

Oil Industry in Wyoming.

The outstanding developments in the oil industry in the State of Wyoming for 1930 consisted mainly in the discovery of new petroleum bearing horizons through deep drilling. Wells that penetrated the geological strata from depths of a mile or more, found oil and gas production that insures many years production after the shallower fields have been exhausted. This deep sand exploration has also opened a new area all over the State for future exploration.

The present status points to a great future for the oil industry when the present low prices and overproduction get back to normal which will create a demand for petroleum products, that this state is so eminently able to produce, and will enable the oil men to again produce their wells at a profit commensurate with their investments. Also, the progress made in research work in the oil industry, especially in the discovery of new products that can be made from gas and oil and the better methods found to make use of the many products already known, will enable the oil and gas operator to assume a much more prominent place in the worlds business than heretofore.

It is a regrettable fact that the average oil operator has not kept pace with the laboratory and research chemists. Obsolete methods of development work and great waste in some instances still mark the field operations, though much has been accomplished in promoting new kinds of tools that make for better and quicker accomplishment of field development and regulations are being enforced that will conserve much of the waste that is now taking place in our natural resources of petroleum. Owing to the foresight of our lawmakers of former years, the State of Wyoming has not suffered from this wastage as much as other commonwealths which were not protected in like manner.

Wastage from wild wells in this State has been reduced to a minimum and for the past year only one well, that of the Kinney Coastal Oil Company at Pilot Butte, has become wild and wasted any appreciable production. This condition was caused by poor surface connections. Our present losses through wastage occur through three main channels - evaporation, corrosion and leakage. Losses may be occurring because of water flows underground in the oil bearing sands, but there is not enough data available at this time to make accurate determinations in this regard. Another source of loss is the wastage at refining plants, where large quantities of oil are burned in sludge pits. In this latter, however, the Geological Department has no

authority to interfere.

The smaller oil operators in Wyoming have been seeking some way to give an outlet for their crude and with some success, especially in the smaller fields where the larger companies do not dominate.

In the Osage field in Weston County, for example, the operators there have started to build small skimming plants on the nearby highways, installing filling station pumps to serve the auto traveling public with gasoline. In this manner it is believed that a large part of the Osage production may be taken care of in a local manner and this idea seems to be spreading rapidly wherever production is stifled by the inability of the larger marketing firms to take care of all the oil.

Heavier oils for road building appear to be destined to become one of the chief resources of this State. Our asphalt base crudes appear to have a better binding and cohesive factor than crudes from other regions and the refiners are becoming aware of this demand in such a way that we may expect large uses of Wyoming road materials in the coming season and in future years.

Cut-back asphaltum has attracted much attention. This is a high melting point asphalt made from Wyoming black oil, being practically a solid at all ordinary temperatures. It is cut back to a fluid state at the refinery with volatile oils and thus is marketed in the form of a tar. Upon being applied in a cold, or ordinary temperature, the volatile content evaporates in from seven to ten hours, leaving a homogeneous asphaltic covering on the roadway that is the equal in every way to an asphaltic pavement, provided it was placed by correct methods. Road mats of from three-fourths inch to four inches can be applied with this material at a cost of from \$600.00 to \$1,600.00 per mile. Without being cut-back with volatile oils, this asphalt would require elaborate heating and distribution units to obtain the same results. Thus we can expect a market to develop for our very volatile gasolines that are not marketable for motor fuels and also for our heavy asphaltic oils through the use of this cut-back asphaltum.