



One woman tells another you can trust the Minute Man's house-keeping. You expect the rest rooms to be spotless, just as you expect the gasoline, New Royal 76, to be the West's most powerful premium. Drive in at the sign of the 76 where you know you always get The Finest.

UNION OIL COMPANY OF CALIFORNIA



SEVENTY® Union Oil Company of California

Volume 4, Number 1

JANUARY 1960

THE COVER: One of the few lakes in the world that can boast of having a fully developed marina before the water arrived is Lake Ming in Kern County. For a report of this man-made sports and recreation spot, see Page 8.

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is a Union Oil Company of Califnia trademark. It also symbolizes the American freedoms won in 1776, which made possible this nation's industrial development and abundance. Our SEVENTY-SIX magazine, published monthly, mirrors industrial freedom through the thoughts, skills, accomplishments and appreciations of Union Oil people. We invite readers to participate with us in an exchange of ideas and information. Address correspondence to the Editor, SEVENTY-SIX, Union Oil Center, Los Angeles 17, California.

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Are we soft?

'lazy, satisfied'—can this be us?

By DR. DONALD S. CLARK Professor of Mechanical Engineering and Director of Placements California Institute of Technology

THE AMERICAN PEOPLE are not getting soft, they are already soft. I They lack firmness or strength of character.

We have degenerated from a hard working, progressive, high quality product and service nation of people to one that is lazy, complacent, selfish, and satisfied in giving and receiving poor quality services and products.

This condition may well be associated with the high standard of living that we have attained. We have come to the point where a very large portion of our people enjoy the benefits of modern technical developments. Life has become much easier on the whole, which has contributed to this attitude of complacency.

We should not, of course, return to the horse and buggy days, but we should not allow the conveniences of modern times to lead us into disregard for perfection.

The deterioration in the quality of services becomes evident in many stores. The salesperson is not really interested in serving the customer, and does not seem to care whether or not a sale is made. He or she is there to collect a pay check.

Another example is the detached, independent attitude taken by most hotel room clerks. There are endless examples of this attitude which the American people tolerate. Is it not an indication of the decadent attitude that prevails?

The quality of our products suffers from an attitude of "get by with what you can," "do the least for the most money." This attitude leads not only to inferior products, but also to higher prices and, hence, inflation. Management is also a party to this situation, they permit a rise in the break-even point.

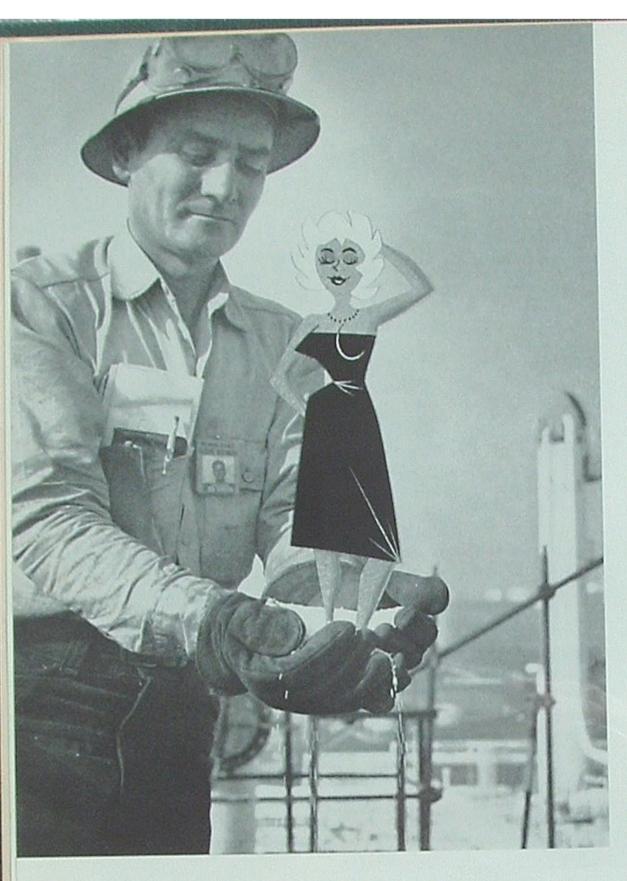
The conditions are attributable to the attitudes and actions of all our people, not to one group such as labor or management; we are all contributing in some way to the decline. We do not seem to be willing to view the situation with alarm. We are enjoying our luxuries, and in such enjoyment we are being selfish insofar as the future is concerned.

The young people of today are coming to believe that mediocrity in performance is natural, that perfection is something only fools strive for. Where do the younger people get these ideas? They come from the older people, those who are running the show.

There is already evidence that the United States is pricing itself out of the market place. Any product that depends largely upon labor in its manufacture is becoming more expensive largely because we are unwilling to give the best effort in as efficient and effective a manner as is possible.

Management may have contributed to this attitude on the part of its employees. Does management recognize its employees for a job well done? Do they encourage the high performance that will lead to better efficiency? In many instances they do not. We recognize that there may be interference to such recognition by rules established by union organizations, but there are ways in which management might make the partnership a little more appetizing.

continued on page 19



The petroleum industry's best gasolines owe some of their high octane qualities to . . .

A platimum k

The lady of course is our artist's invention, but in the hands of Fluor Corporation's Ben Herrera are also pellets of platinum catalyst used widely in the petroleum industry for making fine gasolines.

PLATINUM, as you know, is one of the world's most expensive metals. In appearance, grayish-white, it is hardly distinguishable from silver. It is less glittering than gold. But platinum jewelry is regarded as most precious and exquisite. From a practical standpoint, the metal's chief merits are malleability, high melting point, high electrical resistance, and exceptional immunity to chemical damage or chemical change.

Everything about "platinum" conjures an image of elegance. Platinum-set gems are considered the finest. Mink of a platinum sheen sells at a premium. And a platinum blonde stepping from a limousine causes more heads to turn than any other person on the street. She may be aloof and have a high melting point, but she stimulates a general reaction.

We bring a platinum blonde into this otherwise serious technical report for good reason:

Her head of hair, supported on a well proportioned

base, may take no active part in what is going on. The coiffure is to be seen merely, not touched. If, in contact with the dust-laden air, it becomes soiled, it can be washed (regenerated). But despite this casual indifference toward everybody, the hair stimulates remarkable changes. Women rush for the beauty shops. Men trip over each other at first, then think of buying new ties, hats and suits — maybe even sending flowers home to the missus. Everybody on the street seems a little excited (cracked). Each tries to be better groomed (upgraded). The cause of it all is the mere presence of a platinum blonde (catalyst).

Petroleum scientists, of course, rarely would accept ours as being their example of a catalyst. They define a catalyst as any substance that causes or stimulates chemical reaction between two or more other substances without apparently being chemically changed itself. They'd say, "Just leave the blonde out of it and keep your mind

bomd



At Oleum Refinery, a barrel of the catalyst is dumped in hopper en route to the Reformer.

on platinum; it's an excellent catalyst.'

Well, we'll try. And you can judge for yourself which

example you understand best:

The remarkable thing about catalysts is that (like blondes again) they remain almost a complete mystery to the scientific community. Nobody knows exactly why they behave like they do and, by just being present, cre-

ate an uproar among their fellow substances.

So the search for catalysts has been mostly a trialand-elimination quest. In the petroleum industry alone countless thousands of substances in numerous shapes and sizes have been tested for the influence they can exert on petroleum molecules. Due to its very high cost, platinum was probably one of the last metals research men hoped would bring desirable results. But lo, certain hydrocarbons (slaves to fashion, no doubt!) reacted spiritedly in the platinum environment. Some of the normally low-octane (wallflower type) hydrocarbon molecules kicked off their spare hydrogen atoms (shoes) - joined into exciting new molecular arrangements (dance routines) - and emerged as premium gasolines (belles of the ball) with octane ratings of better than 100. Thus there came into the oil business a new refining process, platinum catalytic reforming.

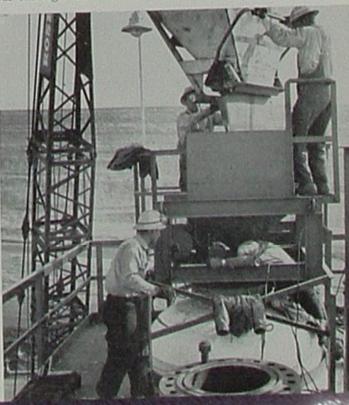
Another interesting thing about catalysts (or blondes) is that they are compatible with only a limited circle of associates. One hydrocarbon's meat is another hydrocarbon's poison, so to speak. So costly platinum may reform one refinery feedstock while failing utterly with another. This is the case especially when a refinery is called on to process the nitrogen-bearing and sulfur-bearing oils frequently encountered throughout the petroleum industry Platinum catalyst is quickly poisoned and rendered in-

active by the presence of such intruders.

About the time catalytic reforming was being invented, Union Oil research people were solving one of the industry's oldest problems - that of upgrading sour crude, that is, removing the nitrogen and sulfur compounds that constituted sourness and detracted from high quality. Persistence was rewarded. From 15 years of experimenting and pilot-plant operation came Unifining (described in our October 1954 issue of ON

Hopper is hoisted to top of three reactors.

Workmen position the catalyst hopper near crown of reactors. Petroleum vapors will filter through the filled reactors to be reformed.



continued

A PLATINUM BOND-continued

TOUR). The process is now used in Union Oil refineries and has been licensed to many refineries here and abroad.

Unifining also employs a catalyst (a brunette in about the steel-blue color range), which does an outstanding job of chasing nitrogen and sulfur out of *sour* gas-oil feed, yielding a product of exceptional *sweetness*. Unifining catalyst, made of cobalt and molybdenum supported on an alumina base, is much less expensive than platinum catalyst, is easier to regenerate, and has greater endurance. (Refiners love this type.)

You might suppose that two such opposite and independent catalysts would have nothing in common except spite for each other. Quite the reverse is true. They work harmoniously in a combination Unifiner-Reformer unit and constantly are exchanging choice tidbits fresh out of their respective ovens:

Unifining, as we have intimated, does the best housekeeping of the two. It sweeps nitrogen and sulfur impurities away and sends *sweetened* hydrocarbons directly to the Reformer. The latter, a strict disciplinarian, reforms certain hydrocarbon molecules of low or mediocre octane standing to gasolines of outstanding power and merit, meanwhile trimming off quite a surplus of hydrogen. Knowing that Unifining has need of this hydrogen as a housekeeping element, the Reformer keeps an adequate supply flowing back to its good neighbor.

In this manner Union Oil is manufacturing some highly desirable blends of gasoline. The *reformates* produced through the Unifining and Reforming processes have an octane rating of over 100 and are among the cleanest burning of petroleum fuels. With very little stretch of the imagination they could be classed as the *platinum bonds* of gasolines — even though platinum does nothing more in the reforming or re-bonding of molecules than sort of chaperone the dance.

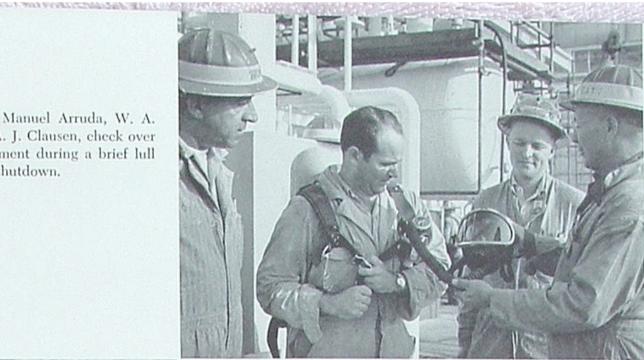
Besides the Unifiner-Reformer unit at Oleum Refinery, where the accompanying pictures were taken, we are operating similar units at Los Angeles Refinery and at Cut Bank Refinery in Montana. In addition, the current construction program at Los Angeles Refinery includes a significant increase in Unifining-Reforming capacity. (Even chemical engineers are not immune to platinum.)

/THE END

Periodic cleaning (regeneration) of the catalyst is essential. During unit shutdown these men are cleaning the Unifiner catalyst.



Unit operators, from left, Manuel Arruda, W. A. Arnold, J. C. Havely and A. J. Clausen, check over some of their safety equipment during a brief lull in the busy maintenance shutdown.



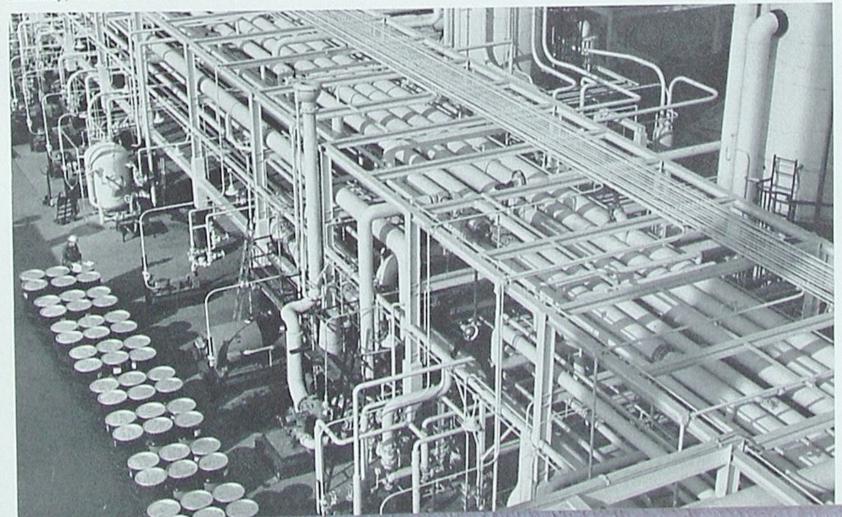


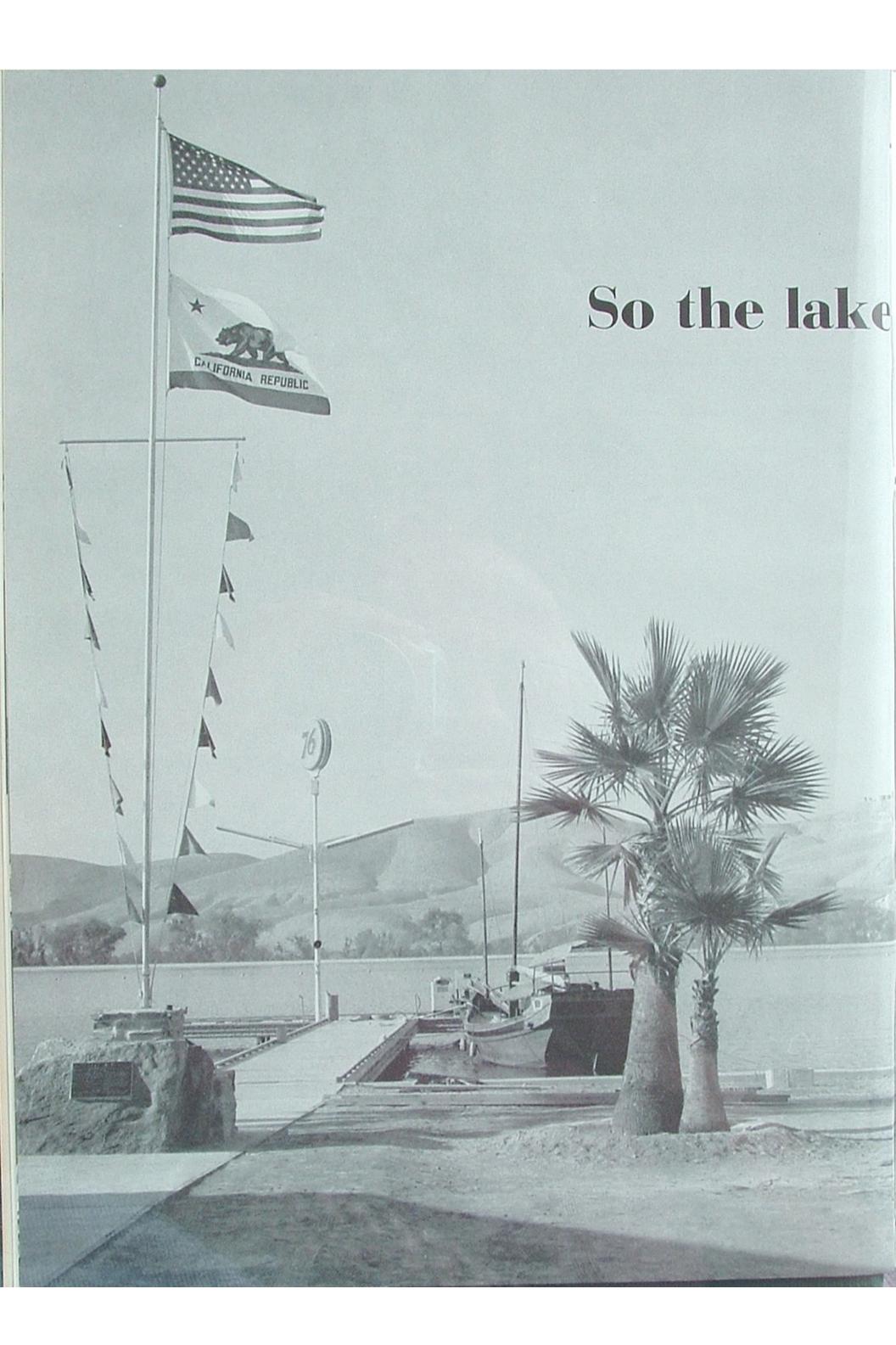
Examining regenerated Unifiner catalyst, Les Edwards, E. S. Quinn and G. A. Works, find it "better than new" even after months of use.

Foreman Harvey Eye, left, and Assistant Superintendent Bill Evans compare the "platinum blondes" and "steel-blue brunettes" of Unifining-Reforming with typical curiosity, but profess knowing nothing about them.



Seriously, this multi-million-dollar refining unit and its brooch of platinum (in barrels) yield the Finest of gasoline.





came to Kern County

R EMEMBER THE STORY of the holy man who through prayer attempted to have a mountain come to him? And when the mountain refused to budge, the holy man said, "Then I shall go to the mountain!"?

In our modern age of industrial miracles, we now can tell a somewhat similar story with, however, a more dramatic ending:

Kern County in California was hardly intended by nature as a boatman's paradise. It has a few streams and lakes that are barely worthy of their names during wet years or rainy seasons — hardly anything you'd have trouble wading across during the hot summer months when water is most needed.

Despite the summer drought, or because of it, Kern County people are avid water sportsmen. They are said to own more power boats per capita than any other group of California citizens. And they'll tow a boat almost any distance to find navigable water. In fact, the

popular sport of boat drag-racing originated on a shallow pool near Bakersfield and a world's record from a standing start to 110 miles per hour was set there by a Kern County resident, Mr. Jack W. Williams. Confidentially, his boat was powered with Royal 76 gasoline.

Recently, when boats, fishermen and water skiers were noted standing in line waiting for their turn to use the limited water resources of Kern River, someone must have longed with prayerful fervency for a lake. It might take a miracle to get one, but this is the age of miracles, man-made.

Presto! Almost before the wisher said "Amen," Kern County officials, spark-plugged by Supervisor Floyd L. Ming, were busy planning a marina. Contractors Baxter & Smith bid for and won the opportunity of building the lake bottom in an amphitheatre of hills near Bakersfield. And Union Oil products moved in to power and lubricate the contractors' equipment.

continued



Newly created Lake Ming, at left, sits well above the channel of Kern River (in canyon beyond). Excellent boating facilities and Bob Hackett's marina, at right, are attracting thousands of sportsmen and big racing events.

SO THE LAKE CAME TO KERN COUNTY-continued

This genuine junk, made in China, was imported to give lake patrons an unusual excursion ride. Its oriental sails are assisted by a diesel motor, Union powered.



From left, "Skipper" Bob Hackett, his son Robbie, and "Oiler First Class" Bert Goughnour of Union acclaim the Chinese junk entirely seaworthy.



During November, 1959, Lake Ming was officially dedicated. It is three-quarters of a mile wide, over a mile in length. Water is pumped into it from Kern River at a rate of approximately 16,000 gallons a minute and can be maintained at exactly the desired level the year around. There are scores of sheltered berths for docking private boats, or slips for accommodating trailer-transported craft. If you don't own a motor boat, you can rent one of several varieties from the appointed concessionaire, Robert F. Hackett, Jr. Bob's marina house on the lake shore is a combination hospitality and refreshment center, beautifully furnished and landscaped. And his "76" sign on the main pier is an invitation night and day to enjoy the *Finest* in boating.

Bob Hackett imported a genuine oriental junk from China as one of his opening attractions to Lake Ming. It was hardly needed. At last report, most of Kern County was moving to Ming with their entire fleet. In addition, a national racing event was run on the ideal water course during December and many other sports events are scheduled.

Folks here wanted water, so the lake came to Kern County.

/THE END

In case you've never seen a lake in the making, here's a construction view taken before water was pumped in. Dike and lake bed were surfaced with a water-tight clay to prevent seepage. If major lake bottom repairs are ever needed, the lake can be drained easily.





In the "Rallye" type of driving competition, instructions and route are presented by starter, Margaret Walmsley, as the race begins.

A typical rallyist's cockpit includes clipboard, stop watch, hundredth-of-a-minute clock, Binary slide rule, electric mileage counters, maximum alertness.



"Hairpin Hassle"

Photos by Russ Halford

A sports car rallye—in case you don't already know, Old Timer—needn't be a speed test, nor an economy run, nor a rivalry to see who can crawl out at the finish line best dressed. Put a group of women in charge of the event and its apt to be a contest of wits, well seasoned with double-talk and utter frustration.

Anyway, that about describes the "Hairpin Hassle" sponsored annually by the Santa Monica Sports Car Club. This year in its second episode, the "Hassle" planning was turned over entirely to the women. They sat up nights for several months plotting 149.22 miles of highway route that would confound even the local traffic officer. They installed directional signs that were hard to find, treacherous to interpret. They imposed speed limits jumping maddeningly between 9 and 49 miles an hour. Finally, on September 27, 1959, at about Sunday dawn, they "manned" the check points, arrayed in Hawaiian attire to harass the male contestants, and armed with gadgets to measure every driving error down to fractions of a second.

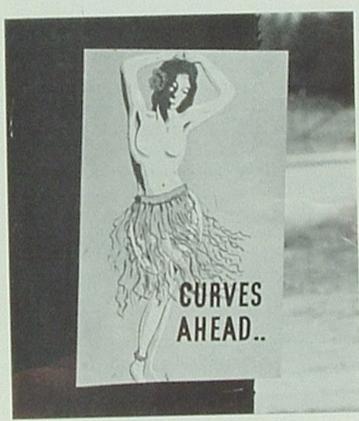
But everybody had a wonderful time: The 120 contestants, who paid \$3.50 per

Hawaiian attire worn by women who "manned" the registration desk and checkpoints was calculated as just one of the traps to keep male contestants in the "50th state" of frustration.





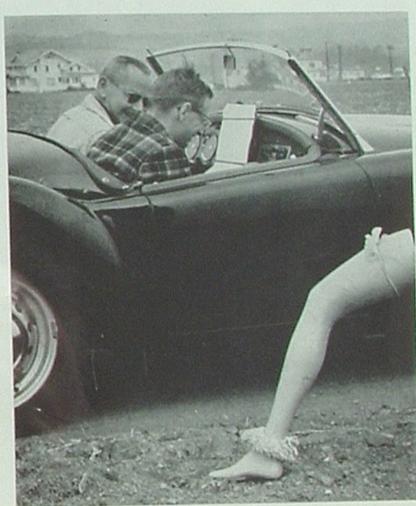
See what we mean? Audrey Doyle, Gwen Thigpen and Nina Barnes did their best with tropical allure to provoke errors.



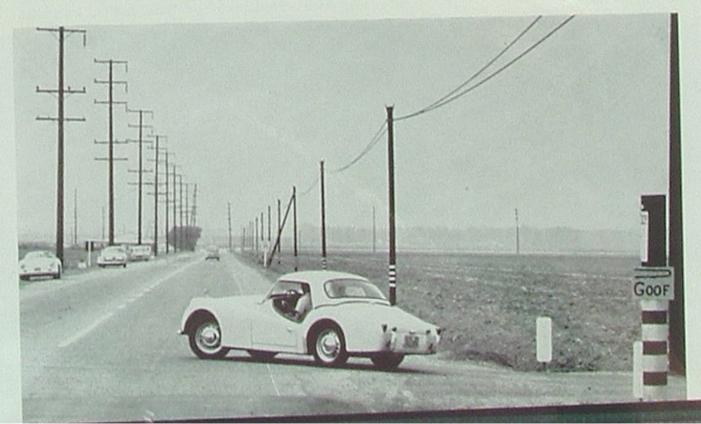
This sign was missed by nearly every driver in the race; they were looking for highway type.

"HAIRPIN HASSLE"-continued

car to compete, described this year's "Hassle" as the most challenging driving test in existence. The instruction sheet each was handed at the starting line explained accurately how to negotiate the 149.22 miles in precisely 5 hours and 49 minutes, but was loaded with traps to catch the unwary. "Goof" signs showed up usually when drivers missed a turn or misinterpreted the instructions. For example, one man, looking for a "Curves Ahead" sign mentioned in the instructions, failed to catch the significance of a "Hula girl" poster and "goofed" to the tune of a one-hour-and-eight-minute error. The same sign trapped nearly every driver in the race to a considerably lesser degree.



A clue as to where one leg of the race began was "barely" identified with plaster amputated from a department store.



Drivers who caught sight of the "Hairpin Hassle's" goof sign, on post at extreme right, knew they were on wrong road and had to go back. The winners? Oh yes, we almost forgot. They were Jack Sparks, driver, and his brother Ted, navigator. They came through with a total driving error of only 5.48 minutes and were given handsome trophies donated by Union Oil Company. Ted has since won first prize of \$2500 in the National 3500-mile Rallye and has gone on to Paris to participate in the International. Jack is a student at Stanford. Their father and mother, by the way, competed as a team in the Santa Monica "Hassle" and wound up in 7th place — commendable driving!

However, nobody won better prizes or had more fun than Union Oil Dealer Lloyd Robinson. His station at the Pacific Ocean end of Sunset Boulevard in Santa Monica was the starting point. Ordinarily early Sunday morning is the slowest business period of the week. September 27th was the exception. By 9 a.m. his 16 pumps had accounted for about 500 extra gallons of gasoline and a case or so of Royal Triton 10-30. What's more, the 300 people who came to compete, officiate or watch were so appreciative of his courteous service, clean station and free coffee that many will return as steady customers. Surveying his station after the rush, Lloyd found not even a scrap of paper or cigarette butt littering the grounds — evidence that the sports-car fraternity are the *Finest* of people, even when having a barrel of fun.

THE END



Winners of the rallye, Ted Sparks, left, and his brother Jack, received the Indianapolis-type toast of victory from Ruth Piercy and Charlotte Nesbitt.



Union Oil's trophies for first place are admired at the awards dinner by, from left, Rallye Mistresses Nesbitt and Piercy, Mr. and Mrs. Sparks, parents of winners, and Sparkle Girl Janet Paull.

Biggest winner of the day was Dealer Lloyd Robinson who opened his station early Sunday and offered free coffee to all contestants.



Take it easy, grandma;

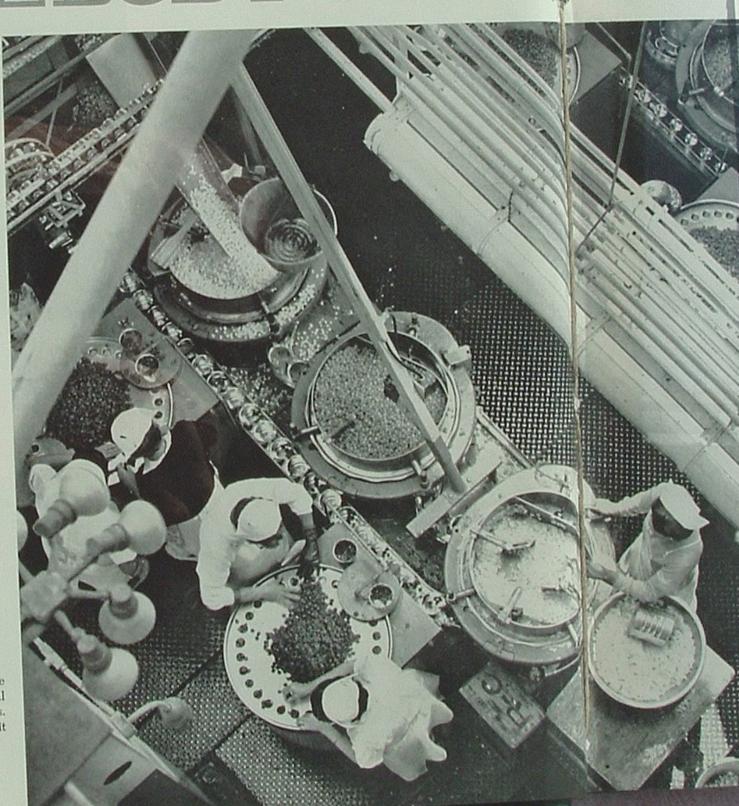
FIBODY

From Dumont Kimmel and Barney Schwalm ful about complimentic confess that they're so fornia Canners and Gr Richmond-Chase Com California.

Time was that mo

I f dish of home prese

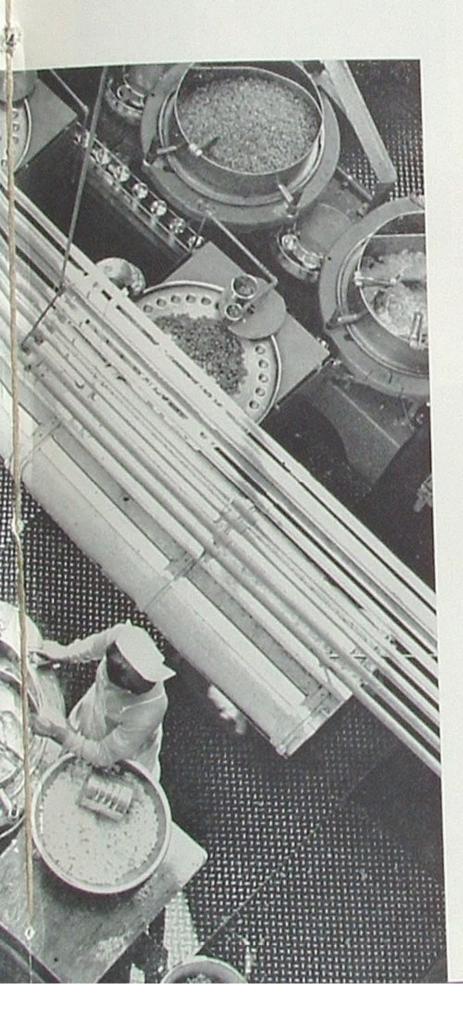
Time was that mo ference between grasneaked in under the changed. The differen in grandma's favor.



In the San Jose plant of Richmond-Chase Company, women enjoy quite a mechanical advantage over grandma's canning methods. They are packing "Heart's Delight" fruit cocktail for a nation.

F DURING 1960 you are served an especially delicious dish of home-preserved fruit or vegetables, be careful about complimenting your hostess. She may have to confess that they're store-bought, distributed by California Canners and Growers, and actually canned by the Richmond-Chase Company of San Jose and Stockton, California.

Time was that most diners easily could tell the difference between grandma's preserves and those that sneaked in under the guise of a tin can. But times have changed. The difference today, if any, is generally not in grandma's favor.



An hour spent in one of the huge Richmond-Chase plants is evidence why grandma and her daughters can no longer save a dime or earn a compliment by "putting up" fruit in the family kitchen:

Within minutes of the time fruit is picked ideally ripe from California trees, it is hydrocooled (chilled in ice water to prevent its deterioration) and dispatched in big trucks and trailers at 50 miles an hour to the canning centers.

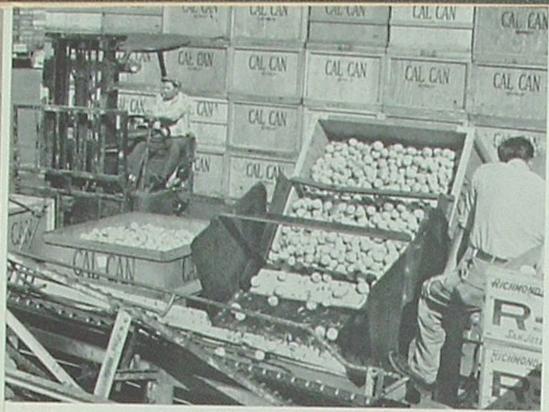
Richmond-Chase alone employs 3,000 people during the packing season, which begins with the apricot harvest in June and ends with the tomato and pear harvests in October. But people are principally an inspection force in the food processing and storage operation. Most of the work is done by machines. These 3,000 people and their high-speed machines account for an astounding volume of canned produce - over 100,000 tons of fruit and vegetables annually. Marketed under their "Heart's Delight" label are peaches, pears, tomatoes, fruit cocktail, apricots, asparagus, cherries, spinach, prune juice, and a major portion of the fruit nectars produced in the United States. The foods are distributed nationwide.

Promptly after arrival at the cannery, peaches, for example, in thousand-pound bulk-handling bins, are taken by fork-lifts from transports to belt conveyors. The bins are automatically dumped. A machine, specifically designed for peaches, cuts the fruit in halves and removes the pit. They are chemically peeled, thoroughly washed. In "cup-up" position, the peach halves pass under critical inspection of women, dressed and gloved somewhat like hospital nurses. Machines then automatically turn the peach halves "cup down" for a further quality sort. Flawless fruit is semi-automatically directed toward a waiting line of cans, which then mechanically receive sugar syrup and sealed lids before proceeding to the cookers. Labeling, warehousing and shipping are handled similarly through a system of maximum automation and rigid inspection.

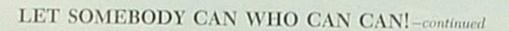
Inspection and research laboratories play important roles in Richmond-Chase processing. Constantly samples are being taken of fruits and liquids in their various stages of preparation. These are sent to the laboratory for most exacting chemical tests to insure proper flavor, color and bacterial properties. Samples of each "run," labeled as to origin and date of canning, are placed in laboratory storage as "references" in the possible event of future complaint or spoilage.

Research has made remarkable advances not only in duplicating grandma's best recipes but in developing containers and techniques that retain freshness indefinitely. The so-called tin can is today coated with numerous types of inner linings, each developed after years of experiment to harmonize with the widely different chemical natures of various foods.

continued



Hydrocooled California peaches, fresh from the orchard, are dumped on the conveyor-belt entrance to Richmond-Chase cannery.



It is a revelation to observe the cleanliness and efficiency of a modern cannery. To Union Oil people it is a fine compliment that our products are being chosen to meet the exacting requirements of Richmond-Chase. And to grandma—don't blush when we rave about your apricot cobbler, even if you picked 'em from a can of "Heart's Delight."

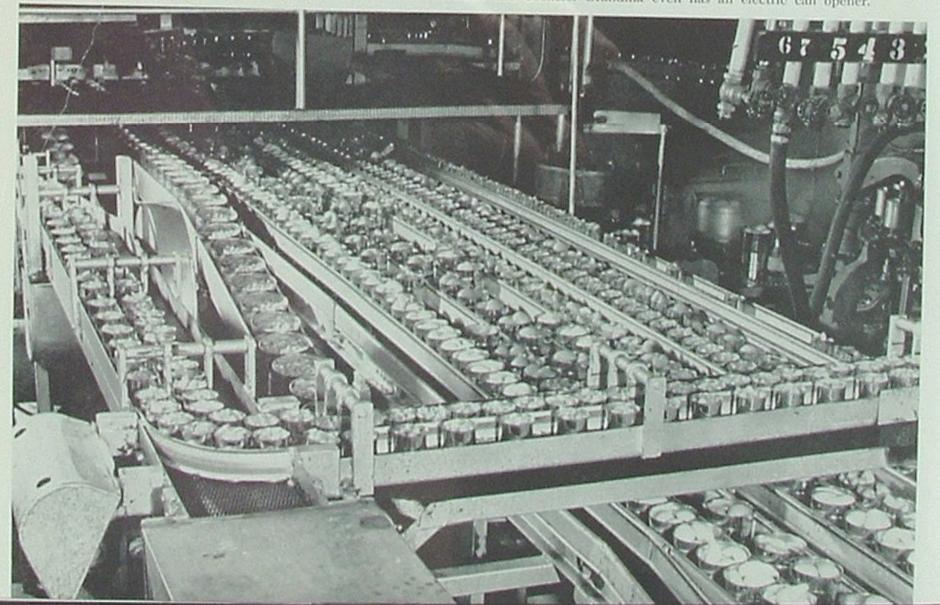
/THE END



Woman's role in modern canning is largely one of inspection. Above, peaches in "cup up" position pass in review; below, "cup down" fruit meets the final test.



Over 2,000,000 cans of fruit pass this point daily en route to sealers and cookers. Grandma even has an electric can opener.



Business Highlights of the Month

EXPLORATION Our manpower reserves.

One of the main organizational problems today is the replacement of top management people with trained and experienced personnel. Recently, several changes have occurred in the Exploration Department due to the retirement of the undersigned. It has been a real pleasure both to have known personally and to have worked intimately with the men affected by this reorganization. The

significant changes are as follows: Basil P. Kantzer, vice president and former manager of the Gulf Division in Houston, was transferred to Home Office as vice president in charge of Exploration

for the United States and Canada. Basil, a graduate of Stanford University in 1934, went to work in that same year as roustabout for Union Oil Company. He held numerous jobs in Field and Production, subsequently becoming manager of field operations. His transfer to Houston as manager took place in 1955 and subsequently he was elected a vice president. With many years of

field experience and his familiarity with Company policy, he is well qualified for the new duties.

E. C. Babson was transferred from manager of the Canadian Division in Calgary to manager of Foreign Operations with headquarters in Los Angeles. Our recent active interest in many new foreign areas has increased the responsibility of coordinating our exploratory effort

in areas outside the United States.

E. W. Scott, formerly geological coordinator on the Home Office exploratory staff, replaces Mr. Babson as manager of Canadian Operations in Calgary. He worked in Alaska, California, Florida and many of the Gulf Coast and mid-continent areas before being moved to Home Office a few years ago to serve as liaison between various operating divisions and management. He is especially well qualified to supervise our immense acreage holdings and the exploratory effort in Canada.

K. C. Vaughan, former manager of the Natural Gas Department in Los Angeles, was transferred to Houston as manager of the Gulf Division, replacing Mr. Kantzer. "Kenny" has been connected with field and gas operations since his employment by the Company in 1933. The increasing importance of gas production and development, especially in the Gulf Coast area, is well known and his experience along this line will prove invaluable. John Fraser, assistant manager of the Gas Department, was appointed manager, replacing Mr. Vaughan.

Ray A. Burke, formerly chief geologist of the Gulf Division at Houston, was transferred to Midland, Texas, as manager of our West Texas Division. This will be a new geologic challenge for him. W. C. Raymer, Mr. Burke's able assistant in the Gulf Division, was appointed Mr. Burke's successor as chief geologist at Houston.

E. R. Atwill, former manager of operations for the West Texas Division, is being transferred to Los Angeles to assume important duties on the Exploration Department staff. He started as a well-site geologist in the Los Angeles basin in 1923 and through ability, hard work and conscientious effort has advanced steadily in the Company. He managed the West Texas Division for over nine years.

Administration of Exploration requires aggressive, vigorous, intelligent leadership, and the organizational changes that have taken place recently fulfill these requirements for Union Oil.

from Sam Grinsfelder

MANUFACTURING The finest will be finer.

Site preparation work for the Product-Quality Facilities at Los Angeles Refinery is nearing completion. Construction contractors are in the field and foundation work is now starting. Scope of the site preparation involved removal and relocation of equipment and utility facilities.

The increasing use of catalyst in petroleum refining usually focuses attention on the glamour catalyst, platinum, which we use in the gasoline reforming units. There are many other catalysts used at our refineries, such as alumina silica or clay-type catalyst at the Thermofor and Fluid Catalytic Cracking Units. The Alkylation Units, which produce high-octane aviation gasoline blending stocks, use sulphuric acid as a catalyst. The isomerization process requires aluminum chloride and hydrochloric acid. The conversion of sulfur compounds to liquid sulfur requires a catalyst in the form of bauxite or an aluminum clay. Some of these catalysts can be regenerated and reused, while others, such as the clay type, are used until exhausted and then discarded. The industry constantly is working to provide better and cheaper catalysts.

Manufacturing loaned to the City of Los Angeles a large-scale model of a Unifiner and gasoline reforming unit - the same model that was part of our industrial exhibit in Nagoya, Japan.

from J. W. Towler

TRANSPORTATION AND SUPPLY

Normal barge delivery of bulk products to Company terminals on San Francisco Bay and connecting inland



Because women account for well over 50% of the purchases made through service stations, the Company is inviting Union Oil dealers' wives to a series of "coffee" planning sessions. At one of the first meetings in Orange County were, above from left, Mmes. Walt Thomas, Dal Hash, Bill Garrett and Sparkle Hostess Janet Paull of Los Angeles.

waterways has been resumed following settlement of a strike against barge operators. The strike began last May. Our terminals at Monterey, Eureka and Coos Bay, formerly served by barge, now are being supplied by small tankships operated by Pacific Transport Co.

The Company teletype circuit between Los Angeles and San Francisco, formerly leased from Western Union, has been replaced by circuits on our own microwave system. The change was made without significantly increasing microwave operating costs and at no capital outlay for equipment.

To make way for a reservoir site on the Feather River Water Project, a one-mile section of our Junction-Oleum Pipeline has been relocated in the vicinity of Mountain House, near Tracy, California. Cost of this relocation will be reimbursed fully by the State Department of Water Resources.

from E. L. Hiatt

PRODUCTION Drilling expansion in 1960.

The program of the Field and Exploration Departments, budgeted for the first half of 1960, shows some expansion and a considerable realignment of activity compared with 1959 operations:

The Production Department's budget provides for participation, either as operator or partner, in 174 wells during the coming period, in which the Company's interest will be equivalent to 99 net wells. The comparable program covering the last half of 1959 consisted of 122 gross wells and 82 net wells. One feature of our 1960 operations will be stepped-up development drilling on our mineral fee properties in California. Sixty-seven gross field wells and 46 net field wells are provided for in the California budget, compared with 39 gross and 29 net wells during the six months just ended. Development work will be continued on a normal basis in our Gulf, West Texas, Oklahoma, Rocky Mountain and Canadjan Divisions.

The Exploratory drilling budget provides for a modest increase in activity and rate of expenditure. As in recent months, the major part of exploration activity will take place on several promising prospects in southern Louisiana areas, with lesser but quite active programs scheduled for the Pacific Coast, West Texas and Canadian Divisions. Considerably more emphasis is being placed on foreign exploration. Australia is the newest foreign geologic province to enter our picture, and exploratory work has been programmed for two areas of interest during the first part of 1960. Also, six wells are scheduled in our Argentina contract area.

from Dudley Tower

RESEARCH "Unicracking."

The recent announcement of Union Oil's new "Unicracking" process has created industry-wide interest and many requests for further information. Unicracking was developed to fill a gap in current refining technology so that the refiner could exert a greater degree of control on the production of low-value fuel oil stocks. Unicracking can be fitted into the refinery processing scheme so as to increase the production of high-octane gasoline and diesel oil. At the same time, the over-all production of fuel oil is reduced.

The unique characteristic of the Unicracking process is the catalyst, which causes stocks to crack into gasoline and diesel at yields in excess of 110 volume percent. The process operates continuously and produces zero fuel oil, as evidenced by a 16-week run just completed in the demonstration pilot plant located at Union Research Center.

Safety-conscious Research Department personnel have, for the second time, achieved the mark of two million manhours worked without a chargeable lost-time accident. The record extends from April 18, 1957 to November 30, 1959 — and is continuing.

from Fred L. Hartley

MARKETING

Union Oil products will meet the petroleum requirements of Morrison-Knudsen Company on a \$4,000,000 project in the Boise, Idaho area; of Gibbons and Reed, Salt Lake City contractors, on a \$5,095,000 freeway construction job near Castella, California; of Madonna Construction Company on a \$4,739,000 freeway project near Baxter, California; of H. C. Price Company of Bartlesville, Oklahoma on a pipeline installation for Transwestern Pipeline Company from Windowrock, Arizona to Needles, California; and of Shellmaker, Incorporated, who operate large dredges and other equipment on waterways throughout the Pacific Coast states.

Newport Dunes, a new tourist attraction and recreation area located in the upper bay of Newport Beach, California, is the site of a new Union Oil marine facility scheduled for completion within the next year.

Sales ticket imprinters, similar in principle to those used with retail credit cards, are now in use at all Direct Sales marketing stations. The imprinted data on wholesale delivery tickets should result in more efficient and accurate accounting.

from Roy Linden



At right, a new "76" service station in the business heart of Spokane, Washington is helping to fulfill that city's need for motoring convenience. The extra-large canopy and parking area occupy one-quarter block. The unit was lessor-built by the Paulsen Estate, Inc. and Mr. and Mrs. Charles Finucane—both prominent names in the cultural and economic growth of that area, Mr. Finucane, currently Assistant Secretary of Defense, is seen above with Theodore Galland congratulating Dealers Jack and Bill Schoedel for excellent grand opening.

ARE WE SOFT?-continued

The attitude of the American people has been described by John A. Patton, head of a Chicago management engineering firm, in the Chicago Daily News of Aug. 22, 1958, when he said, "After watching the Germans, it is my opinion that American people have become allergic to hard work. The average American has no desire to do a good job. He is just putting in time for a wage."

The American people must be made to see this condition in its true light. They must be shown that to continue this soft condition will lead to a permanent loss of the position which the United States now enjoys.

A realization of the situation may be brought about through education, but this may not be to any avail since the educators may have fallen into the same soft state.

Lawrence A. Appley, president of the American Management Association, in an address before the Industrial Relations Section of California Institute of Technology, said that to cope with the fact that we are a high-cost, low-quality nation, "Management must rebuild worker pride, competency, respect and productivity."

Management would do well to heed Lawrence Appley's admonition. Action on their part could help to get the American people out of this critical situation. So also must labor do something about the state we are in.

Organized labor has a big stake in this problem along with the stockholders of the corporations.

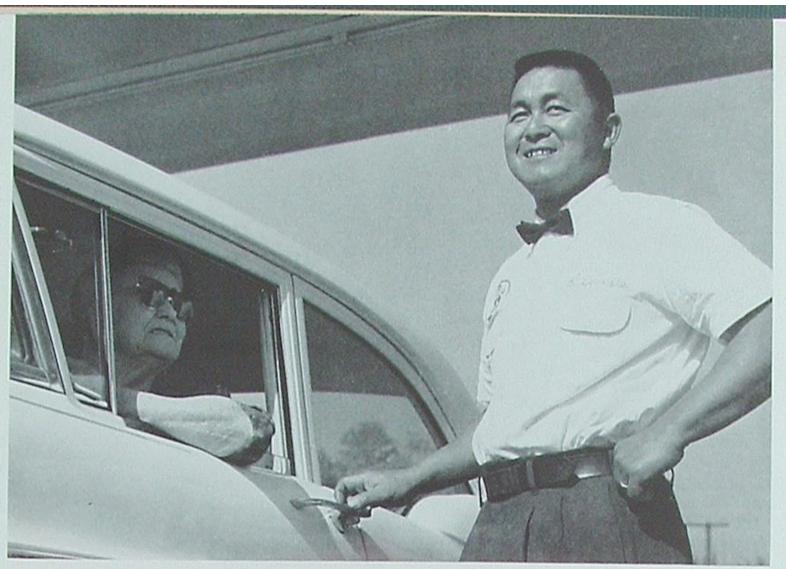
The group as a whole must take a strong stand against mediocrity.

Only when this stand is taken is there hope of the continual advancement of the United States and its prosperity and the attendant benefits to more of its people.

Reprinted through the courtesy of the Los Angeles Examiner

/THE END





Leong's secret of service station success is hard work and a life-long friendship with everybody in Bakersfield.

Among Lawrence Leong's nobler traits, (he's superstitious)

W E HAD HEARD of Lawrence Leong through several people who know him intimately. He is our service station dealer at 1661 Union Avenue, Highway 99, Bakersfield, California.

They say he is "well-fixed" — probably more than rich enough to forsake the sometimes rough service station business for something easy. But since December, 1947, when he first leased the station, he has stayed on the island and kept pumping. No job is too servile; he waits on the trade, greases cars, cleans windshields, scrubs the restrooms. His wife keeps the service station books and does the banking, besides caring for an excellent home. Their son works part-time at the station while attending Bakersfield High School. Their hours are long, weeks are weekend-less, vacations are short and infrequent. But the Leongs are uncomplaining.

For America and relaxation, Lawrence puts on his flying togs at least once a month and keeps in jet-plane flying trim for the U. S. Air Force Reserve. His fighting record, beginning in 1941, as an Air Corps mechanic, pilot and Chinese interpreter in the China-Burma zone, is at least an honorable one. He is now a captain.

"Here must be an exciting story," we thought—"maybe a war hero—or an emigrant from China making good on U. S. soil—or an American-born Chinese putting the merchandising talents of his ancestors to work on a '76' pump island." (He has doubled the sales of his unit to about 30,000 gallons a month.) From the exciting standpoint, we were mistaken. "Chinaman" Leong has never been to China except for transport flights over "The Himalayan Hump" during hostilities. His knowledge of the Mandarin and Cantonese dialects was gained in the Chinese communities of Bakersfield and San Francisco. He was born on a Kern County farm in 1917; graduated from Bakersfield Junior College just prior to the war; and knows half the people in San Joaquin Valley "like a brother." He dismissed the war, at least his part of it, with a meaningless shrug of the shoulders. His petroleum sales ideas were adopted entirely from Union Oil teachers. He shakes his head at being called successful and credits everything to luck.

When in desperation we asked Leong to pose for a picture beside his jet plane, he responded, "That's the last thing I'd ever do!"

"Why?" we insisted.

"It's bad luck. I'm superstitious."

"But other pilots do. Look at Lindbergh!"

"They're not superstitious. I am." He was sincere.

Obviously we were getting nowhere with the Leong story . . . then, a brand-new Chevrolet El Camino rolled in. Out stepped a venerable Chinese of "senior" citizen status, his face etched with many years and a perpetual smile. Leong's introduction was frank and informal: "Shake hands with Mr. Jung Joke. He can write you a check for a million dollars. He and my father were partners in the truck-farming business."

So, from quite an unexpected source, Jung Joke, came the story not only of Lawrence Leong but of a people who have pulled themselves up the entire height of America's success ladder:

A few Chinese came to western America probably on some of the first sailing ships to enter Pacific Coast ports. But their first mass migrations occurred during the Gold Rush, when there was a demand for cheap labor to work the mines and supply scores of menial services. Railroad construction a few years later brought thousands of additional laborers from the Orient. Canton, China, supplied a large portion of this working force who, after gold fever and rail construction had eased off, established communities in San Francisco, Marysville, Sacramento, Bakersfield and other California cities. Cast in roles of doubtful citizenship, most of these people worked and lived under the probability of having to return to their homeland.

George Leong, father of Lawrence, was born in San Francisco of Cantonese parents. Curiosity drew him on a visit to his parent's homeland in 1896, and, on returning with a shipload of Cantonese, he struck up an acquaintance with Jung Joke. Their friendship grew with the years, resulting in 1908 in their moving together to Bakersfield in quest of jobs as farm laborers.

Unable to find work at the going wage of 75 cents a day, they worked for many months as farm-camp dishwashers, without other compensation than food and lodging. Finally their kitchen apprenticeship won them an opportunity to work in the fields for wages.

The first vacation trip of these two back to San Francisco was made on a motorcycle over miserable dirt roads. They were so tired that 15 cents per day seemed only mildly excessive for a bay area hotel room.

Hard workers, money-wise, frugal and natural-born economists, the two young men worked only long enough, eight years, at farm wages to save a nest egg. Then they obtained a small tract of land and began growing vegetables for the city markets. Their friendship endured until the death of George Leong.

You can guess the remainder of this story. These two

Chinese and their wives and children, toiling among rows of vegetables under a hot San Joaquin Valley sun, were undoubtedly objects of pity to hundreds of better favored Americans back in Model-T days. But markets soon began to depend on Joke-Leong produce. Real estate men frequently found the two farmers good prospects for additional tracts of farm land—at a reasonable cash price. Bankers watched the Chinese savings accounts climb zero by zero to amazingly long figures. Radish by radish the names of Joke and Leong rose from the kitchen sink into California's commercial who's-who.

As Jung Joke smilingly unfolded the rough tapestry of Chinese-American life, an empty produce truck pulled off Highway 99 into Leong's station. Stepping from the passenger's seat with a sheaf of invoices in his hand was a slender, good-looking young man dressed in blue jeans and a leather jacket. He reported to the older man the vegetable price trend in Los Angeles.

"He is my son," Mr. Joke advised as the young man turned away. "This also is my son working here for Lawrence in the service station. They are learning how to work and handle business. It is good for the young to know."

"Then you don't believe in making life easier for your children?" we pursued.

The elder one's answer was prophetic. He said in effect: "A man has no regret for the work he has done, only for the mischief he has done in idleness. These boys and Lawrence were raised on the farm. They worked hard and learned obedience. They were taught how to till the soil—how to market the crops—how to make good use of their money. Also they worked hard in school to learn things their parents did not know. Now they are becoming men with families and problems of their own. If they have learned to work and to save and be happy, there is no worry. Maybe soon they take a motorcycle ride to San Francisco. Ha!"

"Are all Chinese superstitious?" we asked as Lawrence finished servicing the Chevrolet.

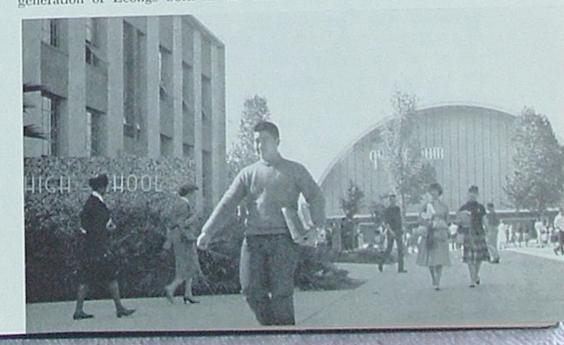
"No," Jung Joke replied, "only Lawrence is superstitious. I sit in his airplane; you take my picture, eh? Ha!"

THE END

Lawrence Leong's (at right) introduction was frank and informal: "Shake hands with Mr. Jung Joke."



Larry, Jr., currently a student at Bakersfield High School, is the third generation of Leongs born in the United States. He is good at math.



"Processionary Caterpillars"

"Processionary caterpillars feed upon pine needles. They move through the trees in a long procession, one leading and the others following — each with his eyes half-closed and his head snugly fitted against the rear extremity of his predecessor.

9

"Jean-Henri Fabre, the great French naturalist, after patiently experimenting with a group of these caterpillars, finally enticed them to the rim of a large flowerpot where he succeeded in getting the first one connected up with the last one, thus forming a complete circle which started around in a procession which had neither beginning nor end.

"The naturalist expected that after a while they would catch on to the joke - get tired of their useless march and start off in some new direction - but not so.

"Through sheer force of habit, the living, creeping circle kept moving around the rim of the pot - around and around, keeping the same relentless pace for seven days and seven nights – and would doubtless have continued longer had it not been for sheer exhaustion and ultimate starvation.

"Incidentally, an ample supply of food was close at hand, and plainly visible, but it was outside the range of the circle so they continued along the beaten path.

"They were following instinct — habit — custom — tradition — precedent — past experience — 'standard practice' — or whatever you may choose to call it, but they were following it blindly.

"They mistook activity for accomplishment. They meant well, but they got no place."

We cannot be processionary caterpillars and adequately discharge our responsibilities.

> -Quotation from an address by Paul R. Beal

As a nation thinks . . .

Luck, Wisconsin October 29, 1959

Chairman of the Board Union Oil Company Dear Sir:

I am just a laboring man working in a greenhouse, where we slowly eke a living out of the soil.

When I see how much goes to the government for all the various taxes, it makes me hot around the collar. Sure am glad to see industry (I like your articles) finally showing an awakening. But man, is there ever a long way to go! You should hear the farmers hereabout blame the capitalists for inflation. Labor (organized) surely has the whole country, even the people that inflation hits the hardest, so propagandized that they will never see the dawn in this generation.

I was in the armed forces for 4½ years during World War II and, without any qualms, there is the major factor of inflation. The waste cannot be justified in any way, yet it goes on and on and on and on and on . . .

As soon as someone suggests some genuine economy (like Wilson, defense secretary about two years ago),

they jump on him like a pack of wolves from every direction (Reuther yelling the loudest). Even senators (one who blats the loudest around here is Humphrey, a presidential hopeful) yell to high heaven about strontium 90, fall-out and junk that don't amount to a hill of beans. But ever since the steel strike, which is labor's baby, he's quiet as a mouse. Yet around here and in the twin cities, Minneapolis and St. Paul, they eat it all up like dessert. I surely give it to any Minnesota friends I did have whenever the chance arises.

What puzzles me tho' is the situation where we have senators whose honesty and integrity no one questions, yet they never seem concerned about how taxes and inflationary tendencies keep private enterprise (particularly new ideas) from getting started or old ones from expanding.

There's a similar situation in the armed services, where we have generals whose loyalty to the U. S. you know is 100%, yet they overlook the waste and other fool-headed things the services do without any alarm or protest. To this day it makes me mad to think of all the inspections we had in the services—shined shoes, straight neckties, clean rifle barrels—but not one of those officers ever worried if we could shoot straight and really be mean with that rifle under any condition.

Boy, I can ramble when you leave an opening or ask for comments to the board chairman. But I can also quit. Yours truly,

(Signed) Paul B. Anderson

P. S.—Fishing is pretty durn good, but lost a big musky last week. He'll go 40 pounds. Know where he is. Will work on him.

This country's top intelligence expert, Central Intelligence Agency boss Allen W. Dulles, told congressmen last week that Khrushchev's boasts of giant economic strides in Soviet Russia were propaganda. He said he didn't believe the Soviet Union soon would overtake the U. S. in economic production. He thought even Khrushchev had given up the idea of any immediate success along those lines.

However, Mr. Dulles did not claim the Soviet economic effort could be dismissed as inconsequential. He said:

"The Communists are not about to inherit the world economically. But while we debunk the distortions of their propaganda, we should frankly face up to the very sobering implications of the Soviet economic program, and the very striking progress they have made over the last decades."

THE DANGER IS not so much that the Soviet economy, by its own effort, will catch up with the U. S. It is that the U. S. will allow its economy to stagnate until the Reds pass it. The U. S. was just about the only major nation in the world whose exports decreased rather than increased last year. The only U. S. export that picked up was gold—and the nation's gold reserves sagged sadly and continue to sag.

Recently Britain, France, Japan and other countries have relaxed restrictions on various U. S. trade items.

This is due in part to the fear the U. S. would retaliate against foreign restrictions. It was also due to the fact that the economies in many countries have improved to the point where they can absorb more imports. However, this does not portend any sudden increase in U. S. exports. Two things militate against that. First, although restrictions against imports are relaxed, there still will be high tariffs imposed on nearly all U. S. goods. Second, high wages in the U. S. mean prices too high for the pocketbooks of most foreigners.

THE WAGE-PRICE spiral is pricing the U. S. out of many foreign sales. The recent steel strike hurt not only the steel industry, but many others as well. For instance, the automobile industry is facing an ever increasing flood of foreign imports. The steel shortage will cut down on the number of U. S. cars available in the coming months, and foreign cars will step in to fill the gap, giving U. S. manufacturers a blow from which it will be hard to recover.

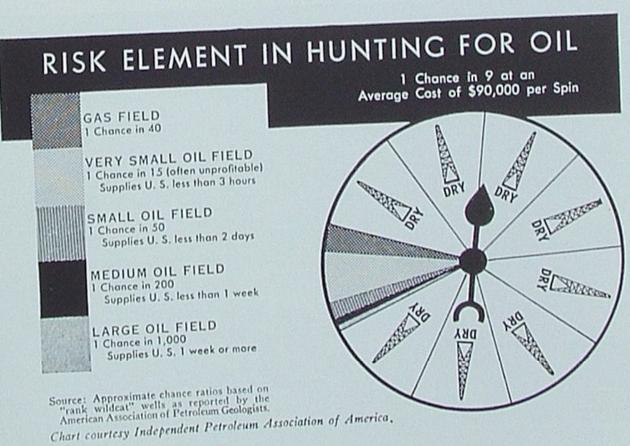
As we have said often before, the present schedule of depreciation allowances for taxes is so restricted that it is difficult for U. S. firms to retool and modernize while most European factories — including those in Soviet Russia — have been reconstructed since World War II. And that's another strike on the U. S.

This nation must settle down and lick the inflation problem, the wage-price spiral problem, the rebuilding problems. No, we don't think the Reds can catch up to us economically through their own efforts. But the U. S. economy could sag so badly that it could be passed unless a healthy economic climate is created in this nation. The U. S. must keep ahead in the economic race, but it won't do so by accident.

Published through the courtesy of Phoenix Newspapers, Inc.

/THE END

How would you like to play a game that costs \$90,000 a spin and offers you only one chance in a thousand of hitting it rich? You're taking such chances every day if you're in the exploratory oil game.



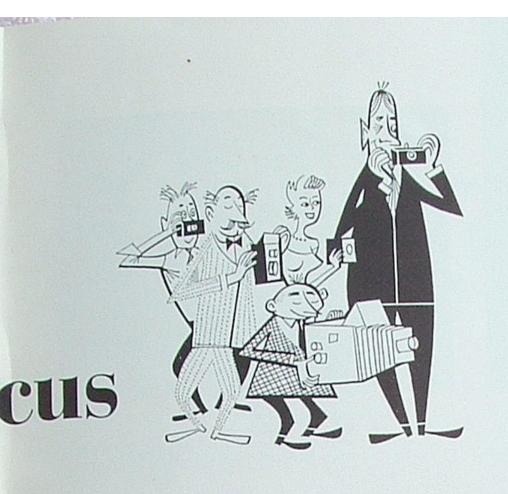


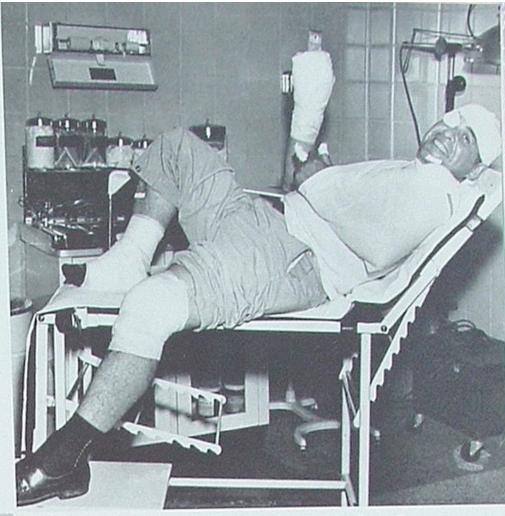
in fo

THE UNION OIL GIRLS' CLUB of Los Angeles staged probably the most hilarious show in its history on November 18 at Union Oil Center Auditorium. Reviving a minstrel show originated by club members back in 1939, the girls did a song-dance-and-joke routine that had an audience of over 200 rolling in the aisles. In one of their dance numbers (below) they were joined on the stage by "Hoofers" Reese Taylor, Nick Ugrin, Howard Rebinson and "Cy" Rubel. In another skit (above) the girls gave their impression of Sam Grinsfelder, Dudley Tower, Bill Butler, Tal Ledbetter, Otto Gillingham, Harry Aggers and Kenny Vaughan frolicking at a Union Oil picnic. During a more serious hour of the evening, after dinner, President Rubel was the featured speaker. The club, currently presided over by Liz Fisher (at right), participates in a number of community-betterment projects in addition to having a wonderful time.











"IT DOESN'T HURT A BIT," insists Joe Avilez of Oleum Refinery, despite all the bandages. Actually Joe symbolizes what would have happened to employees in his Gasoline Treating Department if the statistical rate of injury had prevailed. However, the department worked an entire year without a reportable injury; none of the statistical injuries took place. Joe is actually sounder than a dollar.

Aided by such departmental performances, Oleum Refinery again won the "Green Cross" banner for working one million manhours without a lost-time injury. Receiving the safety flag are, from left, H. A. Christman, Grady Russell, W. I. Hays, Byron Nisson, J. L. Dailey, Harold Alt and W. T. Jameson.

W. T. Jameson.

"BILL" THOMPSON, the Company's manager of public service, is seen at left receiving from Executive Field Director Walter Hall the Boys' Club of America medallion for "unusual service devoted to boys." The award was announced by National Chairman Herbert from Hollywood Citizen News Hoover.



MILLIONAIRES ALSO are employees of the Bulk Transfer Unit, Los Angeles Refinery, who won the big Safety Recognition Award by working from January 4, 1954 to November 6, 1959 – one million manhours – without a disabling injury. Identifiable in the presentation photo are, from left, Sheila Lilly, Ed Welton, Sherm Simpson, Bill Brayley, Bob Jones, Stan Thompson, Pete Rowlands, Pete Noss, Lee Jule, Leo Hayes and Hal Jones.





GRAND OPENING of Seattle's new \$13 million Norton Building on October 30 attracted over 4,000 people. Since Union Oil products are featured in the building's garage by its operator, James A. Villata, many Company people were among the guests and hosts. At right above, Union



Oil Sparkle Director Lois Trafton extends a rose-bud welcome to Mr. and Mrs. D. K. McDonald, tenants of the building and Union Oil customers. At left, Mr. Villata welcomes the assistance of Retail Sales Supervisor G. D. Smith.



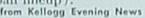
MARVIN DUPUY, Union Oil pumper in the Reinecke Field, West Texas Division is acclaimed the champion catfishermen "of these parts" for having caught 11 fish weighing a total of 202 pounds during a four-day outing on Lake Thomas. from Big Springs (Texas) Herald



DEALER JERRY MALONE of Palm Desert adapted his pump-island sign to unique use during the most recent visit of President "Ike" to California. Probably the President didn't stop in to fill 'er up, but Jerry's working on 'im. from Joe Garvey

DEALER WAYNE ROSS of Kellogg, Idaho, Mrs. Ross and their son Larry (all seen in front of doorway) have been commended by their town for three successive years of generosity toward Little League baseball. They turned over three days' service station profits (\$240) to Kellogg's six-team organization. Among other Union Oilers who donated their services to Wayne's spe-cial duty were Dealer "Scoop" Ellis-ton of Wallace (standing at extreme right) and Retail Reps. J. R. Kirk-land and W. D. McFaddin (kneeling at right of baseball lineup).

From Kellogg Evening News





RETIREMENTS

January 1, 1960	Service Date
ALBERT BERNSTEN Los Angeles Refinery	March 3, 1926
HENRY CARDOZA Oleum Refinery	April 21, 1920
WILLIAM M. CONLEY Northern Division Pipeline	July 2, 1918
WILBUR T. FAGAN Southern Division Field	April 27, 1934
HAROLD D. GRAVES, JR. Oleum Refinery	December 4, 1918
SAM GRINSFELDER Exploration	December 22, 1922
BEN HEMMERLING Southern Division Field	November 26, 1919
ROY LEMMON Southern Division Field	June 1, 1917
OPAL G. MANNING Coast Division Field	June 3, 1947
EVA MAY Land Department	November 29, 1935
ELMER C. ROGERS Comptroller's	January 1, 1923
IVAN R. SWEARINGEN Los Angeles Refinery	January 22, 1921

IN MEMORIAM

Employees:

RODNEY T. PHIPPS November 5, 1959 Field Department, Canada FRANK G. TURNER December 6, 1959 Northern Division Pipeline

Retirees:	
DON C. CONDON Southern Division Field	November 3, 1959
LOUIS H. FREMBLING Oleum Refinery	November 4, 1959
LEN I. MESSINGER Property Administration	November 9, 1959
HOWARD HINTON Southern Division Pipeline	November 13, 1959
JESSE C. BALL Orcutt Refinery	November 15, 1959
ALBERT J. KUBLER Southern Division Field	November 28, 1959
RAY H. CALDER Northern Division Pipelines	December 3, 1959
LINDSAY HOLLIDAY Draftsman-Home Office	December 5, 1959
THOMAS B. LEWIS Oleum Refinery	December 8 ,1959

SERVICE



EMPLOYEES

January 1960

40 YEARS

J. HOWARD ROBINSONPipeline-Home Office

35 YEARS

CECIL F. RICHARDS......Oleum Refinery STANLEY G. WISSLER......Exploration-Home Office

30 YEARS

CHARLES B. BROWN...... Southern Region Distribution HAROLD G. CLARK.....Oleum Refinery HARVEY T. COLBY Engr. & Constr.-Home Office CLARENCE D. HOPFIELD......Direct Sales-Portland JAMES F. McGOWAN.....Industrial Relations JOSEPH F. SANFORD Direct Sales-Home Office JOHN C. WUNDERLICH......Oleum Refinery

25 YEARS

CHARLES G. McGRORY.....Southern Division Field ROBERT H. RATH.....Territory of Hawaii JOHN J. REDMAN......Northern Division Field

20 YEARS

HARRY A. BOLEN, JR.....Oleum Refinery JACK S. COWIE......Retail Marketing-Pasadena RAYMOND G. HUGHES.....Los Angeles Refinery NICHOLAS M. NORTON....Retail Marketing-Phoenix

15 YEARS

EDMUND C. ALLISON......Direct Sales-Coachella WALLACE C. BROWN.....Los Angeles Refinery LEONARD COUGHRAN......Oleum Refinery LOYD V. DUDGEON......Oleum Refinery WARREN G. DULIN Northern Region Distribution ROBERT F. ENRICH......Central Region Distribution WILLIAM H. JAMIESON....Direct Sales-San Francisco MARY J. LEAR.....Purchasing-Sante Fe Springs GRACE J. LITTEER.....Comptroller's-Home Office FRANK MALOVICH.....Los Angeles Refinery MARY E, McGUIGGAN......Oleum Refinery JACK W. MOORE.....Los Angeles Refinery RENALDO J. NAJAR.....Exploration—Bakersfield HOMER E. RATHBUN......Secretarial-Home Office MARJORIE E. SAMP...... Direct Sales-Portland WOODROW W. WILSON.....Los Angeles Refinery

10 YEARS

WILLIAM BROOKS.....Southern Division Automotive ARTHUR L. DITTRICK. Properties Admin.-Home Office JOHN P. ENNIS...Transportation & Supply-Home Off ROBERT L. GREENMAN....Retail Marketing-Pasadena JACK HOUGHTON......Comptroller's-Home Office JOSEPH B. STONE, SR......Cut Bank Refinery

DEALERS

January 1960

30 YEARS

VENTURI & LIBERTO South San Francisco, California

20 YEARS

BOB CLINE Herford, Arizon CARL P. DEAN......Coupeville, Washington OSCAR C. GUSTAFSON......Redwood City, California

15 YEARS

TONY FARIA......Richmond, California

10 YEARS

WALTER BARKETT.....San Francisco, Californi C. H. BENTZ.....Snohomish, Washingto JOSEPH CADLONI, JR......Paso Robles, Californi JAMES C. TRACY......San Francisco, Californi

5 YEARS

KENNETH V. ALVESTAD.....Sacramento, Californi CRAYTHORN'S GENERAL MERCHANDISE

North Sacramento, Californi DAVID J. FOSTER.....Seattle, Washingto VERN E. SESSION......Avondale, Arizon SNOW FORD SALES.....Lynden, Washingto CHARLES W. SPEARS......Tucson, Arizon JACK TSUDAMA......Fresno, Californi JOSEPH & HARRIETTE ZWYSSIG....Nicolaus, Californi

CONSIGNEES - DISTRIBUTORS

January 1960

5	YEARS			
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R. P. BRADLEY 20 YEARS

Holbrook, Arizon

HATLEY OIL COMPANY......Tucson, Arizon HONOKAA SUGAR COMPANY.......Honokaa, Hawa

15 YEARS

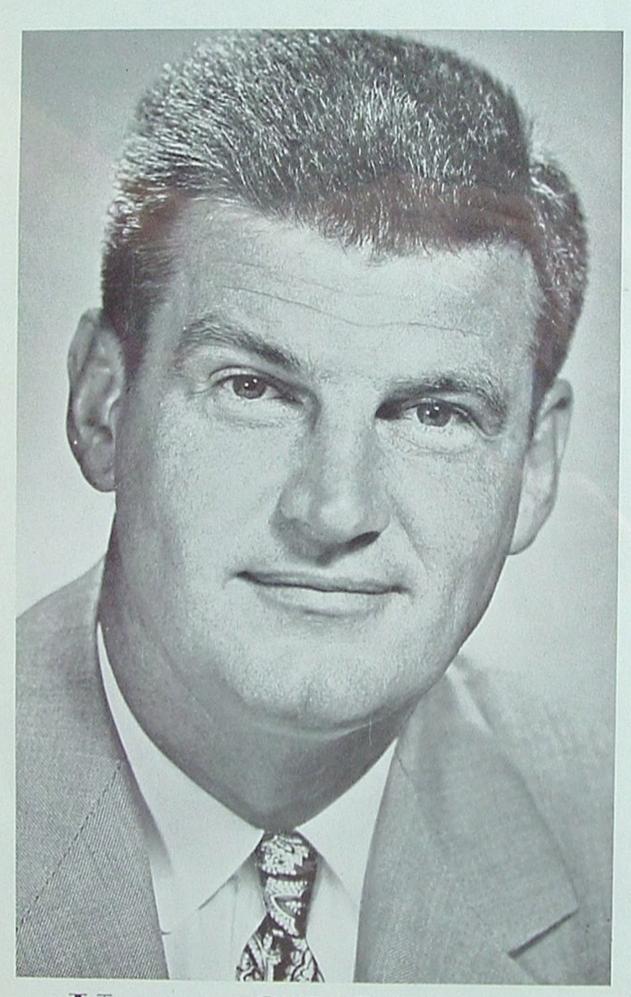
STRANAHAN OIL COMPANY......Butte, Montar

10 YEARS

OWEN D. GREEN......Winslow, Arizon JACK HINCKEL Kodiak, Alasi VICTOR RAAHANGE......Vallejo, Californ ARTHUR J. THUNEM......Plentywood, Montar

Charlie Smith

The big gamble in Alaska-Part II



"More than a year ago, we wrote here:
'Now that Alaska is on the verge of statehood, the petroleum industry is gambling
that it will be a richer source of oil than
it has been of gold.'

"Two-and-a-half million dollars later (Union Oil's cost in a joint exploration with The Ohio Oil Company), we discovered a rich, natural-gas zone in a 15,000-ft. well that we drilled near Anchorage.

"Since there was no set-up for distributing gas in the area, it looked as though we'd have to cap the natural gas, leaving it unused.

"But a city election was held; as a result, a local company was created to distribute the gas. The field will be developed further, a transmission line and distribution system built.

"This will cost some twenty million dollars. But when the job is finished, Anchorage will have gas for its homes, businesses and industries—at a lower price than it paid for heating oil.

"This seems to me a good example of our free enterprise system at work. Because we had a realistic incentive, we were willing to gamble that we'd find oil in Alaska. Although the well yielded no oil, it may return some of the money we've already spent in Alaska."

Charlie Smith is manager of operations for our Alaska division. He mentions the incentive for our Alaskan exploration. That incentive is profit—the backbone of U.S. economy.

So long as the incentive exists, our national economy will prosper. In the Anchorage exploration, it led to an unexpected source of wealth for the common good. We hope to recover our investment eventually and have more funds for continuing our oil search in the 49th State.

The big gamble in Alaska has started to pay off—and the story is not yet over.

Union Oil Company of CALIFORNIA



MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL