LAKE LOUISE IN THE CANADIAN ROCKIES

CANADIAN DIVISION

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA

MAY 1954

On Tour

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Volume 16, Number 5
MAY 1954

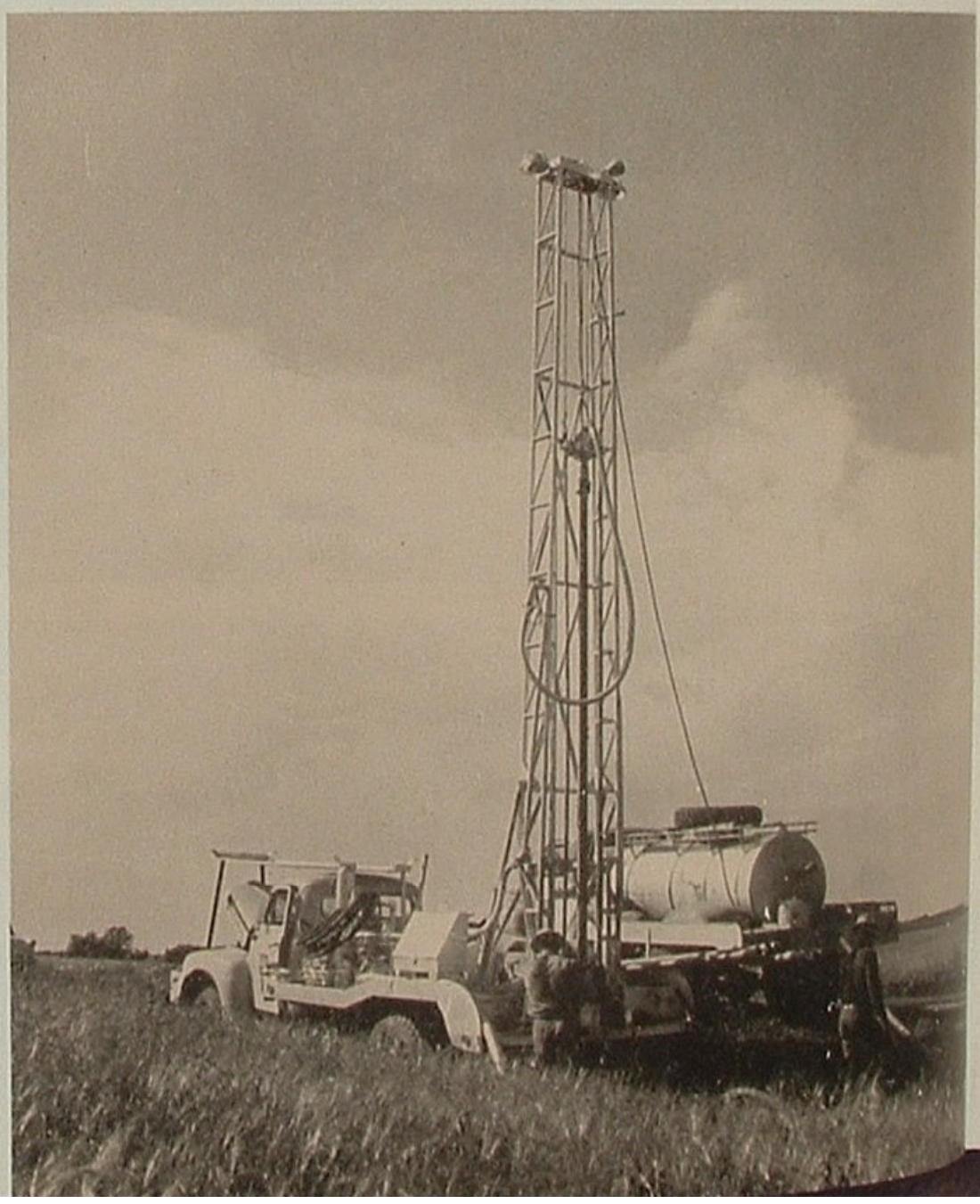
In This Issue

"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 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

Receptionist Pat Oughton welcomes you to the Calgary office of our Canadian Division to hear the accompanying report of E. C. Babson, opposite page.

Canada is the scene of widespread oil exploration. Below, a United Geophysical crew is seen drilling a shot hole near Wimborne, Alberta, preparatory to determining the "profile" of underground rock layers.



ANY

ANADIAN DIVISION

By E. C. Babson
Manager Operations, Canadian Division

TO comprehend the petroleum industry's current million-dollar-per-day search for crude oil in Canada, you are obliged first to understand something about the country's geography and climate.

Just east of the Canadian Rockies the foothills flatten out into what is known as the Western Canadian Sedimentary Basin. It is a triangular shaped area approximately 850 miles wide at the U. S. border and extending 1,500 miles northward to the Arctic Ocean. Except for a few isolated hilly areas, the Basin consists of flat or gently rolling plains. Four large rivers traverse it—the North and South Saskatchewan Rivers, which flow together in eastern Saskatchewan and eventually empty into Hudson's Bay—and the Athabaska and Peace Rivers, whose waters reach the Arctic Ocean by way of the MacKenzie River.

The southern portion of the Basin, consisting of prairies, is devoid of trees except in the river canyons. The better prairie land is planted to grain, while the remainder is used for pasture.

North and east of the prairie belt, the land was originally forested. In central Alberta and Saskatchewan most of this land has been cleared and is now cultivated. The *bush* country not yet cleared supports mixed forests of spruce, poplar and aspen. In the poorly drained areas are patches of swamp, referred to in the North as *muskeg*. As you travel northward the trees become smaller, there is more spruce and less poplar, the muskegs become more extensive.

Receiving only from 10 to 20 inches of precipitation a year, the Basin has a relatively dry climate. Most moisture falls during summer as a result of thunder showers and other local storms, but the area is generally mantled with snow throughout five months of winter.

The summers become quite warm in southern Saskatchewan and Manitoba, moderating somewhat as you proceed northward. But severe cold during the winter sends the thermometer down to extremes of 40 to 50 degrees below zero. Prolonged cold from the middle of November until the end of March freezes the ground to a depth of five to seven feet even in southern Alberta. Further north the ground is frozen to much greater depths, and only several feet of surface layer thaws out during summer. The perpetually frozen ground underneath, known as *permafrost*, is encountered in northern Alberta and British Columbia.

Although people of British descent predominate in the area, there are fairly large colonies of French, Ukranians, Russians and Germans. The settled portion lies largely within 400 miles of the U. S. border, the land north of this belt being wilderness except for the Peace River area in Alberta and British Columbia where some of Canada's richest wheat land is cultivated. The largest city is Winnipeg in Manitoba near the Basin's southeastern corner. Other important cities are Calgary and Edmonton in Alberta, Regina and Saskatoon in Saskatchewan.

The economy of the "Prairie Provinces" (Alberta, Saskatchewan and Manitoba) is dependent principally on the agricultural crops of wheat, oats and barley. There is also a thriving cattle raising industry, and in southern Alberta and Saskatchewan diversified agriculture is carried on in the irrigated areas.

Petroleum is probably the next most important factor in the Basin's economy, with chemical manufacturing increasing rapidly because of large coal deposits and the availability of cheap natural gas.

OIL EXPLORATION IN CANADA

Exploration for oil has been carried on sporadically in Alberta since the early part of the present century. First to attract attention was a southwest portion of the plains and the Foothills Belt near the Rockies. Three important fields were discovered in the foothills, Turner Valley oil field and the Pincher Creek and Jumping Pound gas fields. A few small oil fields discovered in the southern plains were of little importance. Until 1947 the entire exploratory effort in western Canada was very limited.

The present intensified exploratory program dates

PRINCIPAL OIL AND GAS FIELDS OF WESTERN CANADA

OIL FIELDS

GAS FIELDS

UNION OIL CO
MAJOR LEASE BLOCKS

50 0 100 200 300 350

SCALE IN MILES

from the discovery of Leduc field in 1947. The discovery well, Imperial Leduc No. 1, found prolific oil production from a coral reef of Devonian age in the central plains near the city of Edmonton, touching off an oil boom in central Alberta. Within the next few years several major and a number of small fields were discovered. Largest of these fields, located in a belt approximately 150 miles long and 50 miles wide with Edmonton near the north end, is Redwater; however, the Golden Spike, Stettler and Bonnie Glen fields are also important. This entire central plains area, known as the Reef Fairway, is cultivated and contains a good network of roads and a number of towns.

During 1952 oil fields were found in Saskatchewan and Manitoba, with the important discoveries being confined to western Saskatchewan.

Then in 1953 came the Pembina oil field discovery in Alberta. This field, west of the Reef Fairway, has developed into a find of tremendous extent and could prove to have the largest oil reserves yet found in a Canadian field. Pembina field, together with the Sturgeon Lake Reef discovery south of the Peace River area, has caused the center of oil activity to move west from Reef Fairway into the bush country lying between the cultivated portion of central Alberta and the foothills. Prices for oil and gas leases in an area 200 miles long by from 40 to 100 miles wide have skyrocketed. In some cases fantastic prices have been paid for wildcat land many miles out in the bush.

In many respects the methods of finding and developing oil reserves in Canada are similar to those employed elsewhere. Surface geological work can be done in the foothills, but in the plains the principal exploratory tool is the reflection seismograph. Much of the prospective area in Alberta and Saskatchewan has already been covered by seismograph surveys, some of it by several different companies. And each year several hundred wildcat wells are drilled on the prospects developed by seismograph work.

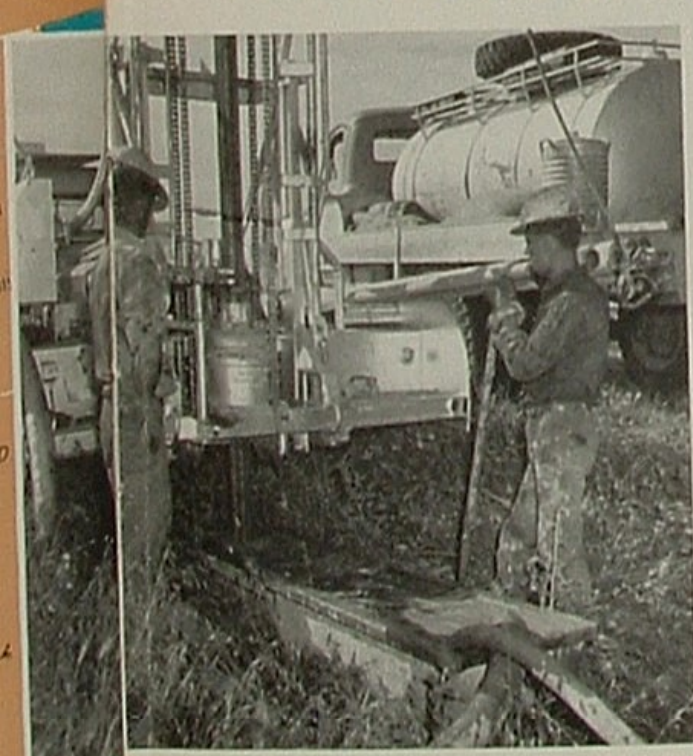
The depth at which production is found varies considerably. In Manitoba, for instance, the principal oil production is found between 2000 and 2500 feet below the surface. In the foothills of Alberta the production horizon is 8000 to 12,000 feet underground, while in the Reef Fairway of central Alberta wildcat wells are drilled to depths between 3500 to 7500 feet.

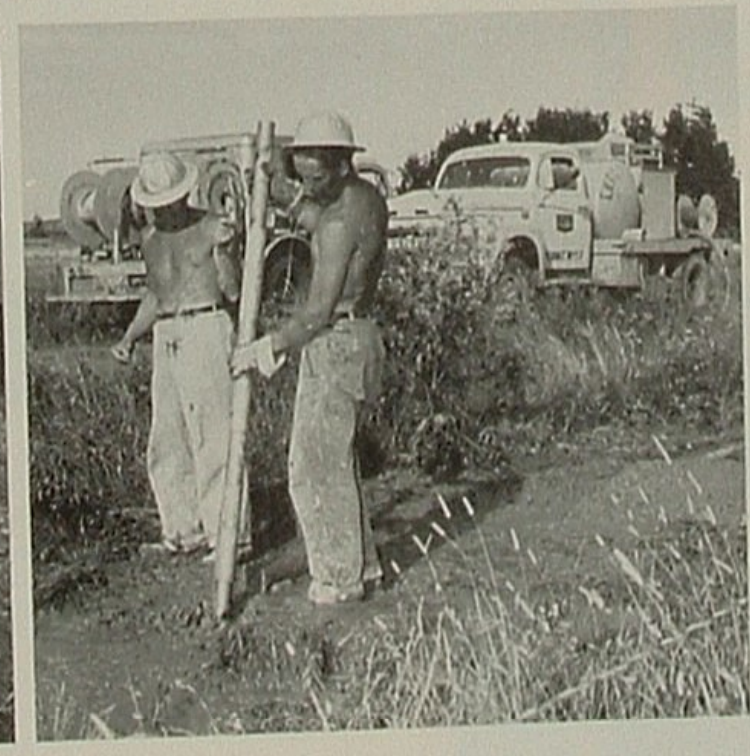
Oil and gas rights under most land in Western Canada are held by the provincial governments. An oil company wishing to search for oil in an area not previously applied for can obtain an exploratory permit or reservation. After doing a certain amount of exploratory work, the company may select leases totaling not more than half the area described in the permit. The remainder of the land becomes Crown Reserve and is sold by the provincial governments through competitive bidding.

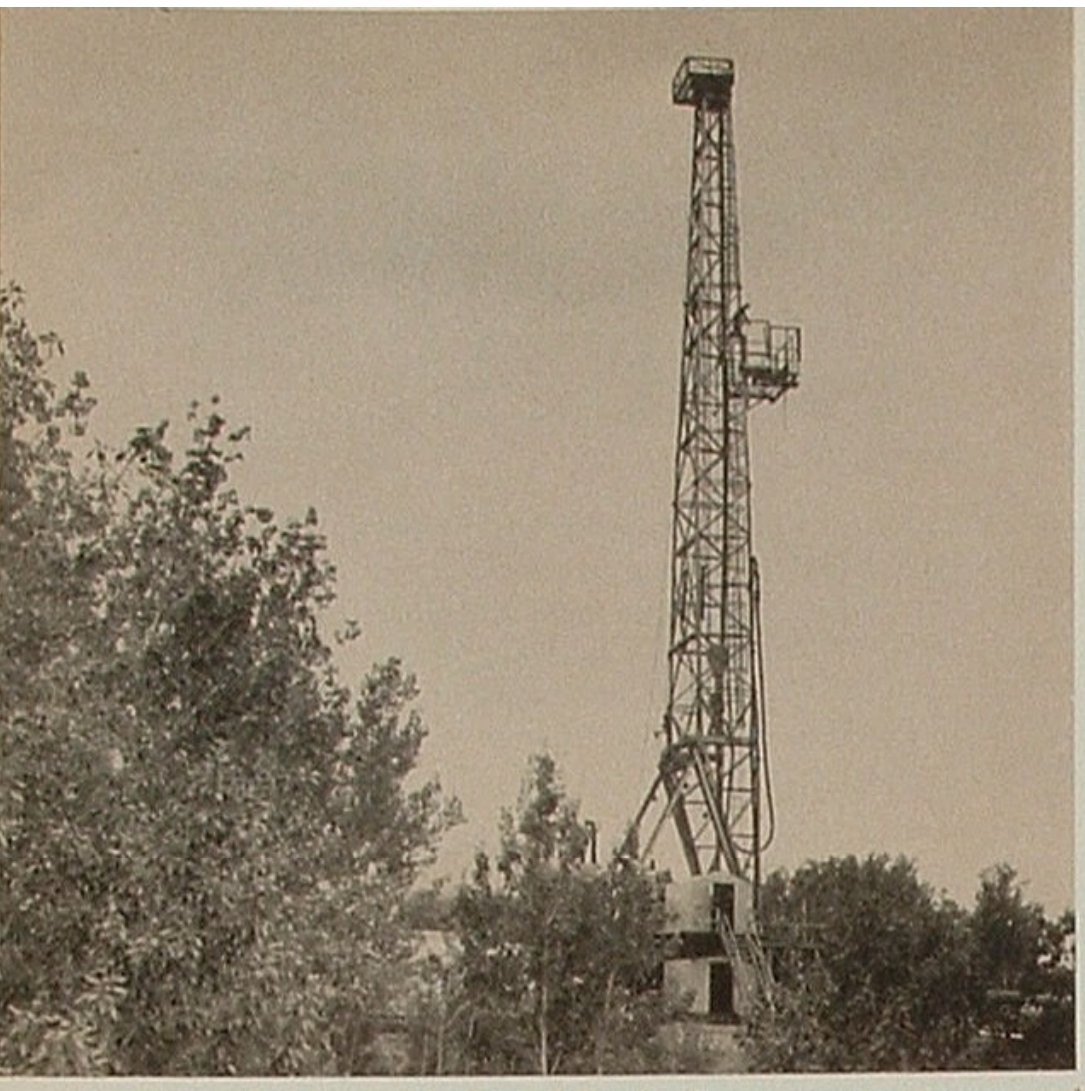
Oil operators in Western Canada meet with a few problems not generally encountered in major oil producing areas of the United States:

As mentioned previously, the ground is frozen during the winter season. Throughout these four or five months, roads remain in good condition and transportation is

Geophysical explorers search for oil structures rather than oil. After drilling a hole with the portable drill, left, they lower an explosive charge, center, then touch off the charge, right, and with sensitive recording equipment measure the depth of rock layers from which shock waves are reflected. Promising structures later are drilled.







Such cities as Seattle and Portland may soon receive natural gas from this and other Union Oil wells being drilled at Fort St. John in far northern British Columbia.

relatively easy except for drifting snow. In the spring, however, dirt roads melt into rivers of mud and become practically impassable. In order to prevent damage to the soft roads, authorities establish a ban on heavy traffic for periods of from three to six weeks, thereby greatly complicating exploration and drilling operations.

In the bush country, spring thaws are even more of an obstacle. Here the tree shaded roads and trails take much longer to dry out. Also there are large expanses of muskeg that remain impassable throughout the summer. In some of them, bulldozers have been known to sink so deep as to make their recovery impossible. Since the bush trails and muskegs are frozen solid during winter, it is in this cold season that most geophysical and drilling operations are conducted. Efforts to develop special tracked vehicles for negotiating the bush in summertime are proceeding and may eventually result in all-weather operations.

UNION OIL COMPANY PIONEERED

Union Oil Company was one of the first companies to market petroleum products in Canada. As early as 1912 we began making shipments of fuel oil to British Columbia.. In the process of pioneering the use of fuel oil in locomotives, Union Oil contracted with the Canadian Pacific Railway to supply that company with fuel oil for both their rail equipment and ocean liners. The contract continued until the sale of our marketing operations to British American Oil Company, Ltd., in 1945.

Russ Burns is chief geologist for Union's Canadian Division.

In the geological group are (photo at left) from left, Sybil Burkholder, Jim Chilton, Lillian Kerr, Roy Jones, "Bulldog" Drummond, Marvin Pistrang, Neal Burkholder; (photos above) from left, Ian McPhee, Reinhart Evelein; Clarence Gilbreath, Jack Cook and Pat Nolan.

Up until 1921 Union crude oil was supplied to the B. C. Refining Company, Ltd., a small company which operated a refinery at Port Moody, British Columbia, and marketed petroleum products, except gasoline, in British Columbia and Alberta. Wishing to introduce other products into the provinces, Union purchased the refinery, tank cars, fuel oil barges and other equipment from B. C. Refining Company in 1921, immediately thereafter establishing bulk plants and service stations in Vancouver, New Westminister, Victoria and Nanaimo. Soon similar services were extended to Fraser Valley, Kootenay and Okanagan territories and Prince Rupert. And the British Columbia fishing industry accepted with enthusiasm Union Oil's offer to deliver petroleum products to their canning plants located as far north as the Alaskan boundary. Previously the canneries had been obliged to buy and transport their oil supplies from Vancouver or Victoria. By 1925 Union Oil marketing services extended also as far inland as Calgary, Red Deer and Edmonton in Alberta.

The sale of all Union Oil marketing facilities in Canada to British American in 1945 by no means terminated our interests there. We continued to supply products to British American and, more recently, have sold a considerable volume of lubricants through established distributors. Furthermore, since foreign exchange regulations at the time of the sale prevented the transfer of Canadian money to the U. S., the capital received from British American was left in Canada for possible use in exploratory operations.

The Calgary accounting group includes, from left, Perc. Alexander, Jack Taylor, Pauline Braun, Bud Leimceber, Division Accountant Jim Bell and Harriet Robertson.

Tommy Thomasson is our special representative in Calgary area.

Above are, from left, Geologist George Springer and Regional Stratigrapher Grayson Meade; Engineers Ev Forte and Ed Hughes; right, Draftsmen Dominique Chomel, Don Turner and Bert Wade. More than 90 per cent of the Union Oilers in our Canadian Division are citizens of that country.

Our Canadian Land Department is handled by, from left (above), Bill Taylor, Doug. Leitch, Beth Redfern; (below) standing, Shirley Coskey, Anne Glaser, Cleo Argyropoulos, Alma Neilson, Joan Dixon, Valoree Smith, and, seated, Allie Moritz, lease processing group.

Below are Don Jarrett, Bob Clark and Jean McDerby, three additional members of the Calgary accounting staff.

EXPLORATION BEGAN IN 1930

Back in May, 1930, two Union Oil Exploration men visited Alberta for the purpose of studying oil production possibilities of the province from all sides—geological as well as political and geographical. They were R. G. Greene, now manager of exploration for the Western Area, and Howard Pyle, who is now President of Monterey Oil Co. Five months spent in the plains and Peace River areas were enough to convince the two that Canada had a very promising oil future.

But it was 15 years before the Company took definite steps to drill for Canadian oil. In 1946 Union entered into a farmout agreement with McColl-Frontenac whereby Union was to drill a series of wells in southern Alberta in search of gas. As a result, three gas fields were discovered and 41 wells were drilled on a joint basis, 13 of which were gas wells. The gas reserves found in this manner were later sold to the Montana Power Company.

In January, 1949 our current bid for leases and production was begun with the opening in Calgary of our first Canadian office. Earl B. Noble, W. W. Heathman and S. G. Wissler pioneered the endeavour, using the Palliser Hotel as headquarters. Since then the staff has grown to about 70 members, most of them introduced herewith in pictures, who occupy one of Calgary's finest office buildings at 901 8th Avenue West.

A first step in the 1949 exploratory program was the acquisition, jointly with Hudson's Bay Oil and Gas Company (largely owned by Continental Oil Company), of reservations aggregating some two million acres in the

Taking coffee-break are Rita Alberts (land), Orhan Baykal (geologist), Henk Wories (geologist), Sara Roso (geologi-

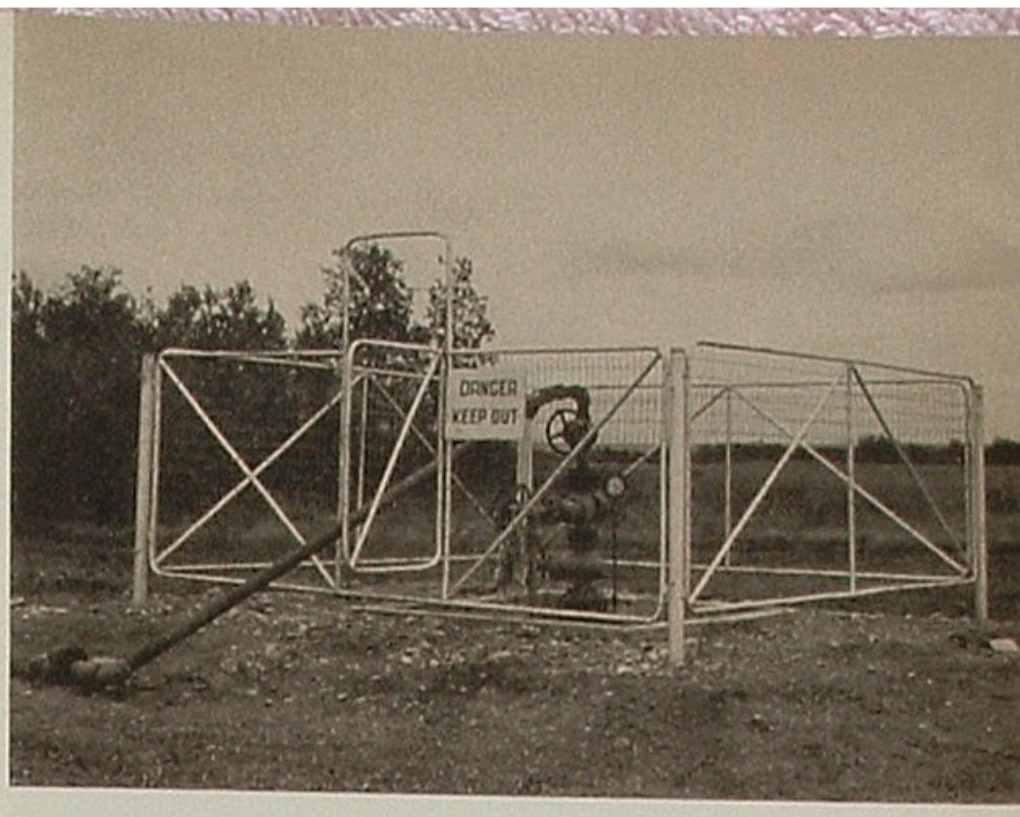
Peace River area of nothern Alberta. Following extensive geophysical work, a number of wildcat wells were drilled on these lands, resulting in the discovery of the Tangent, Hamelin Creek, Eaglesham and Dunvegan gas fields. An interest was also obtained in lands along the Peace River in British Columbia on which the Fort St. John gas field has been discovered. These gas fields constitute a major portion of the reserves behind the proposed Westcoast Gas Transmission Line from the Peace River area to Portland and Seattle.

Our exploratory program in central and southern Alberta did not get underway for two years, or until 1951. But Union Oil drilling initiated during that year has accounted for the Fairydell, Samson and Hays oil fields.

Probably the most significant development from our Company's standpoint has been the discovery by Amerada Petroleum Corporation of Devonian Reef production at Sturgeon Lake just south of the Peace River area. Oil production has now been obtained in at least two areas and it appears that the field is likely to extend onto a large block of Union Oil holdings.

Another large block in which the Company has a substantial interest lies in the Buck Lake area a few miles south of the Pembina oil field. Oil production has now been obtained from the Cardium sand on both sides of this block. There is a good possibility that the productive area will extend across our land.

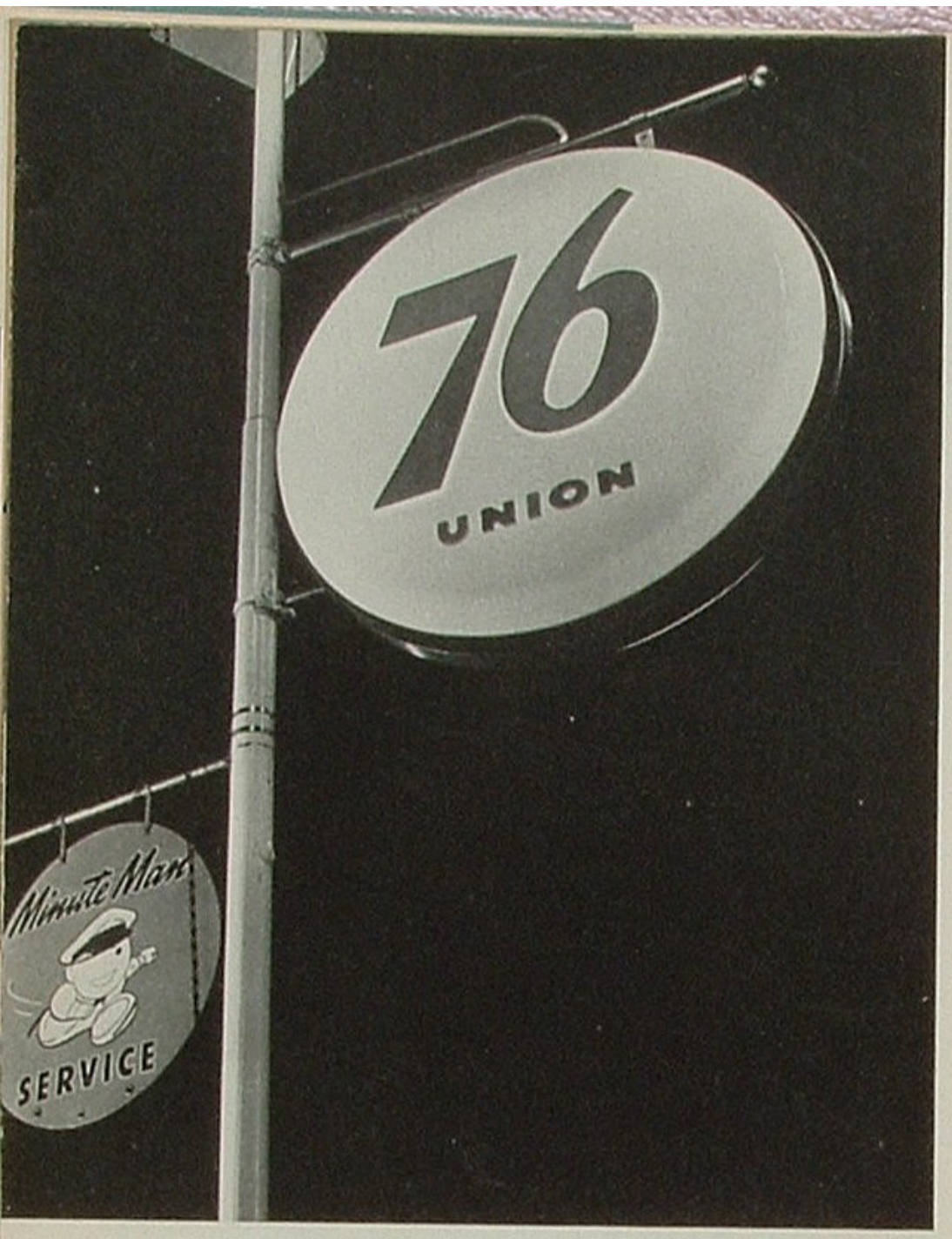
That in brief brings you up to date on our Canadian oil picture — a moving picture, let us add, more spectacular and collosal than our script can possibly convey.



This Union gas well, shut-in pending a transportation outlet, is a few miles north of Dawson and the Peace River Bridge. The Alaskan Highway passes it nearby.

In the geophysical group above are, seated, Ed Strand, Hazel Saunders, Marilyn Lassen, Rod Phipps, standing, Syd Kahanoff, Jack Porter; and below, Chief Geophysicist Jim Smith and Seismologist Don Clark.

cal), Jim Thomson (scout), Reg. Griffiths (draftsman), Dick Dippner (geophysical), Norm Cridland (draftsman).



THE PATENT DEPARTMENT'S OFFICIAL STORY OF HOW

76 EARNED ITS NAME

By Ross J. Garofalo
Patent Counsel

WILLIAM SHAKESPEARE'S famous assertion to the effect that "A rose by any other name would be as sweet" hardly qualifies the Bard of Avon as a good advertising man. In this day and age, a manufacturer, no matter how sweet his product, has to have a "sweet" name for it — something catching, easy to remember, convenient to display.

Somehow the story of how Union Oil Company's 76 trade symbol originated has escaped publication heretofore. So here are the facts gleaned from Patent Department records as well as persons who were on hand during the 76 launching. Most Union Oilers will find the facts enlightening.

Late in 1931, our Company was ready to market the "finest anti-knock, non-premium gasoline ever offered"—except for an appropriate name. The Advertising Committee, then consisting of W. L. Stewart, Jr., R. D. Matthews, A. C. Galbraith, V. H. Kelly and D. E. Forker, favored giving the new product a number rather than a name. Heinz Company's famous 47 and 57 Varieties had gained worldwide advertising attention. Phillips had come on the market with their 66 gasoline. Why not outscore them both by offering a 77 product?

For reasons best understood by advertising specialists, 77 was finally rejected; evidently two sevens, being extremely angular at the top, do not constitute an attractive display. However, committeeman Matthews, a Welchman who had been studying history to qualify for American citizenship, promptly remembered the next-door neighbor of 77 and tossed 76 on the table.

The committee immediately liked 76. It would lend itself to attractive advertising displays. It was easy to remember, for nearly every American citizen recognizes the number as an abbreviation of his country's birthdate, 1776, when the original colonies banded together in declaring their independence.

Furthermore, Union Oil was founded through the banding together of several enterprises into one large independent. For that reason the founders had adopted

the name Union and used the union shield as our first official emblem.

And finally, the new gasoline was being introduced exactly 200 years after the birth of George Washington, through whose Spirit of '76 the Revolutionary War was fought and won.

Why not, then, call this revolutionary new gasoline 76?

Our 76 Gasoline was first introduced on January 2, 1932. About one month later, we applied for federal registration of this trade-mark in the United States Patent Office, and for state registrations in California, Oregon, Washington, Idaho, Nevada and Arizona.

Although the states registered our trade-mark, the U. S. Patent Office refused on the grounds that the numeral 76 might well indicate a descriptive property of the gasoline, namely, either the Baume-gravity rating or the octane rating. According to Patent Office regulations, numerals may constitute valid trade-marks if properly used to denote origin; but they are not valid if such numerals indicate characteristics other than origin such as style, quality, size or pattern.

Through Victor H. Kelly, then director of sales, the Company filed in the Patent Office an affidavit setting forth our advertising and patriotic reasons for selecting 76, and re-emphasizing that the number was not intended to refer to quality, grade, class, octane rating or any other measurable characteristic of the gasoline.

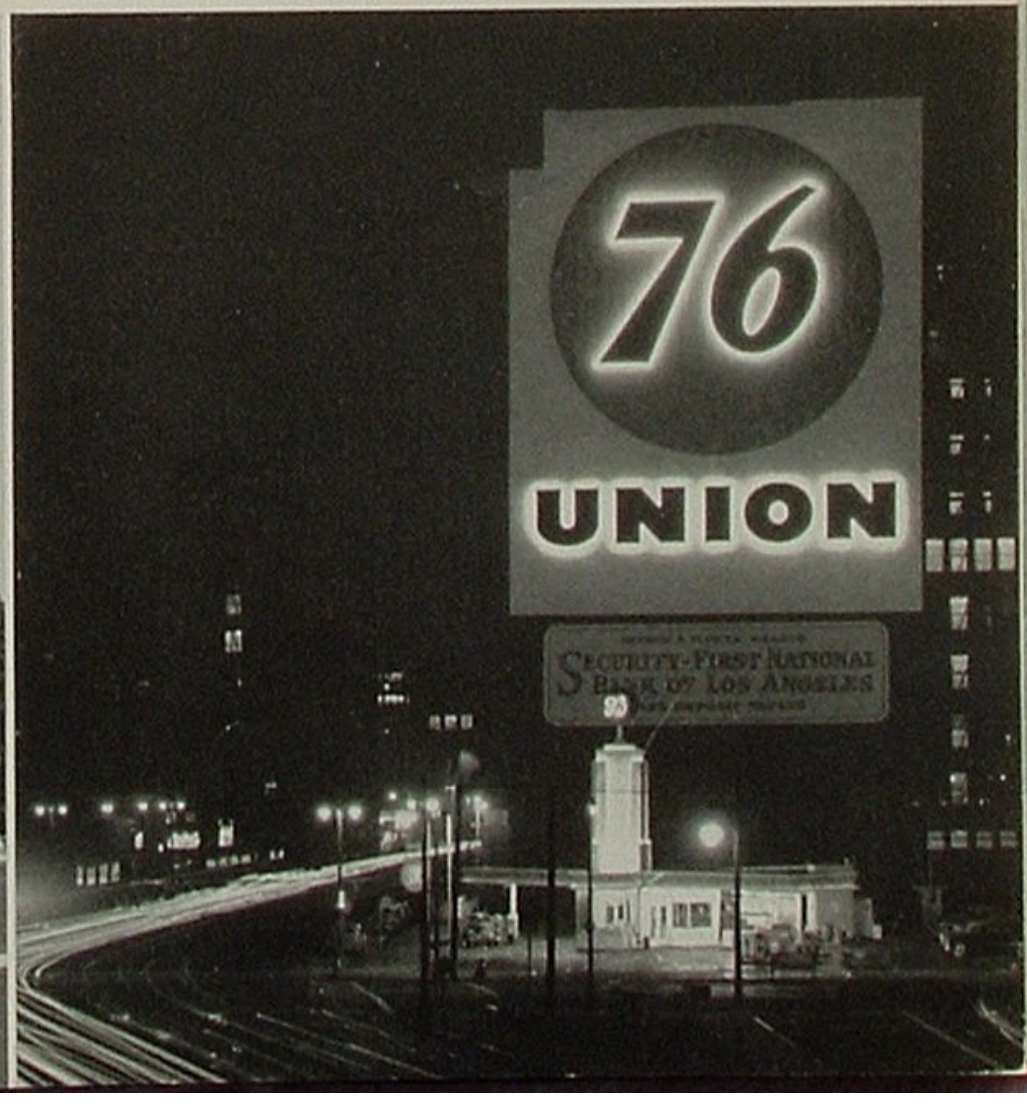
The Patent Office again refused. Furthermore, upon our appeal to the Court of Customs and Patent Appeals, the refusal of the U. S. Patent Office was upheld.

Exercising quite a degree of *damn-Yankee* persistence, we tried again in 1947 to overcome Patent Office resistance. This time we were better armed. The advertising firm of Foote, Cone and Belding had just completed identification surveys in Los Angeles, San Francisco, Portland and Seattle. During the surveys they had shown the trade-marks of eight major Pacific Coast oil companies to more than 2,000 motorists, asking each to identify the company using the trade-mark. The result was that 82 per cent of the motorists identified 76 as the Union Oil symbol — a higher percentage even than of those able to identify the trade-marks of most of our major competitors. Thus, 76 was shown to be a firmly established trade-mark denoting Union Oil origin and ownership in the minds of the motoring public.

The Patent Office relented and on February 28, 1950, certified 76 as a valid trade-mark of Union Oil Company.

Today 76 is registered in the U. S. Patent Office, in 24 states and in 28 foreign countries. It designates not only our "revolutionary regular" gasoline but appears on countless other products, packages, tanks, vehicles and other properties through the Company. Union Oil people wear it proudly as a lapel emblem denoting 10 or more years of continuous Company service. It has become the Union Oil hallmark.

So, names have a certain importance and utility in our time. Still it is good to remember, as a minister recently commented, that only one person was ever affectionately named Cain!



With frost foliage decorating the trees at Giant Springs near Great Falls, below, a Montana motorist digs out to her car with the big question yet unanswered: "Will it start? Or has the oil frozen into solid paving?"

Below, many cars in Great Falls sit out the cold snap while their owners walk to work. A large percentage of those in action at right either changed to Royal Triton 5-20 or are headed in the right direction toward a change.

When Montanans Changed Oil

From D. B. Hayes

ON January 20, 1954, it was 70 degrees below zero at Rogers Pass, Montana, the coldest weather ever recorded in the United States by the Weather Bureau. Many other points in the state reported thermometer readings between 30 and 60 below, and it lasted nearly a week.

In Great Falls, hundreds of motorists called for tow trucks to get their motors started. Even a tow truck froze up during a rescue trip and had to call for help from a four-wheel-drive Jeep. It was then that Montana people began to remember an ad pertaining to the all-weather qualities of Royal Triton 5-20 and 10-30.

This was the supreme test our newest automotive lubricants had been waiting for. They had been designed to flow freely at extremely low temperatures and to maintain proper lubricating viscosities throughout all operating temperatures of motors in every clime. Here was a *natural* opportunity to prove our advertising claims.

A large percentage of the cars that could get started in Great Falls headed for the nearest Union Oil dealer. Soon a number of our stations ran out of Royal Triton 5-20 stocks—started using from the window displays—and phoned the plant for rush orders. With Canada and other points also calling in for emergency shipments of "the purple oil that doesn't freeze," Company business rose with every decline of the mercury.

The comments volunteered by 5-20 and 10-30 users were gilt-edged testimonials to a Union Oil salesman's ears: "I didn't have to be pushed." "After standing out all night, the motor turned over like a top." We predict that next year hundreds more will switch to the unbeatable combination of 7600 and Royal Triton 5-20 well in advance of below-zero weather.

At Whittier in Alaska, Union Oil has won a beachhead in mankind's war against the merciless Arctic elements.

UNION OILERS HAVE ESTABLISHED A BEACHHEAD

At Whittier Terminal

BIRTHPLACE OF WINTER STORMS

As told to Gudrun Larsen by DSM Frank Kerth

WEATHER forecasts of a storm forming in Alaska oftentimes are evidence of our Whittier Terminal being under heavy winter seige. Here winter storms of the Pacific Coast are born. Though moisture-bearing clouds may form over Arctic expanses farther to the north, it's at Whittier where they meet warmer ocean air currents and gain enough windy momentum to send them several thousand miles south.

No, Whittier is not a warm spot by California standards. It gets 20 below zero there with boring regularity, and some 30 feet of snow drops in for a long winter stay. But Whittier Union Oilers take such weather in stride—even consider it moderate.

The thing they don't get used to is the wind. Sometimes it seems as if the wind sort of creeps, at 30 miles an hour, along Whittier Glacier, looking for moving victims—then swoops down at 70 miles an hour to reclaim the beachhead. Mix 30 feet of snow and 20 minus-degrees of sea-side cold with a 70-mile wind and you've got more winter than any man ever bargained for.

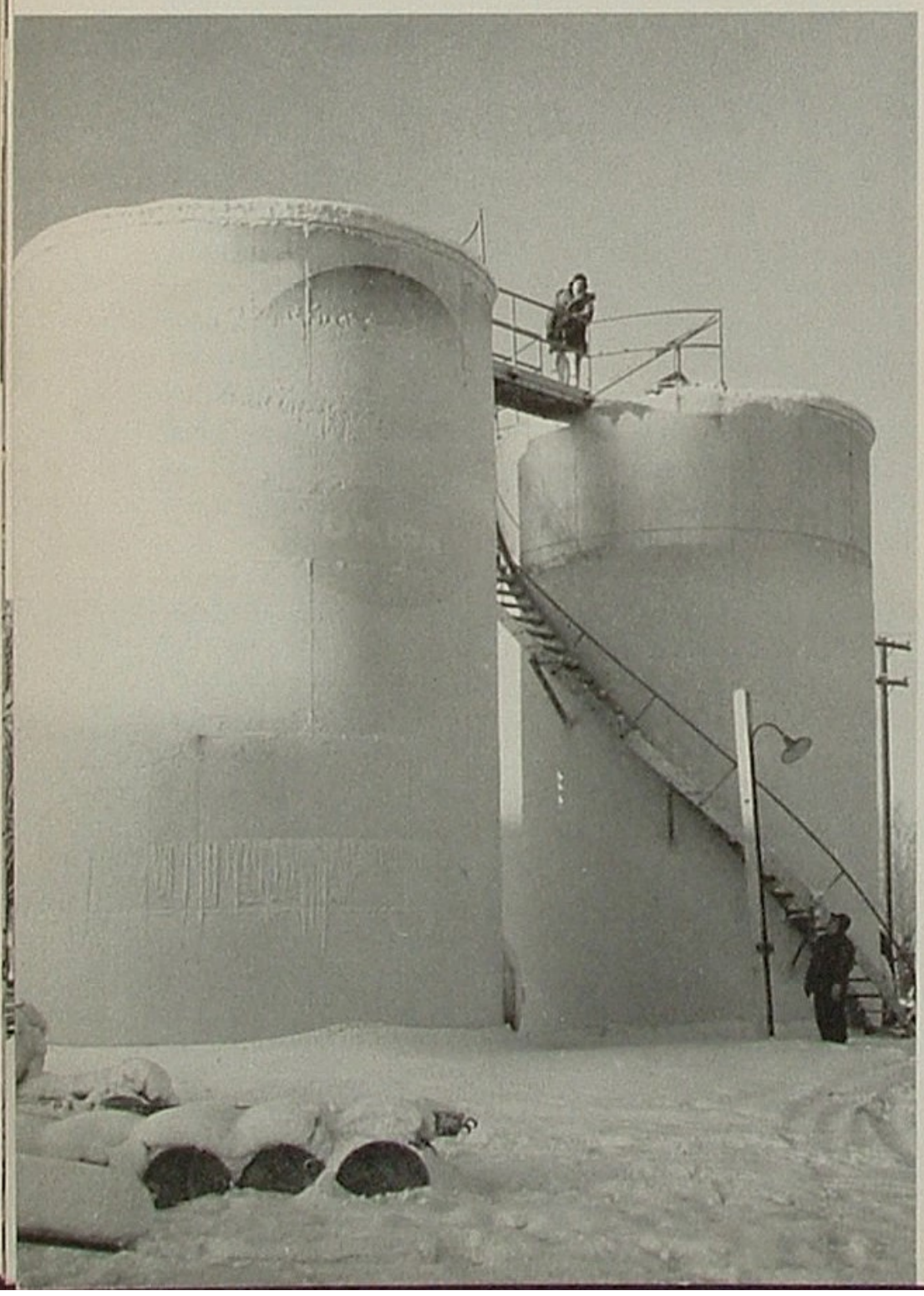
Union Oil Company and Uncle Sam's Army picked Whittier as a terminal for a very good reason. It's one of the few ice-free (nautically and relatively speaking) ports in Western Alaska. Through Whittier must go seaborne petroleum products for practically all of Western Alaska. To aid the stout-hearted conquest being waged on that great American frontier, Union Oil is sending a tankship north to Whittier about every 45 days—winter and summer.

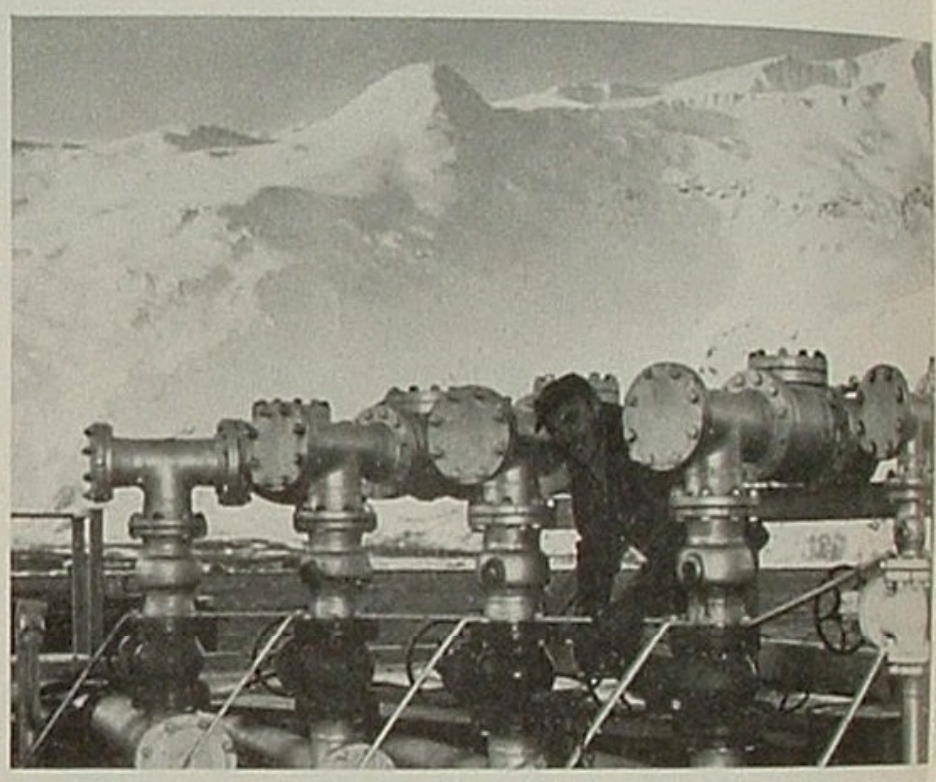
Our Whittier Terminal volume, representing practically all of Union Oil's *finest* products, may surprise you. It is averaging well over 1½ million units a month. A hundred Company tank cars carry the bulk fuels and gasolines to Fairbanks, 425 miles to the north, and to the other rail-served towns of Anchorage, Palmer and Portage. Lubricants and other packaged commodities are shipped to Whittier from Oleum or Seattle via commercial carriers.

Whittier Terminal employees of Union Oil include Superintendent J. A. Matelyak, Larry Franks, Harold Chappelle, Bob Kozlowski, Rod Hiser and Jack Cadigan —some of whom are introduced in Mackie Cornwall's photographs on the following two pages.

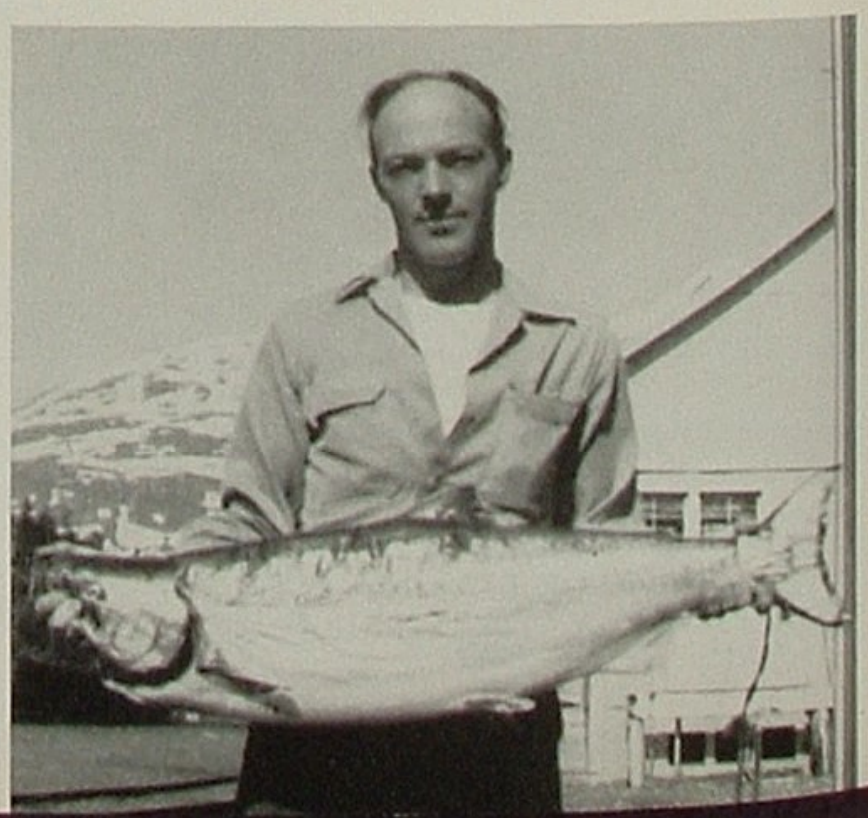
The salt-water sound between Anchorage and Seward is frozen over, but beyond are open waters which admit Company tankships to Whittier Terminal the year around.

Terminal storage tanks are being gauged by Rod Hiser with an assist from Joe Matelyak, below. It takes two men to outwit Jack Frost and his blasts of icy wind.



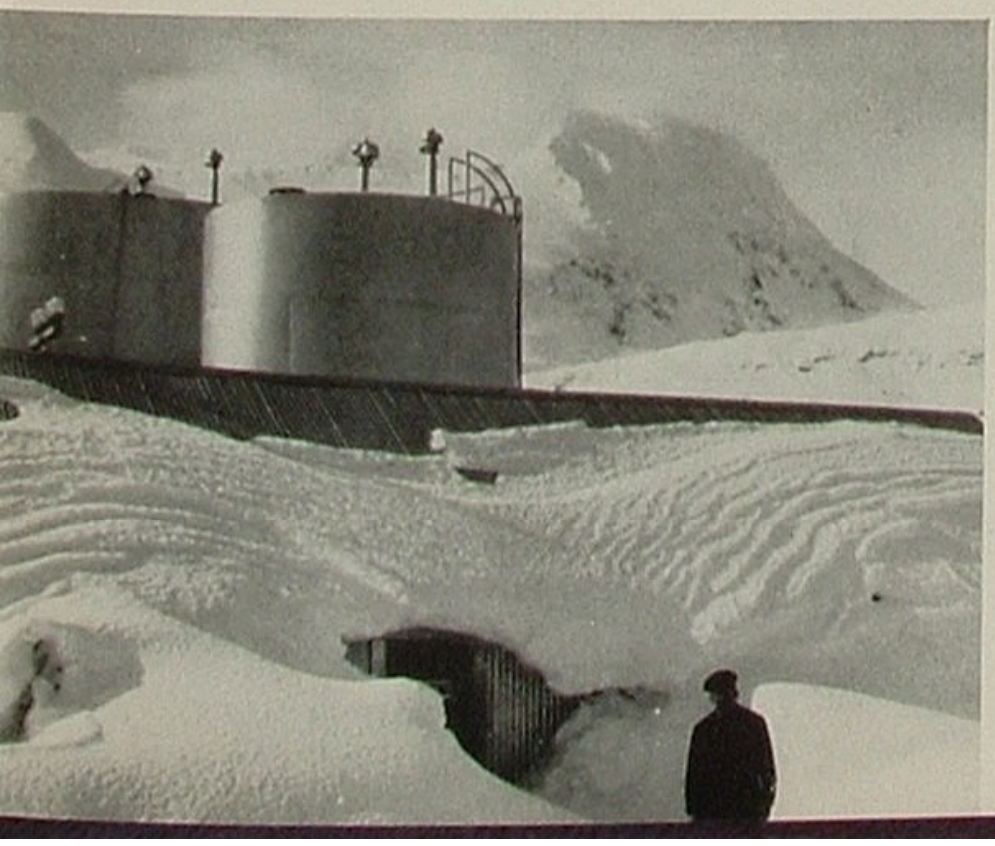


The photographer found Larry Franks checking dock valves preparatory to unloading a tankship. The ice-free water nearby connects with Prince William Sound. Below, Larry exhibits one of the rewards of those who endure winter—a 30-pound King salmon caught off the dock in June, 1953.



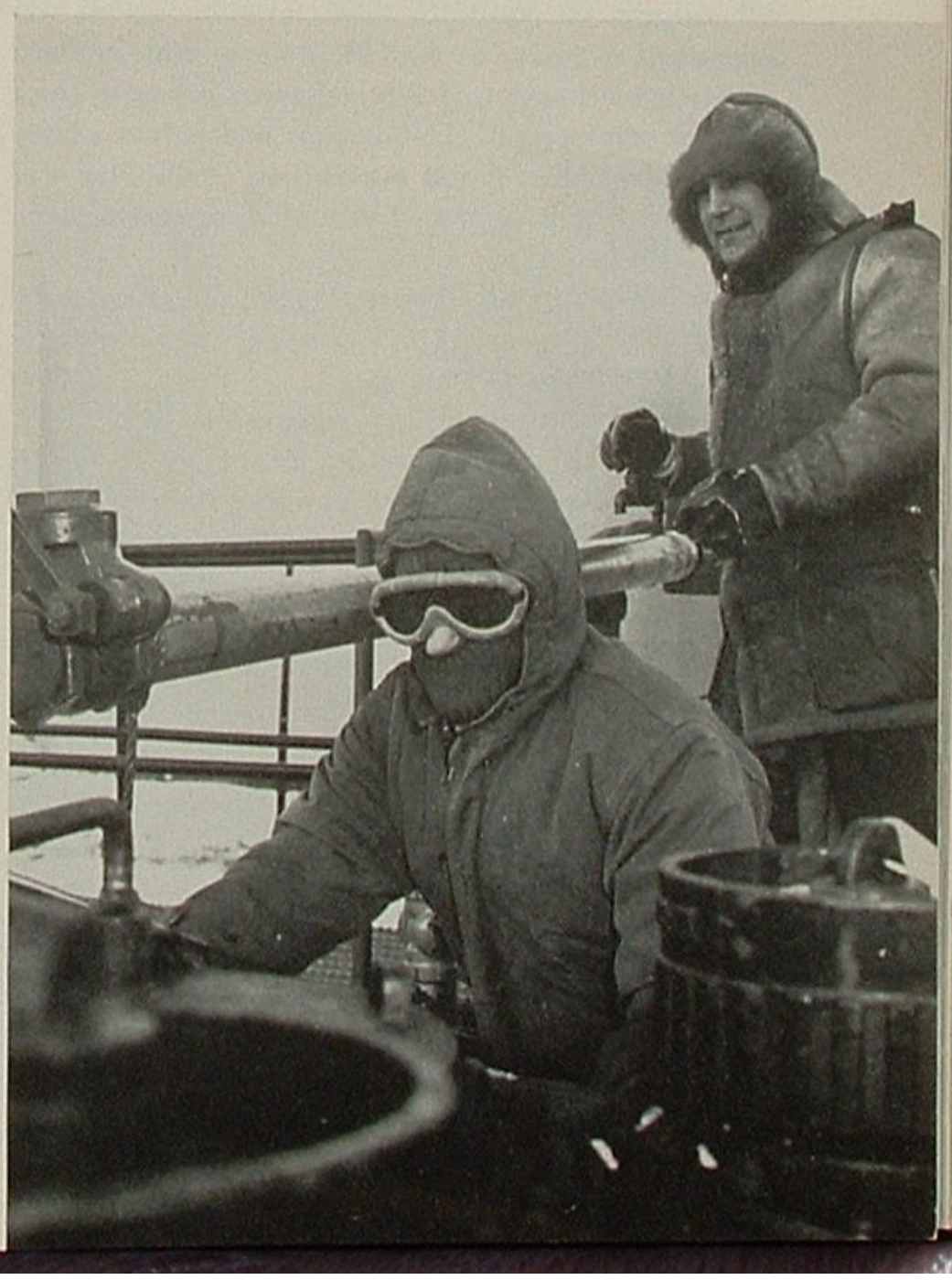
Harold Chappelle's barrel truck at Whittier is geared with a snow plow for bulldozing roadways in and out of the plant yard. The 76 Jeep, below, also shows a few Arctic necessities added to its original factory design.

Coming to work one morning recently, Joe Matelyak found his job and practically the entire office all but hiding under a new fall of snow. To find some empty barrels stored in the yard required pick-and-shovel exploration.



Oil from Whittier proceeds by rail 425 miles northward to Fairbanks, above, whose modern apartment building and old "sourdough" homes stand side by side with mutual pride.

With a blizzard approaching, Rod Hiser, left, and Frank Kerth hurry to finish loading a tank car. In this type of clothing they can face cold winds for only about 20 minutes.



DIRECTOR ALAN J. LOWREY

VICE PRESIDENT E. L. HIATT

AT the Annual Meeting of Shareholders held in Los Angeles on April 13, 1954, favorable action was announced on several matters of Company-wide interest:

Shareholders approved a contributory incentive stock Plan for employees of the Company and certain wholly owned subsidiaries. A full explanation of the Plan will be made before its proposed date of commencement on July 1, 1954.

Shareholders approved increasing the authorized number of the Company's $25 par value common shares from 7,500,000 to 15,000,000.

Shareholders accepted the resignation of W. W. Valentine as a member of the Board of Directors; elected Vice President Alan J. Lowrey to fill the Board vacancy; and re-elected all other members of the Board.

Announcement was made of the election by the Board of Directors of E. L. Hiatt as a vice president of the Company—in charge of Transportation and Distribution —effective April 13, 1954.

• INDUSTRIAL RELATIONS

The Insured Medical Plan, although only 10 months old on May 1, was doing an outstanding job for such a youngster. During the first nine months of its operation, the Plan paid out $133,000 on 850 claims. Two hundred of the claims, being still open, are subject to additional expenditures. Participation in the Plan continues to grow; over 93 per cent of the eligible employees are now members. The latest group to join, effective April 1, included some 53 employees at Southwest Territory's Los Angeles Terminal at Sixth and Mateo Streets.

Creston M. Harnois, manager of Industrial Relations, has returned to his departmental duties after spending the past few months on loan as an industry representative on the Senate Interim Committee on Public Works, State of California.

from W. C. Stevenson

• FIELD

The advantages of contract drilling are again being well demonstrated in our California operations. In a space of three months, drilling activity has increased three-fold, actually from seven strings of tools at the beginning of the year to 21 at the present time. Under contract drilling, operations can be expanded or reduced very rapidly at minimum cost and inconvenience.

The expansion in development operations arises in part from an indicated improvement in the balance between crude oil supply and demand in California. The 1954 program already has met with more than average success, and has been highlighted by four recent completions in widely separated areas of this state. The four wells have an aggregate initial production of approximately 3,550 barrels per day. The average gravity of the crude being produced is 35°.

An interesting development in our out-of-state operations is the Company's participation, on a one-half interest basis, in two wildcat tests in the South Sturgeon Lake area of northern Alberta, Canada. Both wells are drilling on the so-called Liberal Block, comprising some 100,000 acres of leases, in the vicinity of an important oil discovery made last year in which the Company has a 1/16 working interest.

At the time of writing, we are making preparations to drill our second wildcat in the Sechura Desert of Peru. The well will be known as Piura 1.

from Sam Grinsfelder

• TRANSPORTATION & DISTRIBUTION

After successfully passing her sea trials, the new Union Oil tanker SS AVILA was accepted by the Company and commenced her maiden voyage at Sparrows Point, Maryland on March 19. The vessel has a capacity of approximately 140,000 barrels and a speed of 16 knots, and is a sister ship to the SANTA MARIA. She replaces the OLEUM, which was returned to her owners in Los Angeles on the same date. The AVILA proceeded to Houston, Texas to load a cargo of natural gasoline, and arrived at Los Angeles on April 9.

Twenty new dual-service pressurized tank cars are now being received from the car builder under our tank car lease. They will enter the anhydrous ammonia service for Brea Chemicals, Inc. The cars, constructed to withstand an internal pressure of 300 pounds per square inch, can handle either anhydrous ammonia or liquefied petroleum gas. This dual service has been accomplished by replacement of all internal brass valves and fittings with stainless steel, to eliminate corrosion. Cars are attractively decorated in accordance with a design developed by Brea Chemicals, Inc., and add a very colorful tone to the railroad tank car fleet.

from E. L. Hiatt

• MARKETING

In early April, a delivery of 1,876,000 gallons of lubricating oils was made at Oleum Refinery by pipe line. This sale represented the largest single delivery of lubricating oil ever made by the Company.

Several carloads of Royal Triton and other lubricating oils have been dispatched to Cuba, where our Eastern Continental Territory reports the recent appointment of a new distributor.

On March 2, the Western Section of the Oil Industry T. B. A. Group held its annual meeting in Seattle. On hand were 225 representatives of various oil companies, manufacturers and suppliers engaged in marketing tires, batteries and accessories. Solutions were sought to various retail marketing problems of service station dealers.

The Central Territory office building in San Francisco, now being considerably enlarged, occupies a strategic location on Rincon Hill beside the Oakland Bay Bridge. The site is visible from many portions of downtown San Francisco and to all commuters and tourists who use the bridge. Therefore, the construction plans include a three-sided tower which will rise 200 feet from the office building. Each face of the tower will display an illuminated 76 trademark 40 feet in diameter, beneath which will be an illuminated chronometer giving the time in hours and minutes.

New combination office and warehouse buildings of concrete block construction are being designed for future use at marketing stations where needed. This combination building will offer economic and operational advantages over separate buildings.

from Roy Linden

• MANUFACTURING

New refining facilities for Oleum Refinery have been authorized under the MP-30 Program. Site preparation work has been started, and immediate construction is scheduled for a Unifining Unit, a Platformer Unit, a Sulfur Unit, a Gasoline Treating Unit, and necessary auxiliary equipment. This entire program is designed essentially to produce higher quality and higher yields of motor gasolines. Operation of these new refining units is expected to begin early in 1955.

As part of the MP-30 Program, a delayed coking plant is to be built on the recently acquired 3200-acre refinery site located about 14 miles northwest of Santa Maria, California. This plant will have a daily crude oil capacity of 18,000 barrels and will produce gasoline stocks, gas oils and petroleum coke. The liquid products will be sent to Oleum Refinery for further processing. The coking plant is scheduled to begin operating early in 1955.

Oleum Refinery's outstanding safety record reached two million manhours without a lost-time accident on April 17, 1954, and is continuing on to new heights. The large group of employees responsible for the achievement is being widely and deservingly congratulated.

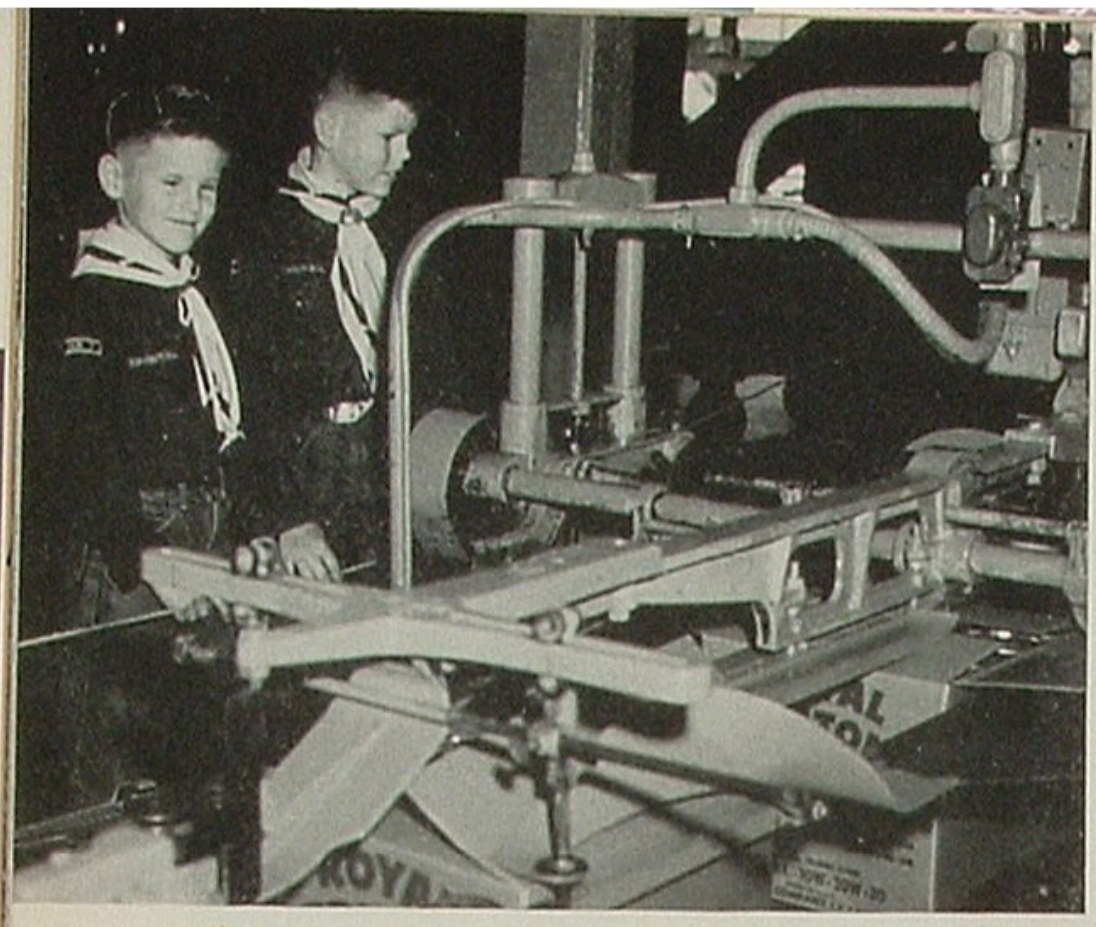
from K. E. Kingman

Continued on page 23

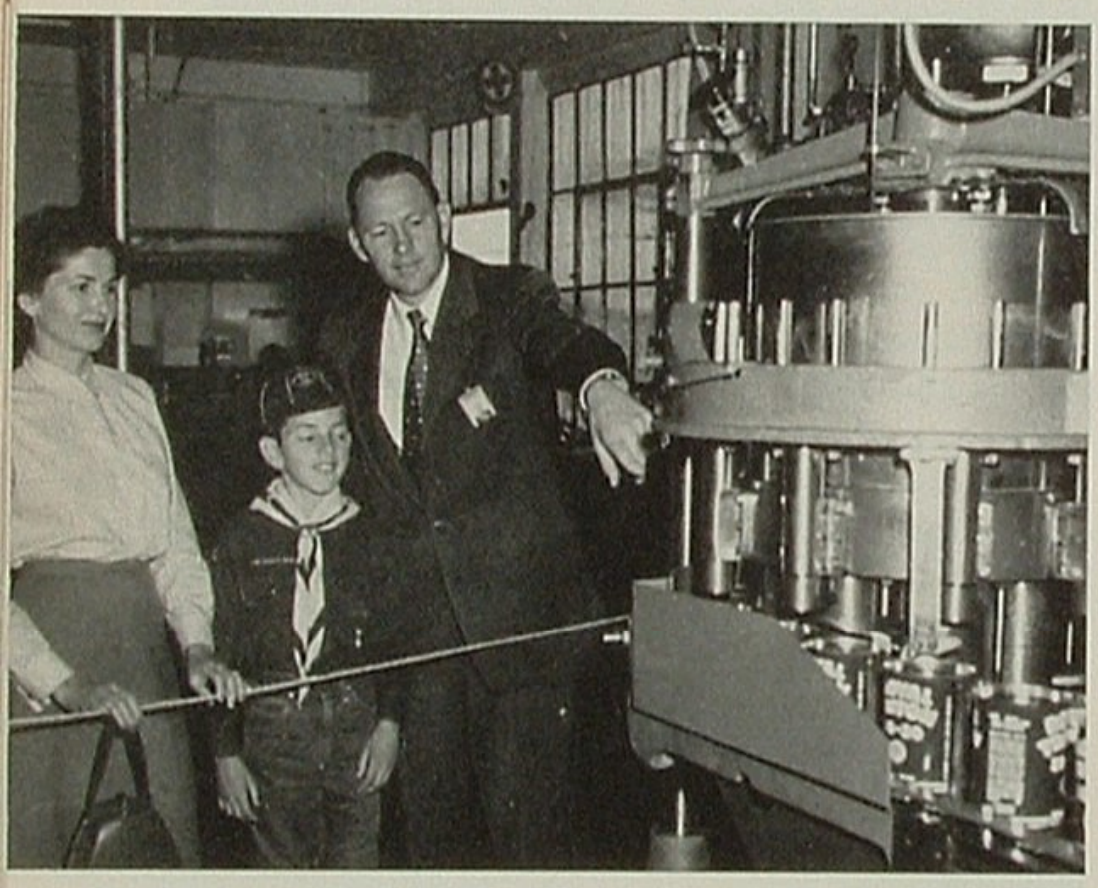
300's QUITE A LITTER

from J. R. Betts

QUITE a few people of Oleum extraction spend much of their spare time in Cub Scout work as den fathers, den mothers or, what is equally frustrating, just plain parents of Cubs. As a result, Cub Scout Week of April 12 to 17 brought fully 300 young men-of-tomorrow on five separate tours of the refinery. They mastered most of the techniques in a single glance; marveled at our animated barrels and cans marching through the cleaning and filling equipment; then got down to real boys' business by taking in a fire-fighting demonstration. Laden with literature and brochures about the oil industry, the Cubs turned homeward to edify some of their less well-informed elders. Must have made quite a litter!



Above, two Cubs from up Walnut Creek way endorse a Triton packaging machine but figure sticky hands would be a lot more fun. Below, Union Oiler Frank Lord and his wife introduce their son to canning of Royal 5-20.



Above, Bob Fairfield of Oleum, an experienced Cub father, shows off a sure-fire attention getter, a 76 fire truck. Below, Tony Klem and his troupe of acrobatic barrels amaze the visitors with some tricks of magic and stuff.

Union Oilers

A DREAM that began three years ago with a small squad of lead soldiers has developed into a first-prize winner at the Sixth Annual California Hobby Show. Tommy Ford, shown in the photo with his father, Roland Ford, a member of Southwest Territory's Construction Department, felt that his troops needed a castle to defend. Combining skills, Tommy's family went to work on a scale-model medieval castle. It has a treasure room housing foreign coins; a dungeon with torture devices; royal quarters and thrones for the Duke and Duchess; a chapel, banquet room, soldiers' billets. And the guard has now increased to over 200 Scotts, Riffs, Arabs, Legionnaires, Beef-eaters and natives. The March Hobby Show attracted 125,000 paid admissions. Tommy's castle also appeared on television's "City at Night."

from Jack McFarland

A MEMORY was vividly recalled when the Wreford Clarks, right, of Seattle received their March issue of ON TOUR. The cover, a photo of Brixham Harbour in England's County of Devonshire, brought to Mrs. Clark's surprised gaze the very neighborhood where she was born. Many times as a child she had walked across the pictured bridge with her father. Mr. Clark, who was born five miles from Brixham at Kingswar, was no less pleased. Knowing Brixham intimately, he recalls it was there that the Prince of Orange landed. Also at Brixham, Reverend Francis Lyte composed the well-known hymn "Abide With Me." Wreford Clark retired from the Company in 1949 after 36 years of service.

from Gudrun Larsen

FOR THE RECORD We know youfrown on publishing pictures of groups too large to identify. But the Northwest gang wanted this one in the record just in case whiskers come back in style. The occasion was a March 24th sales meeting at which seven district sales managers and 26 retail representatives met at the Washington Athletic Club to plan the service-station future of their swiftly developing areas. Makes you wonder if future generations of Union Oilers will look back at the yellowed photo with a "What did *they* have to be so happy about?"

from Gudrun Larsen

APPLICANT Our youngest job applicant to date at Edmonds Refinery is Kenny Baker, 15 months, son of same. Junior is looking for a job with a loud future—something like popping old light globes with rocks. He has a driver's license for a scooter, and his non-business interests include stomping in mud puddles. His last physical examination on November 16, 1952 indicated an aptitude for sedentary occupations, which obviously has been overcome. We suggest that Mr. Rockfellow, our technical recruiter, arrange an early interview.

from Jim Hastings

SADDLED with the responsibility of providing Northwest Territory with a better-than-ever social year are our four new "Unoco" Club officers for 1954. From left are Vice President Norman K. "Fearless" Fosdick, Secretary Bernie Willis, and President Oliver Leedy. A frantic search for Treasurer Mary Taylor, who avoided the exposure, revealed both Mary and the club funds still intact.

from Gudrun Larsen

RESCUED in the nick of time after being buried by an avalanche, Olivia Slanzi, right, of our Seattle office recounts the experience to Gudrun Larsen. Olivia had been skiing in Barrier Mountain Bowl of the Cascades on March 28 when the avalanche struck. Somehow she was buried in the snow in a sitting posture, head down, providing a small pocket of air to breathe. Her screams attracted one of her skiing companions and members of the National Ski Patrol. They dug fast and brought her out uninjured except for a case of shock. Replacing a lost ski pole, she returned recently for another bout with the mountains.

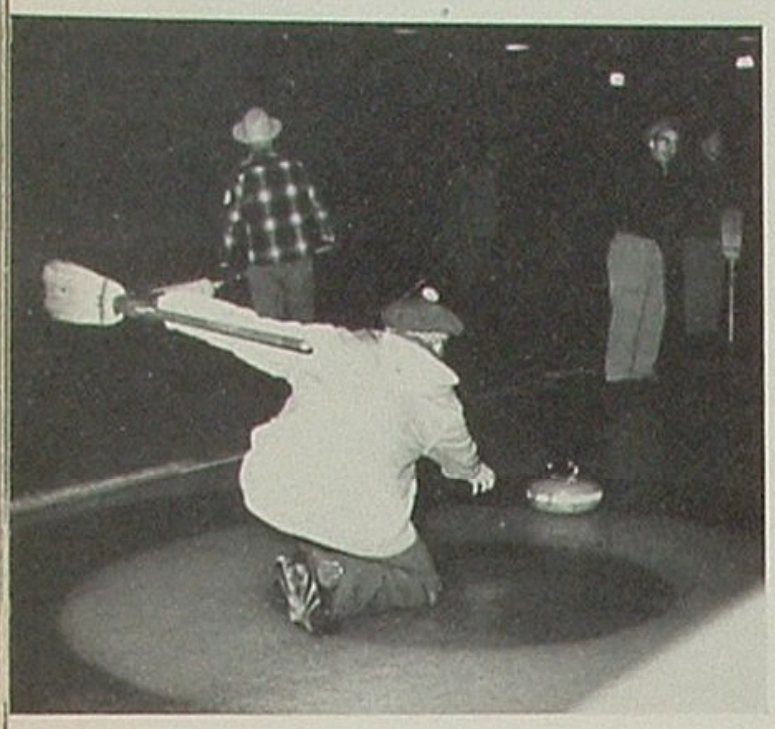
SPRING was officially welcomed in on April 9th when Los Angeles Refinery employees and their guests, totaling 450, gathered at Lakewood Country Club for their Annual Spring Dance. Indicating the good time had by all are, from left, Union Oilers Ruth Schultz, Loretta Kranich, Mr. Kranich, Mr. Brogan, Dorothy Brogan, and three guests we apologize for not being able to identify.

from Jack McDonald

LECTURER "Professor" K. R. Clark, resident manager at Santa Monica, is seen at left lecturing students of Santa Monica City College on vocational opportunities within the oil industry. His was the first in a series of lectures being sponsored by the Bay Area Oil Information Committee. The speakers were scheduled to appear also in Venice, Culver City and Hollywood throughout April and May.

from Jack McFarland

Sports



"ROYAL TARTANS" Duncan Robinson, James Bell, "Skip" Jack Porter, and Don Clark, representing Union Oil, are curling champions and winners of the Seamans Trophy in the Alberta Oilmen's Bonspiel. This popular Canadian sport of Scottish origin is played on a lane of ice 14 feet wide and 120 feet long. Four-man teams alternately deliver 40-pound granite rocks toward a bull's eye. While the rock is moving, the player often runs ahead of it sweeping frost and foreign particles out of its path. The team with the most rocks nearest the bull's eye wins. In the finals the Union Oil champions curled for 9½ hours, walked 8 miles, swept the ice for 4 miles, and delivered 2800 pounds of granite. Sport?

from Ned Babson

SPORTSMANSHIP trophies generally go to good losers in championship play. But Southwest Territory's Los Angeles District basketball team proved to be an exception. They were co-champions this year of the Los Angeles Municipal Industrial League and also were proclaimed the finest sportsmen. Helping Captain Bert Matthews bring home the team's mantlepieces at right are Pauline Schnittker, Alice Smith and Helen Thompson.

from Jack McFarland

SKIING really arrived at Beacon Hill Lodge on Donner Summit the past winter when Union Oilers from Oleum began descending the slopes. Those able to rendezvous for a photo included, from left, Jerry Pierce, Bill Welch, Johnny Verducci, Chiquita Joiret, Helen Connell, Sol Forcader, Bill Keating and Bruno Minigni. Although no new records were established, some of the skiers introduced astonishing new techniques.

from J. R. Betts

SERVICE BIRTHDAY AWARDS

MAY 1954

MANUFACTURING

Hayes, Phillip L., Wilmington 35
Carroll, Leland J., Oleum 30
Goodell, Percy W., Wilmington 30
Hanscom, William A., Oleum 30
Zabel, Will D., Wilmington 30
Clausen, Albert J., Oleum 25
Bixler, Alvin, Wilmington 20
Hamblin, Arthur E., Wilmington 20
Harbert, William J., Wilmington 20
Hickin, Lester K., Oleum 20
Kanner, James W., Oleum 20
Leonard, Clair E., Oleum 20
Raines, Karl, Wilmington 20
Ransom, Chalmer L., Wilmington 20
Sherwood, Charles L., Oleum 20
Sluder, Ted, Wilmington 20
Turner, Andrew J., Wilmington 20
Birch, Howard L., Cut Bank 15
Martin, Harold S., Edmonds 15
Fullington, Dorwin F., Oleum 10
Gentgen, Francis G., Oleum 10
Jones, Albert A., Wilmington 10
McGoldrich, Daniel, Wilmington 10
Robinson, William J., Wilmington 10
Walter, Hugo S., Wilmington 10

MARKETING

Collins, Raymond A., San Francisco 35
Murphy, Albert, Seattle 35
Myers, Ace, Seattle 30
Imes, Merrill S., Rosecrans 25
Newton, William S., Jr., Portland 25
Baimbridge, Hugh S., Los Angeles 20
Figone, Albert, Oakland 20
Logan, Dwight C., Coos Bay 20
MacLeod, Mary E., San Francisco 20
Reeve, Howard L., Hollywood 20
Robinson, Verlin E., Long Beach 20
Van Nest, Albert F., Los Angeles 20
Hilbert, Louise, Los Angeles 15
Lavering, Leo D., San Jose 15
Perlin, Violet, Los Angeles 15
Asay, Ralph I., Stockton 10
Bruce, Gordon E., Edmonds 10

EXPLORATION & PRODUCTION

Northrop, Cyrus P., Orcutt 35
Stone, Leslie W., Richfield 35
Brown, Odie, Santa Fe Springs 30
Miller, Ruth E., Whittier 25
Niemann, Andrew F., Home Office 25
Dyer, Sam M., Richfield 20
Flanigan, James W., Richfield 20
Hawes, Arthur, Whittier 20
Holmgren, Francis L., Richfield 20
McGee, Ralph M., Richfield 20
Anderson, Fred M., Home Office 15
Christiansen, William, Cut Bank 15
McWilliams, Winfield, Orcutt 10
Simon, Horace J., Louisiana 10

PIPELINE

Doty, Leland M., San Luis Obispo 25
Coffman, Ivan W., San Luis Obispo 20
Kutas, Andrew, San Luis Obispo 20
Stowell, Walter E., San Luis Obispo 20
Cox, Walter L., Santa Fe Springs 10
Orvis, William R., San Luis Obispo 10

AUTOMOTIVE

Hiniker, George E., Emeryville 25
Porterfield, Dale V., Santa Fe Springs 20

INDUSTRIAL RELATIONS

Titus, Starr A., Home Office 25

RESEARCH & PROCESS

Davis, John P., Wilmington 20
Hageman, E. Roy, Jr., Brea 15
Hartley, Fred L., Brea 15
Jones, Thomas R., Brea 10
McKenzie, Sarah, Brea 10
Nahin, Paul G., Brea 10
Rodabaugh, Luella M., Brea 10

EXECUTIVE

Baer, F. S., Home Office 15

COMPTROLLERS

Morton, William G., Jr., Home Office 10

PURCHASES

Redmond, Mildred W., Home Office 10

INDUSTRIAL SUMMARY—Continued from page 17

RESEARCH AND PROCESS

A significant paper on Unifining was given recently during the annual meeting of the Western Petroleum Refinery Association in Southern Texas. Grant W. Hendricks and Harry Poll were among the co-authors of this paper which reviewed the formation and application of Unifining and represented the first formal announcement and offer for licensing the process to industry. The paper has been reprinted in the Petroleum Refiner and The Oil ad Gas Journal. At the present time eight commercially licensed plants are under construction.

from C. E. Swift

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:

GEORGE FAUSTINO
Pipe Line Department
Employed 7/11/14—Retired 5/1/54

ARNOLD O. FRITZSCHE
Oleum Refinery
Employed 8/25/19—Retired 5/1/54

FRANK FARIA
Oleum Refinery
Employed 4/27/22—Retired 5/1/54

JONAH J. QUICK
Field Department
Employed 4/12/32—Retired 5/1/54

SIDNEY B. COWAN
Southwest Territory
Employed 7/13/34—Retired 5/1/54

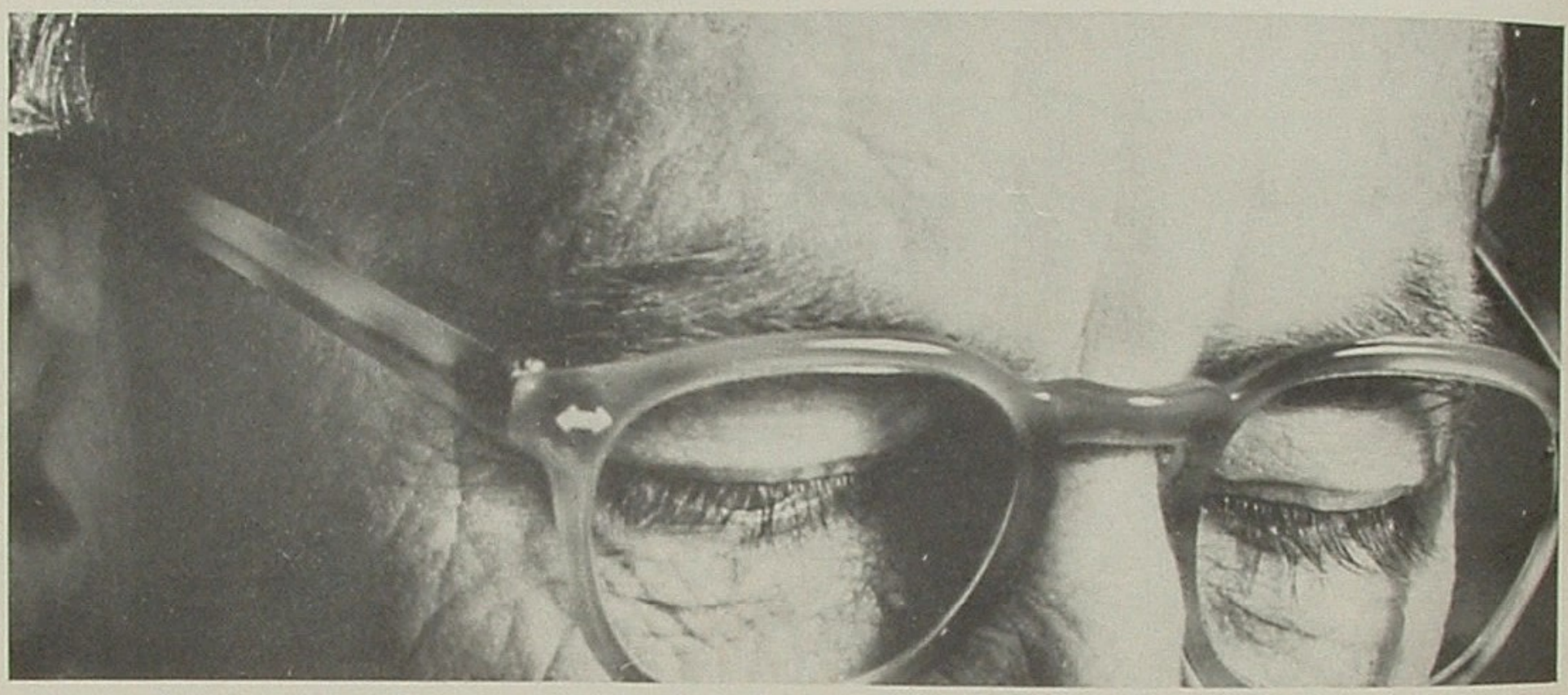
In Memoriam

On February 6, 1954
JOHN INGRAM
Oleum Refinery
Retired 10/31/46

On March 30, 1954
WILLIAM E. BERRY
Field Department
Retired 4/30/39

On April 21, 1954
HARLEY M. OLIVER
Southern Division
Retired 7/31/39

STATE OF MIND...



...AND THE STATE OF THE NATION

Perhaps far more than we realize, the state of our nation depends on our state of mind.

For if false fears can incapacitate an individual, they can do the same to a country, which is made up of individuals.

The people of Union Oil believe in America and its ability to continue to furnish the highest standard of living ever achieved by man.

We are backing this belief this year with a nearly $100,000,000 vote of confidence which calls for new wells, new products, new plants, new refineries, new tankers, new trucks, new tools, new processes.

All of this will help to create new jobs and new opportunities in the years ahead.

All of this should help to create a state of mind that is good for the state of our nation.

UNION OIL 76 COMPANY
OF CALIFORNIA

Buy American and protect your standard of living