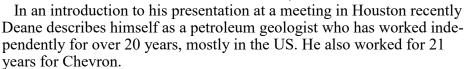
# ECHOES



# The April Newsletter The Meeting will be

Tuesday, April 22, 2025, 3:00 pm in the Meeting Room of the McMillan Museum on the Brewton College Campus.

The Program: Our Guest Speaker, Deane Foss, Will Present a Program Based on His Article "An Incomplete History of the Discovery and Development of Little Cedar Creek and Brooklyn Smackover Oil Fields, Southwest Alabama, USA."



(Continued on page 2)



**Deane Foss** 

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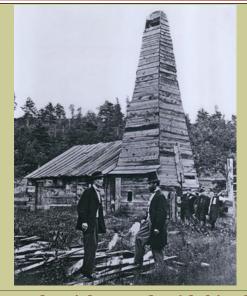
| Living and Working in<br>Alabama's Biggest Oil Patch |   |
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### Refreshments

Plan on again bringing your favorite finger foods for the April Meeting. The Society will provide drinks.

Digitizing Machine

Don't forget that the Society is seeking funds for the purchase of a digitizing machine which will help preserve documents,



Edwin Drake, right, stands with friend Peter Wilson of Titusville, Pennsylvania, at the drilling site – but not the original cable-tool derrick – of the August 1859 first commercial U. S. oil well. Photo courtesy Drake Well Museum.



1968 Oil Erupting from a Well, Choctaw County

> Volume 52 No. 4 2025

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# The Program

(Continued from page 1)

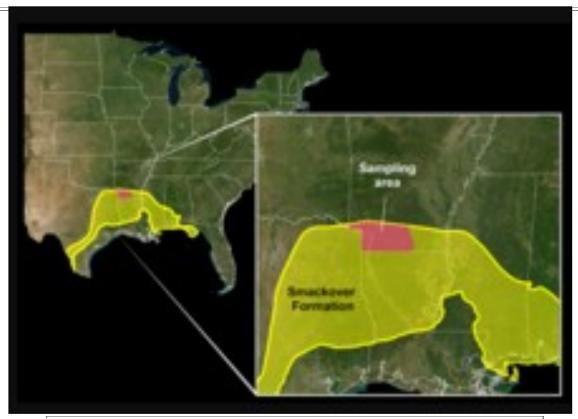
The last 10 years he has been focused on the Smackover in southwest Alabama and south Arkansas. He relates that in partnership with knowledgeable land men, he was involved in the mid-late stage development of the Brooklyn Field.

He has said this about the Little Cedar Creek and Brooklyn oil fields:

"For being such large fields, Little Cedar Creek (1993) and Brooklyn (2007) resisted discovery for a long time after the first significant discovery of

Smackover oil at Jay Field in 1970. That is partly because those two fields broke the rules of successful Smackover exploration that existed at the time. The persistence (early dry holes) and timely dealmaking exhibited by two already successful operators (Midroc Operating and Sklar Exploration) are primarily, but not exclusively, responsible for the 50 plus millions barrels of oil produced to date.

"This presentation is incomplete because no one ever knows the whole story of significant field discoveries and development."



**Map of the Smackover Formation** 

### The Smackover Formation

The Smackover Formation is a limestone aquifer (a body of permeable rock which can contain or transmit ground water) that spans across several states in the southern United States, including Arkansas, Louisiana, Texas, Alabama, Mississippi, and Florida.

A relic of an ancient sea that left an extensive, porous, and permeable limestone geologic unit, it is named after a town in Arkansas.

### Significance of Smackover, Arkansas

Smackover, Arkansas, is significant due to its rich history and geological importance, particularly its role in the nation's oil and gas industry. It's the birthplace of the Smackover Oil Field, a major oil discovery in the 1920s that led to a boomtown era. Beyond oil, the Smackover Formation, which underlies the area, is also being recognized for its potential lithium reserves, making it a key location for the development of battery technology.

### **By Chris McFadyen**

March 1, 2013 from <u>Business Alabama</u> magazine at <a href="https://businessalabama.com/working-and-living-in-alabamas-biggest-oil-apatch/">https://businessalabama.com/working-and-living-in-alabamas-biggest-oil-apatch/</a>>.

Chris McFadyen is the editorial director of Business Alabama.

Conecuh County lies about half way between Montgomery and Mobile on I-65. Hop off the interstate at Evergreen, the county seat, and you'll be right at the factory where 150 workers make Conecuh Sausage. Hop off the interstate at Evergreen, the county seat, and you'll be right at the factory where 150 workers make Conecuh Sausage. Meander through the town and you'll come across the county's other large employer, Knud Nielsen Co., where 350 workers make dried flower arrangements for shipment around the world.

Smoked pork and wildflowers, plus pine logs snaked out of the woods on skidders, Conecuh County, former cotton country, is still mostly

country. And its newest enterprise is tied to the land too, hidden far off the interstate, back in the woods.

Fourteen miles south and east of Evergreen, near the Sepulga River, bordering Covington County lie the most productive oil fields in Alabama — the Little Cedar Creek and Brooklyn fields.

"Little Cedar Creek has over 100 wells," says David Bolin, deputy director of the Alabama Oil and Gas Board, and production for each well "ranges from 200 to 400 barrels a day. A newer field, just south of the Little Cedar Creek, is the Brooklyn Field. It is the same type of play. There are around 20 wells there." He says the two fields now account for "right at 50 percent" of Alabama's

annual 7.4 million barrels of oil.

Oil prospecting in Conecuh County goes back to the early '80s, but the prospectors were mostly looking in the wrong places.

"Nobody ever dreamed that the southeast part of Conecuh County had any oil and gas," says Rogene Booker, who has been probate judge of Conecuh County since 1989. "The thinking was that if there was any oil, it'd come up here out of the Jay Field in Florida. All this changed in the mid-'90s, and later in the '90s it just took off wide open. Their first well was down in Johnsonville, off of Highway 29."

That discovery well was drilled in 1994 by Hunt Oil Co., legacy of the famous Dallas oil brothers H.L. and Lamar Hunt.

But even the legendary Hunt boys didn't know what they had when they punched a hole that pulled 108 barrels of oil and 49, 000 cubic feet of gas a day. It seemed relatively small potatoes to Hunt Oil, based on the assumption that, like most oil deposits, this was an isolated pool trapped by a geologic structure — such as a fault leaking up to a cap of hard rock.

Given the trouble it takes to find such a hole, this was not a big enough gulp for Hunt Oil. So they walked it around the streets of Dallas and finally sold the prospect to another, smaller company, one

of the independents. That was Midroc Operating Co., owned by Donald Clark and Jimmy Harris, a football legend at the University of Oklahoma who became a standout geologist.

"I got a geology degree. Back in the old days, you had to get degrees because going to the pros sure weren't going to make you any money," Harris told ESPN in a 2003 interview. He was quarterback of the Sooners from 1954 to 1956, under coach Bud Wilkinson, racking up a spotless record, 31-0. "I would have liked to have that kind of record in the oil field drilling wells."

It was Harris who took a closer look at the lay of the land down below eastern Conecuh County, and it was here he just

about matched his gridiron record.

"The success rate is extraordinary, much higher than typical. One out of two wells are successful ordinarily, but these are 90 percent or more successful," says Bolin.

What Harris discovered for Midroc was that the

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Martha Dornish researches mineral titles in the Conecuh County Probate Court. An increasing number of women fill the job traditionally called "petroleum landman," independent agents helping exploration companies assemble land where a well can be drilled.

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County, until the death of his geologist partner, Harris. Largely retiring from operations, in 2011 Midroc turned over field management of its Alabama production to Jackson, Miss.-based Pruet Production Co., which owns a nominal 1 percent of the production and runs things for the Texas owners, which have 70 wells in Little Cedar Creek. Midroc began a secondary recovery program in the field in 2007 as wellhead pressure dropped, injecting gas to top up yields.

"Some wells are pretty straightforward as to what we're supposed to do. Others are problematic, and we struggle to keep them flowing," says Skip Schexnayder, production superintendent for Sklar.

"Here in Alabama, we have a natural flow on some and artificial lifts on others."

Schexnayder, out of Lafayette, La., oversees six "pumpers" who maintain Sklar's 42 Conecuh County wells. "The pumpers are the guys who go out daily and check all the wells, record the data and calculate production volumes and try to maximize production and maintain a safe operation," he explains.

Far from the wild waste days of East Texas gushers, today's oil field is a carefully measured operation that walks the bottom line.

"Our biggest challenge is trying to take care of business the way we need to without spending a bunch to make it happen," says Schexnayder. "The biggest expense we have is equipment maintenance, pumps and electric motors. We run a lot of PLC (programmable logic controllers), and the biggest risk involves damage from electrical storms."

The pumpers who tend the wells live within 50 miles of the wells, and all have oil field experience, says Schexnayder. Two of them were former offshore workers, refugees of the BP spill, glad they're now working a well at the end of a dirt service trail into the pine woods.

Both the "Christmas tree" pipes that stick up at the

well sites and the pumpers who tend them are mostly out of sight, even to the landowners.

"They normally don't even talk with us, unless the well has fallen off considerable," says Eddie Ralls, whose family trust owns 1,000 acres in the two oil fields, in which four family members have a share in seven producing wells.

Ralls runs a road building company named after his father who started the business, Grady Ralls and Sons, in 1958. "We live in the country, 14 miles from the courthouse," he says "Two sisters and a brother. We live in the oil patch."

Ralls says the family trust is getting "almost 18 percent" royalties on most of the mineral leases on their land "and one lease is getting 25 percent." That compares to royalties of 12.5 percent that were com-

monly offered in Conecuh County in the early '80s.

"In this area, there are some very sophisticated landowners," when it comes to leasing mineral rights, says Sklar's Barlow, an attorney by training, like a lot of oil company executives, coming out of the landman side of the business. "Some of them are timber companies that know a great deal about oil and



Handwritten Records in Conecuh.

gas exploration and even have technical people on their staff."

The Ralls family doesn't have any geologists or attorneys on staff, but they've done well enough just keeping their ear out. "It's just word of mouth," says Ralls. "We talk to different ones, other people the landmen are talking to."

Ralls' road business these days takes him up to Wetumpka in Elmore County, repaving Highway 14 northeast of Montgomery. But his office and shop are on the same land where four generations have lived.

"My grandfather, Ed Ralls, came here, had a grist mill on Bottle Creek. He ground meal, shelled peanuts, planted row crops," says Ralls.

"We get a check every month," for the trust's share in seven wells, he says. "It's made a differ-

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geology surrounding Hunt's discovery well was not the usual kind of structural trap that oil companies had been focused on in the region. The nature of the

deep rocks yielding the oil was, instead, stratigraphic — extending throughout a whole bed, or strata, of rock formation, making the prospects much more widespread.

"The play in the Little Cedar Creek Field and the Brooklyn Field is generally an extension, to the updip limit, of the Smackover formation that you have in the Escambia County area," says Bolin.

Lying around 15, 000 feet deep, the Smackover is what made the Jay Field — mostly in Escambia County, Fla. and a little in Escambia County, Ala. to the

north — a bonanza of an oil field when it was first tapped in the '70s. The Smackover and adjacent Norphlet formations also are the production zones of the offshore gas wells in Alabama waters.

Little Cedar Creek Field extends across 22, 000 acres, with more than 100 producing wells, spaced by the Oil and Gas Board at one well to every 160-acre block. An adjacent field to the south and west — considered separate because of a little bit different theory of its production source — is the Brooklyn Field, extending over 4, 500 acres, with 26 producing wells. Taken together the two fields have produced more than 17 million barrels of oil and, beginning in 2005, have reversed what had been a steady decline in Alabama's annual production of oil.

"Our Alabama wells have become a significant asset for us," says David Barlow, president of

Shreveport-based Sklar Exploration, the second big player in the Little Cedar Creek/Brooklyn fields. "We are active in a number pf states— Texas, Louisiana, Arkansas — but the activity in Alabama has become quite significant for us."



After researching an area for geological prospects, an oil and gas exploration company next sends petroleum landmen to the courthouse to research who owns the mineral rights. The title search goes back to Spanish land grants, and handwritten records reflect the antiquity. Probate Judge Rogene Booker (above) has been presiding over the record room in Conecuh County since 1989.

Sklar expanded the east Conecuh County play in 2007 with the discovery well of what has become the Brooklyn Field. The company has 42 producing wells in the area, comprising 95 percent of the company's production.

Shreveport is an oil and gas town like Jackson and Natchez, Miss., or New Orleans and Lafayette, La. Alabama doesn't have an equivalent.

Shreveport's oil history goes back to 1906 and the development of three big fields that stepped off north of the East Texas Field, the granddaddy of U.S.

oil fields. H. L. Hunt's fortune began as a landman in the East Texas play.

Landmen (and women) are middlemen between the exploration companies and the landowners. They assemble oil and gas leases as agents of the drilling companies or — like H.L. — free agents angling for a position.

The new courthouse that Conecuh County built in 2006 largely with oil and gas severance revenue is weekly populated with landmen researching the title to mineral rights.

"On some days, my record room is full of people," says Cathy Garner, chief clerk of probate court. "It goes in waves. Some days it's packed, like little ants going at it."

Midroc's Donald Clark headed up that company's landman/leasing side of the business in Conecuh

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ence. We've certainly been blessed."

But not such a difference, he says, to have changed their lifestyle.

He laughs a little at the word "lifestyle."

"No, our lifestyle hasn't changed any. We've always worked hard. Every day at work at 5 o'clock and don't get in till 7 o'clock."

### **Black Gold**

### By Thomas M. Little

At < https://businessalabama.com/black-gold/>.

Between the Appalachian foothills to the north and the waters of the Gulf of Mexico, Alabama is endowed with a diverse supply of natural resources. Deep below the mineral-rich topsoil of the Black Belt hide two precious geological boons: oil and natural gas.

### Introduction

Years before the 1859 Drake Well drilled in Pennsylvania signaled the birth of an industry, denizens of Alabama had already explored the marketability of crude oil. While Native Americans found oil seeping into water supplies to be a nuisance, the crude that issued from asphaltic rock was collected and sold as medicine.

Geological reports from the mid-1800s recall tar seeping from limestone fissures in Lawrence County, and pills derived from these "tar springs" were hawked as a cure for indigestion, sores and a host of other maladies.

The discovery of natural gas in north Alabama followed later in the century, and by the early 1900s Huntsville's streets were illuminated by gaslight. This was a modest output by today's standards, and it would be decades before the state's largest supplies of gas would be tapped in the Gulf of Mexico.

The first oil wells in Alabama were dug in 1865, when the industry itself was still emerging in the U.S. Through the remainder of the century, oil and gas exploration spread throughout Alabama, and while major commercial value remained largely elusive, the state established its first oil and gas legislation and supervisor in 1911. By the 1940s, the state government found it necessary to create a regulatory body for the industry, which has evolved over time into today's Oil and Gas Board.

### H. L. Hunt Punches In

Talk of Alabama's mineral potential caught the attention of Texas oil tycoon H. L. Hunt, who struck black gold in Choctaw County in 1944. Hunt's wells brought serious commercial oil production into the state, and in the following decade a new field would be discovered farther south in Mobile County.

The Smackover extension was responsible for drawing large oil companies into Alabama during the '70s and '80s, including Amoco, Exxon, Shell and Texaco. When oil prices doubled following the energy crisis, Alabama's Smackover potential was largely abandoned. Independent companies would pick up the slack, tapping the "updip" of a massive fault line running through the southwest of the state. Improved methods and low operating costs made drilling irresistibly affordable and promised a quick ROI (return on investment) on successful wells.

Today, two fields in Conecuh County make up the state's biggest oil production. The Little Cedar Creek Field was the site of the initial drilling in 1994, with the nearby Brooklyn Field discovered in 2010. The land currently holds 165 wells, reaching about 11, 500 feet into the earth.

"Each well has a 400-barrel-per-day allowable," says Kirk McQuillan, deputy director of the Alabama Oil and Gas Board. "Together, they've produced a cumulative 40 million barrels to date." As of January 2018, Little Cedar Creek had produced 21,080,995 barrels of crude oil, while Brooklyn followed with 20,467,941.

To maximize the longevity of these fields, enhanced oil recovery operations began in 2005 in Little Cedar Creek Field and are under consideration now for Brooklyn Field. "Through this process, water and gas are injected into the reservoir to sustain pressure that would otherwise be lost over time," says McQuillan.

According to the U.S. Energy Information Administration, the state's three operable oil refineries pro-

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### **Black Gold**

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duced more than 131,000 barrels per calendar day in 2016 and 2017. That's a high-water mark for the decade, but well below the averages of the 1980's. Production peaked in 1988, when six refineries turned out 180,000 barrels per day.

### **Methane Billions**

Alabama also maintains about 6,100 coalbed methane wells across seven counties. Once considered nothing more than a hazardous byproduct, the resource now makes up about 44 percent of all natural gas produced in Alabama. Since the first extraction permits were issued in 1980, operators have invested around \$3.5 billion in the state.

"Extracting coalbed methane is very important to the state," says Marvin Rogers, the Oil and Gas Board's general counsel. "It degasifies mines and makes them safer. It's especially valuable in Jefferson and Tuscaloosa counties and the surrounding communities where we have a lot of the mining centered."

Prior to the 1980's, coalmines were vented via vertical wells that simply released the methane into the air. Research conducted by the U.S. Bureau of Mines and Department of Energy indicated a high commercial value for the extraction of coalbed methane, and in 1983, the State Oil and Gas Board of Alabama passed regulations specifically for the drilling of the resource. Alabama set the precedent for CBM (coal mine methane) extracting for energy, and other states

later adapted its rules and regulations for their own efforts.

### **Offshore Bonanza**

At the time of its discovery, the natural gas field off the coast of Alabama promised to be one of the largest producers in the U.S. "The first productive well was drilled in 1979, but it took several years to evaluate the reservoir and set up a production system," says McQuillan. "Production began in 1987." Developed by Mobil Oil Exploration and Production Southeast Inc., the field was expected to produce 23 billion cubic feet of natural gas per year for the next 40 plus years.

From 1987 to 2017, Alabama's offshore wells have produced more than 3.8 trillion cubic feet of natural gas. After more than 30 years of extraction, however, the finite reserves are showing signs of maturity. "Peak offshore production has likely passed at this point," says McQuillan. "It's been on a decline for a long time now, at an annual rate of about 8.5 percent." According to the EIA (environmental impact assessment), only two-fifths of Alabama's natural gas was derived from offshore wells last year.

State waters extend only three miles from shore. Beyond that, waters are federal. The state gets some revenue from federal waters though, shared with Louisiana, Mississippi and Texas through the Gulf of Mexico Energy Security Act.

The states and their coastal political subdivisions shared \$37 million between 2009 and 2017. Another \$188 million was allocated in 2017 under the second phase of the act.



### **Text of Historic Marker**

On January 2, 1944, the State of Alabama granted Hunt Oil Company a permit to drill the A. R. Jackson Well No. 1 at Gilbertown, AL. Hunt Oil Company was owned by the famous oil man, H. L. Hunt of Dallas, Texas. The drilling commenced on January 10, 1944, and oil was struck approximately one month later at 2580 feet in fractured \*Selma chalk. The discovery of this well led to the creation of the State Oil and Gas Board of Alabama in 1945, and to the development and growth of the petroleum industry in Alabama.

\*Note: Selma chalk is a geological formation of chalk, a type of soft, white limestone, primarily found in Alabama and Mississippi.

# Oil and Gas Industry in Alabama

By Andrew Cockrell at <a href="https://encyclopediaofalabama.org/article/oil-and-gas-industry-in-alabama/">https://encyclopediaofalabama.org/article/oil-and-gas-industry-in-alabama/</a>>.

### Introduction

Alabama is among the top 17 producers of oil and among the top 16 producers of natural gas in the United States. Oil and gas are found in many counties as well as in Mobile Bay. The state has developed some of the most stringent environmental regulations regarding drilling in its offshore waters.

Alabama's oil production has steadily increased from an average

of just over five million barrels in 2009 to nine million barrels in 2015.

Alabama's natural gas production has steadily declined since 2005 but has leveled since 2012 at about 200 billion cubic feet per year. In 2015, the state oil and gas industry contributed \$11.3 billion t

contributed \$11.3 billion to the Alabama economy, which was 6.4% of the state's GDP (total market value of everything produced in the state for a year).

### Geology of Oil and Natural Gas

Oil in Alabama generally occurs in the state's two sedimentary basins, the Interior Salt Basin in the southwest and the Black Warrior Basin in the northwest, both of which extend westward into Mississippi. Geologists use the term "basin" to describe a broad area where layered sedimentary rocks sag thousands of feet downward into a "bowl" shape, although there is often no evidence of this at the surface. The Interior Salt Basin consists of Mesozoic and

Mobile Bay Gas Platforms
Natural gas platforms and equipment
rise from Mobile Bay to the south
of Dauphin Island. In the foreground
is Sand Island Lighthouse, which was
first built in 1871 to replace the previous
structure destroyed by the U.S. Navy during the Civil War.



Reconstruction
This computer-generated image is a recreation of what Alabama probably looked like during the Late Triassic and Early Jurassic. At this time.

**Early Jurassic Landscape** 

Early Jurassic. At this time, some 200 million years ago, the landscape in what is now southern Alabama was submerged under the young Gulf of Mexico (Gulf of the Americas) and the northern region was a harsh, arid desert environment.

Cenozoic rocks, which date back 200 million years. The Black Warrior Basin is composed of Paleozoic rocks, some of which date back 580 million years. This region is also famous for its vast coal reserves, such as the Warrior Coal Field.

Despite the popular belief that oil comes from dinosaurs, in reality it originates from the remains of countless microscopic creatures that died, fell to the ocean floor, and became buried under thousands of feet of sediment. The heat and pressure

of the overlying sediments changed the chemical make-up of the organisms into crude oil.

Natural gas, which is composed mainly of methane, is a by-product of this slow process and is found both with oil or by itself. Crude oil and natural

gas are together referred to as petroleum.

Petroleum forms in the microscopic pores of rocks such as sandstone and limestone and slowly makes its way to the surface. When the petroleum becomes trapped in its migration, it forms an oil or gas field. Common traps are geologic features known as faults and anticlines.

Faults are cracks in layers of rock in which the rocks on either side of the crack move in relation to each other. This can be envisioned by thinking of a knife slicing through a layer cake and seeing one side of the cake slump downward.

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# Oil and Gas Industry in Alabama

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Anticlines are domeshaped folds in sections of layered rock. Geologists search for these traps with machines that measure gravity, magnetic, and seismic data, all of which tell them critical properties of buried rock layers.

Geologists refer to a likely place for oil or gas as a "prospect." When a prospect is identified, "landmen" are sent in to lease the mineral rights from property owners, who retain a royalty, which is a share of the revenue generated by the oil and gas produced from the owner's property. After the leases are acquired, drilling rigs are brought in to drill and test the prospect.

Another type of oil resource occurs when oil makes its way to the surface forming a geologic feature known as tar sands. The Hartselle Sandstone in northwest Alabama is a prime ex-

ample of such a surface oil field. Although geologists believe Alabama's tar sands have future commercial use, most of the state's known petroleum reserves are located underground.

### Discovery of Oil and Gas Reserves

The world's first oil discovery occurred in Pennsylvania in 1859. Chemists found they could refine the crude oil into certain components that were useful.

The first of these refined products to find widespread use was kerosene, which quickly replaced

PENNESSEE VALLEY COLBERT REGION MORGAN BLACK WARRIOR APPALACHIAN BASIN REGION FOLD AND FAULT REGION CLAY PIEDMONT REGION RANDOLP CHAMBER CHILTON LEE ELMORE RUSSELI MONTGOMERY CHOCTAW SOUTHEAST ALABAMA WILCOX REGION CLARKE BARBOUR HENRY CONECUH COVINGTON SOUTHWEST ALABAMA ESCAMBIA REGION Oil and Gas Producing Area BALDWIN Coalbed gas drilling and producing area

Alabama Oil and Gas Regions Alabama's major oil and gas-producing regions are located in the western part of the state, along with a coalbed methane region underlying substantial portions of Tuscaloosa and Jefferson Counties. whale oil as lamp fuel. Later, gasoline and other fuels were refined to power the engines of the fuelthirsty twentieth century.

By the end of World War II, the rapid demand for refined products meant that the hunt for oil spread quickly across the United States and the world.

Traces of petroleum, in the form of natural gas, were first discovered in Alabama in Morgan and Blount Counties in the 1880's, and by 1902, natural gas was being supplied to the cities of Huntsville and Hazel Green. In 1909. a small discovery by Eureka Oil and Gas at Fayette fueled that city's streetlights for a time, but no natural gas was recovered anywhere in the state for several decades afterward.

In 1945, the state legislature created the Alabama Oil and Gas Board (AOGB) to regulate the oil and gas industry in the state. When a discovery is made, the oil companies

are required to take their information before the AOGB at a public hearing. The AOGB then issues special rules concerning the regulation and production of the petroleum; assures the rights of mineral owners; and ensures that environmental protection laws and regulations are followed. With the creation of the AOGB, the legislature appointed Walter B. Jones, Alabama's third state geologist, as its supervisor.

Knowing the geology of the state extremely well, Jones became convinced that Alabama would one

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# Oil and Gas Industry in Alabama

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day become a significant petroleum producer. He continued to lobby the legislature for laws to encourage oil men to come to Alabama with their drilling rigs. But it was not until World War II broke out in 1939 that Jones saw his wishes come true, when demand for oil rose and Alabama's fortunes changed.

In 1944, Texas oilman Haroldson "H. L." Hunt drilled beside a fault in Choctaw County and discovered the Gilbertown Field in the Eutaw Sand at a depth of 3,700 feet. That field produced 15 million barrels of oil (1 barrel = 42 gallons), not a lot by modern standards but enough to make "oil fever" spread rapidly. Other companies, many of which were run by independent prospectors popularly known as "wildcatters," followed Hunt's lead, but 11 years passed before they found the next significant discovery.

In 1955 at Citronelle in Mobile County, geologist Everett Eaves and legendary wildcatter Chesley Pruet established the most famous oil well in the state's history, the No. 1 Donovan, discovering the biggest oil field east of the Mississippi River at the time.

Citronelle produced 160 million barrels of oil from the Rodessa Sandstone, 12,000 feet down, becoming Alabama's only "giant" oil field, which is a field that produces more than 100 million barrels.

Expanding to 500 wells, Citronelle sparked a drilling flurry in south Alabama, but the results were mostly disappointing until the mid 1960's, when explorers made a



Oil Rig LaHarrison Lee (left) and Roy Brown work on completing the drilling apparatus for a well in an Alabama oil field.



Chesley Pruet and
Dudley Hughes
Oil prospector Chesley
Pruet, left, and partner
Dudley Hughes, a geologist, were central to the
development of some 500
oil wells at Citronelle in
Mobile County in the
1950's.

series of discoveries in Jurassic rocks, from 12,000 to 20,000 feet below the surface. These discoveries, spearheaded by Pruet and his partner, geologist Dudley Hughes, added hundreds of millions of additional barrels of oil to Alabama's discoveries.

As oil drilling boomed in south Alabama in the late 1960s and 1970s, wildcatter Walter Sistrunk struck gas in the Black Warrior Basin in Lamar County, as did engineer William Tucker in Fayette County. Both men, as well as Pruet and Hughes, headed small but aggressive companies called "Independents" that used investment money from various other oil industry sources. These pioneers lured many more companies, which spread natural gas development through the northwest Alabama region.

During the post-war years, the oil industry in Alabama followed national trends, going through many cycles of ups and downs, depending on the price of oil. When foreign oil began to flow in vast amounts into the nation in the late 1950s and 1960s, oil prices fell and drilling slowed.

In 1973, however, the Arab Oil Embargo sent prices soaring, and exploration picked up again. Many new oil and gas fields were discovered, among them the huge finds in Mobile County at Hatters Pond by Getty Oil Company, at Chunchula by Union Oil, and other big finds in Escambia County.

In the late 1980s, Alabama moved into the world spotlight as a consortium of companies, in concert with the federal government and

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# Oil and Gas Industry in Alabama

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the University of Alabama, began producing methane gas from coal beds in the Black Warrior Basin.

Within a few years, gas companies sank thousands of shallow wells across west Alabama, adding two trillion cubic feet of gas to the state's reserves. Other states and foreign countries closely watched the coal-bed methane technology develop in Alabama and applied it throughout the world.

### Oil and Gas Prospecting and the Environment

In addition to its production capacity, Alabama also became a world leader in another oil-related technology: environmental protection. This development occurred simultaneously with what is considered by some to be Alabama's most significant petroleum event.

In 1968, at a time of elevated environmental awareness across the nation after a destructive offshore spill in California, Mobil Oil, Inc. began studying the petroleum potential of the deep Jurassic rocks under Mobile Bay. But the company met with stiff opposition from environmental groups, and its permit to drill was delayed for many years. After numerous meetings and debates involving Mobil, opposition groups, and state regulators, the permit was finally approved but with the strictest environmental oversight ever enacted in the industry.

In 1978, with protections in place to preserve the bay's ecology, Mobil moved in a huge offshore rig. They drilled more than 21,000 feet into an ancient desert called the Norphlet Sandstone and discovered the largest natural gas field east of the Mississippi, the Lower Mobile Bay–Mary Ann Field. The discovery formed the core of offshore development that



Gas Rig in the Gulf of Mexico A gas rig stands in the waters of the Gulf of Mexico south of Dauphin Island, Mobile County.

eventually located six trillion cubic feet of reserves and as of 2007 has sent \$2.1 billion worth of royalties to Alabama's Heritage Trust Fund, which uses the interest from the funds to help pay for the state's education and infrastructure needs.

The fund was the first of its kind in U.S. history. Oil and gas activity in Mobile Bay and the nearby Gulf of Mexico waters stands today as a global environmental standard for offshore drilling and production operations.

### Current Oil and Gas Production in Alabama

Walter B. Jones's vision for Alabama has come true. Alabama now ranks 10th among the states in natural gas production and 15th in liquid

duction and 15th in liquid petroleum. Since the first meager gas discovery at Hazel Green, thousands of wells have been drilled across the state. Most have

produced nothing, but by 2007 the successful ones were producing nearly \$2.5 billion worth of oil and gas annually, \$500 million of which goes to Alabama's citizens in the form of taxes, royalties, and trusts. Alabama's several locally owned and operated companies join many others from across the nation and abroad to employ thousands of local workers in finding, extracting, refining, and transporting the state's petroleum resources.

Oil and gas is still being found in Alabama, and geologists believe new opportunities exist in the hard shales of the deep Black Warrior Basin beneath Pickens and Tuscaloosa Counties and in the thick fractured shales of St. Clair and neighboring counties.

# THE NEWSLETTER FOR THE ESCAMBIA COUNTY HISTORICAL SOCIETY 251-809-1528 or escambiacohistoricalsociety@gmail.com We're on the web! www.escohis.org The Museum is on Facebook at <http://www.facebook.com. McMillan Museum>.

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