

MAY-JUNE 1963

SEVENTY SIX 
UNION OIL COMPANY OF CALIFORNIA

How much tax will you pay over 40 years?



Both Democrats and Republicans seem to agree at this point that U.S. Income Taxes are too high. So do most taxpayers, regardless of party.

But we doubt if very many U.S. citizens realize what their income taxes really add up to.

Take a Union Oil employee, for example, who earns \$600 per month. With a family of four, his Federal income withholding tax each month is \$67.68.

Just to get an idea of how much these taxes amount to in a working lifetime, we made some hypothetical assumptions.

Supposing our Union Oil employee started to work for the company at the age of 25 and retired at 65. Suppose further, for the sake of simplicity, that he earned the same salary throughout his career—\$600 a month.

At \$67.68 per month his taxes would amount to \$812.16 per year. Over a 40-year period, this would total \$32,486.40. But this isn't all of the story.

What would happen, we asked, if our Union Oil employee didn't have to pay any Federal income taxes at all? Say he put his \$67.68 each month into a savings account paying 4% interest compounded semi-annually.

By the time he reached 65, he would have accumulated \$79,300.

Now, obviously, very few people are going to advocate that this country do away with the Federal income tax completely. However, when we realize not only what the average American pays out-of-pocket during a lifetime, but also what it costs him in addition by not having the use of his money, any tax cut assumes a great deal more significance.

If Federal expenditures could be cut to the point where taxes could be reduced by 10%, for instance, it would be worth about \$7,000 to our Union Oil employee. If taxes could be reduced $\frac{1}{3}$, it would amount to over \$24,000.

It seems to us that these sums of money are significant enough to the average U.S. taxpayer to demonstrate the importance of constant vigilance in regard to Federal expenditures and taxes.

YOUR COMMENTS INVITED. Write: President, Union Oil Company, Union Oil Center, Los Angeles 17, California.

Union Oil Company of California

MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL

This advertisement has appeared in the following magazines:

U. S. News & World Report - May 13
Time - May 17

Sports Illustrated - May 20
Saturday Evening Post - May 18

Cosmopolitan - June
Harper's - June

The Atlantic - June

73rd Annual Shareholders' Meeting



Mrs. French Has a Word for It



Men in Charge of a Hole

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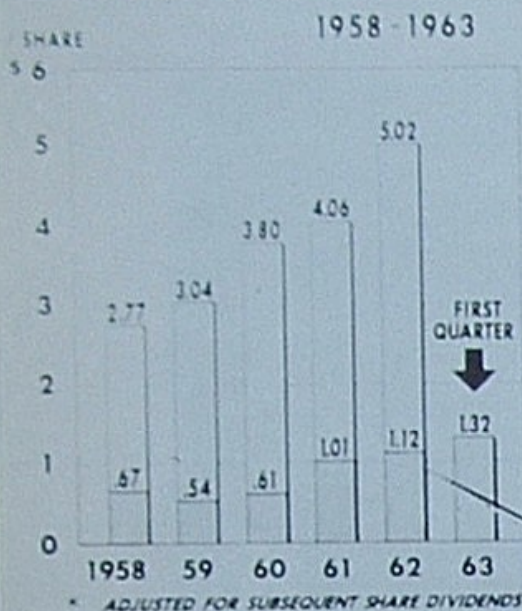
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is a Union Oil Company of California trademark. It also symbolizes the American freedoms won in 1776, which made possible this nation's industrial development and abundance. Our SEVENTY-SIX magazine, published monthly, mirrors industrial freedom through 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.

COVER: Drilling Engineer Don Hecker is the kind of man you'd like to have on your team whether you're playing ball or drilling oil wells. For a description of the work being done by him and his teammates in the Gulf Division, see Page 8.
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UNION OIL COMPANY
EARNINGS PER SHARE



MINUTES

President A. C. Rubel pointed to 1962 as Company's most profitable year. Behind him on stand were Union Oil's officers and directors.

AT 10 A.M. MONDAY, April 29, 1963, Chairman of the Board W. L. Stewart, Jr. called the 73rd annual shareholders' meeting to order. He eulogized the preceding chairman, the late Reese H. Taylor, who had presided at all prior shareholders' meetings since 1940, and introduced the Company's directors and principal officers. Mr. Stewart then called upon Secretary R. F. Niven to report for the Inspectors of Election.

The Secretary announced that more than 7,000,000 shares were represented at this meeting in person and by proxy. This representation accounted for 84 per cent of Union Oil's shareholders and more than 91 per cent of the total shares entitled to vote. Mr. Niven reviewed from the notice mailed to all shareholders that the meeting's purposes were:

- (1) to elect a board of 17 directors;
- (2) to act upon a proposal to approve the Incentive Compensation Plan described in the proxy statement; and
- (3) to transact such other business as may properly come before the meeting.

Chairman Stewart declared the meeting competent to transact the business for which it was called. He then asked

President A. C. Rubel to discuss the Company's current activities and describe some of the important factors relating to future growth and profitability.

Responding to applause, Mr. Rubel described, with the aid of projected slides, Union Oil's profit picture, its "profit center" plan of organization, and some of the areas where we are focusing our major efforts.

He pointed out 1962 was Union Oil's greatest earnings year to date, our net earnings having climbed to \$45.9 million, or 24 per cent more than our previous year, 1961.

First quarter earnings for 1963, he said, were 18 per cent higher than the pace set during the same period in 1962, with oil and natural gas production reaching record levels.

Mr. Rubel listed three principal contributors to the Company's good earnings:

(1) the concentration of capital spending for exploration and production in areas showing the best prospects for profit;

(2) a continuing and intensive cost reduction program throughout the Company; and

(3) improvement during 1962 of retail gasoline prices in most West Coast cities.

of the 73rd annual shareholders' meeting

He concluded his report of a year-and-a-quarter of successful activity with the words, "I wish to take this opportunity to express my appreciation and thanks to all the men and women of the Company who made it possible."

During the election proceedings that followed, Chairman Stewart asked for nominations and recognized Z. Wayne Griffin, who arose in the audience.

Said Mr. Griffin: "Thank you. With your permission, I have a slate I should like to submit, and I should also like to preface the slate by this remark. I was here early this morning and saw several of the other shareholders. We all concluded that a turnout of this dimension could only mean one of two things—very good, or very bad. I think we can say, after seeing our annual report and hearing Mr. Rubel's

report, that this is the most enthusiastic and happiest audience of shareholders you have ever had, Mr. Stewart.

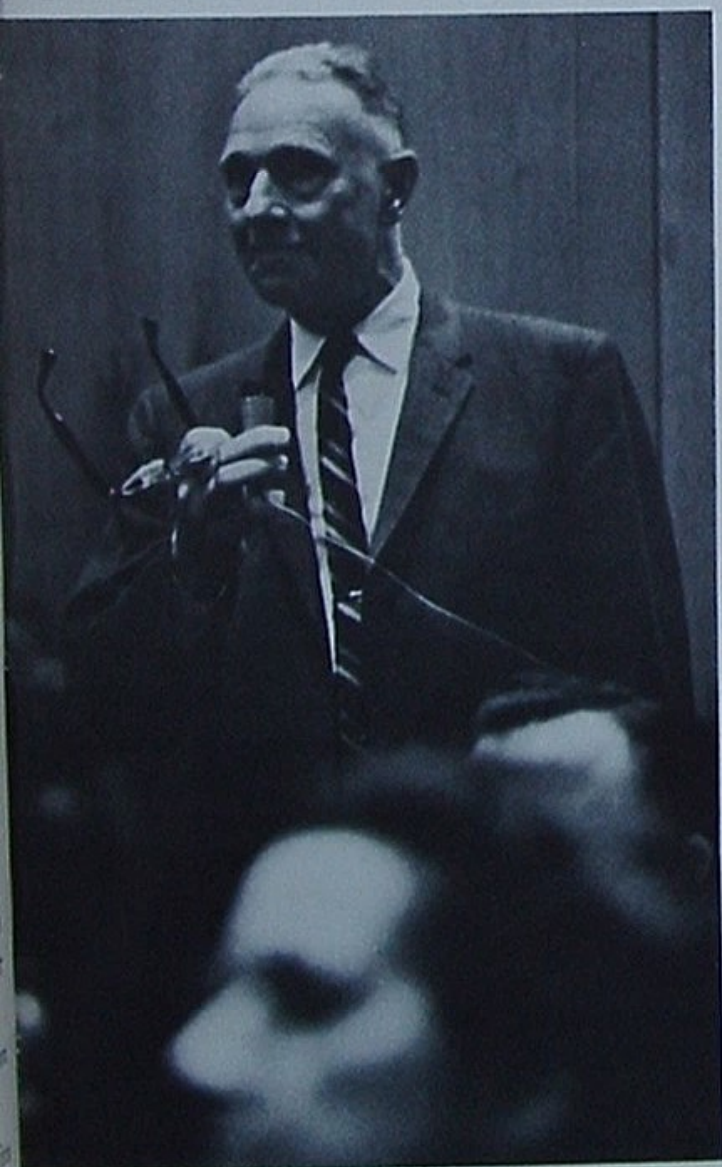
"We are very appreciative of this directorate and, in placing these names in nomination, I wish you to know this opinion is unanimous among many of us who have discussed it."

All Directors of Union Oil were then nominated and subsequently re-elected to office for the ensuing year.

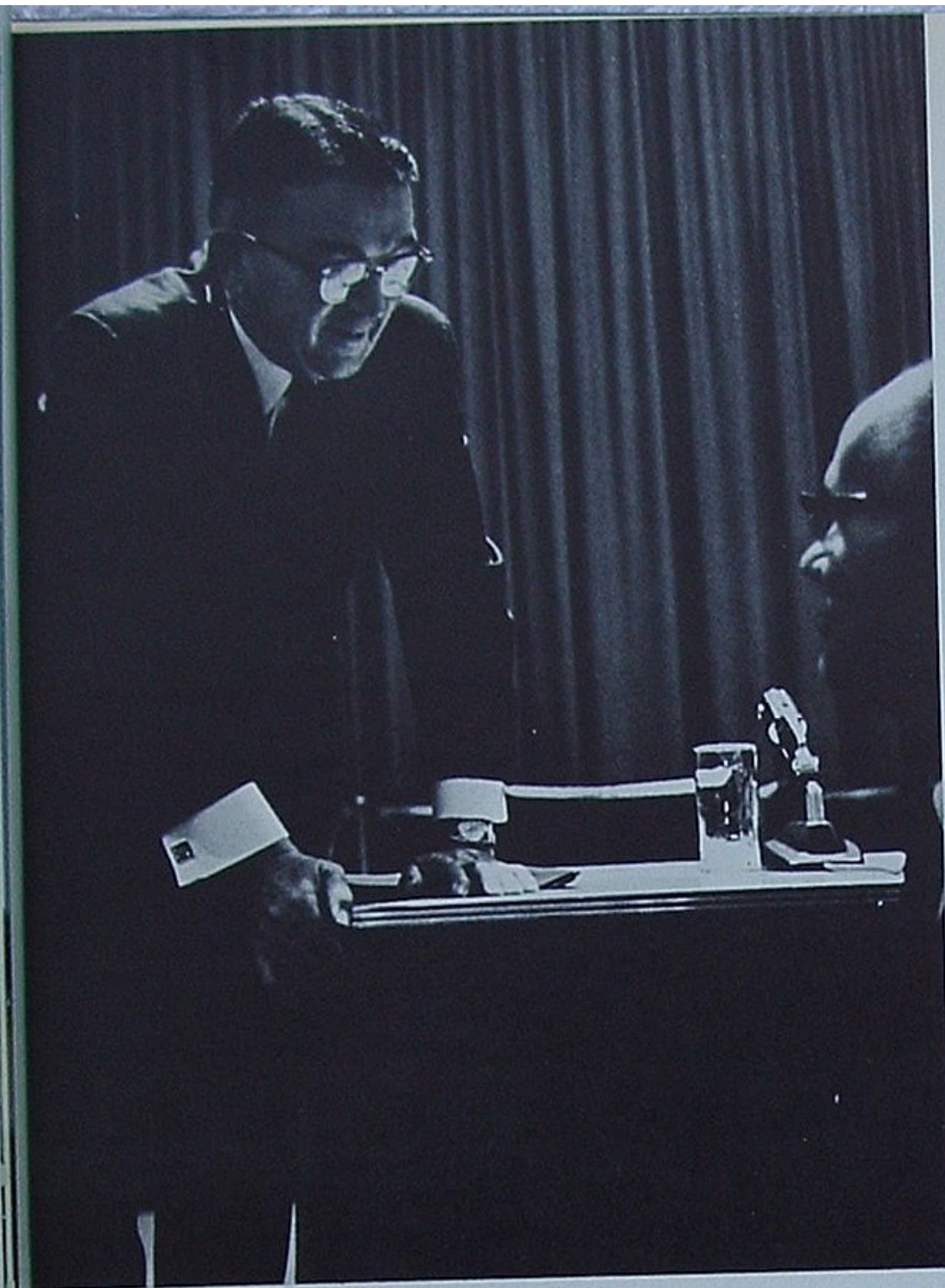
Next, after a motion from the floor by Shareholder Keating Coffey, the Incentive Compensation Plan was approved without a dissenting word from those present. The Chairman further stated that 95 per cent of the shares voted were in favor of the Plan.

"Other business" to come before the meeting after its

continued



Several shareholders rose to ask questions, nominate or second motions. Left: Walter F. Bergman; top: Charles E. Kodil; bottom: Edward I. Tansky.



The warmth accorded President Rubel during the meeting was heightened by many personal commendations following the adjournment.

shareholders' meeting *continued*

formal portion included questions from the audience and responses from the Union Oil officers best qualified to reply.

A shareholder-dealer had a question about the Company's policy during a recent period of depressed prices. Senior Vice President Fred Hartley answered.

He said, "I'm sure you're aware of the Company's program: that we are doing our best to provide our dealers with commissions greater than those of our competitors.

"However, in the competitive market we have today, there are times when competition cuts prices. In order to stay in business . . . we also have to cut prices.

"This is an action from which we don't get any pleasure, I might add."

Hartley then gave the technical details of the Company's pricing policy, and closed with the remarks: "I join with you in stating that the cut in income as a result of price wars is not a very happy event. This [price wars] is something we cannot stop as an individual company. I can assure you we are doing our best through our pricing leadership to keep our industry on a sane basis."

A shareholder from San Jose, California, wanted to know: Does the Company have a junior executive training pro-

gram? What is the length of the term of our drilling concession in the Philippines?

Rubel himself answered the first question, saying, "As to the junior executive training program—we do have such a program.

"Now, that program is based, No. 1, on the principle that we try, wherever possible, to bring our executives up through the ranks. In other words, we try to keep a clear line of succession open. We do not bring in men from the outside in anything but a very junior capacity if there is someone in the organization who is a candidate for the job."

Senior Vice President Dudley Tower took the part about our Philippine operations.

"Our concession in the Philippines is divided into two parts," he told the questioner. "One is the exploratory phase, and then the second part is the producing phase. As I recall, we have seven years to go on the exploratory phase. Once we establish production, we have the leases for the life of that production."

To a subsequent question, "What is the outlook there [in the Philippines]?" Tower said:

"The area we have in the Philippines lies north of Manila and runs all the way to Lingayen Gulf. It is about 50 miles wide and 125 miles long. It has big anticlines sticking out of the valley that remind you of Kettleman Hills.

"Now, the question, of course, is: Is there any oil in those structures? We have an obligation to drill 40,000 feet of hole to earn our rights in those concessions. That ought to be about four or five wells. By the time we get that 40,000 feet of hole drilled, I'm sure we can answer your question."

Another question was directed at Tower: "Have our new locations [outside the Moonie Field] in Australia proven anything favorable or unfavorable?"

Tower's answer: "Well, of course, the thing an exploration man hates to do more than anything else is admit he drilled some dry holes; but we have drilled 10 or 12 dry holes in Australia looking for that second field.

"We have had good shows in a number of wells . . . but . . . we are dealing with a pretty big area, an area a third the size of California. I think there have probably been 300,000 wells drilled in California. We have drilled only 25 in Australia; so I can assure you we are going to find that second field . . ."

After several more questions . . . and a comment from a lady shareholder about Union Oil's executives, "I can hardly wait until next year to see what they are going to do," . . . Mr. Rubel thanked the shareholders for attending and adjourned the meeting.

Time: 11:20 o'clock a.m., March 29, 1963.

THE END

Union Oil buys interest in

MARUZEN



Japanese oil executives visit U.S.

ON MAY 7, Union Oil completed the purchase of a 32.9 per cent interest in Maruzen Oil Company of Japan for \$15,000,000. The transaction involved 108,000,000 shares of newly issued Maruzen stock.



On their arrival at Union Oil Center, President A. C. Rubel greets Maruzen's president, H. Mori, and its executive vice president, H. Ueda. In the welcoming committee: C. F. Parker, vice president—finance; W. R. Craig, assistant treasurer, Rubel, Ueda, Mori, and F. K. Cadwell, president of Unoco Limited.

Two days after the final documents were signed, Maruzen's president, H. Mori, and its executive vice president, H. Ueda, flew in to California to get better acquainted with Union Oil Company and its people.

The Maruzen executives spent a week in San Francisco and Los Angeles, discussing the broad outlines of future plans and also meeting a few of the many bankers who were involved in the lengthy negotiations that led up to the purchase.

Among the Union Oil installations visited by Mori and Ueda: Oleum and Los Angeles Refineries, the Research Center, the Collier Carbon and Chemical plant, and the Los Angeles Terminal.

Before leaving for Osaka and home, Mr. Mori said, "The field trip on May 10 gave us a wonderful education—the eye-opening layout and the most advanced facilities of the Los Angeles Refinery; the well-located oil terminal and supertanker wharf; the Research Center with its academic yet practical atmosphere.

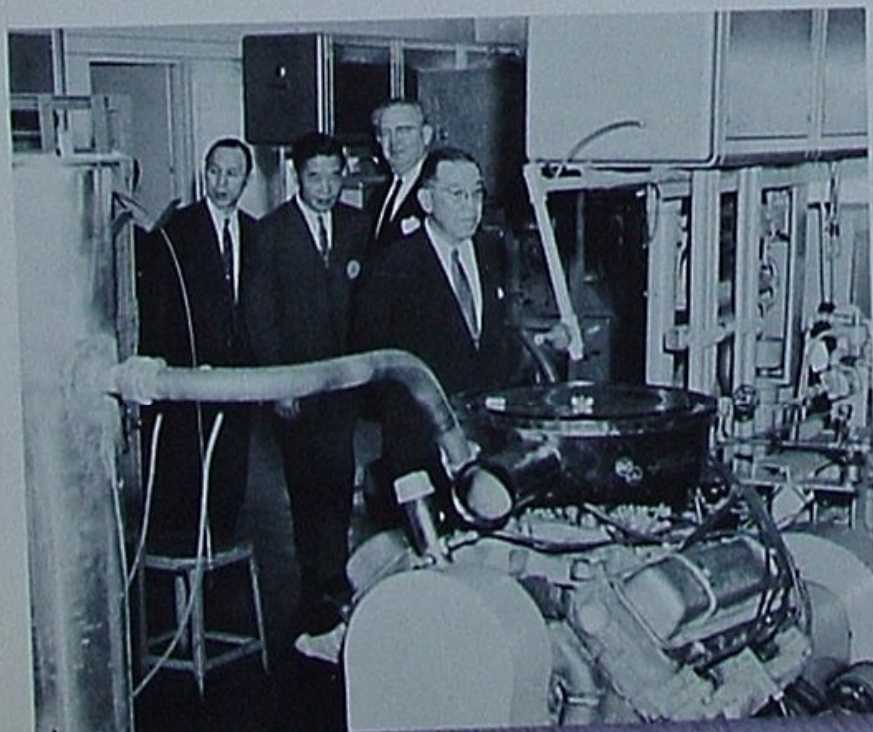
"The trip through Oleum Refinery also is certainly a point worth mentioning. I was so very impressed with the color conditioning there, making it a perfect part of the landscape.

"What we saw and what we heard and what we felt will help us greatly in managing our own company."

The purchase of an interest in Maruzen further cements a relationship that started in 1939, when Union Oil made its first sale to the Japanese company: a cargo of crude oil. In 1949, Union provided the technical and financial help needed to put Maruzen's refining, marketing, and transportation activities on a peacetime basis.

Maruzen markets in Japan and throughout the non-communist Orient. It has 1,200 retail outlets (where Royal Triton is sold), 5,400 employees, three of Japan's largest supertankers, and sales in the \$200-million-a-year bracket, including about \$20 million in export sales. The Maruzen brand is the *tsubame*, the stylistic swallow shown above.

THE END



Touring Union Research Center engine laboratory. Mr. Ueda, T. Oikawa of Maruzen's New York office, Dr. W. E. Bradley, vice president in charge of research, and Mr. Mori.



"How do you like that for a Certified Service order?" asked Dealer Thelma French of Woodland, California. "Rick" Melendez, our sales supervisor for the area, was pleased with both the volume and quality of work she does.

Mrs. French has a word

SHE'S ONLY A LITTLE OVER FIVE FEET TALL—almost too short to clean the windshield of an automobile. She weighs less than a hundred pounds—almost too light to change a tire or install a heavy battery.

In most other respects, any resemblance of Thelma French to a full-fledged Union Oil dealer, as revealed in this "motion" picture, is factual and intentional. She operates a "76" service station at Woodland, California.

Among her taller traits: Mrs. French is credited with one of the busiest and cleanest service stations in our California Central Division. Her gasoline pumps average a thousand

gallons a day—even better during the summer season. The station's sales of TBA (tires, batteries, accessories) are up beyond \$65 for every thousand gallons of gasoline sold. In competition with 37 other Union Oil dealers, all big strong men, she recently won a three-month Budget Sales contest by selling 57 sets of Minute Man tires.

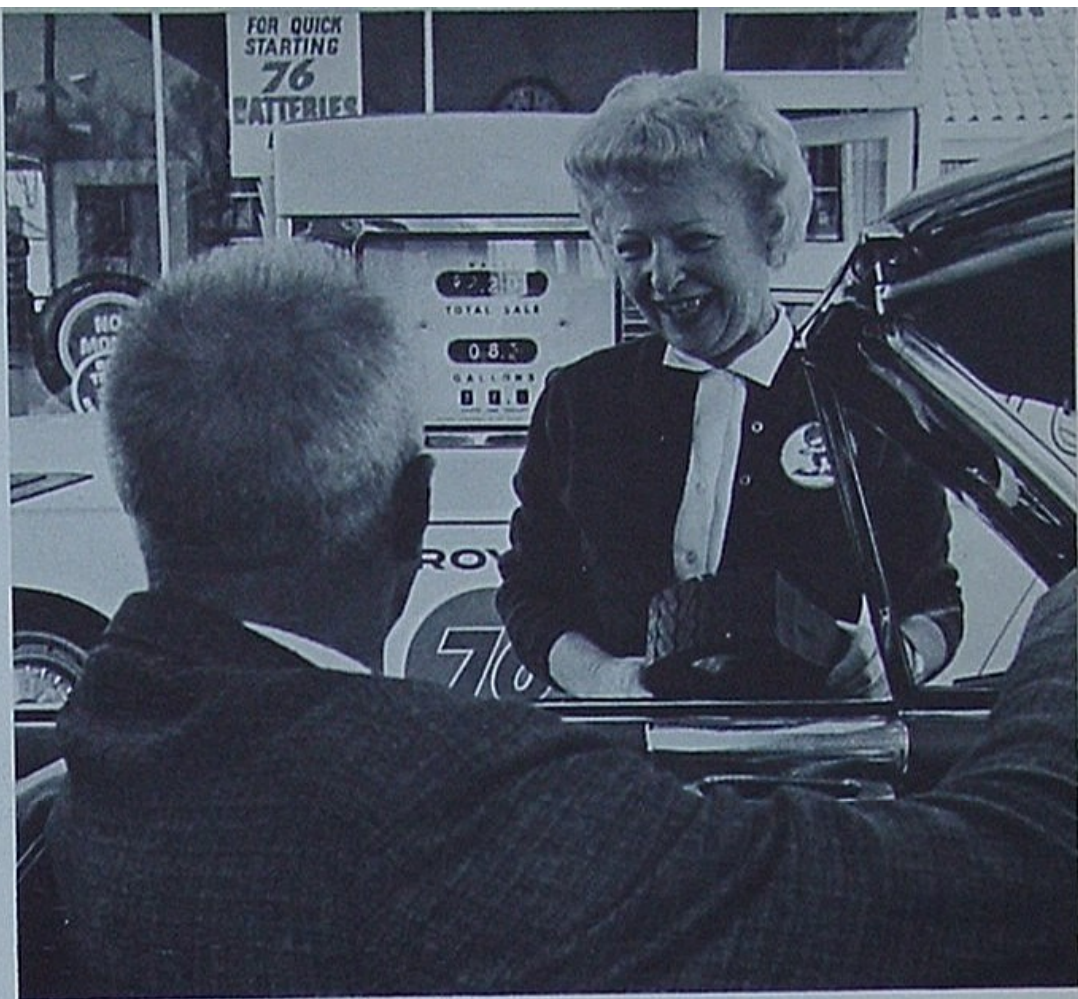
"What's the secret of your success?" we asked a few minutes after arriving at her place of business.

"Well," she smiled, "to make a success of this business you've got to have..."

That's as far as our little research inquiry progressed. The



Mrs. French is adding to a Union Oil association that began nearly 40 years ago, when her husband leased this old unit.



The secret of her sales success is a natural, personal interest in every customer—an eager desire to bring 'em back—alive!

service station bell clanged twice and everybody in uniform, including Mrs. French, hurried out to wait on two customers.

Shortness of stature, we quickly observed, can be turned to advantage on a pump island. Mrs. French, drawn up to full height, stood just about at eye level with the seated customers. Her conversation with both was friendly and easy as her two men serviced the cars. While radiator, crankcase, battery, tires and lubrication record were being checked, she cocked an alert ear for word of trouble. It was her job, there at eye level, to suggest an oil change, or new windshield wiper blades, or safer treads for smooth tires, or rust preventive for a corroding radiator. Her way of saying it made the sales pitch sound like a safety campaign to bring every customer back—alive.

...d for it!

The bell clanged on and on incessantly until high noon. It was when we invited the lady to lunch that we learned how she had gotten into the oil business:

"My husband," she began, "was E. H. French. Everybody called him Frenchy. He was the local Union Oil dealer for over 38 years.

"When Frenchy joined the Marine Corps in 1941, his biggest worry was who would take care of the station. Let me do it, I said. He laughed, but I held down the job for two years and kept the business in good shape until he got back.

"He was very appreciative, Frenchy. That Cadillac con-

vertible I'm driving and my new set of golf clubs—those were his way of saying thanks last year, just a short time before he died.

"We have a son by the name of E. H., too. The initials don't stand for anything—we just call him E. H.; he's in school now. With both Frenchy and E. H. gone, I just couldn't think of staying home all day alone. So here I am, all dressed up like a Minute Man, working every day except ladies' day at the golf course, and really enjoying it.

"Of course my boys at the service station do all the heavy work. They're 'Certified,' did you notice? And they're still going to school to become 'Certified' in brakes, wheel alignment, and tune-ups. These days you just have to have men who know their business."

Too soon we were back at the pump island, within earshot of the bell. Among a half-dozen salesmen and customers waiting to see the proprietor was "Rick" Melendez, Union's sales supervisor for the area. He asked if a nearby price war was affecting her business. "Not that you'd notice," she smiled, gesturing toward the incoming cars.

By now, the answer to "What's the secret of your success?" was more than apparent. Yet we wondered what specific word Mrs. French had in mind when her answer was interrupted.

The best way to attract her attention now was to drive up to the gas pumps and ring that magic bell. We did, and our luncheon guest responded immediately. "Say," she said as someone filled the gas tank, "if you fellows are heading for Reno, you'd better let me fix you up with some chains. There's snow on the summit."

While we were considering the chain transaction, the success question completely slipped our minds. But we're certain Mrs. French has a word for it.

THE END

Profile of our drilling engineers
and tool pushers

MEN IN CHARGE OF A HOLE

as told by Allen Dupont, Abbeville, La.

THE RIG BELONGS to the contractor; the hole is ours. That about describes the division of responsibility when Union drills a prospective oil well. But the men who make this terse description of a highly complicated job need a little describing themselves:

The drilling foreman, whose presence keeps everything moving efficiently on a drilling rig 24 hours a day, is known in the oil-field jargon as a *tool pusher*. He generally looks the part. You'd class him as a light-heavyweight at least, with shoulders and biceps capable of defending the head they support. He's the fairly quiet type—slow to anger, tough to scare. But he's never a trouble-maker; there's too much of that stuff at his feet already.

Today's drilling engineer is usually a college graduate, with a bachelor's or master's degree in petroleum engineering or some closely related branch of study. If he also played tackle or blocking halfback on the varsity football team, that too was good preparation. For his job demands a combination of brains, brawn, team spirit, iron nerve, and the ability to make a big hole.

Both men—the contractor's tool pusher and Union's drilling engineer—are our "men in charge of the hole." They see to it that no time or money is lost in sinking a well exactly the way drilling orders specify.

If, some balmy afternoon, you first observe a man of their breed leaning on the rail of an offshore drilling rig and gazing out to sea, don't be deceived. Chances are, his eyes are blind to the view and his imagination takes him not across the sea but beneath it.

The hole-in-the-ground that he never actually sees but always thinks about somewhat resembles a slender, inverted telescope—from one to three miles deep. Its largest-in-diameter upper section extends from the drilling floor through 50 or more feet of the Gulf and down through several hundred feet of sea-bottom mud and rock. Steel pipe that excludes the sea water and lines the first few hundred feet of rock bore is known as the *surface string of casing*. Inside it, slightly smaller-in-diameter drilling tools

are lowered to continue drilling the hole. These are followed by another *string* of casing, inside the first and reaching all the way from drilling floor to the bottom. By the time such a well reaches a depth three times that of the Grand Canyon, it may be reduced three or more times in diametric size and have as many sizes of casing. The inner, or *production*, string of casing usually must run the well's entire length from top to bottom.

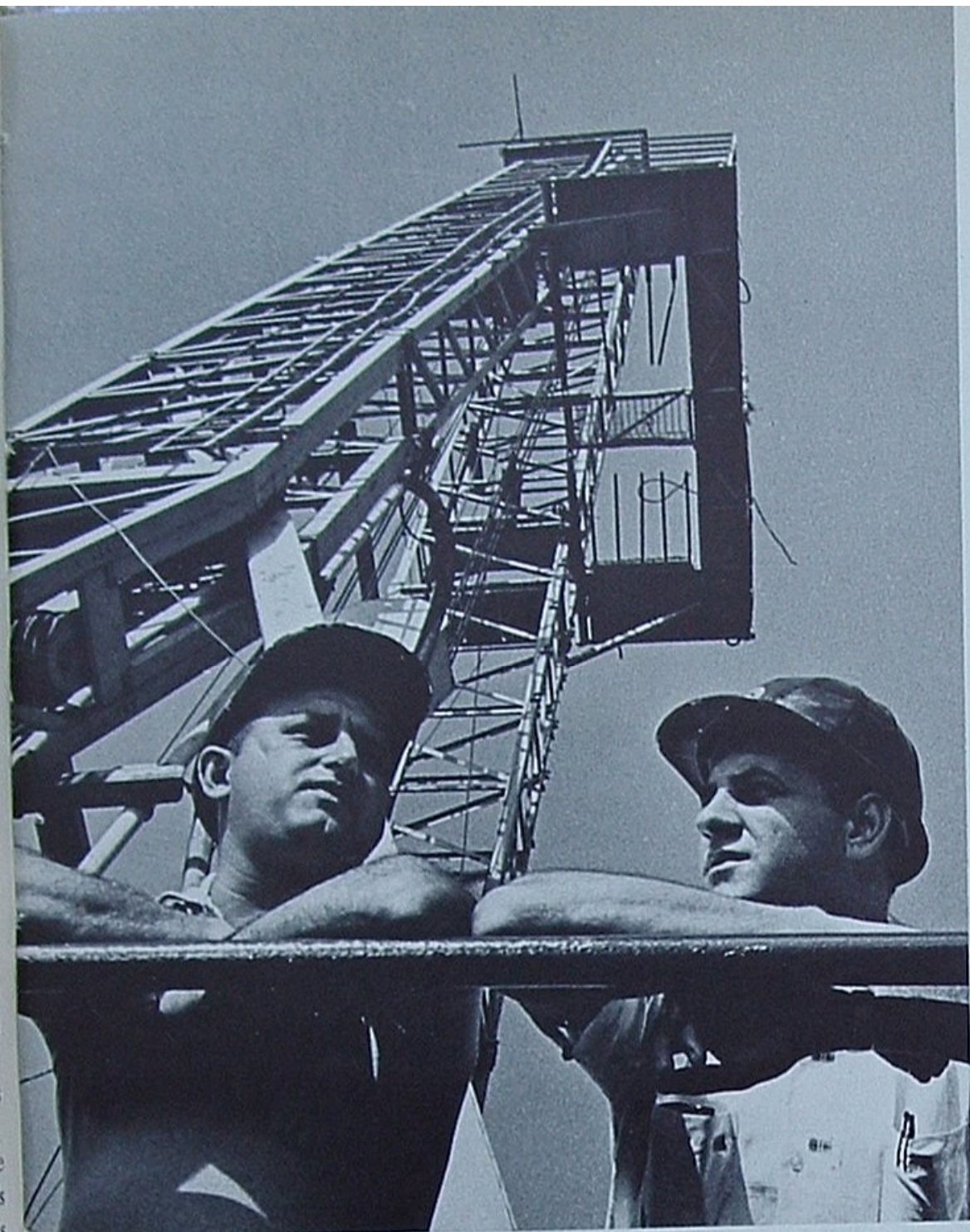
It's not an open hole of air space around a slender core of hollow drillpipe the man-in-charge sees in his mind's eye. He's careful, even mentally, to fill it with *mud*, driller's name for a variety of liquid compounds.

Mud—circulated down through the drillpipe, out through openings around the drilling bit, and up between the drillpipe and casing—serves many purposes. It cools the bit while carrying out all cuttings of sand and rock. It lubricates and protects the drillpipe and casing. It coats the sides of the hole with a lining that can oftentimes prevent the sloughing or caving in of the formation. Its weight against the formation prevents the encroachment of subterranean water or the premature flow of oil or gas. It provides the *well-sitter* (geologist) with a steady and orderly supply of rock samples as it brings the cuttings to the surface. It can be varied in composition, viscosity and weight to cope with scores of different forces and conditions met in the hole it fills.

While accurately envisioning the work going on in this deepest of mud-holes, the tool pusher cocks a sensitive ear. He hears the rhythmic exhausts of diesel engines, the turning of the rotary table, the clarinetting of a braking mechanism as more drillpipe is lowered into the well. He can stand in the galley drinking coffee and tell you whether the crew is adding a length of drillpipe or *pulling out* of the hole to replace a bit. These sounds are to him a pleasing symphony.

But vary the tempo even slightly and he suspects something is wrong. Mind you, these big offshore rigs rent at a figure of between \$4,000 and \$8,000 a day. So the man-in-

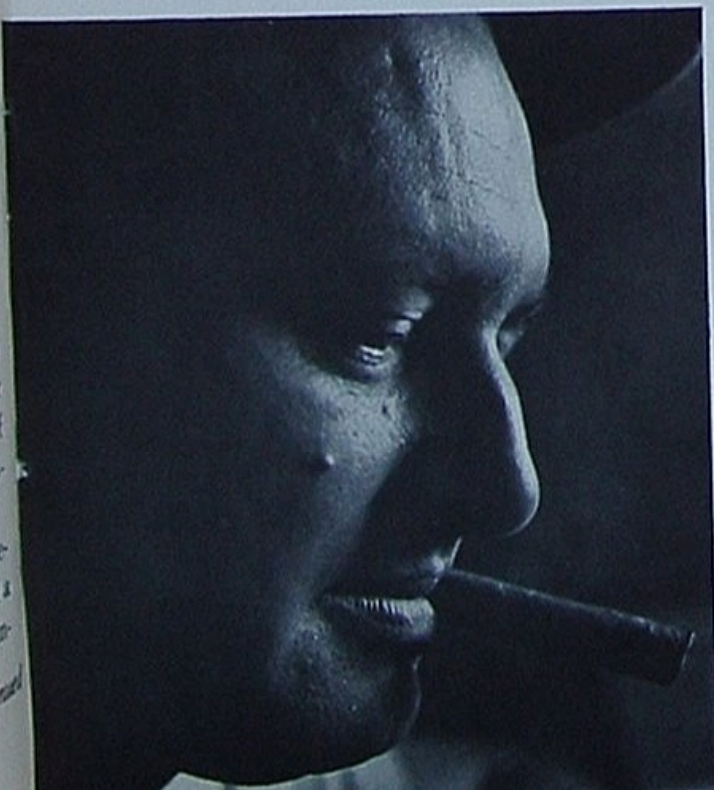
continued



We'd like to have you meet several of our drilling men in the Gulf Division: from left, Drilling Foreman Calvin Comeaux and Petroleum Engineer Carl Hebert on the job at Caillou Island; below, Petroleum Engineer George Drenner, expediting a new well at Pagie Lake.



They say "Tool Pusher" Comeaux's only show of nervousness is in his cigar; he consumes one at both ends when there's trouble. At right, the contractor's rig supervisor Brewster Bartle and Union's Drilling Engineer Don Hecker at Caillou are studying drillpipe not ducks.





With drilling rigs renting for as much as \$8,000 a day offshore, topnotch crews and equipment are demanded. At right, two members of a drilling crew show the "tool pusher" a bit just removed from the drill string. A broken bit can cause an expensive fishing job and add days to the time schedule.



MEN IN CHARGE OF A HOLE

continued

charge eats nervously, sleeps lightly, and is seldom less than a half-step behind trouble.

When the discord is minor, he and the drilling crew soon get the music back in tune. But if drillpipe sticks in the hole and resists being jarred loose—or it breaks apart thousands of feet down—or the driller reports "lost circulation" of mud—or well pressure begins to geyser through the rotary table—the music stops and the thinking begins.

A smart drilling engineer, like the signal caller back in his football days, seldom calls an important play alone. He usually has his own idea of how to meet the emergency. But, if conditions permit, he calls *time out* for a *huddle*. The huddle, via radio and telephone, may involve district experts in Abbeville or Houma and managers in Houston. Whatever the source of advice or agreement, it's welcome to the man with oil-well trouble on his hands.

Finally, everything that the drilling engineer learns about this particular hole in the ground is carefully recorded in the drilling log—its progress, trials and tribulations—drilling techniques that failed, others that succeeded. Especially does he mark and define the trouble spots. For every oil well is expected to be followed by others. And to profit by the trail-blazer's mistakes or pitfalls means important savings in time, money, equipment.

THE WORTH of such drilling records is well exemplified in Union Oil's East Lake Palourde Field, Louisiana: Here the drilling of our discovery well in 1954 required 113 days and cost \$500,000. In subsequent years, 24 oil and 17 gas wells followed to develop the field. All were me-

thodically logged for the record and practically every new hole was completed more economically or in less time.

Orders handed to the drilling engineer when a recent Palourde well was planned read almost like a picnicker's directions to the park:

They specified one 20-inch bit, one 15-inch bit, and fifteen 9 $\frac{1}{4}$ -inch bits. The casing program called for 16-inch to a depth of 140 feet; then 10 $\frac{1}{4}$ -inch to 2200 feet—then 5 $\frac{1}{2}$ -inch to 13,000 feet. The *mud* was to be a drilling fluid known as "Red Mud with Oil," weighing 11 pounds to the gallon, with a viscosity rating between 42 and 46 seconds.

To complete the well, it was prescribed that casing in the production zones be gun-perforated, that cement be squeezed through the perforations to secure the casing, and that both casing and cement be gun-perforated a second time to start production.

Orders warned the drillers to expect lost circulation at 4,000 feet, crooked-hole trouble between 11,000 and 12,000 feet, a salt water flow below 13,000 feet in the north fault block.

Audaciously, the orders concluded, the well should be drilled to 13,000 feet in 21 days at a cost of \$210,000.

Again, don't imagine the man-in-charge at Palourde had nothing to do but see that the contractor's crew understood and followed these orders. If he spent part of his time leaning on a rig rail, gazing out toward the swamp, chances are he wasn't admiring the moss-draped oaks.

He was listening to rotary-table music—thinking of that unseen hole—and exploring in his mind how the next one might be drilled in 19 days for \$190,000.

THE END

STATE	DEPT	SR. LOC	EMPL NO.	SOCIAL SECURITY NO.	NO. PY	MO.	DAY	YR.	OCCUP CODE	RATE	PAY CODE	HOURS	EARNING AMOUNT
10	11	235	92141	479-12-3632	4	5	31	63	3143	600.00	50	40	138.46
									3143	600.00	31	8	27.69
									3143	600.00	10	136	433.85

STRAIGHT TIME PAY (10 SERIES)		OTHER THAN WORKING TIME (30 40 50 & 60 SERIES)	
10 REGULAR PAY	31 HOLIDAY OFF WITH PAY	32 LEAVE WITH PAY	34 JURY DUTY
11 MAKE UP TIME	33 LEAVE WITHOUT PAY	35 MILITARY PAY	40 SICK PAY - TAXABLE
16 EXTRA STRAIGHT TIME	41 WORKMAN'S COMP. ADJ.	42 SICK PAY - NON TAX	52 VACATION HOLIDAY PREMIUM
17 HOLIDAY PREMIUM - WORK TIME	53 SERVICE STATION COMMISSIONS		

TIME AND ONE-HALF PAY (20 SERIES)	20 HOURS OVER DAILY SCHEDULE	21 HOURS OVER 40	24 CALL OUT	26 HOLIDAY WORK
67.68	1.85	5.17	23.53	15.32

FED. W/H TAX	STATE W/H TAX	CITY W/H TAX	FICA TAX	U.C.D.	C.G.I.	TOTAL HOURS	GROSS EARNINGS
67.68			21.75	6.00	7.80	184.	600.00

D.B.I.	E.M.P.	E.R.P.	L.M.P.	INCENTIVE PLAN	CREDIT UNION	UNION DUES	CHARITY	SAVINGS BOND	TOTAL DEDUCTION
1.85	5.17	23.53	15.32	30.00	52.00		3.00		234.10

ADV. EARLY CHECK	EMPL. ORFL	EMPL. ACCTS. REC.	EXCESS MEDICAL	STY. UNIFORMS	CREDIT CARD	MISC.	MEALS-LAUNDRY	NET AMOUNT DUE
								365.90

YEAR TO DATE TOTALS	FICA TAX PAID	FICA TAXABLE	STATE TAXABLE
	108.75	3000.00	3000.00

RETAIN THIS STUB -- YOU WILL NEED IT WHEN MAKING YOUR INCOME TAX RETURN

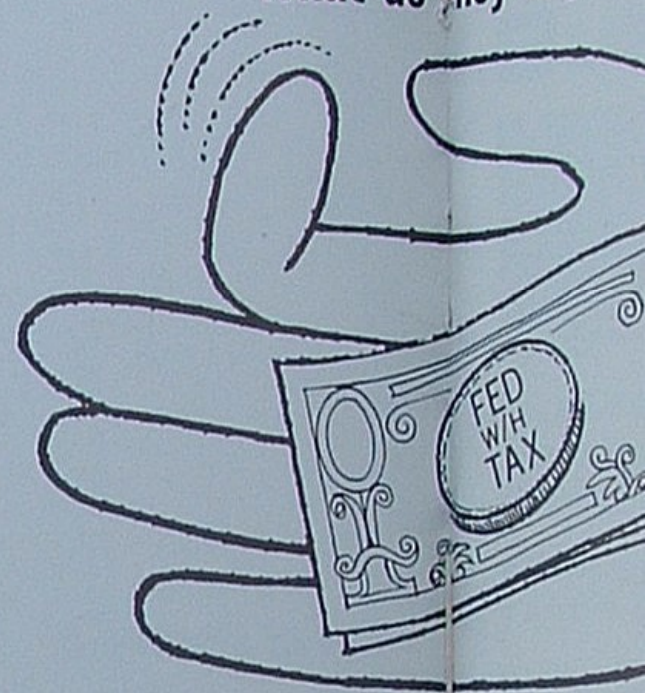
UNION OIL COMPANY OF CALIFORNIA



YOUR MIS

What happens to all the dollars

What do they buy for



How would you like to have an extra \$79,300 when you retire? Or even an extra \$1,200?

Don't answer either question for the time being. We don't want to encourage any false hopes. But we didn't pull these figures out of a hat. Here's how they came into being.

Your editorial staff was discussing the possibility of doing a series of articles for SEVENTY SIX on payroll deductions. The first question that came up quite naturally was "Would it interest our readers?"

Our answer to that one was somewhat on the subjective side. But it seemed reasonably valid, nevertheless. When we started to run down the initials of the various deductions on a Union Oil paycheck, there wasn't a man in the room who could correctly identify more than two-thirds of them. (There is a complete list on these pages you might use to test yourself. Check it against your own paycheck.)

Since each one of these sets of initials represents a piece of our own money—which we have earned and which is being withheld each month—it seemed only good sense to take the time at least once during our Union Oil careers to find out where that money goes. What does it buy us, and how did it come to be included in each employee's particular list of deductions?

We hope you'll feel an equal interest in the subject. It may be "only money" but it's yours. In any event, we are

going to take a crack at it. Believe us, it is not uncomplicated.

To begin with, there are 25 little boxes in which payroll deductions can be entered on a Union Oil paycheck stub.

Then there are the Company's contributions to your benefit package. Although this extra money isn't identified as "Company Contributions" on the stub, it is there—and it is being used for your protection. Altogether these contributions average more than \$2,000 a year for each employee. We'll cover them as we go along.

But let's start with the 25 little boxes. All fall into one of three categories:

(1) The deductions *required by law*: federal, and in some cases, state and local, withholding taxes; Social Security (F.I.C.A. Tax); and, in California, State Disability Insurance or its equivalent Company-insured plan. (F.I.C.A., incidentally, means "Federal Insurance Contributions Act")

(2) The single deduction *required* by Union Oil Company: the Retirement Plan.

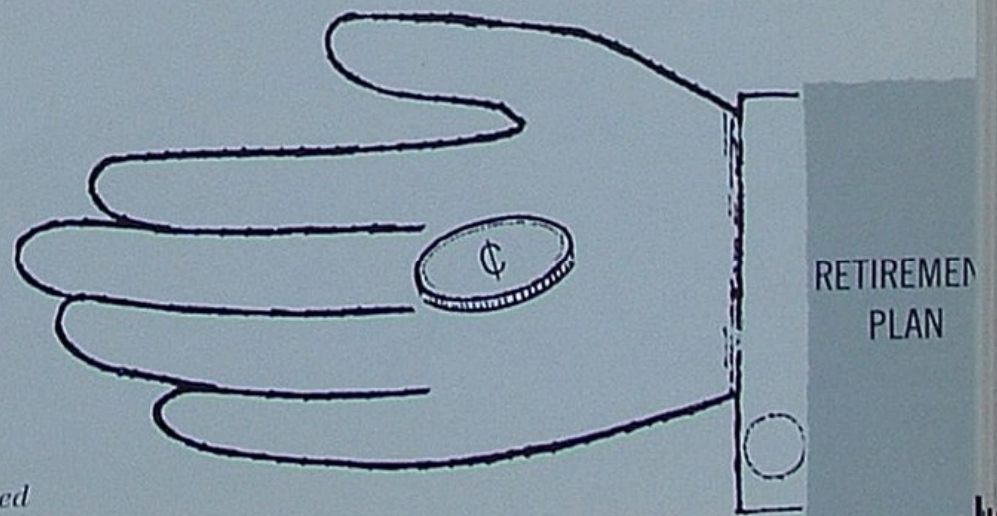
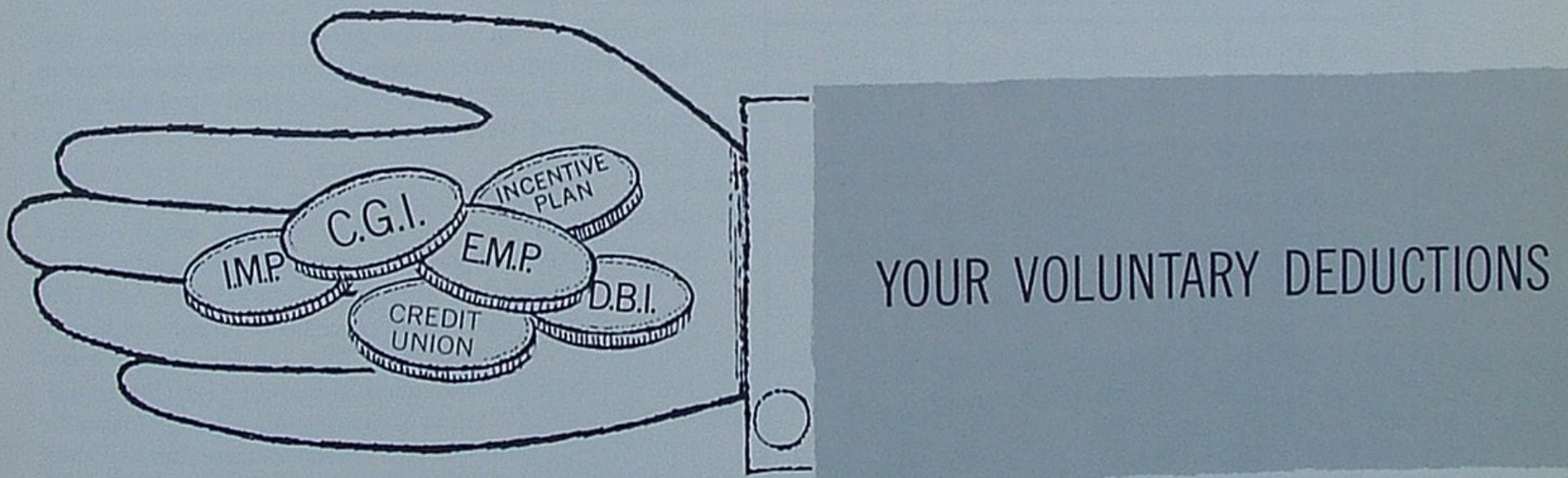
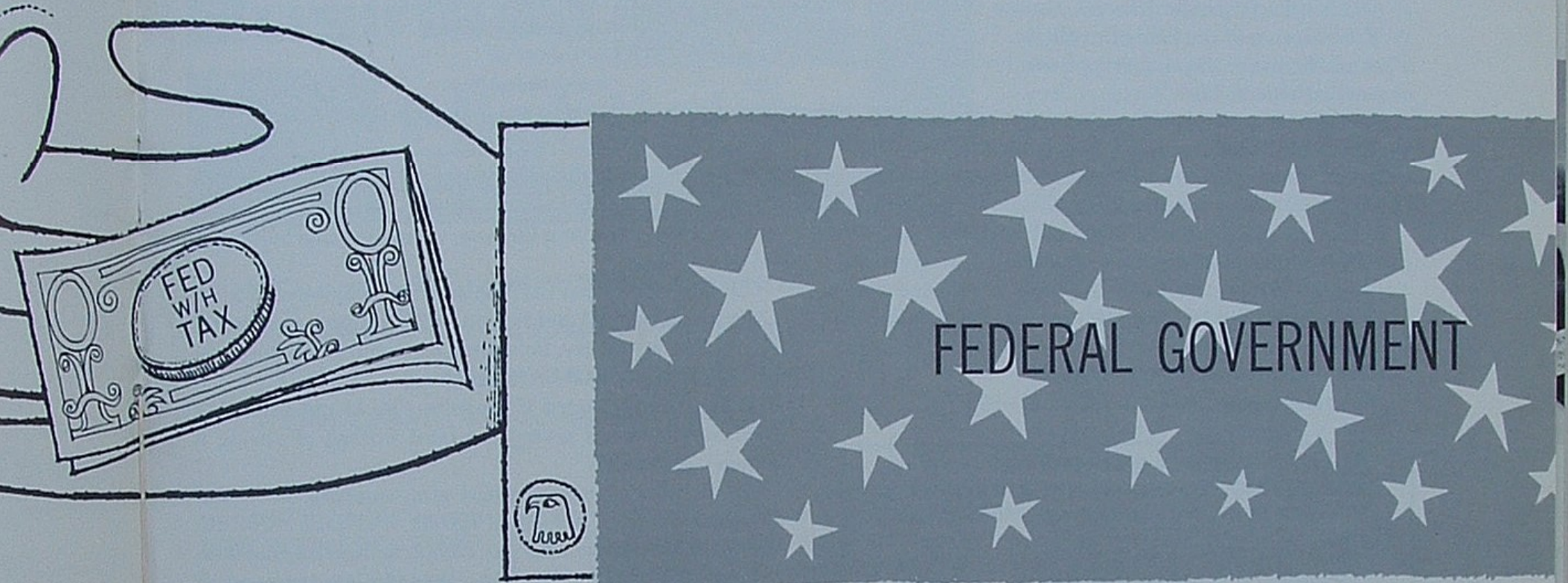
(3) The *voluntary* deductions for benefit plans, U.S. Savings Bonds, union dues, donations to charity, credit card payments, and so on.

Of these three classes, deductions required by law often take the biggest bite. And of all, the largest single deduction from your paycheck is usually the federal withholding

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OUR MISSING MONEY: No. 1 of a series of articles

What happens to all the dollars subtracted from your check by payroll deduction? What do they buy for you? This month: the biggest deduction of all...Income Tax



tax on your income.

The federal government loves the idea of the withholding income tax deduction. So do those states that have managed to put it into effect — and so do states that are trying to adopt it, including California. Their reasons for feeling thus are pretty obvious.

To begin with, it is highly doubtful if the federal government could collect the amount of income taxes it is levying today if everyone had to pay his total year's taxes in one lump sum each April 15th. Many, if not most, taxpayers simply would not have the money on hand to meet the payment.

In the second place, deducting your federal income tax from your paycheck each time — before you ever get your

continued

YOUR MISSING MONEY *continued*

hands on it—does a superb job of obscuring the actual size of your tax bite and of reducing the pain. So as a voter you are not nearly as critical as you might otherwise be of federal expenditures.

A man by the name of Beardsley Ruml thought up the whole idea of the withholding tax when he was serving a term in the U. S. Treasury Department in 1942. In the field of taxation, he probably deserves a place comparable to W. T. G. Morton in the field of medicine. For Dr. Morton, a Boston dentist, is the man first credited with using ether as an anesthetic in 1846.

In fact, the good Mr. Ruml has succeeded so well in anesthetizing some American taxpayers that they have actually come to look on any refund of taxes over-withheld as a windfall from a beneficent Washington.

Before our readers take a whiff of this kind of gas, you might be interested in a bit of arithmetic we have worked up. It gives the answer to the question we started with.

Take a Union Oil employee who earns \$600 a month. If he's the wage earner for a family of four, his federal income withholding tax each month is \$67.68.

Just to get an idea of how much these withholding taxes

AMOUNT AT END OF 40 YEARS IF WITHHOLDING TAX WERE DEPOSITED MONTHLY WITH INTEREST COMPOUNDED SEMI-ANNUALLY AT 4% ANNUAL RATE.

Monthly Salary	Monthly Withholding Tax (Based on 4 Exemptions)	Amount At end of 40 years
\$ 400	\$ 31.68	\$ 37,100
500	49.68	58,200
600	67.68	79,300
700	85.68	100,400
800	103.68	121,500
900	121.68	142,600
1000	139.68	163,700
1100	157.68	184,900
1200	175.68	206,000
1300	193.68	227,100



HOW MANY CAN YOU IDENTIFY?

FED., STATE, CITY W/H Taxes	Various income taxes
F.I.C.A. TAX	Social Security: Federal Insurance Contributions Act
ST/VOL U.C.D.	Calif. Disability Insurance or Company's voluntary plan
C.G.I.	Contributory Group Insurance
D.B.I.	Disability Benefit Insurance
E.M.P.	Employees Medical Plan
E.R.P.	Retirement Plan
I.M.P.	Insured Medical Plan
ERPL/ORFL	Retirement Plan Loan/Oleum Refinery Fund Loan

The remainder of the deductions are self explanatory: Incentive Plan, Credit Union, Union Dues, Charity, Savings Bond, Advance/Early Check, Employee Accounts Receivable, Excess Medical, Safety Equipment/Uniforms, Credit Card, Misc., and Meals/Laundry.

amount to in a working lifetime, we made some hypothetical assumptions.

Suppose our Union Oil employee started to work for the Company at age 25 and retired at 65. Suppose further, for the sake of simplicity, he earned the same salary throughout his career—\$600 per month.

What would happen if he were able to put his \$67.68 each month into a savings account instead of having it withheld for taxes?

At 4% interest, compounded semi-annually, he would have accumulated \$79,300 at age 65.

Now, just to make your day complete, here's a final little hooker in the withholding tax system that most of us aren't aware of.

Beginning with your first January paycheck each year, the government starts accumulating income taxes from you. Those taxes aren't due and payable until April 15th of the following year. But you get no interest on this advance payment.

If our Union Oil employee were able to put the same \$67.68 into a special savings account each month—which paid 4% interest compounded semi-annually—and not pony up his taxes until they were due and payable on April 15th of the following year, his advance tax payments could earn him \$12 each year in interest. This \$12 deposited in a savings account each year would amount to a nice little windfall of \$1,200 by the time he was age 65—enough to pay for a one-month South Pacific cruise to Bora Bora, Tahiti, Rarotonga, Australia, Fiji, Pago Pago, and Hawaii.

It is highly unlikely that anything we say here will have the slightest effect on total federal expenditures, total federal income taxes, the withholding tax system, or the principle of not paying interest on your advance tax payments.

But if a greater awareness of what you are actually paying out in taxes during your lifetime will induce you to take a little more interest in choosing your elected representatives, a little more interest in their action *after* they're elected, and a little more interest in the way your tax money is spent, we'll feel (to paraphrase a more noble sentiment) that this series has not been in vain.

Next Month: "The initials spell protection" **THE END**

Business

Highlights



- Oregon Shines in Sales Contest
- New Lab Device Aids Petroleum Chemists
- Oil Gauging Takes a Step Ahead
- Old Steam Plant to Bow Out

OREGON DIVISION TAKES LEAD IN SALES CONTEST

Commercial sales people throughout Union's West Coast marketing area are competing in a contest—called "Aim for Fame"—designed to increase the sale of lubricating oils. As of press time, the Oregon Division had won the lion's share of the contest's awards: 30 per cent of the total "pot" for January, and 40 per cent for February. Participants in

the "Aim for Fame" contest are rated monthly, and the top 18 men in their particular job classifications and sales potential groups are awarded cash prizes. The accompanying photo shows Oregon winners for February.

In addition to the monthly cash awards, king-size mid-year and year-end prizes await those salesmen who produce the greatest percentage gain over pre-established quotas.

from C. E. Rathbone

Oregon winners for February in Union's "Aim for Fame" contest include (from left): A. G. Parker, salesman, Portland; M. L. Crowe, commercial sales supervisor, Portland; W. L. Cochran, sales supervisor, Boise; E. J. Brusher, resident sales manager, Portland; L. W. Brown, salesman, Portland; N. S. Buvick, sales supervisor, Coos Bay, and V. E. Cloepfit, salesman, Portland.



AUTOMATIC LAB TESTING IMPROVES 76 PRODUCTS

To petroleum chemists, one of the most frequently used laboratory tests—and a critical one, at that—is the Engler Distillation Test. It is widely used to test samples of our products, such as Royal 76 gasoline. In the test, a sample of the product is heated, actually distilled. Temperatures at specified points—such as the initial boiling point—are noted for compliance with specifications.

When merchandising men want to point to the superior warm-up qualities of Royal 76 gasoline, they refer to these specifications, the proof of compliance which came from an Engler Test. Another example of the Engler Test's widespread use is in defining the specific distillation temperatures of narrow-boiling range solvents.

Only trouble was that Union's refinery people wanted even closer control than existing mechanical testing apparatus would allow. It was clear to refinery men that by improving control over tolerances in testing apparatus we could limit specification characteristics of the product even more.

Modern advances in automatic testing apparatus have permitted

continued

Business Highlights *continued*

Union's refinery people to introduce new equipment to perform the Engler Test at our refineries. As expected, this has improved the precision of test results.

With the aid of this increased precision, Union's refinery specialists are able, for example, to move toward that elusive goal—perfection in blending petroleum products. It's possible now to limit the specification characteristics of our products even more than in the past. This means we can produce the *Finest* petroleum products without waste. For the buyer, it means even better Union products than before.

from J. W. Towler

OIL METER EASES BOTTLENECK IN GAUGING CRUDE RUNS

Before a producer of crude oil turns his product over to the pipeline people for shipment to storage

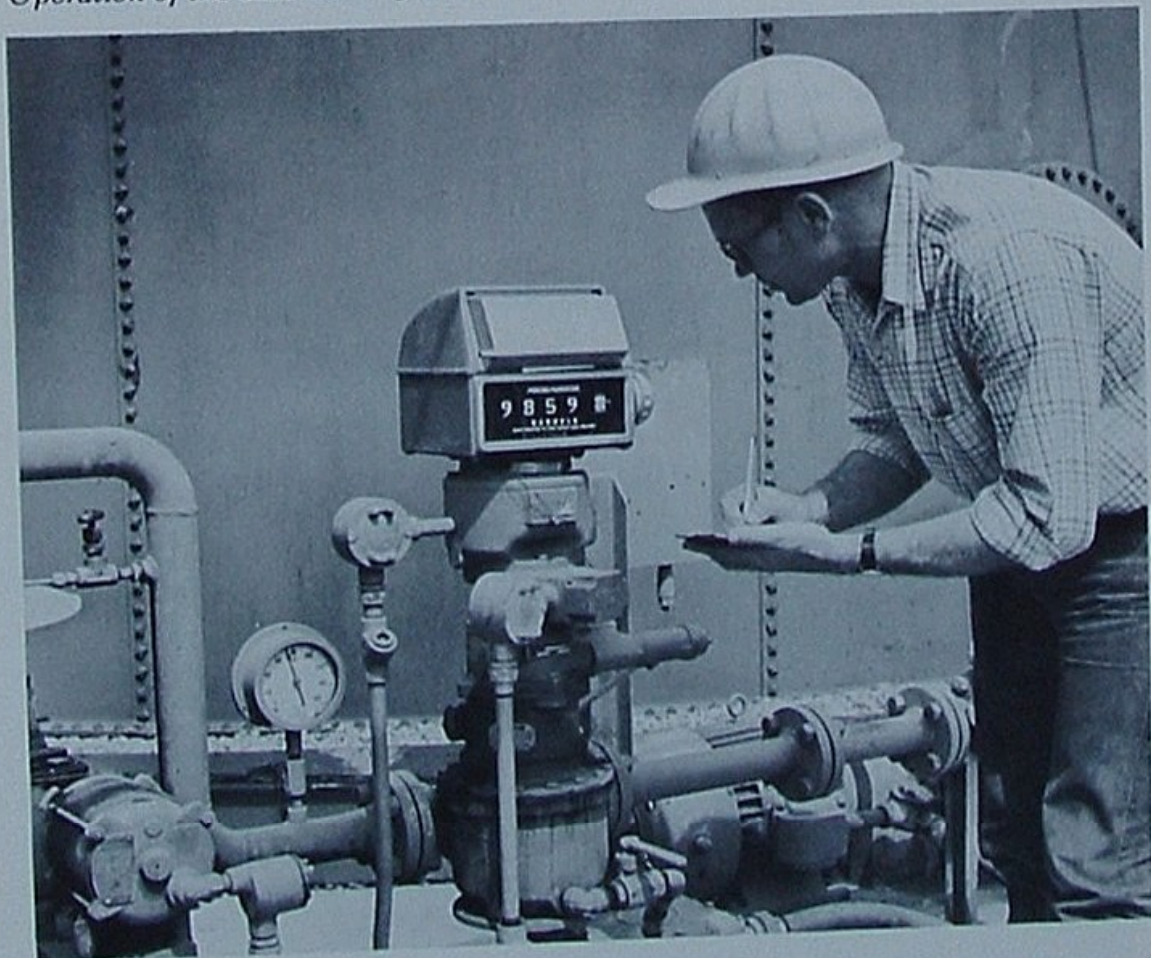
tank or refinery, it's necessary to accurately measure and sample the crude run. This is necessary, among other things, to assure the leaseowner his proper royalty.

In conventional oil field practice, a lease operator fills an accurately calibrated tank with crude oil, then manually gauges the volume and samples the oil before turning it over to the Pipeline Department.

Among the significant steps in progress for the Pipeline Department is an automatic oil meter and sampler that simplifies gauging and sampling.

The process is called LACT, a term gaining significance in the oil field today. LACT stands for Lease Automatic Custody Transfer. When translated into everyday language, it means the use of automatic equipment for the continuous delivery of oil (and title thereof) from an oil field lease to the Pipeline Department.

Here is the compact LACT unit, an oil flow meter and sampler, installed at the Las Cienegas Field in the heart of Los Angeles. Field Operator Jim Stitt takes a reading. Operation of the automatic system is described in accompanying article.



Heart of the system is the meter that measures the volume of oil shipped and a sampler that automatically draws a minute but representative sample from each barrel that passes through the meter.

Periodically, a gauger visits the oil field, prints a ticket on the meter counter, draws and tests the representative sample, and enters this information on a "run ticket." This ticket, when signed, in effect becomes a bill of sale between the producer and pipeline.

The LACT system has its own built in safeguards. A monitor installed in the oil stream "senses" when the water content exceeds three per cent—the Pipeline Department's maximum tolerance for "dry" oil. In the event that "wet" oil is being pumped the monitor transmits a signal to a control device that shuts down the "shipping" pump and diverts the "wet" oil to standby tanks for "dehydration." When the oil stream is "dry" again, the flow is directed back to the shipping pump—which starts up automatically. Other monitors on the LACT unit "sense" operational abnormalities such as meter failure, no flow conditions, or excessive temperatures or pressures. If any of these occur, the pump shuts down.

from J. H. White

LANDMARK TO DISAPPEAR AT LOS ANGELES REFINERY

One of the early landmarks at Los Angeles Refinery soon will become only a memory. Boiler Plant No. 1, one of the historic structures at LAR, is being dismantled. Some of the facilities of this steam plant date back to 1918—when the refinery was originally built. Reason for the dismantling: Boilers of World War I vintage bowed to the efficiency of modern steam power plants. The plant, in fact, had been shut down for about two years.

from J. W. Towler

Sons of Union Oilers Win Merit Scholarships

THE NATIONAL MERIT SCHOLARSHIP Corporation has awarded Merit Scholarships to Gary Clark and Fred Lakin, sons of Union Oil employees. After their selection, Union Oil Company of California Foundation announced it would sponsor the scholarships.

The Merit Scholarship is the most widely recognized national award for high school students; nearly 700,000 candidates were tested before the scholarship finalists were selected.

To Stanford University: Fred Lakin on a Merit Scholarship. Seated on couch his parents: Mr. and Mrs. W. P. Lakin. Lakin is a senior section leader at the Union Research Center.



To Claremont Men's College: Gary Clark, foreground, on a Merit Scholarship. (In background): Gary's younger brother, David, and Mrs. and Mr. Norman Clark, Jr. Clark is a district engineer in Exploration and Production.

Gary is the son of Norman B. Clark, Jr., division engineer at Santa Fe Springs, California, for the Pacific Coast Division of Exploration and Production. Fred is the son of W. P. Lakin, a senior section leader at the Research Center.

Academically, the two students are among the top one per cent of high school seniors in the United States. However, their scholarship awards were made on the basis of total accomplishment: grades—plus test scores in competition for the scholarships, extra-curricular activities, leadership, school recommendations, citizenship, and general character.

Gary, who will be graduated from Sierra High School in Whittier, plans to major in law or business. He will enroll at Claremont Men's College. Fred, a student at Sunny Hills High School in Fullerton, will attend Stanford University. He is following a family pattern and majoring in engineering and science. His father has been in the Research Department for 11 years, and his mother is a chemical engineer turned housewife.

The Union Oil Foundation was formed late in 1962. Its primary purpose is to aid and support organizations operated exclusively for charitable, scientific, educational, and cultural purposes. This year, the National Merit Scholarship program was among the activities in which the Foundation participated.

Under the program, the National Merit Scholarship Corporation tested students at a record 16,150 schools in 1962. From the 700,000 (another record) who took the tests, 11,000 semi-finalists were selected by the Corporation. Finalists were then chosen on the basis of their "total profiles" by a committee of 14 educators.

THE END

To win new customers

'offer them a FOLDER'

IT WAS A BEAUTIFUL Saturday morning, the kind of sparkling June day that makes you glad you're alive. The Bryson family—Mary, Joe and the two children—drove into a "76" station near the edge of town. Inside the car was a picnic basket.

"Good morning, folks," said Minute Man Ralph Jones. "Shall I fill the tank with Royal 76?" Joe Bryson nodded, and Ralph Jones said, "You folks look like you're off on a holiday. Would you like one of Union's Weekend Adventure Drive folders?"

The Brysons nodded and read the folder while the Union dealer busied himself at the windshield. Joe Bryson got out of the car to pay the bill.

"You know," he said, "I heard about the Weekend Adventure Drives on the radio, but I forgot about them when we stopped. We're new in California; moved out from New York six weeks ago. We're spending our weekends 'discovering' our newly chosen home state. Bet you get a lot of newcomers into your station with these folders."

"Sure do," the Union dealer said. "Say, Mr. Bryson, why don't you fill out this application form for a Union Oil credit card? Mighty handy thing to have. Besides, we'll be giving out these Weekend Adventure Drive folders each week.



And don't you folks forget to have a good time now."

The scene is a dramatized version of what can happen with Union Oil's big, summertime advertising program. It's called "Weekend Adventure Drives," and it is keyed to the motto "When you live in the West, enjoy it."

Minute Man Jones was a mythical Union dealer, but our merchandising people love him. Here's why: When the Brysons came in for gasoline, Jones remembered to offer them a Weekend Adventure Drive folder.

There's a lot of advertising backing up the Weekend Adventure Drive—a sales promotion program covering California, Oregon, Washington, Nevada and Arizona. There are full-page ads in Good Housekeeping, Sports Illustrated, and Sunset magazines. Radio announcements every week cover all major markets. Television commercials will be used in major markets. Mailers go out to credit card customers. Full color window posters are supplied for Minute Man stations.

With all this advertising, why should the dealer offer the

folders to his cus-

"Simply because the bone, director of is the key to success offering new folders. Each folder describes a few hours' drive.

"This program attracts customers, and lasts a week. Yet we'll have a habit to offer a folder on drift.

"Most customers said, 'We need a habit to return.' Like the Brysons, we're decorating we're looking for Oh, say, charge



Left: In Los Angeles, Dealer Jerry Jevtic offers a Weekend Adventure Drive folder to pretty Sandy Williams. A total of 24 Weekend Adventure Drive folders, each different, will be distributed by Union Oil dealers this summer. Right: Scenic chairlifts (week of May 27-June 2); Below: Oldtime auto shows (June 3-June 9); Bottom: Summer theatres (week of June 10-June 16).



folders to his customers? What is the reason for this?

"Simply because people tend to forget," said C. E. Rathbone, director of marketing. "That's why the Minute Man is the key to success in this program. As you know, we're offering new folders every week through September 22. Each folder describes different weekend adventures just a few hours' drive away.

"This program," Rathbone said, "is designed to bring in customers, and bring them back to your station week after week. Yet we'll need the dealer's help to succeed.

"Most customers have a lot of things on their minds," he said. "We need to jog their memories. So if we make it a habit to offer a folder, then your customers will make it a habit to return."

Like the Brysons, who returned the other day to pick up a folder on driftwood collecting.

"We're decorating our new home," Mrs. Bryson said, "and we're looking for tips on where to find the *Finest* driftwood. Oh, say, charge the gasoline on our credit card." THE END

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Above: Spectators at Union Oil Company's 1963 dealer show in Reno, Nevada, included Dealer Roy Brown of Peterson, Nevada, and Bill Beeghly, son of a Union Dealer in Fallon, Nevada. Below: Commenting on the revue after the curtain went down were Carl Supp, for 31 years a distributor, and Abb Supp, for 30 years a dealer, both of Wells, Nevada.



Before the dealer show got underway, Senior Vice President Fred Hartley presented anniversary watches to dealers and distributors celebrating their 30th year or more with Union Oil. Pictured here was Ken Johnson of Bishop, Nevada, receiving a watch for 32 years as a dealer.

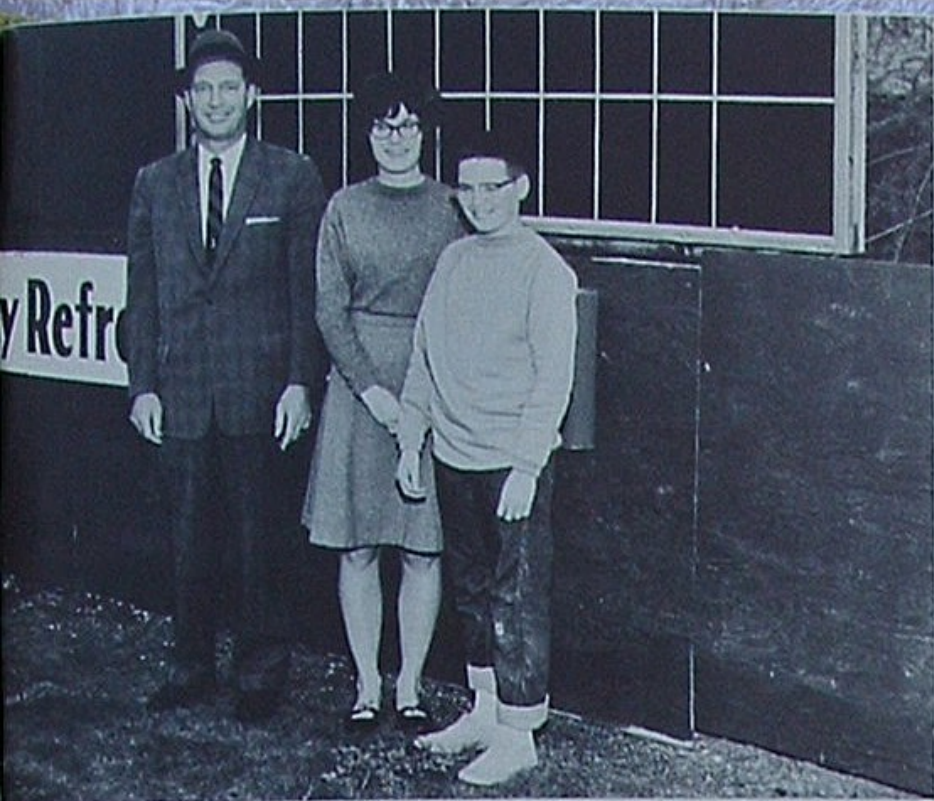


The smiles of appreciation here come from (left to right) Dealer Theral Smith of Bear River City, Sales Supervisor D. L. Jeppesen of Salt Lake City, Sam Cayias of Salt Lake City and Dunn Oil Co., and Dealer Glen Penrose of Salt Lake City, all in Utah. The "easterners" came to Reno to attend the show.

This is the scene that captured the interest of Union Dealers, the big 1963 revue "Curtain Going Up" that toured the West Coast in March and April. Here, on stage in Reno, are most members of the cast. (From the left:) Mary Jane Mangler as Lois Mileage, Ernie Newton as Otto K, Miracle AND Minor Miracle (a dual role; he also wrote the humorous lyrics for the songs), Chanin Hale as Gas Daly, Doreen Tracy (hidden by the big Royal Triton can) as Tootsie Horne, Byron Palmer as Windy Shields, and Georgine Darcy as Ima Bumper. Union's 1963 advertising and merchandising programs were outlined to dealers before the show.

from Jerry Luboviski





When Little Leaguers in Newport Hills, a suburb of Seattle, came to bat this year, they reported to Nicholson Field. The ball park was named in honor of—you guessed it—our Seattle resident manager, Robert E. Nicholson. He is credited with spearheading the drive that brought the ball park into being. Nicholson, pictured here with his daughter Robin, 16, and son Ken, 12, a Little Leaguer, headed rock raking, grading and grass planting committees. Mrs. Nicholson said her main contribution was supplying lemonade; rock raking is thirsty work.

from Carole Judkins

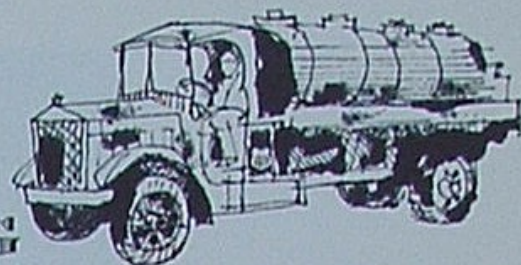


Clarence M. Gabrysiak (left), an engineering draftsman at Oleum Refinery, has won the first certificate of achievement issued by Diablo Valley College, following completion of a course in construction and supervision. In 1955 he earned an associate in arts degree, now is working on an industrial management certificate. Pictured presenting the certificate to Gabby is Bruce Stringer, chairman of the school advisory board.

from C. R. Fitzgerald

Union Oil Dealer Wayne Compton of Phoenix, Arizona, puts in a good deal of his spare time as president of the board of directors of the Phoenix Boys Club. He was recently pictured in the Arizona Republic presenting annual awards to outstanding boys: (Left to right) Chuck Simpson who won the sportsman memorial award, Lance Sherwood, boy of the year, and Richard Acree, a memorial award for judo.

from T. E. Luke



TURNING BACK THE PAGES

(40 YEARS AGO THIS MONTH)

Highlights from the Union Oil Bulletin, granddaddy of 76 Magazine, for the months of May and June, 1923.

In May, the Bulletin noted the Wilmington Tank Farm was nearing completion. An accompanying photograph illustrated construction in progress on five storage tanks. Total capacity was 3,750,000 barrels of oil. Until sold last year after it had outlived its usefulness, the Wilmington Tank Farm had long been used to store fuel oil.

• • •

A photograph appeared in the June issue captioned "Breaking the Dominguez Horizon." It was a picture of Callender No. 1, the discovery well at Dominguez. "It is alone in the vicinity," the legend said, "surrounded by small, neat piles of hay... Does the future hold a maze of black oil derricks? Only the drill can tell." As we know today, the drill did tell—more than 500 times. Union alone has 257 wells at Dominguez which is regarded as a major oil field discovery. It is expected to continue producing for another decade.

• • •

Writing in the June issue, lubricating engineer M. C. French discussed the complexities of selling petroleum products to the Chinese. Stationed in Peking, French said gasoline sales were low. "...The entire business in Shanghai two years ago was taken care of by seven or eight garages," he wrote. Kerosene, on the other hand, was in demand.

"The market for refined oils would be relatively small at present," French said, "if it were not for the great demand for kerosene. This market has been built up by pure education. One large oil company operating in China distributed countless numbers of small lamps, selling them at a microscopic sum, and now is reaping the benefits of the market for its product."

French ended his article by summing up reports "from all parts of the Orient, from Dairen to Saigon, from Calcutta to Manila."

His summary: "The impression is gained that this will eventually be the world's most lucrative market..."

His prediction may some day come true.



The Investor's Reader, a magazine of 100,000 circulation published by Merrill Lynch, Pierce, Fenner & Smith, largest stock brokerage firm in America, recently featured Union Oil Company of California. We believe you might be interested in some extracts from the six-page story.

The Investor's Reader Said:

UNION OIL, until recently known primarily as a domestic and more specifically as a California company, is also busy exploring in other countries of the earth. It operates in Canada through 83%-owned Union Oil of Canada, is also a 50-50 partner with Marathon Oil in a sizable natural gas discovery in Alaska's Kenai Peninsula. An economic study of the feasibility of shipping the gas from Alaska to Japan is underway. Union is also exploring in the Philippines, [Australia] and offshore Trinidad.

The company is placing even greater emphasis on U. S. exploration and production. Presently about 60% of its crude production comes from its California oil wells. Since 1940, however, UCL has been carrying on extensive exploration and drilling elsewhere, now produces in Oklahoma, New Mexico, Colorado and Texas. Lone Star operations were substantially increased in October when UCL acquired Texas National Petroleum. This added 240 producing oil and 190 natural gas wells to Union plus 350,000 undeveloped acres in Texas, Wyoming, Colorado and New Mexico.

Union is also very excited about its natural gas opera-

tions in both on and offshore Louisiana. Now one of the largest natural gas producers in the state, it is active in the Lake Pagie area 65 miles southwest of New Orleans and drilling on 120,000 offshore acres which includes the prolific Lost Dome project. Alone and with partners, it acquired rights on 24 tracts for \$23,000,000 in the big Government auction last year (IR, March 28, 1962) and vp Dudley Tower notes: "We had considerable success in acquiring the parcels that we were after and we are confident we will obtain an excellent return on this investment."

Union's total natural gas production increased 22% last year to 510,000,000 cubic feet a day. President Rubel reports: "In the past decade our production of natural gas increased 254%. We anticipate further gains."

Crude production was up 5% last year to 108,000 barrels daily. Union's own production has covered an increasing proportion of its refining requirements the past four years; 1962 crude production came to 68½% of refinery runs vs. 65% in 1961 and 58% in 1959. Reserves have mounted steadily. Net liquid hydrocarbon reserves are 546,000,000 barrels, up 4% in five years. Gas reserves are 5.3 trillion cubic feet, up 98% since 1957. . . .

Union Oil is very conscious of its position as a merchandiser of premium products. Each year it spends about \$4,500,000, including \$300,000 in patent expenses, for research on exploration processes and upgrading of its products. . . .

With "the influx of people into California plus long-range planning and advances in oil field technology," Union Oil has found its 50,000 acres of California lands "originally bought for its oil and gas possibilities" has turned into "an important asset." . . .

UCL . . . owns 4,000 acres in burgeoning Orange County (right outside sprawling Los Angeles) which it plans to develop into a "well-balanced" community. Rubel feels: "The fortunate part about these land development programs is that we can eat our cake and have it too. We've learned to drill for oil and to produce it so inconspicuously that where necessary we can continue to recover our raw materials from under the ground while people live, work and play on top. . . ."

THE END



AWARDS

EMPLOYEES

May, 1963

45 YEARS

ROBERT H. FLEIG Pipeline-No. Div.
A. ALLEN HENDRY Expl. & Prod.-P/C-So.
JACK B. MUZZALL Expl. & Prod.-P/C-So.
PAUL E. TYCHSEN Refy. & Mktg. Accts.-Seattle

40 YEARS

DOUGLAS W. NICHOLS Mktg.-Calif. No. Cstal.

35 YEARS

MORTON W. ADCOCK L. A. Refinery
BLANCHE A. HACKETT L. A. Refinery
ALLEN O. LOVELL Engineering & Construction-H.O.
PERCY D. MITCHELL Mktg.-Southwest Mt.
OREN O. ORR L. A. Refinery
RALPH A. POTTER Research
STANLEY D. REINER L. A. Refinery
EDWARD H. WENTLAND Mktg.-Calif. No. Cstal.
NEAL G. WINSHIP Oleum Refinery

30 YEARS

EDWARD W. BLACK Expl. & Prod.-P/C-No.
EVELYN A. CEDERLUND Credit-Portland
H. T. ELDER Mktg.-Southwest Mt.
PAUL A. GRAND Mktg.-Calif. So. Cstal.
ELWOOD L. HIATT Crude Supply & Bulk Sales-H.O.
LESTER W. HUNT Expl. & Prod.-P/C-So.
HOWARD K. SAID Crude Oil Supply-H.O.
THOMAS R. SMITH Expl. & Prod.-P/C-So.

25 YEARS

JAMES L. BRODERICK Oleum Refinery
ROY R. CARSON Oleum Refinery
EDWARD D. JOSEPH Mktg.-Calif. No. Cstal.
POLLY L. ORVILLE Research
ALBERT M. OSBORN Mktg.-Calif. Central

20 YEARS

BYRON M. BEILDECK Planning & Development-H.O.
DOROTHY M. BROGAN L. A. Refinery
EULA F. BYRNE L. A. Refinery
JAMES D. CATES Mktg.-Oregon
HARRY DODGE, JR. Mktg.-Calif. So. Cstal.
JOHN S. DUGAN Mktg.-Calif. So. Cstal.
MYRTLE L. GERBITZ Oleum Refinery
FRANK M. GRABIL Expl. & Prod.-P/C-No.
JACK R. HAMILTON Pipeline-No. Div.
LOUIS E. LAUGHERY Mktg.-Southwest Mt.
MARTIN A. MANDERS Oleum Refinery
DONALD K. MATTHEWS Expl. & Prod.-Glacier-Cut Bank
ELDON P. McDOWELL Oleum Refinery
M. NURSEMENT, JR. Oleum Refinery
WALTER J. VOLLMER Mktg.-Southwest Mt.

15 YEARS

BETTY M. BABCOCK Expl. & Prod.-Central Div.
CLIFTON E. BLAIR Mktg.-Oregon
EDWARD M. DAVIS Pipeline-So. Div.
EDWARD L. DOBSON Credit-H.O.
KIRBY G. HANKS Planning & Development-H.O.
RICHARD HEWITT Mktg.-Calif. Central
JAMES L. KELLER Research
EVELYN R. MARTIN Expl. & Prod.-P/C-So.
SAM MARTINEZ Executive-H.O.
ALVIE R. MCGARY Expl. & Prod.-Central Div.
GLENDA L. PHILLIPS Mktg.-Oregon
CHARLES R. PIERCE Expl. & Prod.-Central Div.
BURTON B. SANDIFORD Research
ARLES J. SMALLEY Expl. & Prod.-P/C-So.
WILLIAM E. TREGO Pipeline-No. Div.
WILFRED SOUZA Expl. & Prod.-P/C-No.
G. L. WILLIAMS Credit Card Acctg.-S.F.

10 YEARS

MERVIN BOEN Expl. & Prod.-Gulf Div.
EUGENE K. BOWERS Santa Maria Refinery
WILLIAM D. BROOK Mktg.-Calif. So. Cstal.
ERROL G. COMPTON Mktg.-Northwest
EDWARD C. DICKINSON Research
MARVIN E. DITMARS L. A. Refinery
BENJAMIN M. EATON Oleum Refinery
PAUL E. FORREST Research
GUY M. FRANCE Expl. & Prod.-P/C-No.
MILTON R. FULTON Mktg.-Oregon
GLENN GREDER Research
ALBERT C. GREEN Mktg.-Calif. Central
GENE E. HEBRARD Mktg.-Oregon
LEROY P. JORDAN L. A. Refinery
MARIA KOSTENKO Credit Card Acctg.-S.F.
ANDRE LESPERANCE Comptrollers-D.P.U.-H.O.
JULIUS N. LEWIS Expl. & Prod.-P/C-No.
THOMAS L. LUNDY Mktg.-Calif. Central
RICHARD C. MAXFIELD Mktg.-Northwest
JAMES L. MCKAY Santa Maria Refinery
GUERDON B. MILLER Research
RUDY A. MONIGHETTI Expl. & Prod.-P/C-No.
ROY E. REED, JR. Mktg.-Calif. So. Cstal.
L. E. SHAFFER Mktg.-Calif. So. Cstal.
LESLIE L. SHARRAR Research
ANDY M. THROOP Expl. & Prod.-P/C-So.
NEIL C. WILLHOIT Santa Maria Refinery
DONALD C. YOUNG Research

June, 1963

40 YEARS

PEDRO V. AGUIRRE Research
EDWIN J. GENTER L. A. Refinery
ANTONE A. FARIA Oleum Refinery

35 YEARS

C. H. CAMPBELL, JR. Pipeline-H. O.
R. G. CARPENTER L. A. Refinery
ROY H. CURNOW Expl. & Prod.-P/C-No.
EDWARD J. EIFERT Research
FRANK M. JACOBS Refy. Bulk Sales-S. F.
WALLACE M. McCLURE Mktg.-Calif. Central
LESTER W. McLENNAN Research
REUEL E. OPENSHAW Expl. & Prod.-P/C-No.
ARTHUR C. STEWART Executive-H.O.
FRANK A. WILSON Oleum Refinery

30 YEARS

KENNETH R. CLARK Mktg.-Calif. So. Cstal.
MICHAEL L. JARED Expl. & Prod.-P/C-So.
ROY W. KROSSA Expl. & Prod.-P/C-No.
JOSEPH LEPTICH Mktg.-Oregon

GERALD K. RILEA L. A. Refinery

25 YEARS

THOMAS S. ARGYLE Mktg.-Northwest
JOSEPH FENTON Mktg.-Calif. So. Cstal.
IVAN K. MOORE Mktg.-Oregon
CLIFFORD C. NENNO Mktg.-Calif. So. Cstal.
GEORGE F. WILLIAMS Mktg.-Northwest

20 YEARS

THELMA F. ADAMOLI L. A. Refinery
HAZEL I. ANDERSON L. A. Refinery
JOHN P. BUCKMANN Research
HAROLD E. CARVER Research
BREWER L. CLEMENTS L. A. Refinery
HAROLD T. FINNEY Expl. & Prod.-Gulf Div.
CHARLES E. GARDNER Engr. & Construction-H.O.
LOUIS W. GERDES L. A. Refinery
CLEO GALE HEEL L. A. Refinery
LOREN R. HOWELL Expl. & Prod.-P/C-No.
TEXAS V. INWOOD Research
LINN M. KELLEHER Santa Maria Refinery
LOUISE E. KIMMICH Oleum Refinery
EUGENE B. LOOP Research
WILLIAM O. REYNOLDS Mktg.-Calif. So. Cstal.
JAMES C. SAWYER Pipeline-No. Div.
NORMA LEE SMITH Expl. & Prod.-P/C-So.
WALTER T. SOIKE Mktg.-Calif. So. Cstal.
LEON V. VAUGHAN Oleum Refinery
D. Y. WILSON, JR. Mktg.-Glacier Div.

15 YEARS

MAX D. ALLEN Expl. & Prod.-P/C-So.
RAYMOND L. ARNOLD Mktg.-Calif. So. Cstal.
EARL M. BURGER Expl. & Prod.-P/C-No.
KENNETH B. DITCH Expl. & Prod.-Gulf Div.
JEAN S. FARRAR Comp.-Accts. Payable-H.O.
RICHARD C. HARTMAN Research
ROY W. MARTENS Expl. & Prod.-P/C-No.
JOHN R. PESHECK Oleum Refinery
JAY P. PHILLIPS, JR. Comp.-Systems & Proced.
RICHARD L. ROBB, JR. L. A. Refinery
WILBUR ROSS Expl. & Prod.-P/C-So.
ROBERT W. SHOOK Cut Bank Refinery
BEN H. SILER, JR. Expl. & Prod.-P/C-So.
RICHARD F. TWIBELL Expl. & Prod.-P/C-So.
EDWARD L. WISEMAN Research
WARREN T. ZUMWALT Mktg.-Oregon

10 YEARS

GLEN L. BAKER Mktg.-Calif. Central
LON R. BROWN Research
CONNIE JEAN BENDER Mktg.-Calif. Central
JAMES W. BUCK L. A. Refinery
JOEL W. CHAPPELL, JR. Expl. & Prod.-Central Div.
LAWRENCE L. DAVIES Mktg.-Oregon
GORDON W. DEVERICK Expl. & Prod.-P/C-No.
STANLEY M. DEZORT Cut Bank Refinery
COLLEEN M. DOUGLASS Research
LEO J. FAIRMAN L. A. Refinery
GERALD C. FINLEY Pipeline-So. Div.
DAVID H. KAUFFMAN L. A. Refinery
HARVEY W. KUZEL Credit-Sacramento
EDWARD F. LANGEVIN L. A. Refinery
ROBERT H. MADIGAN Pipeline-So. Div.
JOHN M. METZLER L. A. Refinery
TOM E. MILLER Expl. & Prod.-Central Div.
BERNAL PERALTA Research
ROGER M. PINSON Expl. & Prod.-Central Div.
EDWIN H. POWELL, JR. Treas. Fiscal Serv.-H.O.
JOSEPH A. SCURI Pipeline-No. Div.
LAURA B. SILVA Oleum Refinery
JAMES A. STIMPSON Expl. & Prod.-P/C-No.
JAMES G. STITT, JR. Expl. & Prod.-P/C-So.
ELDON O. ST. JOHN Pipeline-No. Div.

continued

DEALERS

May, 1963

20 YEARS

I. O. BURKHART..... Lone Pine, California
FIRESTONE SERVICE STORE..... Oakland, California
NANKING GARAGE..... San Francisco, California

15 YEARS

GEORGE ARY..... Burbank, California
DIAMOND MOTORS..... Los Angeles, California
EATON'S STORE..... Woodland, Washington
HJALMAR J. HANSON..... Ketchikan, Alaska
H & S SERVICE GARAGE..... Watsonville, California
R. C. HUME..... Cloverdale, California
HUMMEL'S STATION..... Woodland, Washington
HOWARD F. KLEIER..... Chico, California
FRED G. LARSON..... Vancouver, Washington
MILLARD PENTTILA..... Naselle, Washington
L. FRANK & G. NATERLIN..... Gig Harbor, Washington
A. SHARECK..... Glendale, California
SITKO'S GARAGE..... La Crosse, Washington
SHIGEMITSU TAKATA..... Kalaheo, Kauai
TAMOTSU WATANABE..... Waianae, Hawaii
FORD WILGUS..... Tacoma, Washington

10 YEARS

HENRY M. ALVIDRES..... Buttonwillow, California
WALTER GARRETT..... Bell, California
ROBERT GOMEZ..... Long Beach, California
FRANK STONE dba HILAND GARAGE
..... Kennewick, Washington
A. E. THIRKILL..... Ukiah, California

5 YEARS

A. C. BEATTY..... Costa Mesa, California
RICHARD G. EASTIN..... Prospect, Oregon
HAROLD EKMANIAN..... Inglewood, California
FAHRENWALD CHEVROLET..... Moscow, Idaho
MAURICE A. GREEN..... Los Angeles, California
HOWARD HARRIS..... Bellingham, Washington
LESTER HENDRICKSON..... Susanville, California
V. W. & QUIDA HOKE dba
LONG VALLEY STORE..... Happy Jack, Arizona
VICTOR KRESSE..... Bakersfield, California
CASEY KUFLAK..... Los Angeles, California
BURL & IONA M. LACKEY..... Barstow, California
HAROLD F. MARTIN..... Salmon, Idaho
ROY MATTHEWS..... Harbor City, California
DANNO & MONTGOMERY..... Van Nuys, California
MUNZ LAKES RESORT..... Palmdale, California
HENRY ONO..... San Francisco, California
ALFRED PAIVA..... Honokaa, Hawaii
MIKE POE..... Bakersfield, California
B. J. PUCCINELLI..... Santa Cruz, California
C. B. REEVE..... Pico Rivera, California
LESLIE REGALIA..... San Pablo, California
ROBERT & MARIE RICHARDS dba AMERICAN
RIVER RESORT..... Naches, Washington
DICK ROBINSON..... Sheridan, Wyoming
RONALD SWITZER..... Long Beach, California
CHARLES L. WILSON..... Modesto, California
C. C. ZIMMERMAN..... Oxnard, California

June, 1963

35 YEARS

C. D. EDWARDS..... Daly City, California
A. A. SCOLARI..... Los Alamos, California
W. E. ASHBY—January..... Great Falls, Montana

30 YEARS

J. A. PANERO, JR..... Sonora, California
TONY PARINO..... Sacramento, California

25 YEARS

W. K. BOLL..... Grand Coulee, Washington
W. W. SCHAAL..... Vineburg, California

WALTER BEUTEL—March..... Los Angeles, California

20 YEARS

HARRY C. ALDINGER..... Hillsboro, Oregon
W. P. BEEGLY..... Fallon, Nevada
GERALD E. WOODS..... La Mesa, California

15 YEARS

M. I. ESTES..... El Cerrito, California
HENGEHOLD MOTOR CO..... Palo Alto, California
ROY KITSON..... Alder, Montana
ROBERT K. LEWIS..... Downey, California
STELLA McCRADY..... Portland, Oregon
WAYNE MILLS..... Fontana, California
MARTEL PETERS..... Ashland, Oregon
GEORGE ROOKE..... Fawnskin, California
MIKE SCHLOSSER..... Ridgefield, Washington

10 YEARS

WILLIAM CIMON..... Quincy, California
TED DELTARCHIO..... Gualala, California
DEAN O. EVANS..... Stevenson, Washington
MAX E. LEE..... Lebanon, Oregon
ROBERT MARTINEZ..... San Fernando, California
ANTON MUS..... Cle Elum, Washington
G. RASMUSSEN..... Gold Hill, Oregon
SALES & SERV. ASSOCIATES, LTD..... Hilo, Hawaii
JOE SPENCER..... Bell Gardens, California

5 YEARS

DON ALLEN dba COTTAGE GROVE
RESORT..... Greenbank, Washington
ROSS COOPER..... Bend, Oregon
HENRY COX..... Phoenix, Arizona
CHARLES E. FITZMORRIS..... Cottonwood, California
JOSEPH FLORIO..... Colusa, California
CECIL O. GRIMES..... Lyons, Oregon
FRED HAYWARD..... Oak Harbor, Washington
L. KELLOGG..... Huntington Park, California
ALL KING & ROLAND McINTIRE dba
PALMER AUTOMOTIVE..... Palmer, Alaska
H. A. LANCASTER dba SURF SIDE
RESORT..... Coupeville, Washington
CHARLES PATERSON..... Fruita, Colorado
FLORENCE PEARSON..... Fredonia, Arizona
GEORGE PIERSALL..... Grand Junction, Colorado
MAYO RICH..... Bryce Canyon, Utah
FRANK SAMARIN..... Los Angeles, California
SANFORD & HUNTLEY..... Los Angeles, California
J. S. SMITH..... Bear River City, Utah
SMYLIE & INZERILLO..... Ione, California
HENRY WEIKERT..... Alderwood Manor, Washington
MONTE YOUNG..... San Simeon, California
EVANS ZEFKELES..... Seattle, Washington
SIDNEY TENENBAUM—April
..... Los Angeles, California

CONSIGNEES- DISTRIBUTORS

May, 1963

40 YEARS

CECIL A. JOHNSON..... Bremerton, Washington
L. T. HANSON..... Coeur d'Alene, Idaho
O. H. JAMESON—August '62..... Monroe, Washington

30 YEARS

GEORGE S. SMITH..... Santa Rosa, California

15 YEARS

C. R. HANCOCK, JR..... Needles, California
WILLIAM P. RAMEY..... Coalinga, California

5 YEARS

A. G. COCHRANE..... Miami, Arizona
CHAS. JR. & GEORGE WANDRA
..... Victorville, California
SCHIESSWOHL OIL CO..... Grand Junction, Colorado

June, 1963

30 YEARS

WILLIAM TETZ..... Ilwaco, Washington

25 YEARS

W. D. ASKINS..... Yerington, Nevada
AL KINCAID..... Edmonds, Washington

20 YEARS

KENNETH H. ROBINSON..... Quincy, California

15 YEARS

R. E. ROSS..... St. Helens, Oregon
J. P. SOMMERCAMP..... Beaumont, California

5 YEARS

MARLEN KNUTSON..... Stanwood, Washington

RETIREMENTS

April 1, 1963

THOMAS HENRY
Oleum Refinery..... September 7, 1945
GEORGE F. HIGGINS
Glacier Division..... September 8, 1932
JOHN KRUMM
Hawaii Division..... November 8, 1948
RUTH M. MEIER
R & M Accounting..... June 14, 1945
WILLIAM T. ROESLER
Foreign Operations..... March 1, 1952

May 1, 1963

WALLACE C. BROWN
Los Angeles Refinery..... January 25, 1945
HELEN M. ELIASON
Comptroller's..... June 25, 1935
GEORGE W. HUNT
Pacific Coast Division..... July 11, 1943
WALTER E. KIER
Oleum Refinery..... September 26, 1945
DALE M. RALPH
Calif. So. Coastal Div..... November 7, 1928
HARRY J. RITZER
Calif. So. Coastal Div..... October 5, 1929


IN MEMORIAM

Employees:

CHESTER M. EDWARDS
Oleum Refinery..... April 2, 1963
LYNN H. MANNING
Marketing—Northwest Division..... April 6, 1963

Retirees:

DAVID COLVILLE
Mktg.—Calif. South Cstal. Div..... March 20, 1963
WILBUR T. FAGAN
Pacific Coast Division..... March 26, 1963
HARRY G. FRASER
Oleum Refinery..... April 9, 1963
FRANK M. HIGUERA
Oleum Refinery..... March 23, 1963
HANS F. JOHANSEN
Oleum Refinery..... April 10, 1963
WALTER G. McKEEHAN
Pacific Coast Division..... April 3, 1963
FRED C. MUNRO
Los Angeles Refinery..... March 17, 1963
KLEBER A. HOXSIE
Pacific Coast Division..... April 16, 1963
ALBERT J. PETERSON
Marketing—Oregon Div..... March 21, 1963



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