

DAILY AVERAGE PRODUCTION Week Ending July 8, 1939 U. S. 3,529,800 Increase 66,900 Montana 16,150 Increase 250

POSTED FIELD PRICES Kevin-Sunburst \$.90 Pondera \$.90 Cut Bank \$1.10 Cut Creek \$1.10

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CUT BANK HAS NEW 250-bbl. WELL

Kevin Well Acts Up Like Gusher Of Old-- Makes 125 Barrels

Acting up like an old-time gusher, Texas company's Swears No. 8 in the old Baker-Howling pool of Kevin-Sunburst field this week blew the tools up into the hole when the Ellis-Madison contact was penetrated, and it is starting off with a production of 125 barrels in 24 hours, following acidization.

This well is in the midst of the Swears producers where it was believed the gas head was all gone but when the bit penetrated two feet into the top of the Madison lime, the tools were hurled up 200 feet by a rush of gas pressure. They bridged at that point and when the string of tools was removed it was found that oil stood up 200 feet in the hole. The formation was drilled only from 1628 to 1630 yet the crew took out seven ballers of porous lime which was apparently blown into the hole from the producing formation.

Over night the oil rose 500 feet and the lime was treated with 1,000 gallons of acid. The well quickly returned the oil used in treating and at last reports was making between four and five barrels per hour, with the probability that it will start off with a production of from 125 to 130 barrels per day.

SHALLOW WATER SLOWS UP TEST ON MOSS AGATE

With a flow of 12,000 barrels of water per day, Dan Drumbheller's wildcat well on Moss Agate structure, Meagher county, was on Friday at a depth 1120 feet. The water is coming from 740 feet and at 1045 the hole started caving making it necessary to run 8-inch casing. Water broke in at 1080 so the 8-inch casing was pulled and the lower hole was straight-reamed to make a new shut-off at around 1085 in the blue shale of the Ellis.

DAILY PRODUCTION MONTANA-WYOMING WEEK ENDED JULY 8

Table with 2 columns: State/County and Production. Includes Montana (Cut Bank, Kevin-Sunburst, etc.) and Wyoming (Big Muddy, Garland, etc.)

HIGH GRAVITY WELL MAY BE BIG PRODUCER

Big West Dahlquist No. 10 is rated as a 300-barrel well, pumping and flowing, following acidization. It shows no water. It is regarded as one of the best wells in the high gravity pool northwest of Kevin.

What appears to be the best well in the north extension of the high gravity oil pool north of Kevin was completed this week by Big West Oil company on its No. 10 Dahlquist location in center south line, SW 1/4 SE 1/4 21-35-3W.

Findings oil enough to give a natural production of from 20 to 30 barrels, with considerable gas in the first "break" in the lime at 1763 to 1765 it was treated with 1,000 gallons of acid. It quickly returned the oil used in treating and an additional 40 barrels in a short test, when it was shut down to install pumping unit.

Fulton Misses Water Horizon

Fulton Petroleum-Thompson No. 3, SE 1/4 NE 1/4 NW 1/4 28-35-3W, offsetting the sensational Dahlquist No. 8 on the west, drilled to 1825 feet before getting a showing of water and bridged back to 1790 to the first "break" in the lime, which will be treated with hydrochloric acid. The contact showed about nine barrels of production, with no water, and the first "break" at 1790 is more promising. The Dahlquist No. 8 flowed 12,000 barrels of oil in three weeks and then developed water. The Fulton well, 440 feet away, showed no water, giving substantiation to the theory that the No. 8 is on or near a fault or lime fracture, which allowed water intrusion.

Acid Fails To Help This One

Goeddertz & Agen-Krause No. 2, SE 1/4 SE 1/4 9-35-3W, north offset to the Campbell discovery well, was acidized with 750 gallons of acid but it did not increase the 7-barrel production.

Huso Brothers-Ellingson No. 1, C SE 1/4 NW 1/4 14-35-3W, is drilling at 1495 feet.

Prabe & Engleking-Hurley No. 3, CEL NE 1/4 NW 1/4 8-34-2W, was acidized with 650 gallons and is now testing. This is the first completion of the year in the vicinity of the old Queen City pool.

Ramona-Government No. 3, CEL NE 1/4 NW 1/4 12-35-3W, is preparing to shoot the Sunburst sand with nitro glycerin, at 1563 feet.

Plotke-Ward No. 3, C WL SW 1/4 SW 1/4 28-35-3W, is drilling at 180 feet.

Three New Wells Start At Kevin

Three new wells were started in Kevin field during the past week. Pfabe & Engleking spotted Government No. 12 in center NE 1/4 NE 1/4 29-35-2W, east of the Stewart pool.

W. E. Rice is spudding his Rice-Kearns No. 4, NE 1/4 SE 1/4 17-35-2W, at 80 feet. This well is 1320 feet north of the south line and 1100 feet west of the east line of the section. It is in the vicinity of the Gunderson pool.

Santa Rita Producer Makes 16-bbl. Per Hour In Initial Production

Another 250-barrel well was completed this week in Cut Bank oil field south and east of the town of Cut Bank, this time by Santa Rita Oil company.

It is Santa Rita-Stahl No. 2, in center NW 1/4 SW 1/4 21-33-5W, a short distance north and west of the Glacier Production-Corrigeau No. 3, the second largest well in the field.

The Stahl had only a showing of oil in the Sunburst sand where the Corrigeau had commercial production getting most of its oil in the bottom of the Cut Bank sand. The Sunburst sand from 2895 to 2900 with a shale break and a second sand from 2915 to 2930 with a showing of oil. Upper Cut Bank from 2948 to 2975 was dry but oil rose 2,000 feet from the lower Cut Bank sand from 2975 to 2991, the Ellis contact. Hole bottoms at 2996.

The well swabbed 247 barrels in 15 hours after which the standard rig was removed and smaller machine took over the swabbing. In the last 24 hours reported it was still swabbing 10 barrels per hour.

Socony-Vacuum Officials Here On Inspection

High officials of the White Eagle division of the Socony-Vacuum Oil company were visitors in Montana this week, on their first official tour of inspection of company properties and interests in Montana since the start of construction of the Socony-Vacuum unit of the Glacier Production company refinery at Cut Bank.

In the party are L. L. Marcell, accompanied by Mrs. Marcell, R. R. Irwin, R. D. Mering and C. A. Lewers. Mr. Marcell was chairman of the board of White Eagle corporation and is now general manager of western division of Socony-Vacuum. Mr. Irwin, formerly president of White Eagle, is assistant general manager and manager of manufacturing and transportation.

Mr. Mering is director of sales and Mr. Lewers is assistant director of sales in White Eagle division.

They were met at Butte by B. G. Stevenson, of Great Falls, Montana division manager, and in Great Falls they were greeted by J. W. Johnson, president of Producers Refining Co., who conducted the party through the Kevin and Cut Bank fields and through the Cut Bank refinery now under construction. The Cut Bank plant will be ready for operation next month.

The visitors will spend the week-end in Glacier National Park Mr. and Mrs. Marcell continuing on north to the Canadian Rockies, while other members of the party will return to Great Falls where they will confer on the broadened scope of the company's business. The Cut Bank refinery will refine from 1,000 to 2,000 barrels per day of Cut Bank and Kevin oil from leases of members of Producers Refining Co.

The Cut Bank refinery will encompass with the Dubbs process the features required for the production of distinctive Socony-Vacuum products.

The plant consists of combination skimming and 2-coil selective Dubbs cracking units, with a U.O.P. catalytic polymerization unit to make polymer gasoline from the cracked gas.

The units will have a rated crude capacity of 3300 barrels a day, and daily cracking capacity of 2125 barrels. The poly unit will be designed to process 460,000 cubic feet of gas per day.

The refinery is the result of an agreement among the Glacier Production Company, Socony-Vacuum Oil company, and a group of independent producers.

NINE MORE ARE TRADED LEASES FOR U. S. PERMITS

Oil and gas leases on government lands are arriving at the Great Falls land office in increasing numbers as the final time for exchanging permits approaches. Permit applicants have all been given 30 days in which to file applications and bonds under the new law. Failure to file such applications (Continued on Page Five)

BIG SUNBURST SAND AREA IS NOW APPARENT

Indications of a possibly large producing Sunburst sand area in North Cut Bank were afforded this week by the finding of some 25 feet of saturated Sunburst sand in the Huber-Montana-Kruger No. 1 well in center east line, SW 1/4 SE 1/4 11-37-5W, north of the Yukon discovery well in the Darling pool.

The presence of the saturation was established by rotary cores, complete sections of which were taken before the well was drilled in. The Sunburst sand was found from 2600 to 2642 feet, showing heavy saturation from 2611 to 2617 and intermittent showings, all the way from 2621 to 2642. There was every indication that the whole 42-foot sand section would produce. After it was drilled in and the rotary mud was circulated out with water, however, no oil came into the hole. The well is being allowed to stand until today (Saturday) in the hope that the water which may have penetrated the formation may drain out and allow the oil to start flowing. Either a side wall scraper or a shot of nitro glycerin may otherwise be necessary to open the flow channels.

This company's Crowley No. 2 well, lower on structure on the Darling pool, in SW 1/4 NW 1/4 24, is a commercial oil producer in the Sunburst sand. The Sunburst sand production apparently has accumulated above the hydrostatic table, lower on structure than Cut Bank sand production.

Glacier Production company recently completed a Sunburst sand producer which is likewise down structure, south and west of the Darling pool. It is known as Larson No. 1, in the center of the N 1/4 N 1/4 Section 35-36-6W. It is considered possible that an extensive Sunburst sand area may be opened up on the north slope.

The Kruger No. 1 well had Moulton sand from 2450 to 2530, where gas was expected, but it was dry. This well is 30 feet higher structurally than this company's Hintzinger No. 1, which had a flow of 42,500,000 cubic feet of gas daily from the Moulton sand.

Cobb-Vargo No. 1, C SE 1/4 NE 1/4 19-37-4W, drilled to the Cut Bank sand and found water, after having a flow of 7,000,000 cubic feet of gas in the Sunburst sand. This well, a short distance north from a 40,000,000-foot Moulton sand gasser, missed production in the Moulton sand from 2600 to 2625. It had Sunburst sand from 2660 to 2686 with a showing of oil at 2664 where casing was set. The upper Cut Bank from 2718 to 2740 was dry but there was a showing of oil in the lower Cut Bank from 2721 to 2725. Water appeared at 2740, coming up 700 feet and it began (Continued on Page Five)

Cobb-Jackson No. 4, C SW 1/4 NE 1/4 5-32-5W, had a crooked hole this week and is now going ahead at 150 feet.

Glacier Production-Jaeger No. 1, C NW 1/4 NW 1/4 15-32-5W, is fishing at 2670 feet.

Glacier Production-Hendrickson No. 1, C NW 1/4 NE 1/4 28-33-5W, is drilling at 2275.

Glacier Production-Hall No. 2, C NE 1/4 SW 1/4 35-36-6W, south of this company's Larson No. 1, which had an initial of 225 barrels per day, is drilling at 1370 feet. It found Colorado shale at 670 and set surface pipe at 707.

Glacier Production-Larson No. 1 is installing pumping unit and extending pipeline three quarters of a mile north from the Hall No. 1 producer.

Kistner-Watson-Britton No. 2, SW SE 1/4 SE 1/4 14-34-6W, is drilling at 538, where 10-inch casing was set after getting Colorado shale at 505.

Pardu-Tribal 171 No. 3, C WL SE 1/4 SW 1/4 7-32-5W, is drilling at 180, having spudded on July 11.

Par Oil-Tribal 170 No. 2, SW NE 1/4 SW 1/4 7-32-5W, is drilling at 775. This well had Colorado shale at 405 and set 10-inch pipe at 500.

Santa Rita-Miller No. 1, C SE 1/4 NW 1/4 29-33-5W, is drilling at 2,000 feet.

Tarrant-Yunck No. 3, SW SW 1/4 NW 1/4 12-34-6W, is drilling at 2500 feet.

Texaco-State No. 4, C NW 1/4 NW 1/4 16-32-5W, is drilling at 2485.

Texaco-Curran No. 4, C NE 1/4 NE 1/4 8-32-5W, is drilling at 2840.

HAVRE'S GAS PROJECT NOW UP TO JUDGES

HELENA—Arguments in the appeal of the Montana-Dakota Utilities Co. to enjoin Havre from constructing a municipal gas system has been heard in district court and submitted for decision.

The city sought a loan and grant from the public works administration to build a plant and lines to supersede the utilities company, now supplying the city.

The utility lost its injunction petition in Hill county district court. In its appeal, the Montana-Dakota maintained (1) their franchise is a valuable property right and entitled to protection from unlawful competition; (2) a proposed bond issue is illegal because it never was submitted to Havre voters; (3) the contract with the PWA runs more than three years and is void because it was not submitted to a vote of taxpayers; (4) the contract between the city and the trustee for the proposed gas lines is void because the trustee is an employee of the city.

District Court Judges Ralph L. Arnold, Missoula, and Steward McConchie, Lewistown, were sitting in for supreme court justices C. F. Morris and S. V. Stewart, disqualified.

DIFFERENT STORY ABOUT MEXICAN OIL

A different angle on the Mexican oil situation is provided by Es-mundo C. Switzer, native Montanan who is head of an independent oil company in old Mexico. Switzer is visiting friends in Great Falls.

Head of El Triunfo Oil Co. he says oil men of Mexico, outside of two large companies, have been un-molested by the government and that friendly relations exist between the government and the oil industry in general.

The general impression that Mexico confiscated all oil properties is in error, he states.