

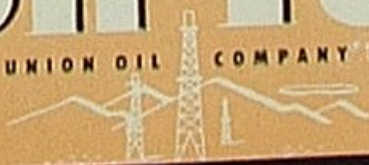


Will This Be Old Glory?

SEPTEMBER 1953

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA



On Tour

WITH UNION OIL COMPANY OF CALIFORNIA



Volume 15, Number 8
SEPTEMBER 1953

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**SERVICE BIRTHDAY AWARDS
RETIREMENTS
IN MEMORIAM**

letters

Dear Editor:

The injured man in the LAR safety poster evidently got hurt when he fell over those bolts sticking up in that old concrete foundation. If I am right, I think I'm entitled to the next prize; if not, my sincere apology to the LAR.

Yours sincerely,
Glenn Hughes
Traveling Mechanic, Orcutt



Dear Editor:

Our thanks to eagle-eyed mechanic Glenn Hughes for spotting this hazard. Our only alibi is that this area is frequented only by the man who installs the poster each month. Nonetheless the hazard is being corrected. If Mr. Hughes will visit the refinery, we will be pleased to treat him to a ham dinner (a thick slice off next month's prize.)

Fire & Safety Department
Los Angeles Refinery

"ON TOUR", pronounced "on tower," is an oil field expression meaning "on duty." Our magazine by that title is published monthly by Union Oil Company of California for the purposes (1) of keeping Union Oil people informed regarding their Company's operations and progress, and (2) of recognizing and encouraging the finer accomplishments of employee groups and individuals. We invite communications from our employee readers, whose thoughts, interests and opinions are carefully weighed in determining editorial policy. Address correspondence to ON TOUR, Union Oil Building, 617 West Seventh Street, Los Angeles 17, California.

T. D. Collett, Editor
R. C. Hagen, Assistant Editor

THE COVER In the event Calvin P. Ruff's proposed design for a 49 or 50-star flag is adopted by Congress, Union Oilers will be the first to see our new Old Glory in color. Shown with the designer, center, are Korea Veteran Richard C. Martindale and Beverly Greenside, former civilian employee of the U. S. Air Force in Germany—now at LAR.

WILL THIS BE OLD GLORY?

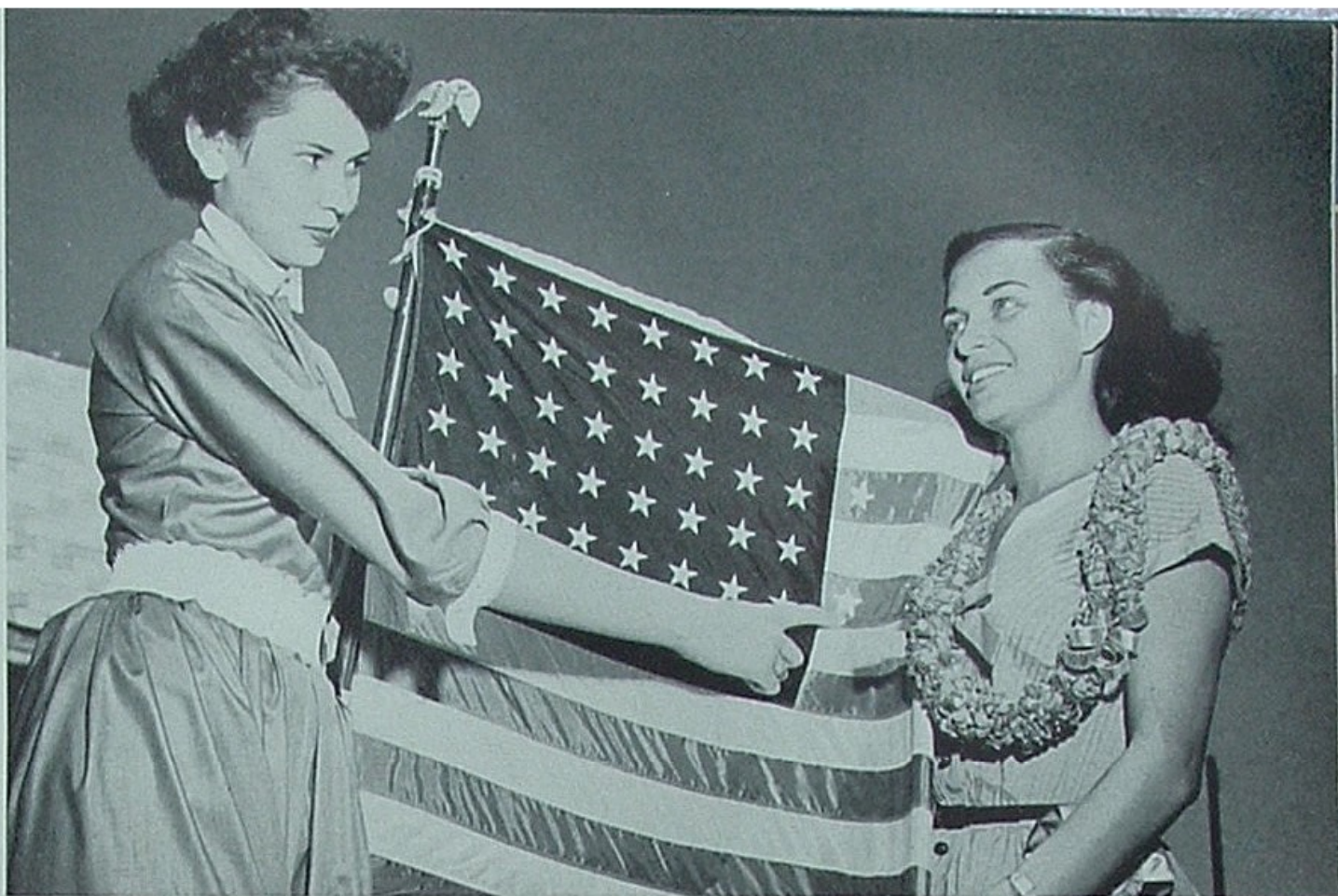


Photo courtesy of INDEPENDENT-PRESS-TELEGRAM

As Proposed by
Union Oiler
Calvin P. Ruff

Miss Alaska (Muriel Nagberg), left, and Miss Hawaii (Eileen Stone), contestants for the title of Miss Universe, are among the enthusiastic advocates of two new stars.

ON JUNE 25, 1953, Hon. Craig Hosmer of California made the following statement in the United States House of Representatives:

"Mr. Speaker, with the possibility of either Alaska or Hawaii or both being admitted to statehood in the near future, considerable comment has been caused as to a new design for our country's flag. Most suggestions have involved adding the one or two new stars to the present field of blue and rearranging the stars.

"The most practical suggestion that I have heard has been made by Mr. Calvin P. Ruff of Long Beach, California, who suggests adding of the one or two new stars to the second and third stripes immediately adjacent to but outside the field of blue. I have seen a photograph of

the flag as suggested by Mr. Ruff and find that it is very pleasing to the eye. Ruff says that his suggestion would illustrate the position of the new states outside the continental United States of America and save the people an expenditure of at least \$50 million for new flags.

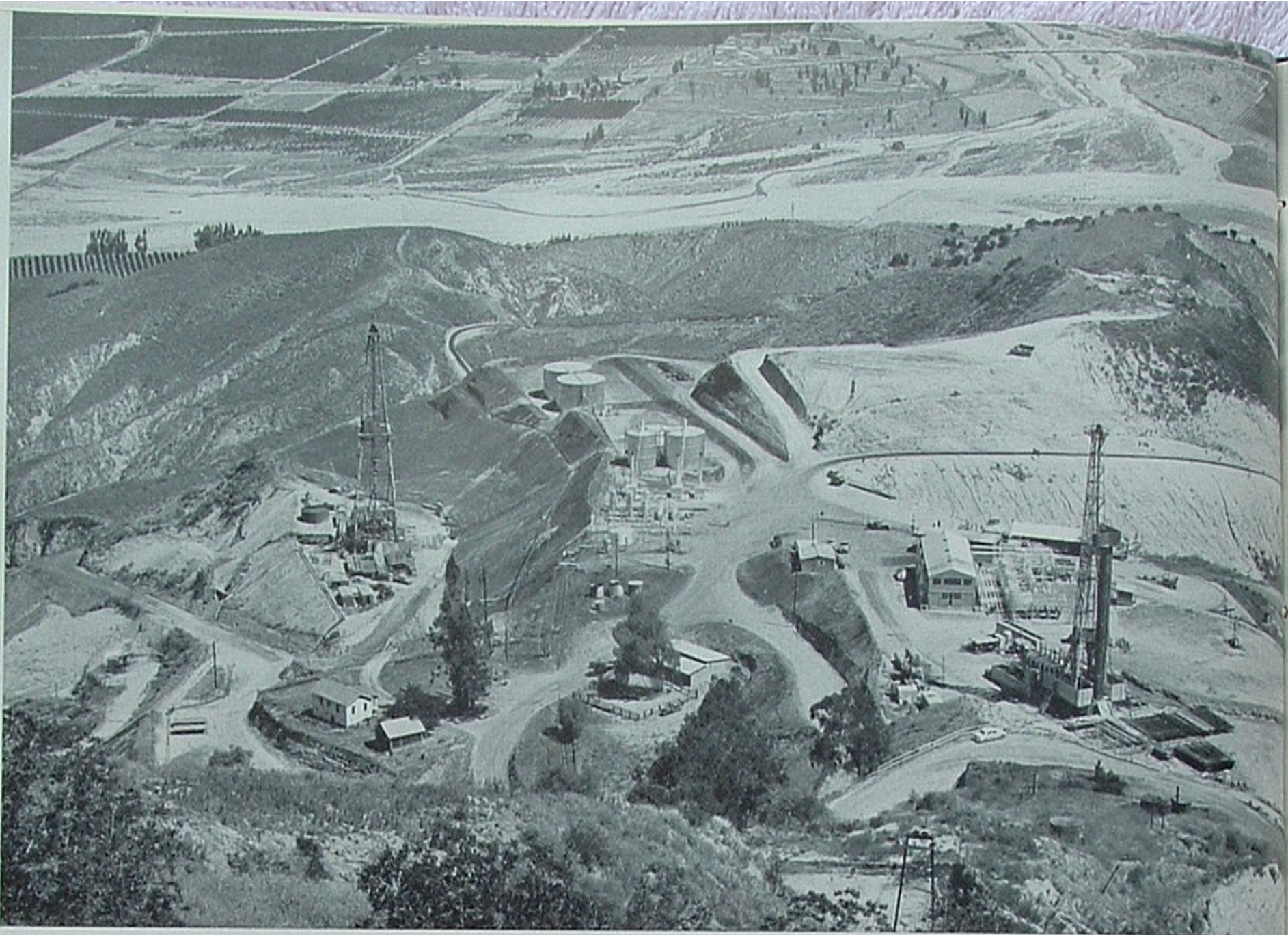
"I hope that my colleagues will find an interest in this very worthy suggestion by Mr. Ruff."

Cal Ruff, originator of the proposed new flag design, is an engineering draftsman at our Los Angeles Refinery. He has been congratulated for his suggestion and patriotism both by Congressman Craig Hosmer and by Vice President Richard Nixon. And of course ON TOUR has ambitions of being the first publication in the world to salute our new Old Glory in color.

During their training inspection of fire-fighting equipment at Los Angeles Refinery, members of the Honolulu Fire

Department wanted to meet Cal Ruff (holding staff), the Union Oiler who is optimistic about Hawaiian statehood.





In Union Oil's rich new Torrey Field, two rigs are drilling simultaneously and locations are being prepared

for further development. This hill-top activity overlooks Santa Clara River Valley opposite the township of Piru.

GOOD NEWS GROWS BETTER WITH

The Development of Simi Fee

From John Sloat, Manager Exploration, Pacific Coast

Ventura Division engineers, from left, F. R. Wade, R. K. Thomas, W. O. Plant, A. J. Field, Ben Blanchard, L. W. Lewis and H. J. Matthews are responsible for the development of Simi Fee properties as well as other Union fields.

Geologists, from left, Vernon Rutherford, C. K. Ham, Richard Stewart, Millis Oakes, Jerry Rickels, Bob Hacker and Ed Hall, here examining cores from a Torrey deep test, devote much of their effort to studies of Simi formations.



A LITTLE over one year ago, the daily oil production from Union's 30,000 acre Simi Fee property was 350 barrels per day from 55 wells. The field apparently had seen its best days, for some of its wells had been producing since the turn of the century. If someone had made the Company an offer of several million dollars for our mineral rights under those lands, to sell would have been tempting.

But the price of Simi Fee acreage has gone up. Today, from our Torrey, Oakridge and Tapo wells—three new fields discovered during the last 18 months in the Simi Fee block—is being produced approximately 10,000 barrels per day of high-quality crude oil. In comparison with the amount of oil being produced daily from all properties owned or controlled by Union Oil and its affiliated companies, Simi production now represents nearly one-tenth of the California and one-twelfth of the Company-wide totals. Furthermore, none of the three new fields has been fully developed.

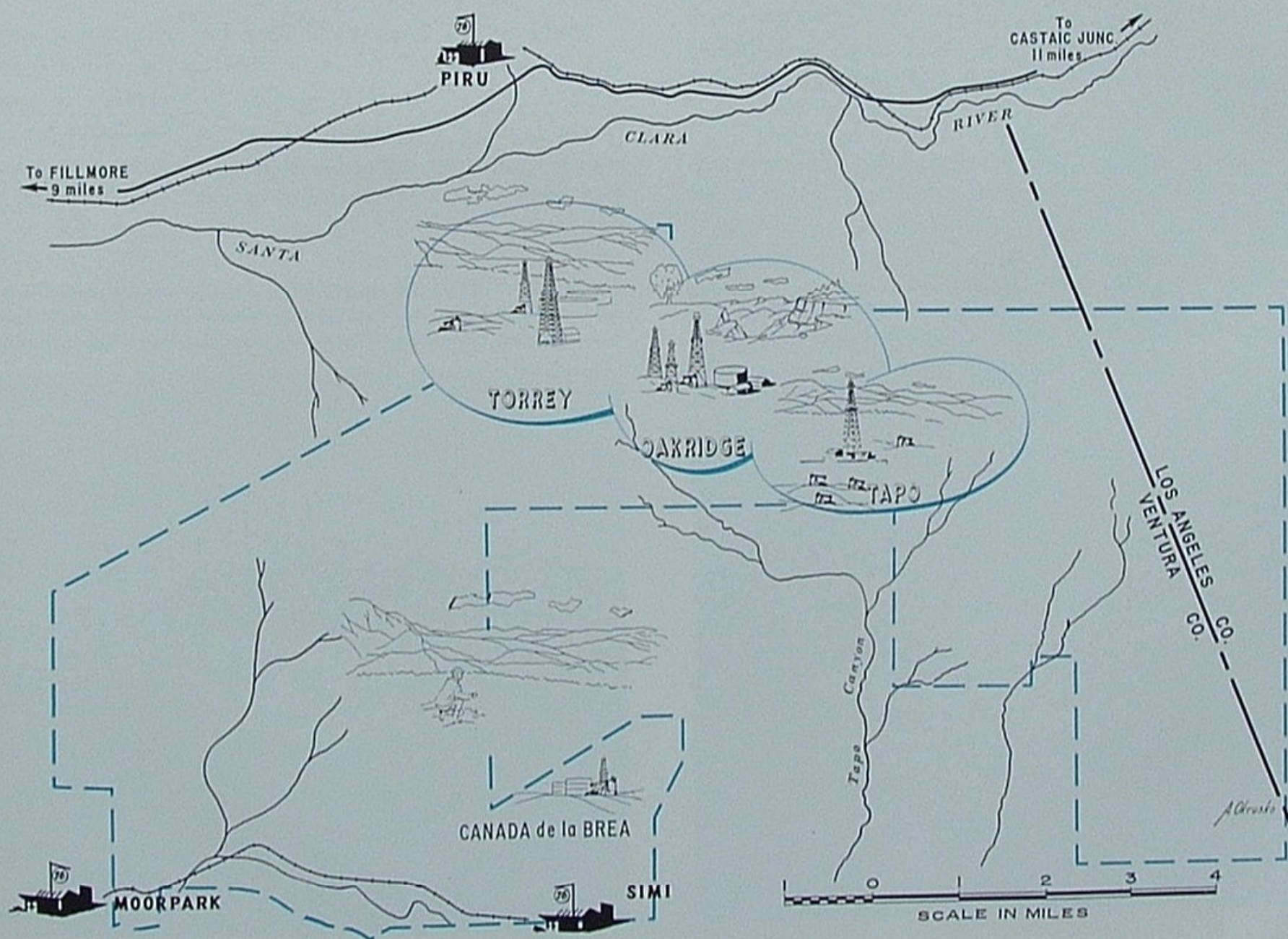
TORREY

Union's discovery in the Torrey Field during 1952 of deep production from a 2500 foot oil column in the

Lower Sespe formation was described in the October issue of ON TOUR. Now there are eight wells in this field, averaging 10,000 feet in depth, and producing a total of 3400 barrels daily. In addition to Lower Sespe production, four of the wells produce from what is called the "transition zone." This zone, 200 feet below the Sespe, is more permeable than the latter and, where oil is found in the zone, flowing wells have resulted. The gravity of oil in the "transition zone" is also five to ten degrees higher than in the Lower Sespe.

Two questions most people ask about Torrey are "How big will the field be?" and "What are the possibilities for still deeper production?"

In answer: The field now covers about half a square mile. Its easterly and southerly limits are fairly well defined. The Texas Company recently drilled on an adjoining lease about 2600 feet from our most westerly producer, but the test resulted in a *dry hole*. Torrey's northerly limits have not been found. The possibilities of deeper production are being explored in Torrey 92, which is now drilling below 13,265 feet. A recent formation test of a 300-foot interval at 13,000—almost 3000





Superintendent Clarence W. Froome of the Ventura Division has been a prime mover in the deep development of Simi Fee.

feet below present producing zones—indicated the discovery of flowing production from these lower measures.

OAKRIDGE

Discovery of the Oakridge Field, about two miles east of Torrey, came in July of last year. Production here is obtained at the much more accessible depth of around 3000 feet, but from the Luisian sands of the Middle Miocene which average approximately 200 feet in thickness. Development of this field with two *strings of tools* has been rapid, and the productive area now covers about one square mile. From 26 wells completed to date, we are realizing about 3500 barrels per day of 23-gravity oil.

The Oakridge structure is an easterly plunging nose, with thrust faulting being an important factor in ac-

Among the greens and golden browns of the Oakridge Field, oil pumping units somehow remind us of grazing cattle. Their 23-gravity fodder is 3,000 ft. below the surface.



cumulation. An unusual fresh-water problem has been encountered which makes good completions difficult. The westerly limits of production have not been found, and it is possible that further exploration to the east could expand the limits of production. Two deep tests have been drilled in the field, but both were abandoned in zones below the Luisian.

TAPO

The Tapo Field was discovered several months ago by George Terry, who drilled an offset well to the south of our Simi Fee boundary, hoping to find oil in the same sands from which we produce at nearby Oakridge. His venture was successful, but most of the Tapo Field has proved to be on Union's fee lands. We now have eight wells here producing a total of about 3,000 barrels per day of 32-gravity oil. The producing sand is about 80 feet in thickness and lies at a depth averaging only 2,500 feet. A combination of factors—including shallow drilling, high quality of oil, and Company ownership of the mineral rights—has made possible a quick recovery of drilling costs and the realization of early profits from these wells.

Limits of the Tapo Field have not been found, and it is hoped that further exploration to the east will be fruitful. The structure is similar to Oakridge in that thrust faulting has resulted in oil accumulation on a westerly plunging nose. Other factors in the accumulation seem to be a permeability barrier to the east and a

Union Oil wells (pumping units in foreground) work within hailing distance of the George Terry discovery well (rig just beyond the hill) which opened the new Tapo Field.



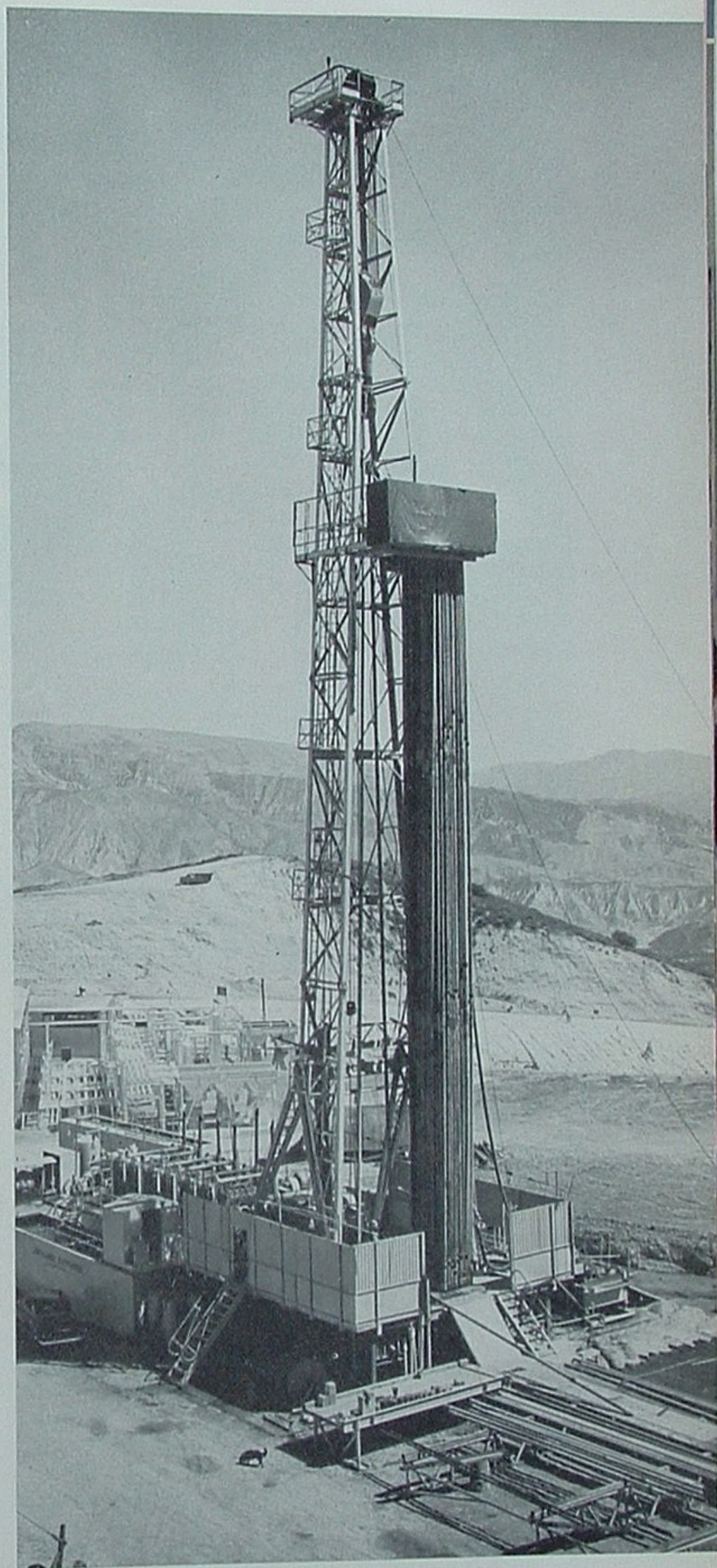
strand line condition in the sand to the south.

It is significant that in years gone by at least 10 *wild-cat* wells were drilled on the Simi Fee, all of which resulted in dry holes. However, only three dry holes have been drilled during the finding and developing of the three new fields. We know that our greater success of today is due to studies and accumulations of facts by many Union Oil people throughout the years we have held this property in fee. Careful correlation of these facts during the past two years has contributed greatly to our success in finding the trend along which the new fields are located.

Our studies are by no means completed. They are continuing now and may continue for many years in an attempt to find new trends and new oil deposits in this single 30,000 acre tract. On the basis of such exploratory sleuthing, three wildcat wells will be drilled in the Simi before the end of this year, and others are planned for next year. Simi Fee is definitely not for sale at bargain-counter prices.

This deep exploration test in the Torrey Field has drilled through 2,500 feet of Sespe oil sand—found 300 feet of new oil sand below 13,000 feet, and is drilling deeper.

In mountainous terrain, such as the Oakridge Field below, a major item of expense is the building and maintenance of all-weather roadways to every oil well drilling site.





"But we could not give them the idea. We could not make them understand that free men, working in a free economic climate, are the basic secret of this country's productivity."

The Conditions We Face

ADDRESS BY REESE H. TAYLOR

President Union Oil Company of California

TO PURCHASING AGENTS ASSOCIATION

Annual Meeting • Los Angeles, California

May 25, 1953

Mr. Chairman, honored guests, members of the National Association of Purchasing Agents . . .

Approximately a year and a half ago, I had the honor of making a talk before the Purchasing Agents Association of Northern California in San Francisco. At that time, it occurred to me in preparing my remarks that the opening comments might offer an opportunity for a representative of Union Oil to make a sly commercial point or two.

It also seemed to me that the occasion lent itself to the development of a few remarks of a humorous nature

concerning purchasing agents. Prior to that meeting, I showed the manuscript to one of my colleagues who is in the purchasing end of business. His comments on the introduction were much to the point.

1. Seventy-five out of seventy-six speakers before purchasing agent groups commence their talks the way I had planned on starting mine.

2. Purchasing agents know more jokes about purchasing agents than do other people.

3. If they had wanted a comic, Jack Benny would have been their choice.

I accepted the implied advice at that time, and I shall follow it now.

On that occasion, therefore, I discussed some of the dangers I believed to be inherent in the economic and political road this country was following. The evidence accumulated painted an appalling picture . . . the incredibly heavy burden of taxation; the stifling and conflicting rules and regulations governing business' every move; the constant and cumulative concentration of power in Federal hands; and the waste, inefficiency, and corruption that accompany such concentrations of power.

It was not my purpose at that time to indulge in partisan politics, but rather to present facts for analysis. It seemed to me that entirely too little attention was being paid to what was happening in this great country of ours.

Many lullabies were being played for us, and I took the opportunity to urge the purchasing agents to use their knowledge and experience to form an alarm-clock brigade.

This is, of course, a later date—sixteen months plus three days, to be exact, since those earlier remarks. I believe the tunes and the times have started to change. As citizens and businessmen, our opportunities to aid in the progress of this nation may well be better. What the future holds, however, can never be recorded in advance.

In large measure, it is up to us.

The problems which the American people face today are every bit as serious as they were a year ago or five years ago. I believe we can classify them as the external threat to our security, the internal threat to our industrial progress, and the close relationship that exists between these two.

Let there be no mistake about it. For a country that stood strong and powerful as the savior of freedom in August of 1945, we have slid a long way. Our strength, we dissipated; many of our friends, we sacrificed; and our position of leadership we abandoned.

And as is so often the case, when an individual or nation neglects duties, responsibilities, and obligations, the cost has been heavy.

Without demur, we have turned over to the domination of Russian communism in Europe alone a population equivalent to that of all the states east of the Mississippi River—approximately 100 million people. In the Orient, they have added to their sway a population three times that of this country. If we add up the number of people that *have to be* on the side of communism, including Russia proper, we find it comes to 754 million.

In other words, we are no match for them in manpower.

In land area, it is the same story. In Europe, we let them take the equivalent of Texas, California, Maryland, New Hampshire, and Vermont; in the Orient, an area equal to that of North America.

However, there was one thing we could not give them—or perhaps they would not accept. That is our in-

dustrial productivity. Perhaps we could have given them our machines. We did that during the war. Perhaps we could have loaned them our technical men. We did that also.

But we could not give them the *idea*. We could not make them understand that free men, working in a free economic climate, are the basic secret of this country's productivity. Without these, the men we loaned them and the machines we gave them could produce no better than their own.

Unless their acceptance of such a gift might have changed the Russian government's attitude toward us, I for one am quite happy that they have not accepted.

For today, the major deterrent to World War III is the dominant productive capacity of this nation.

The point needs no belaboring. A few simple figures tell the whole story.

Our annual steel capacity is 106 million tons; Russia's, 38 million tons. Our crude oil capacity is 7½ million barrels per day; Russia's is probably less than 1 million barrels per day. Our automotive production capacity is 8 million units per year; Russia's, probably only half a million units per year, and so on.

Take away the productive margin established by the United States, and the free world as we know it will join the civilizations of Greece and Rome in the pages of history.

Anything that might tend to weaken our industrial advancement, therefore, is not merely a threat to this country; it is a threat to the idea of individual liberty anywhere in the world.

The importance of this point cannot be overestimated in my opinion.

For many years now, we have seen our business enterprises put on the rack in the name of world security or in the name of social progress or welfare state. Too few people have recognized that security without our productivity was a myth, and too few people recognized that social progress without that same productivity was also a myth.

Our industrial progress and our national security cannot be separated. They come from the same cloth, the same pattern—which many of us are pleased to call the American Way.

It seems to me, therefore, in order to bring about and preserve a climate which will permit the free world to survive and our standards of living to move forward, there are three basic objectives toward which we, of management, must strive.

First, I believe management must cooperate wholeheartedly with the Government in the development of policies and programs aimed at giving our free economy a chance to re-establish itself. Business must give freely of its energies, intelligence, and abilities in order to achieve such objectives.

Assuming a relatively free economy, business managements' second objective must be to accomplish that

which we have said business could accomplish in such a free economy. Business must do the job it has said private enterprise has done in the past and can do in the future if left free to compete, profit, and build.

And third, business must never assume for a moment that our economic system is understood and admired by the majority of the American people. American industry, you might say, is on trial. Therefore, it is essential that we undertake to explain by all means possible just how and why this economic machine of ours, working in a free climate, serves the best interests of all of the people.

For the next few minutes, I would like to discuss with you briefly these three objectives.

No one of us here today may make too significant a contribution as individuals toward the achievement of these objectives. But if we recognize they do exist, and if we will carry the desirability of their accomplishment into the conduct of our daily business affairs, the cumulative effect may well make the difference between success and failure of the national economy.

Under objective number one—the need for business to cooperate with Government—there are many outstanding businessmen making tremendous personal sacrifices in order to assist the new administration in these crucial times.

But seldom, if ever, has a new administration been faced with the complex internal and external problems inherited by the present administration.

No businessman who is accustomed to protecting the assets of his company would be inclined to play fast and loose with so serious a question as that of the defense of this country. But certainly a national debt of 259 billion dollars, equaling 6 thousand dollars for each and every family in the United States, is also a problem that cannot long be ignored. A tax burden at all levels of Government which is running close to 29% of our national income likewise is a matter requiring immediate attention.

When business was confronted with a philosophy dedicated to the theory of "tax and tax, spend and spend, elect and elect," the opportunities to aid in the establishment of sound fiscal policies were—to put it mildly—somewhat limited.

I do *not* believe we are operating under this philosophy today. I *do* believe the administration is willing to accept such assistance as business may be able to offer in solving these problems.

The Government, as you gentlemen well know, is the largest single purchaser in the United States today. Just how much more assistance your Association might be able to render, or just how much more help you as individual purchasing experts might be able to provide, I do not know. But certainly, if a company can go bankrupt through poor purchasing policies and practices, a government can do incredible damage to the national economy on the same basis.

Despite what may be done in the way of increasing

Government efficiency through the use of sound business methods, I think we must recognize that a high level of taxation is going to be with us for some little time, perhaps not at the current rate, but still in an amount to represent a great burden to the economy. Our national defense demands it, regardless of what may be the outcome of the current negotiations at Panmunjom.

Recognizing this, I think it becomes mandatory for business to do everything in its power to assist the administration in eliminating the debilitating effects of such incentive killers as the so-called excess profits tax, and the confiscatory levels reached by the progressive income tax. Tax policies and structures must be established to encourage individual investment as well as the growth and productivity of business enterprises. Only in this way can our national defenses be secured and our standards of living increased.

The killing of the goose that lays the golden eggs might be a desirable execution to some. Most Americans, I think, would rather concern themselves with finding a method of breeding the goose in order to increase production.

Our tax structures must be based upon this type of thinking.

While one hand of Government has been progressively suffocating business with taxation for the past twenty years, another has been tying industry's productive arms with roll upon roll of red tape, rules, restrictions, regulations, anti-trust suits, and plain fiat. You all are familiar with them.

Now I don't for a minute want to imply that all companies are lily-white in their motives and endeavors. Nor do I think industry would be wise to endeavor to eliminate all of the laws that govern business operations.

There is a balance that *can* and *must* be struck between the adequate safeguards that will assure a free, competitive economy, and the opportunities and incentives that must exist if industry is to do a productive job for the people and the nation.

Business must take the initiative in working with the Government to achieve this balance.

If we assume business and the Government are able to resolve the problems of the past years and are able to set this country once more on the path of economic progress, what then?

The answer to that question is that business has to take the responsibility for the economic well-being of the country. Business has to meet our objective number two. Namely, it has to do the productive job so many business spokesmen have said can be done, given the proper freedom.

A casual look at the record might lead one to believe that things are not so bad even at the start. With only 6% of the world's population, our people have 70% of the world's automobiles; 58% of the world's telephones; 42% of the world's power production; and 35% of the world's merchant shipping tonnage.

On the surface, it is a pretty picture.

But I think we should look further and recognize that all of the increase in our per capita income since 1929 took place between 1939 and 1945 as a result of mobilization and war. If we adjust for the decrease in the purchasing power of the dollar, the per capita income actually declined from 1945 to 1951. It amounted to \$889 per person in 1945 and \$782 per person in 1951—a decline of 12%.

A decline of 12% in the per capita purchasing power in six years certainly is not good. A similar decline over the next six years could be disastrous.

No such decline is preordained, however. When functioning in a Government atmosphere sympathetic to the workings of free enterprise, ours is a dynamic economy. That is: it is a dynamic economy, if the last twenty years have not sapped the initiative, the drive, and the willingness of our business leaders to take risks.

If a decline is not preordained, neither then are success and prosperity. It is up to business.

The prophets of doom predict dire consequences to our economy as a result of potential reductions in armaments. They declare that plant expansion has reached its zenith, that housing construction has caught up with demand, that the hard goods market is saturated, and so on.

In other words, there are no new frontiers, no new horizons.

If this were a regulated economy, I would agree with these prophets wholeheartedly.

Without attempting to minimize these problems and others, *I refuse to believe that the men and institutions I know in American business are incapable of meeting the trials of a free economy.*

No nation in history has satisfied fully the material wants of its people. We have come the closest and, God willing, we today have the best opportunity to fulfill those wants. This is *the genius* of a free economy.

It is a challenge business cannot let pass. During the next four years, if business has the courage of its convictions, it can and must make long strides in the direction of providing a better and better standard of living for the people. Our economy may be in for some adjustments, but if American business leaders will remain steadfast in their belief that a free economy is the best for all, if they will regard needed adjustments as just that and nothing more, if they will plan and build for the future at such a time, future events will prove our case.

In November, 1952, a majority of the people indicated at the polls that they were willing to try—at least for *the time being*—a return to a free economy. And I think that is a fair statement.

But we should also keep in mind that 45% of the people who voted did not vote against those who had endeavored to smother the free economy. Forty-five per

cent did not vote against those who for twenty years had vilified that economy and pushed us toward the precipice of a socialistic state.

To those of us familiar with the workings of a free economy, as compared to a state-controlled economy, such a statistic seems incredible. We may say that truth and fact and justice are all on our side; that the benefits of our economic system are self-evident.

To us—yes. But 45% of the American people still must be convinced. That is where we come to our objective number three. That is . . . we must do everything in our power to get across to the people the simple fact that a free competitive economic system serves their individual best interests.

Whatever business may accomplish in the way of cooperating with Government, and producing the materials of peace and war, may well be lost unless the people understand the how and the why.

It is an old saying that "Good deeds do not speak for themselves." It certainly is the truth when we talk about the benefits of our economy. For many years, industry—working under adverse conditions—has performed miracles in this country only to see the bows taken by others.

I do not think this happened because business is basically inarticulate. It happened because most businessmen were primarily concerned with getting the job done. That was their sphere, their interest, and the way in which they served the best interest of their individual companies and the nation.

The recognition that others were propagandizing and playing the siren song while they worked came late—almost too late. The facts were all but lost in a morass of smear, innuendo, and downright lies.

Industry, however, has learned to speak. What part these efforts played in the past, I do not know. But I do know our economy once more has an opportunity. If we want to preserve that opportunity, we must continue to speak.

The danger today is that in the first enthusiasms of a vote of confidence—no matter how narrow the margin—industry may feel that the job of explaining, talking, and teaching is done. Nothing could be further from the truth.

In concluding my remarks, I would like to express a deep and sincere personal conviction.

This great land of ours has little to fear in the world of today as long as we have men of confidence and men with faith in the American concept of freedom working to preserve our heritage.

In our generation, it is the enlightened American businessman who must provide this leadership. If we are successful in providing it, if we can secure the understanding and cooperation of the people—regardless of race, creed, or political affiliation—we can go on to a future better than any of us here today can imagine.

It is a great challenge, a great opportunity.



EATING THEIR CAKE and having it too



In top photo Vice President C. E. Swift prepares to share his department's Safety cake with W. C. Stevenson, G. S. Smith, J. H. Robinson, J. W. Sinclair and B. T. Anderson.

As usual, where accomplishments are concerned, a great deal depended upon the ladies—who at Brea not only helped achieve the record but also dished up the rewards.

At left, the banner being presented by Vice President Stevenson, right, to Mr. Swift and associates was tendered by the National Safety Council in recognition of over one million manhours worked without a lost-time accident.



"PLEASE ACCEPT MY HEARTIEST CONGRATULATIONS UPON BREA RESEARCH CENTER'S OUTSTANDING RECORD OF THREE YEARS WITHOUT A LOST-TIME ACCIDENT. WE ARE ALL PROUD OF THIS ACHIEVEMENT AND DEEPLY GRATEFUL FOR THE PAINSTAKING CARE AND EFFORT OF EACH AND EVERYONE OF YOU WHICH MADE IT POSSIBLE. SORRY UNABLE TO BE WITH YOU TO PARTICIPATE IN THIS AFTERNOON'S CELEBRATION."

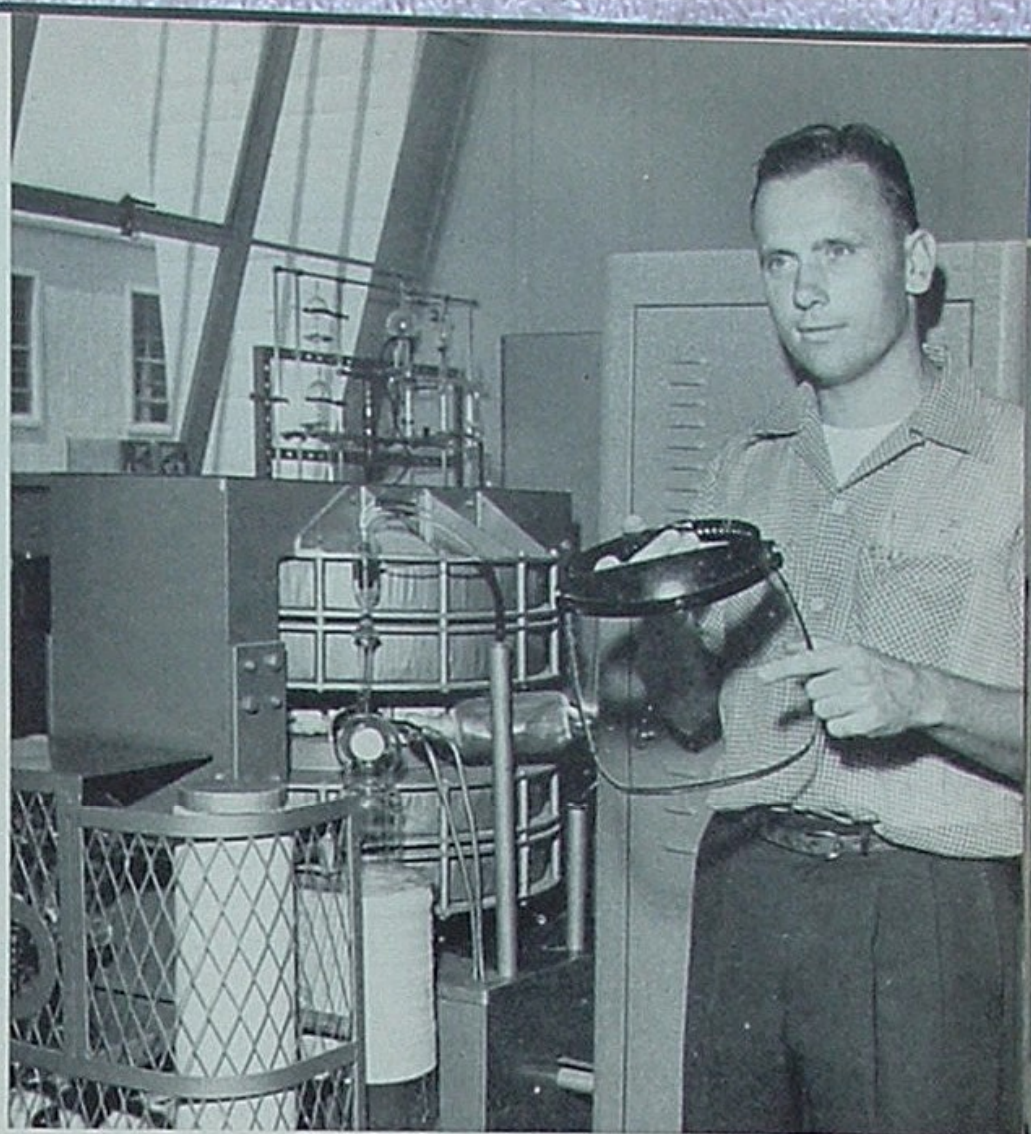
(Signed) REESE H. TAYLOR

SPEAKING for Union Oil Company people in general, President Reese H. Taylor thus complimented the Research & Process Department for continuing one of the finest Safety records established in Company history. As of July 13, these 381 employees had completed their third successive year without a lost-time accident. In so doing they had far surpassed the coveted million-man-hour mark and, as this issue of ON TOUR was going to press, were adding daily to a Company record of over 1,800,000 lost-time-accident-free manhours.

Or perhaps the accomplishment is more understandable in terms of accidents avoided. That is, had the Research & Process group maintained only the average Union Oil lost-time-accident frequency (by no means a high frequency for industry, incidentally), they would have suffered 12 or more lost-time accidents during the three-year period.

So, July 13 called for a unique birthday celebration at Brea. Along about quitting time most of the 381 well-preserved researchers convened at the cafeteria for their third anniversary cake. And not a single finger was cut in the serving process, thanks probably to the department's home trained secretaries.

But sweeter than any cake is one's continuing capacity to enjoy it.



Researcher Robert J. Barger was saved recently from being a lost-time accident victim by the face shield he is holding. During a mass-spectrometer experiment, exploding glass etched the shield but caused no facial injuries.

Statisticians advise us that, had Research maintained only normal accident frequency, twelve or more of these healthy Union Oilers would have had lost-time accidents.





INDUSTRIAL SUMMARY

● FIELD

The exploratory program, in which we are participating to the extent of a one-eighth interest, to develop gas reserves in the Fort St. John area in British Columbia, is being actively continued, and with considerable success. The area under lease covers 281,000 acres and gas has been found in seven separate zones. Fourteen gas wells have been completed as commercial producers (now shut in), and at the time of writing, four wells are drilling at widely scattered locations. Five dry holes have been drilled in the course of the program. It is to be emphasized that each well drilled has been an exploratory project, and each successful completion will eventually require more drilling to fully develop the proven area. In addition, other gas discoveries in British Columbia near Fort St. John, may lead to the finding of gas on lands we hold under lease.

As has been previously announced, the export of gas from this area to the Pacific Northwest has already been approved by the Provincial and Dominion Governments. At the present time, hearings are under way before the Federal Power Commission to determine the most practical source of gas fuel to serve the northwest states. The decision apparently will lie between the gas fields in northern Alberta and British Columbia and those in the San Juan Basin in New Mexico. Final determination on the matter is expected before the end of the year.

Our State No. 1-B at West White Lake, Vermillion Parish, Louisiana, has logged gas sands in several zones between 8,600 and 12,300 feet. This indicates that we are presently developing a major gas field in South Louisiana in this area.

from Sam Grinsfelder

● MANUFACTURING

At the Los Angeles Refinery Marine Terminal, which serves the Refinery and Marine Department, an

additional 4.5 acres of land has been leased from the City of Los Angeles. This land is adjacent to the Company's present facilities. A steel and concrete wharf, new tankage and other facilities are to be constructed to handle the increased volume of tanker cargoes and the larger tank ships more efficiently.

The Oleum Refinery is using short wave radio system to communicate with personnel in the remote areas of the refinery. The system comprises several "Walkie-Talkies" and base stations located in emergency areas.

An option has been taken to purchase approximately 3,200 acres of land in the Santa Maria area. The property will be the site of a proposed coking plant for processing Santa Maria crude.

The Los Angeles Refinery recently loaded a cargo of 137,000 barrels of Aviation Gasoline Grade 115/145 for the armed forces. The order is one of the largest cargoes of this grade of Aviation Gasoline to be loaded at the Refinery.

from K. E. Kingman

● MARKETING

To permit more specific concentration on each section of our domestic and foreign markets, the following organization changes became effective August 11:

Foreign sales activities and the sale of non-branded products are set up separate and apart from our regular domestic sales of branded products.

J. W. Graham, manager of the Central and South American Territory, is in charge of marketing in Mexico (excluding Baja, California) as well as the countries of Central and South America. Territory headquarters are at Balboa, Canal Zone.

W. L. Spencer, manager of Refinery Sales, is responsible for the sale of non-branded products, including those to jobbers, rebrand distributors, all departments of the Federal Government, and to other refiners. He

will continue to be located at Home Office in Los Angeles.

Both Graham and Spencer will report directly to Vice President A. C. Stewart, as will Home Office personnel handling other foreign sales activities.

A new Territory is formed to handle the sale of Company brand-name products throughout states east of the Rocky Mountains and in Eastern Canada. C. Haines Finnell has been appointed manager of this Eastern Continental Territory. His headquarters will be in Los Angeles.

Marketing of the Company's brand products throughout the United States and Eastern Canada is therefore now divided geographically into our Northwest Territory, Central Territory, Southwest Territory, Glacier Division, and Eastern Continental Territory. The four Territory managers and the sales manager of the Glacier Division report of Vice President Roy Linden.

In order to provide Dealers and Consignees with an opportunity to get a better appreciation of the complexities of the oil industry, the Central Territory has made arrangements for them to visit our Oleum Refinery. Those who have already taken advantage of this invitation have been tremendously impressed with the size and amount of equipment involved in the processing of crude oil in the modern refinery. They have been equally impressed with the efficient organization at Oleum which is responsible for producing "The Finest" of petroleum products.

Approximately 60 days from now it is expected that construction will have started on an addition to the Union Oil Building in San Francisco. Continued growth of Union in the Central Territory plus the consolidation of all credit card accounting in San Francisco has made the available space inadequate and forced the retail accounting office to obtain the required space in another building. The proposed addition to the present building will adequately house all of Union's San Francisco employees.

In spite of the many hazards associated with the petroleum industry, it has established an enviable record as a safe place to work. Keeping pace with this record, the Northwest Territory recently completed 372,859 man-hours (five months) without a single lost-time accident through the entire Territory. Although better safety records have been established within our Company, it is approximately twice as good as the Company average.

from Roy Linden

● PURCHASING

With approximately 3,000 suppliers located in all parts of the country, Purchasing becomes an integral part of the local business community in which the company operates. Unless the local business community is prosperous and active, the Sales Department cannot sell our products, refineries must curtail operations, production is cut back, and exploration and drilling operations stop.

This basic concept of Purchasing as a local institution does not mean that competition is ignored. In fact, the multiplicity of suppliers increases competition and in the long run decreases costs of operation. Recently extensive installations have been set up for handling our products in Philadelphia. Purchasing has made arrangements with local vendors in that city to supply cans, cases, barrels, adhesives and many other items needed for these operations. By buying from sources of supply close to the point of use, freight costs are reduced, inventories are kept at a minimum because of quick deliveries and efficiency of operations increased due to close contact of seller and user.

There are many large scale purchases which cannot be obtained from local sources. T. E. L., oil country tubular goods, many heavy industrial chemicals and other similar items can only be purchased economically in large quantities from distant sources of supply. However, where possible, blanket orders on local suppliers to furnish requirements as needed of specific items are encouraged by Purchasing.

from E. H. Weaver

● TRANSPORTATION AND DISTRIBUTION

To meet increasing demand for 7600 gasoline, a new 14,000 barrel floating roof tank has been installed at Avila Pump Station located at Port San Luis. The Avila Terminal is a distributing point for gasoline and diesel in the Central Coastal area. These products are delivered by tanker to terminal storage and loaded aboard trucks at the station.

Demand for aviation gasoline by the Federal Government continues at a high rate. To enable the Manufacturing Department to utilize the capacity of their facilities, it has been necessary to import isobutane at the rate of approximately 3 cars per day from West Texas. This material is used in the preparation of alkylate, a major component of aviation gasoline.

from E. L. Hiatt

YOU DESERVE AN "A"

IN THE OPINION OF A SCHOOL TEACHER FROM NEW JERSEY

"BY WAY OF INTRODUCTION, I am Jean Rosenast—a graduate from the Woman's College of the the University of North Carolina—and, since graduation, a teacher of business subjects at Merchantville High School in New Jersey. My home is nine miles from Philadelphia.

"What brought me to the West was a magazine item announcing, 'A business experience workshop for business teachers . . . at the University of Southern California . . . with each student being assigned an actual office or store job during the six-weeks course.' It seemed a fine opportunity to maintain the academic standards of my profession and at the same time gain the practical business experience so important to teaching commercial subjects.

"Union Oil Company's willingness to cooperate with USC by hiring one of the student teachers explains my presence during the past few weeks at one of your Home Office desks. Twice each week, with 19 other teachers from 10 different states, I attend evening classes at the University, during which our employment and employers are very frankly discussed.

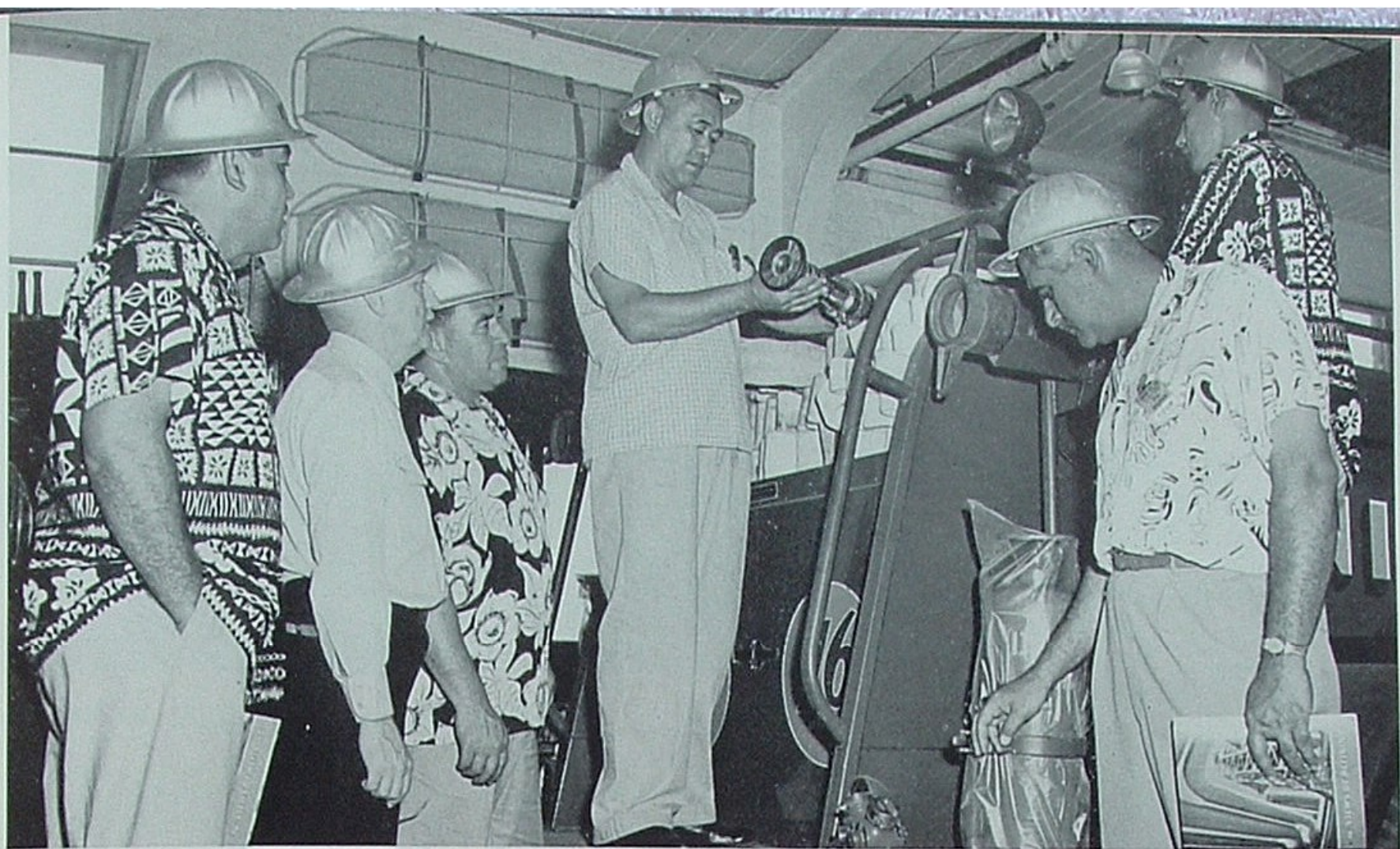
"So great has been my enthusiasm for both the USC course and the Union Oil job that most of my classmates now identify your "76" sign with the finest of everything. Your company is tops. Thanks to all of you, who have made my work and surroundings so pleasant."



Gaining practical on-the-job experience during her summer course at Union Oil and USC is Jean Rosenast, New Jersey school teacher, here taking dictation from J. P. Sidford.

At evening classes held twice weekly on the USC campus, Miss Rosenast stands to discuss her Union Oil experiences. Professor Knight and class nearly nicknamed her Miss 76.





Hawaiian Firemen

LEARN REFINERY TECHNIQUES

ONE of the highest compliments that can be paid to Union Oil Company's system of fire protection is the fact that a group of Hawaiian firemen asked to have Los Angeles Refinery included in their July training trip to the mainland. Having on several occasions witnessed the demonstrations and actual fire-fighting performances of Union Oilers in the Islands, the visitors

wanted to see first-hand how our people are trained and how flammable petroleum products are handled day after day without great fire loss.

Their day-long inspection tour, under the Fire & Safety Department's guidance, included educational motion pictures, an examination of the refinery's many protective and fire-fighting devices, and an afternoon trip through refining units. They were escorted to the plant by Battalion Chief Mark C. King of the Los Angeles Fire Department.

In the delightful Hawaiian manner of saying thanks, four of the visitors produced musical instruments and entertained refinery personnel during the noon hour.

Members of Honolulu's Fire Department are seen in accompanying photos during their training visit to Los Angeles Refinery. Their colorful shirts, music and friendliness were a treat for cafeteria patrons during the noon hour.



Union Oilers



◀ **KLAMATH FALLS'** Retail Representative Bob Knoll has risen to prominence as an orator, having won first and second places in speech contests recently held in Oregon by Toastmasters International. His talents are sought by many service clubs.
from Gudrun Larsen

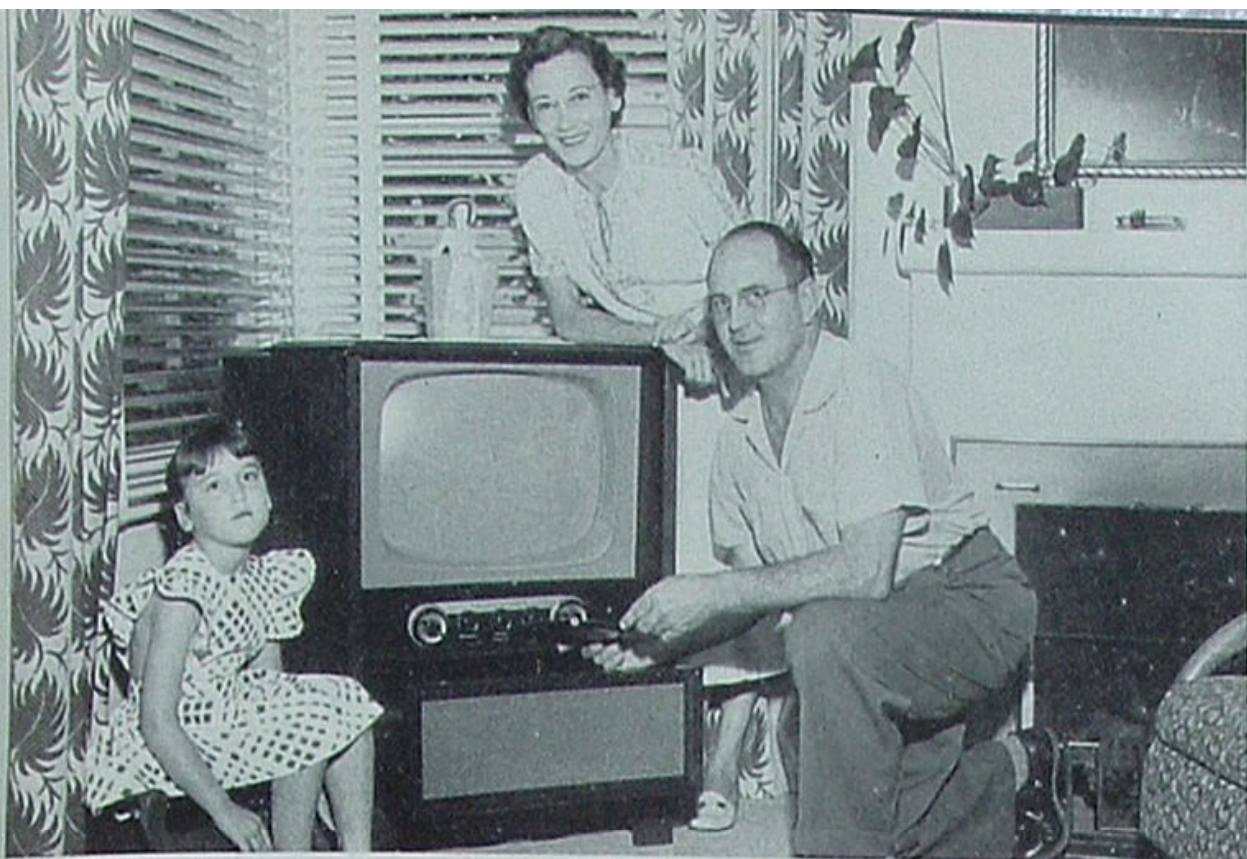
▶ **SANTA PAULA'S** pretty secretarial staff, l-r, Gerry West, Lucile Carter, Marcelleen Bradford, Betty Dorman, Audrey Tory, Beverly Clarkson and Virginia McCutcheon (at desk) are introduced examining a Hardison & Stewart cash book of 1887 vintage.



◀ **HOME OFFICE** Girls' Club is being officered by, l-r, Nancy White, Ina Buell, Isabelle Hill, Bernice Taylor, Dorothy Burden, Jean Ivins and Marcella Thomas. In lower photo, President Ina Buell and ex-President Frances Spengler are shown at the club's annual luncheon.

▶ **SOUTHWEST TERRITORY'S** Manager "Win" Miller is now serving as president of the Rotary Club of Los Angeles, said to be the world's largest club of its kind. Since joining the Company in 1936, his service to industry and the public has been outstanding.
from Grover Stark





▲ **SAN DIEGO'S** Resident Manager Joe Miller, shown with his wife and daughter Cindy, received the deluxe 21-inch combination television, radio and record player by expressing in letter form "What I would do if I ran Channel 8." Joe's letter was

judged to be best of 1400 submitted during a contest conducted by the television station throughout San Diego County. His writing ability, coupled with a profound knowledge of the tuna industry, is also finding expression in a book-length novel.

from W. L. Bugg



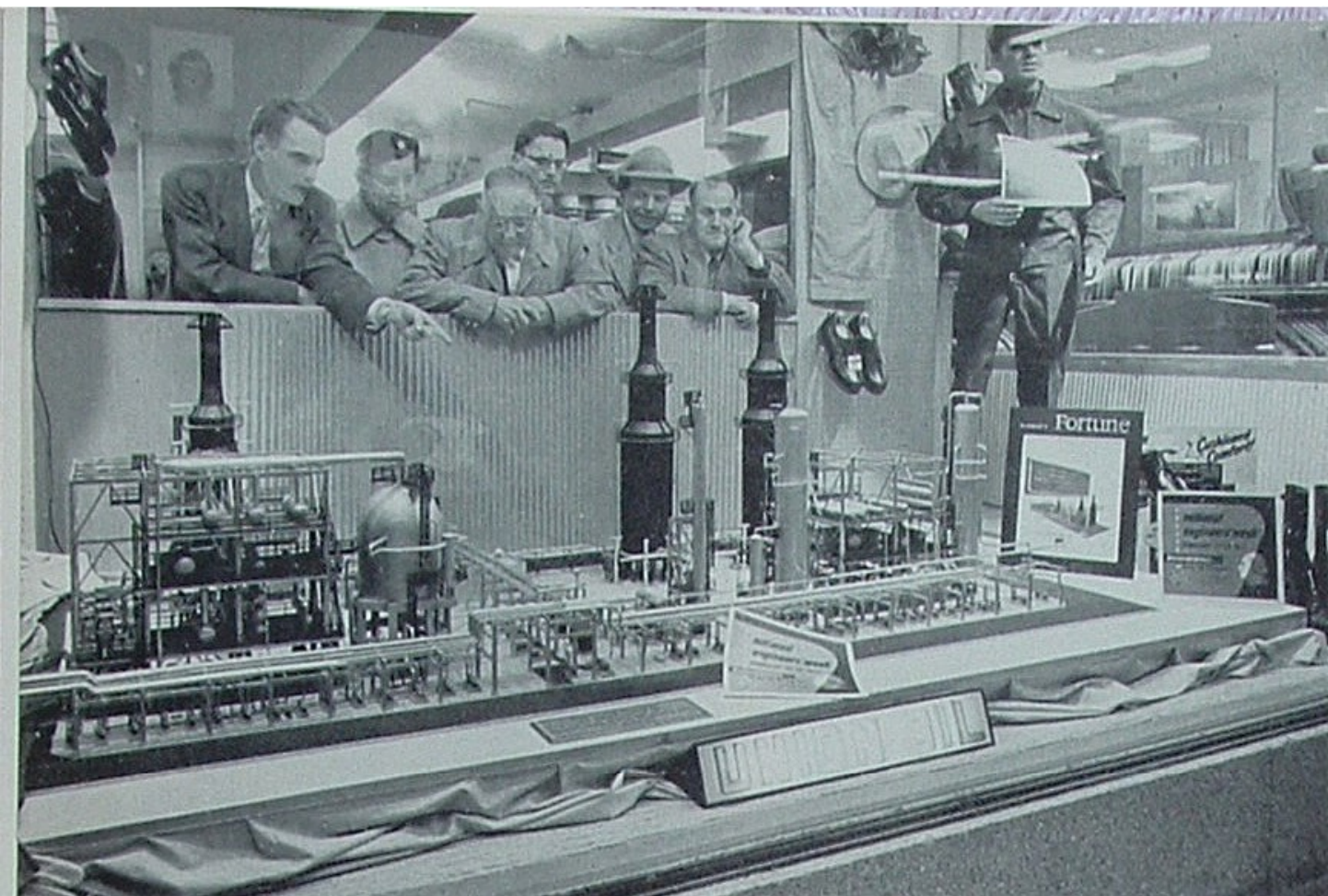
▲ **HOME OFFICE'S** Homer E. Rathbun of Distribution & Traffic was appointed in Kansas City during July as deputy of the Grand Council of DeMolay—a leadership assignment over 10,000 Southern California boys between the ages of 14 and 21.

▶ **ORCUTT'S** annual barbecue attracted the biggest gathering ever of Union Oil families and was echoed by similar feasts at Bakersfield, Stearns Lease, Oleum and dozens of other favorite barbecue retreats. In the lower picture, get a load of those five-pound Santa Maria steaks!

▼ **BREA'S** Dr. W. E. Bradley, manager of Research, has been congratulated widely for his address on June 19 to the graduates of Nathaniel Narbonne High School in Lomita, California. An audience of 1800 heard him stress skill and teamwork in industry.

from L. W. McLennan





◀ **LOS ANGELES REFINERY'S** training model of its new Crude Topping and Vacuum Flashing Units vied with department store mannequins for attraction during this year's National Engineers' Week. Appearing in a window of Walker's Department Store in Long Beach, the exhibit drew a larger and far more studious sidewalk audience than any of its rival displays. It called attention to the important role being played by modern engineers, not only in the petroleum field, but in fields of health, safety, sanitation and even medicine. This same model, first shown in the March issue of ON TOUR, gained nationwide attention in FORTUNE.

from Bob Lightfoot



◀ **SOUTHWEST TERRITORY'S** Bob Chestnutt, Grover Stark and Pete Potter were among the first Union Oilers to pilot the "Show Exhibit" recently designed by our Marketing Research Department. The easily moved display will appear at many conventions.

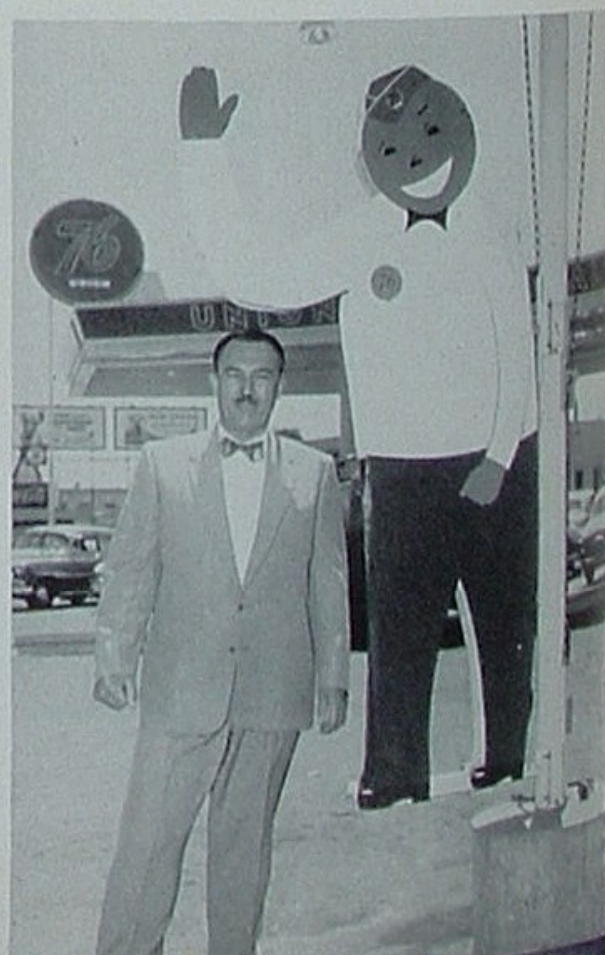
▶ **SAN DIEGO'S** Retail Representative Homer Hostetter is the designer of "Homer" the mechanical Minute Man who waves a friendly arm to prospective customers from a number of Southland service stations. The idea developed from a similar 18-inch timepiece built by inventor Hostetter for the receptionist's desk in San Diego.

from W. L. Bugg



◀ **SPOKANE'S** Beverly Semling, Viola Lightbody, Walt Vollmer, Helen Eldenburg and Fred Olsness are shown with the Oil Industry float they helped to decorate for the Spokane Lilac Parade. The float's crowning floral piece depicts a map of Washington done with rhododendrons, the state flower, and expresses congratulations for 100 years of statehood. Assembling of the float took place in Union's Spokane plant, but represents the cooperative effort of all oil industry employees in that area.

from Gudrun Larsen





Sports



▲ **ORCUTT'S** Tigers are a hustling bunch of ballhawks, mostly Union Oil youngsters, who played a fine exhibition game at the Santa Maria barbecue this year before hitting the road in quest of a championship.

▲ **PORTLAND DISTRICT'S** claim to the biggest fish catches by any Union Oiler in 1952 is here given photographic documentation by the championship claimant Wes Winters of Cornelius, Oregon. His haul of trout, steelhead and chinook is enormous.

▲ **SAN FRANCISCO'S** William Monroe, Janice Henderson, Carolyne Short and George Robinson are guarding their championship cup, won after 18 weeks of inter-office bowling competition. They were called, among less mild names, "The Short Changers."

from Ethel Cline



▲ **LOS ANGELES** picked its best Union Oil women golfers of 1953 on the Western Avenue field of honor. Trophy winners were from top, l-r, Bea Kendall, Alice Lee, Barbara Ulmer; Frances Spengler, Josephine Sagal, Bernice Taylor; Josephine Kraus, Vivian Smith and Marjorie Van de More. Forget the score; the important thing is what they wore.

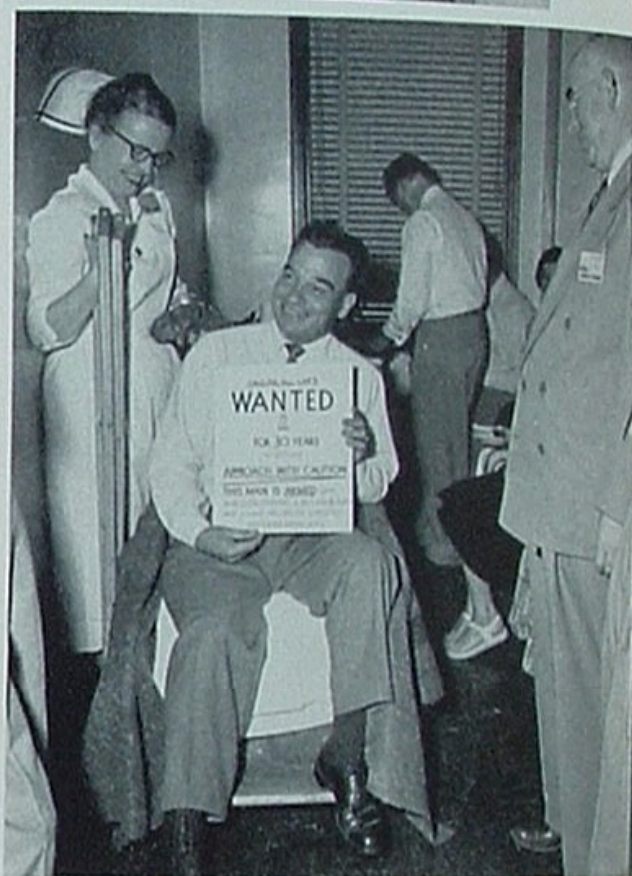


▶ **MALTHA REFINERY'S** Super-
 intendent Homer Ambrosier (center in
 dark suit), who recently retired, is
 seen turning over his keys to the
 new superintendent, George S.
 Baumgartner. Nearly all of the re-
 finery employees were on hand to
 witness the event, which Homer
 asked us kindly not to refer to as
historic.



▶ **LOS ANGELES REFINERY'S**
 Clyde Lockard, right foreground, re-
 ceived the sincere good wishes of
 Leland Jule and (back row) James
 Waymire, Joel Compton, Joe Hobbs,
 and at least a thousand other Union
 Oilers on his retirement in July.
 Clyde was a popular foreman in the
 Operating & Treating Department.

from Bob Lightfoot



▶ **LOS ANGELES REFINERY'S**

Les Smith recently answered a hoax
 call to the dispensary only to find
 himself "wanted" for 30 years of
 Company service. Cake and a short
 rest in the wheelchair put him in
 pretty good shape for 30 more. He
 is supervisor of personnel at LAR.



▶ **TACOMA'S** Al Crooks, center,
 also marks 1923 as
 his employment date, and is here
 shown receiving service pin recog-
 nition from Northwest Territory
 Manager W. I. Martin, with Paul
 Tychsen as witness. Al has spent his
 entire Company career in Northwest
 marketing assignments.



SERVICE BIRTHDAY AWARDS

SEPTEMBER 1953

MARKETING

Sellers, William D., Los Angeles.....	40
Bewley, Henry W., Los Angeles.....	35
Cornelius, William G., San Francisco....	35
Woodford, Benjamin A., Los Angeles....	35
Cooper, Harold G., Home Office.....	30
Ruedy, M. Raymond, Los Angeles.....	30
Spence, Wade A., Oakland.....	30
Wong, Albert H., Honolulu.....	30
Cox, Edward A., Fresno.....	25
Goughnour, Charles A., Bakersfield.....	25
Smith, Evertt, M., San Francisco.....	25
Christiansen, Roy A., Oakland.....	20
Herold, Angus D., Fresno.....	20
Manning, Lynn H., Seattle.....	20
Znamens, Peter S., San Francisco.....	15
Arant, Robert E., Colusa.....	10
Koldoff, Clarence J., Phoenix.....	10
Lawson, Elaine, Los Angeles.....	10

MARINE

Cattermole, Horace, Home Office.....	40
Markey, Charles E., Home Office.....	20
Haga, John, Wilmington.....	15

MANUFACTURING

Deleree, Edwin G., Wilmington.....	30
Humphrey, Edison A., Oleum.....	30
Cargile, James C., Oleum.....	25
Diehl, Robert C., Oleum.....	25
Emerton, Benjamin C., Oleum.....	25
Accomazzo, Louis D., Oleum.....	20
Carr, Walter J., Oleum.....	20
Clark, Ira T., Oleum.....	20
Grisham, Lawrence T., Wilmington.....	20
Hartnett, Maurice, Oleum.....	20
Harvey, Douglas C., Oleum.....	20
Killelea, Thomas E., Oleum.....	20
Leaf, Eric A., Oleum.....	20
McMahon, Uriah V., Oleum.....	20
Narry, Charles L., Oleum.....	20
Ratkovich, Dan, Oleum.....	20
Ruth, William A., Wilmington.....	20
Bierce, Cecil W., Wilmington.....	10
Commander, Eugene W., Wilmington.....	10
Crow, William A., Home Office.....	10
Dyer, Dorthy M., Wilmington.....	10
Johanson, Gunnar I., Oleum.....	10
Lawrence, Victor L., Oleum.....	10
McKean, Robert A., Wilmington.....	10
Schweickhardt, William C., Wilmington	10
Tolhorst, William H., Oleum.....	10
Vujacich, Andrija J., Oleum.....	10
Woodruff, Lee R., Wilmington.....	10
Young, Albert L., Wilmington.....	10

EXPLORATION & PRODUCTION

Adams, Frank M., Orcutt.....	30
Hamilton, McClellan, Orcutt.....	25
Welch, Bert L., Richfield.....	25
Billington, Edgar W., Orcutt.....	20
Bley, William Albert, Home Office.....	20
Bloom, James M., Richfield.....	20
Duffield, William P., Dominguez.....	20
Forbes, Willard S., Orcutt.....	20
Green, Robert A., Ventura.....	20
LaGraffe, Lester, Orcutt.....	20
Morash, Thomas J., Richfield.....	20
Morgan, Carl L., Orcutt.....	20
Tomasini, Edwin A., Orcutt.....	20
Adams, John, Orcutt.....	10
Blake, Paul E., Orcutt.....	10
Greenwalt, William A., Home Office.....	10
Kiker, Gladys A., Whittier.....	10
Massey, Willis E., Orcutt.....	10
Parish, Mitchel, Louisiana.....	10
Welty, Donald F., Richfield.....	10

COMPTROLLERS

Morrison, Alfred E., Home Office.....	30
Euston, John H., Canada.....	25
Joyce, E. Morley, Home Office.....	25
Carlson, Eugene E., Home Office.....	10
Lysle, Joseph A., Home Office.....	10

PURCHASES

Sefton, Rushton H., Home Office.....	30
Tully, Annis, Home Office.....	15

EXECUTIVE

Stewart, Jr., W. L., Home Office.....	30
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AUTOMOTIVE

Phillips, Fred C., Portland.....	25
Cosner, Edward V., Santa Fe Springs....	20
Massa, William, Santa Fe Springs.....	20
Miller, Oliver D., Santa Fe Springs.....	20
Snyder, Lewis G., Santa Fe Springs.....	20

RESEARCH & PROCESS

Harrington, Mark P., Brea.....	25
Woods, Kenneth A., Brea.....	20
Cunningham, Orin D., Brea.....	10
Keese, Lillian, Brea.....	10
Youngman, Howard C., Wilmington.....	10

PIPELINE

Barber, Theo. L., San Luis Obispo.....	25
Cook, Russell E., San Luis Obispo.....	20
Robertson, James W., Santa Fe Springs	10

Retirements



A grateful Company and host of well-wishing employees are bidding farewell to the following Union Oilers who have concluded long careers of Company service and are retiring:

JAMES J. SHEA

Oleum Refinery
Employed 7/2/15—Retired 9/1/53

JOHN QUAYLE

Industrial Relations
Employed 1/27/19—Retired 9/1/53

WILLIAM A. SWINDLE

Pipe Line Department
Employed 5/18/23—Retired 9/11/53

JAMES P. HUNT

Field Department
Employed 11/5/34—Retired 9/1/53

In Memoriam

On July 16, 1953

PAUL S. WINNIE

Southern Production
Out of service 5/1/47

On August 1, 1953

EVELYN M. WILLIAMS

Production and Transportation
Out of service 5/6/52

On August 1, 1953

BENJAMIN C. HRONEK

Southwest Territory
Out of service 12/19/51

On August 7, 1953

JESSE B. COLLAR

Southern Production

On August 8, 1953

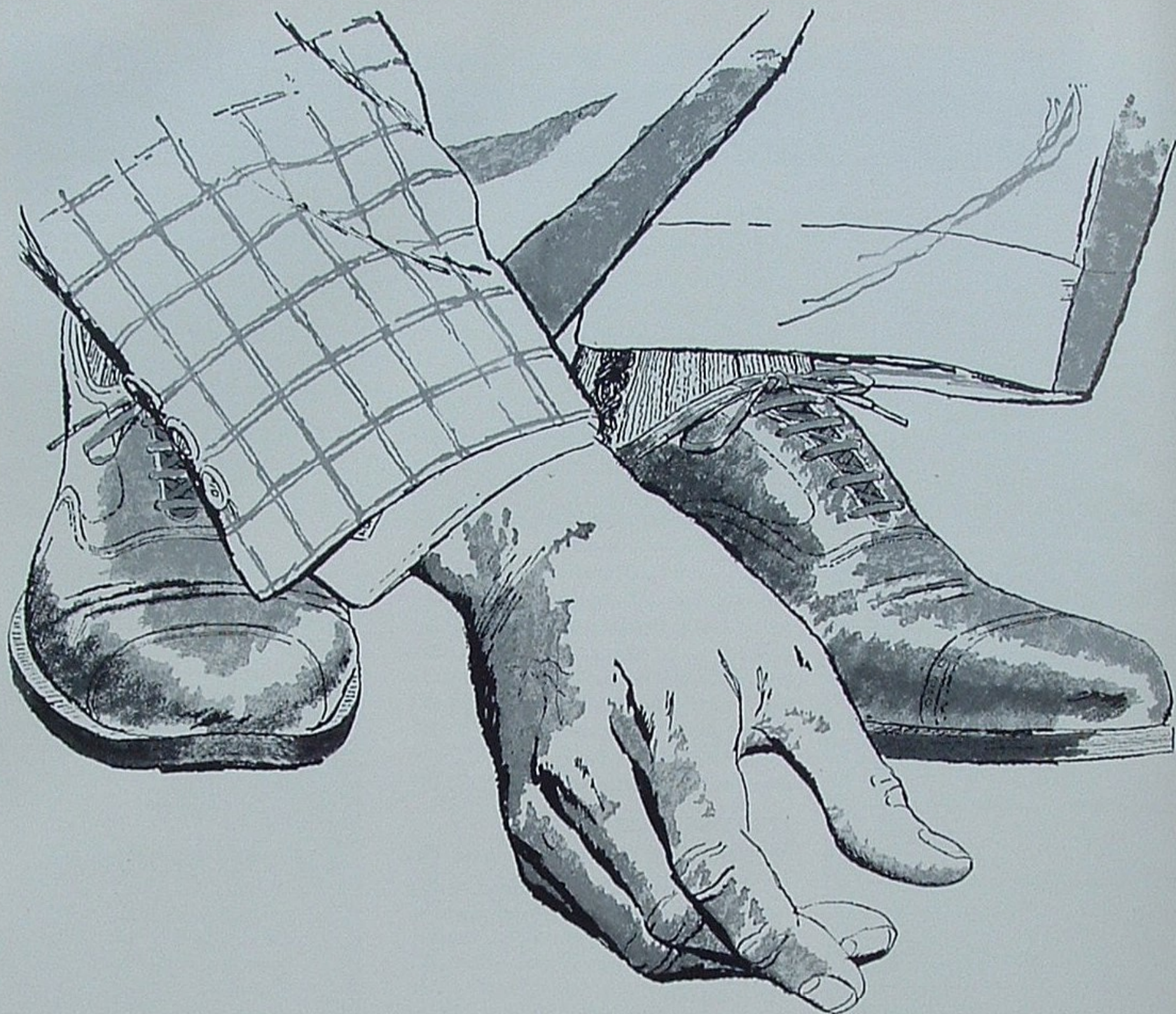
JAMES J. SHEA

Oleum Refinery

On August 19, 1953

ALBERT B. CHADBAND

Coast Production



How important is a penny?



At some time or another when you've bought gasoline you have probably wondered how much less a gallon would cost if our profit were taken out of the price.

Actually if the Union Oil Company made no profit on any of its products, the price of "76" or "7600" gasoline would be reduced by a little more than one penny per gallon.

With this "penny-plus" we have to meet today's inflated cost of finding and developing new oil reserves. With it we also have to pay the additional amounts necessary to replace worn-out equipment such as pipe lines, refineries and trucks.

Furthermore, out of this fraction more than a penny, we have to pay the 40,362 owners of the Union Oil Company. For without profit there would be no incentive for these men and women to put up their money to buy the tools so vital in increasing the productivity of our 8,756 employees.

So, as you can see, a penny is *mighty* important to us. As a symbol of the small profit we make per gallon of product sold it is far overshadowed by the 8 $\frac{3}{4}$ ¢* tax per gallon the Federal and State governments collect from both of us.

*Computed on basis of gasoline sold in California.

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 Bldg., Los Angeles 17, California.

UNION OIL COMPANY
OF CALIFORNIA

INCORPORATED IN CALIFORNIA, OCTOBER 17, 1890

Manufacturers of Royal Triton,
the amazing purple motor oil