

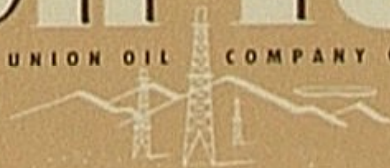


BRIXHAM HARBOUR IN ENGLAND'S COUNTY OF DEVONSHIRE

MARCH, 1954

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA



On Tour

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Volume 16, Number 3
MARCH 1954

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STOCKHOLDER'S MEETING

"ON TOUR",

pronounced "on tower," is an oil field expression meaning "on duty." Our maga-

zine 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 fine 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, Calif.

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

LETTER

To the Editor;

This lady wrote about a month ago, saying she saw our ad in Look and would like to get some magazines for her 11-year old son who had lost his father in the war. You sent ON TOUR to her and promised to put her on your permanent mailing list. Following is a translation of the letter I just received from her:

Fred Norris

Kiel (Germany) 1-20-54

Dear Mr. Norris,

I am very pleased to acknowledge receipt of two issues of your employee magazine. We thank you from the bottom of our hearts —my son and I have studied the magazines with much interest. We had already been very pleased that you should have replied at all to our letter. Adi especially was enthusiastic and wondered how people so far away from here could write letters in German. He used a map and re-traced the path of your letter; it had been the first time that one of our letters had gone so far, and that we got one in return from such a distance.

Your magazine is similar to the one a local shipyard "Deutsche Werke" used to publish, but of course they didn't use as good a grade of paper, nor colors which are as gay as yours. Besides, the shipyard doesn't exist any more . . . it used to employ some 14,000 before the war. We enjoyed looking at the pictures of the world, like Peru, which is so foreign to us. People in America seem to be much more colorfully dressed. Over here, the style of dresses is so severe, and yet those gay-colored shirts look so nice on children.

Now we don't want to bother with small details which may be of no interest to you. Still, we have taken the liberty to send you, by regular mail, a few local newspapers. We have also prepared a small package which we'll clear through customs tomorrow. Perhaps you have children or relatives whom you would like to please. We are sending you a little gift.

The month of January brought us bad weather. Many fishing boats in the Kiel harbor were blown ashore, and the floods completely ruined some black-top roads: many basements were flooded. Thank heavens, our little house is close to the town's highest point, but the wind howls around the eaves. We lost a few fruit trees which were uprooted, but there was no other damage. Adi's carrier pigeons don't dare leave their coop, the wind has been so bad.

Please, don't think that we are trying to take advantage of you. But I've taken this unusual step for us to write you to escape our humdrum daily existence, and to help broaden my boy's knowledge. He himself doesn't quite dare to write you yet, he thinks it probably isn't proper. But we like to do something for other people if we can.

We are looking forward to the next issue of your magazine and, once again, thank you very much. We would like to fulfill some little wish of yours.

We hope to hear from you again sometime, and remain with friendly greetings.

Gertrude Gabriel,
and son



Norwegian liner, above, and Greek freighter, right, like 80 per cent of the world's ships, use oil for power.



DUNCAN, FOX & CO., LTD. OF LONDON

RECALL A FIFTY-YEAR ASSOCIATION WITH UNION OIL CO. OF CALIFORNIA

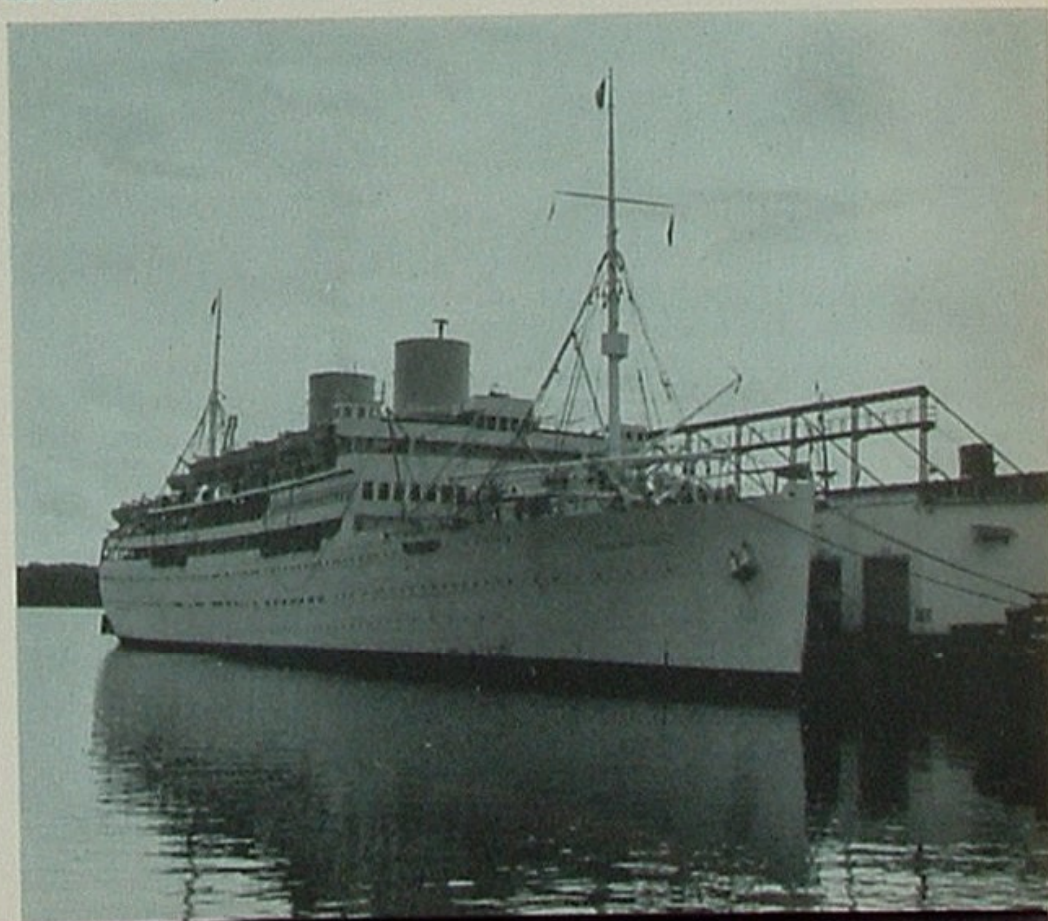
By Edward W. Hunnings

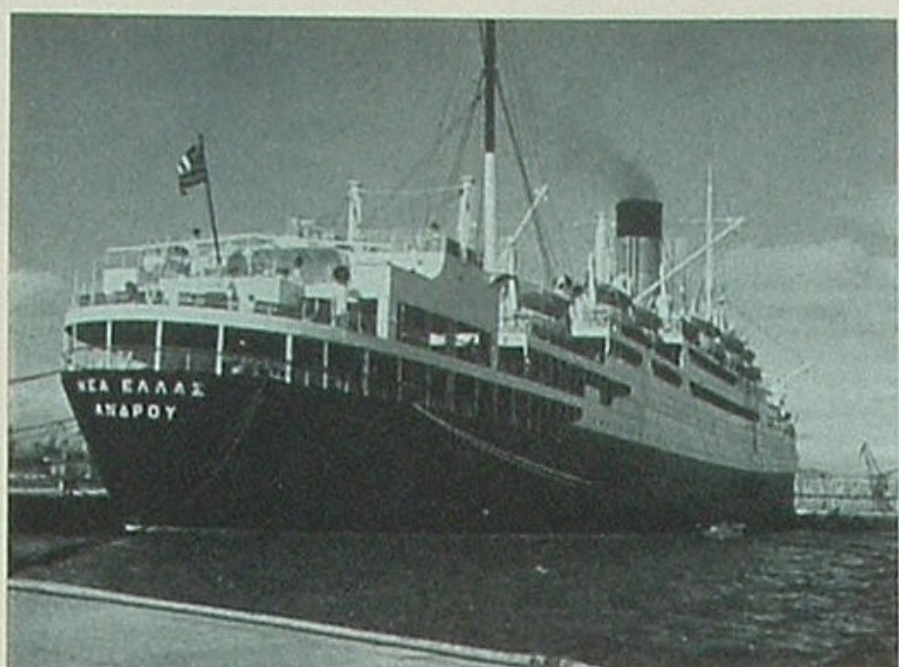
(Among the first men to envision oil as an excellent fuel for steamships was Lyman Stewart, a founder of Union Oil Company. Our W. L. HARDISON, launched in 1888, was not only the pioneer of Pacific Coast tankships but also one of the world's first large vessels to operate successfully on fuel oil. Since that beginning, the bunkering or fueling of ships from all points of the compass has become one of our major marketing services.

Important among jobbers who cooperate with Union Oil in supplying our fuels to vessels of foreign registry are Duncan, Fox & Co., Ltd., with head office in London. The accompanying pictures and account, kindly furnished by Edward W. Hunnings of that firm, provide us with an introduction to our associates and the work they are doing in some of the world's busiest ports. —Editor.)



To fill the fuel tanks of the Norwegian liner, above, or British liner, below, at Panama or elsewhere calls for fuel oil deliveries of several thousand barrels.





Duncan-Fox representatives visit such harbours as Piraeus, above, which is the Mediterranean port of Athens in Greece; The London office of Duncan-Fox is located near the extreme left center of this airview. Four bridges cross-



and Liverpool, which is the home port of many British ships engaged in Atlantic and Pacific ocean commerce; ing the Thames are Tower, London, Cannon Street Railway, and Southmark. St. Paul's Cathedral is foreground.





and Bergen, Norway, where hardy Norsemen, like their ancient ancestors, still "go down to the sea in ships;"

and Oslo, Norway. It is through such marketing contacts that Union Oil bunkering service is known worldwide.

FOR about 50 years the Union Oil Company of California have been represented in Europe by Duncan, Fox & Co., Ltd. of London, a company who have been in existence over 100 years, and whose business interests are as many as they are varied.

Henry Frederick Fox founded his company when at the age of 19 he began business in Valparaiso with a view to encouraging trade between Chile and England. After working uninterruptedly for 67 years, Mr. Fox died in 1911 at the the age of 86, by which time the company had progressed beyond all expectations.

In 1843 the total personnel of the Duncan, Fox organization, which then consisted of an office in Valparaiso and one in Liverpool, was less than 20 employees. Today thousands of people are employed directly and indirectly amongst its various concerns in England, Chile, Peru, Argentine, and the United States of America.

In South America, Duncan, Fox are recognized as a very important organization, not only in the import-export business, but also as agents for about 50 local firms and as representatives of a great number of British, North American and other firms throughout the world. We are agents for Union Oil Company in Chile and Peru.

The head office of our firm is in London, situated in one of the most notable streets of the city, Leadenhall Street, right opposite the renowned Lloyds of London, where it counts amongst many famous neighbours such worldwide names as Canadian Pacific Railways, Cunard White Star Line, Ellermans, Furness Line, P. & O., and Royal Mail Lines, Ltd.

Long experience in European markets qualifies Duncan, Fox especially for building up a clientele of

European shipowners for the Union Oil Company. Apart from our many direct contacts with shipowners through the import-export business, Union Oil agents have been appointed in all European countries. These representatives tour the Continent frequently, visiting Union's customers, making fresh contacts, and trying to secure new business.

The use of oil as a means of ship propulsion began on an appreciable scale a few years before the First World War. Early in that war the British Admiralty converted their warships to oil firing, thereby gaining a greatly increased radius of action and a valuable

Piccadilly Circus, one of the most famous sectors of London, is seen with its omnibuses and taxicabs maintain their "left-of-way", as is the driving custom in England.





Meet some of our Duncan-Fox people: Mr. J. L. Royden, above, is director in charge of the Oil Department.



Mr. V. Fox, son of the company's founder, is a director and has always taken a personal interest in Union Oil Co.

tactical advantage in quick control of smoke screens.

About the same time, the world's first marine diesel engines appeared in two Danish-owned ships, which, incidentally, depended for their initial supplies of fuel on oil furnished by Union at Los Angeles Harbour.

From the end of the 1914-1918 World War, oil-fired and diesel-engined ships multiplied rapidly until, today, four-fifths of the world's ocean-going ships are oil driven, and one-quarter are motor vessels.

To estimate the large amount of oil needed to fuel all of these ships is beyond the bounds of accuracy. Nevertheless, some idea may be gained by an examination of tonnage. Here, according to Lloyd's Register of Shipping, are the gross tonnages of ocean-going steamers and motorships owned by the chief maritime nations:

	Tons
United States of America	25,223,974
British Commonwealth	21,445,217
Norway	5,455,704
Panama	3,361,339
France	3,206,504
Holland	3,108,574
Italy	2,580,392
Russia	2,124,823
Sweden	2,048,033
Japan	1,871,276
Greece	1,348,874
Denmark	1,269,011
Spain	1,189,672

British shipowners control far more tonnage than is needed for the actual trade of the United Kingdom itself; therefore, a considerable amount of this tonnage is employed in international trade. In this respect the same can be said for Greece and Italy.

Whilst most owners of ocean-going ships in Europe choose a domicile in the large ports, the small ports also play a part. In Southern Norway there are many owners of freighters or tankers who have their offices in the country houses where they and their families live. In one small Norwegian port the village schoolmaster managed a company originally formed to own one tanker, and the shareholders are nearly all local inhabitants. Today's descendants of the ancient Norsemen remain "men who go down to the sea in ships," and shipping is in their blood.

Sweden and Denmark also are important maritime countries, but their proportion of tramp ships to regular liners is lower than that of Norway.

Although the shipping interests of Holland are mainly in their liner companies, the Dutchman still sails the seven seas as he has done down through centuries of

Mr. Carl Bergh is manager of Norsk Braendselolje A/S of Oslo, agents, of Duncan-Fox in Norway for over 25 years.





Mr. E. W. Hunnings, assistant manager of the Oil Department, wrote the accompanying report for Union Oil people.



Mr. N. H. Crosewell-Jones, manager of the Oil Department, has been working on Union Oil business for over 30 years.

recorded history. France, Spain and Portugal have mercantile fleets in proportion to their colonial and foreign trade. In Germany shipowning is reviving rapidly.

During the 1939-1945 wars, the number of European ships visiting west coasts of the Americas was of course small, consequently Union's bunker business through the medium of Duncan, Fox was correspondingly small. Competition from other oil bunker suppliers was non-existent during these war years, as it was agreed that for the duration all vessels would lift bunkers from the suppliers with whom they were contracted at the outbreak of war.

At war's end, competition began in earnest between all oil companies for European bunker contracts. Duncan, Fox having prepared for this time, were able to secure almost without exception all such contracts Union Oil Company held before the war. From 1946 onward, Union's sales of bunker fuels through Duncan, Fox increased steadily, by 1952 reaching their highest volume in some 20 years.

Union Oil Company's name has become a household word amongst the shipowners of Europe, from the powerful liner companies running services between Europe and ports of the Pacific to the trampship owners domiciled in the remotest ports of Southern Norway. Los Angeles Harbour, once better known as San Pedro, offered, up to the end of 1946 at least, the world's most economical bunkering services, and Union Oil's Diesol carried many a motorship right round the globe. And at Panama Canal, Honolulu and other Pacific Coast ports of the Americas, Union's supply of oil bunkers is considered second to none.

We of Duncan, Fox take pride in our long association with your company in having helped to build up a first-class reputation among European shipowners for Union Oil products.

ON TOUR



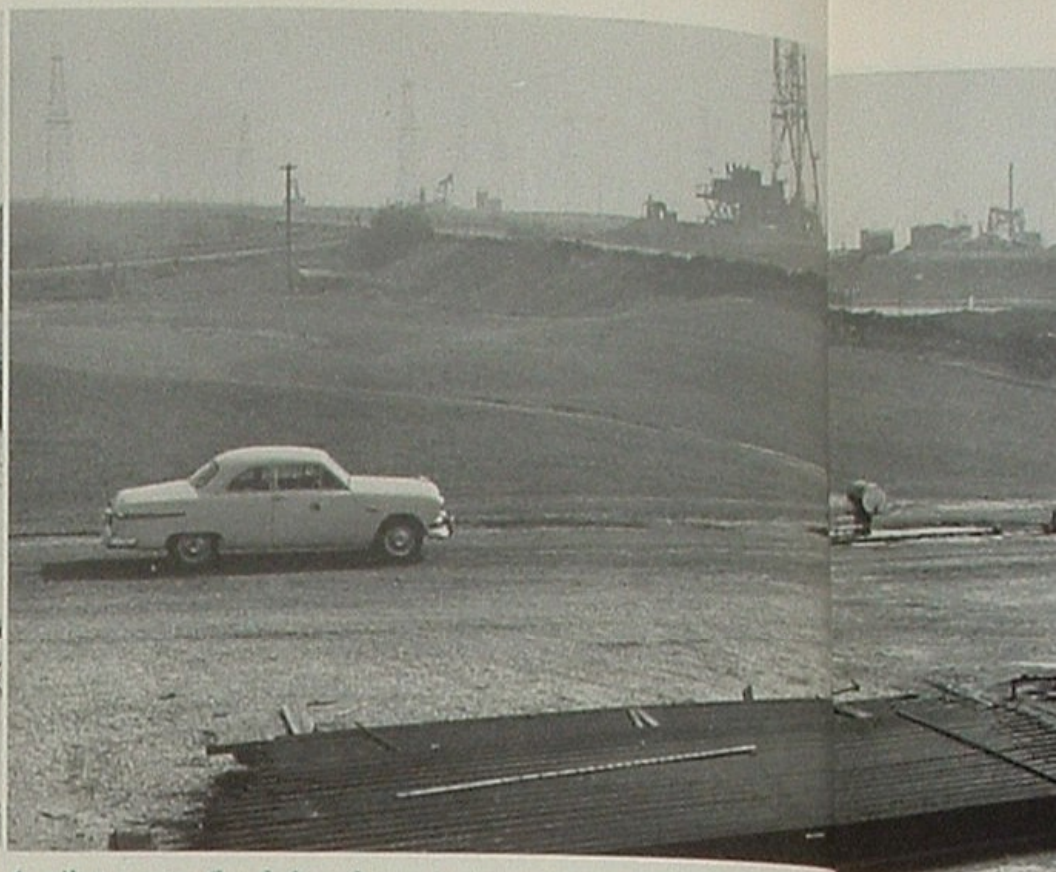
From left are Messrs. G. C. Lawley, M. M. Billington and H. Hewson, who handle various aspects of bunkering trade.

Secretaries Miss Brenda Owens and Miss Margaret Danielson confess to more "76" enthusiasm than years of service.





Assistant Foreman Harry Keegan and Foreman Otto Gillingham are in charge of water-flooding project at Dominguez. The briny waste in skim pond will be injected underground.



A pilot water-flood has been in operation at Dominguez (injection well at extreme right) for several years to test the effectiveness of this secondary-recovery method.

WASTE WATER WORKS UNDERGROUND

In California's First Large Scale Water-Flooding Project

As told by Harry Aggers

WATER, wherever encountered in the world's oil fields, is always a nuisance and often a costly liability. Generally it interferes with the production of oil, forms emulsions that are costly to treat or refine, or oftentimes increases in flow to an extent that abandonment of the oil well is necessary. Rarely is such water fit for human or industrial use. Brackish or briny and discolored by entrained particles of oil, it has to be disposed of by ways and means to avoid damage to crops and prevent contamination of streams, harbors and public beaches. Water disposal has become an increasingly expensive factor in crude oil production.

The problem is by no means solved today. Yet it is an interesting fact that waste water in one of our fields is being made to *earn its keep*. At Dominguez—a field discovered by Union Oil between Los Angeles and Long Beach some 35 years ago—waste water is actually proving of value in the first large-scale water-flooding project ever to be tried in California. It will be pumped deep underground to an oil-producing layer of porous rock. There the water, under pressure, will move outward from

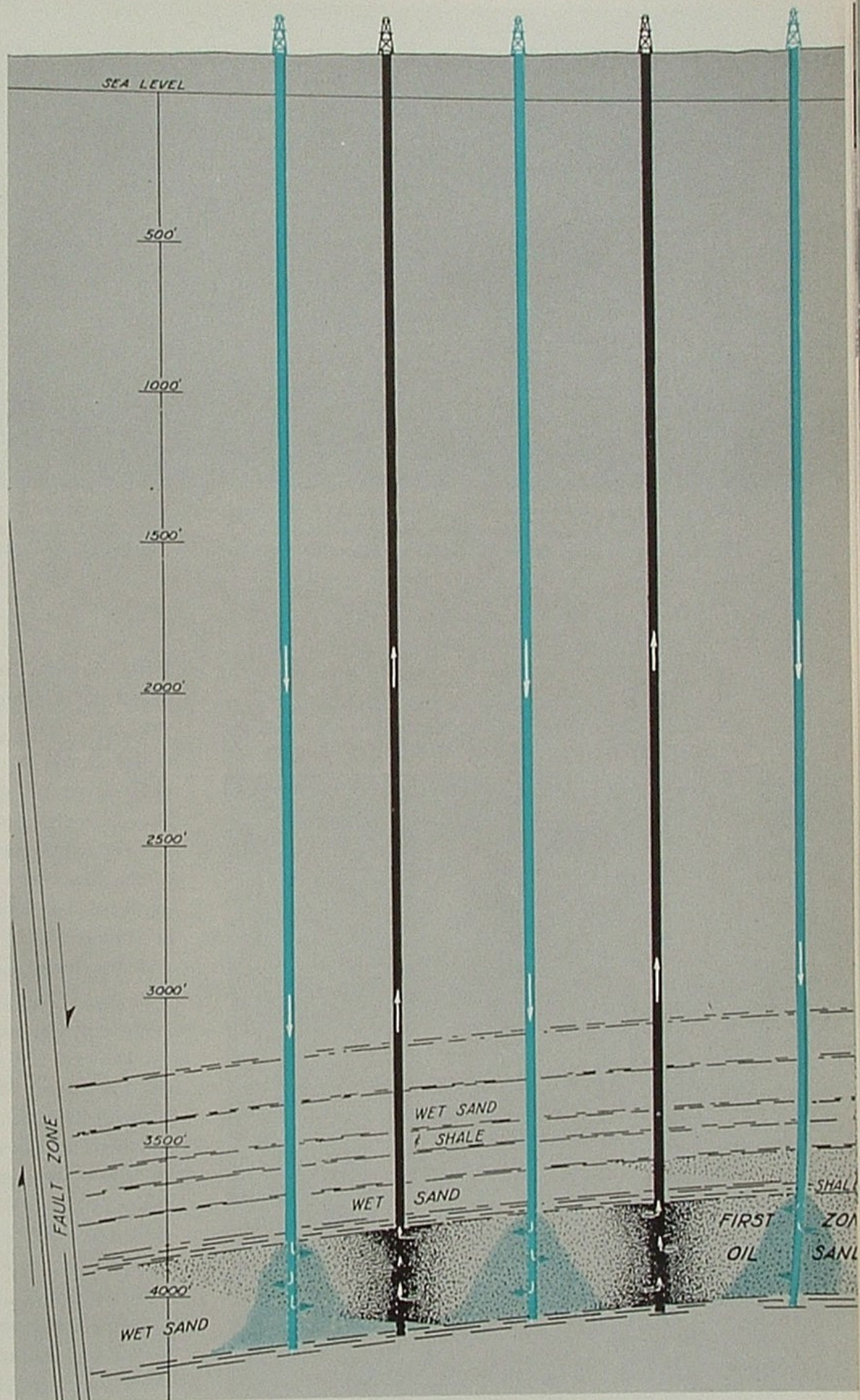
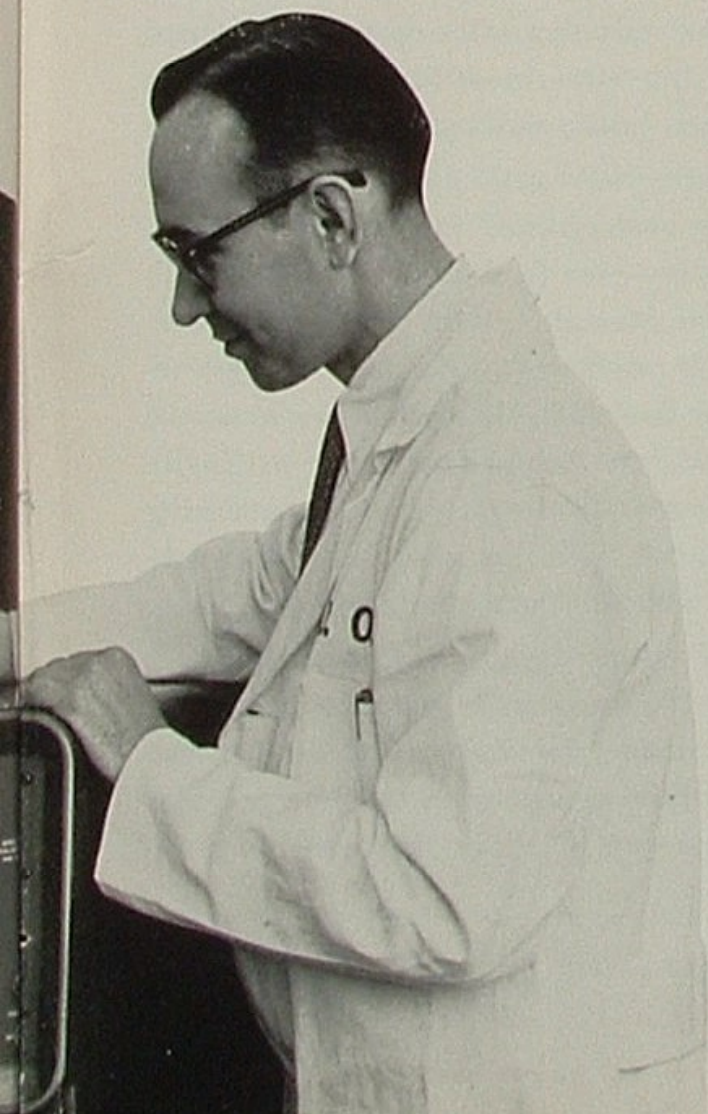
At Research & Process Center, Brea, Assistant Manager John Sherborne, Research Chemist James Brown and Research Engineer Ted Nowak subject a Dominguez core to laboratory tests used in evaluating its adaptability to flooding.





UNDERGROUND

The drawing indicates how waste water (blue) is pumped underground to flush crude oil out of rock pores and toward the producing wells (black).



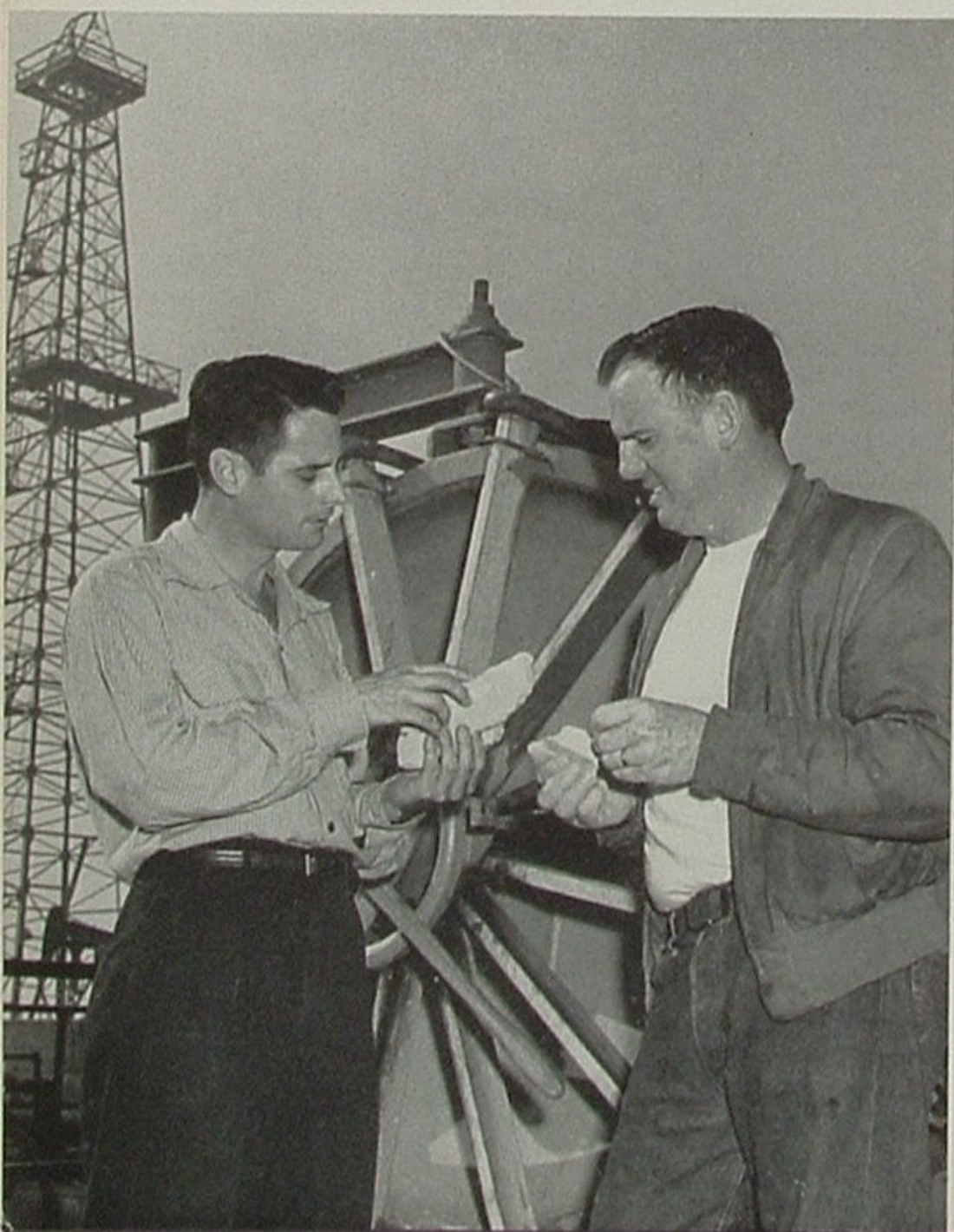


Division Superintendent J. T. Ledbetter, Petroleum Engineer William Cerini and District Superintendent L. S. Kelsey discuss engineering phases of flooding project.



Field Engineer D. C. McLaughlin and Division Field Engineer J. H. Watson inspect sample of cement and plastic lined pipe used in handling highly corrosive waste water.

The material being inspected by Harry Keegan and Field Operator Milton Barry is filter earth through which the brine is passed to remove solid particles and traces of oil.



injection wells, flushing out particles of oil that have defied other production methods and driving them toward producing wells.

How much oil will yield to this secondary-recovery method is not known. Some fields in other states have been known to increase their recoverable oil by as much as one-third through water-flooding. But the effectiveness of flooding varies from field to field and is not easily predicted. We know only that pilot operations—started by Union Oil at two sites in 1944 and 1947—offer sufficient promise to justify a large-scale project.

Strangely, it takes water with *petroleum experience* to do a satisfactory underground job. In other words, just any kind of water—even fresh or distilled—wouldn't do. Fresh water, for example, would tend to swell clay particles in the oil-producing formation, thereby restricting the desired flow of fluids through the reservoir. On the other hand, the briny water that originally coursed through the porous rock and into the producing well can be depended upon to make a second subterranean journey without fouling up the traffic lanes.

The Dominguez Field produces a total of some 15,000 barrels per day of this briny waste water. About 5,000 barrels per day are being injected underground in the Third Zone and Fifth Zone pilot water-flooding projects. With the new large-scale flood in full operation, all



This well on the edge of our Dominguez Field carries salt water down to the oil-producing formation, creating a water flood in the direction of producing wells beyond.



Foreman Otto Gillingham and Field Operator Lee Davis check one of the gas-engine driven triplex pumps used in transporting treated salt water to the injection wells.

15,000 barrels of waste water will be put to work.

Before *punching in* at the injection well, the water undergoes quite an elaborate *indoctrination*. All traces of free oil are removed from it in a conventional skim pond. Then, because our Dominguez variety of brine contains some 70-parts-per-million of iodine, it goes to the nearby Deepwater Chemical Company plant for iodine extraction. Next the water is taken from a concrete storage reservoir and passed through diatomaceous-earth-type filters to remove all solid particles as well as final traces of oil. Then it is chemically treated to prevent any underground formation of scale or other substances that might tend to plug the injection wells. Charging pumps pick up the now thoroughly conditioned brine and pump it toward injection wells under pressure of about 200 pounds per square inch. Finally, booster pumps near the injection well send the water *back to the salt mines* under a high-pressure inducement of 2,000 pounds per square inch maximum. Hopefully, the water will flush remaining oil deposits out of rock pores and toward the producing wells.

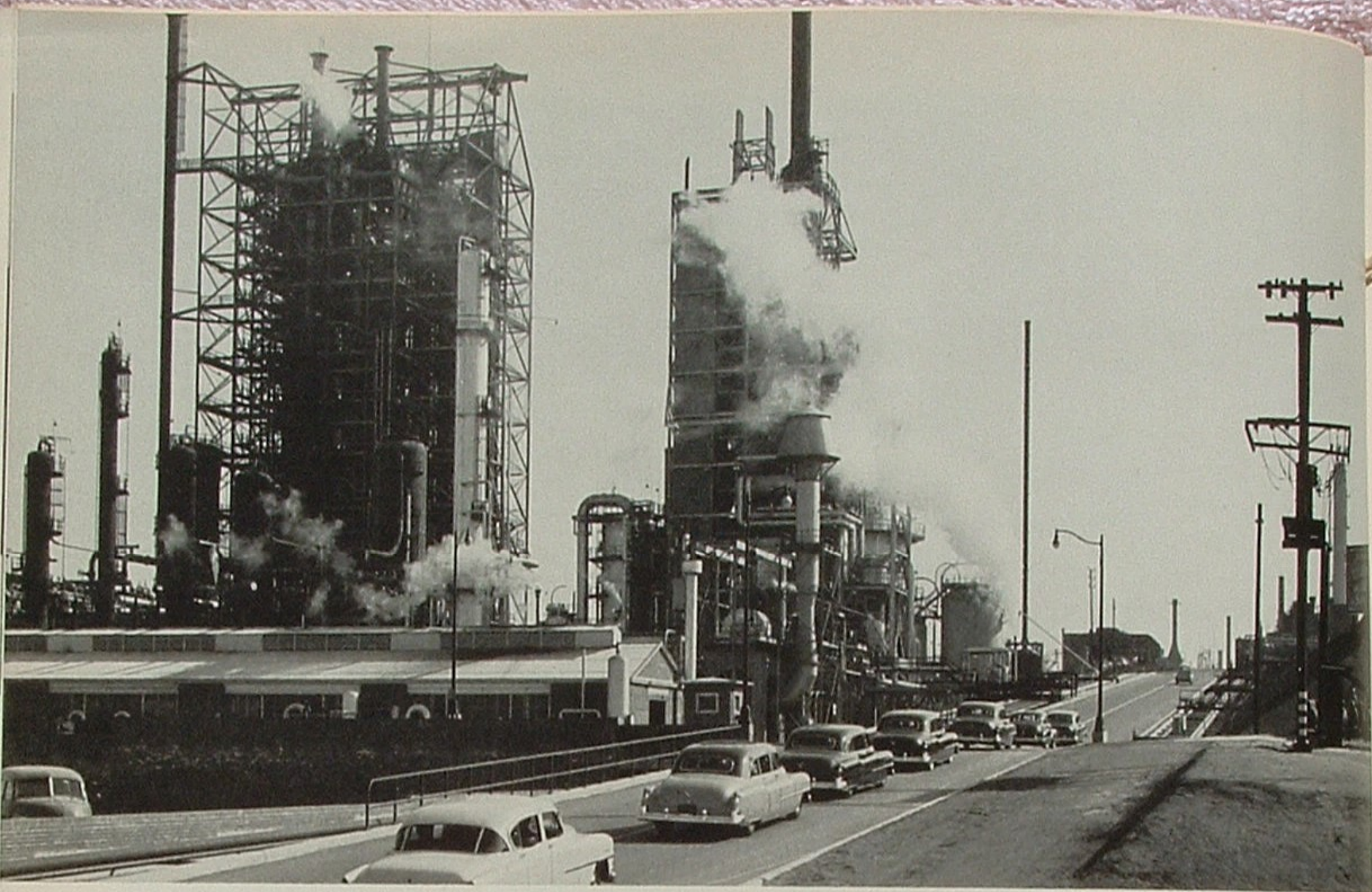
Of interest also in this pioneer California operation is the fact that it is a three-company project. Adjacent to our Hellman Lease, which is jointly held with Dominguez Oil Fields Company, are other producing wells owned by Shell, Dominguez and Union, all producing

from the same deposit of oil. Moreover, these companies are obligated to a number of private property owners from whom the oil rights are leased. Obviously it would be quite difficult for one company to undertake a water-flooding project alone without affecting operations of the adjacent property owners.

Accordingly, a joint operation was agreed upon by the three companies. It is officially called the Dominguez First East Central Water Flood. Injection wells will be drilled on the common boundary line between the Hellman and Reyes properties, creating a water barrier to prevent oil migration across the property line. These wells and other injection and producing wells will require a capital expenditure in excess of \$1,400,000 for drilling and repairs. An additional \$350,000 has been allotted for water-treating and injection facilities.

Union Oil Company will operate the water-injection facilities up to the injection-well head, and will regulate the amount of water injected. In this manner, the three companies and numerous property owners will share equitably in benefits.

Union Oil people introduced in the accompanying pictures have worked on the operating, research and engineering phases of water-flooding at Dominguez. The results of their project may be the beginning of important new oil conservation measures in California.



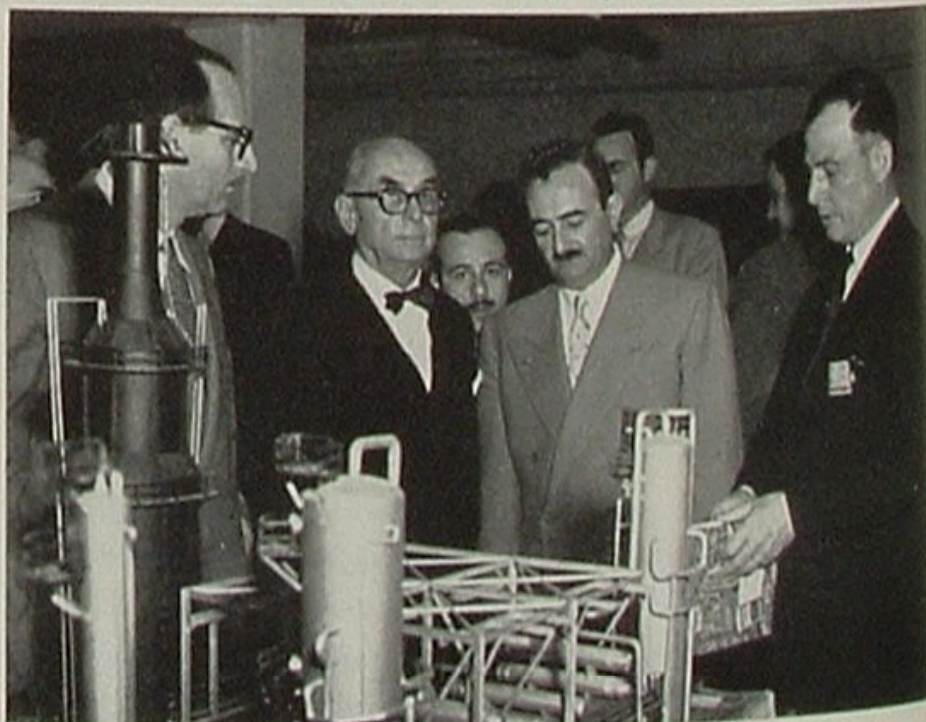
LOS ANGELES REFINERY

Attracts President of Turkey

From left, President Celal Bayar and his interpreter, Orhan Eralp, listen intently to a description of the Company's newest lubricants by Union Oiler Bill Sopher.



The distinguished visitors were escorted through Los Angeles Refinery by Vice President Kenneth E. Kingman, right, here explaining the model of a refining unit.



PRESIDENT Celal Bayar of Turkey, recognized today as one of the world's foremost champions of democracy and private enterprise, included our Los Angeles Refinery among the industrial plants he was most interested in seeing during his February tour of the United States. The tireless 70-years-old leader, accompanied by a party of his countrymen, members of the U. S. State Department, local government officials and a number of petroleum experts, devoted about two hours of his busy February 10th stay in Los Angeles to a study of our refining operations. His interest in the oil industry will soon be reflected in the construction of Turkey's first major oil refinery.

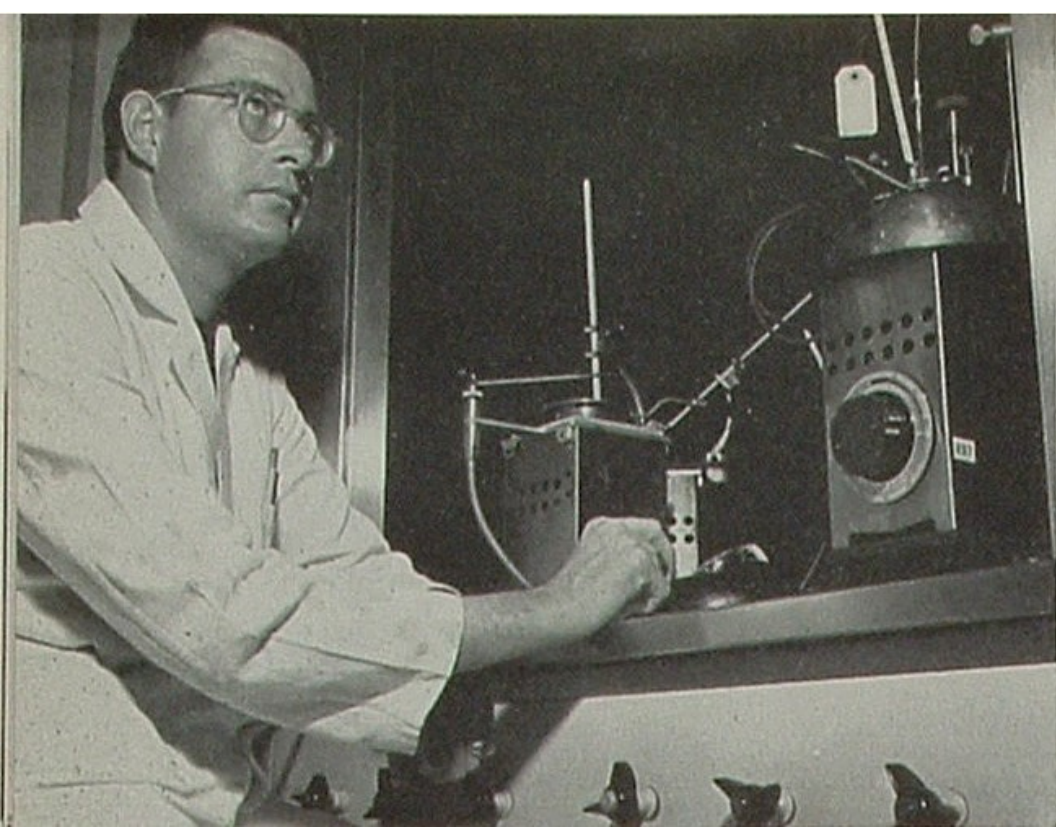
President Bayar, through his interpreter, warmly thanked Union Oil people for being such excellent hosts. Manager Henry Meiners and his associates at Los Angeles Refinery had prepared an excellent display of models explaining refining processes, equipping each with placards printed in the Turkish language. Herb Zirnite and his cafeteria crew provided the party with a lunch *fit for a king*. And at the President's side to answer any questions he might care to ask were such well-informed Union Oilers as Vice Presidents K. E. Kingman, W. C. Stevenson and Roy Linden.

A motorcycle escort of some 20 officers and about 50 newspaper and newsreel photographers also were Union Oil guests during the luncheon visit. They smiled their gratitude in a way that needed no interpretation.



From the moment of their arrival, above, at Los Angeles Refinery, President Bayar and his party showed keen interest in refining processes. Union Oil people were hosts at an excellent luncheon in the cafeteria, below.





Everett G. Adargo

As told by Everett G. Adargo, assistant chemist, Research & Process Department:

"Although I'm not old in years or in Union Oil experience, I can offer some pretty sage facts about the Company's security program.

"Following my employment in 1945, I had eight years of normally good health. Then the roof caved in. Four times during 1953 I was stricken with serious illnesses, twice needing hospitalization. Since all four illnesses were separate conditions, the Employees' Benefit Plan paid my hospital and medical bills, amounting to around \$2,500. One illness went beyond the \$1,000 limit of the Benefit Plan, but 80 per cent of the excess was covered by our Insured Medical Plan. My personal share of the total hospital bill was less than \$100.

"In addition, during these illnesses I received \$92.50 a week in disability benefits through Union Oil's insurance program. This enabled my family to meet our living expenses without hardship. I can't say the sickness was a pleasure, but it certainly didn't have any financial worries attached.

"My first trip to the hospital was quite a revelation. Hospital accommodations were the best to be had. And, following the operation, the nurse almost made me feel like a celebrity by announcing that I had been attended by one of the best surgeons in the country.

"While in the hospital, I met a patient who seemed very proud of the fact that his hospitalization was covered by a company program similar to ours. When I confessed being in the same fortunate class and drawing practically a full salary besides, he was amazed. He had never before heard of anyone getting paid while off the job, especially for such a long time.

"I know from these experiences during 1953 that Union Oil employees have one of the broadest and most

We Asked For It

SO HERE ARE THE OPINIONS
OF TWO UNION OILERS REGARDING
COMPANY BENEFITS AND INSURANCES

From Hugh G. Johnson
Supervisor of Compensation and Benefits

liberal benefit programs available anywhere. I've never heard of a better one."

As told by Percy E. Munn, formerly a head gauger in the Pipe Line Department, now retired:

"Ever since I started work for Union Oil on a pick-and-shovel job at Maltha Refinery back in 1919, I've been a joiner. I joined every insurance plan the Company had to offer—mostly because it's always been my policy to do something to help the other guy. Never thought I'd need much protection for myself.

"Yeah, I guess I did my share of *beefing* about the *ducks*. That's what we call payroll deductions out in the Pipe Line Department. Sometimes the *ducks* seemed to be flying pretty high, and we griped about the take-home pay. But I stuck with the plans and insurance—the whole string of 'em.

"Except for about 10 days of pneumonia back in '29, don't believe I was ever sick more than a day or two. The Company transferred me to Los Angeles Refinery in 1923 and to Huntington Beach Pipe Lines in 1929. I kept right on joinin' everything the office cooked up.

"Well, the payoff came in 1952. I got sick and had to leave the job. At the time, I couldn't even make a *horseback* guess as to how much help I had comin'. But it turned out to be considerable—that's for sure. Because of the Company's free Sick Pay Plan, my pay kept on comin' for six months. When the six months was up, I was no worse off—I got \$75 a week from one plan (Disability Benefit Insurance Plan) and \$32.50 a week from another (Voluntary Plan for California Unemployment Compensation), and no income-tax *ducks* were taken out of either. Besides this, the Employees' Benefit Plan paid my hospital bill of a little over \$500.

"Before I was off a year, the doctor told me I was

permanently disabled—wouldn't be able to hit the ball anymore. This was bad news, but y'might say it had its silver lining. Under the Union Oil insurances (Total and Permanent Disability provision of his Contributory and Non-Contributory Group Life Insurance Certificates), I was given a check for \$17,000. And finally I got another welcome piece of news. The Company gave me my retirement seven years ahead of schedule. I'll get around \$160 a month for life and my wife'll get a good allowance if she outlives me.

"Best advice I can give you young fellows is not to *beef* about the *ducks*. Hang on to 'em and be glad you got 'em. But if you do need help, it's there. Mrs. Munn and I are moving—not over the hill to the poorhouse—but to a nice little home down at Long Beach."

A glance at statistics should give most of us cause to be grateful for the good that is being accomplished through our cooperative benefit and insurance plans:

In 1953, the Employees' Benefit Plan expended \$350,302 for the medical care of employee members. Employee contributions for the year totalled \$304,594. Most of the deficit was made up by the Company's 50-cents-per-employee contribution totalling \$43,513.

Forty-five employees died during 1953, and the sum of \$605,000 was paid out to their beneficiaries.

Ten employees were declared totally and permanently disabled during the year, and the sum of \$134,500 was paid to them under the provisions of Group Insurance Certificates. Since the inception of the Group Life Insurance Plan on October 1, 1915, \$8,510,157 has been paid out in claims.

During the fiscal year ending April 30, 1953, Disability Benefit Insurance payments to employees amounted to \$142,745. During the calendar year of 1953, the Company's Voluntary Plan for California Unemployment Compensation payments came to \$92,467.

All of us should take "Perce" Munn's advice: "Don't *beef* about the *ducks*, but be glad you got 'em!"

Percy E. Munn



Speaking Of Insurance

By H. A. Lapham
Assistant Comptroller

HAVE you recently checked your beneficiary designation under Union Oil Company's Group Life Insurance certificates carried with the Equitable Life Assurance Society of the United States? Or the beneficiaries designated on any private insurance policies you might have with other companies?

Are you sure the beneficiary designated under the Employees' Retirement Plan is the one you would now nominate to receive benefits in the event of your death prior to retirement?

Have you designated *contingent* (next-in-line) beneficiaries—for example, your children as beneficiaries to share and share alike the proceeds of your insurance policies in case both you and your wife met death simultaneously in an accident?

There are many reasons—death, divorce, remarriage, the addition of children to a household—why a person might want to make a change in beneficiaries. But unless your beneficiaries are recorded correctly with the insurance carriers, your wishes may not be complied with.

It is recommended that every employee obtain and keep a record of beneficiaries named in his insurance certificates. A "Change of Beneficiary" form can be made available through personnel representatives, payroll offices or supervisors in charge of personnel functions. In case full information is not available from these sources, assistance should be sought from the Supervisor of Disbursements and Payrolls, Home Office, Los Angeles. However, put your insurance house in order—now.



THE FINEST IN FRESNO

Once a sandy waste, Fresno, left, has grown high, wide and handsome in 75 years. Union Oil's expectation of even greater things to come is evidenced by new marketing facilities, below, on site we first occupied in 1908.



The new office houses distribution personnel those responsible for credit and collections





The Fresno yard could hardly corral enough tank-wagon horses to do the work of this modern petroleum transport.



Thousands of oil-powered agricultural machines depend for their lubricants upon Fresno's remodeled warehouse.

IN the relatively brief period of 75 years, Fresno County in California has developed from a sandy waste into the richest agricultural county in the United States. Fresno City, the county seat, now has a metropolitan population of over 160,000 persons. Its industry is mushrooming—in keeping with agriculture's great mechanical strides.

Union Oil Company has taken part in Fresno's growth for nearly a half-century. Our marketing station, started in 1908, opened in January, 1909, under about two horsepower. Today, trucks and transports occupy the former stable site, while Fresno County horses ride from place to place in motor-drawn trailers.

Our Company looks with confidence toward even greater changes during the next 50 years. The old tin-roofed office has given way to a handsome new one—neatly furnished, air-conditioned, well-lighted, spic and span from tiled floor to insulated ceiling. Bright new service stations sparkle behind "76" target signs.

In the words of the circus barker, probably "This is only the beginning. You haven't seen anything yet."

... and men who keep quality products moving to market.



Typical of many Union Oil service units in the Fresno metropolitan area are the spacious dealer-operated truck terminal, above, and new service station, below.





INDUSTRIAL SUMMARY

● MANUFACTURING

Construction of the new Oleum wharf is on schedule. Piling for the 1900-foot causeway is in place, and piling for a dock structure at the end of the causeway is nearing complete installation. About 1200 reinforced concrete piles—about 23 miles in total length—are required for this project. Approximately 20 miles of piping, ranging from 6 to 16 inches in diameter, will be installed on the wharf for handling of ships' cargoes. Completion of this project is scheduled for November, 1955. (See Construction Photos Below.)

The erection of five new tanks totaling 69,000 barrels is now in progress at Maltha Refinery to augment Company facilities at that point.

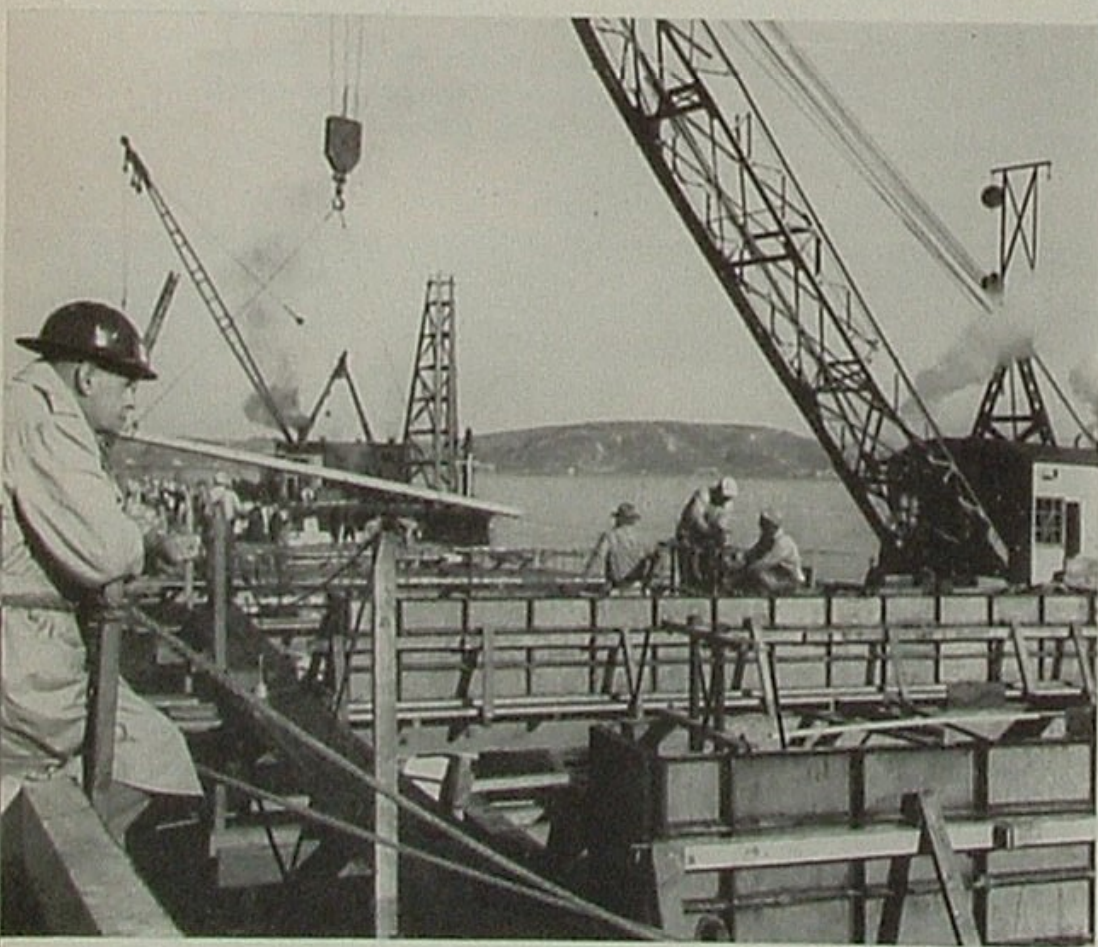
Modernization of grease-making equipment at Oleum Refinery includes the addition of two new high-temperature grease kettles, a Stratco Contactor, a colloid mill and auxiliary facilities. The Stratco Contactor is used to produce various types of soap stocks used in the manu-

facture of greases. The new kettles have a capacity of 12,000 pounds each and are designed for greases requiring high-temperature compounding. The kettles will be heated and cooled by oil circulation through their enveloping jackets. Automatic controls are being installed to maintain uniform operating conditions and consistently high-quality products. In the colloid mill grease is passed between two revolving discs spaced a few thousandths of an inch apart, which produces a stable, deaerated and finely textured product.

from F. E. Kingman

● INDUSTRIAL RELATIONS

Accident frequency among Union Oil employees, Company-wide, dropped to 5.3 disabling injuries per million manhours worked in 1953, bringing a 34 per cent improvement over 1952 and establishing the lowest accident-frequency rate since our safety work was organized in 1924. The practical result of this record is that



40 employees were spared personal suffering and their families escaped the anxiety that usually accompanies injuries.

Accident severity also declined in 1953, as evidenced by the fact that no employees met with fatal on-duty accidents during the entire year.

There is only one dark omen in the 1953 safety statistics; the number of accidents involving motor vehicles driven on Company business did not decline. Union Oil vehicles were involved in 615 accidents last year. That no fatalities and few serious injuries resulted may be due to a liberal outpouring of luck. At any rate, let's drive more carefully in 1954. The lives we save may be our own—or those of potential Union Oil customers.

from W. C. Stevenson

● FIELD

The Field Department's Gulf Division has moved its headquarters to the new Prudential Building in uptown Houston. These modern headquarters in one of the South's finest office buildings provide better grouping arrangements and ample work room for the 80 Union Oil people quartered there. They represent the exploration, field and accounting personnel of this Division.

Efforts of the Gulf Division have been rewarded early in 1954, as evidenced by field developments in three different localities of southern Louisiana. A deep well at West White Lake in Vermilion Parish, now drilling below 12,500 feet, has developed new oil and gas sands which add materially to the reserves of this field. Well State-L.L. & E. Unit 3-5, being drilled under a joint account project at Bay Junop in Terrebonne Parish, has cored the first deep oil sands found on the flanks of this salt dome. These sands were found below 13,000 feet. Previously, only gas-condensate sands had been found on the flanks of this dome. At East Lake Palourde in Assumption Parish, the Company's Williams 1 indicates to be a discovery well at a total depth of 14,486 feet. This is the deepest well Union Oil has ever drilled in the Gulf Division. Other deep oil and gas sands are to be tested here.

At present, daily production from the Gulf Division is averaging 18,000 barrels of oil and condensate and 145 million cubic feet of gas. Development drilling of the newly discovered areas should add to the daily production of this Division.

from Sam Grinsfelder

TRANSPORTATION & DISTRIBUTION

Transportation of heavy crude oil produced in the Casmalia and Guadalupe Fields in the Santa Maria area by tank truck to Santa

Maria Station has reached such volume that it is now known as the "rubber-tired pipe line." During January, a total of over 178,000 barrels was hauled, averaging a load every 20 minutes. Crude oil produced in these fields, being very viscous, is heated and delivered by trucks equipped with insulated tanks. Rapid unloading facilities at Santa Maria Station handle a load of 100 barrels in less than 10 minutes.

Mobile radio equipment in Company vehicles has been extended by the addition of 15 mobile radio telephones in the Los Angeles Basin. This area now has in operation a total of 25 mobile units, two temporary location base stations for use in drilling wells, and one permanent base station.

from E. L. Hiatt

● COMPTROLLER'S

After more than 38 years of loyal service and in consideration of his health, William M. Shelton relinquished his position as general credit manager of the Company, as of February 1, 1954, and will retire from service.



William M. Shelton



R. D. Roberts

Appointed to succeed Mr. Shelton, effective the foregoing date, is R. D. Roberts, former credit manager for our Southwest Territory. Mr. Roberts joined Union Oil in 1917 as a credit man in San Francisco. He brings nearly 37 years of credit experience to his new assignment.

from Irving J. Hancock

ATTENTION EMPLOYEE SHARE OWNERS

The Annual Shareholders' Meeting is scheduled for April 13th. If you do not plan to attend this meeting personally, please sign and return the proxy that has been mailed to you. No employee should regard his or her holdings as being too small for representation at this meeting.

RESEARCH & PROCESS

For having completed two million manhours without a disabling injury, a record started July 13, 1953 and still continuing, employees of the Research & Process Department were presented with the Company's Own Certificate-of-Merit plaque. In the accompanying photograph below, taken during the February 12th presentation, C. E. Swift, vice president in charge of Research & Process activities, is seen holding the plaque. It was presented by Executive Vice President W. L. Stewart, Jr., who stands center between two Brea roses. The 350 other employees taking part preclude a wider introduction in this report.

from the Editor

The first commercial Hyperformer licensed by Union Oil Company will be built at the Signal Hill refinery of Calstate Refining Company. Design and construction schedules call for the new unit to go on stream late in 1954.

The National Advisory Committee for Aeronautics has announced the appointment of our C. C. Moore to its Subcommittee on Aircraft Fuels, which assists in the determination and coordination of aeronautical research programs in the national interest.

Senior Research Associate F. S. Scott, was elected chairman for 1954 of the Engineering and Development Committee of the Asphalt Institute, Pacific Coast Division. He will also serve as chairman of the Institute's National Steering Committee during 1954.

from C. E. Swift

MARKETING

Word from Montana indicates that during the 50-below-zero weather (It was 68 below at Rogers Pass, Montana, on January 20, the coldest weather ever recorded in the United States) affecting portions of the state during January, Royal Triton 5-20 and 10-30 survived the severe test with the finest distinction. Sales of both products, designed to function under wide temperature extremes, were booming, with many new customers demanding the oil that can "take it".

The \$68,000 wharf extension at Whittier was completed during January, thereby facilitating the mooring and safeguarding of our tankships. With the changing of our Juneau, Alaska, marketing station to a terminal operation, District headquarters have been moved to Juneau, the capitol of Alaska, from Ketchikan.

Eastern Continental Territory advises that the third annual meetings of our eastern distributors were most successful. Meetings in Kansas City, Minneapolis, Chicago, New York, Atlanta, New Orleans and San Antonio highlighted the Company's sales and advertising program for 1954. Proof of the enthusiastic acceptance of Union Oil products east of the Rockies is reflected in a 40 percent increase in sales during January, 1954.

During 1953, 105 new Union Oil service stations were opened. In addition, the Company rebuilt 44 older stations, replacing former facilities with completely new units. This expansion and modernization program will be accelerated during 1954.

from Roy Linden





Before San Manuel welcomed its first resident Minute Men were "At Plymouth Rock to meet the Mayflower."



Beating the town's main business district to completion, this neighborhood shopping center enjoys the copper rush.



Of San Manuel's first 1,000 homes, 500 are being constructed. Contracts for a second thousand are being drawn.



"The 76 sign goes right where that horned toad is sitting," explained Webb Construction Company's R. G. Fleming to J. E. Stephens on site of new Union Oil service station.

FIRST IN SAN MANUEL

From C. E. Denton

HARDLY had the cactus been cleared from Arizona's newest townsite in San Pedro Valley before a shining new Union Oil service station was up and open for business. It was easily the first business establishment on stream in this model city being built by the copper mining industry and, in fact, for a few days entertained nearly as many jack rabbits as customers. But, as Union Oilers had been led to believe, San Manuel grew faster than a rumor. Within six months, people were moving into new homes, and other businesses were staging their grand openings. Arizona's fastest growing city was well on its way toward becoming one of the largest, busiest and prettiest municipalities in this state.

Five hundred million tons of copper ore are providing the big San Manuel incentive. The ore body, 700 feet deep, will be mined by the San Manuel Copper Corporation, a subsidiary of Magma Copper Company. The ore, though low-grade, will be mined, concentrated and smelted on a large-scale basis, bringing at least 50 years of employment and prosperity to thousands of American people.

Union Oilers



▶ **SOLDIER** Pvt. Thomas M. Twohey, formerly in the Company's Accounting Department at San Francisco, recently graduated with honors from the 6th Infantry Division Leadership School at Ft. Ord, Calif.

◀ **SONGSTER** Vivian Hayter, employed in the Construction Department of Northwest Territory, was recently seen and heard on television's "The Salter Program" released over KOMO. Her beautiful soprano voice is in demand at many Union Oiler events.

from Gudrun Larsen





SEATTLE From left, District Sales Manager L. C. Burkland of Seattle is shown honoring President T. G. Wise of McKales Corporation, R. F. Rogers, C. H. Lein, F. C. Guiles and J. W. Bean with service plaques commemorating their many years of dealership association with the Company, Mr. Wise was formerly manager of our Northwest Territory.

from Gudrun Larsen



LOS ANGELES Southwest Territory Manager J. W. Miller (seated) recently summoned to his office, from left, F. B. Bremer, W. A. Longnecker, W. J. Cozad, L. E. Olinger, R. K. Pace and C. E. MacLean to commend them for continuous Union Oil Service of from 25 to 35 years each.

from Jack McFarland

SEATTLE Desk & Derrick Club members, from left, Kay Kesner, Charlotte McGinnis, Frances Landon, Myra Nelson and Marj Samp have just a moment of fun with the toys they distributed to needy Seattle chil-

dren during the Christmas Season. A unique party at which the Union Oil girls gave each other "toys for the needy" instead of personal gifts was acknowledged to be most joyous Christmas event ever.

from Gudrun Larsen

OLEUM Manager John W. Towler (center) of Oleum Refinery appears with, from left, Horace Blackford, Everett Manning, Julius Poppi and Isaac Roberts, four highly regarded Oleum employees who have stashed away their tools and settled down to the luxury of retirement.

from J. R. Belts



ON TOUR



SERVICE BIRTHDAY AWARDS

FEBRUARY 1954

MANUFACTURING

Salmond, John, Home Office.....	35
Anderson, Floyd E., Wilmington.....	25
Casey, Garrett W., Wilmington.....	25
Stute, Frank J., Wilmington.....	25
Alexander, Arvin L., Wilmington.....	10
Davis, Richard M., Oleum.....	10
Paradis, Evelyn M., Wilmington.....	10
Romo, Salvador, Oleum.....	10
Smith, Ara J., Wilmington.....	10

EXPLORATION & PRODUCTION

Garman, Trella B., Whittier.....	30
McDonough, Clarence J., Orcutt.....	25
McLeod, Edward P., Ventura.....	25
Bailey, James O., Bakersfield.....	15
Humphrey, Dean, Cut Bank.....	15
Miklich, Anton J., Cut Bank.....	15
Talpt, Arthur, Cut Bank.....	15
Bourque, Jesse, Louisiana.....	10
Schwenker, Freda M., Texas.....	10

INDUSTRIAL RELATIONS

Rockfellow, John P., Home Office.....	30
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MARKETING

Cozad, Wm. John Jr., Los Angeles.....	25
Evans, Idus F., Honolulu.....	25
Dummel, Paul L., Phoenix.....	20
Winters, Wesley H., Cornelius.....	20

Acquistapace, Henry J., San Jose.....	15
Dawes, Leslie J., Sacramento.....	15
Matthynssens, DeRoy C., Seattle.....	15
Chapman, Frank D., San Diego.....	10
Head, Virginia B., San Francisco.....	10
Kesner, Katherine L., Seattle.....	10
O'Connell, Claudia, San Francisco.....	10
Pelletier, Verel C., San Francisco.....	10
Wilkerson, Frieda M., Home Office.....	10

PIPELINE

Rizzoli, Valerio, San Luis Obispo.....	25
Truesdale, Orville, San Luis Obispo.....	25
Ledbetter, B. C., San Luis Obispo.....	20
Savage, Arthur C., Santa Fe Springs.....	20
Rhync, Edward J., San Luis Obispo.....	10

COMPTROLLERS

Rettke, Donald H., Home Office.....	25
Quintin, Jo Anne, Home Office.....	10

EXECUTIVE

Jardine, John E., Home Office.....	25
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RESEARCH & PROCESS

Boardman, Stanley J., Brea.....	10
Kinsella, Roger J., Brea.....	10
Merrill, Wesley C., Brea.....	10

BREA CHEMICALS

Scalia, Melva G., Los Angeles.....	10
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MARCH 1954

EXPLORATION & PRODUCTION

Ness, Sigurd O., Orcutt.....	35
Boness, Harry E., Bakersfield.....	30
Smith, Mounce F., Bakersfield.....	30
O'Neill, Cornelius T., Bakersfield.....	20
Simonson, O. Clifton, Whittier.....	20
Williams, Harold S., Home Office.....	20
Podoll, Adolph, Cut Bank.....	15
Valensuela, Silvy J., Bakersfield.....	15
Bels, Arthur J., Bakersfield.....	10
Matheny, Ora D., Bakersfield.....	10
McFarland, Clell C., Richfield.....	10
Rojas, Joseph W., Orcutt.....	10

MARKETING

Lorimor, Leonard L., Fresno.....	35
Bills, Hilda H., Portland.....	25
Glendenning, Howard L., Riverside.....	25
Gray, Andrew D., Home Office.....	25
Moffitt, Earle F., Santa Fe Springs.....	25
Stirling, Aliene, Los Angeles.....	25
Brenchley, Reginald, Sacramento.....	20
Beauchamp, David D., Oregon.....	15
Oswalt, George D., Spokane.....	15
Poe, Herman, Santa Barbara.....	15
Hawkins, Raymond A., Los Angeles.....	10

COMPTROLLERS

Anderson, Leonard J., Los Angeles.....	30
Lindsey, Charles W., Home Office.....	25

MANUFACTURING

Francis, Webster, Wilmington.....	25
Baldwin, Leo E., Oleum.....	20
Bergvelt, William, Wilmington.....	20
Bowie, James D., Oleum.....	20
Brown, Fred W., Oleum.....	20
Hamilton, Clarence E., Oleum.....	20
Lippens, Charles E., Wilmington.....	20

Neely, Samuel R., Oleum.....	20
Nuzman, Frank C., Oleum.....	20
Petersen, Porter I., Oleum.....	20
Prolo, Joe, Oleum.....	20
Thompson, Charles W., Oleum.....	20
Tyler, Eugene R., Oleum.....	20
Wilson, Harold N., Wilmington.....	20
Hughes, Michael F., Oleum.....	20
Andrews, Ford A., Wilmington.....	10
Grant, Myrtle, Wilmington.....	10
Harkness, Henry C., Wilmington.....	10
Keller, LeRoy R., Wilmington.....	10
Miller, Edward F., Oleum.....	10
Monay, James, Wilmington.....	10
Tucker, Kenneth L., Wilmington.....	10

PIPELINE

Pate, John B., Santa Fe Springs.....	25
Windes, Noel, Santa Fe Springs.....	25
Baker, Charles V., San Luis Obispo.....	10

AUTOMOTIVE

Bielland, Gerhard O., Portland.....	25
Shuck, Hugh N., Santa Fe Springs.....	20

MARINE

Tomter, Austin, Wilmington.....	25
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NATURAL GAS & GASOLINE

McFaddin, Don E., Home Office.....	25
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RESEARCH & PROCESS

Attane, Edward C., Jr., Brea.....	10
Bergsteinsson, Ingolfur, Brea.....	10
Schaefermeyer, Wm. C., Brea.....	10

TAX

Barbarus, Pauline, Home Office.....	10
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TREASURY

Groesch, John W., Jr., Home Office.....	10
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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:

HORACE BLACKFORD

Oleum Refinery
Employed 2/18/22—Retired 2/1/54

WILLIAM J. STEWART

Field Department
Employed 4/17/25—Retired 2/1/54

EVERETT MANNING

Oleum Refinery
Employed 1/27/28—Retired 2/1/54

JULIUS POPPI

Oleum Refinery
Employed 10/27/33—Retired 2/1/54

ISAAC ROBERTS

Oleum Refinery
Employed 3/24/43—Retired 2/1/54

CHARLES W. CARLILE

Oleum Refinery
Employed 2/14/21—Retired 3/1/54

HORATIO McKENNA

Northwest Territory
Employed 11/20/22—Retired 3/1/54

GEORGE W. CLARK

Field Department
Employed 6/1/25—Retired 3/1/54

MARVIN TRIMMER

Oleum Refinery
Employed 12/5/43—Retired 3/1/54

In Memoriam

On January 25, 1954
GEORGE ALBERT BURT
Los Angeles Refinery
Retired January 1, 1936

On January 31, 1954
WILLIAM D. KUHN, SR.
Southern Field
Retired July 30, 1939



36,775 people—largest crowd ever to watch a World Series game in Ebbets Field—see Yanks beat Dodgers in the fifth game, October 4th, 1953.

STOCKHOLDERS' MEETING

IF every man and woman who owns stock in the Union Oil Company were to meet in one place it would take a ball park larger than Ebbets Field to hold them.

For over 40,000 people own shares in this company.
The largest shareholder owns less than 1%.

Illustrating once again that Union Oil—like so many large American companies—is not the exclusive property of a *few* people.

It is, rather, a partnership of thousands of wage earners and investors who are venturing their savings to make a profit. This is the American way.

UNION OIL  COMPANY
OF CALIFORNIA



Buy American and protect your standard of living