

The Wagon Tongue

Vol 22 Issue 1

Madison Valley History Association

January 2024

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From the "Wagon Seat"

Welcome back Wagon Tongue readers! I hope you and your families had a wonderful holiday. I also hope this letter finds you healthy and happy. Sorry we did not have our annual Christmas party, that was disappointing. We are working diligently to increase our membership and the number of volunteers and programs to present to you and the community. Madison Valley History Association would greatly appreciate ideas for programs and volunteers to help at the museum. Please feel free to contact me or any board member regarding your thoughts and ideas. Thank you for your continued support! Your Wagon Master, Brandi Palmerton

Stories of Varney and Oil

Contributions made by Toni Bowen, Duane Thexton, and Don Neville

Articles summarized by Sue Ren, Ennis Historian and Author

Also Don Black from an article in the Madisonian, Apr 2013

(The following writing was transcribed exactly as it was originally written in the Madisonian to maintain its integrity and historical value.)



The settlement of Varney was named for O.B. Varney who had a large ranch with horses and cattle, with corrals at 8 Mile a little farther west of the settlement. Varney had a post office from 1914-1944. Mr Henry B. Daems had a ranch at Varney, he was heavily involved with the Oil development of the 1920s.

No doubt you have heard stories about the oil in the Madison Valley as well as the county at one time or another, how several people had the hopes and dreams to believe they would become wealthy from the oil fields located near Varney and elsewhere.

News of this venture was on the front page of the Madisonian newspaper from 1921 to 1929, sometimes hot and heavy then slacking off to start anew.

Madisonian Feb 18, 1921 - Believed to be vast oil fields right in Madison County, other residents from afar are taking notice, but locals seem disinterested. "Oil does underlay a large portion of this section of Madison county, all that remains to secure untold wealth is a man or a company of men with courage enough to sink a well."



In the same article, it states Sim Ferguson says oil is seeping from the mountainside on Jack Creek near the Victor McKay place; Harry Bennett tells of numerous springs near Wigwam which are covered with a thick scum of oil; Jimmy Beckerleg also knows of springs near Varney where oil is flowing. Henry B. Daems has taken to the Bank for display, vertebrae and a toe bone from a lizard skeleton, so far the recovered bones weigh 30 pounds, discovered by Will Thompson. In Alder Gulch when placer mining in the early days, mastodon parts were unearthed such as tusks and teeth, some on exhibit at the Virginia City Museum. Prehistoric remains produce the oil and the indications of oil in the county are on both sides of the Tobacco Root range.

Madisonian Mar 18, 1921 - Two companies now securing leases for the right to drill for oil - H.R. Thixton, while drilling for the ancient channel of Alder Gulch, said he encountered several indications of oil in the process. The Ruby Mountains are supposed to be composed of oil shale. Mr Dehoney speaks of what he believes to be subterranean oil and gas burning under Yellowstone Park. Bill Hicks, an old-time storyteller, claimed a Chinaman dipped his pig in oil to cure it of a disease, in another place you could get enough grease from an area behind Virginia City to grease a wagon. Another letter to the newspaper about oil on the Oliver ranch north of Ennis, when the water was pumped from a well it had a greasy looking scum, horses didn't care to drink this water, and again more about the fires under Yellowstone Park having to be fired by gas or oil, if it was coal burning it would soon plug up with ashes!!

Madisonian Apr 8, 1921 - Much mail being received by the *Madisonian* newspaper concerning oil in Madison County. "It is believed this county will be one of the largest oil producers in the entire United States."

Again a letter from H.B. Daems about the oil seepage at Varney gas mounds, have a black substance resembling tar, when boiled and poured into water it resembles paraffin, with a hot poker inserted into this, it will produce drops of oil that float on the surface with rainbow colors. He goes on to tell of other tests he discovered by experimenting. Another heard from was Vallie Hickman of Twin Bridges, she stated: "part of her ranch often floods, and when the water recedes a heavy coating of bluish oil is left on the surface".

Madisonian Apr 29, 1921 - Four companies now are organized looking for oil in the county, they are Madison Oil Company of Virginia City; a company in Twin Bridges; another at Bozeman; and the Philips Creek Oil Company of Madison county organized by Miles City residents.

The Madison Oil Company has Jacob Albright as president and A.H. Jones as general manager, they are still securing leases. Mr Jones says they will be drilling for oil before long. Intend to purchase 2 drilling outfits each capable of drilling 4,000 feet or more. One rig for the Madison Valley and the other for the Ruby Valley. More about how fabulously wealthy all will become. Thomas Whitney, a one-time resident of the area, now living in Canada wrote the newspaper, telling of the old V (Varney) ranch near Jeffers. When you cooked beans with the water, you didn't need bacon as the water contained fat. Poached eggs turned out to be fried. On killing an old bull, he ran into the oil muskeg and inhaled the water, when they cooked him they had to skim the fat off the top as it produced so much oil. He claimed they greased the harness and saddles with it and Jeff Allenburg could attest to the fact as he got dumped from a horse and lit in the spring. When the hay in the bull grass meadow was ready to cut, he claimed the machinery needed no oiling, and was so slippery it had to have high board fences to keep the stacks put. (Some of this seems a bit far fetched)

Madisonian May 6, 1921 - Madison County Oil has a geologist to determine the best place to drill. At Twin Bridges, the Black Rock Oil and Gas Company is examining leases. And another letter from H.B. Daems about the worth of the Varney area.

Madisonian Jun 10, 1921 - this paper lists reprints from a report in 1868 about the report of J. Ross Browne of the mineral resources of the area. Rich in fossils such as shells, the human jawbone is mentioned here apparently where Daems heard about it, a very large tooth 8 inches high, 6 inches long, and 4 inches wide found at Alder Gulch. Mr Jack Hubner and Louis Romey while in the upper Madison Valley hunting near Lyon, where a spring and heavy coat of oil. They greased their slickers to keep the wet from soaking through and took a bucketful to camp. Jack fried the deer liver in it for breakfast. (It didn't make them sick!) James Lockhart of Abe states the upper Madison Valley has many indications of oil at Horse and Wall Creeks. John McDonnell of Harrison says Mosely Consolidated Oil Syndicate will prove his area to be an oil producer. Elmer Kurfiss says there is a pond at Varney where dead bugs get stuck in the oily film of the pond.

All the following entries were taken from the *Madisonian* newspaper of Virginia City so only dates will be cited:

Jul 15, 1921 - They expect to start drilling for oil at Varney soon

Jan 27, 1922 - A sample of Varney oil is at the Varney Post Office, when seeping from the ground it is a dark amber color

Feb 10, 1922 - another article about oil in Madison County

Jun 16, 1922 - A. R. Dunn connected with the Madison County Oil Company says the well drilling will begin in the fall

Jul 13, 1923 - More about the oil well to be drilled at Varney

Oct 12, 1923 - A crew of men left Virginia City to erect a derrick to drill for oil at Varney

Dec 7, 1923 - a large picture of the oil derrick at Varney and a couple of the buildings, no story and states A.H. Jones is the manager of the Madison County Oil Company

Apr 4, 1924 - The oil well drilling equipment is at Varney

Jun 27, 1924 - Coad Well #1, located on Richard Coad estate at Varney was spudded May 21, 1924. Drilling here will mark the first attempt to discover natural oil in Madison County. A.H. Jones has worked very hard to bring this about and his name will become emblazoned upon the history of the state as that of one of the greatest benefactors. Nearly 500 people at the well to watch the big drill start work

Jul 18, 1924 - Coad Well #1, work is slowed due to cave-in so we are removing casing and cleaning out the hole, drilling to resume tomorrow. To date the well is 110 feet deep, first 50 feet heavy boulders and gravel, heavy tough clay about 50 feet thick, lime shale at present penetrated to 10 feet. Mr Dunn in charge at the well, which reported each bucket of water and much bail, shows a quantity of oil. The newspaper includes pictures of the well and people watching the work, having been invited to come and have their picture taken at the well.

Jun 26, 1925 - Oil well is now at 900 feet, encountered some oil

Nov 27, 1925 - Water coming into the Varney Oil Well, had to put cement, it has to harden then drilling will resume

Jul 1926 - Oil well hit sand, it is caving off at 900 feet had to put casing in

Jul 16, 1926 - Reports from the Oil Well say with each bailing pure oil is raised to the surface

Aug 12, 1927 - Oil well now at 1450 feet, driller says the next 100 feet should hit oil

Oct 28, 1927 - Oil well reached depth of 1776 feet supposed to have hit oil sand

Aug 31, 1928 - Oil well at 1800 feet, has oil but has 1600 feet of water above it, will attempt to shut off water

Nov 16, 1928 - Henry Daems looking forward to oil well at Varney being completed by shutting off water and having commercial production

Nov 23, 1928 - Oil well closed temporarily for Mr Jones death, he died Nov 18, 1928, and was supervising the oil well

Progress and development of the Varney Oil Well continued throughout most of the 1920s. With Jones' promotions and stock sales, interest grew with the news coverage. Large crowds came to Varney, and at one early meeting, around 500 people watched oil spurt out of the well. Dinners were served and Jones proudly told of the latest news.

Times were tough in Montana in the twenties and one's chance of profitable investment was worth the money and reward for the future. A high point year was 1927 and the best photos of the Varney Oil Well were taken. The Madison County Oil Company owned the Varney Well and the long-term goal of the company was to start drilling in the Ruby Valley next.

The unexpected death of Andrew H. Jones of Virginia City in 1928 halted operations. Andrew H. Jones was buried with honors of the Elks at the Hillside Cemetery in Virginia City. Inscribed under his name is "The First Mayor of Rugby, North Dakota".

Published accounts say that the well went dry and the last report of drilling activity was in 1932, according to historian, researcher/author Sue Ren of Ennis. But the rest of the story is coming to life today. The story of Andy Jones is captivating in itself and his brother's family, William H. Jones, left Virginia City to reside in Washington.

Stockholders, heirs, relatives of workers, and Madison County Oil Company descendants still reside in Madison County now. -Don Black, Madisonian, Apr 2013



Andy Jones selling stock in Varney Oil Derrick activity, 1927

Andrew Jones selling stock in Varney Oil Derrick activity, 1927

Edward Leroy Coad
January 24, 1943 – October 30, 2023

Edward Leroy Coad was born into a very humble home. He was the youngest of three born to Richard (Dick) and Caroline (Carrie) Coad. They lived on a small ranch on the Madison River near Varney, MT.

His mother passed away when Ed was just 5 years old. His dad was a dedicated, hard worker on the ranch and at the fish hatchery, resulting in youngsters, Ed and his older brother, Richard Jr., having plenty of time to be mountain men, build forts, and simply love the great outdoors. Ed and Richard learned many things during their "unsupervised" time.

After high school, Ed entered the Army. Most of his service time was spent in Germany with the 964th Engineer Company as a diesel mechanic. Ed enjoyed touring the local area, and he made many lifelong friends.

When Ed returned to Montana, he married Cheryl Rennewanz. Early in their marriage, Ed worked a variety of jobs including being a town cop in Ennis, a plywood mill worker in Kalispell, and a telephone maintenance man in southwestern Montana. Ed then decided to attend barber college in Salt Lake City. Barbering was the trade that he became known for in Dillon. While Ed and Sherry were married, they had two children, Michael and Chandra.

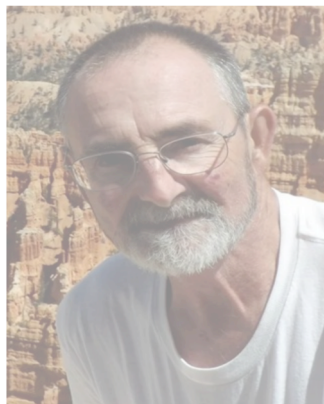
After Michael and Chandra had left home, Ed chose to marry Cindy Boyd. When Ed married Cindy, he happily accepted the "dad" role once again, committing to raising Cindy's two young daughters, Krista and Marcie. One of his happiest days was when he was able to adopt the girls and legally call them his own.

Ed enjoyed a lot of different interests throughout his life. He was active in the Dillon Jaycees. He volunteered as a Little League softball coach. He was part of the ski patrol at Maverick Mountain and he was a member of the Dillon EMS. He was a proud parent and supporter of his kids in 4-H and all of their school activities.

He loved being outdoors and spent many weekends camping and fishing. He almost always caught the first fish, the most fish, and the biggest fish! He truly enjoyed a round of golf, even on bad-weather days.

Ed spent over 44 years at Ed's Barber Shop "clipping the public" and "talking over people's heads"! Ed and his brother Richard owned Bunz & Bro Candy Company. They had a great time making their delicious almond rocha and pecan rocha. Their favorite part of the candy business was going to craft and trade shows. They loved giving patrons a sample of their candy, and then accepting their money! After Ed retired, he tried his hand at cutting and polishing rocks. He made many trivets and a set of living room tables using his rocks. He was proud of his beautiful creations.

Friends and family are invited to give to a charity to honor Ed. Ed treasured a couple of special charities and organizations, including Westland Bible Mission and Big Hearts Under the Big Sky. A gift to either of these or a different charity or organization would honor Ed's memory.



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The *Wagon Tongue* will be published quarterly and the next issue will be April 2024. Articles of historic interest and memories of the departed are always welcome and every effort to include them will be made. Please email the editor with your submissions to: rene.genealogist@gmail.com

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Printing of this newsletter is generously provided by First Madison Valley Bank

MEMBERSHIP

Memberships are \$10.00 for students, \$15.00 for Individuals, \$20.00 for Families, \$50.00 for Businesses, \$100.00 for Patrons and \$500 or more for Benefactor. If you are inviting someone to join or if you wish to purchase or renew your membership before it is due, just write your name, mailing address and type of membership on a slip of paper and mail with the membership fee to MVHA at P.O. Box 474, Ennis, MT 59729.

Thank you to all renewing members who have generously submitted your renewal membership. The MVHA Board of Directors appreciates all memberships that are purchased and your support as this allows them to have funds and membership to continue the work of developing a museum in the Madison Valley and arranging programs for the community.