



A REPRESENTATIVE GROUP OF TULSA PETROLEUM CLUB MEMBERS

Photo donated by Rice & Lyons.

Why Not Hold Convention in Tulsa in 1922?

(By Colonel P. J. Hurley).

The logical meeting place for the distributors of petroleum and its by-products is Tulsa, Oklahoma. Tulsa, Oklahoma, is the base of supply for the greatest oil producing area in the world. There is more oil business conducted in and through Tulsa than any city in the world. More information concerning the production and distribution of petroleum is available in Tulsa than in any other city. Tulsa is the oil capital of the world. Tulsa has the facilities to handle a convention of the distributors of petroleum and its by-products. Tulsa will welcome the 1922 convention of the Marketers and Distributors Association of Petroleum.

Senator Harreld Sends Greetings to Marketers at Chicago

(By J. W. Harreld, United States Senator from Oklahoma.)

"Greetings to the Independent Oil Men's association in convention at Chicago this week. "In my opinion the fight for a tariff on crude petroleum should be continued. "Recent increases of prices of crude may, or may not, have been made in good faith. "If Mexican crude production has fallen off as claimed in widespread propaganda, the chances are that a flood of production from Colombia and other South American countries will take its place. "Let's preserve American markets for American production."

Advance in Price Changes Things Mightily

By LESTER B. COLBY, Editor of Petroleum Age. (Written Exclusively for The Tulsa Daily World.) CHICAGO, Oct. 9.—The remarkable series of advances in the price of crude oil, announced in the last few days, means vastly more than the bare announcement shows. It means the difference between depression and pessimism and of business pitch and optimism over a wide stretch of country known as the great American oil fields. It means by the mere advance in posted prices that the incomes of oil operators have been increased in a few days time from 20 to 50 per cent. It means that the operators will have money to buy with and that the mills will get orders and the supply houses will find much new business.

It means that the marketers and jobbers, who have been running along pretty low for a long time will foresee higher prices for refined products will begin to load up. The result will be that the drain on the refinery storage will be increased and the demand will help along the prices to newer higher levels. We always find buying on a rising market. All businesses throughout the oil districts ought to feel the results of the better situation almost at once. Once upon a time we judged the general prosperity as it was reflected from the movements of iron and steel, the textiles and farm products. We have learned of late that oil is a quicker barometer. It is more nervous and sensitive to changing events. We can better judge coming business through the action of oil and oil products than any of these other things. We may go ahead confidently now with the knowledge that oil has passed its bottom of the hill. The advances have been too great and from too widely scattered areas to figure for a moment that there is anything local or monetary about it. Psychologically no better news has come to the nation in a long time than this general rise in oil prices. The buyers of oil products should take the news gladly and be willing to pay the higher prices. It means that business is coming back and that they, all of them, will be in better shape to buy. The rise in prices means millions of dollars more to spend in the oil country. While the advances are good news to all the country, because they show greater general prosperity, the oil regions and the cities in the oil districts must rejoice most. No better news has come in many months.

which are the mainstay of the business, was slipping with increasing force, and thus the time came when the big play, if carried out, would be at the expense of time which could not be taken for it. The independent refiner had grasped the situation and got busy. The big play seems to have failed in what most producers considered its main objective, namely, the acquisition of extensive properties at cheap prices.

The number of purchases of properties has been remarkably small and most of these have fallen to the British monopoly, the Dutch Shell. By the way, the growth of that concern in this country is a reminder of some interesting phases of the international character of the oil industry at this time in view of the handicaps under which American capital may operate in oil in the British empire. There will be something to take note of in that aspect of the business before very much longer. Our present dispute, however, is wholly domestic—we need not cross the international bridge until we come to it. Another factor that entered upon the scene to add to the gravity of things and to watch the operations of the "best laid plans of mice and men" was the organization of the independent producers and independent refiners. Our association began in June. About that time a dozen other district and state associations were formed, organized. The Gulf coast producers renewed old activities and then Mr. Gray formed his national independent producers organization to unify the efforts of all the district and state associations. There have been at work gathering data and disseminating information, although mainly, so far, building the ground work for effective performance in the future. They have caused it to be known as a matter of deep conviction among producers that admitting that there should have been a readjustment in the oil business, there never was any justification in conditions for a marking down of crude values lower than 50 per cent of the high price production of this and it is a part of the public opinion, which of course always eventually asserts itself. The chances are that that which was taken away from the producing interests by arbitrary market making below that 50 per cent decent minimum will, by the laws of business and nature, which are set against the "best laid plans of mice and men" have to be returned to them before "normalcy" again prevails.

Big House Appears to Have Overplayed Cold Deck Hand

By J. J. MORONEY, Secretary Oklahoma District Oil and Gas Association.

The suddenness with which the upward trend of prices in oil set in at a time when the judgments of men in the business were so varied that some were looking for a war, for a cut, and hardly any dared look for the come-back until many months later, is a bit disconcerting. One effect of this is that there is still some feeling of nervousness, previously mentioned, which is not entirely allayed. It might be set down as the consensus of opinion among the best informed that an extensive resumption of doing business in this industry would be ill-advised. The coming back of general business conditions, upon which, of course, prosperity in the oil fields largely depends, has not progressed as yet to the point which would warrant confidence in conditions taking care of an increased production. The vast majority of independent producers before the market rose last week fully expected the influx of Mexican oil in the coming few months to continue the depression. Also the seasonal slump in gasoline use, due to set in after another year, has its effect. These were the reasons, based upon the legitimate factors in market making, which set the minds of some back in most men's minds several months away. Then there were reasons based upon some of the illegitimate factors in market making. There are very few who deny, and none who deny with success, that there are illegitimate factors in the making of the oil market. Those who assert that the illegitimate factors in market making have more to do with the sudden collapse in the oil market in the early summer than the legitimate factors had may cite some quite potent facts in proof of their assertion. Facts which point to the slaughter of values in oil as a part of a projected big play. There was, for instance, the immense bank by the monopolistic group of oil concerns last year from the public through preferred stock and bond issues running up into the hundreds of millions, and immense loans by the same interests running into hundreds of millions from the Federal Reserve bank through reputed Standard Oil banks.

These immense loans had two plain effects which could not be observed without a plain design being ascribed. These effects were the drying up of the streams of investment money reserves by which might be acquired at slaughtered values, producing and refining properties in all fields. A part of these immense reserves were used to multiply the production in Mexico, with the seeming purpose to build an over-production there beyond the world's needs, this latter seeming to be assumed to lend to the big play its one aspect of legitimacy. The designs seen in this big play were quite well planned, but for big and little alike, in this queer world of ours, that has any little line of turns has application. "The best laid plans of mice and men gang aft a-gley." The government at Washington fell down on its allotted part to get the income tax revision across in time to make sales possible at the tactical time. The government of Mexico came atwart the plan with a number of obstructive proposals and questions, some of which, when they come fully to light, may make interesting reading. Suffice it to say that Mexico's tax revision, effective July 1, was very disconcerting. Bigger than all else, perhaps, was the collapse of Mexico's best fields. Mexico is still a big producer of oil and no doubt will continue to be, but plainly it was not the design of the Big House that Mexico should be merely a big producer. What she should have been, as per design, was an over-producer. At the time when the monopoly group put on a boycott of Mexico for purposes necessary to monopoly interests in Mexico, naturally upheaved with a phenomenal salt water intrusion after which a dependable over-production in Mexico could be had only at the expense of an entirely new and very expensive drilling campaign. In the meantime there has been rather gradual, though constant and persistent revival of business conditions. There has been a consequent increase of consumptive demand. Strangely, this obtains in export markets as well as domestic. In the meantime, also, production, especially in the high grade oils

Advertisement for Exchange Banks of Tulsa, featuring portraits of directors and a central text block. The text includes: 'INDIVIDUALS and firms operating in all of the varied branches of the production, refining and marketing of Petroleum and its products are invited to use the various departments of banking service of the Exchange National Bank and the Exchange Trust Company of Tulsa, Oklahoma.' It also states: 'By far the largest bank located in the Mid-Continent oil fields, the Exchange Banks of Tulsa have developed knowledge of oil banking to an extent which has earned from many of our more than 20,000 patrons the title of "The Oil Bank of America."' and 'We solicit and appreciate banking business from every branch of the industry.' The central text block also mentions 'Combined Resources Exceed \$30,000,000.00' and 'The Exchange National Bank' and 'Exchange Trust Company'. Portraits of directors include: E. W. KINCAID, Chairman of the Board; R. T. BEEVER, President; J. H. EVANS, Director; FRANK HASKELL, Director; JOHN Y. MURRY, General Director; J. A. HULL, Director; H. F. BINGHAM, Director; and R. H. KEMP, Director. A building illustration is also present.

Sinclair Refinery on Full Time

The Houston, Texas refinery of Sinclair Consolidated Oil Corporation, which has been running in part time, is now reported to be running at full capacity. That the refinery has an era of prosperity is evidenced by the fact that it has orders booked for several months ahead. The output runs principally to lubricating oil.