Field paced oil development and exploration in Columbia County this week.

Bradham and Ragsdale recompleted the Machen No. 3, formerly the B-1, SW SE 19-17-29, at 7,365-7,372 feet. It flowed 125 barrels of oil per day through 10-64 inch choke with tubing pressure at 250 pounds and casing pressure at 615 pounds. The gas-oil ratio was 500 to 1 and gravity was 45 degrees.

In Buckner Field, Carter Oil Company was in the testing stage on the J. Wates et al No. 4, SE SE 7-16-22, with a proposed depth of 5,520 feet. It drilled to that depth, came back for perforations at 5,160-5,167 feet and set packer. It is in the Lower Travis Peak formation.

McAlester Fuel Company's wildcat, the Sam J. McCollum No. A-1, six miles southwest of Emerson, was drilling in Cotton Valley around 8,100 feet, headed for 10,500 feet and Smackover lime. It topped Travis Peak at 6,050 feet and Cotton Valley near 7,600 feet. Earlier, it recovered 10 feet of good saturation in Pettit lime between 5,840-5,890 feet which Company officials said assured production. Location is center of NW NE 22-19-21.

Million Barrel Daily Oil Output Seen

Atlantic City, N. J., Dec. 1 (P)—A federal defense official has figured that by 1955 the yield of United States oil fields will be increased by more than 1,000,000 barrels per day.

And there is no sign yet that this high production will dry up underground petroleum sources, said Carl E. Davis of the Petroleum Administrator for Defense.

Davis, who is director of Pad's Refining Division, said in five years the United States is expected to produce 7,845,000 barrels of oil per day. He gave the 1951 daily rate as 6,830,000 barrels.

the Rogers Lime & Material Co. Articles of incorporation will be filed soon, and the plant with added equipment to cost \$50,000 will be in full operation by the first of next year.

22-state Group Meets This Week

The Interstate Oil Compact Commission will meet at Little Rock this week and two program highlights will be problems connected with underground storage of gas and attendance by Venezuelan government representatives.

The annual winter meeting of the organization Tuesday and Wednesday will mark the second time the IOCC has met at Little Rock since it was formed 16 years ago. The other time was in April, 1942.

The Commission is made up and controlled by oil-producing states. Its purpose is to prevent waste of a natural resource—crude petroleum—through co-operative measures. The IOCC has no police powers; it simply recommends action to be followed by the individual states.

It is financed solely by contributions from member states.

The IOCC is the product of what might be called a shotgun wedding of forces desiring conservation of oil and others more interested in warding off possible federal control of the industry.

The marriage came off in 1935, after a rocky courtship. Although the need for co-operative action in exercising some control over oil and gas production was proposed back in 1924, it was seven years before something began to crystallize.

Shut-Down Orders

Back in the 20s, it was open season on drilling and production. By 1931, the depression was moving in and a flood of oil from the East Texas and Oklahoma City fields was threatening to demoralize the industry. The governors of Texas and Oklahoma issued shut-down orders—without legal authority—and had to call out the militia to enforce the orders.

Also in Dorchester - Macedonia Field, Carter Oil Company was re-completing an old Cotton Valley well at a higher level. The J. H. Kirkpatrick No. 1, in SW 13-18-22, was perforated at 7,536-7,545 feet. It flowed 106 barrels of 44.2 degree gravity oil through 8/64-inch choke. Tubing was run and testing continued.

McAlester Fuel Company's wildcat near Emerson, being watched closely, 138, unchanged to 1/2 cent up; No. 2 yellow \$1.93.

St. Louis, Dec. 8 (P)—Wheat: Receipts, 64 cars, sold live; No. 2 yellow \$1.87 1/2; No. 3 yellow \$1.83 1/2. Oats: Receipts, 30 cars, none sold.

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Producer Flows In Columbia's Buckner Field

Gazette State News Service

Magnolia, Dec. 8. — Columbia County got a new oil producer in Buckner Field this week.

Carter Oil Company's J. Waters et al. No. 4, in SE NE 7-16-22, flowed 170 barrels per day after perforations and swabbing at 5,360-5,267 feet. Testing showed only two per cent basic sediment. The well will flow without pump from the Lower Travis Peak formation.

Carter has a new test under way in Buckner Field. The S. T. Crone No. 9, in SE SW 8-16-22, was waiting on cement on surface pipe set at 412 feet. It will drill for 5,500 feet.

In the deep Dorchester-Macedonia Field, Lion Oil Company announced a location for a relatively shallow test. Lion will drill the Franks No. 1, in SE NW 28-18-21, to 3,500 feet.

Old Well Recompleted

Also in Dorchester - Macedonia Field, Carter Oil Company was re-completing an old Cotton Valley well at a higher level. The J. H. Kirkpatrick No. 1, in SW 13-18-22, was perforated at 7,536-7,545 feet. It flowed 106 barrels of 44.2 degree gravity oil through 8/64-inch choke. Tubing was run and testing continued.

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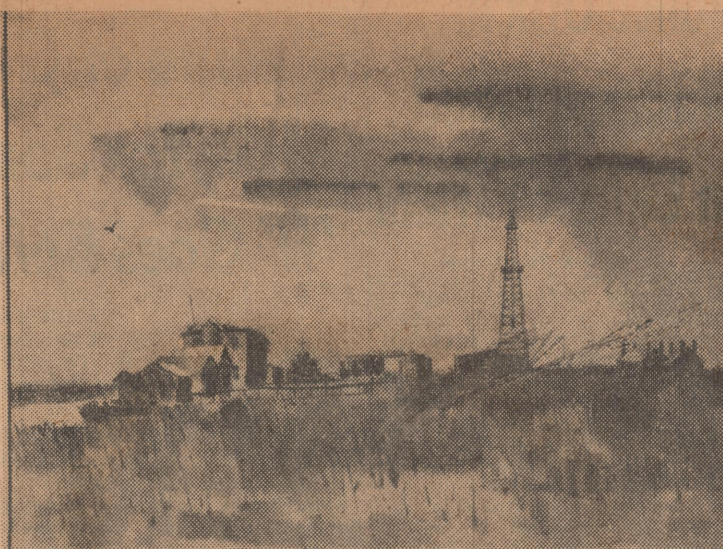
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A water color entitled "Marshland Oil Drilling" by Don Burns has been presented to the Little Rock Fine Arts Museum by the Esso Standard Oil Company. The painting records an industrial scene in a lyrical manner. It is from the art collection of the Standard Oil Company of New Jersey. Its painter won a Guggenheim Fellowship for creative painting in 1945. He has executed three commissions for the Standard Oil Company which include paintings of oil operations in Louisiana.

Lion Completes Small Schuler Field Pumper

Gazette State News Service

El Dorado, Dec. 8. — A small pumper was completed by Lion Oil Company on the southwest edge of the East Schuler Field this week.

The Cottrell No. 1, NE SW NE 23-18S-17W, was reported making seven to eight barrels of oil per day. Perforations were made in the Cotton Valley formation at 6,620-29 feet.

Curtis Kinard has two projects under way in this field—both off-sets to good producers. The L. N. Hill No. 1 SE NW NE 13-18S-17W, was below 5,500 feet. The Bishop No. 2 NE SE SE 14-18S-17W, was drilling at 6,000 feet.

Chicago, Dec. 8 (P)—Grains end: All rice contracts made new season deliveries. The market had been flat for some time.

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Operators Busy In Six Fields In Union County

Gazette State News Service

El Dorado, Dec. 8.—Running the log on operations in eight Union County oil fields this week.

Pan - Am Southern Corporation spotted a new test, the Ezzell No. 6, NE NE SE 13-17S-15W. . . Part Am's Ezzell No. 5, NE NE SV of the same section was testing after perforations with 16 shots at 2,990-2,994 feet. . . L. L. Oil Company still hasn't completed the C. L. Smith Estate No. 1, SW NE NW 29-17S-14W. Production pipe was set at 3,365 feet about two weeks ago and the rig was moved off.

RAINBOW FIELD—Donald E. Bradham, et al., were waiting on cement in the W. N. Raulston No. 1, NE NW SE 12-17S-14W. Crews set 5 1/2 inch production pipe at 3,300 feet, total depth of the well lay to both wheat and corn anything.

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Tests Indicate Marine Wildcat To Be Producer

Gazette State News Service

El Dorado, Dec. 8.—Initial tests this week on Marine Oil Company's wildcat, the Pine No. 1, indicated the well will make a good commercial producer from the Smackover lime formation. Location is NE SE 30-17S-12W, eight miles north of Strong.

The well flowed 16 gravity oil into the pits through the tubing after perforation at 6,046-60 feet. The crude was too heavy to flow through a choke; therefore no gauge was available. It was estimated the well will produce between 100 and 150 barrels per day.

The operators were installing storage tanks and heating and treating equipment. Meanwhile, the well was shut in.

4 Wildcats Drilling

Four other wildcats in widely scattered areas of the El Dorado oil district were drilling at various depths.

Deepest was Murphy Corporation's Chester No. 1, NE NE 32-19S-17W in Southwest Union County near the Louisiana line. Crews were below 6,825 feet. Proposed depth is the Smackover lime, expected around 9,300 feet. No shows have been reported.

Murphy Corporation was below 1,500 feet on the Sallie No. 1, SW SW NW 34-18S-14W, East Central Union County. It will be drilled to 4,000 feet.

Nine miles southeast of El Dorado, Lawton Oil Corporation was nearing proposed depth on the Union Sawmill No. B-2, NE SW SW 35-18S-14W. This is a diagonal offset to a dry hole drilled by Lawton several weeks ago and abandoned below 4,100 feet. The new test will seek production near this level. Drilling was at 3,650 feet.

Martin Wunderlich was drilling at 2,100 feet on the Reynolds-Gammill Lumber Company No. 1, SW NW 36-16S-17W, a wildcat slated for the Smackover lime at 6,500 feet. It is in Northwest Union County between the Bear Creek and Lisbon Fields.

West Germany Oil Production Tops '41 Output in New Boom

Bonn, Germany, Dec. 8 (P).—Oil men from the Baltic to the Dutch Frontier are shouting the German version of "thar she blow." There's an oil boom in Western Germany.

New wells are sprouting in a half dozen sections of the country. Grimy drillers are probing the earth in every one of the 11 states in search of block gold.

Oil experts claim important new discoveries are in the offing. They say German wells will spew out 1,400,000 tons of oil during 1951 and at least 2,000,000 tons by 1953.

German oil production soared above the 1941 peak for the first time last year with a total output of 1,118,000 tons, according to oil industry reports.

1941 Best

In 1936 the Germans produced only 450,000 tons and in 1941 Hitler pushed output to 1,056,000—his best oil year.

Cut off from foreign oil fields, Hitler bolstered Germany's oil well production during the war with synthetic fuels from the famed Fischer - Tropesch plants. These were flattened by Allied bombs or

Commission To Fix Rules in 4

N. O. D. L.

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2 New Pools Usher in 31st Year of Union County Oil Arkansas

Non-pool discoveries ushered in Union Arkansas oil production. Both areas already yielding production.

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10 Permits Issued By Commission

El Dorado—The Arkansas Oil and Gas Commission issued 10 permits last week; four going to Union county operators.

The Lawton Oil Co. will spot a wildcat test to be located 10 miles southeast of El Dorado in 35-18-14. Rotary will drill to 4,000 feet into the Travis Peak level.

Roberts Pet. Inc. will drill the Duke A-7 in csw se of 14-18-13. Located in the Urbana field, well to be drilled by rotary to 3,600 feet.

J. D. Reynolds drills the Saxon No. 1 in 4-16-16, Smackover field; depth 2,750. Rotary to begin soon.

L. M. Bibby et al will drill the J. H. Flag No. 1 in se nw sw of 8-16-16. Located 4 miles south of Smackover the depth to be 2,700 feet.

Two wildcat tests are to be made in Miller county: Garland Anthony Oil Co. will drill the Price No. 4; located 1 miles west of Garland City; 18-16-25, well to be drilled to 3,400 feet. Skelly Oil Co. will drill the F. M. Shelton No. 1; located 5 miles northeast of Fouke in sec ne sw of 26-16-17; rotary to drill to 5,500 feet.

Calhoun county drew two permits, one a wildcat test. The wildcat will be drilled by the McAlester Fuel Co. The Freeman Smith No. A-1 will be located in 17-15-13, eight miles northeast of Calion and depth to be 2,600 feet. Alcan Oil Co. to drill the Freeman Smith No. 2, nwc ne nw of 2-15-14, located seven miles southwest of Hampton in the Hampton field the well's depth to be 2,600 feet.

Marion county is to be the scene of a wildcat test with the Laurence B. Otey Co. drilling the J. M. Morrow No. 1 located 14 miles south of Yellville. Drilling to be in se of 26-18-16; cable tools to drill to unannounced depth. The Carter Oil Co. drills the S. T. Crane No. 9, located nwc se sw; 8-6-22 Columbia county, Buckner field; two miles west Buckner; depth 5,600 feet.

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Pennsylvania Gas Field Brings Boom

Pittsburgh (P)—A background bonanza is padding Pennsylvania's slim natural gas supplies and easing pressure on local utilities which find it hard to meet the urgent demands of this highly industrialized, populous area.

The bonanza is Clinton county's Leidy natural gas field in central Pennsylvania. Because it is located near the big markets, gas companies are paying a price for Leidy gas which is high enough to pour a shower of gold into the pockets of producers.

The price at the well head for Leidy gas is around 25 cents per thousand cubic feet. In Texas, where supplies are ample and markets scarcer, gas brings a much lower price. In a new field near Marshall, Tex., for example, the well head price has been fixed at 10 cents per thousand cubic feet.

A spokesman for Peoples Natural Gas Co. in Pittsburgh said the Leidy price is simply the going rate for gas produced in the area. He said it was negotiated between buyer and seller and based on the law of supply and demand. There is no price regulation by any state or federal governmental agency. Peoples said it pays 21.6 cents per cubic thousand feet for the gas it buys in western Pennsylvania.

The bigger gas companies have drilled some wells of their own in the Leidy field to supplement their purchases. The system with which Peoples is affiliated has about a dozen wells in operation and is drilling 15 others.

S. H. Cathcart, chief state geologist, said demands on gas wells in the two-year-old field are so great the wells may be exhausted within a few years. He added:

"Most of them may be exhausted within five years but the end may not come suddenly. New areas in the field may be developed and the field may continue on a diminished scale for years."

The demand is great, he explained, because Pennsylvania produces only about 40 per cent of the natural gas it uses. Huge quantities come from the mammoth Texas fields.

The Leidy field boasts some 55 wells at last count. Sixty-six wells were being drilled at the time of the state's latest compilation. Cathcart put the average drilling cost at between \$60,000 and \$70,000 a well.

The geologist predicted the field has a capacity of 50 billion feet—and maybe more. The daily production yield is about 160 million cubic feet a day.

Production is not regulated by the state. The Public Utility Commission of Pennsylvania watches prices only at the level of the ultimate consumer.

22-state Group Meets This Week

The Interstate Oil Compact Commission will meet at Little Rock this week and two program highlights will be problems connected with underground storage of gas and attendance by Venezuelan government representatives.

The annual winter meeting of the organization Tuesday and Wednesday will mark the second time the IOCC has met at Little Rock since it was formed 16 years ago. The other time was in April, 1942.

The Commission is made up and controlled by oil-producing states. Its purpose is to prevent waste of a natural resource—crude petroleum—through co-operative measures. The IOCC has no police powers; it simply recommends action to be followed by the individual states.

It is financed solely by contributions from member states.

The IOCC is the product of what might be called a shotgun wedding of forces desiring conservation of oil and others more interested in warding off possible federal control of the industry.

The marriage came off in 1935, after a rocky courtship. Although the need for co-operative action in exercising some control over oil and gas production was proposed back in 1924, it was seven years before something began to crystallize.

Shut-Down Orders

Back in the 20s, it was open season on drilling and production. By 1931, the depression was moving in and a flood of oil from the East Texas and Oklahoma City fields was threatening to demoralize the industry. The governors of Texas and Oklahoma issued shut-down orders without legal authority and had to call out the militia to enforce the orders.

Governors of those two states and two others, Kansas and New Mexico, met in Fort Worth to draft a uniform statute governing conservation. Before anything came of this endeavor, the Franklin D. Roosevelt administration took over in Washington. Passage of the National Industrial Recovery Act and adoption of the Code of Fair Competition for the petroleum industry were temporary aids.

In 1934, it was suggested in Congress that states form an oil compact commission, and after elections that year, governors began another attempt to develop a uniform conservation program.

Two-State Conflict

There was conflict at the outset between the governors of Oklahoma and Texas; between those who wanted conservation and those who feared price fixing and production quotas to gain the objective.

After several sessions, a compromise was reached and, as one writer put it, the Interstate Oil Compact Commission was born of necessity. The compact was drafted at a Dallas Meeting February 16, 1935, and the organization perfected at Oklahoma City September 21, 1935. The late Governor E. W. Marland of Oklahoma was the first president.

At the beginning, there were six member states—Oklahoma, Texas, Kansas, Colorado, Illinois and New Mexico. In the years that followed, other states have joined after their legislatures ratified the compact agreement. Now there are 20 full members and two associates.

Following the original six were: Michigan, Arkansas, Louisiana, New York, Pennsylvania, Kentucky, Ohio, Montana, West Virginia, Alabama, Florida, Tennessee, Indiana and Mississippi. Georgia and Arizona are associate members.

Arkansas has representatives at the early sessions, but it wasn't until 1941 that the legislature paved the way for membership.

Officers to be Named

The retiring president is Governor Allan Shivers of Texas. New officers are to be named at the two-day, public-invited sessions this week.

The meeting will draw several governors to Arkansas for the second time in two months. Last month, the Southern Governors Conference met at Hot Springs.

In addition to shivers and the host governor, Sid McMath of Arkansas, four other governors are expected—Johnston Murray of Oklahoma, Edward F. Arn of Kansas, Fielding L. Wright of Mississippi and Edwin L. Mcchem of New Mexico.

All but one member state, New York, is expected to be represented.

Producer Flows In Columbia's Buckner Field

Gazette State News Service

Magnolia, Dec. 8.—Columbia County got a new oil producer in Buckner Field this week.

Carter Oil Company's J. Waters et al. No. 4, in SE NE 7-16-22, flowed 170 barrels per day after perforations and swabbing at 5,360-5,267 feet. Testing showed only two per cent basic sediment. The well will flow without pump from the Lower Travis Peak formation.

Carter has a new test under way in Buckner Field. The S. T. Crone No. 9, in SE SW 8-16-22, was waiting on cement on surface pipe set at 412 feet. It will drill for 5,500 feet.

In the deep Dorcheat-Macedonia Field, Lion Oil Company announced a location for a relatively shallow test. Lion will drill the Franks No. 1, in SE NW 28-18-21, to 3,500 feet.

Old Well Recompleted

Also in Dorcheat - Macedonia Field, Carter Oil Company was re-completing an old Cotton Valley well at a higher level. The J. H. Kirkpatrick No. 1, in SW 13-18-22, was perforated at 7,536-7,545 feet. It flowed 106 barrels of 44.2 degree gravity oil through 8/64-inch choke. Tubing was run and testing continued.

McAlester Fuel Company's wildcat near Emerson, being watched closely after showing for Pettit lime production earlier, was drilling near 8,550 feet toward a proposed depth of 10,500 feet or Smackover lime. The wildcat is the Sam J. McCollum No. A-1, center of NW NE 22-19-21.

Three Lafayette Tests Drill Ahead

Gazette State News Service

Magnolia, Dec. 8.—Three Lafayette County oil tests were drilling ahead this week. One venture was abandoned as dry.

California Company was near 8,560 feet in the wildcat P. D. Burton Jr. et al. No. 1, near Bussey and south of McKamie-Patton Field, in NE NE 9-18-23. The test, proposed for 9,700 feet, showed for Cotton Valley production several days ago, but it was going head for the Smackover lime formation.

Carter Oil Company's McKamie-Patton Unit C-216 No. 1, in NE 34-17-24, McKamie-Patton Field, was drilling near 8,600 feet in its angle hole to the south in search of pay in Smackover lime. The angle drilling began with whipstocking at 7,500 feet in the straight hole which found only gas at 9,350 feet.

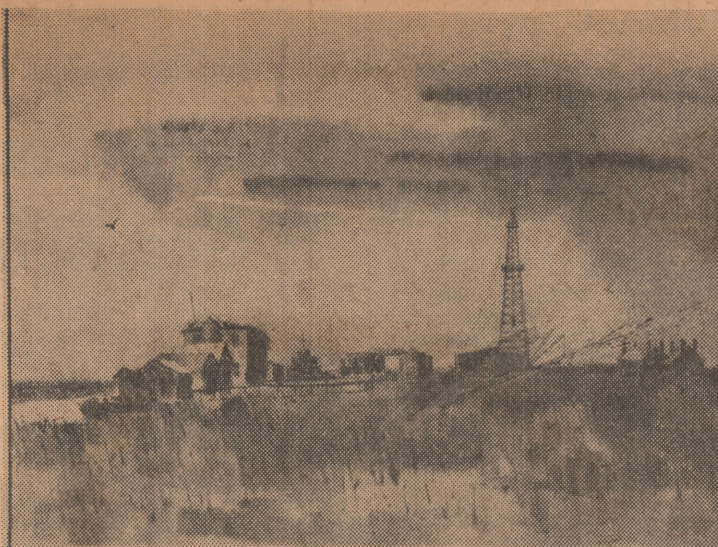
In Spirit Lake Field, C. A. Lee's Russell No. 1, in NE SW 21-16-25, was near 3,300 feet. Proposed depth is 3,900 feet.

Kern and Trimble, drillers of Atlantic Refining Company's C. W. Mulkey No. 1, center of SW NE 21-17-25, abandoned the wildcat as dry at 3,200 feet, 200 feet past proposed depth.

Pan-Am Southern Corporation, plug Farmers Bank & Trust Company No. 1, 14-18S-22W, Columbia County.

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A water color entitled "Marshland Oil Drilling" by Don Burns has been presented to the Little Rock Fine Arts Museum by the Esso Standard Oil Company. The painting records an industrial scene in a lyrical manner. It is from the art collection of the Standard Oil Company of New Jersey. Its painter won a Guggenheim Fellowship for creative painting in 1945. He has executed three commissions for the Standard Oil Company which include paintings of oil operations in Louisiana.

Lion Completes Operators Busy Small Schuler Field Pumper In Six Fields In Union County

Gazette State News Service

El Dorado, Dec. 8.—A small pumper was completed by Lion Oil Company on the southwest edge of the East Schuler Field this week.

The Cottrell No. 1, NE SW NE 23-18S-17W, was reported making seven to eight barrels of oil per day. Perforations were made in the Cotton Valley formation at 6,620-29 feet.

Curtis Kinard has two projects under way in this field—both offsets to good producers. The L. N. Hill No. 1 SE NW NE 13-18S-17W, was below 5,500 feet. The Bishop No. 2 NE SE SE 14-18S-17W, was drilling at 6,000 feet.

10 O&G Permits Issued in Week

Gazette State News Service

El Dorado, Dec. 8.—Permits for 10 new ventures were issued by the Arkansas Oil and Gas Commission this week. Five plug and abandon jobs were authorized. The list:

Pan-Am Southern Corporation, drill Ezzell No. 6, 50 feet north of center, NE NE SE 13-17S-15W, Union County, East Field, 3,600 feet.

Lion Oil Company, drill Franks No. 1, 330 feet south and 329 feet east of NWc SE NW 28-18S-12W, Columbia County, 3,500 feet.

McAlester Fuel Co., drill Freeman-Smith No. A-1, 480 feet south and 990 feet west of NEc SE 17-15S-13W, Calhoun County, 2,600 feet.

Roberts Petroleum, Inc. drill Duke No. A-7, C SW SE SE 14-18S-13W, Union County, Urbana Field, 3,600 feet.

Gulf Refining Company, drill Sid Umsted "A" No. 25, 570 feet south and 617 feet east of center 33-15S-15W, Ouachita County, Smackover Field, 2,000 feet.

Irving Greenspan, drill Walker No. 1, C SE SW SE 6-16N-31W, Washington County, wildcat, 3,500 feet.

Floyd P. Wilson, drill L. D. Neeley No. 1, C NW SE SW 23-15S-16W, Ouachita County, 4,000 feet.

Caddo Oil Company, drill G. A. Patterson No. A-5, 330 feet north and east of SWc NW NE 30-18S-14W, Union County, Hibank Field, 2,350 feet.

Garland Anthony Oil Company, drill W. F. Daley No. 1, C NE SW 21-19S-21W, Columbia County, wildcat.

Burnett Production Company, plug O. C. Smith No. 1, 16-16S-17W, Union County.

Pan-Am Southern Corporation, plug Farmers Bank & Trust Company No. 1, 14-18S-22W, Columbia County.

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Tests Indicate Marine Wildcat To Be Producer

Gazette State News Service

El Dorado, Dec. 8.—Initial tests this week on Marine Oil Company's wildcat, the Pine No. 1, indicated the well will make a good commercial producer from the Smackover lime formation. Location is NE SE 30-17S-12W, eight miles north of Strong.

The well flowed 16 gravity-oil into the pits through the tubing after perforation at 6,046-60 feet. The crude was too heavy to flow through a choke; therefore no gauge was available. It was estimated the well will produce between 100 and 150 barrels per day.

The operators were installing storage tanks and heating and treating equipment. Meanwhile, the well was shut in.

Four other wildcats in widely scattered areas of the El Dorado oil district were drilling at various depths.

Deepest was Murphy Corporation's Chester No. 1, NE NE 32-19S-17W in Southwest Union County near the Louisiana line. Crews were below 6,825 feet. Proposed depth is the Smackover lime, expected around 9,300 feet. No shows have been reported.

Murphy Corporation was below 1,500 feet on the Sallie No. 1, SW SW NW 34-18S-14W, East Central Union County. It will be drilled to 4,000 feet.

Nine miles southeast of El Dorado, Lawton Oil Corporation was nearing proposed depth on the Union Sawmill No. B-2, NE SW SW 35-18S-14W. This is a diagonal offset to a dry hole drilled by Lawton several weeks ago and abandoned below 4,100 feet. The new test will seek production near this level.

Drilling was at 3,650 feet. Martin Wunderlich was drilling at 2,100 feet on the Reynolds-Gammill Lumber Company No. 1, SW NW 36-16S-17W, a wildcat slated for the Smackover lime at 6,500 SE 15-17S-19W, Village, for a salt water disposal well.

Study the allocation formula of Village limestone and the Cairo pool. Study the formula of Reynolds lime of Schuler Field with view to possible changes. And discuss possible changes in the regulations on plugging abandoned wells.

West Germany Tops '41 Output

Bonn, Germany, Dec. 8 (AP).—Dutch Frontier are shouting "blow."

There's an oil boom in a half dozen sections of the country. Grimy drillers are probing the earth in every one of the 11 states in search of block gold.

Oil experts claim important new discoveries are in the offing. They say German wells will spew out 1,400,000 tons of oil during 1951 and at least 2,000,000 tons by 1953.

German oil production soared above the 1941 peak for the first time last year with a total output of 1,118,000 tons, according to oil industry reports.

1941 Best

In 1936 the Germans produced only 450,000 tons and in 1941 Hitler pushed output to 1,056,000—his best oil year.

Cut off from foreign oil fields, Hitler bolstered Germany's oil well production during the war with synthetic fuels from the famed Fischer - Tropsh plants. These were flattened by Allied bombs or

Commission To Fix Rules in 4 New Oil Pools

Gazette State News Service

El Dorado, Jan. 13.—Field rules will be fixed for four new South Arkansas oil pools at a state-wide meeting of the Arkansas Oil and Gas Commission Friday at the Columbia County courthouse at Magnolia, P. M. McLaughlin, acting director, announced.

The new areas, all opened to production within the last few weeks, are:

Roberts Petroleum, Inc., Lena No. 1 in C NE NE NE 26-17S-14W, wildcat in East Central Union, north of Lawson. Two other producers have been completed since the discovery.

Curtis Kinard, Burns No. 1 in C NW SE SW 13-18S-17W, deep producer in the East Schuler area, opening a new producing level, West Central Union.

Pan-Am Southern Corporation, Claude Everett No. 1 well, 650 feet north and 300 feet west of C 36-17S-15W, opening a new horizon in the Nick Springs area, three miles east of the El Dorado city limits.

El Dorado Drilling Company, Sally Irby No. 1 in C NE SE 22-18S-17W, new producing level at Trull.

A fifth area recently opened also will be discussed with reference to production allowances: Stanolind Oil and Gas Company, Miller Land and Lumber Company A-1 well, 1-980 feet north and west of section 20-18S-27W, Miller.

Other Subjects

In addition to investigating any reports of war in the controlled oil and gas fields, the Commission will:

Ask a report from operators on proposed salt water disposal systems for Village, Cairo and McKamie-Patton fields;

Hear the application of Pan-Am Southern Corporation and Texas Gulf Producing Company, Threaten Gulf-Sewell unit well No. 1 in SW SE 15-17S-19W, Village, for a salt water disposal well;

Study the allocation formula of Village limestone and the Cairo pool; Study the formula of Reynolds lime of Schuler Field with view to possible changes;

And discuss possible changes in the regulations on plugging abandoned wells.

Commission Gives 7 Drilling Permits

Gazette State News Service

El Dorado, Jan. 13.—The Arkansas Oil and Gas Commission issued seven permits to drill last week in Union County. Two plug and abandon jobs were authorized. The list:

W. M. Coats, drill J. L. Moore No. 1, 330 feet south and east of NWc E 1/4 Lot 1, 3-38-10W, Cleveland, 4,200 feet.

El Dorado Drilling Company, et al., drill McKinnon Estate No. 1, 100 feet east of center NW SE 22-18S-17W, Union, Trull, 4,100 feet.

Pan-Am Southern Corporation, drill Nelson Estate No. 1, 465 feet north and 307 feet east of SWc SW NE 26-17S-15W, Union, West Nick Springs, 3,400 feet.

The Gerhig Company of Arkansas, drill Meakin No. 1, 330 feet south and east of NWc NE NW 9-16S-16W, Union, Smackover, 2,750 feet.

Spartan Drilling Company, drill Dunbar Heirs No. 1, 292 feet east and 280 feet north of SWc NW SW 31-17S-14W, Union, West Nick Springs, 3,250 feet.

Pan-Am Southern Corporation, drill Union Saw Mill No. 2, 330 feet east and north of SWc NE NW 6-16S-13W, Union, Urbana, 2,700 feet.

Caddo Oil Company, drill Union Saw Mill "D" No. 4, 330 feet north and west of SEC SE NW 7-18S-12W, Union, Sandy Bend, 2,350 feet.

Crow Drilling Company, plug C. B. Moore No. P-2, 13-16S-25W, Lafayette, Lyons, Prentiss and McCord, plug Mark King No. B-1, 18-18S-11W, Union.

He Celebrates Early

Rochester, N. Y., Jan. 13 (AP).—Ed Van Dyne will be 107 Monday, but he's celebrating two days early because Saturday is party night. Besides he's thinking of his guests. It'll give 'em all day Sunday to recuperate," he explained.

2 New Pools Usher in 31st Year of Union County Oil Leadership in Arkansas

Gazette State News Service

El Dorado, Jan. 13.—Two new pool discoveries ushered in Union County's 31st year as a leader in Arkansas oil production. Both pools were found at new depths in areas already yielding production from other levels.

Township 18S, Range 17W, which has four oil fields within its 36 square miles, may be the scene of renewed activity following completion of Curtis A. Kinard's Burns No. 1 in SW NE SW of Section 13. In an initial test from the Smackover lime formation at 7,624 feet, the Burns flowed oil for 10 minutes with tubing pressure of 1,360 pounds. The well was shut in to prepare storage facilities and is expected to be gauged at the week's end.

The Burns is on the same tract of land where the East Schuler field discovery well was brought in nearly 10 years ago. It produced for seven years from the Morgan sand formation at 5,542 feet. Other wells in the field still yield about 8,000 barrels a month from around 5,500.

Two miles southwest of the Burns in Section 22 of the same township, El Dorado Drilling Company, et al, is drilling below surface casing on McKinnon Estate No. 1 in NW SE, the third well by these operators in what is known as the Trull field. The McKinnon is a west offset to the pool discovery, the Sally Irby No. 1, which is producing from the Pettit lime around 4,000 feet. It was first drilled to 7,850 feet and abandoned as dry. The second well in the Trull field was a duster.

Less than two miles north of the McKinnon, in the Cairo field, Carter Oil Company is coring around 7,680 feet on the Mayfield No. 1 in NE SW 9-18S-17W. The Mayfield is a southwest outpost at Cairo and is the only operation in the field.

Schuler Field

On the west edge of the township lies the large Schuler field, discovered in 1937 and defined several years ago, and which now produces about 225,000 barrels of crude a month from three different levels.

No gauge is yet available on the C. H. Murphy and Co. Leroy No. 1 in NE SE 32-18S-15W, Catesville field five miles south of El Dorado. Completion was made in the Smackover lime formation at 7,743 feet. The well flowed through 10-64th inch choke and registered tubing pressure of 1,400 pounds. It is a south offset to the pool opener, the Pepper No. 1. No other operations are now in progress in the field.

The upper Glen Rose sand at 3,312-20 feet yielded a 44 barrel-a-day producer for Pan-Am Southern Corporation in the C. W. Everett No. 1 in SE SE NW 36-17S-15W. This is a new producing level for the recently discovered West Nick Springs field where some 11 wells are flowing from the Meakin sand around 2,500 feet. The Everett is on the north edge of the field. Gravity of the oil is 41-7. Pan-Am is drilling below 1,800 feet on a west offset, the Nelson Estate No. 1 in SW SW NE of the same section.

On the southeast edge of the field, Spartan Drilling Company has started the Dunbar Heirs No. 1 in SW NW NW 31-17S-14W. Spartan has a number of producers in the field.

McCarthy No. 1 Spudded

C. H. Murphy and Co. and McAlester Fuel Company have spudded in the McCarthy No. 1 in NW NW 33-18S-18W, Tubal field of Southwest Union and Southeast Columbia Counties. It is a southwest diagonal offset to the Gregory No. 1, pool opener.

The lone operation in the Bear Creek field of Northwest Union, the Mimi Herff (O. C. Smith) No. 1 in SE SW 9-16S-17W, is nearing the pay level. Crews for Herbert Herff and Joseph Lewis, the owners, are drilling below 6,100 feet on the test scheduled over 6,500.

E. J. and J. S. Beebe have abandoned as dry the Frost No. 2 in SE NE 9-17S-13W, Wilmington field, near the Ouachita River, after several squeeze jobs.

Pan-Am Southern Corporation is clearing the site for a new well in the West Urbana field of East Central Union. It is the Union Saw Mill No. 2 in SW NE NW 9-18S-13W. Caddo Oil Company has spotted the Union Saw Mill "D" No. 4 in SE SE NW 7-18S-12W, Sandy Bend field.

In the Rainbow field, Curtis Kinard is pumping the Pumprey No. C-4 in NW NW 12-17S-14W, from perforations at 3,023-27 feet but the production has not yet been gauged. Dorsett Co. and Crow Drilling Company are below 2,010 feet on their A. A. Jerry No. 1, SW SW NW 12-18S-14W in the Hillsboro field. The Gerhig Company of Arkansas has location for the Meakin No. 1 in NW NE NW 9-16S-16W, Smackover field, and will drill to 2-750 feet.

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May Play Out Soon

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Discovery Independents Extending Line Into Alabama

With leasing spreading over a wide area around the prospective gas-condensate discovery two and one-half miles south of Prairie in Monroe County, northeastern Mississippi, the principal areas of play are becoming defined.

The play has now spread across the state line into areas of Alabama.

Being leased most heavily on the Mississippi side are the counties of Monroe, Chickasaw, Clay and Lowndes with lesser activity being conducted in areas of Lee, Itawamba and Pontotoc Counties. Leasing activity in Alabama is being conducted in the counties of Fayette, Lamar, Marion, Tuscaloosa, Walker and Winston.

Union Producing Company early last week took over operations at the well. A rig of J. B. Fletcher has been moved on location and efforts will now be made to kill the gas blow before continuing to clean out the hole. Drill pipe lost in the hole at the time of the well blew in coupled with high pressures may retard progress on the well. It is reported the company will clean out the hole and set pipe and then attempt to locate the source beds from which the gas is being produced. Well is the No. 1 J. T. Sanders, SW SW SW Section 22-15S-6E, which blew out while cleaning out at 2900 feet.

Areas of Play

One of the hottest areas of play at present centers around the common corners of Townships 15 and 16 South and Ranges 7 and 8 East, lying some ten miles southeast of the discovery. Participating in this area are Carter Oil Co., Gulf Refining Co., Lion Oil Co. and Sinclair Oil & Gas Co. together with Walter E. Sistrunk.

With only small tracts of acreage open around the well itself, little leasing has been possible in this sector. In Township 12S-16W, however, Clyde E. Moss is reported active in leasing with some tracts being taken across the state line in Lamar County, Ala.

Roberts Co. Completes 5 in Week

El Dorado — Roberts Petroleum Co. completed five wells during the past week, and activities for other completions are stepped up. Three of Roberts' wells are in section 13-18-14. A total of seven completions have been recorded for Union county this week.

Those for Roberts are: Summers No. 3, which is pumping eight barrels of oil per day; total depth 2,607 feet. Summers No. 4, pumping six barrels per day, total depth 2,886 feet, and Summers No. 5, pumping five barrels per day, total depth 2,568. Roberts also completed the Ramsey No. 1, section 23-17-14, which is pumping with no gauge taken. Total depth is 2,308 feet, and Union Sawmill No. 101, section 14-18-14, pumping seven barrels per day, total depth 2,225 feet.

Curtis Kinard completed a good pumper, the J. D. Gregory No. C-1, section 10-17-14, which is pumping 70 barrels of oil per day, total depth 3,637 feet. Pan-Am Southern Corp. completed the Everett No. 1, section 36-17-15, flowing at 44 barrels per day, total depth is 3,644 feet. The well is on testing choke.

Roberts Petroleum Co. is waiting on standard rig at 2,935 feet for the Leira No. 2, section 25-17-14. The same company's Summers No. 6 is also waiting on standard rig at 2,575 feet. Carter Oil Co. is running the Mayfield No. 1, section 9-18-17. Turner is waiting on a larger rig for R. S. Saxon No. 1, section 4-18-16. Curtis Kinard is shut down waiting on tank for the Burn No. 1, section 13-18-17, total depth 7,700 feet.

Caddo Oil Co., Inc., has shut down the Union Sawmill "E" No. 3, section 7-18-12, waiting orders at 2,100 feet. Sugar is waiting on cement at 2,671 feet for the Goodwin No. 5, section 3-16-15. Roberts Petroleum, Inc., is testing the Lena No. 1, section 26-17-14, at 3,519 feet. C. H. Murphy set 5½-inch casing at 7,748 feet on the LeCroy No. 1, section 32-18-15, and is waiting on cement at 7,750 feet.

Curtis Kinard is waiting on standard rig for the Pumphrey No. C-4, section 12-17-14, at 3,427 feet. R. M. Crabtree has made location for the C. L. Saxon No. 3, 5 and 6, section 5-18-16. C. H. Murphy is moving in materials for the McCarthy No. 1, section 33-19-18. Doisset Co. & Crow Drilling Co., Inc., is drilling the A. A. Jerry No. 1, section 12-18-14, at 2,200 feet.

Caddo Oil Co. is drilling the

Windman No. 2, section 7-18-12, at 1,735 feet. Pan-Am Southern Corp. is building roads for the Union Sawmill No. 2, section 8-18-13. The same company is waiting on cement for the Nelson Estate No. 1, section 36-17-15, total depth 188 feet.

Oil Men Support OPS Price Based On Retail Sales

Gazette Washington Bureau
812 National Press Building

Washington, March 10.—Office of Price Stabilization officials and members of the Petroleum Industry Advisory Committee to OPS met here this week to discuss regulations to set up special pricing procedures for petroleum products.

Industry representatives supported a proposal to determine ceiling prices on sales at retail on a base period basis and provide relief to sellers in certain hardship cases.

OPS officials did not commit themselves, but said they would take the industry views under advisement.

Members of the industry advisory committee attending included E. H. Collins, Esso Standard Oil Company; George Hargens, Standard Oil Company; R. F. Baily, Standard Oil Company of Indiana; Ralph C. Cathcart, Texas Company; Jack W. Baker, Standard Oil Company of Ohio; Newcomb Taylor, Hancock Oil Company; Max Fisher, Aurora Gasoline Company; W. S. Zehring, Penzoil Company; John Harper, National Oil Jobbers Association; Wylie Butler, Coastal Oil Company; E. F. Wells, Ashland Oil & Refining Company; H. L. Schwartz, Paragon Oil Company; Roger Wilkins, Socony-Vacuum Oil Company; E. F. McCabe, Tide-water Associated; Albert Devere, Pathfinder Petroleum Company; and John Dressler, retail operator in New Jersey and New York who attended by special invitation of OPS.

Three other members of the industry advisory group could not attend—A. L. Nickerson, Socony-Vacuum Oil Company; H. J. Kennedy, Continental Oil Company; and B. L. Majewski, Deeprock Oil Company.

Hope for Realistic Oil Price Controls Seen by Independents

Gazette, February 25, 1951

Washington, Feb. 24 (AP)—A spokesman for independent oil producers expressed hope today that "realistic" price control orders soon will be worked out for oil prices.

Oil prices have been frozen at the highest level prevailing in a base period from December 19, 1950, through January 25 this year, under the blanket price control order issued January 27 by the Economic Stabilization Agency.

Russell Brown, general counsel

of the Independent Petroleum Producers Association of America, said stabilization officials have noted inequalities as a result of many complaints.

He said the order failed to recognize increased costs of steel and labor. Brown said he understood one of the questions under discussion in connection with proposed separate control orders for the oil industry is that of whether replacement cost should be considered.

"We have a problem of replacement," Brown told a reporter. "We are trying to get the government to recognize that principle. So far they haven't done it. Replacement cost is the basis of our continuance. We have to find new oil at greater expense than in the past."

Plan Advisory Committees

Brown said he had been informed that plans have been discussed by the government agencies for setting up advisory committees through the industry so facts about different areas can be submitted to control officials.

"If they do, they can come to a fairly reasonable conclusion," Brown said, "but they didn't pay attention to such committees during the last war."

Brown added that the average prices of both crude and refined products are below the 1948 level.

Prices of many of the heavy crude oils were cut drastically some time ago, he said, because "a lot of heavy oils was brought in from outside." He explained that these prices had started rising again when the general freeze order was issued but were caught at a level he described as "below normal."

Depletion Hearing Set

The House Ways and Means Committee has set March 6 to hear arguments on the administration's proposal to reduce the oil depletion allowance in the income tax law from the present 27 1-2 per cent to 15 per cent.

Weather Still Slows Oil Activity

El Dorado—Bad weather in South Arkansas has slowed up activities in Union county for the past two weeks. However, two completions have been made in proven fields this week. They are: Curtis Kinard's Pumphrey No. C-4, section 12-17-14 which is pumping 75 barrels of oil at a total depth of 3,437 feet, and Caddo Oil Co.'s Union Sawmill "DE" No. 4, section 7-18-12, completed at a total depth of 2,340 feet, pumping 5 barrels of oil per day.

Roberts Petroleum Co. is waiting on standard rig for the Summers No. 6, at 2,575 feet. Turner is waiting on a larger rig for the R. S. Saxon No. 1, section 4-18-16. Curtis Kinard is waiting on cement for the Burn No. 1, section 13-18-17, at 7,700 feet. Sugar is waiting on cement at 2,671 feet for the Goodwin No. 5, section 3-16-15.

Caddo Oil Co., Inc., has shut down the Union Sawmill "E" No. 3, section 7-18-12, waiting orders at 2,100 feet. C. H. Murphy is drilling the McCarthy No. 1, section 33-19-18 at 6,815 feet. Roberts Petroleum Co. is waiting on cement for the Hill No. 1, section 5-18-13 at 3,020 feet. Wh. Hatley Jr. is waiting on standard rig for the C. L. Saxon No. 2, section 5-16-16 at 2,648 feet.

Murphy Corp. is drilling the Miles No. 1, section 32-18-15 at 6,160 feet. J. C. Schmidt has shut down the Tom Henry Kelley No. 3, section 9-17-14 at 3,400 feet due to bad weather. Caddo Oil Co., Inc. is drilling the Union Sawmill "D" No.

2, section 7-18-12 at 1,870 feet. Herff & Lewis have rigged up the Lewis Werner Co. No. 1. E. G. Bradham is waiting on cement at 2,456 feet for the J. E. Dunbar No. 1, section 1-18-15.

5 Permits To Drill Issued

Gazette State News Service

El Dorado, Feb. 17.—The Arkansas Oil and Gas Commission issued five permits to drill and two permits to plug and abandon last week. Four of the new wells are in Union County.

Permits issued were: E. D. Markham, drill J. W. Vellin No. 4, 330 feet north and west of SE corner 22-16S-25W, Spirit Lake Field, Lafayette County, 4,200 feet.

Delafield & Scroggins, drill Henshaw No. 2, 324 feet from east line and 1,665 feet from north line, 17-16S-15W, Smackover Field, Union County, 2,700 feet.

The Gehrig Company of Arkansas, drill Meakin No. 2, 330 feet north and east of SW corner NE NW 9-16S-16W, Smackover Field, Union County, 2,750 feet.

Caddo Oil Company, Inc., drill J. A. Simmons No. 4, 350 feet north and east of SW corner NE NE 13-18S-13W, Sandy Bend Field, Union County, 2,350 feet.

Murphy Corp., drill Burgess No. 1, 330 feet south of north line and 660 feet west of east line, 33-17S-12W, North New London Field, Union County, 5,100 feet.

Burnett Production Company, plug Della Caudle No. A-1, 8-14S-22W, Nevada County.

Magnolia Petroleum Company, plug H. L. Lester No. 1, 15-16S-25W, Spirit Lake Field, Lafayette County.

Drilling Held Up On Nevada Test

Gazette State News Service

Magnolia, Dec. 8.—Nevada County's lone oil test, the J. B. Downs et al Grove Land and Timber Company No. A-2, near Irma Field, was waiting on orders this week after drilling to 2,412 feet.

The test, in NE NW 1-14-21, was scheduled for 3,500 feet. No reason for the delay was announced.

Gulf to Abandon Well

Tuscaloosa, Ala., Dec. 8 (AP).—Gulf Oil and Refining Company is preparing to abandon its deep test well in Mobile Bay. Gulf had drilled to 10,020 feet on the wildcat, named the No. 1 State of Alabama. The company plans to start drilling soon on its No. 2 State of Alabama in the bay and proposes to drill to a depth of 11,000 feet.

PRICE 10 CENTS

\$3.00



Location of the first wildcat operation following the Monroe County, Miss., gas discovery was permitted last week by the combination of Cameron-Johnson & Miller . . . New test will be drilled approximately 10 miles to the west in Clay County and will be carried as the operators No. 1 Ralph Dexter, C SW SW Section 14-15S-4E . . . This will be a 6,000-foot Hart-selle sandstone test . . . Operators are C. B. Cameron and C. Porter Johnson of Laurel and John S. Miller of Jackson . . . Contract for the test has not been awarded and it is understood that the deal is not yet ready to commence operations . . . Operators are reported to still have other spreads in the block to sell before drilling begins . . . Block on which the well is situated is reported to have in excess of 10,000 acres and was assembled prior to the gas well blow-out in Monroe . . .

At the discovery well—North-east Mississippi Oil Co. No. 1 J. T. Sanders, SW SW Section 22-15S-6E, the gas is being flowed to burning pits . . . Union Producing Co. is reported to have a tentative deal with the operators whereby Union will acquire a one-half interest in the well and in a block of 10,000 acres surrounding the well . . . Consideration for the transaction is reported at \$200,000 . . . While not confirmed, Union is expected to take over operations . . . Titles are now being checked and final consummation of the deal is expected to depend on this and other technicalities . . .

Leasing of additional acreage in the general area has been retarded by two principal factors . . . Land-owners have been asking large prices for their leases and also wanting drilling commitments included in their lease . . . Several block are being assembled, however, and other tests are expected to be announced soon . . .

Monroe County Strike Termed State's Most Important Discovery

Further price rise would bring additional cotton out of the loan. At latest reports approximately 700,000 bales of cotton was still in the current loan.

Textiles Back Off Again

Demand for cotton textiles was slow during the week, prices tending to ease as resale offerings of print cloths, broadcloths, and some other constructions increased. These developments were a distinct disappointment to mills who had thought buyers would step in the market aggressively once the December government cotton crop forecast was out of the way. It placed the 1951 crop at 15,230,000 bales, a decline of 481,000 bales from the previous month.

Since a good many traders had expected a somewhat lower figure, cotton prices declined sharply on the news and this put a damper on further orders from buyers of cloth.

Year-end Drag Adds to Lull In addition year-end conditions were beginning to bring their usual lull in the market.

Prior to the crop report there was some fair selling of print

Middling spot 42.75 nominal, up 15.

Spot Cotton

New Orleans, Dec. 15 (AP).—The average price of middling 15-16-inch spot cotton at 10 designated Southern spot markets today was 80 cents a pound higher at 41.63 cents a pound previous day 41.47; week ago 43.35 month ago 41.10; year ago 42.95 average for the past 30 market days was 41.77; middling 7-8-inch average 40.61. Sales at the 10 markets today totaled 42,766 bales.

New Orleans	41.40
Galveston	41.45
Houston	41.55
Charleston	41.95
Memphis	41.65
Augusta	41.90
LITTLE ROCK	41.40
Dallas	41.40
Montgomery	41.55
Atlanta	42.00

Interior Movement

Memphis, middling, 41.65; receipts, 7; shipments, 5,756; sales, 16,945; stock, 314,212.
Augusta, middling, 41.90; receipts, 934; shipments, 577; sales, 511; stocks, 95,051.
LITTLE ROCK, middling, 41.40; receipts, 406; shipments, 576; sales, 1,035; stock, 15,125.
Dallas, middling, 41.40; sales, 5,223.
Montgomery, middling, 41.55; sales, 59.
Atlanta, middling, 42.00; sales, 1,056.
Total receipts, 8,841; shipments, 6,901; sales, 25,488; stocks, 424,394.

New Officers of the Interstate Oil Compact Commission



Officers of the Interstate Oil Compact Commission, elected yesterday, are (left to right): G. E. Eddy of Lansing, Mich., second vice chairman; Governor McMath, chairman; Jeff A. Robertson of Topeka, Kan., first vice chairman, and Earl Foster of Oklahoma City, executive secretary. (Article on Page 1.)

Kinney Brothers Control Wild Of Northeast Miss., No. 1 San

A spectacular wild gas well in Monroe County viewed by many as the most important discovery in Mississippi. Not that the potential of the well as other gassers in the state but that the well opens the "hard rock" country of the northern part of the state.

Oil Producers May Seek Price Increase

Washington (AP)—Representatives of independent oil producers are studying the possibility of asking the Office of Price Stabilization (OPS) for a general increase in crude oil price ceilings.

OPS recently announced a new regulation which permits individual producers, companies or associations to ask higher ceilings based on cost increases since the Korean fighting began.

Some independents feel this kind of procedure would be long and involved and that a general increase for all producers would be greatly delayed. Another difficulty is that the pricing pattern in the industry has been on a field-wide basis instead of on an individual producer basis.

"Under the new order," an independent representative said, "OPS takes the position the seller sets the price. This is contrary to the history of the producing industry in which the buyer sets the price."

Well is Northeast Mississippi Oil Company's No. 1 J. T. Sanders, 93 feet from south line and 176 feet from west line of Section 22-15S-6E, about two miles south of Prairie. Blowout occurred last Tuesday about four o'clock p.m. while operators were cleaning out at approximately 2,900 feet. According to reports from the well, the well flowed wild spraying a grayish mist some 200 feet into the air until brought under control late Sunday afternoon by M. M. Kinney Co. of Houston, Texas.

Rework operations began recently at the well which was abandoned in 1941 by Carter Oil Co. after a depth of 6,060 feet had been reached. At that time, sample analysis of sand zones failed to indicate commercial production. The present operators encountered a previous blow and crews of Halliburton cemented a cal-seal plug in the bottom of the surface casing at 1,251 feet while blow-out preventor was installed.

Cleaning out continued to approximately 2900 feet when pressures began to increase. While trying to kill the pressure, the well blew out of control and flowed wild until Kinney Brothers of Houston, Tex., were able to cap the well and install a heavier control head.

Estimates of the flow vary considerably but reliable sources estimate the flow conservatively at 10,000,000 cubic feet of gas per day. Estimates range as high as 60,000,000 cubic feet daily. Flow reportedly is rich in condensate but an analysis of the gas has not yet been reported. Accurate estimates are not yet possible since no pressures have yet been taken.

Where the gas reservoir is located continues to be a matter of opinion. Electrical survey originally run on the well indicated the following sand zones: 2950-78; 3897-3950; 4210-4253; 4497-4605; 5270-5307; and 5391-5504 feet. Any one of these is viewed as a possible source bed for the gas.

Sample tops picked with elevation of 280 feet are as follows: Eutaw 180; Tuscaloosa 460; Pottsville 1100; Pennington 4480; Bangor 4855; Hartselle 5275; Galconda, Cypress, Gasper and Bethel Interval 5515-6045 feet; and Tuscumbia 6045 feet.

Wide publicity has been given the well which was featured on Mutual Newsreel last Friday night on a coast-to-coast network. An on-the-spot recording for the newscast was made by the broadcasting company.

The area in which the discovery is located lies in the "Paleozoic country" where major companies have previously turned a cold shoulder. The producing potentialities of the present well, however, will likely give the impetus for wider exploration in the Paleozoics which cover approximately one-third of the state. Some 15-odd other states have long been producing from this formation.