

# The Philately of Petroleum: Civil War Era Fiscal History, 1862-1872

## 3. 1864-6 “Oil Fever”(I)

By Michael Mahler

After Edwin Drake famously ushered in the modern petroleum era in August 1859 at Titusville, Pennsylvania, it took some years for general public to accept the fledgling industry as a trustworthy vehicle for investment. Stories of spectacular gushers were tempered by those of similarly spectacular explosions,

problems in storage and transportation, and oil gluts sending prices tumbling as low as a ruinous 50¢ per barrel. By mid-1864, though, a wave of speculation in oil stocks enveloped much of the East and Midwest, and hundreds of companies offered their stock to an eager

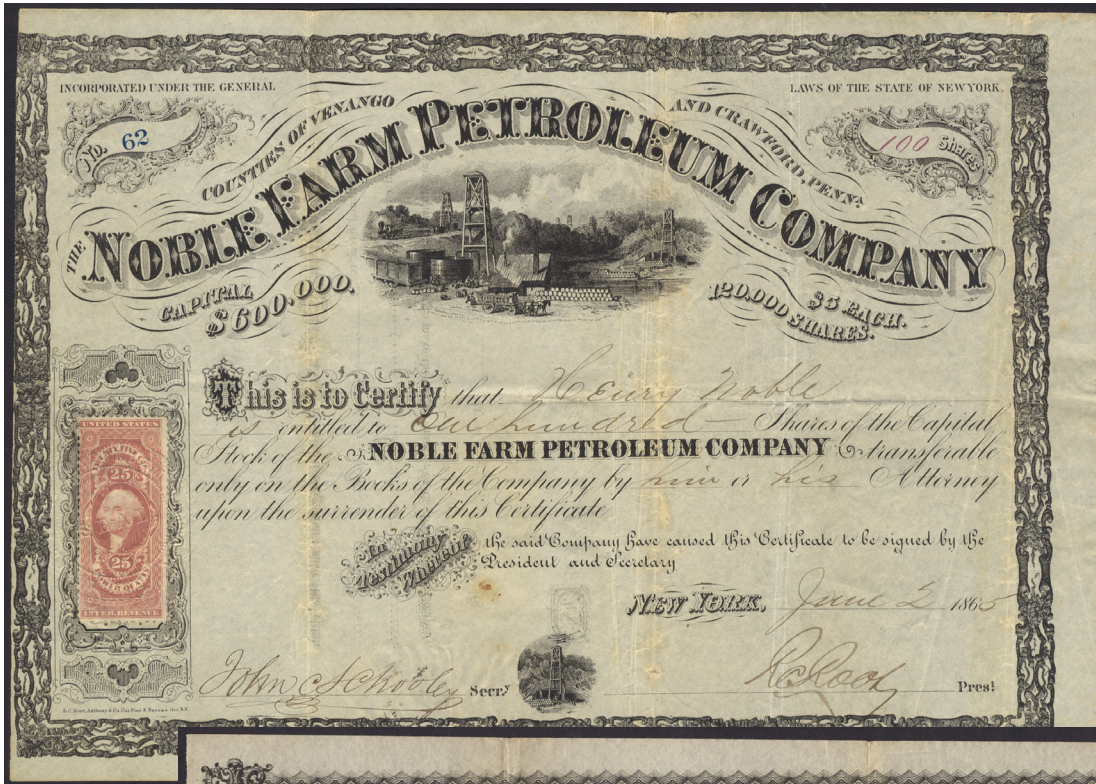


Figure 26. Noble Farm Petroleum Co., Venango County, June 1865, issued New York, 100 shares of 120,000, at \$5

Figure 27. West Virginia Oil and Coal Co., February 1865, issued New York, 100 shares of 300,000, at \$10





populace. In 1866 the boom ended abruptly, leaving surviving stock certificates as the most visible reminders of this riotous period. What brings them under the philatelic umbrella is the presence of revenue stamps paying the Civil War era 25¢ tax on certificates of stock in incorporated companies, in effect 1862–1872.

Most of these certificates have a rather similar appearance, with vignettes depicting oil field scenes, including derricks, barrels, storage tanks, and the like. Figures 26 and 27 show representative examples.

Numbers of companies sought to increase the perceived value of their certificates by making them more attractive. For example, the Champion Oil Co. chose a much larger, eye-catching vignette (Figure 28). What sets this area apart, though, from any other subfield of Civil War era scripophily<sup>1</sup> is the profuse use of color as a selling tool. Once I realized this, I set aside more sophisticated collecting standards for the childlike pursuit of certificates in as many colors as possible. Figures 28–38 show examples in magenta, red, green, blue, purple, orange, brown, gray and yellow. The last two, in yellow, fall into the “What were they thinking?” category; the color seems to have been poorly chosen.

1. Scripophily: the study and collecting of obsolete stocks, bonds and related financial instruments.

Figure 28.  
Champion Oil Co.,  
December 1864,  
issued Pittsburgh,  
200 of 30,000  
shares, at \$10



Figure 29.  
Lick Run and Sugar  
Creek Oil Co.,  
Venango County,  
April 1865,  
issued Philadelphia,  
120,000 shares at  
\$10







Figure 30. Forest County Oil Co., January 1866, issued New York, 500 shares of 650,000, at \$1

Figure 31. Tionesta and Sugar Creek Oil Co., June 1865, issued New York, 500 shares of 120,000 shares at \$5, "issued for the purchase of lands"



Figure 32. Stroud's Run Petroleum, Mining and Manufacturing Co., Athens County, Ohio, June 1865, issued Philadelphia, 500 shares of 150,000, at \$2









Figure 36.  
Bull Creek Oil Co.,  
Pleasants County,  
West Virginia,  
October 1864,  
issued Philadelphia,  
100 shares of  
100,000, at \$10

Figure 37.  
St. Nicholas Oil Co.,  
December 1864,  
issued Philadelphia,  
100 shares of  
200,000 shares  
at \$2.50 (reduced  
from \$10!)



Figure 38.  
Tionesta Oil,  
Lumber and  
Mining Co.,  
Venango  
County,  
October  
1864, issued  
Philadelphia,  
500 shares  
of 200,000,  
at \$5;  
installment  
of 10¢ per  
share paid in  
October 1867



However, both are noteworthy for other reasons. On the St. Nicholas, handstamps indicate that the share price had been reduced from an initial \$10 to \$2.50. The next installment of this series will illustrate an 1872 certificate of the same company showing a further reduction to just 50¢! On the Tionesta Oil, Lumber and Mining, share price \$5, a handstamp acknowledges payment of an assessment of 10¢ per share in October 1867, three years after the certificate was issued.

Even despite these financial struggles, the fact that these companies were still operating after eight and three years, respectively, set them apart from most of their contemporaries. Stock sold during the “oil fever” of 1864–6 was almost all highly speculative. The Tionesta and Sugar Creek Oil and Lubricating Oil certificates (Figures 31, 34) openly state that monies raised by their sale would be used for the purchase of lands; in other words, the companies had no producing wells, nor any wells at all, nor even likely sites on which to drill. Invest at your own risk!

This puts one in mind of certificates issued during the “silver fever” that infected Nevada and California in 1862–4, during which companies issuing stock often had no ore, no mines, or even yet “holes in the ground over imaginary mines” as Mark Twain hilariously put it (Figure 39; Mahler, 2021). Their purpose was simply to separate investors from their money.

Another tipoff to the speculative nature of these “oil fever” ventures is their share prices. For the examples shown here, these were nearly all just \$5 (Figures 26, 31, 33–4, 38) or \$10 (Figures 27–9, 36), with three as little as \$1, \$2 or \$2.50 (Figures 30, 32, 37). The sole exception is the Standing Stone of West Virginia at \$50 (Figure 35). In contrast, share prices in other fields were usually all \$100 or \$50. Even “silver fever” shares sold for \$100 or more, some as much as \$1,000. These oil shares of 1864–6 were the “penny stocks” of their day.

The next installment of this series will expand coverage of “oil fever” stocks to include those with custom or otherwise extraordinary vignettes. Figure 40 shows a teaser, of the Napoleon Oil Co., featuring an eye-catching vignette of a glowering Bonaparte.

## References

Mahler, Michael. 2021. *Stamp Taxes in Nevada. I. Silver Fever! Nevada Territory Stock Certificates, 1863–4*. Santa Monica, CA: Paper Trail Publications.



Figure 39. “A New Mine” (Mark Twain’s *Roughing It*)



Figure 40. Napoleon Oil Co., June 1864, issued New York, 500 shares of 300,000, at \$5