COMMISSIONED ARTWORK TELLS THE STORY OF WYOMING AND MARATHON OIL’S SHARED HISTORY...

In 1952, when painter Glen Hopkinson was just five years old, his father moved their family to the little town of Byron, Wyo., located about 40 miles east of Cody, Wyo. Glen has many memories of those years, including what he called “the forest” of iron oil derricks around the town. “My dad was the superintendent of schools and also the art teacher,” explains Glen. “The population of Byron in those days was about 350 to 400, and that included a couple dozen Ohio Oil (Marathon Oil) families. Most of my friends growing up were those kids. Basically, if you weren’t a farmer and you didn’t work for the school system, you probably were employed by Ohio Oil. My father-in-law was an Ohio Oil employee in the 30s and 40s.”

So when Glen was approached about a painting to commemorate Marathon Oil’s 100 Years in Wyoming, he got pretty excited. “Marathon Oil is really part of my family history too,” he says. Working with Marathon Oil’s Wyoming Asset Team, he decided on a composite painting that would incorporate the Wyoming landscape, wildlife and the oil industry.

The end result is essentially a view of the landscape and wildlife of the Big Horn Basin, complete with both modern and historical elements and a gas plant in the distance.

This isn’t the first Hopkinson piece in the Company’s permanent art collection. Before Marathon Oil acquired Husky Oil Company and its office building in Cody, Glen was asked to help expand the Husky corporate art collection. As a result, several of his other pieces also belong to Marathon Oil.
100 YEARS
WYOMING AND
MARATHON OIL CORPORATION
A view of the Oregon Basin main camp.
A HISTORY INTERTWINED

When it comes to exploring for oil and gas, the contrast between the industry in 1912 and 2012 could not be greater. The advanced engineering and technology that is applied to today’s oil and gas fields bears little resemblance to the equipment and practices of the early 20th century. Just imagine a working environment where a primary form of communication was the telegram, and the fastest way to travel west was by train.

Yet a drive through Wyoming today still gives a real sense of what it was like for those early oil field pioneers as they arrived a century ago … the rugged terrain, often harsh weather extremes, a desolately beautiful and lonely landscape where you can see for miles. Wyoming is still a state where horses outnumber people, and a pioneer spirit continues in those who have chosen to live there.

Wyoming had been a state for only 22 years, and a company called The Ohio Oil Company (which then became Marathon Oil Company in 1962) had been in business for only 25 years, when their paths first crossed in 1912. The Company has been in Wyoming continuously ever since. As a result, the history of the state of Wyoming and that of Marathon Oil cannot really be viewed individually. Both have had a profound and long term influence on one another.

Ohio Oil was truly a pioneer in Wyoming oil and gas exploration. With the first production well drilled at Grass Creek in 1914, “The Ohio” brought jobs, tax revenues and ultimately progress to help tame the wild and fledgling state. While fields have come and gone, subsidiaries been bought and sold, offices both opened and closed, Marathon Oil has been a constant in Wyoming’s history and is still the largest oil producer in the state today.

Likewise, the influence that Wyoming has had on today’s Marathon Oil Corporation is equally as distinctive. Wyoming is where The Ohio Oil Company really began to grow, from a small and scrappy upstart into the sophisticated, global corporation it is today. The history of Marathon Oil and what would become the Company’s core values was shaped by what happened in the rugged and often desolate Wyoming landscape. Through the years, a company developed which had learned to explore wisely and knew the value of taking care of its employees and of leaving the communities where they operated better than when they came.

Take a look back at Marathon Oil Corporation’s first 100 years in Wyoming.

Significant discoveries at Grass Creek (above) starting in 1914 led the way. O.D. Donnell, who would take over the reins of The Ohio Oil Company in 1927 from his father, is pictured at the far right.
For the small company called The Ohio Oil Company, Wyoming beckoned in 1912 as the new frontier. The Standard Oil monopoly had been dissolved by the U.S. Supreme Court in 1911, and The Ohio’s Midwest fields were depleting. New acquisitions were badly needed.

For company executives sitting in little Findlay, Ohio, oil trade papers were a major source of information. The news of the day talked a lot about Wyoming, where oil seeps were common sights. Although the first well had been drilled in Wyoming as early as 1867, major development had never really begun. The oil patch fever was catching.

Vast tracts of land in Wyoming lay in the public domain, and the land could be leased by obtaining claims through the federal Placer Act of 1870. So back in Findlay, long before any claims were even placed, Francis E. Hurley was named the vice president and Company director for a still non-existent Rocky Mountain Division of Ohio Oil.

Hurley, however, was a lawyer by training. The task to actually head for Wyoming and gauge its potential was given to John “Jack” McFadyen. The wiry, tough Canadian Scot had come up through The Ohio Oil ranks, and he was now destined to spend the next 29 years expanding Ohio Oil into the largest producer of petroleum and natural gas in the Rocky Mountain region.

McFadyen and the other oil men of the day who ventured west likely knew little of what they were really getting into. This was still very wild country; there were no real roads and few people. And the people who were there were not necessarily a very civilized lot. Butch Cassidy’s “Hole in the Wall” gang was quite real; bar room brawls and lynchings were commonplace.

In addition to the continual fight against lawlessness and a lack of nearby civilization, prospecting for oil in Wyoming was and is a year-round fight against climate and terrain. Chinook-type winds cause quick temperature variations. At an altitude one mile high, snow drifts and blizzards in the wintertime contrast with a choking desert heat in the summer. And in many areas, the wind is simply a year-round constant.

It was in this setting that McFadyen set out to find oil. Traveling west with William E. Badger, a pipeline expert, in June 1912, McFadyen’s telegrams back to management were enthusiastic. As noted by Portrait in Oil author Hartzell Spence, “Wyoming was a perfect field for the instinctive wildcatter. Its gaunt hills, sharply eroded, exposed boldly the folds and anticlines which McFadyen’s eager eyes could scarcely miss. There were old petroleum springs from which pioneers of the Oregon and Mormon Trails had taken grease for their wagon axles, and sumps, as at Salt Creek, in which the oil bubbled. Streams showed oil slicks. From rocks oozed the pungent odor of gas.”
A sunset overlooking Oregon Basin.
Jack McFadyen

McFadyen’s yearly pocket field logs are now housed in the collection at the American Heritage Center in Laramie, Wyo. The small books, designed to fit in a back pocket, are a combination of what today would be housed on a calendar, to-do list, well log, spreadsheet and business expense report. An entry in 1914 notes that it cost $3 a square foot to drill the C.M. Edgett well. In 1923, a notation simply says, “Gone fishing.” In 1940, McFadyen logs a lunch for 77 cents.

To this day, McFadyen is a legend in Wyoming. Stories abound about both his relentless drive and toughness. Nicknamed “Uncle Jack,” he was just as hard on himself as he was on the men who worked for him and was known to show up on site in work clothes so he wouldn’t be recognized. He never had a heater in his car because he said that if he ever got stuck in a blizzard, he would be too accustomed to it to survive; likewise, he preferred to avoid enclosed transportation year round to avoid being cut up by flying glass in the case of a wreck.

For all his toughness, McFadyen had a soft side. Examples of his generosity are legend as well. During the Depression, he kept the fields open at a loss and staggered layoffs. Likewise, when McFadyen arrived in Cody in 1921, one of the only hotels was the Irma, which had been built by Buffalo Bill Cody in 1902. Pearl Newell, the widow of a pioneer Wyoming territorial governor, now owned the Irma, and the hotel had seen better days. McFadyen became personally liable for a loan at the bank that allowed remodeling and a new wing. The Irma’s lobby became an unofficial oil stock exchange. As late as 1940, it was said that McFadyen continued to stay at the Irma when in Cody, reserving an evening to play bridge with “Mother Newell.”
LEARNING A FEW LESSONS

It was hard for Ohio Oil executives to read McFadyen’s telegrams and then sit still in their office building in Findlay. Only six months after McFadyen arrived in Wyoming, Francis Hurley and Ohio Oil President James Donnell got on the train to go see Wyoming for themselves. McFadyen had spotted what he felt was a promising anticline on the Tisdale Ranch. Donnell quickly signed a lease. In the end, that first wildcat cost the Company $250,000. It was a dry hole.

In their eagerness, The Ohio Oil men had made a costly error, but it was one they tried hard not to make again. The Tisdale Ranch was 70 miles from a railroad. There was no road to navigate across the rocky, barren country. All labor and supplies had to be brought in by horse and mule. So from then on, they stuck close to the railroad.

For those first years, McFadyen himself provided nearly all the functions for the Rocky Mountain Division, from prospecting to securing leases, to procuring and operating the drilling equipment, building tankage and pipeline systems, and selling the crude. Despite the disappointment of that first dry hole, McFadyen was responsible for the discoveries in Grass Creek in 1914 and Elk Basin in 1915. In 1918 alone, The Ohio drilled 131 wells and only 21 of them were dry holes.

“The Ohio had better than average luck. It had several notable failures, as at early Salt Creek and at Kirby, but in the main it let others sink the fruitless wildcats. When oil was discovered by others, The Ohio was alert to move in rapidly, buy out or procure a share of these strikes, and then spend its money developing the fields, where the risk of loss was diminished greatly. This paid off handsomely over the long pull.”

(Portrait in Oil, p. 72)
1912 Ohio Oil’s John McFadyen heads west to Wyoming in search of new oil reserves.

1913 The first wildcat well in Wyoming, on the Tisdale Ranch, was a dry hole and cost the Company $250,000.

1914 First discovery in Grass Creek. By year end, Grass Creek had 11 producing wells.

1915 Ohio Oil begins drilling in the unproven field of Elk Basin.

1916-1920 Ohio Oil expands with new discoveries at Maverick Springs, Rock Creek, Lost Soldier and Ferris Dome.

1917 Casper Office building was constructed.

1917 Ohio Oil signs its first lease on the Wind River Reservation.

1927 Ohio Oil made its first major oil strike in Oregon Basin, drilling to the Embar sand at a depth of 3,350 feet.

1930s Ohio Oil drilled and completed more than 90 wells in Wyoming. Prominent subsidiaries of the time are the Billings Gas Company and The Rocky Mountain Gas Company.

1936 Ohio Oil builds a refinery in Lovell, Wyo., with pieces it acquired with the purchase of Transcontinental Oil Company, which it would then operate until 1956.

1951 Ohio Oil became a 25 percent partner in the Platte Pipeline, a vital artery for getting its production out of Wyoming.

1962 The Ohio Oil Company changed its corporate name to match its major retail brand and became Marathon Oil Company at its 75th anniversary.

1982 Marathon Oil Company was acquired by United States Steel Company.

1984 Marathon Oil Company acquires Husky Oil Company, another major Wyoming producer. Today’s Cody headquarters are housed in the former Husky building.

2002 Marathon Oil Company was spun off by U.S. Steel and once again becomes a standalone company.

2011 Marathon splits into two separate companies. Exploration and production activities now comprise Marathon Oil Corporation, while Marathon Petroleum Corporation is now a refining, transportation and marketing company.
Big Horn Basin
- Danker North
- Frannie
- Deaver North
- Byron
- Garland
- Big Polecat
- Elk Basin
- Heart Mountain
- Shoshone
- Cody
- Half Moon
- Oregon Basin
- Spring Creek South
- Rawhide
- Little Buffalo Basin
- Grass Creek
- TE Ranch
- Rose Creek
- Pitchfork
- Sunshine North
- Enos
- Little Sand Draw
- Gebo
- Hamilton Dome
- King Dome
- Murphy Dome
- Zimmerman Butte
- Black Mountain
- Torchlight
- Bonanza
- Hidden Dome
- Cottonwood Creek

Wind River Reservation
- Circle Ridge
- Maverick Springs
- Sheldon
- Steamboat Butte
- Pilot Butte

Wind River Basin
- Frenchie Draw
- Fuller Reservoir
- Cooper Reservoir
- Boone Dome
- Waltman

Green River Basin
- Blue Forest
- Willow Creek
- Emigrant Springs
- Shute Creek
- Cow Hollow
- Fabian Ditch
- Ziegler Wash
- Church Buttes
- Graham Reservoir
- Bruff
- Wilson Ranch
- Whiskey Butte
- Black Jack
- Lincoln Road

Red Desert Basin
- Treasure
- Nitchie Gulch
- Deadman Wash
- Black Butte Creek
- Antelope
- Baxter Basin South
- Buster Basin
- Salt Wells
- Hiawatha
- Bush Lake
- Wamsutter
- Red Desert
- Creston
- Standard Draw
- Emigrant Trail
- Willow Reservoir
- Fairway
- Mulligan Draw
- Dripping Rock
- Triton
- Blue Gap
- Windmill Draw
- Barrel Springs
- Tierney
- Echo Springs
- Five Mile Gulch
- Siberia Ridge
- Divide
- Cedar Ridge

Hanna Basin
- Big Medicine Bow
- Rock River
- Dutton Creek

Laramie Basin
- Rex Lake

DJ Basin
- Corn Creek
- Hawk Springs
- Antelope Draw
- Orchard Valley

Powder River Basin
- Sheridan CBM
- Ute
- Joe Creek
- Fairway CBM
- EDSEL
- Semlek
- Kummerfield
- Rozet
- Andy
- Donkey Creek
- WD
- Fairway CBM
- Fiddler Creek
- Osage
- Clareton
- Mule Creek
- Sherwin
- Logan Draw
- Buck Draw
- Powell
- Lance Creek
- Lightning Creek
- Salt Creek
- Bobcat Creek
- Teapot East
- Tisdale East
- Tisdale North
- Sand Dunes
- Sand Hills
- Big Muddy
- Mikes Draw
Charlie Hares was The Ohio’s first real geologist. He would lead The Ohio to numerous major discoveries from 1919 to 1926.
A FIRST GEOLOGIST

The Ohio Oil Company began its journey into Wyoming without benefit of a geologist. President James C. Donnell didn’t have much faith in the ability of “college boys” telling him where to drill and had said he would never hire one.

McFadyen showed a similar disdain; however, in 1917, he asked Donnell to make an exception and hire Charlie Hares. He had good reason. From 1910 to 1917, Hares had worked for the United States Geological Survey, mapping oil and coal lands in Wyoming, and those maps were every oil prospector’s bible of the day. One day Hares had happened on an Ohio Oil crew that had just drilled two dry holes and correctly predicted that the third hole they were working on would be dry as well. McFadyen decided it was time to listen to someone likes Hares.

In his first year with The Ohio, Hares led the Company to three major discoveries in Lance Creek, Rock River and Hidden Dome. So successful was he that a second geologist, Wilson B. Emery, was then hired in 1919. Hares did his geological reconnaissance first by horseback, then by automobile, and finally, by airplane by the mid 1920s, sometimes tying rocks in the corner of a hotel bed sheet and dropping them out of the plane in order to mark promising locations. After Hares’ first 19 oil and gas discoveries, James C. Donnell also ate his words, thereafter calling Hares “the greatest geologist in the world.”

Like Jack McFadyen, Hares became a bit of a legend in Wyoming. When scouts from other oil companies started following him just to see where he was working, he had to disguise himself. Once on The Ohio Oil payroll, he rarely had time to actually make a map of any prospect because there was always new acreage to be seen.

In 1919, Hares led Ohio Oil to Mule Creek, in 1923 to Rex Lake and Dutton Creek, and in 1933 to Big Medicine Bow, all major discoveries. After 1926, Hares went on to other areas where The Ohio was prospecting. However, he always regarded Wyoming as the proving ground for the Company. He continued to average three discoveries every two years until his retirement.

In unpublished papers housed at The American Heritage Center, Hares gives a glimpse into those early times. “Even in 1917, the new Midwest Hotel (in Casper) was jammed nightly and its bar and lobby were wild…If the Midwest had a room with a double bed, a fellow had to have some champ as a roommate – always a stranger…The only way I could beat the room racket was to register, then have a friend right behind me to register in as a dummy, then pay double when I left.”
Placer claims such as those at Grass Creek and Elk Basin were tricky business. Claims were technically 160 acres jointly staked in the names of eight persons. By dropping off one name and adding a new one, large blocks of land could be put together for exploration. However, claims overlapped, and no precise surveys of the territory had been completed in those early years. Only the established production of oil validated a claim, so this meant that it was not uncommon for claim jumpers to move in during the dead of night. It often took guns and force to hold the claim.

McFadyen did whatever it took to hold The Ohio’s claims and set up round-the-clock guard duty on the rigs. This was a seven-day-a-week business, and drilling crews typically worked one shift and guarded the rig during the other. McFadyen worked both shifts. Most of the early wells in Wyoming were completed in about 60 days.

Scouts for rival companies were everywhere, so when the men did get into town, they were instructed not to talk about their work. “When drilling the discovery well at Big Muddy, McFadyen pretended to be constructing a pipeline camp and gathering lines from a nearby field during daylight hours, and wildcatted only at night,” notes Hartzell Spence (*Portrait in Oil*, p.95).

In 1920, a new law was passed that eliminated Placer claims and therefore also the challenges in holding on to them. Thereafter, the federal government leased much of the land to the oil companies; for land owned by homesteaders or the railroads, contracts were drawn up on a royalty basis. Commented Charlie Hares, “With the passage of the Lease Law in 1920, all of the fun, excitement and worry perhaps of acquiring Federal Lands was killed.”

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The remains of a 1920s-vintage Liedecker portable drilling machine still exists near the Steamboat Butte Field. The central pole was 60 feet high.
McFadyen’s first success came at Grass Creek (1914) and Elk Basin (1915). Supplies were hauled to Grass Creek by string teams, with six to 18 pair of horses in tandem. The wells were all drilled with cable tools. But what to do when production started flowing? Storage tanks and pipelines were desperately needed.

When the first two wells began to flow, McFadyen had only one 500-barrel storage tank. Grass Creek was a long way from anywhere. All production would have to be stored that first winter until completion of the Illinois Pipeline to the railroad. Fortunately for McFadyen, a man who would become yet another legend in Wyoming and essential to Ohio Oil arrived and asked for a job. Credited for inventing the bolted steel tank, which was standard in petroleum fields for the next 25 years, Michael Boyce did not need to be told what to do. Only the seventh man on Ohio Oil’s Wyoming payroll, Boyce began the 12-hour-a-day, seven-day-a-week work for 15 cents an hour plus his keep. He would go on to drill some of the greatest wells in the area, including Powder River, Rock River and Medicine Bow.

Until Grass Creek, The Ohio had also never had a camp to house and feed its employees. But they needed one now, sitting where no roads existed in any direction for more than 30 miles. But Boyce had also seen another employee camp in Oklahoma, and he subsequently supervised construction of the Grass Creek camp.

By the end of 1914, 11 wells were flowing at Grass Creek. With the cash from the first million barrels of oil, McFadyen brought other proven properties in the Big Muddy Field at Glenrock (1916) and Salt Creek (1917).

The Illinois Pipe Line Company began operations in 1915. Spun off by Ohio Oil only to be repurchased and made a subsidiary 15 years later, it was The Ohio’s lifeline to take its crude to market for more than 35 years. The Ohio then joined with several other companies in 1951 to construct a huge new crude line, the Platte Pipeline, which linked the Rocky Mountains with the Midwest.
The idea that a company should take responsibility for the welfare of employees and their families was a groundbreaking concept in the 1920s. When the people of Elk Basin wanted to construct a community house, McFadyen killed the idea, even though the families had collected several hundred dollars amongst themselves and The Midwest Oil Company had offered up $500. However, Midwest’s contribution was contingent upon matching monies coming from Ohio Oil.

John D. Rockefeller Jr., who owned 13 percent of The Ohio’s stock in the early 1920s, read with some dismay a bleak account of oilfield camp life as documented by renowned sociologist Robert S. Lynd. Lynd had spent the summer of 1922 working as a roustabout in the Elk Basin Field. In 1927, Lynd’s account of the conditions prompted Rockefeller to investigate and ultimately to present newly-elected Ohio Oil president Otto D. Donnell with a list of recommendations, including better homes for the camp workers, schools for the children, better wages, and a six-day, eight-hour-a-day workweek.

Donnell quickly responded, creating an Industrial Relations Department to implement the recommendations. Midwestern values had officially arrived in Wyoming, and Donnell’s commitment to employees and the community became as equally apparent back in Findlay and wherever else The Ohio went. His new era of company leadership put a new stamp on a distinctive corporate culture and ushered in an era of corporate paternalism, rooted in the idea that good people were worth keeping and that they were in turn good for the communities in which the Company operated.

Even with primitive conditions, many of the accounts of camp life are nostalgic, showing a firm sense of community and a bond created by the profound hardships. Despite the fact that camps were primitive, they were still models of the day. No liquor was allowed in The Ohio’s camps, per orders from Findlay. More modern camps built by The Ohio and its counterparts were all but self contained towns, including hospitals, schools, a post office, a barber shop and more. Dances, community dinners, church activities and sports teams gave employees and their families different avenues for social life.

At any camp established around production fields, fire was one of the greatest fears. All men, women and children had a job to perform in the case of a fire that might be caused by lightning, static electricity or friction. However, only the men dealt with fires at the wells.

After a field settled down from the frenzy of development, most employees became part of the local drilling, pumping and maintenance crews. Plenty of time now existed to spend outdoors and with their families. The children in the camps grew up with Wyoming in their blood and a sense of the Company as their extended family.

Areas undergo reclamation once oil and gas activities have ceased.
Nature provides a spectacular backdrop to this workover rig on the Wind River Indian Reservation.
Children of the Camps

For the most part, the camps today are either quiet pumping stations or sparsely populated ghost towns. Advanced Production Technician Donna Heins and Production Operator Robby Newkirk both grew up in the McFadden camp, 40 miles west of Laramie. At one time, upwards of 300 oil field workers and their families called McFadden (named after Jack McFadyen) home.

As children, Robby said they heard plenty of stories about the hardships of the camp’s early days. The first house Donna remembers in McFadden was still made of tar paper. “So later, when we moved into a house that had siding, we felt like we had really come up in the world.”

She says her mother liked McFadden. “The women would alternate houses for coffee. McFadden also had a little community hall where they held dinners and events. It was natural because everyone lived right there and worked right there. A lot of the community things also involved the neighboring ranchers.”

“We had our own school and Sunday school, and that town raised everyone,” adds Robby. “It was a self-sufficient community. We made our own electricity and burned the gas we produced to heat the houses. The Company even had its own carpenters. At one point, we had our own post office. I remember my granddad taking me down to the general store and buying me candy. That was the only store in town.”

Robby says that oil field life seemed natural to them as children, with units pulling into the fields all the time. Neighboring ranchers helped keep the roads open. “Growing up there, you just took it all for granted, but looking back, you realize how unique it really was,” he says.

Everywhere were remnants of the camp’s past. Robby’s family actually lived in the old hospital. “My parent’s bedroom had a concrete floor with a drain in it, because it used to be an operating room,” remembers Robby. “I’ve seen pictures of the way McFadden was in 1928, with wood derricks all across the valley. There was an old wash house where the single guys would stay and an old cookhouse too.”

The elevation of McFadden is about 7,500 feet, and Robby calls it the windiest place on earth. “But it was really beautiful there,” he adds. “It was a great place to raise kids. Families were really close. And it was a real community. When something happened in McFadden, the whole place would show up for it.”
Overlooking Oregon Basin: Much of what those early pioneers saw in 1912 remains the same today.
By necessity, Ohio Oil’s pioneers in Wyoming were innovators. On a daily basis, they worked far away from luxuries such as replacement parts. Ingenuity was essential, and no formal school existed on the details of oil production and pipelining. People here learned by doing.

Early on, McFadyen led the way in this regard, always one to put a good idea to use and often devising new improvisations on the spot. Failure always goaded him into attempting the impossible, and his notebook accompanied him everywhere. “Being thousands of miles from sources of supply, he standardized pipe threads, which until then were not interchangeable, and for years his innovation was known in the steel trade as the ‘Wyoming Special,’” says Hartzell Spence (Portrait in Oil, p. 82).

Safety standards in those early years in Wyoming have no resemblance to today. Yet McFadyen was known for asking no one to do a job that he would not do himself. Today, maintaining a safe and healthy work place is still a core Company value.

Over the years, the Casper Division of Ohio Oil became a proving ground for new engineers and future managers. No
better place existed to give new employees the plethora of experience with which to move up in the corporation. As a result, most of the men who pushed Ohio Oil into other areas, both domestically and internationally, first spent some of their years in Wyoming.

James C. Donnell II, who succeeded Otto Donnell as president in 1948, started his career with a subsidiary in Wyoming. Harold Hoopman, who succeeded James C. Donnell II as president in 1972, was educated at the University of Wyoming and started work in the Big Horn Basin. Vic Beghini, who was succeeded by current president Clarence P. Cazalot in 2000, had several different assignments in Wyoming over his long career. The list goes on.
As prospecting for new fields continued, The Ohio Oil Company also had refining capacity in Lovell and marketed its products in Wyoming under the brand name Marathon. The trademark featured the Greek runner Pheidippides.
WIND RIVER

Early in its tenure in Wyoming, the path of Ohio Oil intersected with the people of the Wind River Indian Reservation. The Reservation was established in 1868 by a treaty between the Eastern Shoshone Tribe and the U.S. Government, notably the only reservation to be established by treaty and not by executive order. Today, the Reservation’s 2 million acres are shared by the Northern Arapaho and Eastern Shoshone Tribes. Wind River is the seventh largest reservation in the United States.

Over nearly 100 years, Marathon Oil has had the privilege of both operating on the Reservation and having a number of the tribal members as its employees. The Ohio Oil Company signed its first lease on the Reservation in 1917, and Marathon Oil remains the largest oil producer there today.

A close working partnership between Marathon Oil and both tribal councils contributes to the long standing and mutually beneficial relationship. That relationship includes a unique 50/50 net profit lease agreement for the Maverick Springs Field, where the tribes are integrally involved in field operations.

Marathon Oil also celebrates the diversity and heritage of the Wind River Reservation. Employees are involved in community events such as the Sand Creek Massacre Run, Shoshonean Aztecan Language Reunion, Pow Wows, Boys & Girls Club activities, Sky People and Shoshone Higher Education programs, and other school initiatives.

Marathon Oil employees participate in the Sand Creek Massacre Spiritual Healing Run. Photo courtesy of Patrick Adam Lawson, General Manager of Northern Arapaho Tribal Industries.

Marathon Oil’s relationship with the Wind River Reservation dates back to 1917. Tribe members are shown visiting the former Petroleum Technology Center in Littleton, Colo., to learn more about the technology of the operations on their lands.
The Otto Donnell era not only ushered in the idea that the Company should share some responsibility for economic growth and involvement in the communities where it operated, but that employees that were good for the Company were also good for the community. Examples abound over the past century of Ohio Oil and Marathon employees committed to numerous charitable and community causes, from the restoration of Ft. Caspar to forming Boy Scout troops.

As a Company, today’s Marathon Oil supports charitable, educational and community programs across the state and responds to needs as they arise. Those include the support of local medical, health and emergency services, and developing methamphetamine education and awareness programs in local communities, which have helped stem the tide of meth abuse in Wyoming. Marathon Oil also supports the Buffalo Bill Historical Center in Cody, and is also an active sponsor of the American Cancer Society Relay for Life, the United Way of Southwest Wyoming and Campbell County, among many others.

Over the years, Marathon Oil has been recognized by the Forest Service, Bureau of Land Management, and Wyoming Game and Fish Department for its leadership in environmental stewardship. Working to protect the environment is just part of the way the Company does business. Today, Marathon Oil is involved in projects with The Nature Conservancy, the University of Wyoming Renewable Resources Department, Wildlife Heritage Foundation of Wyoming and the National Wild Turkey Federation, to name a few.

Bottom: Marathon Oil is actively involved in protecting the habitat of the endangered sage grouse. Above: In order to protect a sensitive environmental area, equipment for the North Fork well in the Shoshone National Forest was flown in by helicopter.
Understanding land use and providing additional natural resources to benefit both landowners and communities is central to these efforts. Marathon Oil works with stakeholders to identify projects that will have meaningful, positive effects on the Company’s operating areas and help address regional challenges. The Wyoming Asset Team has been active in interdisciplinary working groups focused on protecting irrigable lands and threatened species, reducing environmental impacts, advocating multiple uses of public lands and the beneficial use of produced water.

In addition to continually looking for new ways to conserve water, and assisting with water resource development through new wells, produced water has many beneficial uses. A majority of this water is suitable for reuse in agriculture and for livestock or other activities. Produced water is used to mitigate drought conditions, enhance the environment and benefit agriculture.

Marathon routinely plants grazing grasses over well pads and pipelines during the reclamation phase of development. The Company also supports non-profit organizations and academic projects aimed at wildlife habitat preservation and restoration, and improvement projects for sensitive species, such as sage grouse conservation efforts. Invasive species control includes juniper removal efforts, helping to conserve water and re-establish wildlife habitat.
Marathon Oil’s Cody office was once the headquarters for Husky Oil, which Marathon Oil acquired in 1984.

The Hessenthaler brothers both have memories of the farm that Marathon Oil operated near the Byron Field (shown at right). Their father joined Ohio Oil as a roustabout and later worked on the farm. Today, Charles (left) farms that same land and Paul has been with Marathon Oil since 1983.
Other operators have come and gone, but Marathon has been known and respected for generations. Numerous milestones also exist beyond the earliest days. The Ohio Oil Company was integral in the construction of the Platte Pipeline, a critical new link to moving crude to the east out of Wyoming. In 1984, the Company acquired Husky Oil, another premier producer in Wyoming.

With some fields now almost as old as Marathon’s Wyoming history itself, Marathon’s reputation in Wyoming today is also related to its skills in reservoir management. Record production in the Oregon Basin Field came when the field was already more than half a century old, and new techniques have extended the life of many other Wyoming fields.

Begun in 1973, Marathon’s reservoir pressure maintenance and well-spacing activity started to revitalize the major fields in the Big Horn Basin. In the 1980s, enhanced recovery projects such as polymer-augmented waterflooding and steamflooding also breathed new life into older fields. Today, in the mature Big Horn and Wind River basins, Marathon Oil is a leader in enhanced oil recovery from fractured carbonate and sandstone reservoirs.

In 2011, Wyoming represented 23 percent of Marathon Oil’s U.S. net liquid hydrocarbon sales and natural gas sales. It remains the state’s number one oil producer, in addition to its conventional gas operations and coalbed natural gas resources. Current activity focuses on the Big Horn, Wind River, Denver Julesburg (DJ), Green River and Powder River basins, with eight offices located in Cody, Sheridan, Oregon Basin, Garland, Grass Creek, Wind River, Fort Collins and Wamsutter. As compelling as the production statistics are from the first 100 years, the significance of Marathon and Wyoming cannot be measured by numbers alone. Wyoming created much of what Marathon Oil Corporation is today. The legacy that they both share now extends into yet another century.
Deer roam freely near the Pitchfork Fields.