

Caroline

BLACK MAGIC AND WILDCATS IN THE ILLINOIS BASIN

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1996

One Hundred years of oil well history lies beneath the rural landscapes of the **Illinois Basin**, an oval depression underlying 58,000 square miles of Central and Southern Illinois, Southwestern Indiana and Western Kentucky. The deepest part of this spoon-shaped basin is approximately 14,000 feet beneath Wayne County, Illinois.¹ Samuel W. Tait, Jr., author of "The Wildcatters" (1946), disputes that there is an Illinois Basin, *per se*. He admits that there is an Illinois section of the Eastern Interior Coal Basin that is comprised of the same boundaries. Regardless, by the majority of the people, it is referred to by its popular name, **Illinois Basin**.

The story really began in Titusville, Pennsylvania in 1859, when Colonel Edwin Drake drilled to a depth of 69.5 feet and the first commercial oilwell began producing 35 barrels of oil a day, selling for \$20.00 a barrel.³

In the next several years oil discoveries were made in Kentucky, Ohio, Tennessee, California, West Virginia, and Canada. Illinois joined this prestigious group in 1865 when Clark County struck oil at a depth of 400 feet. Unfortunately, inadequate casing and metal piping in the hole caused saltwater to "drown" the wells. It was another 25 years before Illinois became involved in the industry.⁴

The first Illinois commercial oil well was produced in 1889 in Montgomery County, 3 miles south of Litchfield. Although the accumulative yield from this field was only approximately 22,000 barrels over a period of years, a few wildcatters remained convinced that Illinois had a large accumulation of oil.⁴

At the turn of the century, some enterprising citizens of Crawford County formed the Crawford County Oil, Gas and Coal Company. It was incorporated with a capital stock of \$5,000 for the purpose of drilling for oil. They made six attempts to find oil but all their efforts failed.⁵

Around this same time, two West Virginia "Wildcatters" by the names of Michael L. Benedum and Joseph C. Trees, began to scout for oil in Crawford County. Incidentally, "Wildcatting" refers to the drilling of wells outside of proven territory, and more than a mile from the nearest production.⁴ In those days however, all oil prospectors were "Wildcatters". Today, we still have a few brave souls, here and there, "wildcatting".

Benedum and Trees hired a horse and buggy and drove out to inspect several exposed "creek beds." This was an early form of Geology called, "Creekology" by the wildcatters. During their inspection, they found that the surface structure correctly indicated a northwest to southeast trend.⁵

A former employer of Benedum, John Worthington, an official of South Penn Oil Company (a subsidiary of Standard Oil) warned them against drilling in Illinois because

their engineers had decided the area was not promising. But being the consummate "wildcatter", Benedum was not discouraged. He did receive some encouragement from other individuals, however. One of them was a man they met in the lobby of the hotel in Casey, Illinois. He probably had more to do with them staying in Illinois than anyone else and no one knew his name. He was an imposing figure dressed in the fashion of the day, Prince Albert coat, white shirt with stiff collar, black tie and high silk hat. This self-proclaimed Geologist agreed with Benedum and Trees that the structure was a northwest to southeast trend. Armed with the encouragement they received from this unknown Geologist and others, they leased 50,000 acres and began drilling in Crawford County.⁵

In the summer of 1905, Benedum and Trees hit the first successful oil well on the Robert D. Athey farm in northwestern Crawford County. At 930 feet oil was found and the Robert Athey #1 was completed at 25 barrels a day.⁵

Although this well had quite an impact on the county, Benedum and Trees soon found that they were not very popular with the farmers/landowners. Prior to this well being drilled, they had acquired leases with a 10-cent bonus or initial payment and a 1/10 Royalty Interest, rather than the usual 1/8. Once the well was drilled and proven to have oil, bidding became competitive, some going for \$100 an acre bonus. Those farmer-landowners who had leased with Benedum and Trees were furious and felt they had been cheated. Two Hundred thirty-seven lawsuits were filed against them. Regardless, Benedum and Trees remained steadfast in their goals and continued to drill 40 more wells. They were a major contributor to Illinois oil history. They later formed Superior Oil Company.⁵ Benedum was also responsible for developing the rich Permian Basin in West Texas in 1924. Two years later in partnership with the Ohio Oil Company, Benedum discovered one of the world's greatest oilfields on the Ira G. Yates ranch in West Texas. The first well gushed 70,000 barrels a day with subsequent wells flowing 200,000 barrels a day.³

In 1906, the first oil boom hit Crawford county. The Mahutska Oil Company struck oil on the J.W. Shire farm in Oblong Township. Initial production was 250 barrels a day from a depth of 890 feet. This was an important wildcat because it opened one of the most productive oilfields, the **Southeastern Field**, in Illinois. Until 1936, about 98% of the state's production of 410,000,000 barrels came from that field. The field which encompassed Clark, Lawrence and Crawford Counties gained national prominence in oil production. From 1907-1912 Illinois ranked third in domestic production.⁵

In 1905, the population of Robinson was 1700 people. After the Shire discovery, by the end of 1906, the population exceeded 4,000 people. Palestine, Oblong and other towns had also grown. Oilfield supply stores like National Supply and Equipment Company and Oil Well Supply opened stores in Robinson. There were no rooms in the hotels so citizens took oilfield families into their homes. Tents were also set up in the summer to accommodate the "Oil Johnnies". Jobs were plentiful and wages had more than doubled.⁶

The second boom hit in 1937. Adams Oil and Gas completed the first well in Marion County at a depth of 1391 feet. A month later, Pure Oil Company produced a 40-barrel a day well at 2608 feet south of Clay City in Clay County. Within a week, Pure Oil completed the Wayne County discovery well, the George Bradley #1, located between Geff and Cisne. The initial production was 100 barrels a day from a depth of 2982 feet.⁴ Incidentally, the Bradley took months to complete with the pounding action of the cable tool. Subsequent wells however, were drilled with a new tool called the Rotary Drill. Drilling time was decreased to approximately three weeks.⁴

On October 5, 1937, Wildcatters Benedum and Trees surfaced again. They discovered the Rinard Pool on the Arthur Knapp farm in Keith Township. It produced 500 barrels a day from 3415 feet.⁴

Pure Oil also drilled the Bunyan Travis #1, which I believe was in Clay County, on May 13, 1937. From a depth of 2960 feet, it produced 2,565 barrels a day. Other discoveries followed that year in Fayette, Richland, and Clinton Counties.⁴

The market price for oil in 1937 was \$1.25 a barrel. In most cases, the oil company received 7/8 Working Interest share and the landowner received 1/8 Royalty Interest share. Following the first Wayne County strike, the Bradley #1, Snowden and McSweeney, an oil company headquartered in Delaware, with offices in Bridgeport, Illinois, paid \$2,000 for 1/4 share of 1/8 on the 25-acre Guy Mullenix farm, southwest of the Bradley well. That same day, March 16, J.D. Driver of Bridgeport bought 1/4 of 1/8 royalty on the 55-acre farm of Raymond Molt, southeast of the Bradley well for \$2,500.⁴

Leasing arrangements were also very lucrative. The legal document stipulated an initial payment to the landowner, as well as rental to maintain the contract for a specified time. When Pure Oil Company began leasing large blocks of land in Wayne County, the cost of a lease to the operator amounted normally to about 30 cents an acre. Thus, a landowner with an 80-acre farm would receive \$24.00, a significant amount in the Great Depression Era, when land sold for as little as \$20.00 an acre. It was also customary to sell half of an 1/8 share for about \$1.50 an acre. For 80 acres, the farmers got \$120.00, enough to pay their taxes, and they still had 1/2 of 1/8 share left, in case they got a well.⁴

Major oil companies were busy leasing tracts of land in Wayne County. Texaco Oil Company leased extensively west of Fairfield; Gulf Oil secured large tracts east and south of Fairfield, and west of Geff. The leader however, was Pure Oil which obtained 250,000 acres by April, 1937. Meanwhile, 40-50 workmen erected storage tanks near the Bradley well and laid pipe to transport oil to the B & O Railroad at Cisne. On March 27, 1937, a crowd watched as two tank cars left for a refinery with the first crude oil produced in Wayne County.⁴

In those days, it was very common for people to flock to the scene of an oil operation. On the afternoon of the first Wayne County well, a long stream of automobiles headed for the site. This created a traffic problem between Geff and Cisne. The traffic was so heavy that the State Police had to direct traffic.⁴

The boom was on! With the arrival of drilling crews, promoters, leaseholders, etc., places to live in Fairfield were in great demand. Hotel rooms that went for \$1.00 a night, rented for \$2.50 and more a night. But, hotels were unable to meet the need so the Fairfield Chamber of Commerce encouraged residents to accept boarders.⁴ At the time, I lived in Cisne where my mother owned a "boarding house" known as the Cisne Hotel, where some of the "Oil Johnnies" from Texas and Oklahoma stayed. One of them, a full-blooded Choctaw Indian by the name of John Henshaw became my step-father. He was from McCamey, Texas and worked for J.W. Rudy out of Clay City.

Six fields figured prominently in Illinois oil production. The most important field that extended northward through Clay and Richland Counties, and into Jasper County was called the **Clay City Consolidated Field**. Pure Oil Company discovered it in 1937.⁴

The other five fields were the **Southeastern Illinois** or **Old Illinois Field** which opened in 1904; the **Louden Field** in Fayette and Effingham Counties, discovered in 1937; the **Salem Consolidated Field** located in Marion and Jefferson Counties and discovered in 1938; the **New Harmony Consolidated Field** covering 24,650 acres in the Illinois Counties of White, Wabash, and Edwards, and Posey County in Indiana, discovered in 1939, and the sixth field, discovered in 1940, the **Dale Consolidated Field** in Franklin, Hamilton and Saline Counties.⁴

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Today, according to the Illinois State Geological Survey, 64 counties in Illinois have produced over 3 billion barrels of oil. Over 90% of annual oil production is from stripper wells, those producing 10 barrels of oil or less per day. The majority of oil in Illinois (about 83% of annual production), is produced by independent operators in contrast to production by major oil companies.

With our growing dependence on new technology, which makes for higher production costs; with the barrel price averaging \$17, and most wells yielding 10 barrels a day or less, we are facing a difficult task. We have gone through four oil booms and many busts. We saw oil at \$1.25 a barrel in 1937 and \$35.00 in 1940. However, as long as we have wildcatters willing to take the risk and have the economic incentive to do so, we will survive.

In my research I came across a bit of information that I call the "Quote of the Century" or, "I Wish I Hadn't Said That"...The comment came from a renowned Standard Oil Production expert, Calvin Payne, who said to Captain Anthony F. Lucas, a famous Wildcatter in 1899 after visiting "Big Hill" in Beaumont, Texas. He reported that there was "no indication whatever to warrant the expectation of an oil field on the prairies of southeastern Texas."³

The rest of the story...He was talking about Spindletop, the Texas gusher that changed the history of America on January 10, 1901. It flowed 100,000 barrels a day from a depth of 1,020 feet in a solid black stream 175 feet in the air.³

God Bless the Wildcatters ... Those brave men who faced down their opponents with "dog-eared" determination, courage, and ingenuity, and brought black magic that changed the economic history of the world.

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