

THE PRAIRIE OIL & GAS COMPANY 1901-1911

By David C. Boles*

Before 1900 virtually all crude oil production had been centered in the Appalachian and Lima-Indiana fields. The situation changed because of major discoveries of oil deposits in Texas, Oklahoma, and Kansas. Standard Oil Company (New Jersey), which controlled approximately eighty-four percent of the production in the East in 1900, arrived upon the scene of the Mid-Continent oil field in its early development.¹ From the Mid-Continent fields came a flood of new protests against pipe line practices which operators in the eastern fields had failed to remedy by legislation.

In 1895, The Forest Oil Company, a subsidiary of Standard Oil, acquired the interests of James M. Guffey and John Galey, who the year before had found oil while seeking oil and natural gas near Neodesha, Kansas.² With the acquisition of approximately forty wells from Guffey and Galey, The Forest Oil Company became active in the production of oil. Nearly two years later, The Standard Oil Company (Kansas) built a 500 barrel per day refinery at Neodesha, Kansas, which was the first refinery in the Mid-Continent area.³

Neither of these companies provided an adequate basis for expansion in Kansas because of their limited charters. A third company, the Kansas Oil & Gas Company, was created on December 17, 1900.⁴ On January 15, 1901, The Standard Oil Company (New Jersey) amended the charter of the new concern, changing its name to The Prairie Oil & Gas Company.⁵ This was an attempt at clarification since Standard owned an oil company in West Virginia with a similar name.⁶ The Prairie located its

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¹ John Melean and Robert William Haigh, *The Growth of Integrated Oil Companies* (Boston: Harvard University, 1964), p. 71.

² Arthur M. Johnson, *American Petroleum Pipelines* (New York: Cornell University Press, 1956), p. 211.

³ Carl Coke Blatter, *Oil Tides of the Southwest* (Norman: University of Oklahoma Press, 1949), p. 33.

⁴ Charter, Kansas Oil & Gas Company, December 17, 1900. Office of the Secretary of State of Kansas, Topeka. A copy of the charter can be found in the office of the Secretary of State of Oklahoma, Oklahoma City.

⁵ Charter, Prairie Oil & Gas Company, January 15, 1901. Office of the Secretary of State of Kansas, Topeka. A copy of the charter can be found in the office of the Secretary of State of Oklahoma, Oklahoma City.

⁶ Ralph W. Hidy and Muriel E. Hidy, *Pioneering in Big Business, 1862-1911*, (New York: Harper and Brothers, 1965), p. 284.

central office in Independence, Kansas, and the town became the focal point for its operations.

The Prairie was chartered to own and operate producing properties and to buy, sell, and transport oil through pipe lines.⁷ The small pipe line systems started by its predecessors were extended, and in 1903, a six-inch line was laid to connect new pools at Chanute and Humboldt with the refinery at Neodesha.⁸ This was the beginning of a trunk line system destined to become the largest in the United States. Between 1895 and 1905, the Prairie purchased all oil offered by the Kansas producers, and attitudes toward the Prairie were most cordial.⁹ By paying for the oil promptly and at a reasonable price, the Prairie stimulated the search for new oil deposits in Kansas. Through manipulation of the price paid for crude oil, Standard had been able to control the production of oil in other oil fields, and this policy seemed to be working in Kansas.¹⁰

This period of friendly attitudes was to be short, because to the dismay of many Kansas producers, Standard started to turn its attention to the new activity in Indian Territory. With this shift of interest, the Prairie attempted to obtain permission from the Department of the Interior to lay a pipe line across the Indian Territory to transport this new oil to Neodesha.¹¹ Until April, 1904, all of the oil produced in the Osage reservation was shipped by train to the refinery at Neodesha at a cost of twenty-two cents per barrel. In April, the Prairie completed a pipe line to Caney, Kansas, enabling the Oklahoma producers in the Osage Territory to unload their barrels at this station for a cost in railroad transportation of only sixteen cents per barrel.¹² The Oklahoma producers were pleased with this development.

After an extended wait, the Prairie received permission from the Department of Interior on July 21, 1905, to lay the pipe.¹³ During this year, a line was completed to the Bartlesville area, and this proved to be a very successful venture for the Prairie. The Oklahoma fields soon started to outproduce their Kansas counterparts. In an effort to keep abreast with this ever multiplying production, new pipe lines were constructed

⁷ Charter, Prairie Oil & Gas Company, January 15, 1901.

⁸ Paul H. Gliddens, *Standard Oil Company (Indiana)* (New York: Appleton-Century-Crofts, Inc., 1955), p. 63.

⁹ *Ibid.*

¹⁰ Johnson, *American Petroleum Pipelines*, p. 212.

¹¹ U. S., *Statutes at Large*, Vol. 33, pt. 1, p. 65.

¹² *Annual Report, Department of Interior*, 1905, p. 258.

¹³ T. J. Flannery to the Honorable Corporation Commission, August 24, 1927. The original may be found at the Oklahoma Corporation Commission, Oklahoma City.

by the Prairie from the Red Fork and Cleveland fields to the storage farm at Humboldt, Kansas.¹⁴

In 1904, the Prairie completed additional pipe lines and storage farms in an attempt to continue buying all available crude oil. The refinery at Neodesha increased its capacity from 500 barrels per day to 2,500, and when this proved inadequate, the Prairie was forced to look for another outlet. The Standard Oil Company (Indiana) had just completed a refinery at Sugar Creek, near Kansas City, Missouri, and the Prairie built a trunk line from its storage farm at Humboldt to this plant. This was the first trunk line to branch out of the Mid-Continent field. Until mid-1904, most of the oil obtained by the Prairie was handled by these two plants, but during the latter part of the year, production of oil increased to 19,000 barrels per day and again there was a need for an outlet.¹⁵ In December, 1904, a trunk line was begun that would extend from Sugar Creek to Whiting, Indiana. It reached its destination in June, 1905, enabling Standard to pump crude oil from the Mid-Continent to the Atlantic. The cost of the Prairie line was estimated at \$16,000,000.¹⁶

During January, 1905, the Prairie began storing over 25,000 barrels of oil per day. Soon it had 8,000,000 barrels in storage.¹⁷ The Prairie's various storage farms curtailed a certain amount of risk since a fireproof storage tank had not been invented. Through frequent electrical storms in Kansas and Oklahoma, the Prairie lost a large quantity of crude oil. Until February, 1906, it purchased all the oil offered by the Kansas producers, but at this point, production was higher than demand and the market price of crude oil began to drop. Then came the first major protest against the Prairie and its practices.

As long as business was going well for the producers, there was little or no criticism by the independent producers. When the price declined because of the influx of Indian Territory oil, they started to examine the Prairie's practices. In Kansas, the Prairie and its predecessors established a dual pricing system for the oil received from the Neodesha area. Oil purchased from south of Neodesha was given a higher price than that from the north.¹⁸ The producers could see no reason for this difference in price, but Standard justified it by saying that oil received from the southern fields better suited their use. Besides

¹⁴ Giddens, *Standard Oil Company (Indiana)*, p. 87.

¹⁵ Harold F. Williamson, et al., *The American Petroleum Industry*, Vol. 2 (Evanston: Northwestern University Press, 1963), p. 91.

¹⁶ Giddens, *Standard Oil Company (Indiana)*, p. 88.

¹⁷ *Ibid.*, p. 87.

¹⁸ Binter, *Oil: Titan of the Southwest*, pp. 39-40.

the differential in prices, there had been a three cent charge enforced against impurities which the independents claimed did not exist, and a one-half to one cent charge for "steaming," a method to move oil in an easier manner.¹⁹

Among the measures adopted by Standard managers to control petroleum prices were changes in product classification. In Kansas, the Prairie designated three grades, roughly on the basis of gravity, and scaled prices accordingly. After November 10, 1904, Mid-Continent oil was purchased by gravity valuation. All oil above thirty-two Baumé received a given price, and all oil below this rating was given a reduction of five cents per barrel for every one-half degree below this rating.²⁰ Prairie officials objected to the new pricing technique but were overruled by officials of Standard Oil Company (New Jersey). The Prairie's officials thought this would bring renewed criticism upon their policy which it did.²¹ Although producers disliked it, a better method of pricing was not found for another decade.

In Kansas, the producers believed they could escape the power of the Prairie by shipping their crude oil to Kansas City and Omaha as fuel oil. The railroads raised their rates and the producers saw themselves caught in a conspiracy by big business.²² This left the oilmen in Kansas only two choices: sell to the Prairie at a low price or retain their oil in storage tanks.

Other changes in the Prairie's purchasing techniques reflected the shifting relationship between production of crude oil and available storage capacity. The Prairie tried to justify its position by saying it could not handle all oil produced in Kansas and Oklahoma, and that it had never intended to do so.²³ This caused a strained relationship between the Prairie and the producers. The Kansas producers held mass meetings in Peru, Chanute, and Independence to establish a company which would enter all phases of the petroleum industry with the hope of running Standard out of the state.²⁴

The producers needed capital to support their project, and they turned to the State of Kansas for funds. The idea became part of the Republican platform in the 1904 election thus introducing the question of a state-owned refinery into the campaign. In compliance with his party's platform, Governor Edward W. Hock reviewed the problems facing the oilmen in his

¹⁹ *Ibid.*, pp. 40-41.

²⁰ Hidy and Hidy, *Pioneering in Big Business, 1882-1911*, p. 307.

²¹ Johnson, *American Petroleum Pipelines*, pp. 212-13.

²² Rieter, *Oil! Titan of the Southwest*, p. 41.

²³ Hidy and Hidy, *Pioneering in Big Business, 1882-1911*, p. 307.

²⁴ Johnson, *American Petroleum Pipelines*, p. 212.

inaugural address.²⁵ In the address delivered to the legislature, he said:²⁶

"Monopoly destroys competition, and that is all socialism does, considered from an industrial standpoint. Rather, therefore, than to permit the great monopolies to rob us of the benefits of the vast reservoirs of oil which have been stored by the creator beneath our soil, I am inclined to waive my objection to the socialistic phase of the subject and recommend that establishment of an oil refinery of our own in our state for the preservation of our wealth and the protection of our people."

The legislators listened attentively. At the opening of the legislative session, there were many plans, suggestions, and bills offered to help the oilmen in their fight against Standard. The first to win approval was Senate Bill 30, introduced on January 12, 1905, by Senator Sam Porter of Montgomery County. Its title was "An act to provide for the construction, maintenance, and operation of a state oil refinery and to provide the necessary funds for such construction, maintenance, operation, and management thereof under state control."²⁷

While this bill was being considered, the oil producers were issued an invitation to attend a meeting of the newly formed "Chautauqua County Oil Producers Association" in Topeka. The meeting was called "to discuss the present conditions and future prospects of the petroleum industry of this state, and to take such united action as may then and there be believed proper and necessary." Every oil producing area in the state was represented at this conference.²⁸

The Association presented five resolutions to the Legislature. They asked for construction of a state-owned refinery and requested legislation making pipe lines common carriers, setting maximum freight rates on oil, prohibiting rebates and discrimination in the price of refined oil, and establishing a state inspector to test the gravity of oil. All legislation was enacted except the last resolution. All the laws pleased most of the oilmen.²⁹ Although the oilmen wanted all five resolutions acted upon, the legislative sessions being limited in duration by law accomplished much. Its action was applauded by many groups since it was the

²⁵ Inaugural Address of Governor Edward W. Hoek, 1905, p. 8. The original may be found at the Kansas State Historical Society, Topeka.

²⁶ *Senate Journal, Proceedings of the Senate of the State of Kansas, 14th Biennial Session, 1905*, p. 10.

²⁷ *Ibid.*, p. 138.

²⁸ William E. Connelley, "The Kansas Oil Producers Against the Standard Oil Company," *Collections of the Kansas State Historical Society*, Vol. 9, Topeka, 1909, p. 95.

²⁹ *Ibid.*, pp. 97-98.

first time that a state had taken any noteworthy action against the Standard Oil Company.

With the introduction of this bill, a great deal of activity was precipitated among the oil interest. It became a battleground between conservative and liberal groups. The controversy over the act centered on the large sum of money involved in its provisions. It called for an appropriation of \$400,000 for building and operating a refinery to be located at Peru in Chautauque County.¹⁰ The supporters of the act believed its passage would drive Standard from the state. The opposition realized the refinery would bring little relief since it could handle only about one-twelfth to one-tenth of the state's oil production.

The opposition, led by W. S. Fitzpatrick, president of the Kansas Senate, questioned the validity of the measure. The argument went to the Supreme Court of Kansas for a ruling. On July 7, 1905, the Supreme Court rendered part of Senate Bill 30 null and void.¹¹ The section invalidated by the court was the one that dealt with a state-owned refinery. It was said to be in conflict with the constitution of Kansas. Fitzpatrick, it must be noted, was in 1909, to become a member of the legal staff of the Prairie Oil & Gas Company.¹²

Socialism is not a political or economic characteristic normally associated with the people of Kansas. During the period of populism, state ownership of property was not a degenerate factor in the minds of many agrarians and small townsmen in the middle-west. It was also the period of trust-busting and the development of public sentiment in opposition to large corporations. Ida Tarbell and President Theodore Roosevelt had leading roles in this development with their comments against these large financial organizations. The effect of their comments on the American people cannot be evaluated precisely. Still they must be mentioned when we are talking about the uproar against big business.

The Prairie's method of purchase and transportation differed from that used in the eastern fields. In all pipe line activities, the company had been careful to preserve its status as a private carrier. Avoiding use of eminent domain, it had purchased or leased all of its rights of way.¹³ It ran only the oil its agents pur-

¹⁰ *Senate Journal, Proceedings of the Senate of the State of Kansas*, pp. 230-31.

¹¹ *Reports of Cases Argued and Determined in the Supreme Court of the State of Kansas*, Vol. 71, 1905, pp. 832-30.

¹² William E. Connelley, *The Oil Business As I Saw It* (Norman: University of Oklahoma, 1954), p. 23.

¹³ Hidy and Hidy, *Pioneering in Big Business, 1882-1921*, p. 397.

chased and took possession of the oil when it entered the plants. The price the Prairie paid to producers was extremely fair. Producers could select the company's posted price within two months of acceptance of their oil, or else they could accept the price of the first business day thereafter.¹⁴ The Prairie retained its private carrier status until Kansas in 1905, and the federal government in 1906, made pipe lines common carriers.

In Indian Territory the Prairie strove to accommodate the overflowing supply by laying a new gathering lines. Even though Oklahoma oil contained a higher Baume rating than Kansas oil, Oklahoma producers received an average of about forty-one cents per barrel while Kansas were given about sixty-two cents per barrel.¹⁵ When oilmen questioned the Prairie's price policies, the company attributed them to the high cost of transportation. The explanation failed to satisfy the producers.¹⁶ The only oddity in these figures is that oil had been shipped from the early fields near Bartlesville to Caney for only sixteen cents a barrel. By merely comparing figures, it would appear that the price of transportation was approximately the same with or without the extension of the trunk line. The pipe line provided the most convenient method because the gathering lines took it directly from the well or the storage tank. The Oklahoma oilmen hoped that after statehood legislators would control oil pricing.

With the price of crude continually dropping, the producers expected a proportional decrease in the price of refined oil. The decrease did not occur, and producers could see no justification. Their resentment of the Prairie increased. On October 2, 1906, C. C. Coleman, Attorney General of Kansas, filed suit against The Standard Oil Company (New Jersey) for violating Kansas anti-trust laws.¹⁷ Similar outcries had occurred in other states. These protests against Standard had motivated Congress in 1905 to pass a resolution calling for the investigation of the relation of Standard to the oil fields in Kansas. This led to a complete investigation of Standard Oil and its affairs in all areas of the oil business.¹⁸

The findings made by the United States Bureau of Corporations were very revealing. They stated that transportation was the most dominant aspect of the oil business. It constituted a large percentage of the total cost of the finished product and

¹⁴ Williamson, et al., *The American Petroleum Industry*, p. 90.

¹⁵ "Oklahoma, As Seen by Joe Chapple," *Sturm's Oklahoma Magazine*, Vol. 6 (April, 1908), p. 43.

¹⁶ Hidy and Hidy, *Pioneering in Big Business, 1882-1911*, p. 308.

¹⁷ Giddens, *Standard Oil Company (Indiana)*, p. 59.

¹⁸ *Congressional Report of the House of Representatives, 58th Congress, 3rd Session, Vol. 34 (1905), p. 2038.*

was an important aspect in regulating competition. Once constructed, the commissioners of the Bureau of Corporations pointed out, the pipe line company could not shift its lines if production in a field decreased. The costs and risks for a pipe line company were great especially if it guessed incorrectly on a few fields.³⁹

Criticism of its policy did not stop the Prairie from continuing an active role in the mid-west petroleum business. In 1906, to facilitate the movement of oil, the Prairie built a second trunk line from its Humboldt storage farm to Griffith, Indiana. Throughout half its length, the new pipe line contained the first twelve-inch pipe for such a purpose. The line was constructed in such a superb manner that it could handle fifty thousand barrels every twenty-four hours. Daniel O'Day, manager for all trunk lines constructed by the Prairie, died in 1906, but his effort had created the longest pipe line in the world. The entire line stretched from the Glenn Pool fields in Oklahoma to the Atlantic Coast.⁴⁰

Despite the efforts of the Prairie and other corporations, production in the Mid-Continent field exceeded transportation and refining facilities from 1901 to 1911. The flow of oil from the wells in Indian Territory mounted suddenly by 1907 to 45,933,000 barrels, and by 1911, it reached 57,348,000 barrels.⁴¹ Even with the Prairie's connection with eastern refineries and the completion in 1907 of two trunk lines by its major pipe line rivals, not more than approximately two-thirds of the production in 1909 could be handled. Wooden and earthen tanks provided but temporary and unsatisfactory means of holding the surplus production.

There were many reasons for overproduction. One was the "get rich quick" philosophy of those who believed that the more oil a person could produce, the richer he would be. Others believed that once a well was shut down it would not flow again. Wastage was greater because conservation practices were as yet undeveloped.

New regulations issued by the Secretary of Interior's office further increased activity among oil producers in Oklahoma. Most of the oil was discovered on land owned by Indians, many of whom were wards of the United States. In order to protect their interests, a new regulation was put into effect stating that

³⁹ *Report of the Commissioner of Corporations of the Petroleum Industry*, Vol. 1 (1907), pp. 196-200.

⁴⁰ Hidy and Hidy, *Pioneering in Big Business, 1882-1911*, p. 301.

⁴¹ Williamson, et al., *The American Petroleum Industry*, p. 63.

any land leased from the Indians must have drilling activity within the first year or the lease would be forfeited. The regulation caused the production of excess petroleum, regardless of supply, storage, or price.⁴²

A few years later, the Prairie was disappointed when a law passed by the new State of Oklahoma prohibited piping natural gas out of the state. The law was passed to bring new industry into the state, because many Oklahomans felt that with the availability of low cost natural gas, industries would move into the state. Their reasoning proved to be unrealistic as the new appeal did not bring new industries into the state. Rather it caused instead a considerable amount of waste. Since there were few profitable outlets for this gas, it was allowed in most cases to seep away.⁴³

The first major protest in Oklahoma against the Standard Oil interest was brought about by the leasing of Osage lands. In 1896, the Department of Interior had given a blanket lease for the entire reservation to Edwin B. Foster. In 1903, Congress gave the Department of Interior power to renew leases and sub-leases for an additional ten years. In March, 1905, the renewal of the leases occurred.⁴⁴

Lease renewal brought bitter protest from people in the Oklahoma Territory. Many felt they had been denied the right of obtaining potential oil producing property. Oklahoma citizens, they believed, would have superior right to acquire all land after statehood. They also believed that the profits from this land were going to big foreign businesses and not to the local people. It was maintained that many companies, especially the Prairie, had claimed more land than they were justly entitled. It was charged that their agents had each claimed 4,800 acres while legally each corporation was entitled to only 4,800 acres.⁴⁵ The protests reached deaf ears in Washington and were soon forgotten when production continued to increase.

During July, 1908, the second major protest in Oklahoma against the Prairie's actions began with an injunction issued by allowed the right of eminent domain in the state of Oklahoma.⁴⁶ Charles Haskell left the state to attend a meeting of the Democratic party in Denver, Colorado. The injunction was designed to stop the Prairie from building additional gathering lines in

⁴² Senate Journal, Proceedings of the Senate of the State of Oklahoma, 1st Biennial Session, 1907, p. 77.

⁴³ Senate Journal, Proceedings of the Senate of the State of Oklahoma, 1st Biennial Session, p. 83.

⁴⁴ U. S., Statutes at Large, Vol. 33, p. 1061.

⁴⁵ Times-Democrat, Mar 1, 1900.

the state. Since the Prairie was a foreign company, it was not allowed the right of eminent domain in the state of Oklahoma.⁴⁶

West used two articles from the Hepburn Act to support his case: No public corporation shall own land except such that is necessary for the conduct of its business as a public service corporation, and no public service corporation shall conduct business that brings it in direct competition with a like business conducted by its patrons.⁴⁷

The injunction was unpopular with Governor Haskell and many of the state's oil producers. The latter's attitudes stemmed from the fact that without the Prairie's purchasing power, they had no means of selling their crude oil.⁴⁸ The Governor, on the other hand, had little feeling for the independent producers. Apparently he was disturbed only because West had not consulted him before issuing the injunction.

When Governor Haskell returned to the state, he asked that the injunction be withdrawn, but West refused. The Governor then filed a motion with the district court to have the suit against the Prairie withdrawn. The point to be decided was whether the attorney general might bring suit independent of the governor. The governor's motion was overruled by Judge A. H. Houston on July 30, 1908, in the District Court of Logan County.⁴⁹ The decision did not meet with Governor Haskell's satisfaction, and he asked the Supreme Court of Oklahoma for a Writ of Prohibition. The court issued the Writ of Prohibition allowing the motion of dismissal to be decided by the members of the Supreme Court.⁵⁰

Governor Haskell's action was greeted with disapproval by the editor of the *Daily Oklahoman*, Omer K. Benedict. Benedict wrote on July 30, 1908, "Probably for the first time in the history of court practice, a third party (and that party being the governor of the commonwealth) has appeared in the supreme court of the state and asked for a writ."⁵¹ These editorial attacks continued daily. After publishing an article entitled "Who is the Liar," Benedict was arrested for criminal libel on a complaint made by Governor Haskell. Benedict had posed the question of who was lying—the governor or the paper—in their dispute. He stated that the governor had no legal right to make private agreements with Prairie's officials. These agreements protected

⁴⁶ *Lexington (Oklahoma) Leader*, July 8, 1908.

⁴⁷ *Ibid.*, July 17, 1908.

⁴⁸ *Vinita (Oklahoma) Weekly Chieftain*, July 17, 1908.

⁴⁹ *Ibid.*, July 30, 1908.

⁵⁰ *The Daily Oklahoman*, August 1, 1908.

⁵¹ *Oklahoma City Times*, July 22, 1908.

the Prairie.⁵² Haskell received much criticism after Benedict's arrest. One attack came from the Democratic National Committee which said that any elected public official should be able to accept criticism without taking radical action.⁵³

On September 4, the Governor and the Prairie won a victory by the unanimous decision by the Supreme Court. This decision upheld the right of the governor to order a dismissal of the suit filed by the attorney general to oust the Prairie from the state.⁵⁴ West asked for an appeal and was refused.⁵⁵ This supposedly brought an end to another major outcry against the Prairie. After considering the building of a refinery near the Gulf of Mexico for many years, the officials of Standard Oil decided in 1908 to erect a new plant at Baton Rouge, Louisiana. It was to be connected to the Oklahoma fields with the construction of a trunk line. During 1909, the Standard Oil Company of Louisiana was created, and it began immediately to build a 30,000 barrel refinery. The refinery was completed in 1910, and it provided yet another outlet for crude oil coming from the Mid-Continent fields.⁵⁶

In 1910, the Prairie, in an attempt to satisfy certain groups in the state, formed a local company called the Oklahoma Pipe Line Company.⁵⁷ Through its new subsidiary, the Prairie completed its pipe line development to Baton Rouge, and the major struggles were over.

The Prairie produced a relatively small proportion of the petroleum extracted from the Mid-Continent fields because it was restrained by legal limitations and its deliberate policy. Its first annual production in Indian Territory, that in 1905, amounted to 101,000 barrels, but its volume rose to 5,230,000 six years later. The Prairie's best year in Kansas was in 1904, when it produced 116,000 barrels. During the years 1901-1911, the Prairie produced less than six percent of the total oil from the Mid-Continent fields.⁵⁸

The Prairie's position resulted from its extensive piping and storage facilities which were the largest in the world. A contemporary observer noted: "Of what value would be the oil,

⁵² *Ibid.*, August 10, 1908.

⁵³ *Ibid.*, August 21, 1908.

⁵⁴ *Reports of Cases Argued and Determined in the Supreme Court of the State of Oklahoma*, Vol. 21, 1908, p. 217.

⁵⁵ *Lexington Leader*, November 13, 1908.

⁵⁶ Williamson, et al., *The American Petroleum Industry*, p. 165.

⁵⁷ Charter, Oklahoma Pipe Line Company, March 15, 1910, Office of the Secretary of State of Oklahoma, Oklahoma City.

⁵⁸ Williamson, et al., *The American Petroleum Industry*, p. 93.

however continuously it might flow, if there were no way of transporting it or selling it for storage."¹⁹ The Prairie made the region's crude oil worth a fortune to the producers by providing this outlet. It did so at a cost of several million dollars which was an expenditure possible only for a powerful corporation. The protests that arose from various groups were in some cases valid, but even though it gained fantastic profits, the Prairie brought the petroleum market to the area. Without the Prairie, the growth of the Mid-Continent field would have been delayed for several years.

¹⁹ Charles N. Gould, "Oil and Gas in Oklahoma," *Starr's Oklahoma Magazine*, Vol. 5. (January, 1908), p. 47.