

“On Tour”

VOL. 10, NO. 4

APRIL, 1948



IT'S STILL THE BEST POLICY

ACCORDING to insurance company statistics, Fire is being rapidly overtaken by Larceny as America's Public Enemy No. 1.

It has been reported that American industry is robbed each year of at least 50 million dollars by dishonest employees. This amount represents only known insured losses and is estimated to be not more than 10 per cent of the total loot.

Some of the crime is committed by professional thieves—men and women who use a job only as a shield for their dishonest endeavors. They are a calloused, antisocial lot whose type has always been a blot on civilization.

A far more serious problem is the large and increasing loot being written off to the discredit of people who steal only for "pleasure." They misdeal largely in loose change, pocket-sized articles of commerce, exaggerated expense accounts, and tools that are more frequently borrowed than returned.

Of the two classes, perhaps the "petty" thieves are the most to be pitied. Their haul rarely amounts to more than a few cents at a time or a few dollars in a lifetime. Yet, the consequences to them, if caught, can be nothing less than disgrace and discharge. Whether caught or not, they are burdened for life with the severest penalty of all, a guilty conscience.

Some of the reasons given for the disturbing increase of industrial thefts during the past few years are: 1. Slow horses and fast women. 2. Bad associates. 3. Heavy expenses or indebtedness. 4. Living beyond means. 5. The war. 6. Grudges against employers.

Basically, however, all crime sprouts from deeper soil. Young and immature minds get into the most trouble. Most criminals are the products of poorly disciplined homes, insufficient education and industrial training, bad community environment, and irreligion. Petty criminals reflect one or all of these lacks in minor degrees.

Increases of crime are positive evidences of social decay. If the decay is not halted, it in time eats like a termite through the foundations of society. In a certain oriental country, once world-renowned for its culture and philosophy, servants offer their services today for no other salary than "the amount they can collect from their employer unobserved."

Strong measures are being taken in some instances to stop the evil. Employers and union leaders occasionally cooperate in their screening and policing activities. Employees are subjected to search or constant inspection in a few industries. In other cases, employers have despaired of self-protective measures and asked the aid of insurance companies.

But policing has never been a satisfactory cure. Our best hope is that individual Americans will resolve to mold their lives in the tried and true pattern. "Thou shalt not steal" is more than an interesting quotation from the Bible. It is a basic truth on which the character of man and civilization is built. Honesty was an important measure of character in the days of Franklin, Washington, and Lincoln. It has an even greater need of application today.

THE COVER

Generally, when the drama of real life unfolds, there is no camera or cameraman on hand to record it. A recent fire at our Purisima No. 44 was the exception. Robert F. Bauer, Petroleum Engineer, caught this picture of employee fire-fighters crouching behind a protective fog curtain while Miller, Billington and Van Marter make a shut-off of the flaming oil and gas. Turn to pages 6 and 7 for the story.



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The exposed rock layers of this Colorado mountain may yield millions of barrels of shale oil if crude reserves prove inadequate.

Just In Case

A significant research project is taking place in our Manufacturing Process Division under the watchful eyes of chemists, engineers and their fellow Union Oilers.

Into the bottom of an odd, but not complicated, retort pieces of slate-like rock are being fed. The rock, called oil shale, contains two interesting substances, carbon and kerogen. As the shale is pushed continu-

ously upward through the retort by an ingenious mechanism, it is exposed to a downward draft of hot gases. These gases cause a chemical reaction in which the kerogen is changed to a wax-base oil. The gases also carry oil from the rock in yields as high as 70 gallons and averaging 30 gallons per ton of oil shale. Stripped of its kerogen, the remaining shale is ignited near the top of the retort, its carbon content burning to create additional hot gases for the continuing process. Enough inflammable gas is released from the rock to provide considerably more heat and power than is needed for the entire operation.

The economic importance of this experiment may be near at hand or years away, depending upon circumstances and developments. But the raw materials and techniques are within reach in the event of inadequate oil supplies from other sources.

The United States contains some of the world's richest deposits of oil shales. Extensive beds exist near ground surfaces in a Kentucky-Indiana area. But possibly our richest deposits are those of Colorado, Utah and Wyoming. From one source alone in western Colorado, the Rifle-De Beque area, the measured oil reserve is 300 billion barrels, or about 150 years' supply of liquid fuels for the entire United States at the present rate of use.

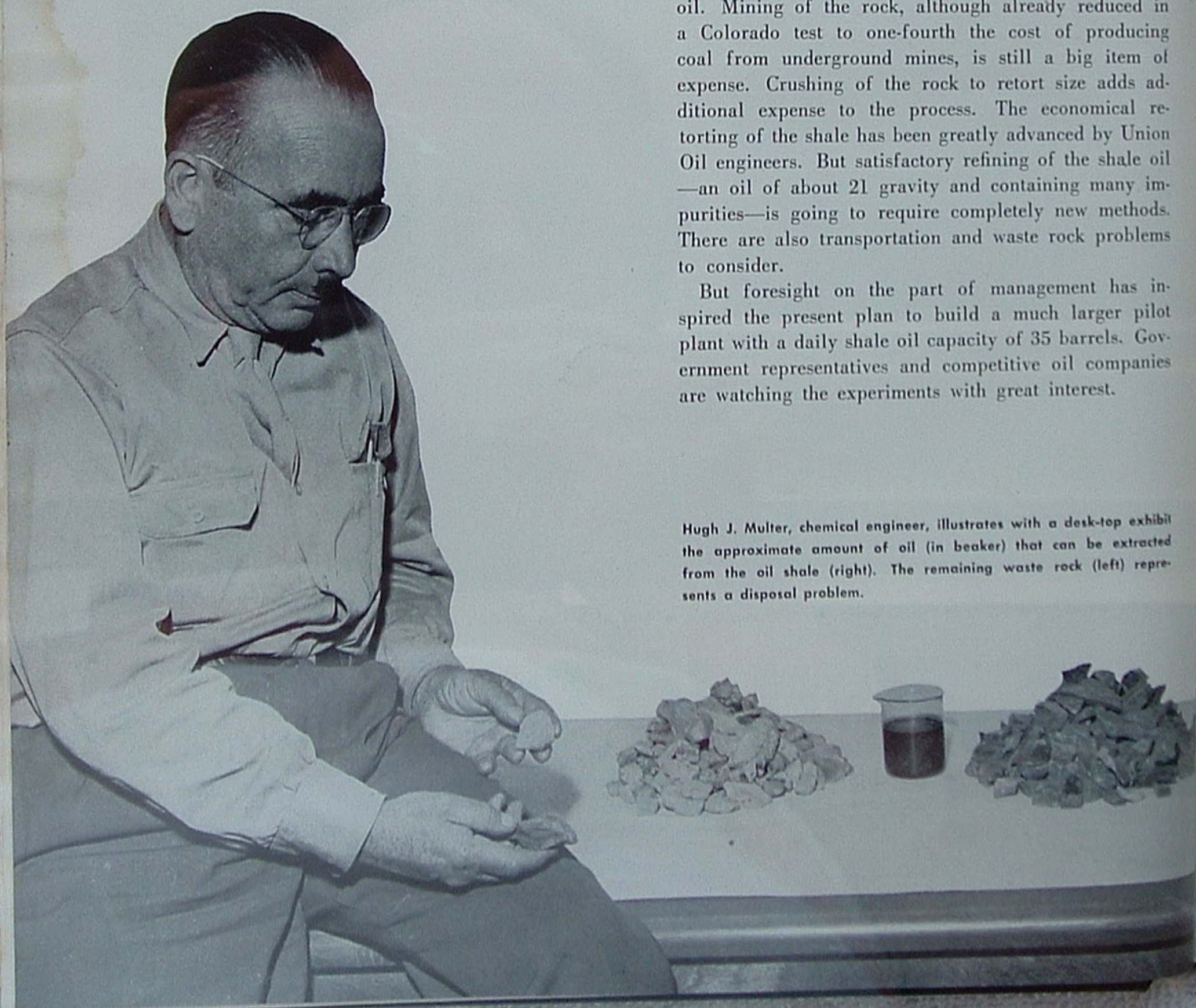
Incidentally, when all of America's potential reserves of petroleum—including crude oil, natural gas, shale oil, and coal—are lumped together, it is estimated that we have a gasoline reserve of about 4 trillion barrels, or enough to last us for thousands of years.

Union Oil's interest in oil shales is not new. Soon after the first World War, the Company purchased about 20,000 acres of the best available shale lands in Colorado. We have retained these holdings. But it required the recent tremendous increase in the demand for petroleum products to confirm the value of that foresight.

Shale oil is hardly ready yet to compete with crude oil. Mining of the rock, although already reduced in a Colorado test to one-fourth the cost of producing coal from underground mines, is still a big item of expense. Crushing of the rock to retort size adds additional expense to the process. The economical retorting of the shale has been greatly advanced by Union Oil engineers. But satisfactory refining of the shale oil—an oil of about 21 gravity and containing many impurities—is going to require completely new methods. There are also transportation and waste rock problems to consider.

But foresight on the part of management has inspired the present plan to build a much larger pilot plant with a daily shale oil capacity of 35 barrels. Government representatives and competitive oil companies are watching the experiments with great interest.

Hugh J. Multer, chemical engineer, illustrates with a desk-top exhibit the approximate amount of oil (in beaker) that can be extracted from the oil shale (right). The remaining waste rock (left) represents a disposal problem.





Carbon in the oil shale supplies more than enough heat energy for the retorting process. W. N. Silvis is seen regulating release of excess heat that could be converted into electricity.

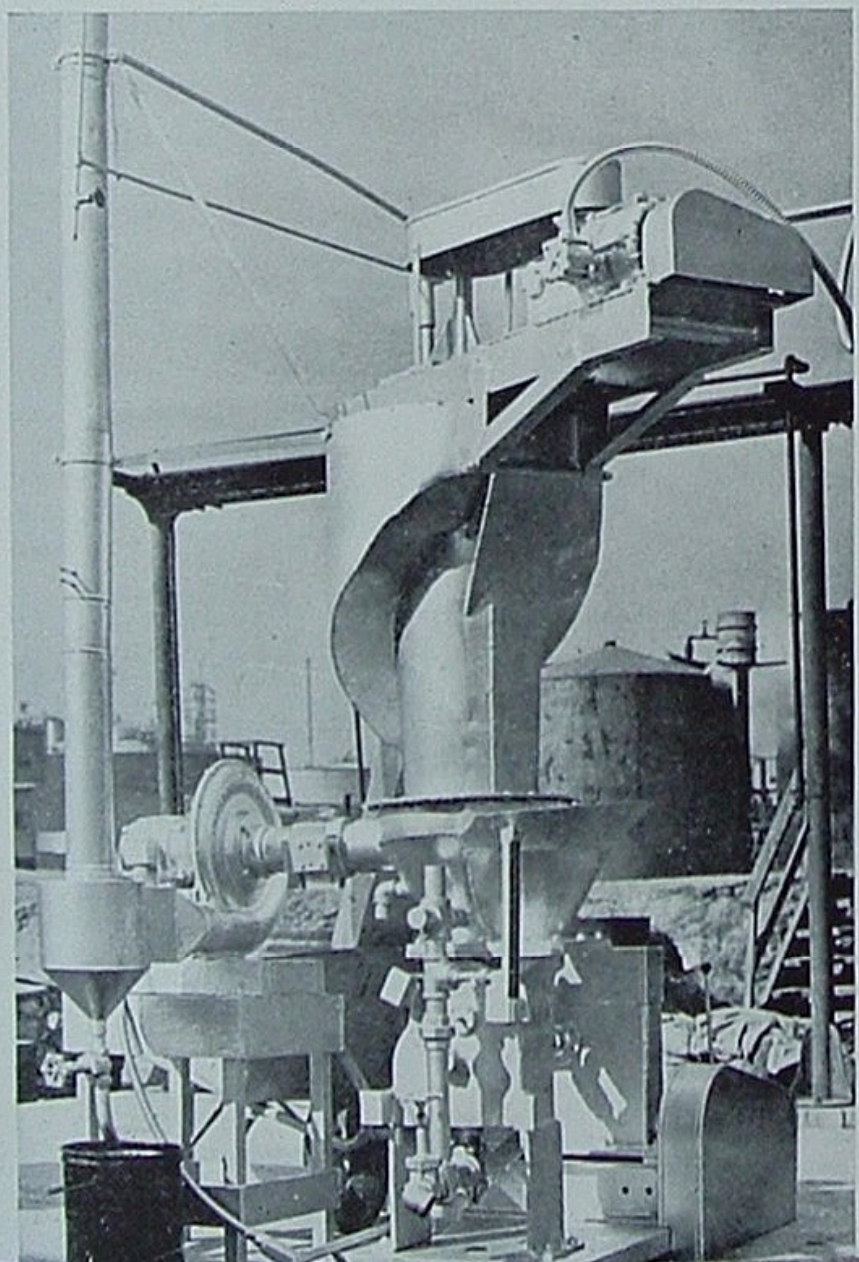
Combining efficiency with simplicity, this Union Oil retort is regarded as a very important advance in man's long and strenuous search for an economical process to extract oil from oil shales.



The method here being used by John P. Davis, pilot plant technician, in feeding oil shale into the retort will certainly bow to more advanced techniques when and if a commercial plant is built.



Discussing plans for a new and larger shale oil pilot plant with Homer Reed (right), chief engineer, is Dr. Clyde Berg of our Process Development, under whose direction the first unit was built.



At this critical stage of the Purisima well fire, Miller, in cellar of well, is closing a damaged two-inch valve. Van Marter kneels close behind him with a fog nozzle. Hose crews protect the two men and themselves from the intense heat with heavy sprays of fog from water hoses.



THE PURISIMA FIRE

On Monday at about 5 p.m., workmen were preparing to gun-perforate our Purisima No. 44 at a level that would increase the well's rate of production. The gun, in descending, somehow jammed in the casing; a wadding effect caused gas pressure to build up swiftly beneath it; and presently the gun shot out of the hole like a projectile. The billow of oil and gas that followed was ignited from some unknown source and Union Oil had a spectacular well fire on its hands.

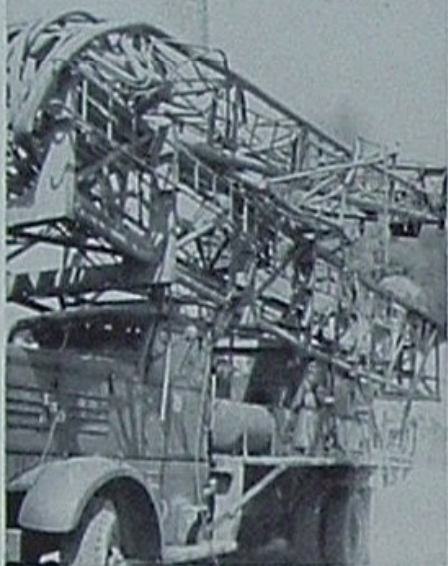
Four workmen were close to the well when the vapors flashed. All got away to safety without serious injury.

Servicing equipment and a portable derrick stacked with many lengths of tubing and rods were necessarily left to the mammoth blowtorch. However, within 90 minutes, heat had severed all guy wires, softened the

tubing like so much moist spaghetti, and caused the derrick to fold downward. The ruined equipment was then dragged away by tractor.

Among items that could not be moved away from the heat was a large supply of cartridges for the gun-perforator. These began exploding and managed to keep fire fighters at a safe distance throughout the night.

At 11:45 the next morning an airplane circled around the burning well before landing at Lompoc Airport. It had brought to the scene from Los Angeles C. H. Van Marter, an employee to whom oil fires are a specialty. Van came to lend a hand, but more especially to see how well the boys had absorbed their training at San Luis Obispo Fire School a few months earlier.



The employees whom Van joined at 12:45 for a smoke and council of war included W. O. Butler, Don Dunlap, Jim Franklin, Al Brandt, Fred Small, Howard Courtney, B. C. Ike, Ernie Miller and E. W. Billington. They decided that their first need was 150 feet of 3-inch pipe to connect a water line to County pumping equipment standing by for action. The County pumpers were manned by Victor Moore, Ken Pollard, Charles Troup and Allen Martin, all members of the Santa Barbara Forestry and Fire Service.

At 3:00 p.m. the water line was completed, washed and tested. Hoses were equipped with fog nozzles and tested. Two hose crews were formed and all men were carefully instructed.

As access to the fire from the windward side was blocked by a tangle of fallen tubing and rods, it was necessary to clear out debris. This was accomplished by directing curtains of fog between the flames and workmen. Cables were fastened to the bent sections of pipe and a tractor, in four trips, succeeded in clearing the area. Two additional trips were made for other heavy fittings that blocked a direct path to the well.

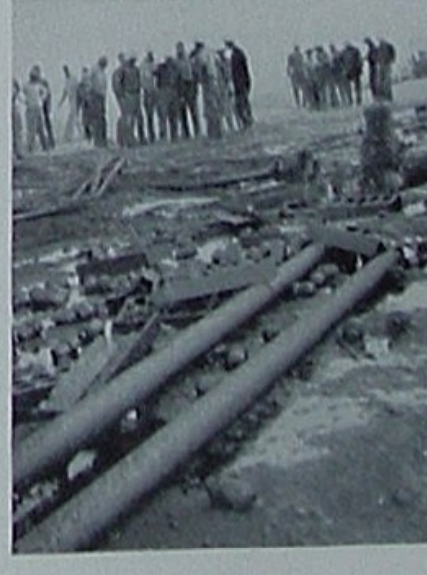
The seventh trip into the hot zone was undertaken at 4:30 p.m. Miller volunteered to enter the hazardous cellar of the well to attempt a shut-off of the flowing oil. He was protected by fog from a one-inch nozzle held at close range by Van Marter. Both men were in turn covered by fog from two 1½-inch nozzles manned by the hose crews. Miller soon discovered the two-inch cock below the main well valve was damaged by heat and could not be closed.

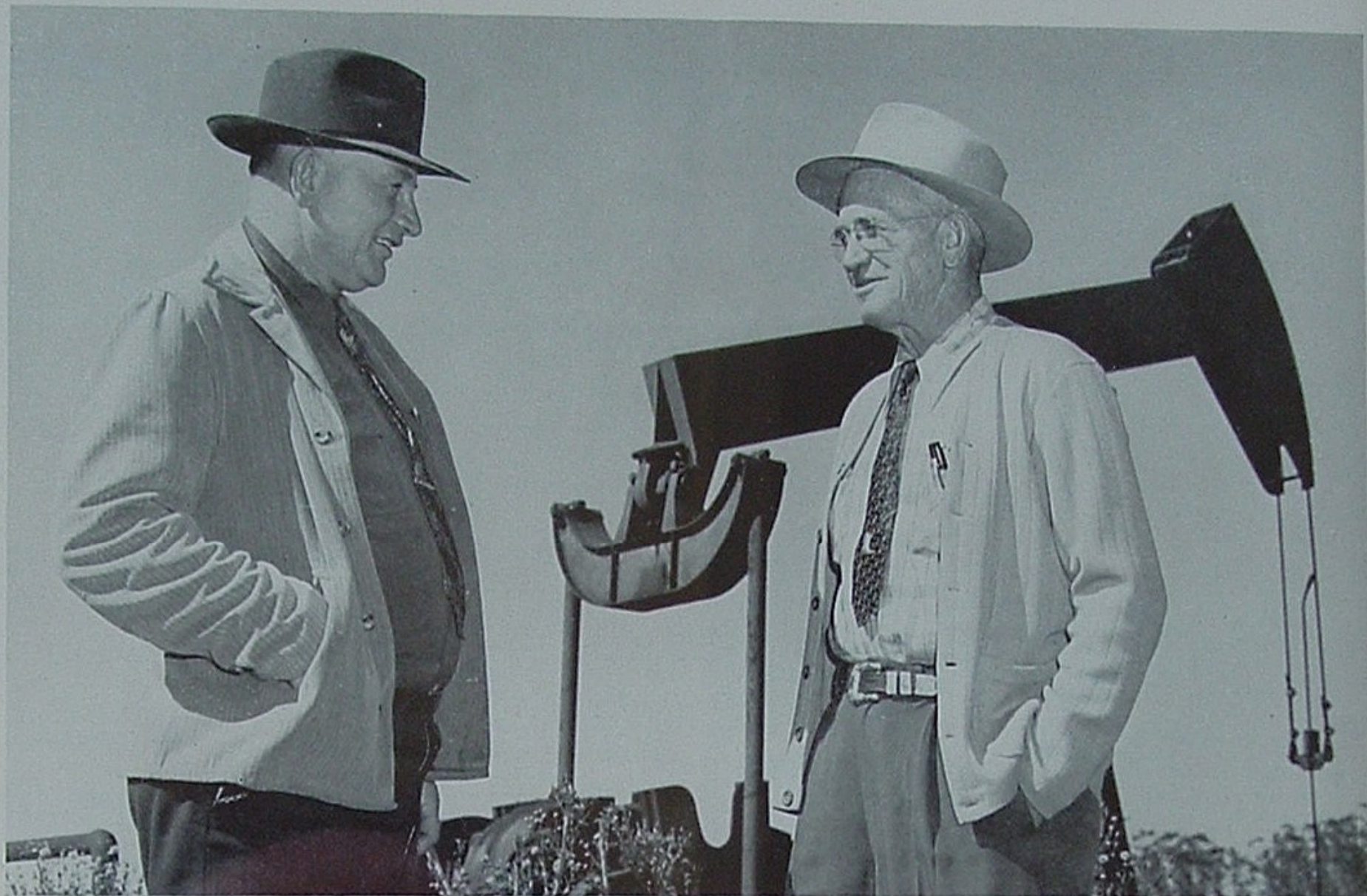
On the eighth trip in, Miller, assisted by Billington, entered the cellar and closed the two-inch cock by inserting a bull-plug.

At 5 p.m., or exactly twenty-four hours after the fire started, a successful shut-off was made. Miller, again aided by Billington, closed the main eight-inch gate valve. The great fire quickly died to a few small flames coming from around the stem of the gate valve. These were promptly dispatched with a 30-pound Du-Gas extinguisher.

In other words, an oil well fire just doesn't have a chance against men who are thoroughly trained and who, in times of emergency, can apply that training with cool-headed precision.

Pictures from top-left to bottom-right show: 1) Portable derrick a few minutes after fire started. 2) Derrick after tubing had melted and rig had collapsed on truck bed. 3) The fire raging behind its entrenchment of steel pipe. 4) and 5) Union Oilers clearing a pathway through the debris. 6) Hose crews cooling the cellar for an inspection run-in. 7) Miller and Van Marter making inspection of damaged equipment in well cellar. 8) The fire extinguished and the fire-fighters ready for dry clothes, food, and a night's rest.





Jack Reed (right), drilling superintendent whose service record of 44 years is Company's longest, tells Ernie Miller, Orcutt produc-

tion foreman, some interesting facts about the drilling of Hartnell No. 1 (background), one of Union Oil's greatest producing wells.

"OLD MAUD"

As told by Jack Reed

"We really caught the devil from the boss," Jack began as he introduced us to Union's famous Hartnell No. 1, an oil well familiarly known as "Maud" to oldtimers at Orcutt.

"You see, back in 1904 we didn't think a few feet one way or the other made much difference in the drilling of a new well. Actually the boss had told our rigging crew to put the engine house here and the derrick over there. But it looked a darnsite easier to put the engine house where the derrick was supposed to be, so we sort of read the orders left-handed. The boss was mad all right when he saw what we'd done, but not mad enough to make us tear up a day's work and start all over again.

"As it turned out, we made a pretty fortunate mistake. Hartnell No. 1 was spudded in on June 22, 1904. On December 2 of that year, when nobody was expecting to get much of a well, "Maud" suddenly started rumbling and shaking. A column of gas and oil shot up through the rig floor to a height of 150 feet. Oil began pouring down the gulleys and creek beds at the

rate of 12,000 barrels per day. It was the biggest producer the world had seen so far. We didn't have tanks or pipe lines big enough to handle the flow, so we scraped up a series of earthen dams. Pools of crude began to collect all the way to Orcutt pump station. Even when we finally got the well capped, oil started shooting out of every gopher hole within a hundred feet.

"Yes sir, "Maud" gave the struggling Union Oil Company a new lease on life. The well produced a million barrels during its first 100 days, 1½ million barrels during its first ten months, and more than 2,612,000 barrels by the time it was abandoned in 1918. Within three years Company stock rose from \$50 to \$100 a share and our capitalization jumped from something like 10 million to 50 million dollars.

"Naturally everybody in the country came to see the excitement, and it was quite a job keeping the visitors from tossing cigar butts and lighted matches into the streams and reservoirs of oil. One night a train crew from the Pacific Coast Railway came over to satisfy

their curiosity. Each of 'em brought along a lighted kerosene lantern, and we found 'em bending down close to the crude to get a good view. Fortunately, there were no disastrous fires.

"But, getting back to the story about our rigging crew catching the devil from the boss, here's what happened in 1918:

"After 14 years of producing, "Maud" was still good for about 250 barrels a day. Then one day in 1918 its old 8¼ inch casing collapsed. It looked like a pretty uncertain and expensive job to fish the tubing and rods out of the hole, so we decided to drill a twin well nearby, our Hartnell No. 7.

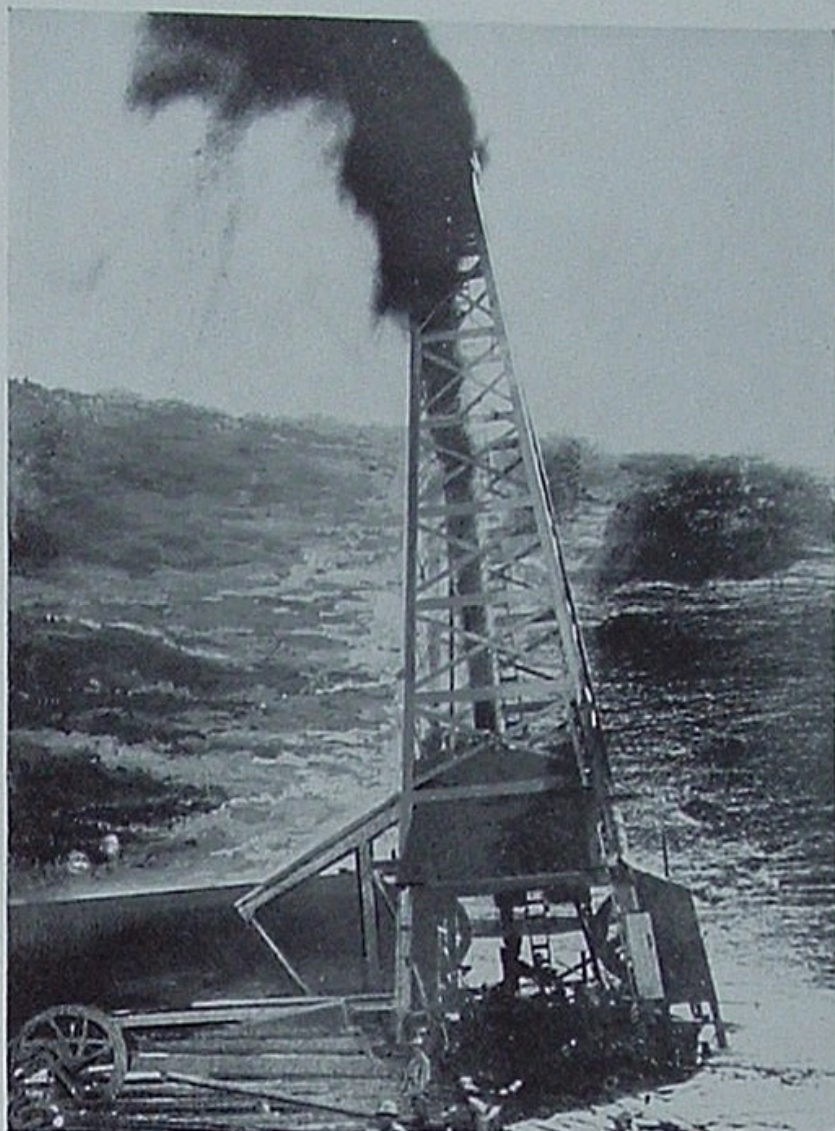
"Now the derrick for Hartnell No. 7 was located on the site of "Maud's" engine house, or exactly where we were supposed to have built the first Hartnell derrick back in 1904. But, strange to say, No. 7 turned out to be a disappointment. Although only 65 feet away from "Maud," the best Hartnell No. 7 ever did was 95 barrels a day.

"Of course, you hadn't better conclude from what I've said that a rigger's mistakes are more reliable than a boss's calculations. If a rigger today should take the liberties we did in 1904, I wouldn't blame any boss for paying him off with bird-shot. But it's a fact that we probably wouldn't have struck it rich in 1904 if our rigging crew had followed orders.

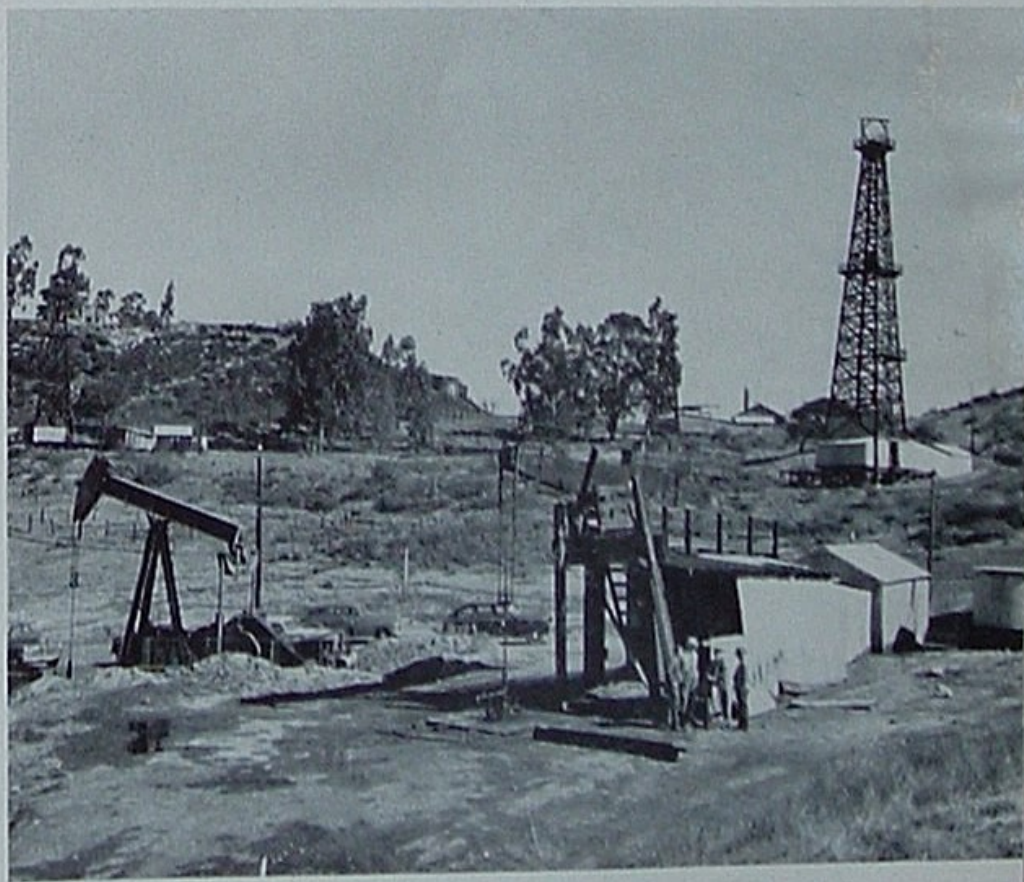
"How do we account for the difference in the two wells? Several years ago we concluded that one or both of the wells might have been drilled crooked, bringing them several hundred feet apart at the bottoms. The belief today, partly substantiated by a 3-degree gravity difference in the crude oils, is that the Hartnell fault separates the producing zones of the two wells and accounts for "Maud's" greatness.

"You notice that "Maud" is pumping today despite being abandoned in 1918. That's an interesting part of the story also:

"In 1943, as the war demand for oil increased, we remembered the well's 250 barrel rate of production in 1918 and decided to clean out the hole. With a string of cable tools we soon succeeded in coming out with 1765 feet of tubing and rod, a working barrel, a joint of anchor, some chain tongs, and pieces of practically everything that was ever fished out of a well. Our first attempt at pumping resulted in one barrel of oil and 1,000 barrels of water. However, at the suggestion of an old-time production man, we raised the pump 30 feet and got 40 barrels of oil. One year later, "Maud" was getting back in stride with a net of 175 barrels of oil a day. Today the former world's champion is still one of the best producers in this field."



"Maud," although drilled where her engine house was intended, blew in on December 2, 1904, at an initial production rate of 12,000 barrels daily. When capped, well spouted oil through gopher holes.



Two pumping wells in foreground are Hartnell No. 1 (left) and Hartnell No. 7. The latter, drilled where No. 1 was intended, yields oil of a different gravity and has never been big producer.

UP and ATOM

Our Research Department now has a radioactivity laboratory and a hopeful new sparkle in its eye!

Every now and then a packing case arrives from Oak Ridge, Tennessee, reminding everyone who sees it of the awesome atom bomb. The package is handled tenderly and opened only by experts armed with formidable-looking Geiger counters. Union Oil is not going into the business of making atom bombs, but we are making a few experiments with by-products of atom bomb manufacture—the isotopes.

It is too early to say what advances these experiments will lead to. However, bright minds have already envisaged ways in which isotopes may be put to thousands of industrial uses. Soon minute quantities of radioactive substances may be telling us many unknown things about the behavior of underground streams and oil deposits. Chemical plants, refineries and mills may use them to control and improve manufacturing processes. They may be important factors in conquering disease and prolonging life.

A radioactive isotope, in case you don't already know, is an unstable form of a basic element. Of the 92 commonly known elements, (the basic ingredients that compose the physical universe), 74 are stable elements. The remaining 18 are naturally unstable or radioactive; that is, their atoms contain nuclei that are constantly disintegrating and throwing off energetic radiations. A familiar example of an unstable element is radium, an isotope that continues to throw off nuclear radiations until it becomes a stable element, lead.

All of the 74 stable elements can be made unstable or radioactive by artificial methods. This has been proved in laboratory cyclotrons and in the Government atom bomb plants. A few, like oxygen and nitrogen, remain radioactive for only several seconds or minutes. Carbon-14, on the other hand, has an unstable half-life of about 5,000 years.

It was the extreme radioactivity of certain unstable elements that inspired the atom bomb. And it is this same radioactivity in a less violent form that is holding out much promise for industry.

Isotopes have been made available to only a few qualified companies and only within recent months. They are produced by placing aluminum containers of "target" materials in the uranium "pile" at Oak Ridge or Han-

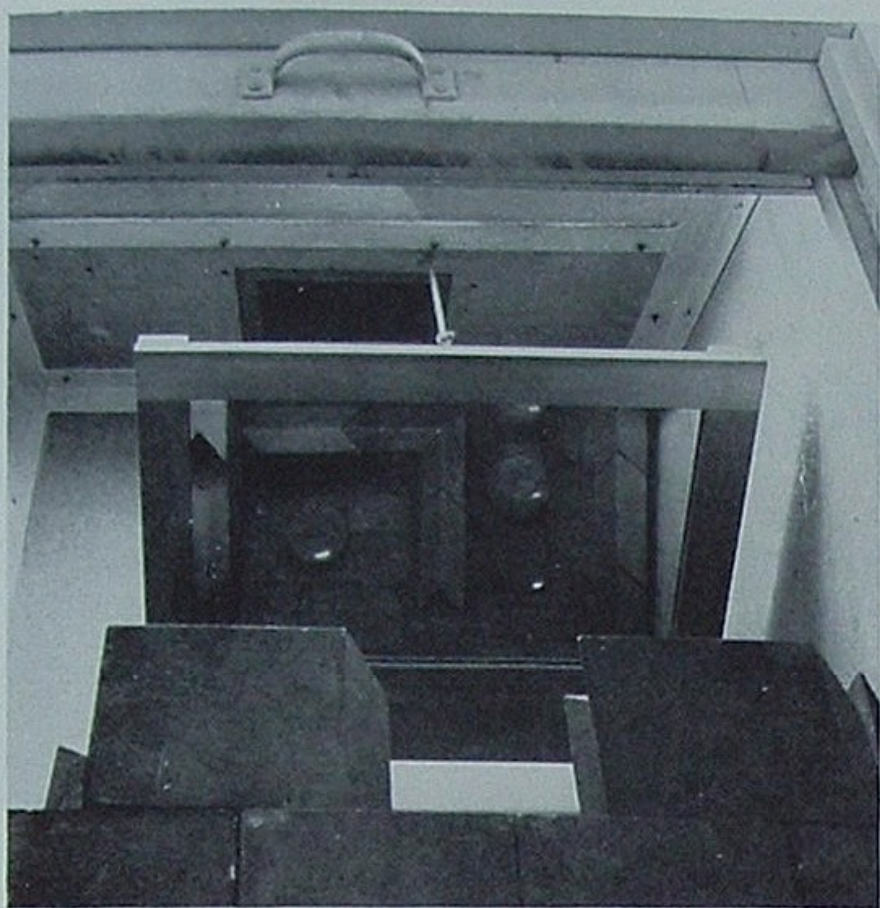
ON TOUR



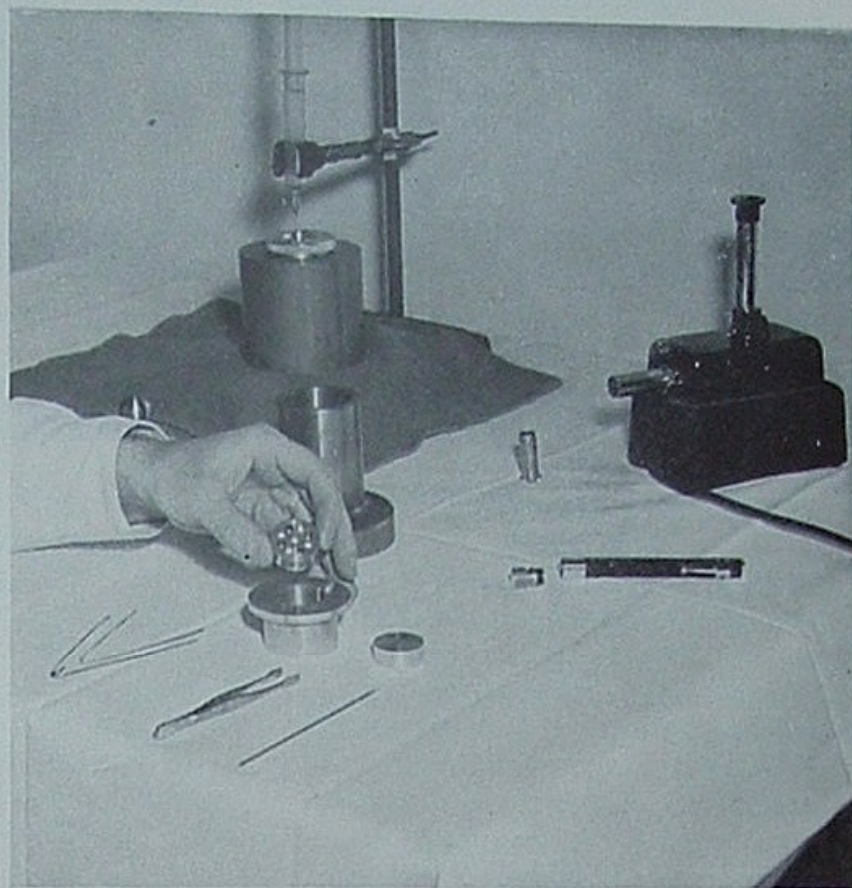
Despite the inhospitable door, Dr. W. H. Naylor, group leader of the Research Department's new radioactivity laboratory, invites us in to our first personal interview with isotopes.



Paul Nahin, research chemist who received his nuclear training in the shadow of a Berkeley cyclotron, places a radioactive sample in lead shield preparatory to counting its rate of disintegration. The "scaling" device at right counts and records atomic radiations.



The potent isotopes from Oak Ridge are kept stored behind a heavy shield of lead bricks. Laboratory men view them, as photographer Rod Daley did, through a mirror over the beakers.



Radioactive samples are carefully placed in a brass container prior to analysis. The fountain-pen-like instrument on table is worn by technician to guard against harmful exposure to radioactivity.

ford. During an irradiation period of several days or months, the "target" materials are bombarded by sub-atomic particles until the "target" nuclei are started on a career of radioactivity. Without help from the Government "pile," the isotopes would be unavailable or far too costly for commercial experiments.

The new laboratory in our Research Department is made up largely of storage facilities, protective devices and counters, instruments that measure the radioactivity of any substance being tested.

As a perhaps far-fetched example of how the isotopes might be used, let's suppose that the Company wanted to make a completely sulphur-free petroleum product. At the beginning of the manufacturing process the refiners might add a tiny measured quantity of a radioactive sulphur compound to the crude or partially refined stock. Toward the end of the process, physicists would measure the radioactivity of the refined product. If no measurable radioactivity remained, they would know that all sulphur had been removed from the oil.

Research is not yet willing to tell all that it hopes to do with isotopes. But they suggest that infinitely small quantities of such substances will be extremely valuable as "bird-dogs" or tracers. Tracer bullets, you will recall, enabled gunners during the war to direct their fire through pitch darkness. Isotopes may provide a similar service in fields where human vision has heretofore been unable to probe.



The small aluminum tube just removed by Paul Nahin, left, and Ted Nowak from the comparatively huge shipping case contains less than a teaspoonful of isotopes. The "Cutiepie" held by Nowak is an ionization meter used to detect physically harmful radiations.



Management Summarizes the Year 1947

THE ANNUAL SHAREHOLDERS' MEETING

At the annual meeting of Union Oil shareholders held in Los Angeles April 13, 86 per cent of the Company's common stock was represented by the owners or their proxies. Without a dissenting vote, all sixteen of the Company's directors were reelected for terms of one year. Shareholders, of whom 2,000 are Company employees, were told why Union Oil, with a net profit in 1947 of nearly 19 million dollars, could pay only a 3.8 per cent dividend totaling 6½ million dollars.

President Reese H. Taylor, who presided at the meeting, introduced the directors and officers. Following unanimous reelection of the directors, he gave a report of Union Oil's progress during 1947 and explained why more than 12 million dollars in "profits" had to be plowed back into the business.

Commenting on problems facing the industry, Mr. Taylor expressed the belief that our Colorado oil shale holdings and current retorting experiments will prove to be val-

uable if the present demand for petroleum products continues to tax crude oil reserves. He deplored the failure of American industry to combat subversive and socialistic forces at work in the United States and stated that bitter criticism being directed against the petroleum industry can be discredited by economic facts. Mr. Taylor also called attention to Union Oil's tax bill of nearly 8 million dollars during 1947.

After a showing of the Company's new motion picture report, the meeting was opened to shareholders' comments and questions.

To two of the questions, Vice President A. C. Rubel was asked to respond. He explained that our exploration program in Paraguay has thus far encountered no new oil discoveries. Some of the underground formation holds promising indications, but no dependable conclusion can be reached until several more wells are drilled. Mr. Rubel also verified that our purchase of an interest in the Palmer Stendel Oil Corporation of Santa Barbara is now in escrow.

PROFIT OF 19 MILLION, BUT

In one of the most comprehensive and understandable annual reports ever prepared for shareholders and employees, Union Oil has accounted for its 1947 stewardship.

Company receipts during the year totaled nearly 172 million dollars. Of this amount, more than 123 million dollars went for day-to-day purchases and expenditures—raw materials, transportation, rent, supplies, fuel, salaries and wages, taxes, etc. To stay in business required additional expenditures of 42 million for new sources of crude, research, replacements and improvements of facilities. Dividends of 6½ million dollars to shareholders represented only 3.8 per cent of total revenue, compared with the 4.6 per cent paid in 1946. Actually, despite the reported profit of nearly 19 million dollars, the Company was obliged to draw upon the accumulations of prior years in the amount of \$675,000.

Union's dollar volume of sales continued to grow, resulting in a 40 per cent increase over 1946, our best previous year. This growth is attributed both to the exceptionally high quality of Company products and to an increase of population in our marketing area.

Although increased sales exerted a heavy drain on sources of crude oil, our production was able to keep pace. Of the 310 wells drilled during the year, 217 were completed as producers and contributed to new production in California amounting to 18,600 barrels daily.

Exploration also proved equal to the challenge by adding another 8 million barrels to our crude oil reserves, bringing the Company's gross reserves to an all-time high of 507 million barrels.

The efficiency of Union Oil's transportation facilities, consisting



Narrators of the first Annual Report ever to be filmed and televised were the Union Oil Company executive committee. They are, left to right, H. W. Sanders, A. C. Rubel, Reese H. Taylor, W. L. Stewart, Jr., and A. C. Stewart.

of 1,188 miles of pipe lines, 7 tank-ships, 634 tank cars, and 1,755 automotive vehicles, was impaired only by a 10-day "wildcat" strike of tank-ship personnel during June.

Among a number of advancements developed by our Research Department, were an oil shale retort, an excellent anti-corrosion additive for lubricating oils, and a promising new line of insecticides.

By making a number of changes and improvements in our refinery operations, products were greatly increased in volume and improved in quality. Our refineries in California and Montana processed a record 37 million barrels of crude oil.

Of the \$32,610,000 wage and salary figure met by the Company, \$4,132,000 was spent for employee benefits such as group insurance, retirement plan, vacation pay, sick pay, Federal Old Age Benefits, and Unemployment Insurance. Divided among our 8,138 employees, these benefits amounted to \$508 per person.

The ownership of Union Oil's common stock is distributed among 34,920 shareholders, compared with the 4,000 of 30 years ago. Directors and officers own only 4½ per cent of the shares. More than 50 per cent is owned by persons with 400 shares or less. The largest individual shareholder owns only about 1 per cent of the common stock.

MOVIES AND TELEVISION CARRY UNION OIL REPORT

Experimenting with two new mediums for conveying its message to employees, shareholders and the public, Union Oil has filmed and televised its "Report for '47".

A 20-minute black and white film produced in Los Angeles provides a scenic tour of Company properties, with our Executive Committee serving as narrators of Union Oil accomplishments during the year.

The film is being shown as promptly as possible to all Company employees. It was also shown at the meeting of shareholders in Los Angeles on April 13.

During the evening of April 13, the picture was shown through television facilities in New York, Philadelphia, Schenectady, Baltimore, Washington, Detroit, St. Paul, Chicago, and Los Angeles. This was the first such telecast ever undertaken.

ON TOUR

MANUFACTURING

Oleum Refinery

Bud Fitzgerald, Editor

THE BALL GAMES

Golf

Our second golf match of the year on March 6 found reliable George Cole of the Inspection Lab carding a low gross of 78. Angelo Banducci's handicap of 21 gave him a net 70 and first prize. Henry Dubetz, with a 15 handicap and 72 net, was winner of second honors.

The Oleum Employees Recreational Association is helping this year to pay the expenses of sending three golfers to the Annual Union Oil Golf Tournament, which is scheduled for May 22 at the Lakewood Country Club in Long Beach. The three selected to compete will be chosen on the basis of their showings in local tournaments. One each from the low gross, 9 to 20 handicap, and 20 or over handicap groups will make the trip if working conditions permit.

Bowling

The Oleum Bowling League has reached an unquestionable decision by naming the "Hill Toppers" tops among this winter's five-man teams. The concluding week of the tourna-

ment found Oscar Willimetz chalk-ing up a high game of 230, and Bob Blackwood and Jim Carlson tying for high series with a 565 each. The champion "Hill Toppers" rolled a high team game of 1064 pins and high team series of 2995 this week. Competition was exceptionally keen for places on teams that carried Oleum's colors in the Burnham Trophy Play-off.

Basketball

The Oleum basketball team emerged from their first year of competition wider between the ears, though perhaps not the classiest quintet in the Vallejo City League. Sal Forcades, team manager, has asked each of the boys to grow six inches taller during the summer and to spend their spare time pitching melons in a barrel. Look out next year!

Softball

Six Oleum teams will participate in the softball competition this season. Play began the week of April 19 and will continue on Tuesday, Wednesday and Thursday nights until each team has played 20 games.

Team captains are J. Campers, J. Bettencourt, H. C. O'Brien, J. Whitty, W. Correia, and C. Linshowinski.

(Continued on Page 19)



THE SOAP-BOXERS: Meetings of March 10 (above) and 31 have brought into being the Oleum Refinery Speakers Club. Officers elected were: J. M. Hopkins, president; H. R. Fifer, vice president; C. Morton, secretary-treasurer. Committeemen are: R. Damskey, G. B. Creed, W. Coles, J. A. Grant, C. Wise, and M. S. McNamara. The April 28 affair was supposed to be a sort of blind bogey. Five speakers and the emcee were to be chosen by drawing names from a hat.

L. A. Refinery

Gale Peterson, Editor

TEA FOR TWENTY-TWO

When 22 ladies visit a refinery and speak enthusiastically about its cleanliness, the place really must be spic and span.

Our fairest and most complimentary visitors of the month were members of the Keystone Women's Club. On March 10 they were escorted by Roul Vail through the Personnel Building; saw the movie on "Distillation"; and enjoyed a luncheon meeting in the cafeteria. They were surprised that refinery working conditions could be so nice.

SPEAKER'S CHOICE

Either in need of rest or in quest of revenge, all officers of the Los Angeles Refinery Speakers Club have handed their titles and gavels over to a new set of leaders.

The big three of oildom's oratory during 1947 were John Pownall, Harry Bourgeoise, and Paul Doyle. To their successors, Ed Welton, Frank Walker, and Gale Peterson, they are reported to have said, "Now, you try to keep order for a while and let us do the talking."

PIN KINGS: The Winter Bowling League at Los Angeles Refinery is all tucked away in moth balls. But the victorious teams, below, will undoubtedly consent to a verbal replay anytime an opponent shows his blushing countenance. Smiling at left are the "Mercaptans", including (L-R) Roland Cline, Larry Smith, "Howdy" Graef, Don Simpson, Alex Mitrovich, and Roy Wills. They romped home



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NEAR MONOPOLY

Round about May 10, Cathy Sheehy, secretary for Process Development, will heed the call of wedding bells in her home town of Hastings, Nebraska. The event is bound to attract the attention of Mr. "Believe-it-or-not" Ripley, because:

Cathy's niece will be the flower girl. Her brother Dick will be usher. Her brother Terry will be alter boy. Her brother Bill will be best man; Her sister Dorothy will be bridesmaid. Her sister Helen will be soloist. Her brother Paul will be organist. Her brother Robert will be the minister. And there'll be hundreds of other Sheehys in the crying line.

So far, the groom, Richard Johnston, has refused to make it unanimous!

WITH THE UPPER CRUST

Roland Deering of the Refinery Manufacturing Process group has really hit his stride (or slide) in this winter's skiing competition. He brought home a handsome First Place trophy by winning the Memorial Day Class B combined downhill and slalom event at Mammoth Mountain. On March 13 he also won the annual Avalanche slalom race at

Mount Waterman. His winning of Second Place in the Class B slalom during the Southern California Championships at Mount San Geronio places him high among the downhill upper crust, if you know what we mean!



ROLAND DEERING

Another artist of the waxed two-by-fours is Fred Wood of the Process Development group. Fred missed winning a medal at Green Valley by a mere one-tenth of a second. His wife saved the situation nicely by gaining First Place in the women's slalom. Since then, Fred has received no rest either at work or at home.

winners of Division No. 1 and just three wins ahead of "Cracking". No less pleased at right are the "7600's", including (L-R) Bud Lewis, Bud Nosek, Jim Hubbard, Bill McMillan, and Steve Zawicki. In winning Division No. 2, they nosed out "Fire and Safety" and the "Royal Tritons" by the extremely thin but good-as-a-mile margin of one game.



ON TOUR

MARKETING

Northwest Territory

Gudrun Larsen, Editor

"ROSIE" RETIRED MAY 1ST

On May 1, Willbridge Terminal had the unhappy task of "calling it a day" for P. C. Rosenberger. "Rosie" retired after 33 years of Company service. He came to work in 1914 as a truck driver at Salem, Oregon. He also served as agent at Salem before transferring to Willbridge Terminal in 1924.



For a number of years Mr. Rosenberger and his wife have been developing a hobby-business in plants and cut flowers. It is to this colorful and unlimited occupation that "Rosie" will turn all of the time he can spare.



DIGGING OUT, after a hard winter in Whittier, Alaska, are, according to Photographer Al Morrison, "Cheerleader W. E. Thompson (District Representative at Anchorage) and Diggers Moredock and Hurley."

CREAM AND SUGAR?



The friendly smile and sparkle in Edith Larsen's eyes are not unusual. It's all part of the menu of homemade sandwiches, salads, and even good Northwest clam chowder that the Seattle staff are treated to daily.

Mrs. Larsen went on an extended trip to Sweden last year, her first trip back in 34 years. She fell right into line with old country habits by pedaling from place to place on a bicycle. Motoring is easier, she agrees, but bicycles certainly cut a much handsomer figure.

GOOD INFLUENCE

In less than two months after Freida Bailey joined Union Oil Company back in 1928, Mildred Felts also signed on for an indefinite stay. Their congenial personalities brought an aura of such warmth to the Seattle office that, 20 years later, we find them sitting side by side operating bookkeeping mach-



MILDRED FELTS AND FREIDA BAILEY

ines and still keeping good natures in order.

(Continued on Page 19)



LOOKING FORWARD: Members of the American Petroleum Industry Aviation Advisory Committee were recently invited to the Boeing plant in Seattle to discuss the future of aviation fuels. The committee, seen above under the nose of a Boeing Stratocruiser luxury liner, included two Union Oilers, W. G. McDowell (extreme left) and Paul Goodwin (extreme right).

Central Territory

Evertt Smith, Editor

CAME TO WORK IN 1906

Apparently Edna Brennan and the Union Oil Company have done a lot for each other since 1906, her employment date. The Company has grown no end and Edna is far younger looking than most working girls of the 1906 era. But the record must be right, and April 30 was her retirement day.



Except for the interval between 1917 and 1921, when she changed her name from Sullivan to Brennan and became the mother of two children, Mrs. Brennan has been a stenographic mainstay in the San Francisco Traffic Department.

She plans to devote a long and happy future to her two children and three grandchildren.

IN AND OUT OF SAN JOSE

The departure of Art Hartman, San Jose transport dispatcher, to new fields of endeavor, after 32 years of Company service, touched off a near mass migration of employees in the San Jose District.

Ray Thomas, formerly resident manager at Soledad, came in to take over Art's duties. Henry Mocetti, former driver, was appointed consignee at Soledad. At the same time Louis Keahey shifted from an 18-year tank wagon career to one of the Distribution Department's big transports. And a newcomer, Grant Tiemann, filled in the truck-driver vacancy at San Jose.

Then the district clerk's assignment at San Jose changed hands as

Boyd Bevans became resident manager at Monterey, and McLean Small came "clean" from Reno to handle the office job.

Jack Ritter, retail representative at San Jose, was in Reno enjoying a honeymoon during some of the changes. On returning, he attributed his new look to organization changes, not matrimony.

THE EASTER DERBY

The girls of Trexpensa cooked up a new dish one pre-Easter afternoon by staging a hat contest. Prizes were offered for the prettiest and funniest bonnets. To keep everything fair and square, (and utterly decisive), three men judges were chosen—Messrs. Newhoff, Barr, and Baxter.

Officially, there were fifteen entries. Laverne Minkel was credited with the prettiest and Laurette Luce with the funniest. But there were several differences of opinion among the judges as to whether they should smile at certain creations or merely look well pleased.

Southwest Territory

Betty Hart, Editor

BORDER LINES

Lindy Qualls, resident manager at Calexico, spent a busy week just prior to March 13 with the International Desert Cavalcade. Lindy was the official parade liner-upper and expediter. This is no small job in Calexico, where the folks, customs and languages of two countries mingle. Reports indicate that Lindy did an outstanding job.

Norman Bann, resident manager at Yuma, has just completed his reign as Exalted ruler in the Yuma Elks Lodge. He participated in the organization's national convention and ritualistic contests at Portland, and was a member of one of the championship teams from Arizona.

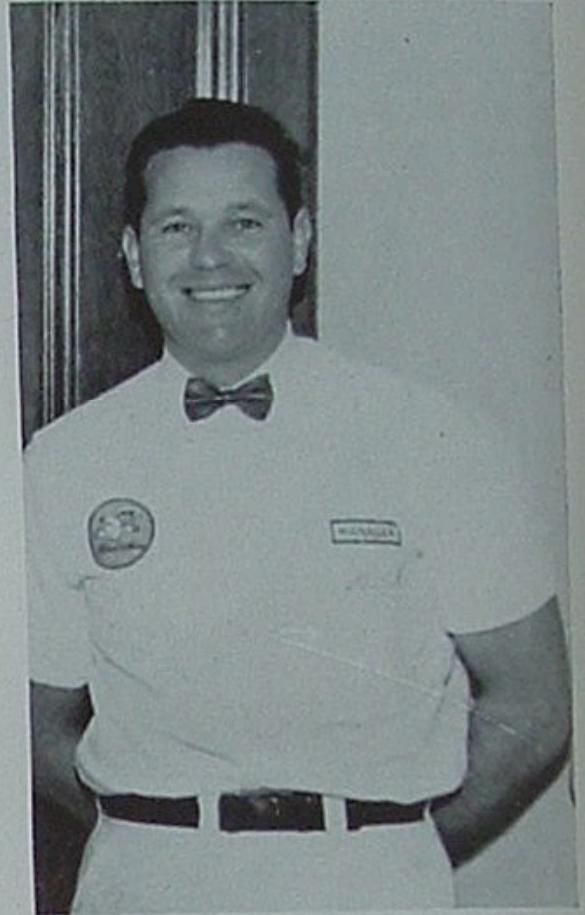
ANGELIC PERFORMANCE

Evidently without much intention of pouring oil on troubled international waters, Southwest Territory has just concluded its "Repulsing the Reds" sales campaign.

The outstanding repulsers, led by A. D. Gass, district manager, carried the banner of Los Angeles District. As a reward the perspiring salesmen were treated to a dinner at the University Club.

MOVING UP

Recognition for his outstanding work as a service station manager has come to Jack Cowie in form of a promotion. He recently stepped from SS No. 1919 at Sunset and Laurel to the job of salesman, Los Angeles District.



Jack came to work for the Company in January, 1940, but took time out from 1943 to 1946 to help Uncle Sam with a few fighting problems. In the Anti-Aircraft and Combat Intelligence Divisions, he served as an instructor in bayonet fighting, boxing, and swimming, and produced sports events.

AMBASSADOR TO SANTA MONICA

Hollywood District has extended a "Welcome home" to Dale Wells, newly appointed resident manager at Santa Monica.

Dale came up through the ranks, so to speak, having had experience since his employment date in 1931 as service station attendant, warehouseman, truck driver, clerk, and salesman in the Hollywood District.

After three years of service with the Sea Bees in the Pacific theatre, he traded his chief-machinist-mate rating for a retail representative's assignment at Los Angeles Main. It was from there that he moved to the new Santa Monica assignment.

Dale was player-manager of our hockey team of several years ago.

FIELD DEPARTMENT

FINAL TOUR

Completing nearly a quarter-century in the Company's oil fields, Adrian K. King retired on May 1.



He was employed in July, 1922, and served for the next nine years as a rotary helper and tooldresser. From 1931 to 1947, he was a member of our Southern Division Service and Maintenance group. His last year was devoted to the Production Department at Brea.

Mr. and Mrs. King have lived in Fullerton for a long time. They are fond of livestock and plan to spend much of their extra time on a ranch.

PERMENTER FIELD HONORS MEMORY OF FORMER UNION OILER'S SON

On April 7 students and officials of East Bakersfield High School named their athletic field Permenter Field in memory of Ray Permenter, one of the school's most famous athletes.

Ray was admired by all who knew him, and was successful in winning nine varsity letters while in the high school. He was killed in action during World War II.

Most Union Oilers are perhaps best acquainted with Ray's father, Balner "Tony" Permenter, who worked in our Field Department for many years. Tony now operates a Studebaker agency. Both he and Mrs. Permenter were present at the ceremonies honoring their son.

ON TOUR

"SPARK PLUGS" IGNITE "GASSERS"

The Santa Fe Springs bowling league concluded the 1947-1948 season at Pico Alleys on March 23 when the "Spark Plugs", winners of the first half, blew up the "Gassers", winners of the second half.

In a sweepstakes competition, participated in by the entire league, the "Troubleshooters", Boondogglers", and "Spark Plugs" won the prize dough in that order. The best single performances were Bob Holler's 659, Herman Bowie's 649, and Rube Brown's 628.

HENRY C. McMASTER DIES

On Sunday, March 28, Henry C. McMaster, superintendent of Salvage Sales at Santa Fe Springs, died suddenly of a heart attack.

Mr. McMaster was one of the 35-year employees honored at the Company's anniversary party in Los Angeles in 1947. He was a past-master and present inspector in the Masonic district embracing Fullerton.

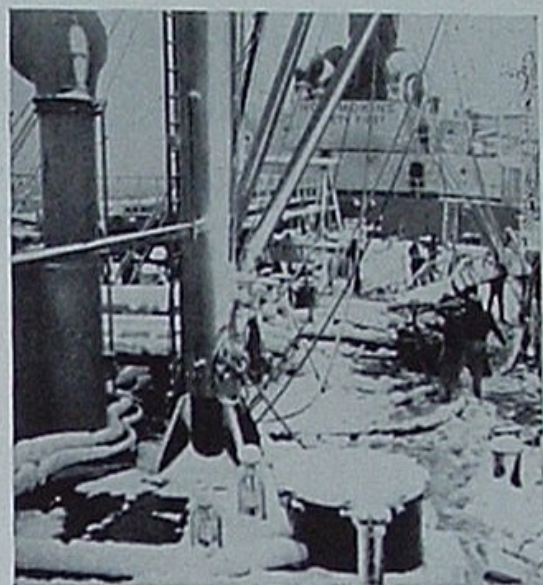
MARINE DEPARTMENT

ABOARD THE GREGG

If, as the Chinese say, a picture is worth 10,000 words, here are 30,000 words written by Steward Carl J. Nordin with his camera during a February voyage of the SS PAUL M. GREGG to Alaska.



Dale L. Montgomery, chief mate, tries out the GREGG's ship-to-shore telephone.



At Ketchikan, Alaska, the Union tanker took on a heavy deck cargo of "arctic dust."



Although the great majority of lifeboats never so much as touch a keel to the sea, they are wisely kept trim and shipshape. Here seamen go through the practice of abandoning ship.

GLACIER DIVISION



ADVERTISING MEETING: Scene of this 1948 advertising preview was the Hotel Rainbow at Great Falls, Montana. The dealers and employees in attendance heard A. C. Stewart, R. D. Smith, C. E. Rathbone, S. J. Connolly, and Mike Corcoran tell of the Company's sales and advertising plans for the year.

HEAD OFFICE

Ray Teal, Editor

HEAD OFFICE CREDIT UNION INCREASES DIVIDEND

The Union Oil Building Employees' Federal Credit Union has shown a 1947 increase in the number of its depositors. As a result, it has declared a dividend of 3½ per cent to its members. This represents an increase of one-half per cent over 1946 earnings.

During the year, share deposits showed an increase of more than \$27,000. Loans had also climbed \$95,000 above 1946 figures and total assets were up \$30,000.

According to A. H. Dobbs, treasurer of this credit union, automobile loans increased to \$44,000, compared with \$14,000 in 1946, and accounted for much of the increase in earnings.

The Head Office credit union is continually being given honorable mention by Federal examiners. Exceptionally capable management has enabled it to regularly show a good profit despite its relatively low interest charges of seven-tenths of one per cent a month. The organization has yet to lose its first dollar because of an unwise investment or bad loan.

BURNHAM PLAYOFF RESULTS

A last-minute peak over the official scorer's shoulder reveals that Oleum Refinery No. 2 bowling team is this year's winner of the Burnham Trophy Playoff with a series score of 2872. J. Betts of this same team bowled a 595 to capture individual high series honors. W. P. Morehead of Maltha Refinery had the highest single game—a 236. Pictures and further details will appear in the May issue of ON TOUR.

AN EASTER ENCORE

Remembering the happiness their gift dolls had brought to a large group of youngsters stranded in Juvenile Hall, Los Angeles, at Christmas time, the Head Office Girls' Club resolved to follow through by understudying the Easter bunny also.

Accordingly, on Easter morning, at least 60 children, all victims of broken homes, parental neglect, and

other tragedies, were partially rescued from heartaches by gay baskets of colored eggs and candies.

Shown below is the committee of Union Oil girls who inspired this unusual act of kindness and generosity. They are, left to right, Dorothy Burden, Mary Arbogast, Abbie Burroughs, Nellie Rawson, Eileen McGarry, and Rose Pelous.





SERVICE BIRTHDAY AWARDS

APRIL, 1948

Thirty-Five Years

Roseman, Arthur G., Southwest Terr.
Steele, W. H., H. O. Comptroller's

Thirty Years

Ferry, Hubert C., H. O. Land
Jones, Granville E., Southwest Terr.
Powning, James G., H. O. Comptroller's
Prior, Harold S., Oleum Refinery Mfg.

Twenty-Five Years

Allaire, Chas. H., So. Div. Field
Barrett, Patrick, H. O. Staff
Buckner, Nolan W., Valley Div. Field
Engler, Gertrude, H. O. Foreign Sales
Fisher, Edward C., Valley Div. Field
Giltwedt, Wm. B., So. Div. Field
Jackson, John W., L.A. Refy. Mfg.
Johnson, Cecil A., Northwest Terr.
Kehoe, John J., So. Div. Field
King, George W., Southwest Terr.
Nesbitt, Elvie J., Southwest Terr.
Panosch, John F., Southwest Terr.

Phillips, John D., L.A. Refy. Mfg.
Rizor, George A., Northwest Terr.
Rohning, Walter C., So. Div. Field
Smeal, Harold, H. O. Comptroller's
Sullivan, Adelbert L., So. Div. Auto.
Thomas, Manuel, Oleum Refinery Mfg.
Tilton, Geo. I. L.A. Refy. Mfg.
Wadge, Ralph M., Oleum Refy. Mfg.
Witt, John U., H. O. Sales Div.

Twenty Years

Bartel, Sidney, Southwest Terr.
Condon, Don C., So. Div. Field
Cooper, Bernard F., L.A. Refy. Mfg.
Costa, Ceasar, Oleum Refy. Mfg.
Crawford, Arthur N., So. Div. Field
Haw, Wayne G., L.A. Rfy. Mfg.
Hill, Herbert W., So. Div. Automotive
Powell, Charles R., H. O. Comptroller's
Reh, Philip E., Southwest Territory
Stalnaker, Harvard F., No. Div. Pipe Line
Wendt, Jack W., Central Territory

Fifteen Years

Creamer, Tracy R., So. Div. Field
Harper, Raymond M., Central Terr.
Kelly, Hazel, Southwest Territory
Nichols, Roy C., Central Territory
Towler, John W., L.A. Refy. Mfg.

Ten Years

Bodden, Willie A., Marine-Wilmington
Buell, Ina., Honolulu Dist.
Chabre, Zephyrin, Cut Bank, Montana
Devico, Salvatore, Central Territory
Herron, Clinton V., Research-Wilmington
Keenan, Geo. P., H. O. Comptroller's
Korte, John G., Northwest Territory
Parker, Ernest R., Oleum Refy. Mfg.
Richards, Helen, H. O. Communications
Salvesen, Berger, Central Territory
Smiley, Reisin W., Research-Wilmington
Ulmer, Barbara, Southwest Territory
Veatch, Merville W., Northwest Terr.
Wilson, Donald C., Research-Wilmington

In my opinion ...



Dear Editor:

Considering myself an old timer (1890) from Santa Paula, and my father having been the bookkeeper for Santa Paula Hardware Company and later Union Oil Company, I was quite interested in George Farrand's article in the February "On Tour." However, the picture at bottom of Page 15 is not a Union Oil Company machine shop, as labeled. It's closest connection with the Company is that it was founded by Alfred C. Stewart, younger son of Lyman Stewart.

"Fred" Stewart was a man of rare ability with a very keen, analytical, inventive mind, and he was also a very capable mechanic. The shop was located in the Company's first chemical laboratory, which activity had been moved to Los Angeles. I worked in this shop with Mr. Stewart from its beginning and for many years, and am among the workmen pictured. "I was there!"

I hope you will accept my criticism in the friendly spirit in which it is written.

Guy K. Irwin
Field Department
Santa Fe Springs

Although our words did not actually identify the picture as a Company machine shop, we thought that it was. Thanks, for correcting us.

The Editor

Mr. Reese H. Taylor

Dear Sir:

May I congratulate you for your fine article appearing in the December edition of ON TOUR, entitled "Management's Greatest Challenge."

Your reference to two-way communications is a thought I have had in mind for a good many years; also your statement that you believe labor's actions were a subconscious bid for attention and recognition as individual people, and wage demands were only a part of the issue. In this I certainly agree with you. For many years I have been active and instrumental in trying to cultivate a relationship of confidence and harmony between management and labor where I have been employed.

I can assure you "It's a grand and glorious feeling" when a supervisor meets you and says "Hello, how's everything," and conveys to one a feeling that he is satisfied with your part in the Company's operations, and asks your advice on some certain problem pertaining to your work.

I know from past experience, if the relationship between management and labor could have more feeling of confidence on both sides, most of the problems we are facing today would be solved.

Alex Hatherell
Cut Bank, Montana

Oleum Refinery

COMING AND GOING

We're sorry to lose 'em, but:

John Terry has pulled out of the Refinery Storeroom and transferred to San Luis Obispo as Company storekeeper.

Jack Bradshaw, for many years a foreman in the Electric Shop, has resigned to go in business for himself at Point Arena. He was guest of honor at the Foremen's Association dinner held at Spenger's Fish Grotto on March 19.

The sudden passing of Jay H. Inman at Richmond Hospital on February 24 was a shock to his many Oleum friends and to fellow workers in Bulk Handling.

Stepping up to fill vacancies in the ranks are Ray Damskey, formerly of the Pipe Line Department, and Norman Pedersen, a new employee from Washington. Al Valentine has been assigned to Jack Bradshaw's place in the Electric Shop.

Northwest Territory

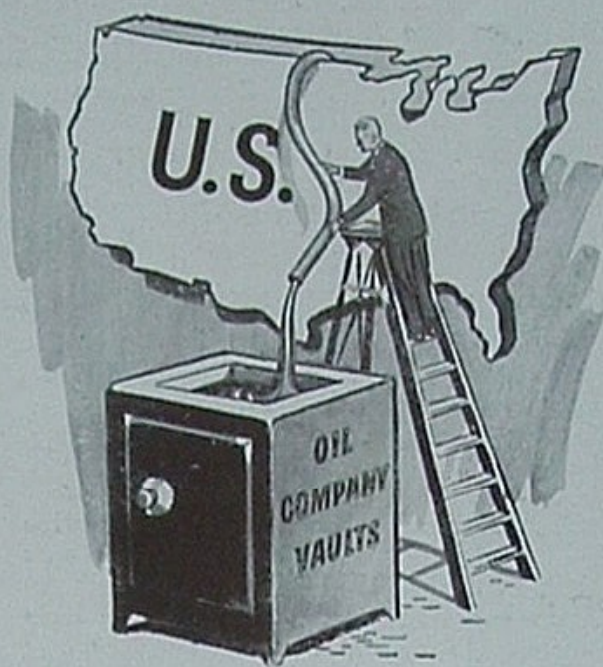
(Continued from Page 15)

Both of these Northwesterners are gifted with charm techniques that will melt the hardest heart. Freida is a good Samaritan of the home-made cookie and candy variety, while Mildred keeps many office desks regularly supplied with home-grown flowers.

Do the oil companies "exploit" our natural resources?



1. Every so often someone comes up with the old cry that the oil companies are "exploiting" America's natural resources. Invariably they point out that since those resources *belong* to the American people, the oil industry should be *owned* by the people—that is, government-owned and operated.



2. If the oil companies were actually taking the oil resources of this country and *making off* with them, this argument might have some merit. But it so happens that 92% of the oil produced in this country is *consumed* by the American people. Even the 8% that is exported is almost exactly balanced by imports.



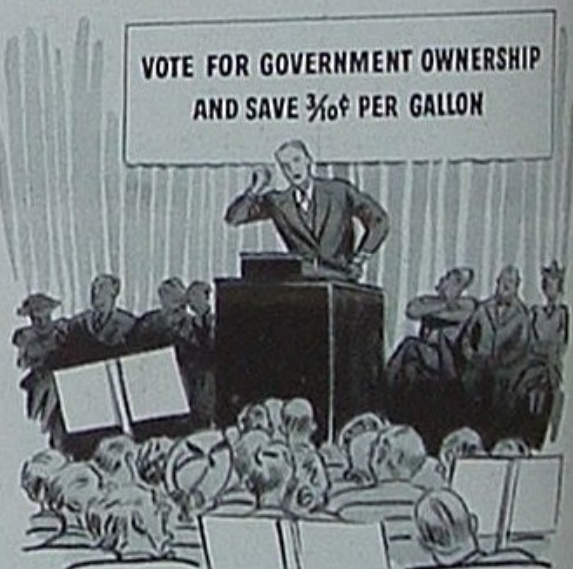
3. So the oil that *belongs* to the American people actually *goes* to the American people. The only difference is that the American people pay *private* oil companies for getting the oil out of the ground—and making useful products of it—instead of paying their *government* for doing the job.



4. Last year, for example, Union Oil Company produced, refined and distributed 2 billion, 12 million gallons of petroleum products for the American people. The total profit received by the company for performing this job amounted to just 9/10¢ per gallon. Of this 9/10¢ only 3/10¢ was paid out in dividends to the stockholders; 6/10¢ was plowed back into the business.



5. In other words, one group of Americans—our customers—paid another group of Americans—our employees and stockholders—for furnishing them with petroleum products; just as Union Oil people pay farmers for furnishing them with food. When all the out-of-pocket costs of doing the job were met, and the employees' wages were paid, the stockholders got 3/10¢ per gallon for financing the operation.



6. So theoretically, even if Union Oil were government-owned—and operated as efficiently as private citizens operate it under a competitive system—the *maximum* "exploitation" that could be eliminated would be 3/10¢ per gallon. In actual practice, however, we all know this theoretical saving would be offset many times over by the inefficiencies of government operation. So the argument makes about as much sense as saying that the government should own and operate all farms.

UNION OIL COMPANY
OF CALIFORNIA

INCORPORATED IN CALIFORNIA, OCTOBER 17, 1890

This series, sponsored by the people of Union Oil Company, is dedicated to a discussion of how and why American business functions. We hope you'll feel free to send in any suggestions or criticisms you have to offer. Write: The President, Union Oil Company, Union Oil Building, Los Angeles 14, California.