The Beginning of Oil and Gas Conservation in Oklahoma, 1907-1931

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THE COVER Old Central, the original structure of the Oklahoma Territorial Agricultural and Mechanical College at Stillwater, is clearly shown in this winter scene of the campus. Completed in 1894, the structure has been totally restored, and is now a museum depicting the early history of Oklahoma State University.

THE BEGINNING OF OIL AND GAS CONSERVATION IN OKLAHOMA, 1907-1931

by Blue Clark*

The theory and practice of oil and gas conservation were established in Oklahoma by 1911. Most leading oil-producing states either adopted regulatory practices similar to those put into effect by this state or benefited from its experience, thereby reducing waste within their borders. Oklahoma was the first state to implement modern conservation practices for irreparable petroleum resources, which account today for ninety-four percent of its total mineral value. Leadership in the conservation field did not emerge full grown for Oklahoma upon statehood in 1897, although the state led the nation in the production of crude oil because of Indian Territory production and the Osage Reserve fields. Oklahoma with its closest rival, California, produced eighty to ninety percent of the nation’s crude oil through 1927 and, for the 1927-1931, Oklahoma’s cumulative production exceeded that of any other state.

Despite the lack of widespread concern regarding petroleum waste and the wild scramble for riches by wildcatters and speculators, the petroleum industry evolved regulatory mechanisms peculiar to itself as a unique American industry. This system blends the cooperation of industry and government to achieve a stabilization undreamed of in oil’s earliest years in the Southwest. It is only appropriate that a state as individual as Oklahoma in its history should have been the setting for the evolution of the system of control peculiar to the oil industry.

A few short years after statehood, Oklahoma achieved preeminence among producing states in the attempt to regulate oil and gas production and to reduce known waste. However, at the time delegates to the consti-

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1 Information on the national scene for this article was taken from Gerald Nash, United States Oil Policy, 1899-1914: Business and Government in Twentieth-Century America (Pittsburgh: University of Pittsburgh Press, 1958).
2 The figures come from Table, “U.S. Crude Production by States” in American Petroleum Institute, Petroleum Facts and Figures (Washington: American Petroleum Institute, 1971), pp. 68-71. Oklahoma produced 34,565,000 barrels of oil in 1907; California, 25,050,000; Texas, 13,300,000.
3 Oklahoma was obviously not the first state to enact conservation measures for petroleum, for the first well was in Pennsylvania, and laws progressed westward with the petroleum frontier. New York in 1879, Pennsylvania in 1881, Indiana in 1891, and Kansas in 1893 passed laws providing for the plugging of abandoned wells and for the curbing of wasted gases, in name at least. However, Oklahoma led other states in modern oil practices evolving up to the Interstate Oil Compact.
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24th Convention were in session in Guthrie in 1906-1907, no discussion
took place concerning petroleum in spite of the fact that production with
accompanying visible waste was underway every day. The state's
attitude makes only oblique reference to the oil industry. It provides for
the office of Chief Inspector of Mines, Oil and Gas; creates a regulatory and
licensing body, the Corporation Commission; and reserves controlling
powers over pipeline companies to the commission. It is silent with regard
to the conservation of natural resources.

By the time Oklahoma achieved statehood, almost fifty years had passed
since crude oil was produced in commercial quantities. As the petroleum
frontier moved across America from Pennsylvania to the Gulf Coast and
into the Mid-Continent area, the potential source of supply was exhibited
as quickly as possible by drillers, lawyers and landowners under the "rule of
capture." Court decisions sanctioned and encouraged this rapid exploitation
of Petroleum resources.

Some of the producing states during the period had concerned themselves
with external damage caused by the uncontrolled production of crude oil,
overflowing into fields and streams and certain apparent waste of natural
gas. The legislation, though, did not extend beyond prescribing the manner
of casing and plugging wells, and restricting the venting of gas from gas
wells, but not from oil wells. It prohibited the burning of gas for illumin-
ation in brilliant flamelike lights. The Territorial Legislature of Oklahoma
enacted similar provisions in an act passed in 1905.

The Federal government, through the Department of the Interior, be-

3. Richard H. Moorehead and Cornelia Natural Gas Co. v. Docter, 129 Okla. 412 (1926) and
Westmoreland v. Oklahoma Natural Gas Co. v. Docter, 139 Okla. 250 (1926) ("if no joining
landowners agree on the oil and gas, it is no longer yours but his.") These decisions are discussed in

Red Observer, "Oil and Gas Law Responsible for Overproduction and Waste," Report of the
2nd Annual Meeting of the American Bar Association (Baltimore: American Bar Association,
1923), p. 219, reported that the 350 wells drilled in the Oklahoma City field at a cost of
$350,000 developed a potential production twenty times that which could be transported or
sold. The same writer points out that despite the oil well completion by July 21, 1924, with a daily
capacity of 2,000,000 cubic feet of gas per day, the well field was allowed to produce only a
boiler every 12 days. W. A. Pethan, "OverproductionSame Work in Kentucky," Oil and Gas

Raymond S. Unwin, Petroleum Conservation in the United States: An Economic Analysis

W. A. Pethan, "Oversupply Same Work in Oklahoma," Oil and Gas Journals, Vol. XXX (July 16,
1931), p. 90.

Raymond S. Unwin, "Oversupply Same Work in Oklahoma," Oil and Gas Journals, Vol. XXX
(1931), p. 12.7

The Oklahoman, "Agricultural Notes," (Oklahoma City morning newspaper), July 21, 1927.

Richard H. Moorehead and Cornelia Natural Gas Co. v. Docter, 129 Okla. 412 (1926) and
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Raymond S. Unwin, Petroleum Conservation in the United States: An Economic Analysis

This was a copy of the Kansas Act on the subject and was incorporated as one of the laws
for the state during the first legislature in Oklahoma.

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Some awareness of problems relating to crude oil production is reflected in the
act of its Indian wards. The conservation policy evolved by Oklahoma
came much of its beginnings to reports made by technicians of the Interior
Department who were active in the field. During investigations of Indian
lands, beginning in 1876, Department of Interior personnel made note of
the excesses involved in petroleum recovery. Crude production amounted
190,650 barrels in 1903, jumping to 639,479 barrels in the following year and
1,941,778 barrels in 1905. The Prairie Oil and Gas Company, after delays,
exchanged its Kansas pipeline network into Oklahoma in 1904, reaching
Kansas and Red Rock in 1905 and Glenn Pool in 1906. Before the arrival
of pipelines, wagons and railroad cars transported production. Much above-
ground production storage was lost through evaporation, fires or floods.
Lacking any means for transportation to users, the above-ground storage
facilities allowed great evaporative losses. The estimated evaporation loss
from the Mid-Continent area amounted to one and one-half times the total
gasoline output of the natural gas industry in America in 1906. Be-
cause there were no pipelines, gas was allowed to waste into the air. Glenn
Pool alone allowed some 506,000,000 cubic feet of natural gas to escape into
the air. One investigator for the Interior Department stated that the
greatest waste of natural gas in the nation occurred in the Osage Nation
Reserve in the Mid-Continent field where one well alone was estimated to
have burned 240,000,000 cubic feet of gas in one four month period into the
air in order to retrieve the accompanying oil. He reported that in the Cleve-
land field escaping gas "rich in heavy vapor" had sunk to the ground and
disturbed life in gullied parts of the field.

Unchecked waste rapidly depleted producing fields. In 1909 the enormous
Hughestown gas field in Nowata County came in, but the initial pressure of
350 pounds per square inch fell in 2 years to 80 pounds as a result of the
fractured drilling with resultant under ground flooding. A local newspaper
in 1909 announced that a 12-inch pipeline had been completed to the
field and that there was available 100,000,000 cubic feet of gas per day to
attract industry, at a price of 25 to 3000 cubic feet. Four years later the
citizens of Nowata found they had insufficient gas for domestic use.

W. H. Wiggins, Evaporation Loss of Petroleum in the Mid-Continent Field (Washington: Govern-
mint Printing Office, 1926), p. 15. Estimated evaporation from Mid-Continent area
amounted to one and one-half times. The Bureau of Mines was created July 1, 1902, and was
planted in the Interior Department. 42 U.S. Stat. 364.

Raymond S. Unwin, "Note on Oil and Gas in the Mid-Continent Fields" (Washington:


W. H. Wiggins, The Oil Century from the Daily Wild to the Conservation Era (Norman:
Glenn Pool—south and west of Tulsa, Oklahoma—allowed an estimated 50,000,000,000 cubic feet of natural gas to escape because of a lack of pipelines immediately after statehood, Oklahoma made little progress in controlling physical and economic waste of oil and gas. The limited personnel within the state from the office of the Chief Mine Inspector, in response to any public pressure, could do little more than suggest plugging abandoned wells. The first attempt at state regulation was not to prohibit waste but to keep natural gas from being exported from the state to prevent the catastrophic plummeting in the price. With no provision to shut down gas wells to avoid physical waste of this resource, the act was struck down by the federal court because it failed to regulate gas production from the ground, and it concentrated wrongly on prohibiting interstate commerce of the gas. The court concluded that "it does not protect the right of all surface owners against the abuse of any." The state legislature in 1909, following Texas

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practices, passed a measure levying a gross production tax on natural resources. This, too, was not a conservation measure, but its revenue-raising feature for the operation of state government was one of the reasons cited by Governor William "Alfalfa Bill" Murray when he proclaimed martial law for the Oklahoma City field in 1917. In the wake of the Hepburn Act of 1906 saying pipelines should be common carriers, the Oklahoma legislature responded to pleas of independent operators on March 27, 1909, with the common carrier act. The act carried no penalty provisions and was usually ignored by pipeline companies. Some years later courts upheld the common carrier provisions of the statute. After 1914 rattletrap takings were court-sanctioned and carriers were subjected to forced compliance. Independent oil producers were among the first to advocate regulation of the industry. In 1914 two hundred and fifty representatives met in Oklahoma City and formed the Independent Producers League. The group passed resolutions calculated to bring relief from "intolerable conditions" blamed on the large, integrated companies. One representative called upon President Woodrow Wilson and Congress for legislation against the monopolistic practices said to be controlling the price and transportation of Oklahoma oil field products. Another recommended that interstate pipelines be made common carriers in fact, and subject to the regulation of the Interstate Commerce Commission, which was done two months later. League officers became active proponents for fair treatment and the use of conservation practices in the oil industry.

Conditions were ripe for the serious consideration of conservation legislation. George A. Henshaw, elected to the Corporation Commission in 1910, later recalled that every time the attorney general and the commission prepared bills for the legislature, a Pullman carload of oil men from Tulsa would visit the capital and use their influence to kill the measure. According to him, the Tulsa Commercial Club appointed a committee of five to raise funds and a committee of fifteen to represent oil operators of that area, in 11 State of Oklahoma. "Gross Revenue-Taxation," Session Laws of the State of Oklahoma, 1907-09 (a.p.), vol. 1, pp. 34-47.
14 The Pipeline Cases (109 U.S.), 334 U.S. 559.
15 Daily Oklahoman (Oklahoma City), April 26, 1914.
16 C. F. Colston of Oklahoma City; President; M. C. French, Oklahoma Vice-President; E. E. Brown, Oklahoma City; Secretary; W. Franklin, Arkansas; and Robert Gallinari, to compile the board of directors. Oil men dislike the interference of government officials, but self-preservation made them accept "modified state socialism" a correspondent reported in the Oil and Gas Journal (Tulsa), July 3, 1914.
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relays, at Oklahoma City during the session of the legislature.14 But, at the
fourth session of the legislature, in 1913, the independents showed up in
force and pressed for regulation.

There were other factors which created a more favorable climate for re-
ducing physical waste and economic waste in the production of oil and gas.
Technical reports from the Bureau of Mines were given wide circulation and
revealed alarming practices in the Mid-Continent field. Representatives of
the bureau were able to show that methods of field operations brought
excessive gas wastage and that efficient wellhead control of escaping gas was
possible.15 Bureau technicians were college-trained men, geologists and
engineers with practical experience in the oil fields, and the industry was
attracting men of similar training and experience. In a decision in 1900 the
Supreme Court could properly pronounce: “No machinery or process of any
kind has been devised or known to the world whereby the oil can be pro-
duced or saved unless at the same time such natural gas as may be in such
well is suffered to escape.”16 Fifteen years later this would have been an
absurd statement to make. By then the industry had at hand the knowledge,
tools and equipment to eliminate much of the easily apparent above-ground
physical and economic waste and was making strides to control under-
ground waste.

The state legislature in 1913 enacted two measures relative to natural gas
at the time two great oil field discoveries, Healdton and Cushing, were
being developed.17 The first act made gas pipeline companies common
carriers and common purchasers, and each producing well was limited to 100-
foot-five percent of its daily natural flow. The other act recognized the
corporate rights of surface owners to the common reservoir and provided for
ratable production thereafter.18 The Corporation Commission was
designated the state regulatory agency for administering these acts.

Much of the crude oil production in the Healdton and Cushing fields was
from Chickasaw, Choctaw and Creek Indian allotments, and reported waste
became of concern to the Bureau of Indian Affairs. Excessive rainfall in
early May, 1914, in the Healdton field caused an estimated 195,000 barrels of

14 Daily Oklahoman, February 8, 1913.
15 Because of studies prepared and work done by technicians in Oklahoma oil fields, the
Bureau of Mines located its Petroleum Experiment Station at Bartlesville, Oklahoma in 1918.
17 State of Oklahoma, "Natural Gas," Senate Laws of Oklahoma for 1913 ( Guthrie: Co-
operative Publishing Company, 1913), pp. 189-190; State of Oklahoma, "Natural Gas," 1914,
pp. 423-424.
18 This was the first legislation of any state of this nature. W. P. Z. Germann, "Legal History
of Conservation of Oil and Gas in Oklahoma," Legal History of Conservation of Oil and Gas
(Chicago: American Bar Association, 1938), pp. 119-121.

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oil to wash out of storage dams and flow down Bayou Creek while 91,000
barrels soaked into the earth. An additional 30,000 barrels, it was estimated,
had evaporated before the heavy rainstorms struck. As an added burden, the
total production for Healdton and Cushing in 1914 exceeded the 1913
marketed output by well over fifty percent.19

A committee of independent oil producers accompanied Cas Sells, Com-
mmissioner of Indian Affairs, through the Healdton field on May 30, 1914.
The committee witnessed immense quantities of oil burning in Bayou
Creek, with heavy columns of smoke marking the creek for miles. Com-
missioner Sells was supplied with data which showed that 40,000 barrels of
oil were being produced daily while the only market outlet for the field, the
Magnolia Pipeline Company, could carry only 8,000 barrels. Healdton
operators claimed that the loss from seepage and evaporation amounted
to twenty-five percent or more of the storage. After visiting this field, one
member of the official party said: "There is more oil flowing daily down the
Bayou in this field and Tiger Creek in the Cushing field than is produced in
many of the well-known fields. The thousands of barrels of oil in Bayou
Creek, a total loss, showed more than any other thing the great need for
market facilities."20

One solution to this waste was to cut down on production, but the in-
dustry and government officials were not as yet, ready to take that step. After
public hearings on May 7, 1914, the Corporation Commission issued orders
whereby producers and pipeline companies operating in the Healdton and
Cushing fields agreed to pay the salary of inspectors who would make
returns on the amounts of oil run each month from all reports to producers on the
sources.21 No limitation was placed on production. Probably because of the
recommendation of Commissioner Sells as a result of his on-site inspections
in Oklahoma, Congress, on August 1, 1914, provided six additional oil and
gas inspectors to supervise drilling operations on allotted lands leased by
producing members of the Five Civilized Tribes.22 Meanwhile, independent
producing members in the fields were concerned with overproduction. Only about
twenty percent of the Cushing field output could be accepted by the carriers. A mount-
ing surplus of the highest grade crude oil ever discovered was being stored
above-ground in wooden or steel tanks or dumped in creeks or earthen pits

22 (Oklahoma Corporation Commission, "Order 817" and "Order 817" Seventh Annual
the Bureau of Mines for inspections on the prevention of waste in the production of oil and
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at the rate of 300,000 barrels a month. Pipeline companies requested the
Corporation Commission to relieve them from taking oil from any new
wells drilled within the next four months. The commission issued the re-
quested order on July 1, 1914. In effect, this was America's first priority
order. The language of the order included this analogy: "If a forest of
trees. . . . (was) being ruthlessly and carelessly destroyed by fire or
never

The fifth Oklahoma legislature passed two comprehensive measures re-
lating to oil and gas conservation, the first designed by any state to pre
vent waste of these natural resources. 28 The most important factor leading
to the enactment of these conservation measures was the attitude of the oil op-

tors. This legislation was the result of their campaign and influence for

Both measures authorized the Corporation Commission to issue rules for
the enforcement of the acts. 29 The oil act defined waste, in addition to its
ordinary meaning of physical waste, to include economic waste, under-
ground waste, surface waste and waste incident to the production of crude
oil in excess of transportation or marketing facilities or reasonable market
demand. The act included provisions of the 1911 legislation: a common pur-

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384 omitted any control of the enormous amount of gas released to bring
oil to the surface.

During June the Corporation Commission held meetings at Ardmore,
Muskogee, Bartlesville and Tulsa to explain the acts and to hear repre-
sentatives from the industry as well as Bureau of Mines experts offer sug-

28 The Tulsa Daily World (Tulsa, June 10, 1915). It was an unfair criticism. Two of the three
Commissioners were highly respected lawyers and both, George Headway and Walter Hunt-

29 These were the laws passed in the 1911 Legislature. The Oklahoma Corporation Com-

30 Eight Annual Report (Oklahoma Corporation Commission, June 30, 1915). It was an unfair criticism. Two of the three
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February of 1933 set an oil-gas ratio for the West Holdenville field when some wells showed a ratio of 21,000 cubic feet of gas to each barrel of crude oil produced. When the order was rescinded due to the protests of operators in the field, Claude Barrow stated in his column, The Slack Pit: "If operators take their allowable of 5,000 barrels a day, there will be produced also 18,400,000 cubic feet of gas per day—enough to supply the entire state of Oklahoma. The 5,000 barrels of oil net producers $12,000 per day; the gas at 6 cents per thousand feet, would net $1,080 per day. The loss due to lowered pressure can only be figured when they have to repressure their wells."22

The pattern for state regulation of oil and gas conservation was set by 1918. This involved logs of new fields, drilling notices filed with the Corporation Commission, discovery wells and operators meetings with the commission to reach agreement on daily production, as well as hearings on complaints. However, the gigantic fields of East Texas and Oklahoma City produced problems anew in the 1930s through the 1950s era. These events will be touched upon in Oklahoma to demonstrate the rhetoric and the tenor of the problems and their solutions.

Just as the Greater Seminole area was revealed its vast potential in the mid-twentieth, so were new fields of major potential being developed in West Texas, the Texas Panhandle and California. Operators in the Seminole area immediately imposed voluntary proration and set up a committee to voluntary compliance in 1916. Following a public hearing and at the request of the producers, the Corporation Commission issued a proration order for the several pools which comprised the Greater Seminole area.23 This was later revised into America's first statewide proration order which permitted a daily allowable of 405,000 barrels from the Seminole area and 27,000 barrels from other producing areas.24

Within two years the two greatest fields of the century were under development—East Texas and Oklahoma City. Inasmuch as the Oklahoma City field, like the Greater Seminole area, could have furnished the entire state's daily allowable of crude oil, readjustments in proration were necessitated.

21 Clark, The Oil Century from the Drake Well to the Conservation Era, p. 168.

22 The Daily Oklahoman, March 5, 1933, "Order 6565," issued February 6, 1933; and it set a ratio of one barrel of oil to 2,000 cubic feet of gas. Oklahoma Corporation Commission, "Order 6565," Twenty-First Annual Report (Oklahoma City: Oklahoma Corporation Commission, 1933).


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Sary. The commission, for the first time in an order, recognized the underground waste of natural gas in the production of crude oil.25

Because of the depression, consumer demands for petroleum products fell. Refineries sustained a loss from 1926 to 1927 of $1,600,000 daily from the drop in gasoline sales alone. Potential production increased in proportion to the decline in sales. From May, 1929 to July, 1930 the daily demand from Oklahoma declined from 725,000 barrels to 500,000 barrels. The price of crude fell from $1.30 a barrel in 1929 to 88c a barrel in July, 1931. By May 21, 1929, due to overproduction, shares of the thirty largest petroleum companies declined $600,000,000, and all oil shares dropped $1,000,000,000. Thus, even before the Great Depression, the petroleum industry was pinched by its own greed.26

The crisis within the depressed oil industry engendered meetings throughout the Mid-Continent area to urge production restrictions and even shutdowns.27 Governors from the Mid-Continent area or their representatives, foreshadowing later interstate compact meetings, gathered at Texarkana, Arkansas, to consider remedial action. As a means to raise the demand for domestic production, independent producers at the meeting asked advocates to urge a national policy for reduction of imports and quotas granted foreign concessions on importation. These men also favored the regulation of production from flush fields through voluntary action.

Voluntary action was pursued in the Mid-Continent area where oil prices plummeted in one year from $5.90 a barrel to 60c in West and East Texas and to twenty-five cents in Oklahoma and Kansas by mid-1931. Local operators and royalty owners in Oklahoma City passed a July 15, 1931, resolution favoring a shutdown until crude prices could rise to $1.20 a barrel. On July 17 producers in three counties in West Texas and two of the largest producers in the Oklahoma City field, the Phillips Company and the Indian Territory Illuminating Company, agreed to shut down all producing properties except offset wells adjoining other wells under production. Three hundred independent producers in Kansas met on the same day in Topeka and resolved to shut down 22,000 wells producing 200,000 barrels of oil daily. One hundred and seventy-three wells with a combined daily potential of

25 Quirk, "Legal History of Conservation in Oklahoma," 153. Order 488 of the Commission, December 21, 1929, was the first to recognize the importance of reserve revenue in the recovery of oil.


28 Daily Oklahoman, July 17, 1931.


30 Ibid., July 24, 1931.
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company contested a ready market was available for its production, through its pipeline to its refinery and that no waste would result from its operations. In the Southwest, as in the nation, judicial trend opposed broad governmental regulatory powers. The National Recovery Act of President Franklin Roosevelt's New Deal was struck down in the United States Supreme Court, while in Texas the courts invalided Railroad Commission proration powers and Governor Sterling's subsequent martial law in the Texas fields.

While the Champlin case against the proration policies was adjourned, the Texas federal district court struck down the proration order powers of the Railroad Commission, saying they were based on price fixing. Following the lead set by Texas, the federal district court in Oklahoma City in the Champlin case reconvened on August 13 to deny the Corporation Commission proration power to limit production. This left the Oklahoma City fields unregulated. Murray promptly declared martial law in the Oklahoma City fields the next day (4).

When he shut down the Oklahoma City fields on August 4, Murray was careful to proclaim that the order was issued as a conservation measure and not for the purpose of price fixing. He cited as constitutional authority his right to call on the National Guard to preserve school land resources and revenues. He charged that during the previous March, officials of Sinclair Oil Company had met at Tulsa "to consider the possibility of bribing forty members of the legislature to impeach the Governor, who had balked the company's attempt to repeal the oil laws." The order established a military zone 50 by 90 feet around 3,000 wells in 27 fields.

On August 17, Governor Sterling followed Murray's advice and shut down the East Texas field which had been producing 1,000,000 barrels of oil daily. Sterling's martial law came five days after the Texas legislature had approved measures that brought Texas oil and gas statutes into line with those of Oklahoma. Governors of adjacent states worked closely with their regulatory agencies during these trying days. Finally prices rose, and the crisis subsided. Murray lifted the shutdown order October 10, but units of

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the National Guard were continued on duty in the Oklahoma City field to enforce compliance with orders issued by the Corporation Commission.

One other company besides the Champlin Company challenged Corporation Commission powers and regulation. The H. F. Wilcox Company, Oklahoma Corporation Commission powers and regulation. The H. F. Wilcox Company contested a ready market was available for its production, through its pipeline to its refinery and that no waste would result from its operations. In the Southwest, as in the nation, judicial trend opposed broad governmental regulatory powers. The National Recovery Act of President Franklin Roosevelt's New Deal was struck down in the United States Supreme Court, while in Texas the courts invalided Railroad Commission proration powers and Governor Sterling's subsequent martial law in the Texas fields.

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45 51 Fed. (2) 499 (July 31, 1931).
46 Tariff of proclamation, Daily Oklahoman, August 5, 1931. In C. C. Julian Oil and Royalties Co. v. Capper, et al., Corporation Commissioners, October 17, 1930, the police powers of the Commission to prevent waste and the 1925 Conservation Act were upheld. 391 P. 2d. 312.
On October 17, 1931, federal court ruled against the Champlin Company. 51 Fed. (2) 829. Also the proration laws were upheld on appeal. 51 Fed. (2) 579. 280 U.S. 210.
47 Daily Oklahoman, August 5, 1931. Murray threatened to introduce a resolution before the Special State Legislature to force Starker to pay royalties on the basis of 400 and not 100. New York Times, August 5, 1931.

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