

SIGNS OF NEW ROOM APPEAR ABOVE MCKITTRICK

Rigs in the Territory Point to Enlargement of the District
Twenty-seven Strings of Tools Are Running on Flat and Foothills
Old Producers Continue to Give a Heavy Monthly Yield

Those who have heard so little of McKittrick, and so much of other fields, may be surprised to learn that it has a monthly yield of 461,316 barrels from 134 producing wells.

There is reason to expect that in the near future McKittrick may be lifted to a more conspicuous place among the oil fields. In the last few months there has arisen a very interesting question as to where, exactly, the real McKittrick field may be.

THEORY OF NEW FIELD

But what became of the other half? If it dropped straight down after it was broken off from its mate, drillings below the outcroppings have failed to discover it.

This new oil field, if it should prove to be an oil field, will be an extension practically of the Elk and Buena Vista district, where the O'Donnell group of drilling operators and other pioneers, large and small.

INDICATIONS SOUTHWARD

In addition to the prospecting going on to the north of the old McKittrick field, search is being made to the south. Outcroppings of oil formation have been found high in the hills, and it is the belief of some who have taken claims in that vicinity that a deeper oil sand than the one found in the old field underlies the southern front.

BOOM FOR MCKITTRICK

The conspicuous outcroppings of oil sand at McKittrick early drew attention to that field. At asphaltic seepages from the exposed sands oozing down the face of the cliff had formed great deposits of asphaltum of very good quality, and here it was that it was mined and shipped years ago.

Around the famous Shamrock well, a 1,800 barrel producer, a number of dry holes were drilled. The early days of the field were not sprinkled with financial tragedies. But the failures of the early drillers taught some valuable lessons for the benefit of later comers and recent drilling has met with success.

ROTARY DRILLING IS WATCHED IN COALINGA

Immense Derrick Built for the Coalinga Security

Although rotary drilling is still in the experimental stage in the west side fields and the Kern river field, it has met with considerable success in Coalinga on some of the deeper territory. There is an increasing demand for the construction of rotary derricks, which are somewhat higher than the rigs ordinarily used, and the system is rapidly gaining recognition by the best fieldmen for its efficiency.

OUTPUT OF GOLD EXCEEDED BY OIL

The ascendancy of oil over gold is set forth in the following table which shows the value of the state's product year by year since 1887:

Table with 3 columns: Year, Oil, Gold. Data from 1887 to 1909.

GREAT HAZARD IN THE OIL BUSINESS

Words of Rockefeller Quoted to Show Dangers That Beset the Industry

By CHARLES P. FOX, Editor California Oil World

If John D. Rockefeller's hope of salvation depended upon the truth of his statement that "the business of oil is a hazardous business," he could read his title clear to a mansion in the skies. Nothing truer was ever said. There is hazard in the business of oil in all its branches, from the initial steps of production to the final delivery of the crude or the refined article.

Because of the hazard, those engaged in the traffic demand, and must be paid, large profits where the transaction is complete. The high percentage of loss must be made up for, otherwise there would be none to take the extraordinary risk. Under the law of averages, it is not wrong that \$1,000 should be allowed to grow into \$1,000,000, when it suddenly happens that a million dwindles down to a thousand and disappears altogether.

DANGER FROM WATER

This has been the case notably in the older fields of California, where imperfect drilling of wells has let water into the formations. The water, which liquid drives back the lighter oil out of the reach of the pumps, making utterly valueless property which, under right treatment, would have paid rich returns for a long period of years.

WHISKY CAUSES LOSS

A mile deep hole in the Kern river field is especially plagued at the bottom with a string of casing, which has dropped three-quarters of the distance when being lowered. The breaking of a pin in the block at the top of the derrick let this immense weight fall, and \$5,000 vanished in a flash.

OILMEN ORGANIZE MCKITTRICK CLUB

Organization Rivals "Growlers Club" of Coalinga

Social life in the oil towns is becoming an important factor, as is evidenced by the formation of a club in McKittrick. The club has taken the name of the town and is making extensive plans for the erection of its own buildings, in which quarters are to be provided where members may live.

HEAVY INCREASE IN FUEL MAKES MARKET

Southern Pacific Alone Consumes Thirty Thousand Barrels a Day

Pipe Lines Carry the Petroleum From the Fields to Tidewater

New Outlet to Be Found in Arizona and the Southwest

In round numbers the production of oil per day at the present time in California is 174,000 barrels, while the consumption is 194,000 barrels, which means that there is more market than supply.

The growth of the market due to the introduction of oil as fuel in South American countries, to its extension in the northwest, to the needs of the Western Pacific railroad, to the adoption of oil as fuel by several small railroads, and to its use by new trans-Pacific liners in the place of coal. The steady demand is increased further by the general revival of business, enlargement of factories, expansion of mines, the greater tonnage hauled by the railroads and the growth in every line of trade, both large and small, on the Pacific coast.

California's marketing situation is divided into three phases with three distinct companies in control of each phase. The marketing companies of the state are the Standard oil company, Associated oil company and Producers' transportation company (the amalgamation of the Union oil company and Independent oil producers' agency interest).

The standard is for the most part a refining concern, purchasing and developing oils of light gravity, which are transported through pipe lines and in tank cars to its refinery at Point Richmond. The Standard sells fuel oil to some extent around San Francisco bay as the result of a recently adopted refining method by which it is able to treat crude oil, using the "topping" or refining process and the "residuum" for fuel. Its properties for fuel are not impaired, and the petroleum is put to a double use.

The Associated oil company is called an interior or coast marketer, confining the sale of its oil to factories, the Southern Pacific, municipalities and similar institutions. The export of foreign trade is handled largely by the Union or Producers' transportation company. The Union maintains a pipe line across the Isthmus of Panama, where the oil has been greatly increased by the canal work. The United States government is consuming about 2,000 barrels a day furnished entirely by the Union. The market in the nitrate regions of Chile and on the railroads of Guatemala has increased likewise.

To bring the product of the oil fields of the valley to the consumers on this coast and foreign lands the companies maintain pipe lines and carry the Standard to the coast. The Kern fields are also connected by a pipe line from the Coalinga field to its refinery at Point Richmond and last summer doubled the capacity of the carrier from Mendota to Point Richmond. The Kern fields are also connected by a branch line from Midway joining the main line near Bakersfield. There is also a branch line from McKittrick which until recently was not used. Last month the Standard took 650,000 barrels out of Midway. The line from Bakersfield to Point Richmond will handle about 26,000 barrels a day.

The Associated oil company has a rifled line from Coalinga to Port Costa, its tide water terminal, capable of running about 30,000 barrels a day. The line was completed last winter. Coalinga is connected with the coast by another line, the old Watson pipe line, which touches tide water at Monterey. Its capacity is about 15,000 barrels daily. A rifled line from Bakersfield to Port Costa carries from the product of the Kern river field and a third rifled line is now being constructed from Coalinga to Maricopa.

The line of the Producers' transportation company in the coalition of the Union and independent forces has just been completed from Coalinga and Maricopa to Port Harford. Lines have been built from Coalinga south to a point on the desert termed the Junction and from that point north through Midway and McKittrick. A branch line also connects with the Kern river field. This line will handle about 30,000 barrels a day.

THE PYRAMID OIL COMPANY and only one will be organized by the operators who are promoting the interests of this company. Every property secured by the men behind this enterprise will become an asset of this company. If you are now, or if you become, a stockholder in this company you will secure the benefit not only of the properties we have secured in the past but also of every property secured in the future. No new companies will be incorporated, but everything will go into the

A Statement of THE PYRAMID POLICY AND AN Offering of PYRAMID TREASURY STOCK

In these few words The Pyramid Policy may be summed up: "All for Pyramid." There is a prevailing habit these days of incorporating a new company for the development of each new property acquired. This habit we believe to be a bad one. A large, permanent, continuous, expanding success can be made only by the operations of many properties by and for one company.

WHAT PYRAMID HAS DONE

The exact meaning of the policy we desire to convey may best be illustrated by a brief recital of the Pyramid Oil Company's operation since its incorporation. The first property acquired was the Santa Paula property, comprising seventy acres of proven, producing oil territory. One of the best equipments in California was immediately purchased and installed on this property, and the drilling of a new deep well commenced. The first sand was encountered at a depth of 900 feet, the oil and gas showing very strong to a depth of 1,150 feet. This first sand alone insured a good producing well. The second sand was encountered at a depth of a little less than 1,500 feet, and continued to the bottom of the well, 1,855 feet. This well is now completed and is good for a daily production of 200 barrels of about 20 gravity oil, worth \$1 per barrel. This property will accommodate a large number of additional wells, and they will be drilled as rapidly as possible. This is a very fine property, sufficient in itself to insure good profits to Pyramid stockholders.

INTO MIDWAY'S GUSHER TERRITORY

A little while ago an opportunity of securing a very fine lease in the North Midway field, among the gushers, presented itself to one of the officers of the Pyramid Company. The lease was immediately taken, not that a new oil company might be incorporated and a new stock offered, but it was taken for the Pyramid Oil Company, and every Pyramid stockholder has a share in it. The investigation made as to its value, and its development will prove profitable is not conjecture but a certainty. Several wells are to be drilled on this property as rapidly as possible, and they will add very materially to the earning power and value of Pyramid stock.

1,600 ACRES WITH TREMENDOUS POSSIBILITIES ADDED

Just subsequent to the securing of the North Midway lease, a most remarkable opportunity presented itself. A tract of 1,600 acres of ground near the great Honolulu gusher was offered us at a ridiculously low price. An option was secured on it, and a thorough investigation made as to its value. The best expert opinion obtainable in California declared without reserve that the ground was oil ground of well nigh unlimited possibilities. The option, even before it was exercised, proved to be worth a great many thousand dollars. Convinced that this tract of ground was immensely valuable, it was purchased, not that new companies might be incorporated and new stock offered, but for the Pyramid Oil Company. We believe that this property could be sold today at a price that would net a profit larger than the par value of all outstanding Pyramid stock, and it puts the Pyramid in position to become during the coming year or two one of the California's greatest dividend paying oil companies. The bringing in of the first big well on this tract will instantly make Pyramid stock worth \$5 per share. Every Pyramid stockholder participates in the profits to be made from this great property. The drilling of two or three wells will be commenced on this property as quickly as machinery can be installed. We have also acquired for the Pyramid Company a lease on 40 acres of very promising property adjoining the Empire property in Ventura County, near Santa Paula.

"ALL FOR PYRAMID"

Those who have purchased Pyramid stock in the past and those who purchase Pyramid stock now will participate not only in the profits of all properties thus far acquired, but also in the profits of all properties acquired in the future.

Do we make our point clear? While additional properties are being acquired, we are not organizing any new oil companies. As previously stated, they are "All for Pyramid." We have invested a great deal of our own money in Pyramid stock. Our friends have done likewise, and we are determined to make of the enterprise a great permanent success. The only way to accomplish that end is the "All for Pyramid" policy. With the unparalleled opportunities presented through the development of California oil properties, and with an intelligent, vigorous pursuit of the operating policy, success is inevitable. The opportunity is at hand; the principle involved in the operating policy is right, and therefore, it must succeed.

You would make the most of the extraordinary money making opportunities found now in California oil. If you commend the Pyramid Policy and care to participate in the certain success of this enterprise, we invite your co-operation.

AN ADVANCE TO 75c PER SHARE. Pyramid Treasury Stock will not long remain at 50c. Within a few weeks it will advance to 75c. It is worth its par value of \$1 per share today, and will be selling at that figure in the very near future. Secure a block now and get this profit. Forward your order today.

ADDRESS YOUR ORDERS TO, OR FOR MAPS AND FURTHER INFORMATION WRITE TO

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