



UNION OIL CO
OF CALIFORNIA

RESEARCH

UNION OIL COMPANY



FIRST REPORT
ON
UNICRACKING

Union Oil Company of California
May 1960

New way to buy tires & batteries *without cash!*

You don't need a credit card! No money down! You get up to 12 months to pay!



You do business with your neighborhood Union Oil dealer—and Union Oil stands behind everything he sells. (No one has a fresher stock of the finest name-brand tires and batteries.) Why shop around? Drive in at the familiar sign of the 76 and say "Charge it!" The company you trust trusts you.

Set of 4: GOODYEAR or FIRESTONE
or U. S. RUBBER NYLON WHITEWALL TIRES
(One or more of these brands available at all Union Oil dealers.)

On approved credit as low as **\$8³⁸** a month
(including taxes) with Union's 12 Month Plan

Pair of: GOODYEAR or FIRESTONE
or U. S. RUBBER NYLON BLACKWALL TIRES

On approved credit as low as **\$5⁶⁹** a month
(including taxes, plus recappable tires) with Union's 6 Month Plan

76 At all UNION OIL SERVICE STATIONS

MAY, 1960

THE COVER: Gilded by a California sunset, the entrance and reflection pool at Union Research Center made an interesting color subject for Photographer George Strock's camera. Meanwhile, behind the gold plating, was taking place a major refining development—Unicracking. For the report, please turn to 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.

Published By

Public Relations Department
 Thiel D. Collett, Editor

From the Sublime to the Ridiculous

from News Front of March, 1960

The root of the wheat problem is that its use as food has been declining while output soared:

Per capita annual consumption, 3.71 bushels in 1941, dropped to 2.80 bushels last year. With the constant rise in the standard of living, meat and other more expensive foods have more and more usurped bread's traditional place on the U. S. table.

But in the same period, yield of wheat per acre has risen from 17.3 to 27 bushels.

Exports, under dollar sales, sales for foreign currencies, loans and outright gifts have managed to get rid of over one billion bushels since 1953. But they are falling behind in the race to close the gap between production and domestic consumption, and prospects are that they will fall further back so long as the present price-support program is continued.

One obvious solution is a vast increase of gifts of wheat to needy populations. But, if obvious, it is not easy. Shipping is lacking, and any large increase would upset the economies of such close allies as Canada, already restive because of U. S. subsidized exports.

Another, and the only one with a chance of success, is to liquidate the Price Support Program as quickly as possible, and stop subsidizing wheat.

But President Eisenhower, in his message, did not call specifically for such action. He merely told Congress he would welcome a "constructive solution." Any action Congress may take, observers agree, will not upset the subsidy appletart.

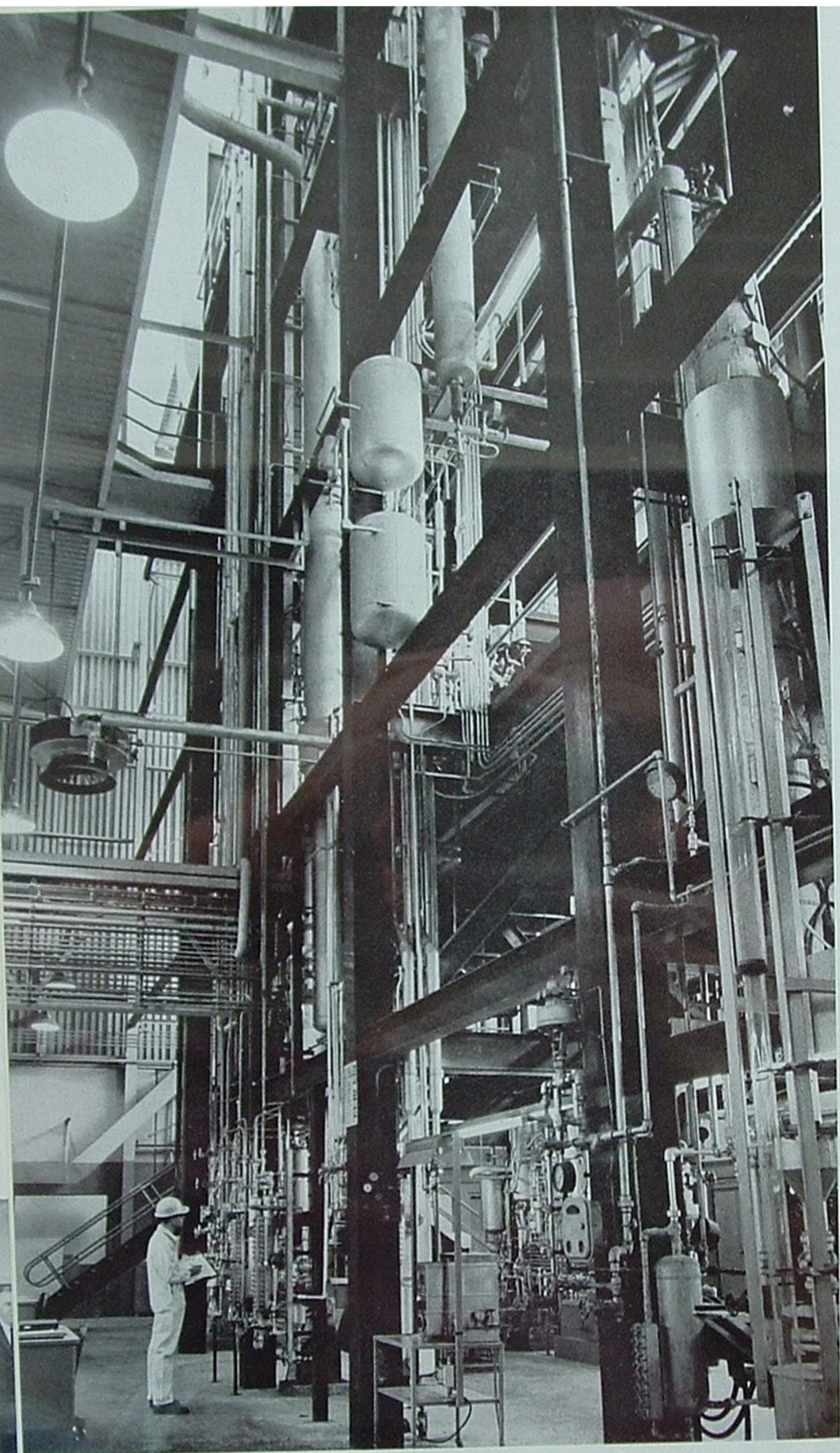
In the present year, with a new President to be elected, the farm vote remains the beautiful princess both parties are ardently wooing,

The magic mill will continue pouring out wheat at least until 1961.

*from Valley National Bank
 Phoenix, Arizona*

In our thirteen years of filling this frontal void we (Arizona Progress) have never resorted to a ghost writer or guest editor. But this month we are discarding precedent and allotting the space to Bernstein-Macauley, Inc., of 341 Madison Ave., N. Y. C., our favorite Investment Counselors, to discuss the recent growth in corporate stockholders. Pointing out that "shareowners" now outnumber union members, farmers or war veterans, their analysis of its significance is skeletonized herewith (the dots are ours).

continued on page 11



*from
Union Oil
Research
has come*

UNICFA

*an important
refining
development*

Union Oil Company has developed a new refining process which, at substantially lower cost than other methods, can convert even *marginal* or *problem* cracking stocks into valuable gasoline, premium diesel fuel and jet fuel. Remarkable features of the new process are that it yields a higher volume of products than the volume of liquid feed processed and leaves no residue of low-value fuel oil. And Unicracking is versatile; it can produce varying proportions of gasoline, diesel fuel and jet fuel in conformity with the market's demand.

The process, wholly developed by our Research Department personnel, grew in part from studies relating

ACKING

to Unifining, a refining process developed by Union and Universal Oil Products Company that is widely licensed for use throughout the petroleum industry. However, whereas Unifining improves quality by removing such impurities as nitrogen and sulfur from all types of petroleum distillates, Unicracking produces high-quality finished products by changing the character of the feed-stock hydrocarbons.

Efficiency of the new process has been demonstrated through many months of pilot-plant operation at the Research Center. Engineering studies conclude that units of commercial size can be built at relatively moderate cost and can be integrated readily with existing refining equipment.

The high efficiency and favorable economics of Unicracking are due largely to a new catalyst, which is the very heart of the process. The catalyst has high resistance to poisoning by such impurities as nitrogen and sulfur, retains its efficiency throughout months of continuous operation, and can be regenerated inexpensively.

The problem of obtaining a higher yield of gasoline and mid-barrel products from crude petroleum is an old one—as old as the oil industry.

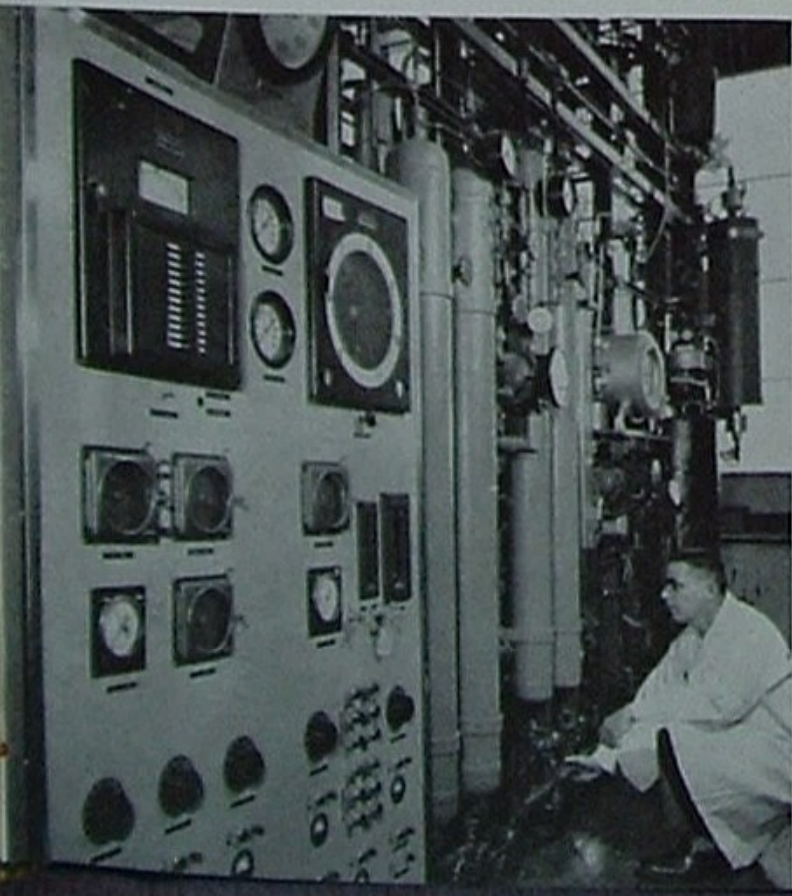
Through early methods of distilling kerosene from crude oil, refiners discovered that heat and pressure had something to do with the kinds and amounts of liquid products coming from the still. When the gasoline era arrived, this knowledge led eventually to thermal cracking — the application of so much heat and pressure that some of the large oil molecules would crack into the smaller molecules characteristic of naphtha and gasoline. However, gasoline yield was relatively low, considerable gas was produced, and many of the large molecules remained as heavy fuel oil.

Next came catalytic cracking. Here it was discovered that the presence of certain chemical substances in a vessel filled with heated petroleum vapors or liquids stimulated cracking of the heavier molecules at lower temperatures and pressures than were required in thermal cracking. Perhaps most important, the catalyst produced a gasoline having a knock-rating much higher than that of thermally cracked gasoline. It also produced a higher yield of burner oils, less fuel gas, less heavy fuel. While doing this work the catalyst became heavily coked, so that continuous coke burn-off or catalyst regeneration was required.

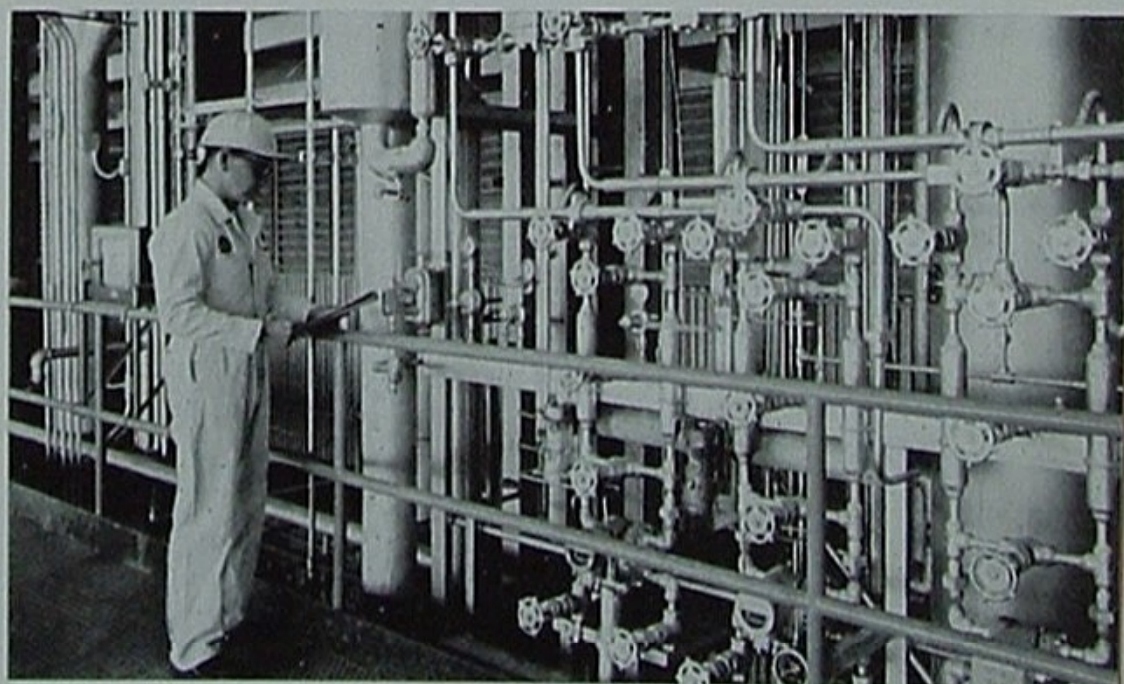
Both thermal and catalytic cracking have done, and will continue doing, their part in making more gasoline of higher quality and in reducing fuel oil. But in the refining field, as in most fields, there is always room for im-

continued

This small-scale plant was used by Research to make detailed studies of the Unicracking process.



Below and on the opposite page are portions of the 10-barrel-per-day pilot plant at Research Center wherein the techniques were proved.



UNICRACKING—continued

provement. Neither process is efficient in cracking either *marginal* stocks or a number of refractory oils that, due to their molecular construction, simply resist heat, pressure and catalytic persuasion. Disposition of such *problem* stocks has continued to aggravate the oil industry's chronic oversupply of low-value fuel oil.

Mindful of past experience and the need for a more efficient and versatile process, Union Oil scientists embarked on a new course. Their search was for a better way of converting difficult cracking stocks to gasoline, premium diesel and jet fuel. Two important guideposts had been established in the earlier development of Unifining. One is that hydrogenation removes sulfur and nitrogen impurities by converting them to gaseous hydro-

gen sulfide and ammonia. The second is that hydrogenation can make the toughest hydrocarbon molecules much more receptive to the action of cracking catalysts. But the big problem was how to combine hydrogenation activity and cracking activity into the same catalyst, then make the dual-function catalyst work efficiently even in the presence of hydrogen sulfide and ammonia.

This problem was solved. The upshot is the development of our Unicracking process — a major break-through in the advancement of petroleum refining.

Unicracking successfully handles such *marginal* or *problem* stocks as catalytic cycle oils, coker gas oils, and heavy cracked naphthas, converting them into gasoline, diesel fuel and jet fuel of premium grade. The yield of these highly refined liquid products is generally in the range of 110-120 volume per cent of feed. That is, for

continued on page 11

The invention and development of Unicracking were the results of teamwork — several teams in fact. The Refining Research group, holding a catalyst conference below, includes (clockwise from left) R. C. Hansford, G. W. Hendriks, J. L. Keller, T. V. Inwood, D. A. Young, R. H. Hass, A. J. Tulleners, L. R. Snyder, W. W. Howland, E. L. Wiseman, Manager H. C. Huffman, P. F. Helfrey, C. P. Reeg, and (at machine) K. W. Sache. They started the project several years ago, invented catalyst, and carried out exploratory processing.



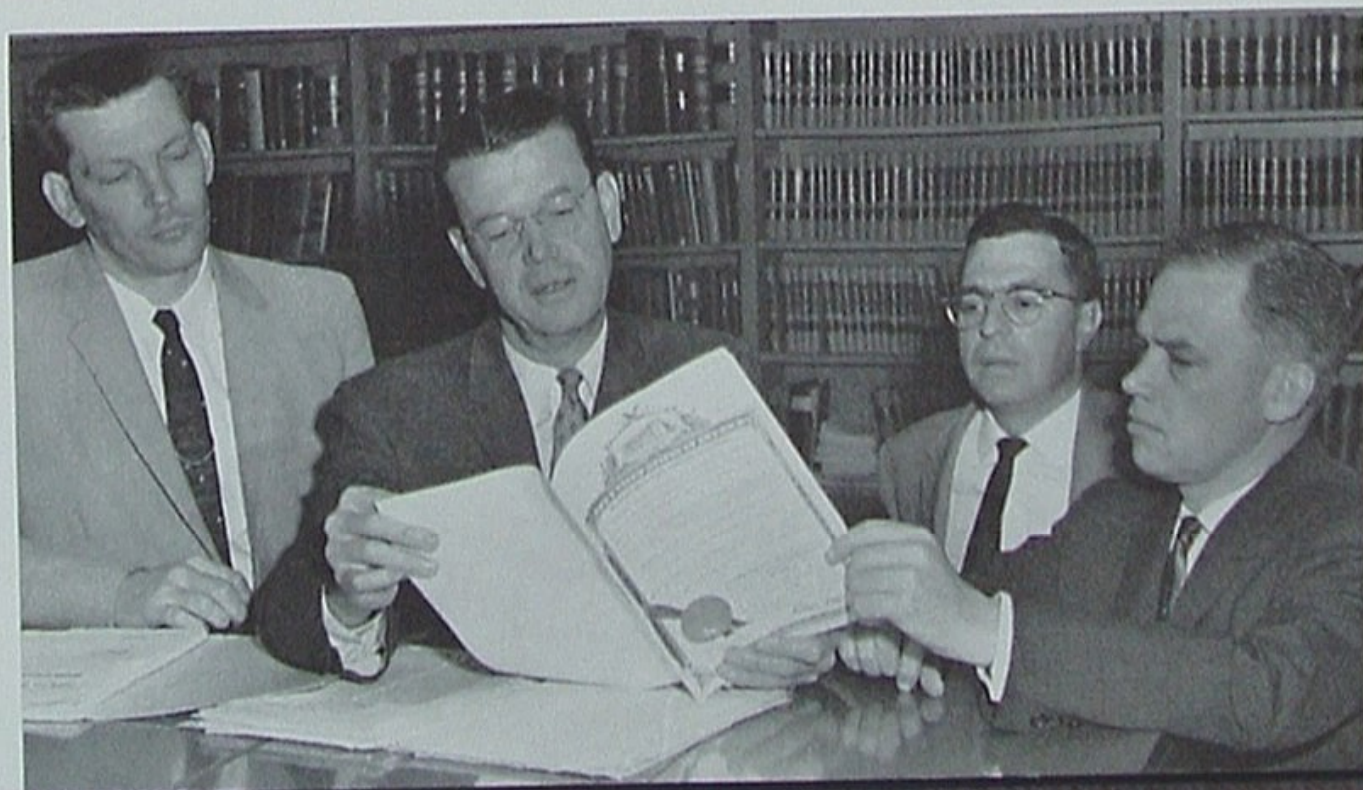


The Design Division men are (seated from left) J. E. Hines, N. D. Koch, Bernal Peralta, O. C. Eubank, G. D. Cheadle, R. L. Switzer; (standing) W. I. Barnet, F. C. Riddick, F. C. Wood, and Manager Clyde Berg. They built plant, improved processing scheme, developed design information for large commercial units.

The Process Engineering Division, including from left, J. H. Duir, Raoul P. Vaell, Royes Salmon, Manager Arnold Kelley, H. F. Wilkinson and Bernard Wendrow, contributed technical improvements, carried out economic evaluations, and translated findings into plans for commercial units.



From left, the Patent Division's L. S. Henderson and Patent Counsel M. W. Lee saw to it that Unicracking is protected by patents; while to the Commercial Development Division's W. J. Baral and Manager G. H. Hemmen fall responsibilities of licensing the process to other refiners in the industry.



70th Annual

At Union Oil Company's annual shareholders' meeting, held April 25 at Union Oil Center in Los Angeles, the 19-member Board of Directors was elected to another year of office. The members are:

Francis S. Baer	K. E. Kingman
Leigh M. Battson	Alan J. Lowrey
Frederic H. Brandi	Herman Phleger
Robert Di Giorgio	A. C. Rubel
William H. Doheny	H. W. Sanders
Fred D. Fagg, Jr.	A. C. Stewart

Horace C. Flanigan
Prentis C. Hale
Fred L. Hartley

W. L. Stewart Jr.
Reese H. Taylor
Dudley Tower
Dwight Whiting

In addition, James R. Page continues as an honorary director.

Represented at the meeting were approximately 79% of the Company's 8,532,354 total outstanding shares, or 82% in terms of the shareholders represented. Attending the meeting personally were a capacity audience in the

While directors of Union Oil occupy the stage, shareholders listen to Chairman Reese H. Taylor's reports of the Company's status.



Shareholders' Meeting

auditorium and over 200 additional persons who witnessed the proceedings through closed-circuit television equipment in the cafeteria.

As is customary at all shareholders' meetings, time was allotted to questions or comments from the assembled owners of Union Oil Company.

One question related to the inactivity of our experimental shale-oil plant in Colorado. It was explained by Chairman Reese H. Taylor and Director of Research Dr. W. E. Bradley that the plant has fulfilled its primary purpose as a source of data and that, largely due to the world oversupply of crude oil, the present is not an opportune time to invest in this oil-shale enterprise. They also stated that a commercial shale plant, if built, would occupy a location apart from the experimental site.

"What is the outlook for the oil industry?" another shareholder inquired. Mr. Taylor replied that the outlook is very good. At the moment, oil surpluses are being reduced. The price situation seems somewhat firmer. Demands for energy are increasing at a rapid rate. As does all industry, oil faces ups and downs; but the long-range forecast is encouraging.

Question: "What are the earning prospects for restoring dividends or increasing them?" Reply: "Although we have never stopped making money, there are times when we do have increasing demands for our funds. If we had paid out more of our earnings in dividends during recent months, we would have had to

borrow money to engage in activities of a profitable or promising nature. Or we would have to curtail such activities. In the oil industry a company cannot stand still. I would like to see dividends increase just as much as you do. And remember that the Company also paid a 4% share dividend in March 1959. Another share dividend of 4% was paid in February 1960."

Immediately following the shareholders' meeting, the Board of Directors met for the election or re-election of officers. Several new officers were elected and there were some changes made in the responsibilities of certain re-elected officers, as follows:

Reese H. Taylor was re-elected chairman of the Board and elected president.

A. C. Rubel, who was president prior to his recent normal retirement at age 65, will continue to serve as a director and member of the Executive Committee.

Dudley Tower was elected executive vice-president. Reporting to him are A. C. Stewart, K. E. Kingman, Basil P. Kantzer and E. C. Babson.

John Towler was elected vice-president, refining, and reports to K. E. Kingman.

N. T. Ugrin was elected vice-president, Industrial Relations, and also reports to Mr. Kingman.

R. E. Dalbeck was appointed director of the Budget Department, reporting to C. F. Parker.

Morley E. Joyce was elected assistant comptroller, succeeding Mr. Dalbeck, and reports to Max Lorimore.

continued



Closed-circuit television carried the meeting to an employee audience in the cafeteria.

70th ANNUAL
SHAREHOLDER'S MEETING—*continued*



Shareholders are always invited to rise at the meeting and present questions or comments. Usually several do.



The annual meeting is one of the few occasions when the owners and officers get a chance to converse personally.

Serious business discussions have their lighter moments. One shareholder asked who would succeed Mr. Rubel as president. Mr. Taylor replied, "I expect to." The shareholder's surprised reaction made everyone laugh, including Messrs. Rubel and Taylor.



A Deadly Spiral

From Chas. E. Morton

Chas. E. Morton Co., Monterey Park, California

There is no longer any doubt—that each round of wage increases is a factor in bringing on further price increases which in turn nullifies the wage increases and creates a demand for more wages. Every thinking person that is seriously concerned with the inevitable result of this inflationary spiral, dreads the end result.

Germany, after World War I, went through the complete cycle to the final collapse. Because of the accelerating speed of inflation, annual wage negotiations became six month negotiations, then monthly, and finally the pace became so great that laborers attempted to negotiate for their pay before going to work of a morning. The pay they received that day had to be spent the same day for by morning it would be worth even less. Savings were wiped out, all building, all repairs stopped because no one could estimate or bear the cost. The government started a spending spree with printing press money and soon the people were rushing madly about with wheelbarrow loads of almost worthless German marks, trying to buy food. The economy ground to a halt. The government collapsed. A dictator seized power in the resulting chaos and bathed his country in blood and shame.

The same path is easy to follow. Many countries have done so to their ruin. We are far down the same path. With two nations, maybe more, watching, waiting like wolves, to spring upon us the moment we are down; to fling millions of despoilers into our midst, we cannot afford not to reverse the trend regardless of cost.

We need today as never before, clear headed, strong leaders and people.

/THE END

EDITORIAL—continued from Page 3

“By organizing shareholders, an astute politician could keep himself at the forefront of the national scene and the resulting Stockbloc would be a power with which all parties and groups would have to reckon... Just as the farm program was necessary to maintain the existence of the farmer — that bulwark of rugged American individualism — so is it necessary to nurture and protect shareholders... The first proposal would be that no purchaser of a common stock need ever sell it below cost. He would have the privilege, in case of emergency, to borrow his cost — which would be the holder's parity price — from the Government... If his stock didn't go up — in say a year or two — the loan would be forgiven

and the government would own the stock... The Stockholders' Credit Corp. (S. C. C.) would take its place beside the Commodity Credit Corp. (C. C. C.)... The S. C. C. would either sell them at a propitious time or give them away to worthy institutions such as its own pension funds, the Smithsonian Institute, etc., or the underprivileged in our country or abroad... Whatever the government did to maintain stock prices would be in its own interest as it would reduce the number of under-water loans... It might even stockpile common stocks as a national defense measure and pay corporations not to issue new stocks just as it paid farmers not to produce... So many institutions, trusts, foundations, etc., own common stocks the very social and economic security of the country demands that values be maintained... The line forms on the Left!”

(The foregoing information is not guaranteed, but gee, it is the easiest column we ever turned out.)

/THE END

UNICRACKING—continued from Page 6

100 barrels of feed, up to 120 barrels of product is returned. Little gas is produced in the process and there is no remnant of fuel oil.

The quality of Unicracked products is excellent:

Gasoline fractions are free of olefins, stable, and high in knock-rating performance.

If higher knock-rating is desired, the naphtha is a superior feedstock for catalytic reforming, because of its high cyclic and iso-paraffin content. And, in contrast to thermal or catalytic naphthas, it contains no olefins to raise questions regarding air pollution.

Diesel fuel produced by Unicracking of coker gas oils or of catalytic cycle oils has a cetane number of 50 to 70, depending on the stock and on the conversion.

Premium jet fuels can be made by Unicracking of paraffinic or moderately aromatic stocks without further treatment.

No separate pre-treatment of the feed is needed. Despite this fact the presence of nitrogen and sulfur in finished products is measured as nil or negligible.

Unicracking units can be built at relatively low cost in comparison with other types of catalytic cracking plants and their treating facilities. Or the new process lends itself to integration with older ones.

For these and many additional reasons too technical for present mention, Unicracking is expected to make its early debut in Company refineries and become a milestone of progress throughout the industry. Eventually its benefits will flow to millions of consumers.

/THE END

"Fight on



Remember Silky Sullivan? The horse who used to spot his rivals about 15 lengths, then overtake them and win by a nose or more? Strangely, if Silky's rider refused to indulge the horse this handicap, something went wrong inside Silky's peculiar mind. He'd lose all *enthusiasm* for overtaking the field and finish out of the money.

Nearly every day in the world of sports, champions are being beaten by teams that hardly were given a



In the plot, Dealer Fillmore Tanks (Ernie Newton) wails, "Now the grease gun's running dry. Oh, the heck with it, what care I? I'll just take her off the rack 'cause she won't be coming back!"

But Fillmore's carelessness backfires. Presently he finds himself returning by parachute after servicing the Professor's car at a local Space Laboratory.



The Professor (Willard Waterman) of course is mildly insane upon learning that Fillmore has put the new battery in the space missile instead of his old car.

But in the play's darkest hour, Ima Jane (Wanda Shannon) arrives and reads a passage out of the good book, the Service Manual.



for Union U!"

chance in the betting odds. *Enthusiasm* spelled the difference. The Los Angeles Dodgers did it twice in 1959, winning both the National League flag and World Series despite all predictions to the contrary. The U.S. ice hockey team did it in the Winter Olympics. Ohio won the 1960 college basketball championship, beating two teams that were supposed to be better.

It happens in the world of business too. Look at the Rambler automobile. Just a few years ago Nash appeared

to be joining the long list of American automobile has-beens. Then, largely through the *enthusiasm* of one man, George Rommey, the car changed its name and became one of industry's biggest sellers.

Never underestimate *enthusiasm*. It may be self-generated within the competitor's own mind. It may be sparked by a jockey or coach or a student-body or a parkful of loyal fans or a corporation president. But if it reaches the contestant, watch him. He's very apt to be unbeatable.

Maybe this explains to some degree why Union Oil Company has just finished presenting to all of our dealers "The 70th Anniversary Revue." Yes, it was a rollicking, girly musical packed with lots of laughs and entertainment. Its cast was top performers from the stage, movies and television — some of the *finest* in show business.

However, the underlying theme of the plot had a business-like seriousness. It pointed out that the corporate image and success of Union Oil Company are nowhere more prominently reflected than in our dealers. Service stations are our main display windows and public reception centers. The men who run those stations are the Company in person.

And, when the girls on color page 15 of SEVENTY-SIX sang, "Fight on for Union U!" they weren't just kidding, Mr. Dealer. They and we are *enthusing* you on to the Service Station Championship.

/THE END



Fillmore becomes a new man; he reads the Manual and delights Ima Jane with his knowledge of things mechanical.

And, like all heroes of happy-ending plays, Fillmore waxed so enthusiastic he even won Ima Jane's heart.



All of which prompted the girls of the show to dance and sing, "Hail to thee, Alma Mater, dear dear old Union U."



Starting June 1

you can win prizes in an . . .

Employee Credit Card Contest

A new Employee Credit Card solicitation Contest begins June 1 — and it's like no other credit card Contest the Company has ever run. There'll be prizes for active cards, bonus awards for the top ten employees during each quarter, and a grand prize for the solicitor of the year.

The Contest runs a full year, from June 1, 1960 to May 31, 1961. Here's how it works:

You turn in a credit card application. It's approved. Your friend — or neighbor or business contact — uses his card for three months (any three months, not necessarily consecutive) and the card becomes "active."

Automatically you're a three-time winner: you receive a dollar award of a special issue of the Company's new 76 Autoscrip. (You'll hear more about 76 Autoscrip later — but basically the scrip is a gift certificate good for the purchase of any Union Oil product or service.)

For every active credit card account you get, you get another dollar award of 76 Autoscrip.

If you're a quarterly winner you receive a 76 Autoscrip \$20 prize. And if you're the man — or woman — with the most at the end of the year, you get \$500 worth.

Just to be sure everyone has an equal chance to win, members of the Management Committee, Senior Advisory Committee, and Executive Committee, and employees stationed outside of our primary marketing area are not eligible for the contest. However, retirees will be eligible for the entire program.

That's a sketchy outline. Between now and June first, you'll have detailed information plus a supply of application blanks.

The reasons for adding an incentive to the employees' credit card solicitation program make good business sense.

First: Credit card holders are Company's most profitable customers. On the average, the person who buys with a credit card spends \$26 a month in Union Oil stations.

The Company's own employees — who, as a group, through the Incentive Plan are its largest shareowner — do a better job of accumulating those valuable credit card customers than anyone else.

You have a higher percentage of approved applications and a much higher percentage of activity than any other source of credit card holders. Within the last two years, employees have added 36,000 new, active accounts to Union Oil's books!

Then: The retail end of the oil business is brutally competitive. No matter where you work — Marketing, Manufacturing, Research, Comptrollers, whatever department—that competition is a very personal thing. Any time you see price signs in front of a Union Oil service station, you can figure it's *your* paycheck and *your* Incentive Plan that's in trouble.

Generally, a credit card customer shows more loyalty to the brand name and to his own dealer than does the man who pays cash. He's less liable to be lured away by cut prices or to be tempted to shop at the drop of a competitor's advertising campaign. So in times such as these, a dependable source of steady credit card customers is a gold mine worth working.

And worth rewarding, to scramble a metaphor.

You'll get that reward — doubled: The first part, tangible as cash in hand, comes as soon as they've bought for the third month. The second part comes more slowly, but surely, in increased competitive strength for your Company.

The time to start piling up your share — to start spotting credit card prospects — is *NOW*.

/THE END

Union



Gazett



More than 7,000 dealers and employees heard these cheer leaders belt out the last line of their fight song. "Charge, Charge . . . and charge again!" — key words in the new credit card contest. Left to right: Mildred Law, Kitty Kover, and Jenifer Lea.

Business Highlights of the Month

TRANSPORTATION & SUPPLY

All ocean-going vessels are constructed to meet strength requirements established by internationally recognized classification societies. This control is necessary in order to assure safety of life at sea. Our chartered supertankers — SANSINENA, LAKE PALOURDE and TORREY CANYON — were built under the rules of Lloyd's Classification Society and were rated at 60,600 deadweight tons capacity. Inasmuch as these vessels have the volumetric capacity to carry additional cargo, we requested Lloyd's to make a further structural strength analysis of the ships. We have now received approval from Lloyd's to increase the deadweight capacity of each ship to 65,600 tons. This will enable us to carry an additional 37,000 barrels of cargo per voyage and will significantly reduce our transportation costs on the movement of crude oil from the Persian Gulf to California.

In 1959 the Company's fleet of 61 motor transports traveled 4,600,000 miles to deliver a record volume of 518,500,000 gallons of products to our service stations, commercial customers and marketing stations.

The Automotive Department, Southern Division, has received the Greater Los Angeles National Safety Council Award for no lost-time accidents during 1959.

from E. L. Hiatt

PRODUCTION Automation in the wilderness.

One of our most remote operations is in the Virginia Hills Field, located 125 miles northwest of Edmonton, Alberta, in a wilderness area of hills, heavy timber and muskeg. Union, with two other companies, discovered the field in March, 1957. The wildcat well, completed at a depth of 9,200 feet, flowed at a rate of 864 barrels per day of 38° gravity oil through a 20/64-inch choke.

The companies now have 12 producing wells and drilling operations are continuing on a very active basis.

Every indication points to establishment of a major reserve of oil.

Due to the area's remoteness, everything is being done to make the operation an easier one. A plan has been approved for the installation of a centrally-operated fully automatic production system which will measure and sample oil from the individual wells before moving it to the lease storage tanks. Each storage tank, upon being filled to a certain level, will be gauged, sampled and pumped into the outgoing pipeline by an automatic custody transfer system.

Until December, 1959, drilling and producing operations had been confined to the winter months. Now an all-weather road and pipeline to the field make it a year-around operation.

from Dudley Tower

EXPLORATION Prospects brighten in the gulf.

The Company's enviable record of five consecutive oil-gas discoveries, as a result of drilling exploratory wells on wildcat prospects in the Gulf or Mexico, makes this area rank as our most successful exploratory province in recent years. Therefore, the exploration program of the Gulf Division for the remainder of 1960 has been revised to provide for evaluating offshore acreage acquired at a recent federal sale. The sale, largest to date, involved over one-and-a-half million acres of land, for which the oil industry paid the government in excess of 280 million dollars. Union Oil Company was the successful purchaser of six blocks that we consider have excellent prospects of developing major reserves of oil and gas.

Lying 30 to 50 miles from the coast and in water ranging from 40 to 100 feet in depth, our acreage will be evaluated by exploratory drilling starting early this summer. "Mr. Louie," one of the seven large mobile drilling barges now operating in the Gulf of Mexico capable of drilling in over 100 feet of water, will be utilized for drilling operations on some of the prospects. In addition, the Company will offer dry-hole contributions to encourage other operators to drill on lease blocks adjacent to other areas we purchased at this sale.

from Basil Kantzer

RESEARCH Inclining the twig!

The Research Department has participated for many years in the spring "Career Day" programs of high schools in neighboring communities. The objective is to provide guidance and inspiration to students interested in the sciences.

With the marked increase in emphasis on these fields during the last several years, our department members have helped plan and maintain programs designed for interested and promising students. Research people have served on school boards and advisory committees, functioned on lecture and demonstration teams that visit schoolrooms to lead science seminar programs held during evening hours or on Saturday mornings, acted as judges of science fairs, and so on.

Meanwhile, we have seen an increased interest by teachers in informing students of the work done in industrial research. During the past year, student and science club groups toured Research Center at a rate of about one a week. Several special tours were conducted for science teachers and school counsellors.

Our new Unicracking process was formally introduced to the petroleum industry on March 29, 1960, at the 48th Annual Meeting of the Western Petroleum Refiners Association in San Antonio, Texas. A paper entitled "Unicracking—A Modern and Versatile Hydrocracking Process" was written by R. C. Hansford, C. P. Regg, F. C. Wood and Raoul Vaell and was given at the meeting by Mr. Wood.

from W. E. Bradley

TREASURY No place for idle money!

Money is like any other asset, it must be kept working. Close co-ordination between operating departments and Treasury in planning for major expenditures means added profits.

Cash balances are held to practical working levels, and funds over and above those immediately required in our operations are invested in short-term government securities. By scheduling our commitments, these securities can be invested at interest for the maximum period of time.

For example, the Company was required to expend in excess of \$11 million in April as final payment of bonuses for recently acquired Louisiana offshore leases. To meet this obligation, liquidation of securities was required. The Gulf Division determined that April 13 was the latest date these payments could be made. Treasury then arranged, through exchange of securities, repurchase agreements, and sales, to convert securities to cash on April 13. The money thus obtained was then wired to Houston to enable Gulf Division to meet the bonus obligation on that date. Every additional day these funds remained invested meant approximately \$1,300 in added income to the Company. It's an illustration of how planning and co-ordination between departments pays off!

from L. B. Houghton

COMPROLLERS Why sport-model envelopes?

The colored band on self-addressed envelopes enclosed with Union Oil bills for purchases of gasoline and oil were not put there to make paying more attractive. The bands of blue, orange, green, purple and other colors serve a specific purpose as an aid to the Credit Card Center in sorting payments received.

Approximately 480,000 accounts are processed through the system each month, so it is necessary that we divide these accounts into cycles. Colored bands on the envelope make it possible to readily correlate payments, which come to us at the rate of 20,000 to 30,000 per day, with their proper cycles. This enables us to quickly group the receipts into separate batches, bank the checks, and credit payments to customers' accounts. Last-minute payments can be separated and credited before the new

billing is made. Results: speedier service to customers, reduced Company costs, and prompt use of the money paid to us.

from R. E. Dalbeck

PURCHASING Time to unload!

With all materials we purchase now readily available, the Purchasing Department urges a reduction of inventories, which were increased considerably during the steel strike. A 50% reduction is recommended and can be attained through the cooperation of all operating departments.

from C. S. Perkins

MARKETING

Among important marketing business recently acquired is a large capacity garage facility at the new Jack Tar Hotel in San Francisco; the petroleum requirements of Palmer Contracting Company on an Arizona state highway job; a contract to provide aviation gasoline to Thunderbird Field, largest light plane airport in the Las Vegas area; the petroleum requirements of Keystone Construction Company on their \$1,564,000 Oregon state highway job near Baker; the plant lubricating oil and grease requirements of General Mills' Sperry Branch at Lodi, California; and the motor gasoline requirements of Boeing Aircraft Company's plant in Seattle.

from C. H. Finnell

Unimar, Ltd. held its first Board of Directors meeting March 15, 1960, at Hong Kong. Following this meeting, distributors in Southeast Asia were contacted by various directors.

from F. K. Cadwell

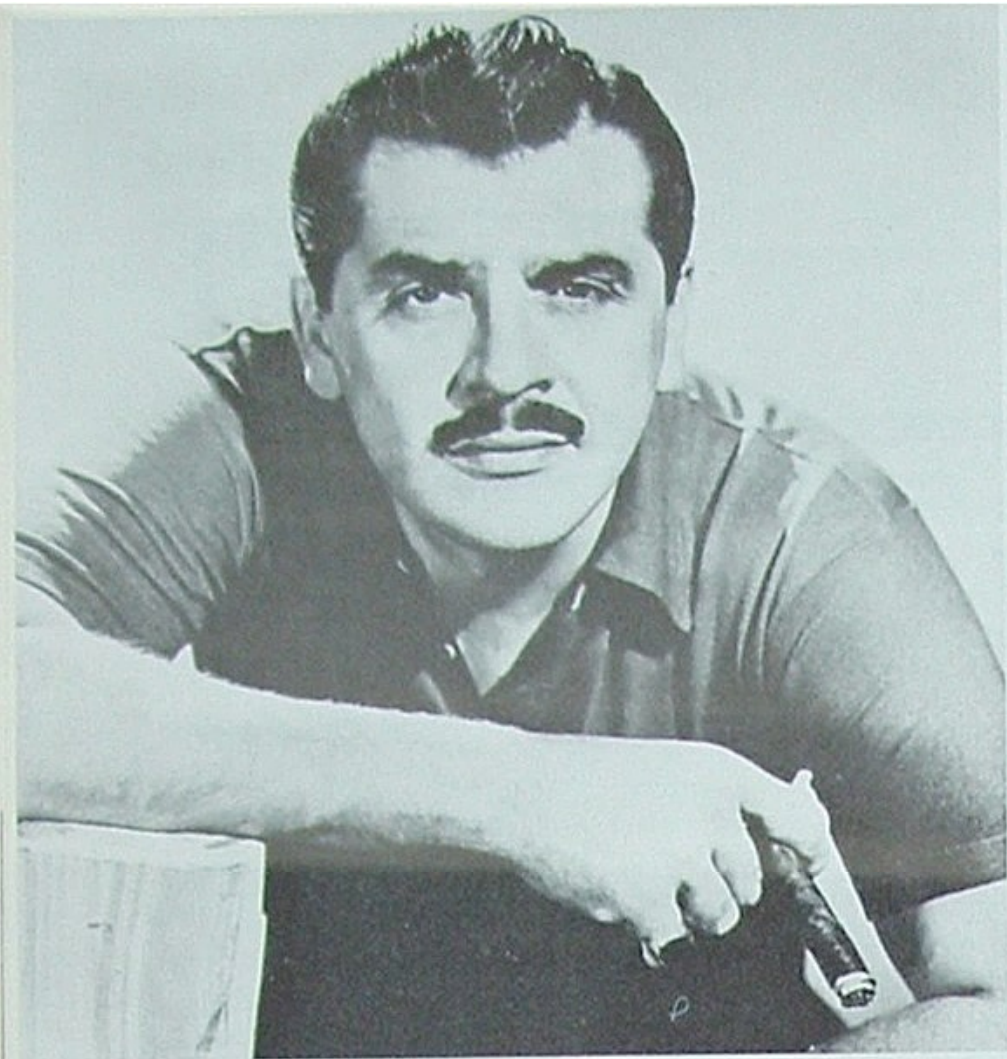
MANUFACTURING

Construction is well under way at Los Angeles Refinery on facilities required by the Product Quality Program. Included are a 15,000 bbl/day Catalytic Reforming unit, a 5,000 bbl/day heavy Catalytic Gasoline Unifiner, a 16,000 bbl/day Gasoline Unifiner, and a 20,000 bbl/day Mid-barrel Unifiner. The latter unit will play a vital role in processing such products as kerosene, stove oil, Diesel, jet and turbine fuels. The program will provide anticipated future quality requirements of Union's gasolines and mid-barrel products.

Though delayed two or three months by the steel strike, first of the new units will be in operation by about August, 1960, and all others by the end of this year. Revisions necessary to integrating new units with the refinery processing scheme are normally undertaken during scheduled major maintenance shutdown or turnaround.

Control of air pollutants being an important factor, \$2 million is being spent in this program for additional facilities to remove hydrogen sulfide and sulphur compounds from the gases generated. These substances are converted to sulphur, ammonium sulfate or sulfuric acid. Also the program calls for a \$2,500,000 waste-heat steam boiler to burn carbon monoxide gas.

from J. W. Towler



Author of the accompanying unsolicited letter is Ernie Kovacs, nationally famous actor who found a Minute Man at Tahoe.

Sincerely,

Mr. A. C. Rubel
Union Oil Company

Dear Mr. Rubel:

Recently my wife and two children and I were in the Lake Tahoe area as guests of Bill Harrah for the Olympics. During the eight or so days we spent there, something occurred which I think might be of interest to you.

We were driving a rented car during our stay there. After a rather severe snow storm we found it necessary to have chains put on the car. I drove the car to this station and a young man, whose name I believe was "Stub," was on hand, and I asked him if he would put on the chains.

In extremely cold weather he took out the chains . . . replaced several links that were missing . . . and did every-

"At this station a young man whose name I believe was "Stub" (David Lowry) was on hand."



Ernie Kovacs

thing possible to make the chains fit. However, the chains were of a wrong size and we ended in getting the correct size for the car.

During the time he was working on the icy ground fixing the chains, a man came up who wanted some information. Another man drove in who wanted to use the phone. A little boy came up to use the bathroom. A woman stopped by, walking, to get some explicit information about heavy mechanical repairs to her car. And two or three other non-paying customers were in and out of the station.

The young man treated all of these people with a great deal of respect, patience and kindness - helping each one with his non-profit request - even taking the little boy to the bathroom.

To the woman requesting the mechanic, he suggested a garage. When she walked off to phone, he told her she could use the phone inside. When she was unable to find the number in an unfamiliar directory, he called information and got the number for her.

It is very rare to find anyone who will exhibit such patience in any kind of weather, particularly such a day on which all of this transpired.

Also during that time, an inspector for the Union stations arrived and made an inspection of the station. I happened to glance at his report. On the report his only comment was that the windows were disorderly and kept in an untidy fashion. He also mentioned, I believe, the wet condition of the floor. The floors of course were wet from all of the free-loaders, including myself, who were in and out of the man's station.

It has bothered me ever since being there that some one person in a supervisory capacity will have only one contact with this station for that day and will then make his inspector's report.

Whatever untidiness there was in the window, I'm sure, will be more than offset by the great amount of goodwill this young man spread for your organization.

There are so many times in so many occupations where these situations come about. And so little credit is ever given to some very deserving people. I know that I now have a considerably warmer feeling toward your organization, through the patient efforts of this boy, than I could possibly get from a dozen brilliant window displays.

I don't know what this note will mean, if it will mean anything at all. However, you might be interested in knowing that this sort of thing is going on in one of many stations, and, I'm sure, goes on in others.

Sincerely,
(Signed) Ernie Kovacs



"During the time he was fixing the chains, a man came up who wanted some information."



"He called information and got the number for her."



"He treated all these people with a great deal of patience and kindness - even taking the little boy to the bathroom."

You fit at fifty in Sun City

One of the world's leading inducements to retire at 50, or as soon as possible thereafter, was launched near Phoenix, Arizona in January of this year. It is Sun City, a brand-new community within 20 minutes' drive of downtown stores - or, better still, within a No. 2 iron drive of a championship golf course.

A unique feature of Sun City is that it taboos the pater of little feet. There are no nurseries, public schools, children's matinees, dens for cub scouts. Even the teen-

age problem is solved - largely for want of teenagers. Of course junior visitors under 50 are welcome as guests now and then on credentials of good behavior. But Sun City is intended and designed for senior citizens over 50. It stresses relaxation and wholesome activity, ignores work and drudgery. It's undoubtedly the most modern and first retirement city of its kind in America.

Sun City was created by Del E. Webb, Arizona contractor whose company is credited with many major

During three-day opening, 100,000 visitors and prospective buyers flocked to Sun City. Beyond shopping center is 18-hole golf course.



construction projects in the West, including Union Oil Center. He is also nationally known as co-owner with Dan Topping of the New York Yankee baseball team. The Del E. Webb Development Company designed the city, keeping in mind the active type of retiree. They chose the Arizona location because of its dry climate and 365 outdoor days of sunshine each year. On 20,000 acres of land purchased in a \$20 million transaction of one year ago, they are now completing the first segment of 585 homes. An additional 1,600 homes are planned.

Beauty, comfort, convenience and recreation are blended with low cost to make this retirement spot so genuinely attractive. Several years of nationwide research went into its planning.

Heart of the community is an excellent golf course, whose first nine holes of a full 18-hole layout were ready for play before the first resident moved in. Flanking this country club are other recreational incentives - an Olympic-size swimming pool, an outdoor archery range, lawn bowling, shuffleboard, horseshoe and croquet courts, a large golf putting green.

In the beautiful community center are a completely equipped woodworking shop, ceramic shop, sewing room, leather and wood carving, metalsmith and lapidary shops. A unique agriculture center will encourage such hobbies as growing prize flowers, vegetables, small crops - even prize livestock if the retirees desire.

Up and going is a complete, modern shopping center with supermarket, variety store, drug store, barber shop, laundromat, cleaning establishment, and the whole shebang. And greeting every motorist at Sun City's portals is one of the *Finest* of Union Oil service stations. The town has everything.

Costwise the news is equally good. The masonry homes, varying from two-bedroom-one-bath to three-bedroom-two-baths, range in price from \$8,500 to \$11,300. For less than \$10,000 you can have a home with the golf course in your front yard. All homes have central heating and cooling, built-in electric stoves and ovens. Everything's landscaped. Streets, walks, curbs and driveways are paved. The town has its own sewer system. Even the garbage cans are hidden underground. You can move in for as little as \$300 down. Monthly payments as low as \$68 include principal, interest, insurance and taxes.

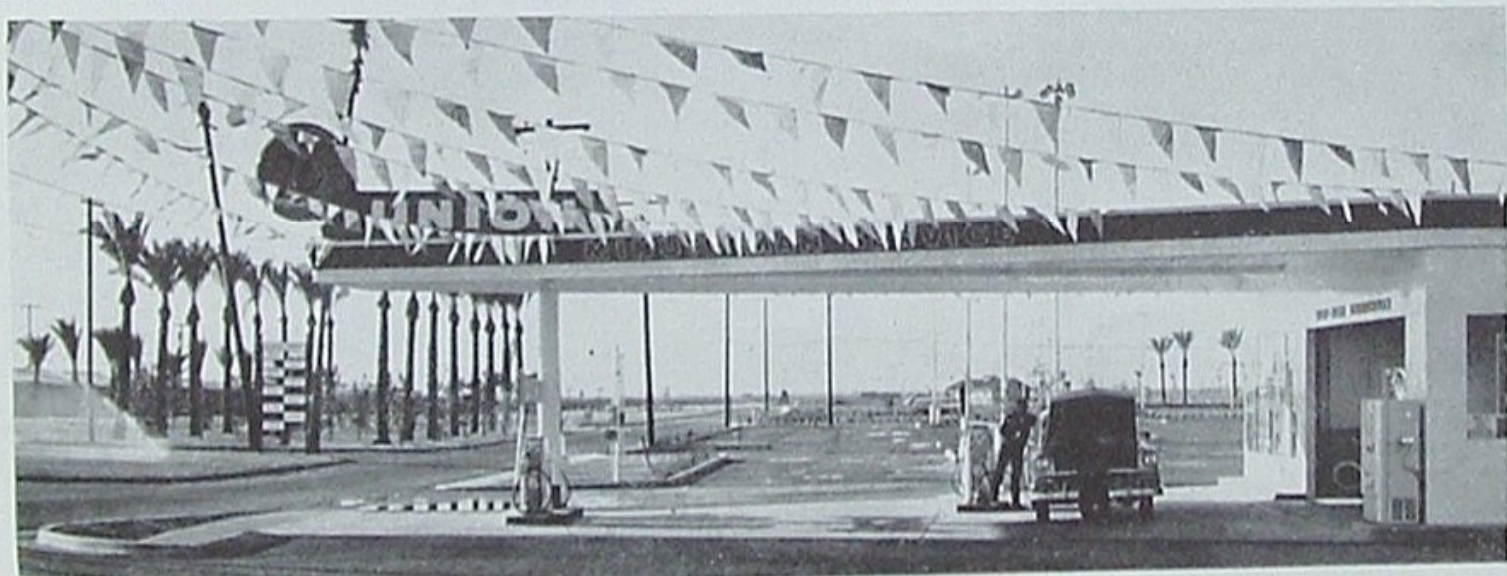
Will the venture succeed?

Well, during the opening three days in January, 100,000 visitors came to Sun City. In 72 hours 237 homes were bought by qualified retirees. Others took up temporary lodging in nearby motels until the houses they wanted could be built on the lots of their choice. *Newsweek* called the project an "Arizona miracle."

If you're haunted by gray hair, rheumatism or rubies on your service pin - remember Sun City!

/THE END

Offering everything that an active retiree might desire, SunCity includes one of Union's *Finest* service station outlets.



Though Dealer H. J. Collins, right, hardly qualifies as a resident, his 15 years of Union experience are most welcome.





Maruzen's Intercity Non-Pro Champs of Japan opened their California tour against USC in Los Angeles.

Japanese Champs

Maruzen Oil Company's baseball team, champions of the Intercity Non-Professional Baseball League in Japan, have given an excellent account of themselves against some of California's best college teams. Taking us on at our own national pastime during a 10-day goodwill tour beginning March 26, the Maruzen nine politely

won three and lost three. Victories over U.C. at Santa Barbara, Orange Coast College at Costa Mesa, and U.C. at Los Angeles were exactly balanced by losses to U.S.C., Stanford University, and Fresno State College.

In every game the Japanese won the admiration of both fans and opponents for their outstanding fielding, good hitting and pitching, and exceptional sportsmanship. Despite a few playing rules that are interpreted differently here than in Japan, the visitors never protested. They played heads-up baseball, played hard, played to win. They were modest in victory, gracious in defeat. With a little more power added to their pitching and hitting strength, they'll make any team hustle for the world's amateur championship.

As business associates of Maruzen, it was Union Oil's pleasure to help entertain the visitors. We take pride in reporting that, both on and off the diamond, these athletes were fine ambassadors of Maruzen and Japan.

/THE END



National anthems were played before teams started the game.

Our photographer at Union Oil Center was outnumbered about 25 to 1 when the visiting athletes paused for this group picture.



Executives' Secretaries, Inc. sponsor

"Career Day" at Union Oil Center



"Career" Day leaders were Chariman Anita Weil of Turf Club, Union Oil Hostess Marjorie Gleason, and E. S. President Lura Rae Dales of Firestone.

If the top executives of industry were asked to name one of the foremost contributing factors to their success, quite a number would undoubtedly list, "my secretary." For to these very capable business women accrues much of the heavy work load, detail and responsibility characteristic of high office. In intelligence and efficiency they must be almost equal to the boss; in tact and modesty they usually must exceed him.

Executives' Secretaries, Inc., is a nationwide organization of these foremost American business women. Purposes of the association are to provide a convenient

communications network and foster the highest standards of secretarial service.

But women, being women, naturally expand their purposes to unselfish heights. The Los Angeles Chapter of Executives' Secretaries, for example, annually supports a number of scholarships in behalf of girls seeking business careers. Both through schooling and personal contacts, the students are encouraged to qualify for the top rung of the secretarial ladder.

"Career Day" held at Union Oil Center on April 2 was the culmination of this extracurricular good being

continued

Business college student guests of Executives' Secretaries were enthusiastic about careers when ushered to Union Oil board room.



"CAREER DAY"—continued

done by the Los Angeles Chapter. Students from local business colleges came as the secretaries' guests. After seeing the type of office environment where most girls are anxious to begin business careers, the group convened in the auditorium. Here, through panel discussions and a question-and-answer forum, they learned from the Southland's women of industrial renown what is required of today's executive secretary.

/THE END

Lee Giroux, KRCA-TV personality, was emcee for Career Day. With Muriel Pollia and Agnes Herbst helping, he conducts a question forum.



C. C. Ireland

receives first 50-year service pin

On March 11, 1910 — just three days before Lakeview Gusher blew in — young C. C. "Cec" Ireland applied for work with Union Oil Company. He was accepted as an office boy. Finding that the job didn't pay much, Cec acquired new ambitions and was transferred to the sales department. In this competitive channel he progressed through several preparatory assignments to agent at Corvallis, Oregon, in about 1918, agent at Spokane in 1924, assistant manager at Los Angeles in 1930, and later manager of sales.

With 31 years of service behind him in 1941, Cec began planning not for but against retirement. He asked for and received the assignment of distributor in the Culver City, California, area. He has lived happily ever since — selling Company products to everyone within earshot — taking vigorous part in community life — and training thoroughbred race horses as a hobby.

Unusual tribute was paid this Union Oiler on March 23, 1960, at a special luncheon. Present were community officials, business associates, and more than a score of Company men. All rose to a standing ovation as C. C. Ireland accepted his 50-year pin — signifying the longest period of continuous service ever achieved by a Union Oiler.

Two of the youngest-looking people present were Mr. and Mrs. C. C. Ireland.

/THE END

Among honors bestowed on the Irelands, center, were a community plaque from Culver City and a special front-page story by the Star News. Company well-wishers attending the award luncheon included Director of Marketing C. H. Finnell, left, and Division Sales Manager E. Kendall, Jr.

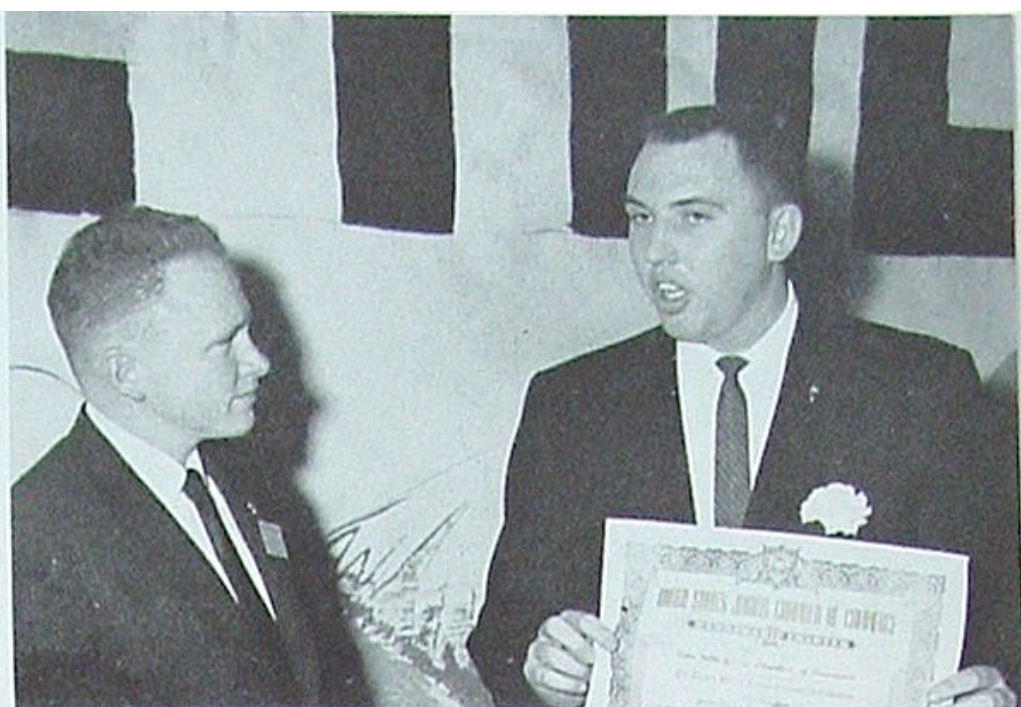


in focus



NEW ADMINISTRATORS of the Employees' Medical Plan Board are James G. Baird, left, superintendent of Southern Division Pipeline, and Jack L. Stair, superintendent of Northern Division Field. They were chosen in a recent close election to succeed F. M. Anderson and F. H. Billington for three-year terms. The Medical Plan in its 45 years of operation has taken in and expended over \$7 million for medical, hospital and surgical services to employee members.

from D. S. Povah



HAL SCHAPER, standing at left, is retail sales supervisor at Seattle, also president of the Lake Hills Junior Chamber of Commerce, Washington's largest. He is shown receiving a JCC membership charter from National Director Ken Johnson. Hal, a "young Turk," had the room decorated with blue and orange and saw to it that all 48 members of the chamber were supplied with Union Oil credit cards.

from Carole JuJins

HONORARY DIRECTOR JAMES R. PAGE, standing left, was congratulated by Board members on March 28 as Chairman Reese H. Taylor stepped forward and presented him with a 15-year service emblem.

from R. F. Niven





LAVONNE O'NEAL, secretary to the manager of Oleum Refinery, was chosen as official ribbon cutter at the opening on March 30 of a new concrete-and-steel access ramp to Oleum's marine terminal. The ramp replaces a wooden trestle and eliminates a grade crossing over Southern Pacific tracks.

from Don Probst



CALGARY UNION OILERS have been given "outstanding citizenship" recognition again for their generous contributions to the Community Chest. To qualify for the award, over 80% of a company's staff have to be contributors of \$8 or more per person. The plaque held by President Jim Thomson has a "second award" appendage denoting two successive years of fine community service by Social Club "76."

from R. H. Clark



THE WHITE HOUSE CONFERENCE ON YOUTH, held in Washington, D. C., from March 27 through April 1, was attended by our Manager of Public Service W. H. Thompson, Jr., (left) and Grant Thompson (center) whose trip was sponsored by Union Oil. Our Bill Thompson is a member of the California Governor's Advisory Committee on Children and Youth. Grant Thompson, no relation, serves on the same committee as a representative of youth and is ex-Governor of the Junior Statesmen of California. They were commended by President A. C. Rubel, (right) just prior to starting east. The Washington Conference, observing its golden anniversary, attracted 7600 delegates and 17,000 interested guests.

from Suzy Navarrete

ARTHUR F. STRIBLEY, JR., below right, a supervisor at Los Angeles Refinery, receives a Certificate of Merit from Dr. C. C. Carpenter of the Palos Verdes School District. During a three-year term as Trustee on the School Board, Art served as chairman of the Teachers' Salary Committee and was chosen as vice president of the Board in 1959.

from S. D. Reiner



JACK EPLEY, retail supervisor at Missoula, Montana, has been singled out by his Junior Chamber of Commerce for outstanding contributions both to the service organization and his community. He was extolled during the Annual Bosses' Night dinner held in Missoula.

from N. W. Insfeld, Jr.



SERVICE BIRTHDAY AWARDS

RETIREMENTS

May 1960	Service Date
GOLDA S. BRATTEN Comptroller's, Home Office	August 10, 1939
WM. R. McCULLOCH So. Region Distribution	Feb. 16, 1925
J. W. MILLER Executive Representative	May 11, 1936
A. C. RUBEL Executive, Home Office	Feb. 1, 1923
MAITLAND SMITH Southern Field	May 12, 1916

IN MEMORIAM

Retirees:

CHARLES J. HINES Los Angeles Refinery	March 9, 1960
JOHN S. KING So. Division Marketing	April 1, 1960
SEARS LEWIS Oleum Refinery	March 24, 1960
LLOYD V. LONGFELLOW No. Division Pipeline	March 19, 1960
HAROLD R. MULLENIX Marketing-Arizona	April 4, 1960

DEALERS

March 1960

5 YEARS

HERB BERRY	Milwaukie, Oregon
JOEL R. PETERS	Lakeview, Oregon

April 1960

20 YEARS

DALLAS RITCHEY	Oakland, California
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10 YEARS

ROBERT E. ACORNE	Petaluma, California
W. S. GAGLE	Salem, Oregon
WILLIAM NORMAN JONES	Salem, Oregon
RICHARD J. NAVARRO	San Francisco, California

5 YEARS

RALPH W. GEORGE	Oakland, California
BURTON L. SPAFFORD	Hayward, California
C. D. WASHINGTON	Reedsport, Oregon

EMPLOYEES

May 1960

40 YEARS

JOSEPH N. BATEMAN	Mktg., Calif. No. Cstl. Div.
WILLIAM H. HAMILTON	So. Division Field

35 YEARS

ERNEST C. FAUSSET	Oleum Refinery
CHARLES A. LEWIS	Oleum Refinery
ARTHUR N. TILSTON	Mktg., So. Area Comm.
EDMOND O. TUDOR	So. Division Pipeline

30 YEARS

BETTY CARR	Trans. & Supply, Home Office
LEWIS A. GIBBONS	Legal—Home Office
MILTON W. LEE	Research Department
CLYDE R. LORENS	No. Division Field
BYRON A. McPHERSON	Oleum Refinery
JOHN E. O'NEILL	Los Angeles Refinery
LINCOLN SERENE	Oleum Refinery

25 YEARS

ALFRED V. AMOS	Traffic—Home Office
LAURENCE C. BURKLUND	Mktg., Ogn. Div. Comm.
FRED W. BUSH	Marketing, Home Office
JOHN F. DUSSARD	So. Division Pipeline
CHARLES S. EADS	So. Division Field
CHARLES O. KATZENBERGER	No. Division Field
WILLIAM C. MAYVILLE	Mktg., Calif. So. Cstl. Div.
JOSEPH E. McHENRY	Mktg., Calif. So. Cstl. Div.
ROBERT G. NOE	Los Angeles Refinery
HARRY W. RIKE	Oleum Refinery
HUGH L. E. ROBERTS	So. Division Field
ALICE E. ROUSSEL	Marketing, Home Office
FLOYD J. SAGASER	No. Division Field
CARL E. TROOP	No. Division Field

15 YEARS

ERNEST S. ALLEN	No. Region Distribution
ROBERT L. BRAND	No. Division Pipeline
NEWTON R. CHRISOPE	Los Angeles Refinery
CLIFFORD C. COATES	Los Angeles Refinery
ROBERT L. CROW	Oleum Refinery
LESTER W. DIXON	Central Region Distribution
EDITH M. GATTO	Los Angeles Refinery
ROBERT N. GRANFELDT	So. Region Distribution
JAMES L. HESTER	Los Angeles Refinery
JOHN N. KOORENNY	No. Division Automotive
JOHN MACKAY	Los Angeles Refinery
JOHN E. NUNES	Oleum Refinery
LAWRENCE G. O'NEILL	Oleum Refinery
WILLIAM P. OSBORNE	Oleum Refinery
ELMER D. RICHARDSON	Central Reg. Distr.
KIYOTO SEGAWA	Marketing, Hawaii Division
FRANK G. TURNER	No. Division Pipeline
GUY L. WALLER, JR.	Research Department

10 YEARS

KENNETH R. ADAMS	Oleum Refinery
JACK W. BAILEY	So. Division Field
MORRIS BUE	So. Region Distribution
HARROL D. CAPERTON	So. Division Field
ROBERT H. CLARK	Comptroller's—Canada
ROLAND M. CLIFFORD	Comptroller's—Home Office
OLIVER A. DELEISSEGUES	No. Division Field
WILLIAM S. DORSEY	Research Department
HELEN ERICKSON	Mktg., Calif. So. Coastal Div.
JANE C. JACKSON	No. Region Distribution
JERRELL C. KIMES	Oleum Refinery
GLORIA D. MACOMBER	Comp.—Home Office
CHESTER E. NORRIS	No. Division Field
JOHN H. PEDERSEN	Los Angeles Refinery
BOYD H. PIERCE	Comptroller's—Home Office
FRANK G. REIS	So. Division Field
GLADYS RYAN	Distribution—Montana
CLARICE T. TROMBLY	Foreign Operations—H. O.
F. EARL TURNER	Exploration—Home Office
RICHARD A. VIDAL	No. Division Field

DEALERS

May 1960

40 YEARS

FURRER BROTHERS	San Francisco, California
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30 YEARS

V. J. K. CAPRON	Friday Harbor, Washington
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25 YEARS

RAY CALANDRI	Alameda, California
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20 YEARS

ED BIERBOWER	San Clemente, California
ISOLA BROS.	Modesto, California

15 YEARS

C. E. BEDFORD	Naches, Washington
BITA HO CHEE TRADING POST	Indian Wells, Ariz.
J. L. CHALMERS	Chewelah, Washington
DEER VALLEY MERCANTILE CO.	Phoenix, Ariz.
GEORGE HOWARD	Los Angeles, California
M. WOODWARD	Little River, California

10 YEARS

BILL & JACK APPLEWHITE	Mendota, California
EARL ARGO	Carbonad, Washington
BERNARD A. BREEDEN	Hayward, California
RICHARD CHASE	San Francisco, California
FIRESTONE STORE	Everett, Washington
FORREST LAKEY	Los Angeles, California
RUSSELL G. MULLINIX	Lincoln, California
A. O. REAM	Arlington, Washington
B. H. TAYLOR	Los Angeles, California
TOY'S FOOD MARKET (WILLIE WONG)	Kerman, California

5 YEARS

JAMES & FRANK AGIUS	Petaluma, California
ELMER AINSWORTH	Central Ferry, Washington
WALTER & HELEN BAHM	Norwalk, California
BISHOP CREEK LODGE	Bishop, California
MILTON I. BROWN	Olympia, Washington
ROBERT CANO	San Pedro, California
RICHARD CRAMER	Balboa Island, California
FRANK FIDUCCIA	Santa Ana, California
LERBERT FORD	Gustine, California
SIDNEY S. JARVIS	Hoodspport, Washington
V. B. KENNEDY	Beaver, Washington
THOMAS A. LIBERTY	Concord, California
MACK SMITH JR.	Arlington, Washington
SPORTSMAN'S INN (EARL BROCE)	Kernville, California
HARRY E. STUBBS	Los Angeles, California
TIRE SERVICE CO.	Roseburg, Oregon
ROBERT ZOMEULER	Vancouver, Washington

CONSIGNEES - DISTRIBUTORS

May 1960

35 YEARS

HENRY GEIST	Forks, Washington
B. R. HARDEN	Veradale, Washington

30 YEARS

E. W. STEWART	Eureka & Arcata, California
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25 YEARS

CHARLES E. SHIPLEY	Brownsville, Oregon
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15 YEARS

MRS. KATHRYN C. ADAIR	Leevining, California
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10 YEARS

CHARLES E. FELLOWS	Shelby, Montana
H. P. FORMAN	Long Beach, California

5 YEARS

W. L. STEWART	Elsinore, California
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"Jerre" Carlson

From Cow Island,
everything
but the pig's squeal

"There's a saying about the meat packing industry that it uses 'everything but the pig's squeal.'

"Here at Union Oil I sometimes think we go them one better in the way we make the most of by-products. I was thinking of our natural gas operations in Louisiana.

"We have quite a few natural gas fields in Vermilion Parish and offshore. Up to now, we've been selling our production to gas transmission companies pretty much as we got it out of the ground. They delivered it east for domestic and commercial fuel.

"But we weren't getting full use of all the components in the gas.

"So, when our volume justified it, we started building a natural gas liquid extraction plant at Cow Island. Goliad Corporation is our partner.

"When this plant is ready, we'll take the liquids out of the gas without affecting its value as fuel. Then we'll pipe these by-products 80 miles to the other side of the Mississippi and process them at our new Riverside plant.

"Many of these liquids—separated into their various components—can be the basic building blocks of the rubber, chemical and plastics industries. Others can be used as liquid fuels. In both cases, they're worth considerably more to us and the national economy.

"There's another point. Now that more of these raw materials will soon be available in south Louisiana, new industries will be attracted to that part of the state. And we'll be in an excellent position to supply them.

"Efficiency like this makes me think we're even making the pig's squeal pay!"



C. G. "Jerre" Carlson is a Gas Engineer in our Gulf Division.

By the time our Cow Island and Riverside plants are ready to go "on stream," the total investment will be somewhere in the neighborhood of \$15,000,000.

The value of the products from these

plants, however, will be worth much more to the economy of Union Oil, south Louisiana and the nation.

This is another demonstration of the profit system in action. *Everybody profits.*

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

Union Oil Company OF CALIFORNIA

76

MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL