Answer Key: East Texas Oil Wars

Warm-up

- Responses will vary

Lesson

GRADE LEVEL & FOUNDATIONS

Responses were taken from the Foundations work and should serve as a guide for Grade Level work.

1. B - (Kilgore), C - (Longview)
2. B – Oil flooded the market and prices dropped
3. The Texas Railroad Commission was mostly **(b)** *weak and ineffective.*
4. D, E
5. Some east Texans asked the government to **(a)** *put the military in charge of their community for a short time* because some east Texas residents were upset about the dramatic increase of oil drilling in their communities.
6. A, B, D
7. "Hot oil" is **(c)** *oil that was put on the market illegally.* Some oil field produced hot oil because they did not want to follow the restrictions on production established by the Railroad Commission because it reduced their profits.
8. By 1933, the U.S. oil industry could best be characterized as **(a)** *unstable*. This was caused by **(d)** *overproduction of oil and lack of regulations*.
9. The final outcome of the east Texas oil wars of the 1930s was that primarily **(a)** *positive* One piece of evidence that supports my claim includes *(responses will vary but may include)* the oil market was stabilized, prices of oil rose to acceptable rates, and problems with water seepage in underground oil reserves were resolved.

Texas History for Teachers

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ADVANCED

Pg. 1

Describe the east Texas oil industry before the Great Depression. What challenges and issues did the east Texas oil industry encounter during the Great Depression?
The east Texas oil industry before the Great Depression grew rapidly, with wells producing more than a million barrels of oil a day. The east Texas oil industry increased urbanization of the region as people moved into the area to establish new wells. During the Great Depression, oil drillers produced too much oil, flooding the market and causing the price of oil to drop significantly. The Railroad Commission did not have the power to pass regulations to help stabilize the market. Additionally, the increase in drilling caused underground water to seep into the oil reserves, which reduced the amount of drinking water and caused complications in drilling.

Pg. 2

What actions did the Texas state government take to address the issues facing the oil industry in east Texas?
The Texas state government passed a law restricting the production of east Texas oil fields in an effort to prevent over-drilling and stabilize the prize of crude oil, but federal courts overturned the law stating it was unconstitutional. The Texas government also declared martial law in east Texas, shutting down 1,644 oil wells in the region. When the allowed the wells to reopen, they set limits on how much oil could be drilled.

How did many east Texas oil drillers respond to these actions by the state?
Many east Texas oil drillers were unhappy with the restrictions. Some filed lawsuits against the government. Others did not follow the laws restricting the amount of oil that could be drilled. They continued to drill more than what was allowed and sold the additional oil illegally. This oil was known as “hot oil.”

THE PORTAL TO TEXAS HISTORY

Answer Key: East Texas Oil Wars

Pg. 3

What steps did the government take to address the issues that had developed in the oil industry, specifically related to east Texas oil fields? How did these measures benefit the oil industry in Texas?
On July 14, 1933, President Franklin D. Roosevelt passed an executive order enforcing the regulation of crude oil production and took steps to investigate the situation in the east Texas fields and to crack down on hot oil production. The Texas legislature enacted legislation allowing the government to track and confiscate hot oil. The government also studied the pressure regulation issues in oil reservoirs and instituted a system to manage the pressure better. By 1938, oil drillers were producing oil within the acceptable mandate range, the pressure challenges were largely addressed, and the price of crude oil was back up to $1.10 per barrel.

Exit Ticket

What caused the "East Texas Oil Wars?"	**Start Here** Which answer provides the best description of the "East Texas Oil Wars?" ***The East Texas Oil Wars were . . .***	What was one effect of the "East Texas Oil Wars?"
Oil producers in East Texas produced too much oil, flooding the market and dropping oil prices. The Texas government passed regulations on oil production and conflict developed between the oil drillers and the government.	a) … a conflict between oil drillers in east Texas and the Texas government over the production of oil.	State and Federal government regulations of the oil industry were strengthened. The Railroad Commission gained more regulatory power.