

GENEALOGICAL AND
PERSONAL HISTORY

OF THE

ALLEGHENY VALLEY

PENNSYLVANIA

UNDER THE EDITORIAL SUPERVISION OF

JOHN W. JORDAN, LL.D.

Librarian of the Historical Society of Pennsylvania, Philadelphia

ILLUSTRATED

NEW YORK
LEWIS HISTORICAL PUBLISHING COMPANY
1913

ALLEGHENY VALLEY.

(III) John Luke McKinney, son of James and Lydia Drury (Turner) McKinney, was born at Pittsfield, Warren county, Pennsylvania, June 21, 1842. He had the advantages of an excellent district school education. At sixteen years of age he assumed almost entire charge of his father's farming and lumbering books and accounts, involving considerable amounts of property which were constantly changing in value, location, etc., often superintending the sales of lumber and farm products. All this responsibility young McKinney discharged with fidelity and an ability rarely exhibited in one of his years and experience. He remained with his father in this responsible position three years, when at the age of nineteen he resolved to grapple with the world on his own behalf.

The discovery of oil near Titusville and at other points on Oil Creek had already attracted the attention of the public, and thither young McKinney bent his steps. The summer and fall of 1861 found him in Franklin, Pennsylvania, with \$500 cash capital, looking for an opportunity to invest. His first venture was upon a lease and well located on the Allegheny river, south of Franklin. Here he risked a large portion of his cash capital, drawing upon his father for much of the lumber and timber needed in the erection of a derrick, engine house, etc. This well was a failure, made so through the bad management of the parties engaged in its drilling and subsequent testing, and young McKinney's loss was total. This first investment proved to be disastrous, but Mr. McKinney, with a wise foresight, with some additional means furnished by his father, had partially provided against such a contingency. He had invested in one or two "inter-

ests" on Oil Creek, both of which proved to be successful, and left him sound financially.

In the spring of 1862 he purchased an undivided one-third interest in a well and lease on the John McClintock farm (Captain Alder Reserve), near Rouseville, on Oil Creek. At the date of this purchase the well was down about 75 feet, and had been drilled thus far with a "spring pole." This process was continued to the depth of 300 feet, and then a horse power was substituted, which exhausted itself at 400 feet, and a steam engine was found to be indispensable. With this steam power the well was drilled to the total depth of 512 feet. The history of this well and Mr. McKinney's connection with it may be set down as the history of many others of the earlier developments "on the Creek." After the purchase of his one-third interest in this lease, he gave to its development all his individual effort, and every dollar of money he was able to command. He worked his regular "tower," "kicking on a spring pole" (sometimes called hemlock engine, and followed the business of a "driller," with all the industry and devotion of an interested owner. Weeks had run into months in labors upon this well, and yet all was in doubt. Hope alone kept the operators to their task. Many prophesied it would be a "dry hole"—a summer's work lost, to say nothing of the ready cash required "to prosecute with due diligence." But the steady industry of the owners did not flag. They labored night and day, surmounting obstacle after obstacle and embarrassment after embarrassment, looking confidently at times, and doubtfully at others, upon the results of their sacrifices. After steam power had been applied, Mr. McKinney improved the opportunity to visit his home in Warren county, little anticipating that during his absence the well would be down and a golden stream gushing from its mouth, destined to enrich every man owning interests in it. But this consummation was realized. The well began to flow at the rate of five to six hundred barrels per day, and continued to flow for nearly two years, gradually lessening in product, but yielding to its fortunate owners thousands and thousands of dollars in profits. Mr. McKinney heard of his good fortune a few days after the well was struck, and immediately set out across country to Rouseville, then called "Cherry Run." When he reached the vicinity of the well he ascertained that his partner had sold the entire property for a

good round sum, taking no account of his interest.

When Mr. McKinney purchased his share of the property, he drew his own contract for the sale, and upon its execution laid it away among his papers, neglecting to have it recorded at the county seat. The parties purchasing from his partner had made a thorough search and found no record invalidating his partner's claim to ownership, and thereupon closed the trade, paid the consideration, and were actually in possession of the property when Mr. McKinney returned. Here was indeed a threatened calamity. What to do or whither to turn for relief, was the absorbing questions with young McKinney. He promptly notified the purchasers of his ownership of an undivided one-third interest, and his willingness to take care of his portion of the product of the well. They in return refused to acknowledge his rights, insisting upon their ownership by absolute purchase. While these interviews were transpiring, Mr. McKinney had recourse to his contract and found the "six months recording clause" still in life. About two days were left him to put his claim on file. He was not long in reaching Franklin, when upon consulting Mr. C. Heydrick, one of the able young attorneys of Venango county, he ascertained that his interest was safe and that his ownership in the well was beyond cavil or doubt.

The purchasers from Mr. McKinney's partner, upon presentation of his incontestable proofs, acknowledged his claim and very shortly afterward paid him a handsome sum for his interest. The property, however, was worth, or proved to be worth, during the life of the well, many times the money Mr. McKinney received for it.

After disposing of his interest in this property he made good use of the little store he had acquired, first paying his father all money advanced by him, then buying interests in some ten or twelve other leases on Cherry Run and elsewhere, and pushing development as rapidly as possible. The "Baker well," which produced one hundred barrels per day, was the first struck in which he was interested. Others, many of them without a name but abundant in product, followed, and Mr. McKinney was really upon the flood-tide of success. A one-quarter royalty interest in the celebrated "Mountain" (or Phipps) well, which produced three hundred barrels per day, was among his acquisitions. These continued successes ran

through 1863-64-65, when he began the sale of his interests, here and there, having determined to change somewhat the character of his operations. He disposed of many of these at fabulous prices, receiving in payment considerable sums of money and larger amounts in certificates of stock in various oil companies, then as plenty as the leaves of the forest—many of which never reached the stock boards of eastern monied centers. A few were not worth the paper they were printed upon, but a fair fraction proved to be valuable. In all, Mr. McKinney realized in cash and stocks more than \$500,000 for his oil interests. While his stocks had a nominal value, it is safe to say he left the oil region \$200,000 richer than when he risked his all in 1861.

In 1864 Mr. McKinney associated with himself a younger brother, James Curtis McKinney, a connection which has been continued to the present day. In 1864, still retaining several interests in his early investments, Mr. McKinney, in connection with Mr. William C. Duncan, of Pittsburgh, and Mr. George Work, of Philadelphia, and others, visited the then developing oil belts of Greene county, Pennsylvania, and leased large tracts of land along Dunkard creek. This leased land was afterwards sold to other parties, the original lessees realizing a considerable profit. In 1864-65, Mr. McKinney took up his residence in Philadelphia, still holding a business relationship with the oil regions, occasionally visiting the scenes of his early successes, purchasing interests here and there, and steadily adding to his worldly possessions. During the spring and summer of 1865 he purchased interests in several leases and wells on Benninghoff Run, and subsequently consolidating various other productive and valuable oil properties, among which was an oil farm owned by him in fee, the Benninghoff Mutual Petroleum Company was organized and Mr. McKinney was elected vice-president. This organization was upon a substantial basis, having valuable property and some of the best producing wells "on the Creek" upon which to pay dividends. It did for a time pay very largely, but the crash of 1865-66 swept away values, obliterated oil companies, oil producers and their labor of years, leaving the oil region, if not a desert of industries, at least a section almost wholly given over to bankruptcy and ruin.

In addition to his oil traffic, Mr. McKinney dealt largely in general stock on the market,

and in the disasters of 1865-66 he found himself badly crippled financially. The accumulations of his earlier years, seemingly ample for a lifetime, were very much impaired. But this did not discourage or dishearten him. He resolved to try again and to begin as before, "at the top of the ground," and work out his financial embarrassments. He returned to the region in 1868 and took up some leases at Pleasantville, just then the point of attraction for good producing wells. Here, with his brother, J. C. McKinney, he met with moderate success, and in a few months began to see clear sky and mended fortunes. His industry and devotion to his affairs soon placed him upon comparatively independent ground and marked out his future. He remained in Pleasantville until June, 1869, when he resolved to enter the new oil fields at Parkers Landing. Late in the summer of 1869 he made leases and purchases there and completed two wells, one of which proved to be a "dry hole," and the other produced from four to six barrels per day. The cost of the wells at Parkers Landing was nearly double that of other oil districts, and these first investments were not strong arguments in favor of Mr. McKinney's enterprise in fixing upon this district as the point of his future operations. He, however, did not falter in his confidence in the ultimate success of his now redoubled efforts. He made more and larger leases and commenced the drilling of numerous wells in that wonderfully developed region. Early in the spring of 1871 success began to crowd upon him, and through that year and for some time subsequently there was scarcely anything he consented to identify himself with that did not serve to swell his bank account and add to his repute as a successful oil producer.

While conducting his large oil business, he managed an agency for the sale of Gibbs, Russell & Co.'s engines, boilers, well tools, etc., and during this connection he sold not far from \$500,000 worth of the establishment's output. In the spring of 1872, Mr. McKinney, in connection with R. H. Sterritt, purchased the one-third interest John T. Russell owned in Gibbs, Russell & Co.'s Novelty Iron Works at Titusville and at Nunda, New York. While he was never actively engaged in the conduct of this mammoth industry, his sound judgment was uniformly sought by the other members of the firm.

When in the fall of 1872 the South Improve-

ment Company began to foreshadow its objects and aims, Mr. McKinney stood, with the large body of producers, opposing its schemes, as the effort of a monopoly to gather into its embrace the producing and transportation interests of the oil region. He weighed carefully every new phase of this all-important and all-absorbing movement, and gave to each and all its later developments an unbiased examination. When the region rose as one man to oppose and bitterly denounce the South Improvement Company, he held aloof, and was unwilling to join the universal clamor—not that he abandoned or in the least became lukewarm in the interests of the producers, but that he deemed a calmer judgment than was manifested, indispensable to an adjustment of all questions at issue. With the subsequent organization of the Producers' Congress and its efforts to control or monopolize the product, shipment and sales of oil, Mr. McKinney had little to do, and less confidence in as a means of relief. He regarded the proposed plan of operations as unsubstantial and wanting in the essential elements of probable financial and commercial success. The later history of these transactions shows how clearly he comprehended the situation, for the results were a full warrant for his judicious action from beginning to end. He was, however, among the first to suggest ways and means to arrest what was generally regarded an impending calamity. He urged first a suspension of the drilling of wells for thirty days. The first despatch that passed over the wires from Parkers Landing to other oil centers, electrifying the entire region, advising and demanding this last great sacrifice at the hands of producers, was dictated if not actually written by Mr. McKinney, and signed by the firm of which he was the head—McKinney & Nesbitt. Having dealt this blow, he earnestly followed up his convictions with unremitting labors to unite the Parkers Landing district in the movement, and in ten days thereafter saw the fruits of his efforts in more than 4,500 wells shut down for thirty days.

In the early days of 1873, Mr. McKinney, with his brother, J. C. McKinney, who has since been his sole partner, purchased the two Hemphill farms and the Barnhart and Shakely farms, at Millerstown, later the great oil field of the Parker's, or lower district, consisting of about 350 acres. Later John H. Gailey, of Parkers Landing, became a purchaser from the McKinney brothers of an interest in these

oil lands, which were developed under the firm name of McKinney Bros. & Gailey.

After having extended their operations in the production of petroleum to every oil field east of the Mississippi river, John L. McKinney & Company in 1889 merged their entire producing interests with those of the Standard Oil Company, with which they continued association up to the time of the recent dissolution of that company and the dispersion of its properties among the subsidiary companies. Mr. McKinney is vice-president of the South Penn Oil Company, one of the most extensive oil producing companies in the United States. He is also a large stockholder and a director in the Titusville Iron Company, and was one of the organizers of the American Radiator Company, in which he is a director and a large stockholder. This important corporation controls about fifty per cent. of the radiation of the world. Besides its plants in America, twelve in number—three in Buffalo, New York; two in Detroit, Michigan; one in Titusville, Pennsylvania; one in Springfield, Ohio; one in Litchfield, Illinois; one in Birmingham, Alabama; one in Kansas City, Missouri; one at Bremen, Indiana, and one in Bradford, Ontario, Canada—they own the following plants in Europe: one at Hull, England; two at Schoenbeck and Neuss, Germany; one at Dole, France, and are erecting large office buildings on the Boulevard Haussmann, Paris, France, and near Milan, Italy. They are also building a large plant in Austria. These vast enterprises have for president Mr. Clarence M. Wooley, one of the foremost young business men in America, who succeeded Joseph Bond, the first president.

In February, 1882, Mr. McKinney was elected president of the Commercial Bank at Titusville, which opened its doors for business the following May, and he has held this position ever since, covering the remarkable period of thirty-one years. He is also a stockholder and director in the Second National Bank of Titusville, and formerly was a stockholder and director in the Parkers Saving Bank at Parkers Landing, and the Millerstown Savings Bank at Millerstown, Pennsylvania.

While thus so greatly burdened with manufacturing and commercial affairs, Mr. McKinney has given much time and abundantly of his means toward civic affairs. On March 12, 1896, he was chosen president of the Titusville Board of Trade, and resigned that office May

21st following to accept the chairmanship of the Titusville Industrial Fund Association, and was one of the ten citizens who subscribed \$10,000 each to the stock of that company. During his more than forty years residence in Titusville, Mr. McKinney has ever shown himself a leader among public-spirited citizens, and has constantly labored for the best interests of the city. Some years ago he and his brother, J. C. McKinney, gave \$1,000 to the laboratory of the Titusville High School. He was an organizing member of the new Oil Exchange Association, and was its first president, when its edifice was erected, where now stands the Commercial Bank building. He was the first president of the Titusville Hospital Association, during the construction of the hospital building, and to which he was a generous contributor. In both these cases he declined reelection because of his many other business engagements. For some time he was an efficient member of the Titusville school board.

He has always taken a deep and intelligent interest in the great financial problems of the day. A few years ago, at the request of several prominent journals, he wrote an article entitled "Elastic Currency," which was widely published and met with much favorable comment from leading financiers and the general public. He is a member of the Pennsylvania Society of New York, and the Forestry Association of Washington City.

In 1884 Mr. McKinney was a district delegate in the Democratic national convention, and an ardent supporter of Mr. Cleveland. In the same year he was the Democratic candidate for congress from the Twenty-sixth Pennsylvania District, and the result attested his great personal popularity. He carried his own city by a plurality of nearly 600, and his county of Crawford (which gave Blaine a plurality of over 1500) by about 200, and in the district he ran some 2500 ahead of his ticket. In 1892 he was delegate-at-large to the Democratic national convention from the state of Pennsylvania, and again supported Grover Cleveland.

His sturdy Americanism is evidenced by the hearty and liberal support he has accorded to various historical and patriotic bodies, conspicuously the Thomas Jefferson Memorial Association, the Lincoln Farm Association, and the Grand Army of the Republic. His services in behalf of the two former named found recognition in the following testimonials:

This is to certify that, John Luke McKinney has been enrolled a Life Member of the Thomas Jefferson Memorial Association of the United States, organized and incorporated for the purpose of erecting at the National capital a Memorial to the Author and Other Signers of the Declaration of Independence, and in commemoration of the Enunciation of that Immortal Document to the American Colonies on July 4, 1776.

In Testimony whereof we have hereunto set our hands and attached the seal of the Thomas Jefferson Memorial Association of the United States, at the City of Washington, on the third day of September, 1907.

H. A. HOBERT,
Acting President.

W. S. MCKEAN.

THE LINCOLN FARM ASSOCIATION.

JOHN LUKE MCKINNEY,

in appreciation of his

interest and co-operation in honoring the memory of
ABRAHAM LINCOLN

by erection of

LINCOLN MEMORIAL HALL,

in Hodgenville, Kentucky, over the log cabin in which Lincoln was born, is on this the day of its dedication appointed a Founder and Honorary Trustee of this Association.

Jos. W. FOLK, President.

CLARENCE W. MACKAY, Treasurer.

ROBT. J. COLLIER, Chairman Executive Committee.
Thursday, November the ninth,
One thousand nine hundred and eleven.

In January, 1892, Mr. McKinney gave to Chase Post No. 50, G. A. R., a memorial volume to record each member's services during the Civil War. In December, 1906, he presented to the First Presbyterian Church of Titusville a fine pipe organ to perpetuate the memory of his first wife, Mrs. Ida D. McKinney.

Mr. McKinney was twice married: his first wife was Ida D. Ford, who died May 11, 1894, leaving two children, a son and a daughter. The son, Glenn Ford McKinney, was the valedictorian of his class of the Titusville High School, from which he graduated in 1886. He was graduated from Princeton University in 1891, and from the New York Law School in 1893. He was admitted to the New York bar in 1894, and has since practiced his profession in New York City. He is a member of the University Club of New York, Princeton Club, New York Bar Association, Larchmont Yacht Club, Turalie Club of Canada, and various other clubs. He married Annette Raynaud, daughter of Gustave Raynaud, of New York, and has one son, John R. McKinney. Ida Ethelyn McKinney, daughter of Mr. McKinney, was graduated from Smith College,

Northampton, Massachusetts, in the class of 1895. She is a member of the Woman's University Club of New York City. In December, 1896, Mr. McKinney married (second) Ada Alliene Ford, daughter of De Waldsen Ford.