

Gusher in the Lakeview's Flow Pleases Oil Operators

END OF LAKEVIEW GUSHER IS BEAR

Flow Decreases to 16,000 Barrels a Day, With Considerable Water Showing

The end of the Lakeview gusher is heralded from the oil fields. Time and again in the past has the same note been sounded, but a thing unto itself, moving by neither precedent nor by rule, the great gusher has continued to hurl scientific theories over the derrick. This time, however, there appears to be something beyond mere mental hazard in the prediction. The flow of the well has fallen by more than half. Since its birth it has poured forth from 30,000 to 50,000 barrels daily. During last week there was a noticeable decline, and measurements made on Friday showed that the flow had fallen to 16,000 barrels. Saturday the production was the same. Since then it has continued to produce at the same rate, with a growing percentage of water.

The increasing amount of water is an indication that the end of the gusher is in sight, provided that it is established that the water is coming from the lower depths. Opinion is divided on this point, some holding that the water is merely seepage from the upper strata. If this is true, the presence of the water is not a matter of moment.

NO ONE SORRY

Operators have been earnestly hoping that the Lakeview would be checked. It is today the one demoralizing factor in the industry. It has heaped its enormous output on the market at a time when production and consumption were balanced. It came without warning, when neither physical storage facilities nor financial arrangements had been completed for its care. In itself it has been a source of untold expense. To date it has cost in excess of \$200,000 to handle its revenue. It has brought in nothing. Every day it continues to involve an expense of \$2,000.

The gusher, of course, is a natural wonder. It has proved perhaps the richest single square foot of earth the world has known. In the 127 days of its life it has sent forth approximately 3,000,000 barrels of oil, which, under ordinary circumstances, would have possessed a commercial value of \$3,000,000.

The amazing proportions of the Lakeview have inspired admiration, but, coming down to the question of business and dollars and cents for the oil industry generally, nearly every operator will be prepared to offer a word of thanksgiving when the announcement goes forth that the Lakeview has quit.

DANGER OF WATER

With the presence of water in the output at this time a grave danger appears. Should the Lakeview spend itself in a torrent of water it would be a dark day for the Midway oil fields. The antics of the Lakeview are now, more than ever, engaging the close attention of oilmen. Close tabs is kept on this performer by the men in the field. Speaking of its decline, the Bakerville Echo says:

"The great Lakeview gusher, which has been the marvel of the oil fields of the nation and which has surpassed all records for production and amount of oil produced, is flowing in a decreasing percentage of water with the oil, and it is the opinion of oilmen here that the beginning of the end here that the quantity of water produced varies from 2 per cent up. A telephone man at the Sunset to L. H. Corey, superintendent of the Producers' transportation company, stated that during Friday night the flow of oil dropped to 16,000 barrels and that a large quantity of water was coming with the oil. Other messages from there were to the effect that the water was coming in approximately as much oil yesterday as the day before, and that the amount of water was about 2 per cent of the total flow.

Heretofore there has been no sign of water from the well, and all the oilmen interviewed agreed that the present showing of water is the most important symptom. Some are of the opinion that it comes from the bottom and means that the great flow of oil has been cut off in part by the presence of water. Others maintain that if this were the case the amount of water discharged would be much greater. The opinion of the latter is that breaks in the casing permit water to rise up the well. This would not be nearly so serious as far as the field is concerned as long as a great pressure of water were developed from below, but in either case it is agreed that the end of the Lakeview gusher is probably not far distant.

DEVILS DEN TO BE CALLED SATADENA

Postoffice Department Rejects Pluto as Name

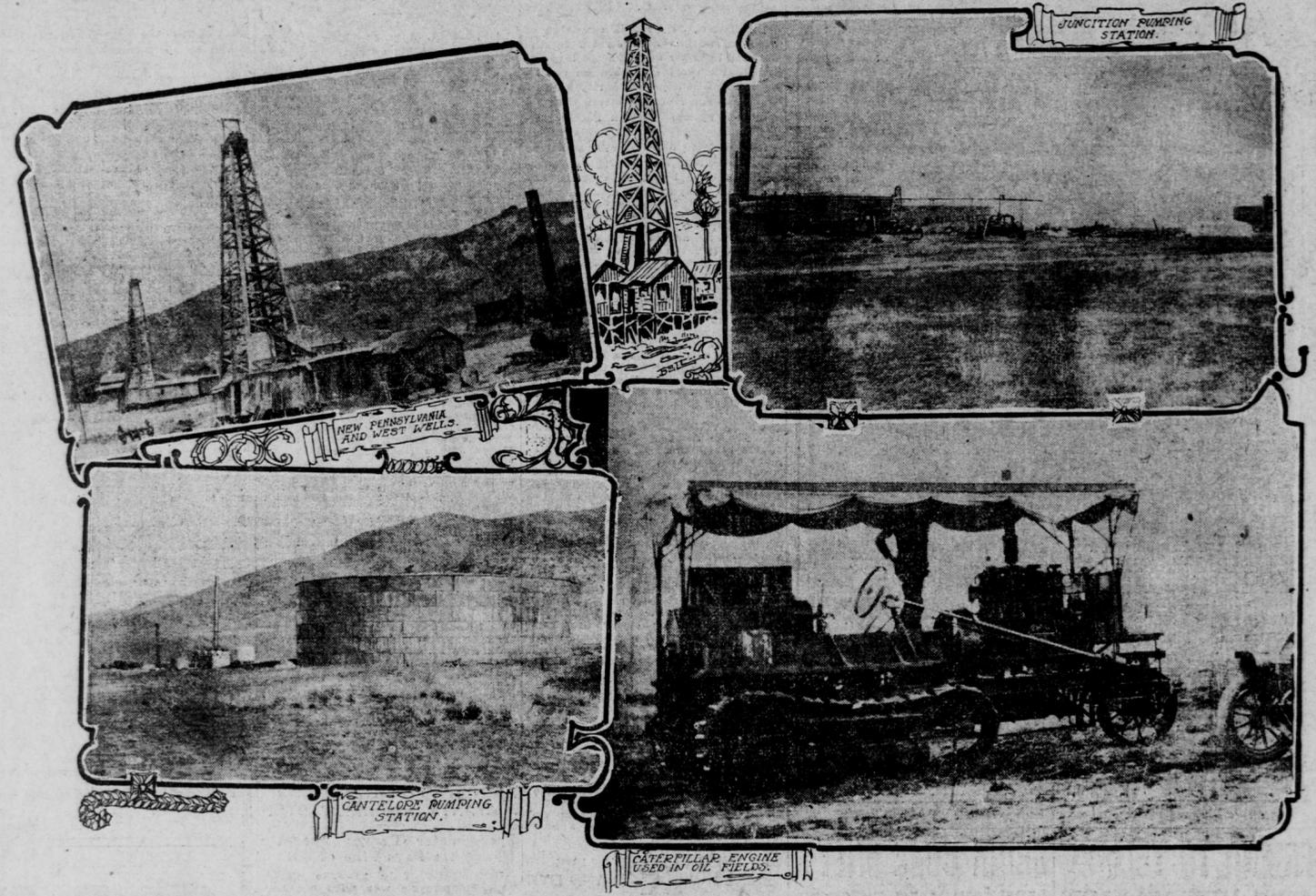
Information has been received from the first assistant postmaster general at Washington to the effect that the postoffice at Devils Den will be established under the name of Satadena, which was the second choice in the naming contest for a new name for the little city. The same State is evidenced by the fact that there are several other postoffices in the state by the same name, one of which is only a few miles from Devils Den, being situated in Monterey county.

EASTERN FINANCIERS INSPECT OIL FIELDS

Capitalists Tour Petroleum Districts in Private Car

That eastern capitalists are more deeply interested than ever in the oil fields of the state is evidenced by the presence in California at this time of two groups of financiers who are touring in their private cars. In one of the parties are 20 New Yorkers who have come to the coast in the Rainbow, the private car of J. S. Merrill, who has been interested in a number of oil projects. The visitors were taken to the Kern river fields and from there went to the Maricopa, Sunset, Midway and McKittrick districts.

Indications Point To An Early Return of Industry To Normal Basis With Demand Equal To the Supply



New wells of New Pennsylvania and West companies in Cat canyon; pumping stations of Producers' transportation company, and type of caterpillar engine used for freighting in the oil fields.

STRIKE TIES UP WORK ON TANKS

Riveters and Helpers Ask for Eight Hour Day and Increased Wages

The work on the big tanks of the Producers' transportation company at Avila, near Port Harford, has been temporarily halted through a strike of the men in the employ of the Llewellyn iron works of Los Angeles. The walkout may be extended to other stations where the storage facilities are being provided. The details of the trouble are thus set forth by the San Luis Obispo Tribune:

"The trouble burst Friday night, when one of the men holding a card in a Los Angeles union received a letter from the head man among the strikers at that city, telling him to call out the men that were at work on the tanks at Avila. After the letter had been investigated it was decided to strike, and an agreement was reached among them to stop work at once. Yesterday morning, when time was called for resuming work on the tanks, the riveters and their helpers were absent, remaining in camp. Then the company learned that it was a tieup. All the rest of the gangs were given off to Los Angeles, where they are being held in a hotel, while the company hopes to have things moving again within the next two or three days.

DEVILS DEN TO BE CALLED SATADENA

Postoffice Department Rejects Pluto as Name

Information has been received from the first assistant postmaster general at Washington to the effect that the postoffice at Devils Den will be established under the name of Satadena, which was the second choice in the naming contest for a new name for the little city. The same State is evidenced by the fact that there are several other postoffices in the state by the same name, one of which is only a few miles from Devils Den, being situated in Monterey county.

EASTERN FINANCIERS INSPECT OIL FIELDS

Capitalists Tour Petroleum Districts in Private Car

That eastern capitalists are more deeply interested than ever in the oil fields of the state is evidenced by the presence in California at this time of two groups of financiers who are touring in their private cars. In one of the parties are 20 New Yorkers who have come to the coast in the Rainbow, the private car of J. S. Merrill, who has been interested in a number of oil projects. The visitors were taken to the Kern river fields and from there went to the Maricopa, Sunset, Midway and McKittrick districts.

ELECTRIC MOTORS USED ON PUMPS

New Method Said to Make Saving of \$600 Yearly Over Steam Plant

The methods of oil pumping in the California fields may be revolutionized if the tests recently made in the Sherman field in the southern part of the state have been successful as reported.

Four months' tests have been carried on in the Sherman field in pumping by electric motor and at present the company is prepared to guarantee motors to operate at a saving of fully \$600 a year over the old steam plant methods, it is said.

Five motors are being installed at present in the Coalinga field and motors in lots of 50 are being shipped from the east.

The company estimates the cost of installation of motors at less than \$500. In this way the motors will pay for themselves in less than a year's time.

The motors are already tested in the handling of tubes, rods and in cleaning, aside from straight pumping, and experiments are being carried on in an effort to test their ability in drilling.

SAN FRANCISCANS ARE EXPLORING NEW FIELD

Conduct Drilling Operations in Shamrock, N. M., District

[Special Dispatch to The Call]

EL PASO, Tex., July 19.—To explore the virgin oil field of Shamrock, N. M., J. M. Duke and J. A. Beck, two San Francisco capitalists and oilmen, have let the contract for a deep well to be sunk in the heart of the new section 90 miles from El Paso.

The contract was given to Captain J. L. Mayo and Earle A. Mayo, who sank the first well in the field and were forced to abandon operations because the well was blocked by a broken drill.

The well is to be sunk 1,500 feet in an exploration of the field for oil in paying quantities and the drillers are to receive \$2,500, with a bonus of \$1,500 if oil is discovered.

DEER HUNTER BAGS 40 ACRES OF LAND

Dr. C. E. Edwards Has Unusual Luck in Mendocino

Although he hid himself into the mountains two weeks ago solely to get away from business cares and kill a deer, Dr. Clarence E. Edwards of the California development board has returned the happy owner of 40 valuable acres in Mendocino county, a veritable pearl which he stumbled upon by chance.

Some 24 miles north of Willits Doctor Edwards made his headquarters, and from there he struck out daily, intent on getting that deer. It was during the fourth day out that he stood on a hilltop exclaiming upon the beauties and values of the land. A friend confided in him that the 40 acres had never been taken up and that he might get hold of it cheaply under the isolated land act. Doctor Edwards immediately submitted a bid to the government of \$1.25 an acre and is now the downer of the tract.

Within a year the extension of the Northwestern Pacific from Willits to Eureka will pass about two miles from the ranch and it will be worth many thousands of dollars.

COMPANIES KEEP UP OIL CONTRACTS

Standard Ready to Purchase Visible Supply of High Gravity Petroleum

A general inquiry among the purchasing companies in the oil industry has elicited the information that there has been practically no change in prices. For the present neither the Standard nor the Associated is entering into new contracts, but each is purchasing on daily runs. The Standard stands ready, however, to take the visible supply of high gravity petroleum. It has a wide market and at current prices—50 to 55 cents—enjoys a very wide margin of profit. The Standard's purchases are confined largely to that species of oil that runs above 23 gravity. It has been reported, but not confirmed, that a contract was under consideration between the Standard and the Consolidated Midway.

The policy of the Associated—confining itself to daily runs at this stage of the industry—is but a continuation of its practice, well established and well known.

The most encouraging feature of the situation, from the standpoint of the operator, lies in the fact that the Standard and the Associated have not cancelled existing contracts, although in many instances they have the power so to do. Many of these contracts were made with the understanding expressly stated that the producing company was to furnish a definite quantity of oil. In many cases the stipulated quantity has not been turned. It is within the power of the Standard to increase, therefore, to cancel these contracts. They call for the most part for the 50 cent rate. None of these contracts has been cancelled. In fact the two companies have continued to draw the full output of such companies.

STRAYING PATIENT IS ROBBED OF HER RINGS

Police Investigate Peculiar Case of Mrs. Edward Connelly

Mrs. Edward Connelly of Lomita park, San Mateo county, was found wandering in a dazed condition at Fourth and Mission streets shortly after 1 o'clock Saturday morning by Policeman L. L. Jackson. He took her to the southern police station, where she said she was a patient of Dr. E. E. Plymire of the Palace hotel. Doctor Plymire was notified and he and his wife hurried to the station and said they would take care of Mrs. Connelly.

Mrs. Connelly admitted to Policeman Jackson that she had been drinking in a cafe at 37 Ellis street, and when asked if she had lost anything she replied in the negative. After Mrs. Connelly had been taken to the Palace hotel Doctor Plymire telephoned to the southern station that she had been relieved of a solitary diamond ring valued at \$200, a diamond bracelet valued at \$100 and a diamond and pearl sunburst valued at \$100.

Detectives Regan and Crowley were detailed on the case, but they have been unable to find any trace of the missing jewelry.

OLD CRICKET FIELD SOLD

Alameda, July 19.—W. D. Grady was convicted late last week 25 years ago was the site of the baseball park of the old California league, has been purchased by John G. Croft from S. G. McKee and R. N. Frick.

NEW GUSHER ON MIDWAY HOLDINGS

Latest Big Strike Runs 3,000 Barrels a Day With Strong Gas Pressure

The latest big strike in the oil fields is that of the Midway company on section 35-12-21, adjoining the Lakeview, which has brought in a fine producer. The well has been flowing 3,000 barrels a day with strong gas pressure. The property is under lease to the Union oil company, which has had a remarkable run of gushers during the last few months, in fact more than can be comfortably handled. The Union, it will be recalled, controls 51 per cent of the Lakeview stock.

Preparations were made to handle the output, as the symptoms for the last two weeks have led the drillers to expect something sensational. The hole is in good shape and the well is under control. It is less than a quarter of a mile from the Lakeview.

The well of the American petroleum on section 30-20-12 in the Coalinga field has shown a tendency to increase steadily. Beginning at 300 barrels a day, it has added to its output every few days until it has reached the 12,900 barrel point.

FATHER AND SON DRUNK

James Morris, peddler, 45 years of age, and his father, Thomas, 80 years of age, who is stone blind, were charged in Police Judge Conlan's court yesterday with being drunk in a public place.

The testimony showed that they had been both drunk and raising a disturbance at their home, in Third street near Harrison, on Monday night. Both have long, bushy gray whiskers, and the judge could not distinguish between them until the son told him their relationship. The police gave them both a bad reputation and the judge continued the cases until today to see what could be done with the blind old man.

WOMAN ARRESTED FOR BILL

Mrs. Clara Burner, 23 years of age, who gives her occupation as a photographer, was arrested at 240 Broadway street yesterday on a warrant from Police Judge Conlan's court charging her with defrauding a landlord, E. Dennison, 545 Fulton street. She was promptly released on bail. Dennison said she hired his automobile on Monday and ran up a bill of \$37, which she refused to pay. Mrs. Burner said that she had no intention of not paying the bill, but the chauffeur got "snooty" about it and she told him he could wait.

OUTPUT OF OIL SHOWS DECREASE

Larger Companies Curtail Production Half Million Barrels in Month

The production of oil during the month of June showed a substantial decrease as compared with the production of May, according to figures gathered in the fields. The explanation is found by the curtailment of output by some of the larger companies. The production for June is placed at 6,630,835 barrels. For May it was 7,172,812. The summary of the fields of the state follows:

DISTRICTS	May	June
Kern River	1,140,000	1,200,000
Midway	705,000	600,000
Maricopa	1,750,000	1,300,000
McKittrick	432,000	325,000
Coalinga	1,375,000	1,415,338
Totals	5,376,670	5,144,338

SOUTHERN FIELDS	May	June
Salt Lake-Sherman	271,000	265,000
Los Angeles city	38,500	37,000
Ventura county	38,000	35,000
Newhall	10,494	12,500
Fullerton, Brea canyon and Puente	424,139	410,000
Whittier	104,930	106,000
Totals	888,034	808,000

COAST FIELDS	May	June
Santa Maria and Cat canyon	700,000	610,000
Watsonville	1,000	1,000
Summerland	6,000	5,800
Totals	707,000	617,200

Total shipments from the east and west side fields of the San Joaquin valley for June were 1,498,451 barrels and the amount placed in storage aggregated 669,302 barrels.

BEARD ENTHUSES OVER OIL FIELDS

Easterners Predict Era of Unrivalled Activity in Midway and Kern County

Frank P. Beard, a member of the Baltimore stock exchange, has come to San Francisco after making an inspection of the oil fields of the state. He and a number of associates in Baltimore are interested in properties in the Midway. Beard will carry home with him a message of encouragement to those who have invested in petroleum. He is one of the directors of the Consolidated Midway, which recently brought in a very fine well. With Beard is Nathan W. Hale, a former congressman and a republican national committeeman from Tennessee. Hale is president of the Hale-McLeod oil company. In discussing his trip Beard said:

"I was amazed at the development that has taken place in the Midway and Kern river fields since my last visit here last March. I was one of the first to see the Lakeview gusher at the time it was brought in, and it seems marvelous to me that this well should still be producing. It seems to be the opinion of experienced oilmen that its life will soon terminate, or at least that it will eventuate into an orderly, well regulated well of about 2,000 barrels a day instead of a turbulent outflow, as it is now looked upon.

FOUR PRODUCING WELLS

The Consolidated Midway now has four producing wells on its Kern river property, consisting of 80 acres. One well No. 2 is far and away the best well that has been brought in in that section for many a day. Two other wells are being drilled and it will be only a matter of a few months till the company will have at least 20 wells producing on this 80 acres.

"It is interesting to the uninitiated to see how quickly a well can be drilled and production secured in this territory. The last two wells of the Consolidated Midway in the Kern river field have each been drilled in a little more than 60 days.

"In the Midway territory owned by this company, on section 30, which is within three-quarters of a mile of the Lakeview gusher, a tremendous well has recently been brought in, which I saw flowing at the rate of 1,000 barrels an hour. As Congressman Hale has aptly said, 'It is a well to the big one of the Lakeview, as it is absolutely under control and should be a steady producer for years to come. This well holds the record in the Midway field for having been drilled in 70 days with a 10 inch casing its whole depth of 2,185 feet, and its production is remarkable when it is considered that the oil was struck after the drillers had entered the oil sand but two feet, whereas in the case of the Lakeview I understand they entered the oil sand 16 feet before the big production came about.

DRILLING MORE WELLS

"Just south of section 30 the company is drilling two wells on section 19 and 30 acres owns on section 32. One of the wells is down more than 1,200 feet and will reach oil sand at about 1,500 feet.

"In section 15, higher up in the field, the company is drilling two wells on 40 acres, a well is down more than 1,500 feet and will reach the oil sand within a few weeks. This will give the company five producing wells with five more under way and two more to be drilled. It will probably be in the gusher class. These will all be brought in within the next 60 days.

When asked about the talk of overproduction Beard said:

"Of this bugaboo of overproduction that is being so industriously circulated by those who may be honestly of the conviction that such a condition exists, I can only say that from my limited information on the subject I do not see that there is anything of a serious nature to fear in this connection. My opinion is, from talking with a good many men who are in a position to speak understandingly on the subject, that we are passing through merely a period of readjustment, and that there is no real overproduction. I believe it is really a blessing in disguise, because it will enable the selling agency to convince, beyond peradventure of a doubt, the large consumers that there is no fear of a shortage of oil from the California fields. When the prospective consumers really appreciate this situation, oil will sell higher than ever before.

"Of course, there is this to say, there have been a number of companies hurriedly organized that are probably not on a firm foundation, and that sooner or later will be absorbed by their stronger brethren. When this is accomplished it will clarify the situation greatly and will enable concerns that are founded on business principles to put the entire California oil situation on a higher and more permanent plane. That there is a market for oil is evidenced by the fact that the present and prospective production of the Consolidated Midway has already been sold."

Hopkins, Maltman Co.
STOCK BROKERS
332 Bush Street San Francisco

DIVIDENDS \$47,000,000.00 Absolute Safety

Paid by California Oil Companies to April, 1910, total California laws insure to investors. There are many other reasons why careful investors are turning to California Oil as the safest and most profitable opportunity of today. Write us for the reasons why.

ROBINSON-KAHN CO.,
332 Bush St., San Francisco.