

SEVENTY ⁷⁶ SIX

Union Oil Company of California

APRIL 1960





Emil and George Lerno, owners, Lerno Brothers, El Centro, California

T5X...12,000 hours with no motor maintenance

"T5X has eliminated our lubrication problems for over ten years now.

"We had one D-7 'Cat' that ran 12,000 hours without needing motor maintenance. And, during summers down here, we'd work that 'Cat' 24 hours around the clock—in temperatures that hit 120°.

"Lucky? Not especially. We have to work all of our equipment hard in this valley. That's why we give it the best of care. In that D-7, for instance, we'd change oil every 150 hours—and it would run 100 hours without burning a drop."

The Lerno Brothers' enthusiasm for T5X extends to other Union lubricants as well. There's at least one Union

Oil product in their wheel tractors, their T-14, and their brand new D-7. The Lernos know the value of keeping machinery ready to operate at all times. They have to—they farm their 1200 acre spread on a year-round basis.

Once *you* try Union Oil lubricants you'll agree with the Lernos. Because, for over fifty years, thousands of western farmers have found that they're *the finest!*

UNION OIL COMPANY 
OF CALIFORNIA

UNION OIL CENTER, LOS ANGELES 17, CALIFORNIA

APRIL, 1960

THE COVER: Alaska's first natural-gas bonfire was lighted in December, 1959 for civic leaders and newsmen from Anchorage. For Union Oil's part in discovering this important natural resource, see the report on Page 4.

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is a Union Oil Company of California 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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What is Our Election Year I. Q. ?

At a recent western meeting of 40 highly-skilled and supposedly politically-informed oil men, a five-minute written quiz was conducted:

One question asked was "How much is the total state and federal gasoline tax per gallon of gasoline?" Fifteen of the 40 oil men didn't know. Other answers ranged from a 4¢ low to an 11¢ high.

Can you and I answer the same question correctly without consulting the nearest gasoline pump?

Only half of the quiz takers could name one representative in his state legislature, and fewer than half could name a state senator from his home county.

Can you and I name our representative in the United States Congress? Our U. S. senators from the home state? The legislator we last sent to represent us at the state capitol?

(Yet, it is to these too-little-known and too-soon-forgotten public servants that we delegate tremendous authority over our lives and well-being. In the name of "government" they pass laws and measures affecting us every minute of every day. They speak for us in international affairs and disputes. They levy taxes and decide how this lion's share of the nation's earnings will be spent. Men of such power need our most thorough acquaintance.)

Had this same group of quizzed oil men been asked to designate the final day a citizen may register in order to qualify as a voter in the forthcoming election, the results might have been even more embarrassing.

For your enlightenment and mine, here are the primary closing dates:

Alaska	Date to be announced soon
Arizona	July 8
California	April 14
Colorado	August 13
Hawaii	September 2
Idaho	August 9
Louisiana	June 27
Montana	April 14
Nevada	August 6
New Mexico	April 10
Oklahoma	June 5
Oregon	April 20
Texas	February 1
Utah	September 8
Washington	August 13
Wyoming	August 16

Have you registered yet?

Union Oil and Ohio discover **First natural gas**



Seen during drilling operations is the third natural gas well drilled on Union-Ohio holdings, Kenai Peninsula, Alaska. It is 2½ miles from the discovery well.



gas field in Alaska

In the winter twilight of December, 1959, a committee of civic leaders and newspapermen from Anchorage joined Union Oil people in lighting a giant gas flare (seen on the front cover of this issue). The blazing ceremony, lasting only moments, marked the opening of an important natural resource in the state of Alaska. For feeding the torch was a natural gas field of substantial size — the first of commercial stature ever discovered in Alaska.

It was through the exploratory efforts of Union Oil Company and Ohio Oil Company in a joint venture on the Kenai Peninsula that this field was discovered. The initial well, located 6½ miles south of the town of Kenai, is within about 75 miles of Anchorage, as the airplane flies. By paved roadway, which circles Turnagain Arm of Cook Inlet before winding westward to the production site, the distance stretches to 160 miles.

Nearness of the field to Alaska's largest city is one of the most fortunate aspects of the discovery. It means that our largest state's first commercial production of natural gas can be transferred at relatively low cost by pipeline to a market where it is most needed. In fact, the city of Anchorage has already authorized a gas franchise to Anchorage Gas Corporation, and the latter has contracted with Union-Ohio for their requirements of natural gas. A pipeline and distribution system being built by Anchorage Gas at a cost of about \$16,000,000

are scheduled to begin operation by December, 1960.

Though the history of petroleum interest in Alaska dates back many years, it was not until 1957 that the current oil boom got under way. In July of that year, a joint-venture wildcat, owned by several major oil companies including Union and drilled by Richfield, came in as an oil producer. It stimulated new excitement in the Far North and resulted in an industry-wide scramble for mineral rights throughout the entire territory.

Among the good prospects were large holdings on the Kenai Peninsula acquired jointly by Union Oil and Ohio Oil prior to the oil discovery. In an agreement between the two companies to share costs of exploration, Union was designated as the operator.

Our first well, Kenai Unit 14-6, was spudded on May 28, 1959, just three-fourths of mile inland from Cook Inlet. At a depth of 4,232 feet, while the drilling crew was *pulling out* of the hole, the well blew out — that is, natural gas under high pressure shot to the surface and began blowing wild. After about 10 hours of counter measures the well was brought under control. The drill pipe was recovered and drilling was resumed.

Having determined to test some of the deeper Kenai formations, we continued drilling this well to a total depth of 15,047 feet, which is the deepest hole thus far drilled in the 49th state. However, no petroleum of commercial importance was found at the greater depths. The

continued



Joe Dockwiler, Union Oil scout, followed a blizzard into the Kenai to check on signs. The discovery well, background, is housed as a protection against snowdrifts and moose.

GAS FIELD IN ALASKA—continued

well was plugged back to 4,606 feet and completed in one of its several gas sands.

Kenai Unit 14-6 has been tested at 31 million cubic feet per day through a 7/8 inch bean.

To assure deliverability and standby requirements as stipulated in our contract with Anchorage Gas Corporation, two follow-up wells have been drilled on the Union-Ohio acreage. Kenai Unit 34-31, located one mile north of the discovery well, has been tested at 17 million cubic feet per day. Kenai Unit 33-30, located 2½ miles north of the discovery well, was tested at 15 million cubic feet per day. Having gas reserves of this magnitude, the field

appears more than capable of serving fuel needs at Anchorage. We are currently looking for additional markets.

Over the past 25 years, Union Oil geological and geophysical parties have surveyed the major sedimentary basins of Alaska. These and our current studies will govern our future leasing program and have already resulted in other promising land acquisitions.

In addition to the Kenai Peninsula tracts, Union Oil has large acreage blocks located in the Copper River Basin, 125 miles northeast of Anchorage.

At Alaska's first state sale of tide lands on December 10, 1959, Union-Ohio were successful bidders on all par-



At road's end on the Kenai, a Union tank trailer serves as fuel base for helicopter. The refined oils are trucked from Anchorage.



Shot-hole drilling equipment is designed to be pulled by tractor or lifted to location by the Sikorsky.



Alaska's deep freeze here is always supplied with moose meat on the hoof.

At a typical homesteader's cabin on the Kenai, Division Landman W. E. Thompson talks to property owner about leasing mineral rights.



cels of land of joint-venture interest to us. We bid \$2,542,615 to acquire 10,936 acres of mineral rights. Of these parcels, 5,554 acres were contiguous with the Kenai gas discovery. The remainder was bid-for acreage at the crest of one of the state's largest anticlines. We are hoping that the latter structure will be productive of both oil and gas.

Perhaps the accompanying pictures will give Union Oil people some idea of the work, excitement and relaxation prevailing on the Kenai Peninsula during winter-time while this important job is being done.

/THE END



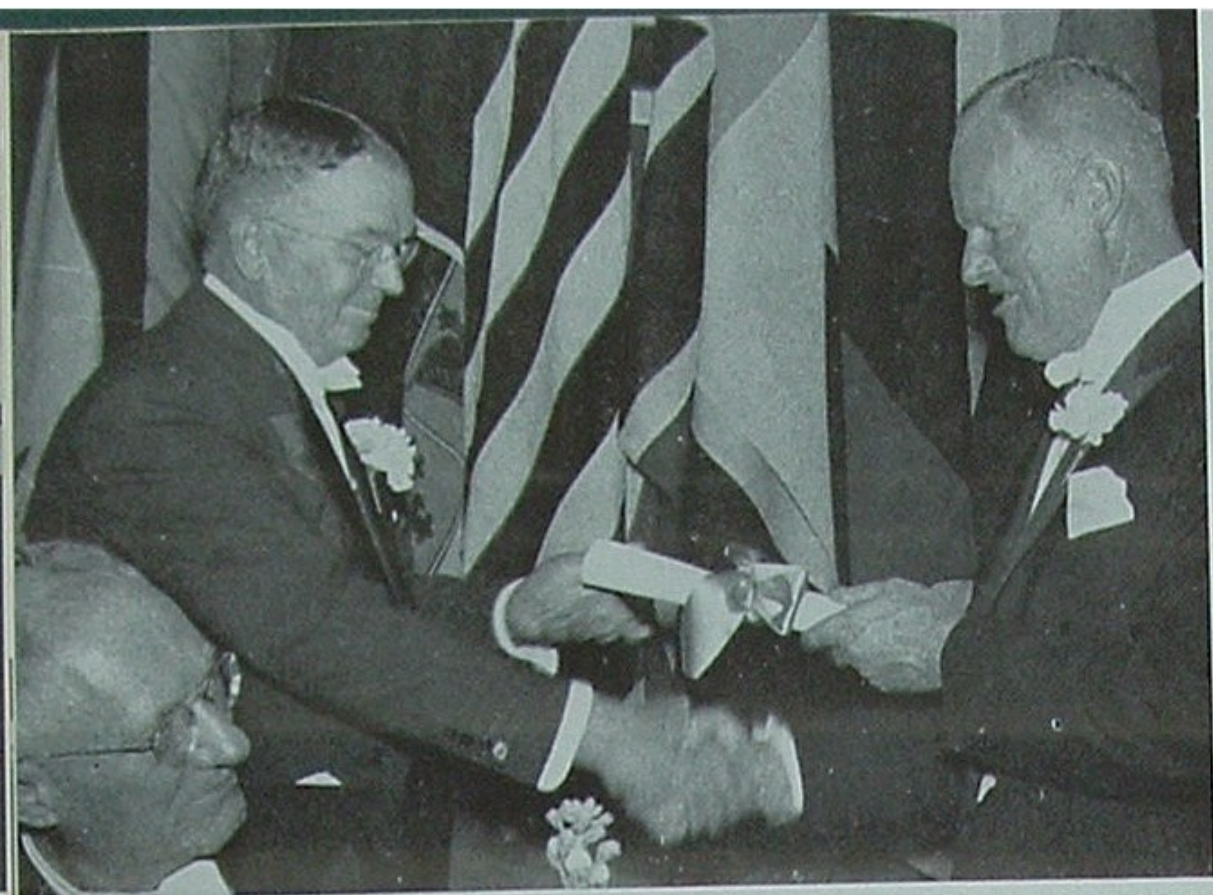
For winter seismic operations the helicopter is invaluable. The box it is carrying, above and at right, soon takes shape, below, as the recording hut.



Having drilled the first natural gas well in Alaska, Union Oil people are presently concerned with keeping the trail blazed.



Among Company men on location are, from left, Geophysicist D. B. Robinson, Scout Joe Dockwiler, Manager of Operations C. E. Smith, Division Geologist H. M. Lian, Comptroller's Representative W. R. Read, and Division Landman W. E. Thompson.



In New York Mr. Rubel, left, receives AIME honors from Chairman H. C. Pyle.



In Tucson he poses for the University of Arizona photo record with Dr. James D. Forrester, left, dean of Mines, and Dr. Richard A. Harvill, university president.

President A. C. Rubel thrice honored

After receiving the honorary degree of Doctor of Science, Mr. Rubel joins a lineup of distinguished Americans, namely, from left, Director Charles R. Kuzell of Phelps Dodge Corporation, Dr. Harvill, former U.S. Senator Henry Fountain Ashurst, Mr. Rubel, Senior Justice Levi S. Udall of Arizona Supreme Court, and Governor Paul J. Fannin of Arizona.



As announced by Chairman of the Board Reese H. Taylor, President A. C. Rubel will retire April 26 upon reaching the age of 65. However, his active association with the Company, dating back 38 years, will be continued. He will continue as director and member of the Executive Committee, and will be available for special assignments.

It is contemplated that Mr. Taylor will continue as chairman of the board and also serve as president.

As a fitting climax to the career of this outstanding oil man, who was accorded the Distinguished Service Cross during World War I, two leading American institutions summoned Mr. Rubel during February to receive special recognitions:

In New York City on February 17, at the annual banquet of the American Institute of Mining, Metallurgical and Petroleum Engineers, Mr. Rubel was presented the Anthony F. Lucas Gold Medal, an award first established in 1936 to recognize "distinguished achievement in improving the technique and practice of finding and producing petroleum." Only 16 other men have been so honored.

A citation accompanying the gold medal commends the recipient "For his pioneering foresight in the application of engineering principles to petroleum development and production practices, and for his fostering the development of many production techniques valuable to the petroleum industry. For his inspirational training and development of engineers not only to managerial, but also to social and political responsibilities."

Then on February 29 the University of Arizona College of Mines welcomed its 1917 graduate back to the

Probably joshing the geologist she married about his new doctorate and white tie is Mrs. Rubel, partner in an illustrious career.



Tucson campus to be the principal speaker at an awards dinner celebrating the university's 75th anniversary. Mr. Rubel's subject was "Oil Shales and Tar Sands as Sources of Future Petroleum Products."

During the dinner President Richard A. Harvill of the university arose and presented Medallions of Merit to 13 of the school's outstanding alumni. Among the 13 so honored was Mr. Rubel.

At the following 75th Anniversary Founder's Day Convocation on March 1, the University of Arizona conferred upon Albert C. Rubel the honorary degree of Doctor of Science. He also was cited on this occasion for having won the university's first annual Alumni Achievement Award in 1943.

Probably no man in Union Oil history has ever been better liked or more highly respected by his working associates. Some call him Mr. Rubel; most call him Cy. Everyone knows he's a regular guy!

/THE END

Founders' Day Convocation on the Arizona campus was a tribute to graduates of many years ago — and a challenge to Arizona's youth.

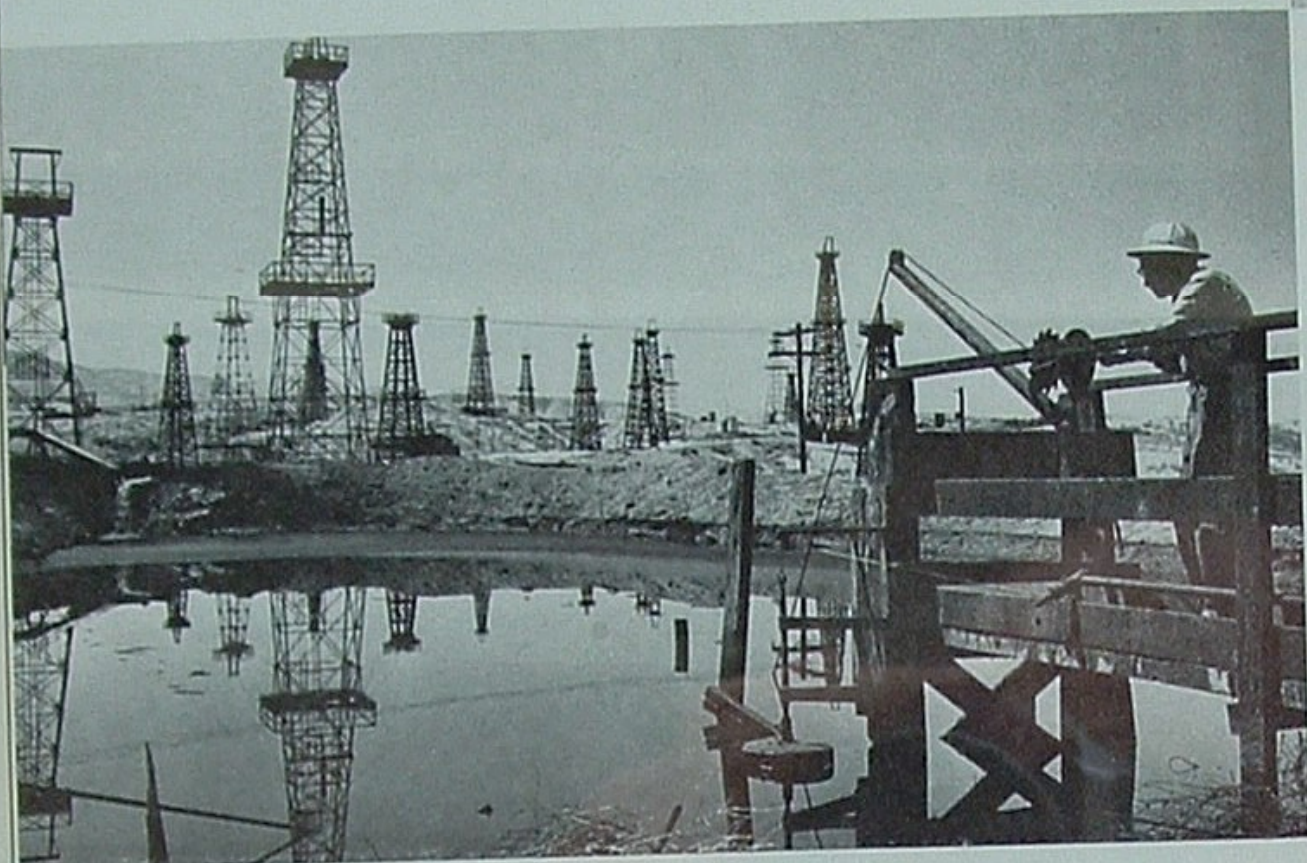


"HUTCH"...



These old bull wheels stopped turning in oil fields around 50 years ago.

But "Hutch" has been turning ever since to keep old fields productive.



...a one-man challenge to automation

"BUD" KNICK, production foreman of our fields near Taft, California, had taken us off the beaten path of Highway 33 to see a dozen old bull wheels abandoned in a gully of the Midway-Sunset Field. The wheels, used over half a century ago as spools for winding up the drilling line on cable-tool rigs, were indeed interesting. So was the forest of old wooden derricks that covered every acre of hill country as far as the eye could see.

But what stole the show was a wiry, round-shouldered figure of a man who buzzed through the field with all the energy of a bee in a bunch of buttercups. On his shining hard-hat was lettered the name "Hutch."

The amazing thing about "Hutch" was his omnipresence from the moment his "76" pickup truck first buzzed into the field until it buzzed out 30 minutes later. He seemed to be anywhere and everywhere all at once.

Like we were, "Hutch" was interested only in the oil field's dozen or so nectar-yielding wells with Union Oil labels. But on these nothing escaped his attention. His fingers felt the pulse of each well through its polished rod, the smooth shaft that constantly moves up and

down through the well's uppermost barrier of packing. He cocked an ear to catch any sound of engine or motor failure. Here and there he stopped to apply lubricants or adjust engine parts. V-belts on pumps were checked for tautness or sign of wear. He seemed to sniff the air to detect escaping hydrocarbons, if any.

Climbing an old stair to the level of several sulfur-eaten tank tops, "Hutch" used a steel tape to measure the liquid content of each. Moments later he opened valves at the tank bases to release bottom waste water into a nearby skim pond. Oil samples from the tanks were deposited in containers and placed in the pickup truck.

At the skim pond he turned a wheel that controls the water level of the sump, satisfying himself that only salt water, not the layer of oil on top, would go down the drain.

One or two of the wells seemed to demand emergency diagnosis from Dr. "Hutch." To one he prescribed a chemical that retards corrosion. To another he applied a remedy that decreases oil-water emulsion. And a record



Wooden derricks were interesting, but what stole the show was a wiry, round-shouldered figure of a man who buzzed through the field with all the energy of a bee in a bunch of buttercups.

of every gauge, temperature and prescription was faithfully entered in the doctor's little black book.

With this man there was no waste of motion, material or time. Each step was quick and precise. In 30 minutes and without a word he abruptly terminated his "buzzing in the buttercups" and sped off across the hills to other pastures.

"That chap seems all business," we commented.

Bud laughed. "Yeah, Hutch is our one-man challenge to automation. He operates this oil field all by himself. Not only that, he handles five or six other fields scattered around here for 50 miles. I don't believe we'll ever recommend trimming this one-man crew to half a man."

"You mean that one man operates that many fields! How many wells are involved?"

"Well, let's count 'em," Bud explored mentally. "There are 14 in the McLeod Field, 5 at Waite, 9 in Coalinga-Monterey, 3 in Gem, 9 at Dome Lease, 14 at E & M, 12 at Keane & Williams — that makes 66. In addition, Hutch alternates with another pumper on 33 wells

in the Maricopa Flats area. You'd be safe in saying there are times when he handles a hundred wells singlehanded. And he undoubtedly understands these old producers better than any other man in the world.

"You know," Bud continued, "oil wells have their peculiarities just like people. Some like to pump their oil at a slow, steady pace; others like to work fast one day, sit idle the next. A good field operator has to learn these peculiarities — not out of books but through long, patient association with each well.

"Hutch" — his proper name is L. W. Hutchason — is one of our 38-year men and first came to work in the Taft fields 35 years ago. He came west from a farm in Missouri.

"In 35 years a conscientious man can master nearly any job. And Hutch is the master out here. Did you notice how he touched the polished rod as it moved up through the packing? Just by feel and temperature he could tell whether the unit was pumping efficiently. Time after time, when reporting a broken sucker rod to the well-pulling crew, he has told them almost exactly

continued



Though the man's reflection may appear small in the skim pond, it is great in the estimation of producing oil men.

"HUTCH"—continued

the depth of the break. I believe he could run these fields blindfolded.

"About the only times we have serious trouble with *stripper* wells is when some ambitious young fellow, fresh out of engineering school, comes out here to apply modern technology. Quite often he gets into trouble. The old wells either sand up or stop pumping entirely — they're awfully sensitive souls. They usually ail and pout until the regular pumpers get back from vacation.

"The industry owes a lot of production to the experience, savvy and hard work of these oil field operators like Hutch. They're the men who keep many a well pumping years beyond its expected lifetime."

The contrast we had noted between ancient rigs in the Taft fields and modern units elsewhere throughout Union Oil's producing areas prompted other questions.

Bud responded: "The life of an oil field is almost entirely a matter of economics. When oil revenues fall below production costs, it is generally wise to shut down the field. Sometimes by cutting maintenance and operating costs to the bone, we can eke out a few more barrels of oil daily for several years. That is the case with hundreds of old wells in this area. But they simply don't produce enough oil to justify paint and improvements.

"On the other hand, great progress is being made in secondary recovery methods. Possibly a method may some day be applied to recover more of the huge oil store we know remains underground. By keeping the fields active until such methods are developed or tried, we stand a better chance of getting the oil out.

"Today many factors are threatening the existence of these and thousands of other *stripper* wells throughout America. Increased state production taxes, a lowering of the depletion allowance by Congress, lower prices for crude — any such discouraging factors could shut many wells down entirely, maybe even permanently.

"But Hutch has nothing to worry about. He's only a few *tours* short of a well earned retirement."

/THE END

Holes eaten in tank tops by sulfur fumes are no reflection on the field operator — the field simply doesn't earn repairs.





Sorry we didn't quite catch her name. But she understood our oil needs perfectly. In Japan also "Royal" Triton is the Finest.



"Gasorin Sutando"

from John A. Scott, Japan

That's what they call a service station in Japan — "gasorin sutando."

Maruzen Oil Company, Ltd., marketers of Royal Triton motor oil in this swiftly resurging part of the Orient, have 831 *gasorin sutandos* now in operation and an additional 30 planned for construction this year. Of the total 15 are company operated, the remainder dealer operated.

Our pictures were taken at one of the company-operated units in the highly industrialized city of Osaka. Motorists are attracted to the station by brightly lighted signs bearing Maruzen's swallow trademark.

The Minute Men who hurry out to your car to offer their services turn out to be maids — neatly costumed in the best western tradition but pretty in the tradition of either new or old Japan. Called Swa-Girls because of the swallow insignia on their caps and jackets, they handle their jobs with a pleasing combination of speed, thoroughness and politeness. Every car is serviced to perfection. The customer drives away in a flourish of courteous bows, with a friendly "Arigato" (Thank you) urging him to return.

/THE END

The Swa-Girls of Maruzen have adopted a certain "76" service station ad literally. They overlook nothing in providing the most thorough service.



'round a pot-bellied



stove

I almost missed the town of Nipton entirely. It was no fault of "Doc" McCaskey. Over my motel phone early that morning he had said, "Start where you are at Tex Cooper's Million-Dollar Golden Nugget Casino in Las Vegas and head south on Highway 95 for about 50 miles. At the El Rey Casino in Searchlight, Nevada, turn west. In the next 20 miles you'll pass through the prettiest Joshua tree forest this side of Jerusalem, and then run smack-dab into Nipton. Great town! Electricity, two gasoline pumps, supermarket, the purest of mountain-desert air and water, vintage, 360 days of sunshine yearly, no sickness, Lynn Snyder owner and operator!"

But snow was falling in great soft flakes that morning, and light filtering through the thin layer of clouds kept me squinting exclusively at the road. I missed the "prettiest Joshua tree forest this side of Jerusalem" and would have missed Nipton — except for the barking of a dog. Lowering a snow-plastered car window all the way, I saw two "76" pumps guarding the doorway of a concrete building. Not a soul was in sight anywhere. The barking sound came from inside the concrete walls. I was about to honk for some gasoline and information, then my line of vision lifted and I saw "Nipton Mercantile" painted in large letters over the doorway. So this was "Doc" McCaskey's supermarket?

Opening that mercantile door was like stepping back at least 50 years into the rugged and sinewy 1900's of America. A blanket of heat greeted me at the entrance — not the blowing, air-conditioned kind we prize so highly in the city, but a crackling, penetrating kind of warmth, laden with every aroma in the store from abaca rope to zwieback biscuits. Tools, implements, harness and other imperishables hung from the rafters. Cans and packaged foods filled the shelves. There were a few yawning cartons or sacks of fresh fruit and vegetables by the counter. I half expected to spot an open cracker barrel and the wheel of cheese that customers always used to sample before buying.

And right in the middle of everything was one of America's greatest institutions — something I had no idea existed outside a museum — a genuine pot-bellied stove. Its cheeks glowed red and its upper half was chalked with match scratches. The apertures in its door leaked occasional wisps of smoke and changing beams of light. On its door was inscribed in iron, "U.S. Army — Cannon Heater." It's the type of stove 'round which past generations have elected mayors, governors, congressmen and quite a few presidents of the United States.

Six heads, including the dog's, accorded me a note

or nod of acceptance as I entered, then all six promptly resumed their adventure 'round the pot-bellied stove.

The narrator was Fernando Martinez, 85, retired timber worker from Colorado. Store Proprietor Lynn Snyder leaned on a checkered tablecloth as the story was unfurled. Listening intently were Henry Hendricksen, 81, former merchant, and Frank Schultz, 83, retired miner. Young David Snyder sat on the floor — ears, eyes and mouth wide open. The barker, having successfully brought me in, rested with his back to the fire and his belly within convenient reach of the boy's fingers.

Looking down into the ground-glass of a small camera I always carry, I pressed the trigger. It's one of the most fascinating pictures I've ever taken.

Nipton is one of those rare places on earth where Time is the essence of life, not the master:

Elsewhere Proprietor Lynn Snyder would have met me at the door, eager to make a sale. Here customers apparently come to the store first for warmth, conversation and companionship, making their purchases only as a final afterthought. Even when Fernando's story had ended, Lynn didn't point to my car outside and ask if I wanted it filled with "76." Instead he remarked, "You must be the photographer 'Doc McCaskey' was talking to in Las Vegas this morning."

"Yes, how did you know?"

"Well," Lynn smiled, "there are no secrets in this part of the Mojave Desert. Only one telephone and 12 people in town. Besides, every time a photographer comes out here it snows. First storm we've had in quite a spell. But the snow'll melt as soon as the sun comes out. Have you known 'Doc' very long?"

"Never met him except over the phone," I replied. "This trip came about through a letter he wrote to Union Oil Company. He wanted to be put on the mailing list to receive the company's magazine. But the address he gave was so darned involved and interesting that everyone sat and laughed. Later, when I told Union Oil I was going photo-hunting in Nevada, they said not to come back without a photo of 'Doc' McCaskey."

By this time I was conscious of having become a full-fledged member of the hot-stove league. The three elder statesmen were silently marveling at any fool photographer who would drive 70 miles to get a picture of anybody. But young David and the dog thought it was a great idea; as they jumped up simultaneously, David volunteered, "Come on, I'll show you where he lives."

Our walk to Nipton's residential section was often interrupted and thoroughly roundabout:

Adjacent to the store and its wall of post office boxes was a giant freezer laden with quarters and halves of fresh meat, stacks of wrapped bread, many cases of beverages — obviously provisions for more than 12 people.

In an improvised barber shop next door I met Roy Lewis cutting Jacque Pardieu's hair. Both men had knocked around the world for 30 years or so before settling down to barbering, cooking, clerking and jacks-of-all-other-trades in the desert.

continued



Passing a three years' fuel supply of railway ties, David and his father split a wheelbarrow load.

'ROUND A POT-BELLIED STOVE—*continued*

The Hotel Nipton, which has five rooms and sleeps 10, dripped with the no-fuss-and-feathers of 1905. It is best described by a wall poem left anonymously by one of its caretakers or guests:

INSTRUCTIONS TO OUR OVERNIGHT GUEST

Before you go to bed, dear guest,
Before you close your eyes in rest,
Please let me take you first in tow
And teach you what you need to know.

Here is a door that will not lock —
You keep it shut with this small rock.
These drawers stick — just grip them tightly
And lift them up while twisting slightly.

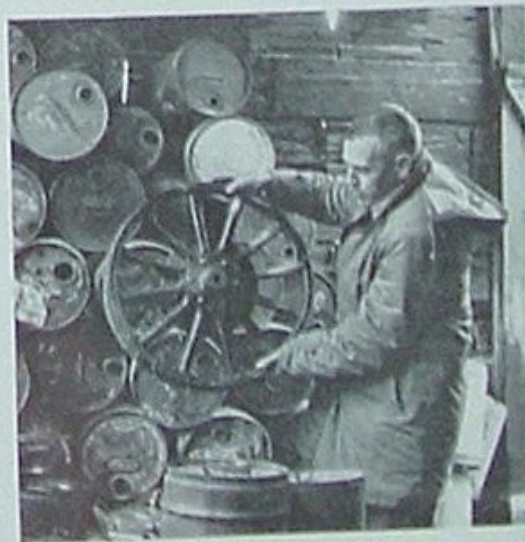
"Gold!" "Doc" McCaskey bellowed a moment after we entered the cabin door.
"Why, this desert's paved and plastered with it . . . sky's 14-carat from rim to rim."



In an improvised barber shop I met Roy Lewis cutting Jacque Pardieu's hair.



In the town jail Lynn bailed a Model T wheel out of 40 years' imprisonment.



Beware of this light switch — don't touch;
Unscrew the bulb, but not too much.
This clock gains half an hour each night;
Subtract the same to tell time right.

I think I also should explain
The tub is rather slow to drain.
And if this faucet drips, you'll find
The cutoff valve (and wrench) behind.

Before you come again, we'll mend
The faucet, drawers and switch, my friend —
The door, the drain, half-hour fast time.
Or did I tell you this last time?

The town jail too has its lighter side. Used today as a storage place for miners' carbide cans, it strives to keep thieves out rather than lock 'em in. Even in its prime it must have been only a detention house for drunks, for a man sober enough to stand on two feet could easily escape. Before David, dog and I departed, Lynn arrived to bail out an old Model T wheel that he said had been "incarcerated 40 years ago for shimmying illegally on a public road."

Passing a three years' fuel supply of old railway ties abandoned by the section crews, David and his father expertly split a wheelbarrow load for the pot-bellied stove. Then we made a beeline for "Doc's."

Donald McCaskey, M. D., so his neighbors say, practiced medicine many years ago in New York City. Finally getting his fill of patients and pills, he pulled up stakes and headed for the West. Nipton appealed to him above all the earth's green acres because it's chock-full of desert gold.

"Gold!" he bellowed a moment after we entered the cabin door. "Why, this desert's paved and plastered with

it. At sunrise and sunset these hills and Joshua trees look like the gilded temples of Siam. Lots of times the sky's 14-carat from rim to rim. Underground there's even the mineral kind if you're fool enough to look for it.

"But the best gold of all is in the hearts of these desert people. Take the Snyder family here for example. They used to be city folks — had a prosperous business in Los Angeles. But the crowds and the hurry and the scramble for money finally made 'em sick of heart. They came out here and, on good advice, bought the whole town of Nipton. They drilled a well down 550 feet and found the world's best water. They rigged up a diesel-electric generator and said, 'Let there be light.' They reopened the store and hotel and restaurant and post office. They opened their hearts to all of us old desert fossils around 80.

"This old frontier town really hitched up its galluses. Miners and ranchers from 50 miles around began coming into Nipton. Why, you ought to see the place on Saturday night when two or three hundred people come in for the weekly dance. Sunday there's usually a traveling preacher for the sinners and some Sunday School teachers for the kids. Sunday afternoon there's free-for-all bronc riding and steer roping.

"Sickness? Haven't seen a real case of ill health since I hit the Mojave."

Of course "Doc" is Nipton's one-man chamber of commerce. But as we turned back toward the supermarket, everything nice he had said about the Snyder family turned out to be true. Roy and Lynn had my car fueled and serviced, all glass as clean as a whistle. Mrs. Snyder served coffee to everybody 'round the pot-bellied stove. My leave-taking was that old-fashioned kind — handshakes all around and the Snyders saying goodbye all the way down to the railway crossing.

Yes, "Doc", you've struck it rich in the Mojave!

/THE END

Everything nice "Doc" had said about the Snyder family came true — car fueled, all glass as clean as a whistle.

My leave-taking was that old-fashioned kind — handshakes all around and the Snyders saying goodbye down to the crossing.



Responsibility

formula
for
progress

Excerpts from an address by Maurice H. Stans, Director of the Bureau of the Budget

With the forum that you have granted me tonight, I propose to review some of the thoughts and concerns which two years of experience with the Federal budget have impressed strongly in my mind

In modern management practice, in Government as in business, the budget is a device for forward planning. It tells us where we stand and where we expect to go. It is a selection of choices among competing demands for Government attention. It is a program for the use of the resources we have at our disposal. It is a summation of our responsibilities and our opportunities

Unfortunately, too many of us are prone to rail and protest about the size of the budget, and then go on with a sense of having discharged our duty as citizens. If we stop there, we miss the point

Now, let me be frank. In many ways the Federal budget today is saddled with yesterday's priorities instead of anticipating tomorrow's:

This situation has come about because of our proclivity to legislate benefits, services and subsidies up to the hilt of our fiscal capacity—and then to hang on to them. It is almost as though we had forgotten that needs and circumstances change, and that unless we leave ourselves a degree of flexibility, the time can come when we will have inadequate reserves to call upon. We can be exhausted when the need for vitality is at its greatest.

Why is it, I wonder, that there is such inertia in our political system, causing us to be unwilling to accommodate our newly emerging needs through the budget by throwing off those burdens which were acceptable in another time but are outmoded today?

We spend great sums on interest charges on our national debt, but we do not reduce the principal.

We carry on massive Federal programs which state and local governments could do better.

We devote large amounts of money to farm price supports to reduce surpluses, with the opposite results.

We lend money to benefit special groups at rates below those which the Government must pay to its own creditors, when private sources could do the job.

We perpetuate Federal programs which have long since met the objectives for which they were created . . .

I would like to see us make some real progress toward better citizenship understanding of the budget . . . The

simple idea that whatever is spent must somehow be covered by what is earned would help to dissipate the widespread delusion that in some strange way when money comes from Washington it doesn't cost anybody anything.

Let me tell you something about the shape we're in. The facts may shock you, but I believe you want facts instead of fancy:

FACT NUMBER ONE is that the Federal Government is piling up C.O.D.'s for the future at an astounding pace. I'll mention just a few.

It will cost between 25 and 35 billion dollars to complete the inter-state highway system after this fiscal year.

Federal civil public works projects already started will require expenditures of about 8 billion dollars before they are completed.

The Federal Government is committed to contribute 6 billion dollars in the future for public housing.

Merchant marine subsidies and ship replacement constitute a Federal liability of 4.4 billion dollars.

These and a variety of other obligations, when added to huge unexpended balances in the defense program, total 98 billion dollars of commitments for future Federal spending.

FACT NUMBER TWO is this: Even if the next session of Congress doesn't add any new programs, the level of Federal spending is going to go up. The reason is that there are built-in increases in existing programs which are now producing a continuing up-curve in expenditures . . . such programs as outer space, civil aviation, merchant shipping, urban renewal, science education, medical research, public assistance, loans to underdeveloped countries, and veterans' pensions. Interest on the public debt will run higher, and the farm program will cost more and more until we get realistic legislation. Defense technology is putting increasing pressure on expenditures. Now, for 1961 alone, these built-in increases amount to between 2 and 2½ billion dollars. Of course there are practically no built-in decreases, because Government programs are almost invulnerable to reduction or elimination. A year ago, in his Budget Message, the President nominated 18 programs as being due for revision in order to accomplish future downward

adjustments in spending. Only three received attention by Congress, and that with the net result of increasing futures expenditures rather than decreasing them.

FACT NUMBER THREE is that our present national debt of 290 billion dollars doesn't include present Federal liabilities for past services in even greater amounts. We know that our already accrued liability for military retirement is about 30 billion dollars. Our unfunded present accrual for retirement benefits for civilian Government employees is 27.5 billion dollars. On top of that, future pensions and compensation to veterans will cost about 300 billion dollars. Now, the 290 billions of current public debt, plus 350 billion dollars of future obligations for past services, plus 98 billion dollars for C. O. D.'s, adds to the almost incredible total of about 750 billion dollars. That, my friends, is the Federal Government's mortgage on America's future, beyond the regular annual costs of defense, welfare and commerce. Is it any wonder that your President pleads for a sense of proportion, for a limit on compulsive spending, for a passion for RESPONSIBILITY?

FACT NUMBER FOUR is that the pressures for new spending programs are increasing in intensity. If you are troubled by an 80-billion-dollar budget, I can tell you that unless we hold the line now the day is not too distant when the budget will rise to the 90 or 100-billion-dollar range. In the last session of the Congress alone, there were 20 major spending bills introduced in the House, along with 20 others in the Senate, for new programs which altogether priced out to more than 326 billion dollars over an average of five years. If these bills were passed as their sponsors want them, they would add 50 to 60 billion dollars a year to our present spending.

It is going to be harder each year to hold off all the pressures . . . The President can't cope with this kind of pressure all alone . . . The power to legislate new programs, to authorize future spending, and to appropriate funds beyond the budget, lies with the Congress. The President can veto, it is true, but he can also be overruled. The really effective control is the responsiveness of the Congress to the people, and their overwhelming support is needed by any President to wage a successful fight for fiscal responsibility.

By the same token, we must understand that the President is not free to send to the Congress a budget at any level starting from 1 dollar on up. Almost 85 percent of the annual budget goes for national security, interest on the public debt, and mandatory benefits for agriculture, veterans, and the needy. That leaves little room for discretion or for cutting expenditures. In the absence of a genuine thaw in the cold war which could lead to a major reduction in military costs, the only way to cut back the level of the budget is to look to the Congress to modify laws that are already on the books.

The job is up to you . . . What happens to the goal will depend upon public opinion and its ability to com-

municate with Congress . . . If we "wait and see," the opportunity will be lost . . .

Economic growth, measured in quantitative aggregates, is becoming the excuse, or the rationalization, for unbalanced budgets, for unrestrained public and private borrowing, for inflationary expansion, and for the enlargement of Government spending to meet group pressures. It is a poorly disguised version of an old proposition, which is that we can spend ourselves into prosperity. That one dies a hard death . . .

We face some tough decisions:

We will have to get from our economy all the horsepower that it will yield without overheating.

We will have to shed some of the heavy weight that the Government is carrying.

We will have to stop running up I. O. U.'s which will come due when we must face up to other pressing needs.

We will have to devote our means to creating real growth, as contrasted with the mere appearance of growth.

We will have to stop regarding the Federal Government as a fountain for special interests.

We will have to put the national interest ahead of local or group interests.

We will have to regain the sense of mission that made us great.

All of this will require more toughness, more unity, than we have been accustomed to since war years. It does not, on the other hand, mean that we will produce less, or postpone our progress. It means that we will have a healthier, stronger economy with which to meet the challenge of the Sixties.

The alternative is a society of tangled purposes, confused goals, increasing debts, and marginal growth . . .

The real issue is whether we have the determination needed to develop the muscle of our economy for the strenuous effort we must make to meet the Soviet threat.

Are we willing, as a society, to discipline ourselves . . . to say "No" to selfish pressures . . . to face the fact that Government has to stop living on credit cards and must pay its way?

Are we ready to stop shoving each other around for opportunistic reasons? Are we ready to have cooperation between labor and management, to work for stable prices and wage increases earned in productivity, to live within our income, to preserve the value of our money, to beat communism at its own game through efficient hard work, and to get together as Americans with a job to do?

If so, we can walk into the Nineteen Sixties as a proud and virile people. Then, and only then, will we prove to Mr. Krushchev that our system is best.

/THE END

Notice to Employee Shareholders

Your proxy is your vote. If you do not plan to attend the Annual Shareholders' Meeting on Monday, April 25, 1960, your vote can be evidenced by signing and returning the proxy card mailed to you recently. Please cast your vote to assure maximum representation at the meeting.

R. F. Niven, Secretary

Business Highlights of the Month

PRODUCTION *Good news from our home town!*

A modern hospital to serve the needs of Santa Paula Valley soon will be constructed, thanks to the public spirited citizens of that area. Contrary to the modern custom of asking financial help from government and extending tax obligations over many years, the Santa Paula Memorial Hospital is being financed entirely by voluntary public subscription. When completed without government help it will be paid for; there will be no added tax load to burden the community. The hospital will be non-sectarian and will be operated on a non-profit basis.

Union Oil Company was born in the town of Santa Paula 70 years ago and is honored to be on the list of voluntary contributors to this worthwhile hospital project. We congratulate the people of Santa Paula for setting an outstanding example of civic responsibility.

from Dudley Tower

PURCHASING *Locomotive for sale.*

Wanta buy a couple of old pumping units? 33 tons of used IBM cards? A diesel locomotive? 2,000 feet of pipe in various sizes? Two 80,000 barrel riveted steel storage tanks? A retired Union Oil vehicle? An old absorption plant complete?

If you do, contact the Surplus Material Sales Division of Purchasing. These and many similar items are for sale. We're happy to accomodate any purchaser at a reasonable price.

When equipment and supplies no longer have value to the Company, Surplus Division has the responsibility, and sometimes the problem, of disposing of them. It's a brisk business, too, bringing in nearly half-a-million dollars last year.

from C. S. Perkins

MANUFACTURING *Refinery freeway.*

Oleum Refinery has completed construction of a new concrete ramp approach to the Marine Terminal, replacing a wooden trestle. Included in the project are two off-ramps leading to the package shipping and tank car loading areas. The construction eliminates a fire hazard formerly posed by the wooden trestle and enables automotive equipment to enter the shipping area without crossing the Southern Pacific main line tracks.

Recently the Fluid Catalytic Cracking Unit at Los Angeles Refinery was shut down for major maintenance and repair after two years of operation. During this operating period the unit had processed 19 million barrels of raw material in its production of high quality gasoline stocks. It is expected that the unit will surpass its record of two years' operation before the next shut-down.

An improved pollution control device now in operation at Oleum Refinery subjects all malodorous process water to a treatment using air and heat. The result is a non-toxic water free of bad odors — another step toward maintaining the refinery's reputation as a good neighbor.

from J. W. Towler

TREASURER *It pays to pay!*

More than 70% of our active credit card holders are receiving a special message with their statements expressing our appreciation for the splendid condition in which they keep their accounts. The recognition has created much favorable customer reaction, and the number of their "thank you's" in return is impressive.

Too often it becomes necessary for business concerns to write customers regarding delinquent accounts. The correspondence ranges in tone from polite reminders, to subtleness, to forcefulness. Looking at the "sunny side" of the trial balances is a pleasant switch for us; it is a policy we hope our customers will encourage us to follow.

from L. B. Houghton

RESEARCH *The impossible takes two hours!*

The average student of mathematics knows that it takes half an hour or more to solve a problem involving as few as three unknown quantities. And he knows how easy it is to make a mistake.

Since it takes almost twice as much time to solve a problem each time an unknown is added or another equation is involved, you may imagine the job presented when Research was asked to solve a problem involving over 1,000 equations in connection with one of our waterflooding operations.

Using a conventional desk calculator, the best mathematician would have taken many months to produce the answer. However, by taking about two days to write a series of instructions for our electronic computer, it was possible to solve the problem in less than two hours of actual computation time. The job involved 115,000 multiplications, 23,000 additions and 92,000 comparisons of results.

This is typical of many problems, formerly considered beyond the scope of practical solution, that are being solved today. The problems encompass such activities as determining how to design better research experiments, how to help interpret exploration data, how to better produce our oil fields, how to manufacture better products, and how to increase the profitability of operations, to name a few.

from W. E. Bradley

TRANSPORTATION & SUPPLY

Shipment of unfinished stocks between Oleum and Los Angeles Refineries, and of finished products from those refineries to our major marine terminals, requires the continuous use of three U. S. flag tankers in Company service. Two vessels, the SANTA MARIA and AVILA, are operating under long-term charters. A charter on the third vessel, the LOMPOC, recently expired and has been extended for one year.

At our Rosecrans Motor Transport Terminal extensive revisions have been made in truck loading facilities to provide faster loading rates and greater throughput capacity. Individual trucks can now be loaded at a rate of 1500 gallons per minute and the combined peak loading capacity at all of the terminal's truck racks is in excess of 5000 gallons a minute. A motor transport can now be loaded and billed out in approximately 10 minutes.

To keep pace with the Company's growing communications requirements, we are adding 100 additional lines to our Company-owned telephone system in Union Oil Center. With this installation we will have 800 lines available for service.

from E. L. Hiatt

MARKETING

Opening of the Civic Center Plaza Garage on March 1 in San Francisco brought that city into unquestioned leadership as an owner of underground parking. Costing 4½ million, the garage accommodates 1,454 cars on its three subsurface levels. Union Oil products are being

dispensed from a four-pump island and modern lubrication department within the garage. A series of similar parking accommodations is materializing to help solve the city's big parking problem.

Our finest service station in the Northwest was opened February 29 at the main entrance of the Seattle-Tacoma International Airport.

Union Oil's Oregon Division has been awarded a contract to supply Marion and Lane Counties with 5,000 tons of asphalt during 1960.

from C. H. Finnell

Military Petroleum Supply Agency awarded the Company a contract covering delivery of 111,657,000 gallons of jet fuels from California refineries and 1,260,000 gallons of jet fuels from our Cut Bank Refinery during the period of April 1 to September 30, 1960.

New Royal Triton distributors recently welcomed to Eastern Continental Division include Anderson & Watkins, Roswell, New Mexico; Kay Petroleum Corp., East Hartford, Connecticut; Kline Chevrolet Sales Corp., Norfolk, Virginia; Marshall Auto Supply, Las Cruces, New Mexico; McLain Oil Company, Cleveland, Tennessee; Miller Automobile Co., White River Junction, Vermont; Stidham Tire Co., Washington, D. C.

from F. K. Cadwell

EXPLORATION

The Company is currently pursuing an active exploratory program in five foreign countries, namely, Costa Rica, Guatemala, Argentina, Australia and in the Spanish Sahara.

On our large five-million acre concession in Costa Rica, access roads have been completed and preparations are being made to drill two more wildcat wells this year. Drilling operations are continuing on our two partner-operated tests in Guatemala in which the Company has a substantial participating interest.

Exploratory work is continuing in the Comodoro Rivadavia Basin of Argentina where we have exclusive drilling rights on two acreage blocks, aggregating four million acres. Our second well found 42° gravity oil at a depth of 5,000 feet but was abandoned as non-commercial. Preparations are being continued to determine the location of future test wells.

In eastern Australia, we recently began exploratory work on 40 million acres in the Surat Basin. This area is roughly half the size of the state of California. An airborne magnetometer survey has already been completed on a 10,000 square mile area and seismic operations will commence shortly to further delineate the site of a test well to be drilled in late 1960.

In the Spanish Sahara, on the northwest corner of Africa, Union secured exploratory rights on three tracts of land, aggregating 1,750,000 acres. Geophysical work will start in the near future, to be followed by a test well. Company headquarters are being established at Las Palmas in the Canary Islands about 150 miles off the African coast.

from E. C. Babson

Aristowax



for t



One reason for the unique beauty of Far East candles is the detailed hand carving and polishing devoted to each piece.



P. H. Lau, left, of Shewan Tomes & Co, was the salesman who introduced Aristowax to Lam Ki Fung, one of owners.

Careful pouring of the dyed molten waxes permits many tint variations in the finished products.



the candles of China

from J. H. McGee

China clung to wax candles for light long after most of the world had abandoned them in favor of oil and electricity. Twenty-five years ago, however, candle light began to dim even in China. The poorest flats or houseboats adopted brighter and safer substitutes. There was still some demand for candles used in religious worship, but the bulk of demand was doomed.

Two enterprising young Chinese, though, chose the year 1934 as the time to get into the candle business, not get out of it. They reasoned that candles of outstanding beauty and quality would always be in demand the world over and that few people were better qualified for manufacturing tasks than the Chinese. The two were Lam Ki Fung and Lam Ki Yip, of Hong Kong.

Starting 26 years ago with a small family-sized enterprise, the brothers concentrated on beautiful design. Some of their most popular candle models gained fame and were called the Bamboo, Phoenix, Lotus Girl, God-

dess of Mercy, etc. Demand for the artistic creations spread through Hong Kong and to foreign countries. Their Far East Candle & Chemical Works prospered.

Then in 1946, Shewan Tomes & Co., agents for Union Oil in Hong Kong, contacted the brothers with samples of our Aristowax. The candle makers soon were impressed with the superiority of this product over other waxes they had used—its purity, consistency of color and quality, excellent molding properties, and smokeless burning characteristics. They have been enthusiastic about Aristowax ever since, buy it in shipments of 20,000 pounds or so.

Today Far East Candle & Chemical Works employ 400 people during their peak season. With waxes and dyes imported from across the oceans they make products that are in demand worldwide.

Quite an interesting postlude, we think, to an industry once considered doomed.

/THE END

From left, P. H. Lau, Lam Ki Fung, William Baker of Shewan Tomes & Co., Lam Ki Yip and Union Oiler J. H. McGee display the trademark of Unimar, Ltd., new Union Oil-Maruzen subsidiary operating in markets of the Far East.



Standard candles for domestic use are molded 300 at a time via clever process.



Correspondence

between

two "Young Turks"

Dear Editor:

This letter is in reply to your question, "Where are the Young Turks?" asked in the February issue of SEVENTY-SIX.

I believe you will find that there are some so-called young Turks in the present Union Oil organization. I have only been with the company a short time but I consider myself a young Turk. In my past experiences (college, service, athletics, etc.) I have always been able to pull myself up to, or near, a goal I have set for myself. Sometimes the goals were too high but I gave every effort to accomplish them.

When I was interviewed for a position with Union Oil, I was told I must start at the very bottom, working in the warehouse. To me this sounds like an excellent idea. It is only logical that a person working his way up through the various positions would have a deeper appreciation for the products sold and the working conditions of personnel he might someday manage.

However, I have heard some discouraging rumors about the promotion policy here. It seems that in recent years there has been a large turnover of young personnel, especially those with a college education.

In seeking an explanation for this phenomenon, I find it the general belief that important promotion comes only to and through personnel hired in Los Angeles. No matter how hard you work, your movement to higher levels will be extremely slow.

These rumors are discouraging but not enough to alter my confidence that I will find a way through the heavy cover of tradition, seniority, rumor, or what-have-you that veils this terminal. I think I have a great deal to offer Union Oil and I feel I can handle any assignment given me, in any place Union Oil needs me.

The point I am trying to make is that there are young men in the company who have confidence, ambition and loyalty to make Union Oil an even greater organization than it is today.

Very truly yours,
(Signature deleted by "76")

Dear "Young Turk":

I have taken the liberty of withholding your identity and location only to protect you from possible ill humor. Oddly these days, people are criticized both for not thinking what they say and saying what they think. Only the latter might apply to you.

By no means base your hopes and future success on the weak foundation of rumor:

My first day of work with Union Oil was spent as a warehouseman, unloading truck-and-trailer loads of packaged oils at a marketing terminal. My helper and instructor was a young man who was quitting the job that evening. He hated the small town, its heat and its limited opportunities. He spent most of that last afternoon telling me that the oil industry, particularly Union Oil, was a dead-end street for anyone not having MPR (money, pull or relatives) in Head Office.

Nearly 23 years of experience have dispelled that rumor. Without MPR I worked up through a long string of promotions in the Marketing Department.

When offered the job of editor in 1947, I was informed, by rumor, that house-organ editing was a dead-end street.

After 13 years I'm still editor but the job has increased several times in importance and in pay. Furthermore, during the next nine years before my normal retirement, management possibly may see, as I do, the need of a vice president in charge of Communications. From there it is only two steps to the top.

Excuse me for the personal references but, you see, I, too, am a young Turk.

Look about you at the managers and executives of Union Oil. How many of them actually got there through Los Angeles or MPR? For every one who, you imagine, did, I believe I can name 20 who came up the "young Turk" way. No modern corporation can compete very long without thoroughly qualified people at the helm and plenty of young Turks in the crew.

As for large turnover among young personnel with college backgrounds, our statisticians tell me it isn't so. Generally, college graduates have a better knowledge of where they're going and are more inclined to stay with Union. You seem to be a good example.

So: Ignore the rumors. Dig out and respect the facts. Work hard and wisely. Improve your talents. Maintain or expand your ambitions. Keep your shoes shined. Smile. Broaden your friendships and acquaintances. Be loyal to your associates and supervisors. Save part of your earnings for eventualities. Develop your own "pull" through a lot of "push." If you don't have any relatives in Head Office, cultivate a few.

That's what Newsweek meant by "Young Turks." Union Oil, America, the whole world needs 'em!

The Editor

in focus



DEALERS' WIVES of the Las Vegas area had luncheon at the Showboat on February 1st as the guests of Union Oil Sparkle Girl Janet Paul (standing at extreme left). Sole representative of the masculine fraternity was Consignee J. W. Conroy of Las Vegas. The women have contributed some excellent suggestions toward the endless objective of improving Minute Man Service.

SANTA MARIA REFINERY PEOPLE turned the full 1959 calendar without a single lost-time injury to win the Union Oil Safety Award being received by Superintendent R. A. McKean, left, from Senior Vice President K. E. Kingman. At the on-job presentation were, standing from left, F. Deck, C. M. Gescheider, W. H. Niederhauser, I. M. Seal, A. J. Nelson, R. K. Jensen, D. A. Sogard, R. J. Knotts, R. L. Wanlass, P. G. Bissiri, R. M. Barnes, F. S. Allinder; kneeling, D. N. Nugent, R. H. Congelliore, H. W. Abeloe and G. F. Hopkins. There are about 100 employees here.



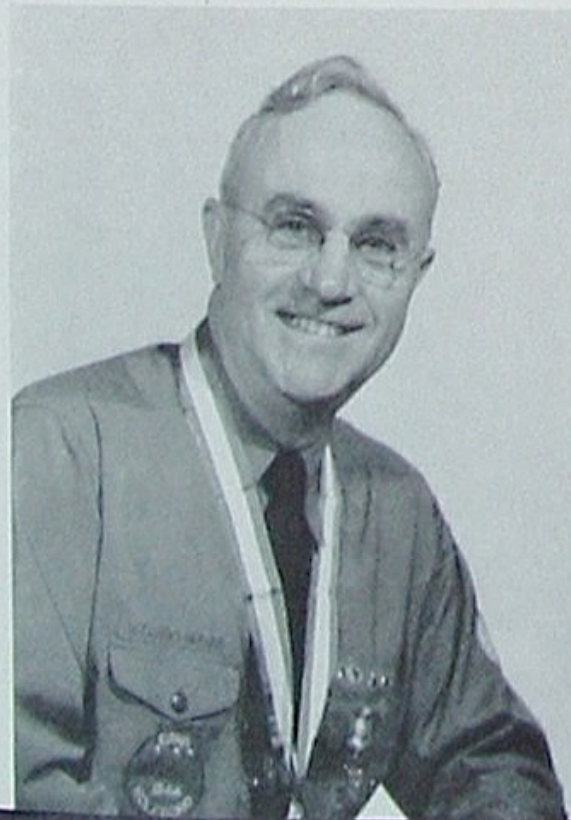
NELLE BEAUCHAMP is remembered by everybody at Bakersfield as the lucky girl who was transferred to our field office in Anchorage, Alaska. There is evidence in this recent picture of Nelle that the Far North winter still puts a chill on things, but she says, "That's all out of doors; we're warm as toast inside."



PERCY D. MITCHELL, left, resident sales manager at our Colton marketing station, receives the pin of presidency from Lieutenant Governor James D. Smith of the Kiwanis Club. Mr. Mitchell was installed as president of the San Bernardino Kiwanis Club in January.
from H. W. Bragg

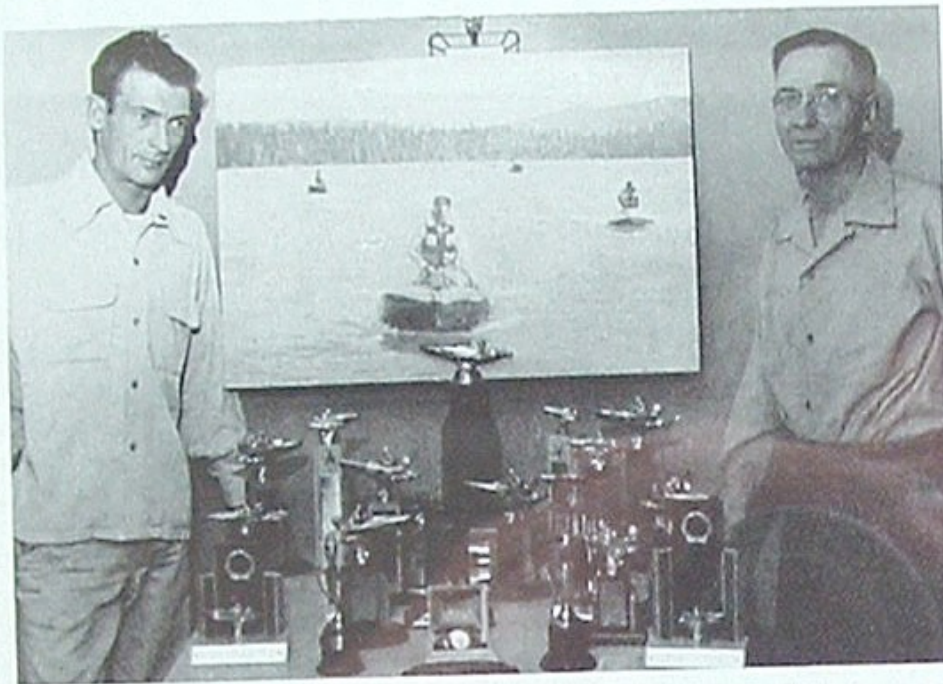
RALPH POTTER of Union Research Center has received the Silver Beaver Award, Scouting's highest award to a layman. At presentation ceremonies the president of the Northern Orange County Council of Boy Scouts cited Ralph's 25 years of distinguished and active service in behalf of American youth.

from Paul K. Doyle





OFF-THE-JOB SAFETY AT OLEUM offers rewards in addition to physical well being. Refinery Personnel are divided into teams, and team members achieving the lowest loss of time charged to off-job injuries are privileged to select individual prizes of their own choosing. Seen at one of the award presentations are, from left, Safety Supervisor C. E. Hamilton, Refinery Manager W. T. Jameson and contest winners Earl Stinson, V. E. Cook, S. McNeely and J. E. Rath. Significantly, auto safety belts and safety shoes are the favorite prizes.
from D. G. Probst



SENIOR CRAFTSMAN ADOLF BERTELSON, right, of Cut Bank Refinery, and Adolph, Jr., his son, have teamed for eight years in designing and building racing boats. With Adolph, Jr. at the wheel, they have garnered the 21 trophies shown, including Class B championships in Montana, North Dakota and the 1956 Seattle Seafair. They are currently pointing toward Class D Surface Hydroplane laurels in 1960. Of course Royal 76 is their first choice of gasoline and Royal Triton plays a role in their secret lubrication formula.
from W. P. Barber



THE "UNION OILERS", under the capable coaching of Salesman "Jake" Jacobson, have started up like "76" during their first year of basketball competition by becoming second-half champions of the Sacramento Municipal League. The team includes, standing from left, Dick Giles, Maurice Davidson, Ronald Shields, Coach Jacobson, Daniel Stein, Arlan Cagle; kneeling, Wes Cox, Jim McLin and Dave Thielen.
from H. E. Menter

THE PRIDE OF STOCKTON are these Marketing and Distribution Department men who won first place honors in an annual safety contest sponsored by the San Joaquin Safety Council. In competition with other fleet operators they chalked up a nearly perfect driving record for 1959. Standing from left are Resident Manager Ed Bollinger, Dick Richardson, Ernie Pierano, Willard Hall, Grant Edgar, George Fisher, Ralph Asay, Lester Dixon, Gene Doyle, Tom Lundy, Don Ambler, Ted Adams; kneeling, James Laharty, Vern Wiley, Gene Canote, Ray Sanchez, Dick Weber and Bill Messick.
from A. Haraldsen

THE WORLD-FAMOUS "21" RESTAURANT of New York and its President Robert Kriendler, right, are loyal friends of Union Oil Company, as demonstrated by the model Union transport suspended from the ceiling. Nothing but the "Finest" is the common tradition of "21" and "76".
from C. E. Denton



RETIREMENTS

April 1, 1960	Service Date
RAYMOND S. BOWERS Calif. So. Coastal Div.	December 19, 1925
JOHN CATRINO, SR. Oleum Refinery	March 25, 1925
HAROLD K. CLOW Southern Field	July 15, 1925
DOUGLAS L. DAVIS Southern Field	May 14, 1926
HAROLD H. FISHER Central Region Distr.	January 16, 1918
ROBERT N. GUERIN So. Region Distribution	February 12, 1943
MAURICE HARNETT Oleum Refinery	August 17, 1933
HOBART H. HOPKINS Southern Automotive	April 6, 1927
VANCE N. JENKINS Research Department	December 19, 1932
HAROLD F. KEANS Southern Field	November 13, 1923
ROYAL LINDEN Marketing Department	August 2, 1916
HARRY B. MOORE Oleum Refinery	August 25, 1920
RUBY A. PHELAN Communications, Home Office	November 27, 1944
THOMAS E. PURKISS Northern Field	June 29, 1919
ARTHUR L. REED Comptrollers, Home Office	May 24, 1926
NORMAN H. TESSNER Southern Field	March 9, 1921

IN MEMORIAM

Employees:

JAMES HAYS Los Angeles Refinery	March 4, 1960
JEFFERSON A. RAFFI Purchasing, Home Office	March 5, 1960
LEONARD COUGHRAN Oleum Refinery	March 9, 1960

Retirees:

ARTHUR C. HAMMOND Los Angeles Refinery	January 19, 1960
ALBERT ANTHONY Southern Production	February 11, 1960
CLAYTON S. SHEPARD Southern Production	February 17, 1960
FRANK G. STROSCHM Southern Production	February 20, 1960
JOHN G. BOUSLOG Southern Production	February 28, 1960
JOE E. FARIA Oleum Refinery	March 8, 1960

SERVICE



EMPLOYEES

April, 1960

40 YEARS

HARRY E. BUTLER.....Marine—Home Office
WM. R. SKINNER.....Northern Div. Field

35 YEARS

CHESTER M. GJERDE.....Comptroller's—Seattle
HAROLD R. MORRISON.....Purchasing—Home Office
FORREST R. VERMILLION.....Northern Div. Pipeline
FRANCIS P. WENTWORTH.....Oleum Refinery

30 YEARS

FRANK McMULLEN.....Purchasing—Home Office

25 YEARS

CHARLES C. BLEDSOE.....Northern Div. Field
OTTO BRANDLE.....Southern Div. Field
MERVIN J. BRENNAN.....Mktg.—San Francisco
JESSE BURRUS.....Mktg.—Home Office
LAURENCE W. COOTS.....Southern Region Distr.
HAROLD H. DALTON.....Southern Region Distr.
ANTONIO C. FIGUEIREDO.....Northern Div. Pipeline
RUBY M. FITZGERALD.....Oleum Refinery
JAMES A. GRANT.....Prop. Admin.—H. O.
FAY E. JONES.....Southern Div Pipeline
CARL F. NYBERG.....Northern Region Distr.
ADRIAN W. SHELDON.....Northern Div. Field
HENRY G. WIEMERS.....Northern Div. Field

20 YEARS

FRED T. AULT.....Oleum Refinery
JEROME J. MOORE.....Northern Div. Field
WILLIAM A. NABERS.....Northern Div. Field
CHARLES E. SMITH.....Exploration—Alaska

15 YEARS

RICHARD J. COWING.....Northern Region Distr.
WALLACE B. CRANK.....Comptroller's—H. O.
VERA DAVIS.....Research Department
HUGH C. DERBY.....Los Angeles Refinery
WILLIAM H. FITZGERALD.....Mktg.—Seattle
GEORGE T. JORDAN.....Los Angeles Refinery
ALEX P. KUNKEL.....Southern Region Distr.
DOUGLAS MACKENZIE.....Los Angeles Refinery
GEORGE C. MAJORS.....Los Angeles Refinery
AUSTIN R. McCREERY.....Econ. & Planning—H. O.
ROBERT E. OSBORNE.....Automotive—H. O.
JASPER R. PARKER.....Los Angeles Refinery
JUAN P. PEDRETTI.....Southern Div. Field
EDWIN G. SCHAAP.....Los Angeles Refinery
GLENN M. WORSHAM.....Northern Div. Field
EARL E. WYLIE.....Automotive—No. Div.

10 YEARS

WALLACE L. CONNOR.....Field—Louisiana
WILLIAM P. DAVIS.....Southern Div. Field
VIOLA E. EKIN.....Treasury—Home Office
GERALD A. GOODCHILD.....Southern Div. Field
MARCIA HEMMINGS.....Central Region Distr.
LLOYD L. HENDERSON.....Northern Div. Field
MARIE E. HENTZ.....Comptroller's—H. O.
BILL W. HODGES.....Northern Div. Field
MARVIN D. JOHNSON.....Northern Region Distr.
HAROLD L. LE BLANC.....Field—Louisiana
JAMES F. LUZADDER.....Marketing—Arizona
HERMAN E. MEGISON.....Field Louisiana
ALICE C. MILLER.....Econ. & Planning—H. O.
HELEN F. NOLAN.....Research Department
ARTHUR G. TAVARY.....Cut Bank Refinery
WILLIAM P. TAYLOR.....Field—Canada

APRIL 1960

25 YEARS

MRS. WILLIAM LENOIR.....Port Angeles, Wash.

20 YEARS

PHILLIP D. COLLINS.....Pomona, California
DALLAS RITCHEY.....Oakland, California

15 YEARS

C. E. KIMMEL.....Bakersfield, Calif.
ELLIOTT SMITH.....Long Beach, Calif.

10 YEARS

ROBERT E. ACORNE.....Petaluma, California
FIRESTONE STORE.....Reno, Nevada
T. K. MIZUTO & H. FURUMOTO.....Seattle, Wash.
RICHARD J. NAVARRO.....San Francisco, California
S. M. PHILLIPS.....Anderson, Calif.
H. A. POWERS.....Chico, California
FRANK SHERMAN.....East Stanwood, Wash.
FRANS STRAND.....Rochester, Washington

5 YEARS

RALPH W. GEORGE.....Oakland, California
DESERT TRADING POST.....Arvin, California
GEORGE ENGEL.....Benson, Arizona
ERLE D. HUNT.....Marysville, California
W. E. JANSEN, JR.Auburn, California
BURTON L. SPAFFORD.....Hayward, California
MRS. OLE STRAND.....Marysville, Wash.
JAMES L. WILLIAMS.....Sacramento, Calif.

30 YEARS

JOHN WANNER.....Newberg, Oregon

25 YEARS

F. G. MARTIN.....Bingen, Washington
FRED H. MEYERS.....Bend, Oregon

20 YEARS

R. T. MOSLEY.....Seattle, Washington

15 YEARS

H. LYNN ANDERSON.....La Grande, Oregon
LYNN S. LATOURETTE.....Oregon City, Oregon

10 YEARS

C. E. MEEK.....Odessa, Washington

UNION OIL COMPANY OF CALIFORNIA
P. O. Box 7600
Los Angeles 54, California

Ann Cooley

Where else could it happen?



The pleasant face on the left is the first one you're apt to meet as you get off the elevator on the 12th floor of the Union Oil Center in Los Angeles.

That's Ann Cooley, receptionist.

She's one of nearly 5,000 employees who own shares in this firm. This entitles her—and some 62,000 other people who are Union Oil share owners—to a report on our 69th year of business.

In 1959 customers paid us \$512,962,000, of which \$83,780,000 were fuel taxes we collected for governmental agencies.

We spent 61.5% of our customers' dollars—or \$315,444,000—with over 18,000 other companies and individuals with whom we do business.

Taxes amounted to 20.5%—or \$105,070,000. Of this amount, \$83,780,000 were the fuel taxes mentioned above; \$21,290,000 we paid to over 1,000 local, State and Federal tax collectors.

Wages and other benefits for our employees and their families amounted to 12.6%, or \$64,933,000 of our income.

This left 5.4%—or \$27,515,000 as net profit. About a third of these earnings—\$8,197,000—was paid in cash dividends* to over 67,000 owners.

The balance of our net earnings—3.8% or \$19,318,000 of our customers' dollars—we reinvested in the business to expand and modernize facilities.

All of us at Union Oil are proud that so many of our employees are, like Ann Cooley, also part owners of the company.

Where else, except in a free and competitive economy, could this happen?

*(In addition, a 4% share dividend was paid during 1959.)

YOUR COMMENTS INVITED. Write: Chairman of the Board, Union Oil Co., Union Oil Center, Los Angeles 17, California.

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MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL