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Discovery Well At Pendroy Is On Pump Test

(Continued from Page 1)

Drumheller discovery well was produced as a gas well.

The Pendroy discovery well, which unexpectedly picked up oil at the top of the Madison lime, swabbed four barrels an hour. An individual pumping unit was put over the hole, on the derrick floor, and it began making 50 barrels of fluid on the pump, about 25 barrels of oil and 25 barrels of fresh water. The water appeared suddenly, after pumping started. Inasmuch as either salt water or sulphur water is expected at the top of the lime, there is some question as to the source of this flow. It was analyzed and determined to be cold, fresh spring water.

The oil is 32 gravity. Early samples, taken while swabbing, were 27 gravity but clean samples, taken since pumping started, show 32 gravity. It appears to be Pondera quality oil although no distillation test has been made. There is considerable gas with the oil and this caused some trouble in pumping. A 45-foot gas anchor is now being used to solve the gas problem.

Believing that the well requires the attention of a production expert, Jarvis Brothers & Marcel have dispatched James Francis, who has charge of that company's Illinois production, to Pendroy. He is due to arrive today. He will determine the source of the water and whether the well should be re-acidized and whether this hole or a new hole shall be used for the Devonian test.

E. B. Jarvis, Sam Jarvis and Al Marcel returned to Centralia, Ill., Tuesday, accompanied by George Snider, chief geologist. To Snider goes credit for the geological work which resulted in the drilling of the well in the present location. Snider was called in to re-check earlier surface work by E. Byers Emrick, discoverer, and of Hyland Research Co. of Denver, which firm did the seismograph work whereby a Devonian "high" was established south of the Emrick fault. Whereas a former well, drilled by W. M. Hanlon, crossed the fault, the present well was so located by Snider that it did not hit the fault, thus establishing the presence of oil on the upthrow side. A pioneer well drilled by Cosmos Petroleum Co. in Section 3-27-5W, found enough oil that had it been acidized might have proven commercial, serving to give some idea as to the extent of the pool eastward along the high side of the fault.

In the Midwest war production region, 2,200 war plants reported a 69 per cent increase within six months in the employment of women workers.

Aircraft modification centers, an American development, weatherize and equip each new plane for a specific theater of operations.

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The Sunburst Badger Says—

A henpecked looking little man and his wife arrived at a concert late. "What are they playing?" he whispered to the man beside him. "The Fifth Symphony," he was told. "Well," he muttered, "thank goodness I've missed four of them."

The school boy was wrestling with examination questions. Finally he came to: "State the amount of oil exported from the United States in any one year."

With sudden inspiration, he wrote: "In 1492—none."

I've decided to get a divorce. My wife hasn't spoken to me in six months. Better think again. Wives like that are hard to find.

A little girl had been left in the nursery by herself, and her brother arrived to find the door closed. The following conversation took place:

"I want to tum in, Cissie."
"You tant tum in, Johnny."
"Why tant I?"

"Cause I'm in my nightie gown and nurse says little boys mustn't see little girls in their nightie gowns."

After a reflective silence on Johnny's side of the door the miniature Eve announced triumphantly: "You tan tum in now, Johany, I tooked it off."

Police radio call: "Car blocking alley at Newton and Plymouth Ave. N." Squad car replied: "Some woman stripped her rear end. Will have it removed."

Minnie the Moron, when asked the rank of the navy man she was running around with, said she didn't know for certain but she suspected he was a chief petting officer.

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Not Foiled - Just Interrupted

The oil discovery at Pendroy was to us a little disappointing, as we were anxious to see a well completed to the Devonian. A Devonian test is assured, under the contract, but it is merely delayed by the finding of oil at the Madison lime contact — producing horizon of Pondera oil field and of Kevin-Sunburst field.

In every other oil producing state the finding of oil in an upper horizon has meant a guide post pointing to lower horizons. We have in mind Salt Creek where shallow oil was found at the beginning. There was a time when the Shannon sand was believed to be the "basement" of oil production in Salt Creek. The north end of that field was primarily Shannon production. But it was not until deeper drilling came that Salt Creek became one of the world's greatest oil fields.

The latest illustration is Elk Basin field where shallow Frontier sands were the only producing horizon for more than 25 years. Everyone knew that there were oil-bearing horizons below the Frontier but none took the trouble to drill on down. Why should one company prove up the new horizon for all the other companies in the field?

That is the reasoning that has held back deep horizons everywhere. That is true in Montana fields today. Everyone knows that there is oil in the Devonian, beneath the Madison limestone. If there were no Devonian oil there would be no Fort Norman oil field. The Devonian is an oil producing horizon in Eastern States, where it can be reached by the drill. Oil showings in the Devonian have been found in several places in Montana. The Devonian is a well known oil producing horizon and a logical place to look for oil.

Oil had been found in the Tensleep sands in many places in Wyoming. Why not Tensleep production in Elk Basin? Elk Basin is an ideal, sharp-dip field, heavily faulted. Why did producers not look for Tensleep production in Elk Basin years ago? That is fine to ask but none of the big companies who controlled the top contours would drill to the Tensleep, just as none of the companies who control Cat Creek will drill a deep test. It remained for an outsider — Minnelusa Oil Co.—to put plain reasoning into words. Minnelusa secured acreage on the north and south ends of the structure — mostly government leases—and Minnelusa took a long chance in drilling a Tensleep test.

The Minnelusa found oil on the north end of the field as well as the south end, proving

up a vast area that will produce (engineers say) 150,000,000 barrels of oil. When we stop to think that the old Elk Basin field with its slender Frontier sand production is now one of the greatest pools in the Rocky Mountain region as the result of deeper drilling we realize that great days are coming for Montana.

Imagine the Elk Basin royalty owner who sat patiently for 25 years. That was hard to take but there was nothing to do but to sit and take it because Elk Basin royalties were no less than a drug on the market and couldn't be sold. Then comes the discovery of a horizon that yields an average initial of ONE HUNDRED BARRELS PER HOUR in the completions to date. Is that an ample reward for patience?

We believe that reward is likewise coming to those of us who have been patient enough to hang onto our Montana royalties—in Kevin, in Pondera and in Bannatyne, as an example. The fact that the large companies have not drilled to the Devonian proves nothing. Where a major company controls an entire structure, it is free to drill deeper but so long as there are three or more companies on a structure, none is willing to go ahead. Accordingly, it is not condemnation—any more than Elk Basin was condemned when such companies as Standollind Oil & Gas Co. and Ohio Oil Co. failed to drill deeper.

We need not again point out that Illinois would be a "has-been" oil state today except for deeper drilling—and Devonian production. To say that the major companies do not know that fact is ridiculous. The fact that major companies carefully avoid drilling below the top of the Madison lime is based on the same practice as led Elk Basin operators to stop at the Frontier. Naturally, they have to figure out a reason. Cornered when they try to justify drilling of shallow "post holes" while searching for oil, they say: "There are no SANDS in the Devonian."

The answer to this is: "Who wants sands anyway? Most of this country's oil comes from LIME."

That is the reason we feel that even Nature conspired against us in giving up oil at the top of the Madison lime at Pendroy. We are anxious to see a Devonian test drilled by these Illinois newcomers before someone talks them out of a deep test.

We feel certain that a Devonian test can not be delayed much longer, however. There are four scheduled Devonian tests

of which we know. We are this week buying a farm in fee simple on the strength of one of these projected Devonian tests on a geophysical "high." Just as geophysics played an important part in the development of Illinois, we are firm believers in the science of geophysics for the development of Devonian production in Montana because the Devonian structures do not conform to the structures above the Madison lime, especially along the East face of the Rocky Mountains. Accordingly, we turn an attentive ear to every bit of information we can get regarding geophysical work, anywhere in Montana. Because we do not engage in leasing and because we have proven by twenty years of action that we do not misuse confidential information, we have been able to get much information of this kind. In many instances we aid the operator, buying a piece of land in fee simple, he to get the lease while we get the land and the landowner's 12 1/2% royalty. We divide the royalty among those who share the cost of the land and sell the land to a responsible rancher or stockman who will pay the taxes — and wait patiently for development. Incidentally, we own, in fee simple, the top of a Devonian "high" — the royalties so divided among our members. Our members purchased, in fee simple, a tract within a quarter of a mile of a second Devonian "high" where a Devonian test is now projected. We are buying a second farm on this fold, where two wells are to be drilled on two sides of us: one to the lime and one to the Devonian.

We feel that when the first Devonian discovery is made, the "lid will be off." Every other oil field and structure, with the Devonian within reach of the drill, will have a Devonian test. We realize that the first, second and perhaps the fifth Devonian test will not find commercial production. But when the discovery is made, we know that a lot of us who have put our savings into Montana oil royalties will enjoy that "rich over night" thrill which comes to investors only in the oil industry.

Since our buying power depends upon relatively large numbers of participants, we invite other investors to join us. To the person who does not understand the details of royalties we will send adequate maps and descriptive matter which must be read and digested before he is ready to participate in a purchase.

A letter or post card will bring full information. (Active membership, entitling member to bulletin and map service, costs \$1.)

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