

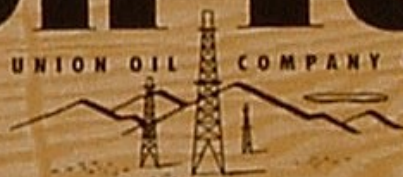


A SALUTE TO
WESTERN AIR LINES

February 1955

On Tour

WITH UNION OIL COMPANY OF CALIFORNIA



On Tour



Volume 17, Number 2
FEBRUARY 1955

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THE COVER

On January 1, 1955, seven new airport service trucks, furnished by Union Oil Company, began fueling the fleet of Western Air Lines with 55 million gallons of aviation gasoline—largest contract of its kind ever signed by either company.

"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



Dozens of times each day the above scene is being repeated on major airfields of the West as Union Oil trucks fuel the ships of Western Air Lines.



Inaugurating the airlift for 3-cent mail in the West are, from left, Western's President Terrell C. Drinkwater, Assistant Postmaster General Norman R. Abrams and Acting Postmaster Otto K. Oleson of Los Angeles—a fitting sequel to the company's airmail pioneering in 1926.

ON TOUR

THE WEST'S "FINEST" AND "OLDEST"
JOIN HANDS AS UNION OIL COMPANY
CONTRACTS TO FUEL THE AIR FLEET

of WESTERN AIR LINES Inc.

AS a philosopher once remarked, oldness is a quality much to be desired if it embodies the achievements and wisdom born only of long experience. In that sense we salute Western Air Lines, oldest airline in America. Certainly few if any companies have contributed more to the advancement of air transportation or are wiser in air experience.

Union Oil Company is proud of having signed a three-year contract to supply Western with 55 million gallons of the "finest" aviation gasolines. It is the largest contract of its kind ever entered into by either of the signatory companies. It links in a friendly business relationship two of the West's foremost pioneers in their respective fields, opening an era of promising development to both.

AIRBORNE IN 1926

Western Air Lines became airborne officially on April 17, 1926, nine months after articles of incorporation were

filed at Sacramento, California. On that date two of the company's five Douglas M-2 biplanes took off simultaneously from fields in Los Angeles and Salt Lake City. In open cockpits of the two planes sat Pilots Maury Graham and C. N. James, they having won first-flight assignments from Pilots Fred Kelly and Al DeGarmo by the toss of a coin. Carrying a mail-bag cargo of some 20,000 letters each and stopping at Las Vegas to refuel, the two fliers reached their opposite destinations in less than 10 hours. They reported the weather "a bit thick over the mountains" but the planes behaved fine at a cruising speed of around 110 miles per hour.

Five weeks later, Western continued to make aviation history by carrying the country's first commercial passengers. Ben Redman of Salt Lake City, holder of No. 1 ticket, and J. A. Tomlinson, a fellow Utahn, made the trip from Salt Lake City to Los Angeles while A. B. DeNault and Charles Kerr of Los Angeles and Pasadena were being flown in the opposite direction. The first

At left, Vice President Stanley R. Shatto of Western witnesses the signing by Union's Vice President Arthur C. Steuart of a contract for 55 million gallons of gasoline. Below, Receptionist Marian Houghton calls attention to one of the many awards her company has received for public service, safety and pioneering of air transport.



ON TOUR





Adding to the excellence of cuisine on "Californian" flights are pretty stewardesses whose pleasant attentiveness wins many passengers to this ultra-modern way of travel.



In maintenance and overhaul shops, Los Angeles, all planes are regularly inspected. At 1600 hours the \$49,000 engines are removed and completely overhauled.



A veteran of 25 years at the controls of Western's aircraft, Captain L. D. "Pat" Carlson spends an hour before each flight checking the ship's controls and instruments.

Special Representative Ed Keightley of Union Oil, left, cooperates with Western's Director of Purchasing K. W. Kendrick to assure our customer the "finest" service.



Bidding Union Oil Company and its products the official "Welcome aboard!" January 1 is Mary Alice Hansen, one of the stewardesses who make air travel a great pleasure.



The Seattle-Tacoma International Airport is one of the beautiful modern terminals of the West from where major

airlines count the distance to any part of the world as only a few hours. Airborne, the scene is breathtaking.

woman passenger, Miss Maude Campbell, braved an open-cockpit trip also in 1926. By the end of that year, the pioneering airline had carried 209 passengers—safely despite 38 forced landings—and had earned a net profit of \$1,029.21.

Vision, enthusiasm and hard work continued producing impressive “firsts” for the new company:

Western became the first unsubsidized air transportation company to pay a commercially earned dividend when, on October 1, 1927, its stockholders received a two per cent return on their investment.

Acquiring three 12-passenger Fokker F-10 tri-motor aircraft in 1928, Western initiated cabin accommodations; served the first free meals to passengers while in flight; provided the first limousine service to and from airports; and presented the first passenger logs to air travelers.

Cooperating with the Guggenheim Fund in a “model airline” experiment during 1928, Western became the first to fly a “planned course” charted with the aid of Dr. Carl Rossby’s new weather-reporting stations scattered along the west coast. During the same year, Western shared another first with Boeing—the installation on commercial aircraft of two-way radio systems. Incidentally, that radio innovation was credited largely to the initiative of Herbert Hoover, Jr., a director of Union Oil Company prior to his recent appointment as U. S. Under-Secretary of State.

ROUGH GOING

Like many another corporation, including our own, Western has survived its full share of disappointment and

near ruin. Following a period of rapid expansion, during which the company achieved major transcontinental status, there came a series of reversals. Because mail contracts were the major source of revenue to early airlines, many carriers lived at the will of the U. S. Postmaster General. In 1930, when there was intense rivalry for transcontinental routes, the Postmaster General’s recommendations, amounting to decrees, forced Western into a succession of relinquishments. Several good routes had to be sacrificed and control of the company passed to General Aviation Corporation, a subsidiary of General Motors.

It took quite a crew to make and receive delivery of the first gasoline fill at Seattle, namely from left, Western’s E. W. Mitchell and Dick Parker, Union Oiler L. D. Legacy, N. Stewart of Western, R. T. Carrington of Union, J. Sechser and C. M. Helmer of Western, and our L. B. Trellue.





Noon finds three of Western's big aircraft lined up at San Francisco International Airport for swift servicing. Two Union trucks are available here and at Los Angeles field.



Behind the passenger service counter at San Francisco International Airport are, from left, Walter Moore, Patricia League, Jeanne Schwartzbach and Marguerite Miller.



At the Geary Street ticket office in San Francisco, Lois Kocklaun, Mildred O'Neill and Kathy O'Dowd serve cheerfully under title of "Counselaires."



Telephone requests for Western transportation are handled by reservations offices. This one in the Palace Hotel, San Francisco, accounts for each seat on every flight.

At right, our DSM Jim McGee, Station Manager Ernie Fell and Chief Agent Bob Manely of Western, and our Territory Manager Bob Rath arrange servicing at San Francisco.





Transportation agents for Western at Salt Lake City include, from left, Bill Gibby, Willard Mann and Senior Agent Ross Terry—on job at the municipal airport.

A further threat to Western's survival occurred in 1934 when the government cancelled all air mail contracts, turning the job over on brief notice to unseasoned Army flying personnel. There followed so many Army plane crashes and deaths that the airlines were asked to bid anew on mail routes. But it was years before the carriers were officially cleared of the abuse heaped upon them and managed to climb out of the resulting bog of debt.

The Black-McKellar Bill of 1934 brought an end to interlocking directorates and airline-aircraft manufacturer combines. It also marked the beginning of Western's return to independency. The company was purchased from General Motors control, attracted increasing numbers of stockholders in the West, and in 1939 withstood a proposed merger with United Air Lines.

World War II cut heavily into Western's personnel and equipment, but the volunteer organization emerged with an enviable record. Flying the Canadian-Alaskan division of the Air Transport Command, the airline carried 22 million pounds of cargo; trained 304 Army pilots, 162 expert maintenance men, 36 radio specialists; and established a perfect safety record of over 67 million passenger miles during 50,000 hours of flying. Similar patriotic service was contributed by Western during the Korean Airlift.

Post-war adjustments found the company, along with other major carriers of the nation, overexpanded and facing declines in passenger traffic. Suffering nearly a million-dollar loss in 1946, Western was saved from financial disaster largely by the stringent economy measures of its fourth president, Terrell C. Drinkwater. He cancelled orders for elaborate equipment that gave no guarantee of paying its own way; sold a Los Angeles-Denver



Salt Lake City Municipal Airport, where Western's first mail and passenger flights originated in 1926, is sheathed with wintry ice as our new airport truck takes over.

Undaunted by Utah's zero weather, Western's Chief Mechanic Don Larsen, our DSM "Doc" Gilbert and Station Manager Jack Neel of Western radiate warm relations.





Seven airplane fueling trucks assigned to Western at Seattle, Salt Lake City, San Francisco, Las Vegas and Los Angeles afford easiest fueling and de-fueling of planes.

route in order to meet the company's bank obligations; and instituted new systems of cost control and efficient operation.

HAPPY LANDING

This coats-off determination spread throughout the Western organization, resulting first in solid financial footing for the company and later in a healthful recouping of revenue producing routes. Today, Western is firmly established as the West's leading air carrier. Over its 5,525-mile system it serves 44 cities in 12 states of the U. S. and in Canada. Routes linking all the major Pacific Coast cities from Seattle to San Diego branch east and north to bring Las Vegas, Salt Lake City, Great Falls, Cut Bank, Edmonton, Casper, Denver, Minneapolis and many intermediate points within a few pleasant flying hours of each other. The company has applied for additional direct routes between several of the key transportation points, and awaits only a bilateral agreement between Mexico and the U. S. to exercise its certificate for a route between Los Angeles and Mexico City.

AVIATION'S FINEST

Just as the Douglas M-2 and Fokker F-10 were considered the quality aircraft of their day, so are Western's airliners of 1955 rated tops in regard to passenger comfort, safe operation and speed. Present pride of the fleet is the Douglas DC-6B, which carries 66 passengers in a luxurious pressurized cabin, and cruises 320 miles an hour at 20,000 feet. Eight of these giant planes, costing \$1,125,000 each, have been delighting Western's customers since 1953, and five others are on order from the Douglas company.

You can hardly imagine an air trip to surpass the "Californian" flights offered exclusively by this airline. For example, a passenger boarding the big DC-6B at Seattle sits down to reserved armchair comfort with two pretty stewardesses in constant attendance. Women passengers receive free orchids and the men are offered cigars. Hardly has the ship leveled off on its high, smooth course before the stewardesses begin spoiling

you for any other mode of travel. Extra coats and luggage have moved out of sight and out of mind. Delicious beverages, including champagne, are served with the airline's compliments. Then come tempting trays of hors d'oeuvres and fruits. Through the craft's passenger communication system the captain periodically identifies mountains, rivers, lakes in the scene below. You may restfully sit and drink in the splendor of that Pacific Coast view or restively join a group of conversationalists in the ship's aft lounge. In either case, the signal to fasten seat belts seems to flash an hour too soon and below is San Francisco. There's an exchange of several passengers at the new San Francisco terminal; then you're off again for Los Angeles, whose millions of lights begin to illuminate the evening just as you finish the last course of a delicious steak dinner. It's hardly believable that you lunched in Seattle.

Western also pioneered the popular "Coachmaster" service, offering almost equal speed and comfort, but sacrificing some of the luxury attention in favor of economy transportation that anyone can afford.

Matching its quality of service, Western has established the highest maintenance standards in the aviation industry. Every plane is carefully and completely checked by skilled maintenance men before moving to the passenger ramp. Pilots are on hand an hour before departure to test every control and indicator. At the end of 1600 hours of operation, each engine, even if running perfectly, comes off the plane and enters the company's Los Angeles maintenance and overhaul department. Here, with assembly-line efficiency, it is completely disassembled and cleaned; worn parts are replaced; it is reassembled, broken-in and rigidly tested. At the end of six such overhauls an engine is practically renewed. Other parts of the million-dollar ships—whose variable-pitch propellers at \$12,000 per copy cost \$500 more apiece than did the complete Douglas M-2 of 1926—are similarly maintained, thereby making the oldest carrier in the business also one of the finest.

In 1953, Western's aircraft flew nearly 15 million miles and amassed a passenger-miles total of approximately

360 million. Although 1954 totals are not yet published, it has been reported by President Drinkwater that new mileage and revenue records were undoubtedly established. Forecasting, he said: "Our studies indicate that the general business outlook in the West is extremely encouraging. There is no indication of any slowdown in the growing commerce and industrialization of this region, or in the development of its natural resources. We confidently expect 1955 traffic to surpass 1954."

Similar confidence is echoed by Union Oil Company, whose petroleum resources, facilities, research and other services are already hard at work in keeping 'em flying. To the nearly 2,000 people of Western Air Lines, 9,000 Union Oil employees, who now have an economic interest in your continuing success, extend our greetings, and gratitude and best wishes.

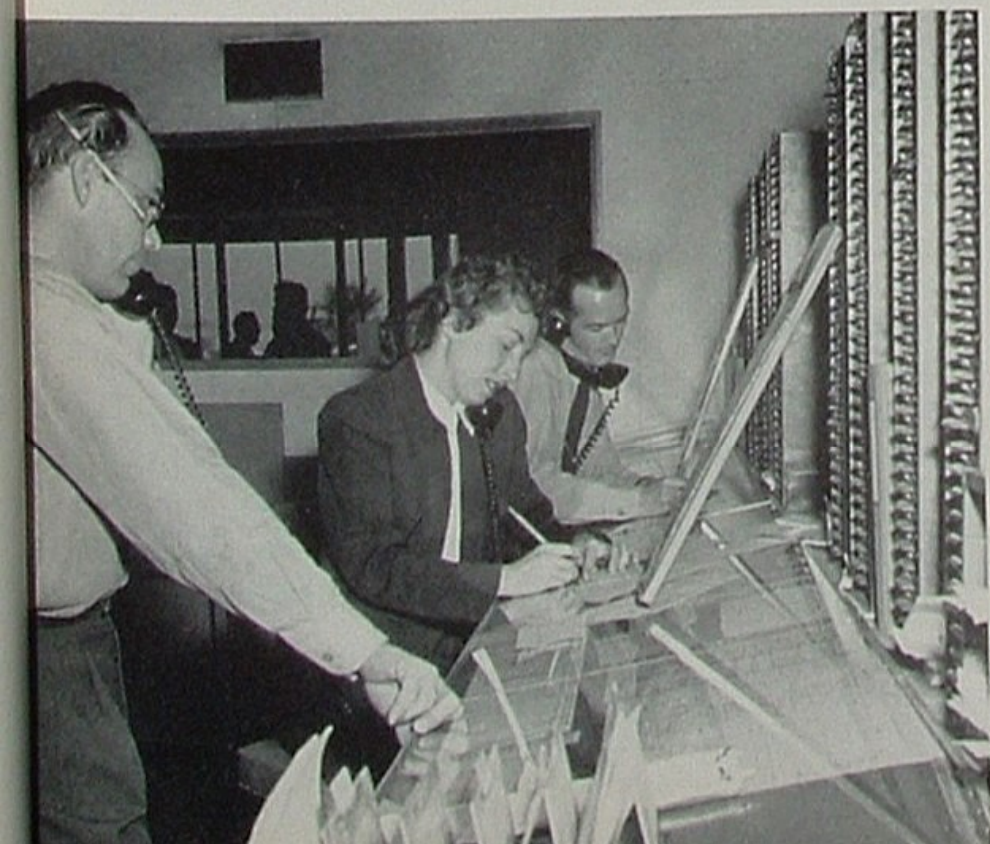


On initial refueling job at Lindbergh Field, San Diego, were, from left, Truck Operator John Henderson, Pilot Captain Robert Conover, H. D. Howard of Union, Station Manager Dan N. Schrup of Western, Airport Dealer Shields B. Craft and our H. E. Hunt.

At right, Station Manager Paul Obney of Western's Las Vegas operation is seen with Captain Ted Homan, Nevada pilot who has flown Western planes for the past 15 years. Below from left, Dean Cockrell, Joan Higgins and James Tallent find no need to assume a working pose for the photographer—Las Vegas reservations keep 'em humming.



Below, at Great Falls, Bud Baker and Oak Smith of Western, Dick Smith and Al Adolphson of Union, Director Alexander Warden of Western and Union Oil Distributor Jack Earhart initiate first Montana delivery amid 50-mile per hour wind gusts.





EMPLOYEES' BENEFIT PLAN IS BEING ADMINISTERED

Entirely

FROM the Company's very beginning, Union Oil people have taken a wise and humanitarian interest in safeguarding each other's health and welfare. Board minutes and other records of the 1890's report numerous instances of medical assistance being offered to deserving workers. Around 1900, a Hospital Fund, administered by management, offered employee members hospital care up to 30 days in the event of illness and 180 days in the event of injury.

Our present Employees' Benefit Plan was started October 1, 1915, and continued to be administered by the Company until March, 1930, when it was decided to turn its operation over to a Board of Administrators elected by EBP members. Two of the six Board members are elected by the employee membership each year for overlapping terms of three years. This method of administration is still in effect.

Meeting monthly in Los Angeles, your elected EBP administrators are carrying on, modestly and efficiently, a program of great magnitude and far-reaching benefits to all employees. They are assisted by the Comptroller's Supervisor of Compensation and Benefits, who serves as Secretary, and an advisory staff including the Company's Chief Medical Director, a representative of the

Legal Department, the Supervisor of Policy Development from Industrial Relations, and a recording secretary.

The primary duty of the Board of Administrators is to insure that the finest medical care is available to employee members, and at reasonable cost. With the selective help of the Company's Chief Medical Director, they maintain a panel of doctors who are thoroughly qualified and conveniently located to provide us with excellent medical and surgical services. Furthermore, all doctors named to the EBP panel agreed to handle Union Oil cases within the limitations of a moderate fee schedule. By thus selecting the doctor panel, our EBP administrators provide us with the highest professional skills at prices we can afford.

At its monthly meetings, the Board is vigilant in gauging the financial status of EBP. Enough reserve money must be held in readiness not only to meet current expenses but to provide for possible epidemic or catastrophe. Too high a reserve can be corrected of course by broadening the benefits. Too low a reserve would require that the Administrators recommend higher monthly premiums or offer reduced services.

Another Board function is that of reporting regularly its stewardship both to Company management and

Meeting once each month, the Board of Administrators of the Employees' Benefit Plan and their advisers are managing a medical program of maximum advantage to employees.

Elected Administrators of the Board now serving are, from left, C. M. Gjerde, Chairman B. T. Anderson, E. C. Cheatham, J. T. Ledbetter, J. W. Towler and R. D. Roberts.



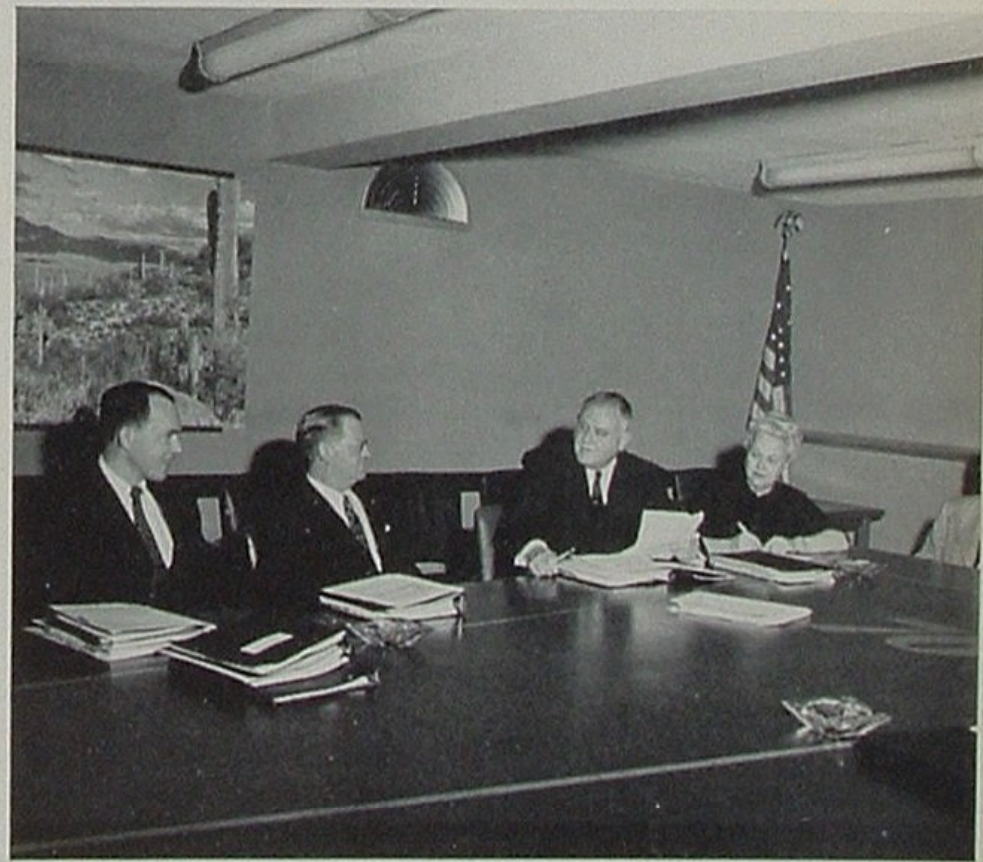
ly for Your Benefit

employee members. By means of such reports, EBP is kept operating on an open, sound and business-like basis.

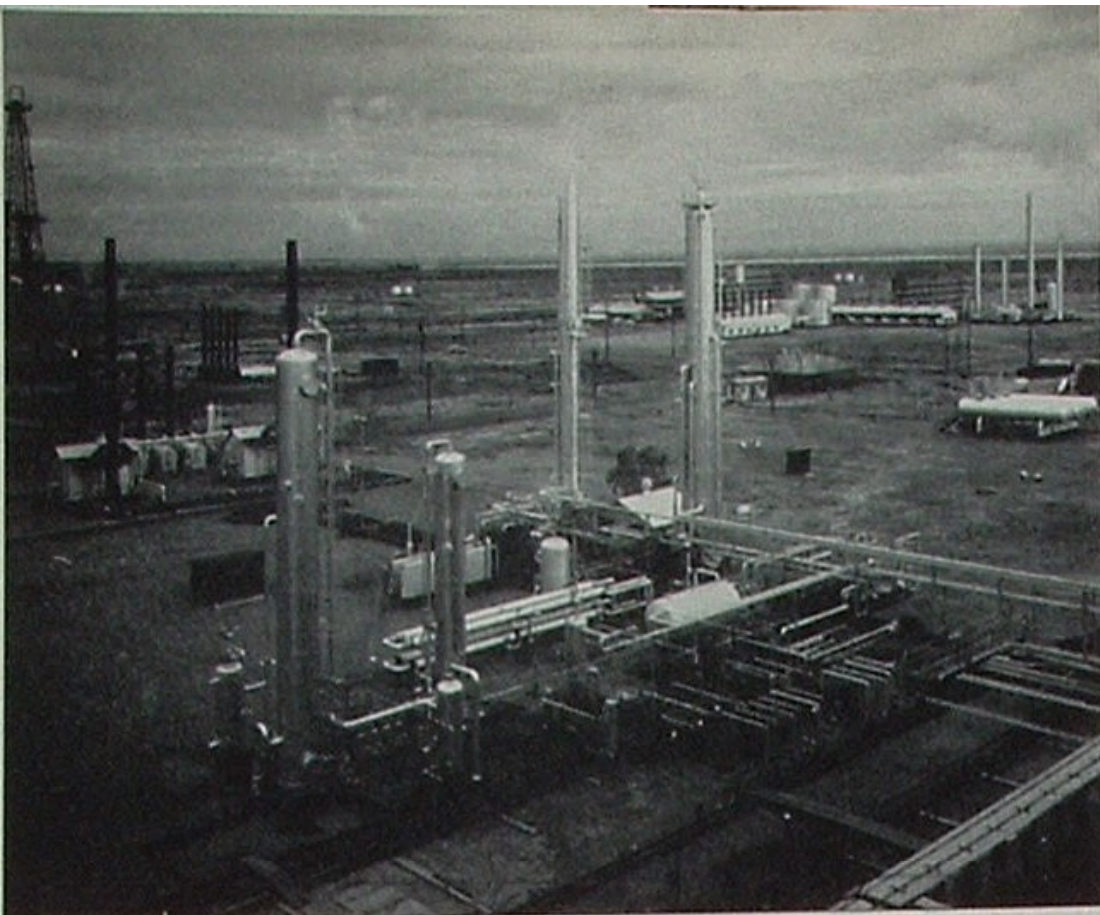
Although more than 99 per cent of the EBP medical and surgical cases are passed upon directly through the office of the Supervisor of Compensation and Benefits, a few are decided upon by the Board. These invariably are cases wherein there is some doubt as to the employee's eligibility for benefits within the written scope of the Plan. A great deal of judicious thought is given to each such case before decisions become final.

Since all overhead expenses of the Plan—including accounting, travel and employee salaries—are paid by the Company, every dollar of premium paid by employees and the Company is available for direct medical expense. Therefore, the Board believes that no other group medical plan available offers greater protection per dollar of premium.

In its continuing efforts to improve the Employees' Benefit Plan, the Board gives careful consideration to suggestions and criticism received from members. On our part as members, it is recommended that we take an owner's studious interest in EBP rules and regulations, thereby obtaining a better understanding and appreciation of this valuable security asset.



Assisting the Administrators are S. C. Houts of Legal, H. J. Law of Industrial Relations, Dr. E. R. Ware, Secretary Maxine Wilson, and D. S. Povah of Comptroller's.



A good example of "true conservation" as practiced in California can be observed in the Rio Bravo Field, at left. It was found that the field would eventually produce more oil if placed under the operating supervision of one company, who could see to it that all wells were uniformly spaced and that natural gas would be pumped back underground to maintain a pressure-drive of oil toward producing wells. Accordingly, the field was *unitized*, that is, the several owners agreed to the appointment of one as operator, with each sharing in total production according to its property holdings. Other California fields are similarly unitized. Thus, without government control or intervention, private industry is producing oil according to the most conservative methods.

TRUE CONSERVATION

Address by Reese H. Taylor, President
UNION OIL COMPANY OF CALIFORNIA

To the San Joaquin Valley
Oil Producers Association
Bakersfield, California
October 28, 1954

TONIGHT I want to talk to you about a phase of our business that is greatly misunderstood, even though universally endorsed. Unlike sin, everyone is for it. The confusion seems to lie in understanding what we are for.

The subject, of course, is conservation. Because this is such a loosely-used term, let me tell you first what I mean by conservation—true conservation.

I consider true conservation to be the production of oil by the use of the most efficient engineering methods, to the end that the greatest ultimate economic recovery can be effected. Our support of the purposes and functions of the Conservation Committee of California Oil Producers plainly indicates our allegiance to these principles.

As long as the Committee continues to function as at present, there would appear no need for state legislation to obtain true conservation. We all know, of course, that the validity of the activities of the Conservation Committee has been challenged, and if it were possible to enact state legislation which would permit and sanction the work of the Committee, I would favor and support such legislation in order to remove the doubt created by this challenge.

I do not, however, favor any so-called conservation law along the lines of the laws of Texas or other oil producing states, where the factor of market demand, including imports, plays so large a part. Nor am I in favor of any form of compulsory unitization.

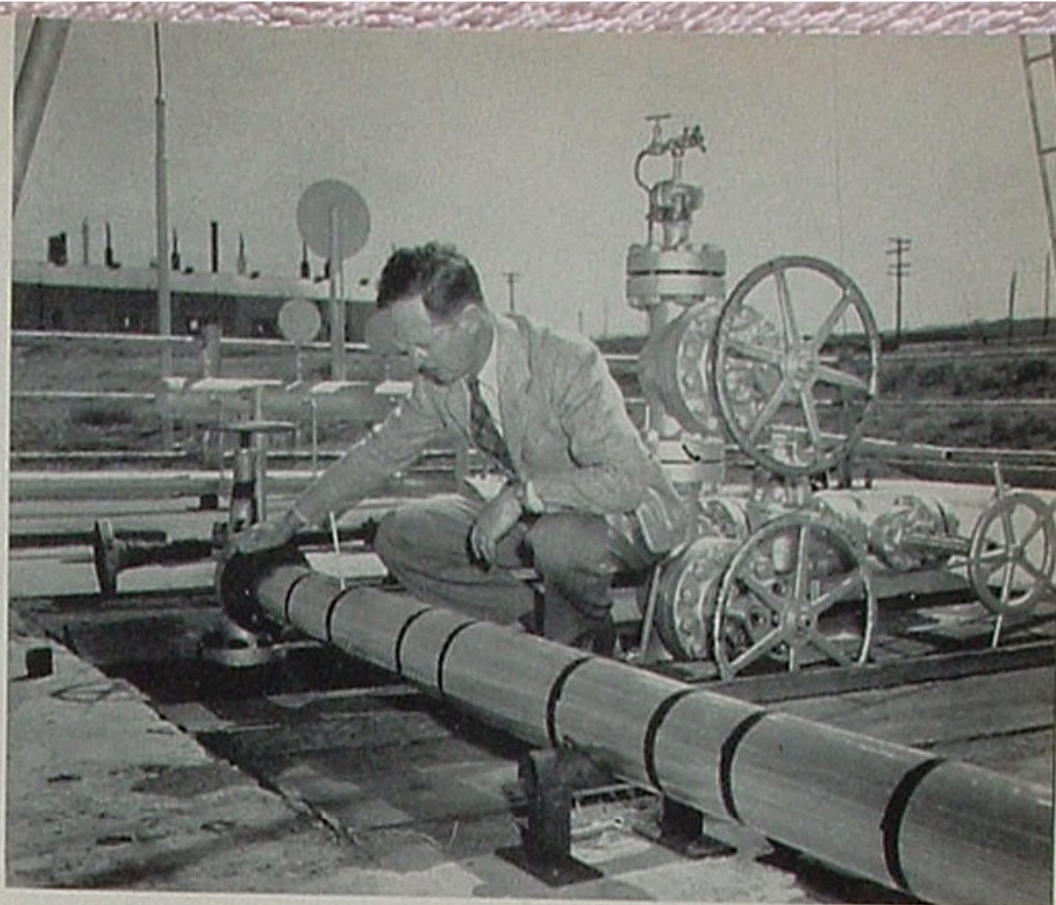
In an address before this very group earlier this year, a plea was made to the people of California in general, and the oil industry in particular, to support an unspecified "conservation law" as security for our future well-being. You were told at that time that excess rates of production, improper spacing of wells, high gas-oil ratios, blowing of gas to the air and other practices resulted in the waste of 10 billion barrels of oil in California—waste in the sense that it cannot now be recovered by the practices and methods now being generally followed in the fields where such oil exists. A value of 25 billion dollars was placed on this alleged waste.

In the first place, I want to most emphatically state that I do not believe there ever has been a "waste" of 10 billion barrels of oil at any time, or in any sense, in the state of California. And I challenge any engineer or operator in the industry to demonstrate that even anything near that amount was "wasted."

It is certainly common knowledge to all of us that in any oil field only a part of the oil originally in place in the reservoir can be recovered by the best production methods known to us even today, and we have learned much more about producing oil since the end of the thirties.

California fields, because of the relatively low permeability, the higher viscosity crude, and a common absence of active water drive, give ultimate yields generally below those prevalent, particularly in the Gulf Coast, West Texas, and Louisiana.

One means of extending the productive life of an oil field is to repressure a subterranean oil deposit by returning natural gas to it under high pressure. The gas at first serves as a pressure-drive, forcing more oil to flow through the porous rock formation toward producing wells. Eventually the gas itself reaches the wells and is reproduced in the form of *wet gas*, meaning that in its course through rock formation it has picked up many liquid fractions such as liquid petroleum gases, natural gasoline and heavier components. The gas is stripped of its liquid components in *traps* and *gas plants*, then pumped underground again in a *recycling* operation. The well at right in the *unitized* Coalinga Nose Field, operated by Union Oil, is an injection well where gas goes underground.



It has been estimated that an average yield for the state under good operating practice by primary methods of recovery would be approximately 30 per cent of the oil originally in place.

This is not a waste in any sense of the word, but a natural limitation, over which until fairly recently we had only very limited control.

Few oil producers will deny that in the vigorous days of the twenties and thirties we did not employ production practices now in general use for effecting the most efficient recovery. Most of these practices for efficient recovery were not then known. But we do know about them now, and they have been in use for some time and are continually improving production. Incidentally, many of these practices were developed right here in California.

Secondary recovery methods, such as gas injection and water drive, and combinations of the two, give great promise of materially increasing the percentage recovery.

Mechanical and chemical methods, such as acid treatments, hydrofrac, sandfrac, and the use of heat and solvents, have resulted in further gains.

All of these methods are being used extensively and voluntarily now in California.

I should like to say parenthetically that in espousing this theme of 10 billion barrels of wasted oil, its authors are doing a terrible disservice to our industry. It has caused such confusion that even responsible newspaper editors write, "For every barrel (of oil) that's produced, one is wasted. That's the industry's own estimate." Such careless comments could well lead to most stringent government regulation.

You were told this spring that at times the industry almost drowned itself in its own product, and many producers were ruined financially during the era of over-production.

Many of you here tonight went through those trying years, and how many producers can you name who perished financially during that period?

If memory serves me correctly, operators not only did not perish, but a large number of the strongest and most vigorous of the independent companies now operating most successfully and profitably in the state were born and firmly established themselves at that time. The list is long and impressive.

There are far more operators facing financial ruin right now under the so-called benevolent protection of the conservation laws of Texas, Louisiana, Oklahoma, and other states, where production during the past 18 months has been cut from 40 to 50 per cent, than at any time during the twenties and thirties in California.

Suppose a conservation law such as that in force in Texas had been in effect, say, in 1923, when Signal Hill, Santa Fe Springs, and Huntington Beach were reaching their peaks. What would have happened?

The domestic market demand for California crude oil was approximately 530,000 barrels per day, and our production would have been by law limited to that figure.

The then existing operators could easily have met the demand; there would have been little profit and less incentive to carry on the intense and vigorous prospecting of the time, and California would have remained a second-class producing state, dominated by a few producers.

What happened instead? With no legal restrictions, each producer sought to gain for himself a larger place in the industry. More oil was produced than our historic markets could absorb, but under the lash of fierce competition we developed new uses and new markets to accommodate the increased flow. This was the genesis of the great industrial development in the state.

Let one stand on the top of Signal Hill these days, as I have done, and contemplate the tremendous development spreading out in a vast panorama of oil fields, two major harbors, refineries, manufacturing plants and, even more important, thousands of homes, schools, hospitals, and all things that make for human happiness and prosperity.

Let him remember what was there 32 years ago—a few beach resorts, an unimportant harbor, barley fields, and vegetable gardens.

Multiply this transformation many times in the development of Huntington Beach, Santa Fe Springs, Ventura Avenue, Kettleman Hills, and other great fields of the same vintage.

Low prices? Yes, at times. But never so low as to discourage the continued development of these and newer fields.

Inefficient production? Perhaps, in the light of our present knowledge and experience.

But how can we call this wasteful in the face of the accomplishment of so much?

No other fields in the history of our industry have begun to equal these accomplishments:

Signal Hill—1,520 acres—773 million barrels produced to date—509,000 barrels per acre.

Santa Fe—366,000 barrels per acre, and so on.

Bear in mind that they are still substantial producers after over 30 years, and still have large producible reserves.

It may be argued that they would have done better under different producing practices, but I, for one, will take the present measurable results as more conclusive evidence of a job well done, than the hypothetical assumptions of what would have happened had a conservation law been in effect.

When the war came, we were ready. And our California industry's contribution to the success of our arms was a major factor in a final victory.

We have done all of this without a law to curtail or regulate our production. What possible reason do we have now for such a law, when all signs point to a shortage, rather than an overage of production in the future.

Let me remind you of another statement you heard this spring: "In almost any line of business or activity that one can think of, investments are protected by laws and rules of property. The one single solitary exception that I know of is the business of producing oil. In our business the applicable rules of property developed by

the law tend not to protect the investment but to destroy it. The basic cause of overproduction—the arch enemy of wise conservation methods in the production of oil—the real villain—is the so-called 'rule of capture.'

This is sheer nonsense. There is probably no other industry in the country more regulated by city and county ordinances, state and federal laws, than the business. It is true there are certain consequences of the so-called "rule of capture" that must be guarded against and which have been guarded against by voluntary effort, but the so-called rule is the principal motive and reason for California's past development—not its deterrent.

If the "rule of capture" needed to be outlawed by legislation in order to prevent the destruction of our industry in California, or its investment, how can you explain the fact that during the past 30 years our average daily production has increased by more than 50 per cent, to approximately one million barrels a day; that the number of producing companies and operators has more than doubled to its present total of approximately 1,400; that the number of producing wells has nearly tripled to a present total of approximately 32,000; and that our crude reserves have increased from three billion seven hundred million barrels to nearly four billion—despite an accumulated production of seven and one-half billion barrels during that same 30 years.

The so-called "conservation laws" of Texas, Louisiana, and other states are often cited as models for California to follow. I want to point out that Texas and Louisiana are still states with large surplus productivity, which California does not have, and I want to point out further that in both cases the laws are designed to control production by limiting output to market demand, with conservation as an incidental rather than a primary consideration.

I would also point out that as a result of such laws, production in many states has been curtailed by as much as 50 per cent of M.E.R., largely to make room for foreign imports.

In other words, American producers having no inter-



Another conservation technique is known as *water flooding*. In our Dominguez Field near Los Angeles, salty waste water produced with oil from the wells is collected in the *skim pond*, at left. Then, after being filtered and treated, it is injected under pressure into carefully determined portions of the oil-bearing layers of rock. In migrating again toward the producing wells, the water flushes out particles of oil that defied other production methods and pushes them along toward a more useful career in industry. This large-scale water-flooding project, first of greater than pilot-flood experiments to be tried in California, will undoubtedly be followed by similar projects within the state. In this instance also several competing companies are cooperating to realize the maximum oil yield.

est in foreign fields are being forced by their own so-called "conservation laws" to subsidize, without compensation, foreign imports.

Do we want this in California?

As far as gas is concerned, for the last 12 years at least there has been less gas blown to the air from the state of California than is currently being blown from many fields in Texas and Louisiana.

We have had a gas conservation law on our books, intended to prevent waste of gas both to the air and underground, since 1931. It is likely that these regulations could be strengthened somewhat to the end that the production of high and damaging gas-oil ratio wells should be properly restricted, and, where necessary, shut in—even though the gas produced therefrom can be sold. I have in mind Section 3307, Public Resources Code, which is confusing and too loosely drawn.

The operators of California are thoroughly conversant with all modern production methods and procedures, and have always been in the forefront of every effort for better and more efficient production. Our gas-oil ratio control, under voluntary operations, compares most favorably with that of any portion of the country.

As of the beginning of this year, 18 per cent of our total daily state production was coming from unitized fields, formed and operated without state control of any sort. This compares with 9 per cent for Texas, and 12 per cent for Louisiana.

There are many cases where, by cooperative means, the effect of unit operations is obtained in California to permit more efficient production methods.

Many water-flooding projects are in operation or are in pilot-plant stage throughout the state and our engineers, research departments, and production men are working on all fronts to improve the yield of our fields, both new and old.

A current canvass shows that there now are six commercial floods in operation and not less than 25 pilot floods in preparation for substantial operations.

How will this be improved by a law?

It is argued that without complete or compulsory unitization, many of our modern production practices

cannot be effectively employed and there should be a legal way to force a recalcitrant operator into a unit if, say, 75 per cent of the operators do agree.

To accomplish this, it is proposed to form an administrative body, which will conduct hearings and make rulings binding on all property owners in a proposed unit.

With this proposed procedure I take strong exception. First, I do not want to see any more of our business placed in the hands of politically controlled bodies. Secondly, I am convinced it is both unnecessary and contrary to the spirit of free enterprise so essential to our industry to pre-empt a man's property by law, when we have proved by many successful results that we can accomplish the same ends better by voluntary means.

"There ought to be a law" seems an easy way out and in keeping with much distasteful modern political thinking, but what of the cost?

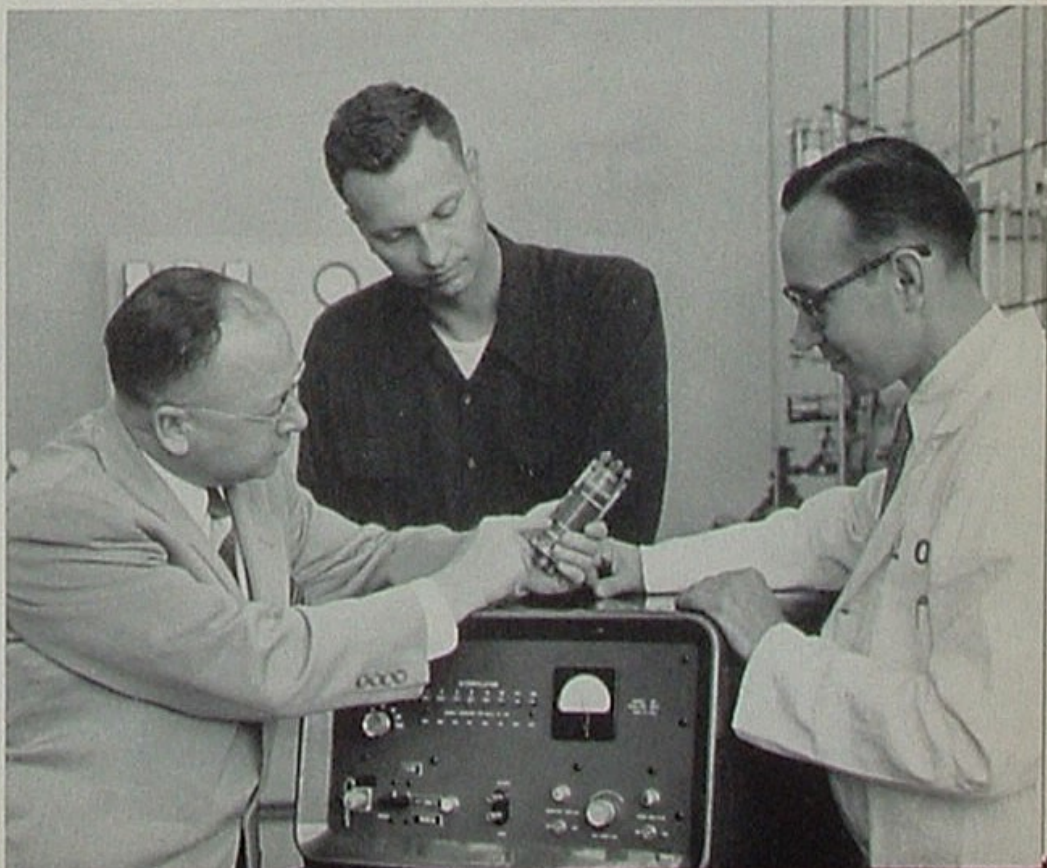
My own company has at times paid dearly to bring a minority interest into a unit, but how can we on the one hand pound our chests and shout to the world our belief in free enterprise, and on the other run for the enveloping "security" of government controls when the going may get a little tough.

We have done a good job in California without state control. Many of you here sat in a hearing room in the Federal Building in Los Angeles a few years ago and heard the chairman of a Senate Small Business Subcommittee congratulate our California oil industry for accomplishing voluntarily what other oil producing states were unable to achieve even with statutory regulation. And we have progressed much even in these subsequent few years.

The need for regulation in California—if ever there was any—is long past. This industry has grown strong as a vigorous champion of individual rights, as a careful custodian of a great natural resource.

Our greatest gains, and those of our nation, have been made as free men working for the common good. In this endeavor, too, we must accept our responsibilities while maintaining our freedom. We must continue to work for true conservation, voluntarily.

Meanwhile the highest skills in the petroleum industry, including such men as those at right in our Research Department, are exploiting every possible technique used or proposed for further increasing oil production in California as well as other states. They are putting to the test such techniques as *Hydrofrac* (hydraulic pressure at the bottom of a well to fracture producing sands and stimulate the flow of oil); *Sandfrac* (the wedging of sand particles into producing-zone fractures to further increase oil flow); and bottom-hole heaters, which serve to increase production by raising the temperature and lowering the viscosity of crude at a well's bottom. It is the contention of many Union Oil people, including Mr. Taylor, that a better job of "true conservation" is being done here than in areas where governments intervene.



'T WAS

From left, Officers Nancy White, Nancy Milburn, Patricia Perry and President Janice Crowley carried Christmas cheer and Union Oil Girls' Club gifts to Los Angeles Orthopaedic Foundation, making it possible for 24 youngsters to be hospitalized for surgery.



A plush Girls' Club dinner (below) at Giro's on the Sunset Strip found Santa Claus (Jack Cowie of Southwest Territory) most popular with (at left) Marie Snider, Marge Vincze, Jackie Williams, and (above) Doreen Dunn, Bobby Perll, Joanne Howden, Velma Warner and 100 others.



NIGHT BEFORE CHRISTMAS

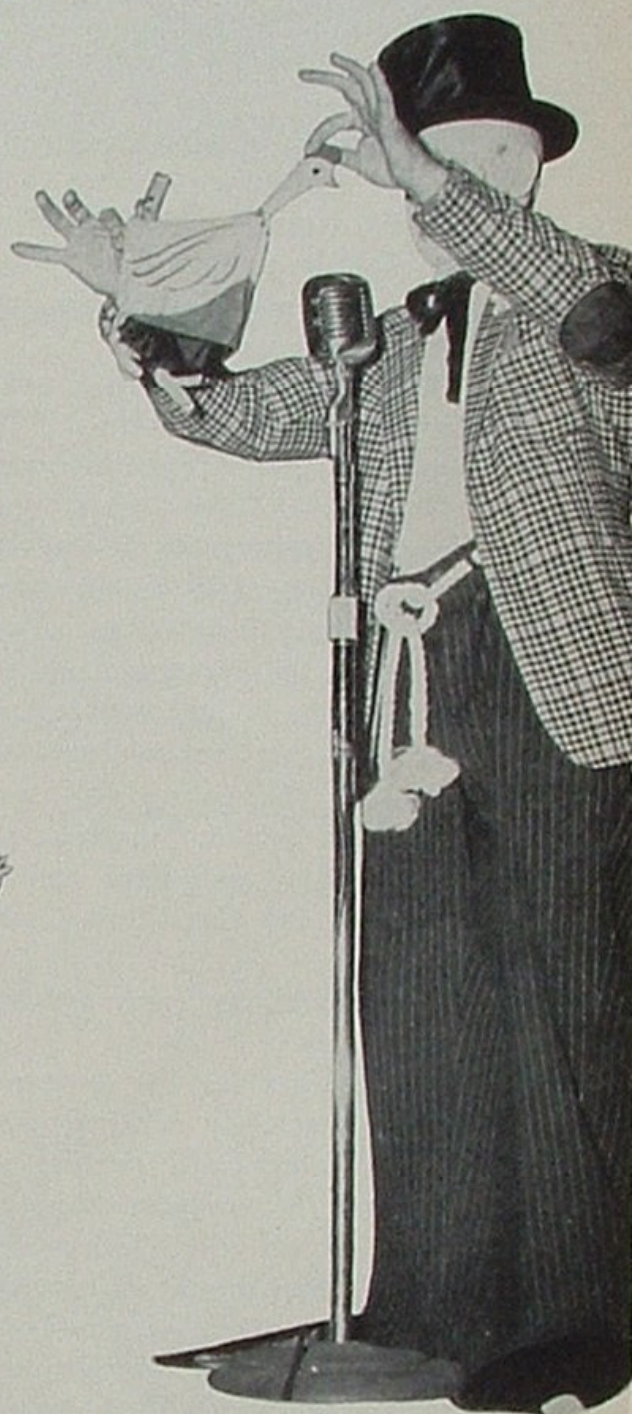
UNION OILERS had one of the merriest Christmases ever in 1954 at dozens of local parties and through the even more joyful tradition of giving to others. Holiday activities of the Girls' Club and Refinery Supervisors' Association symbolized Christmas at its finest.

Our Los Angeles Girls' Club climaxed a year of social and charitable activity by donating \$200 to Orthopaedic Hospital; then convened at Ciro's on the Sunset Strip for their annual pre-Christmas celebration.

Los Angeles Refinery Supervisors "passed the hat" for a gigantic children's Christmas party in the cafeteria; remembering meanwhile to send a truckload of toys for less fortunate youngsters in Children's Hospital.



Above, President Charles Munson of Refinery Supervisors dispatches Stanley Stame with truckload of toys for Children's Hospital. At L. A. Refinery Christmas party for Union Oil children (below), no one was more astounded than Miss Lorraine Langerin (right) at antics of clown.



For 1955 -- Which Mood?

By David Lawrence

THE mood of 1954 has been characterized by a manifest reluctance to come to grips with reality and to face the facts of national and international life today.

Will it be the mood of 1955?

A crass materialism has emerged to influence the mood of the age.

Europe is thriving in a new-found prosperity stimulated by American dollars. "Neutralism" and abandonment of principle are commonplace.

In this country—where high standards of living, wages unprecedented in weekly amounts, creature comforts, gadgets and the luxuries of an "abundant life" are not only fostered as a social objective but underwritten as the paramount obligation of political government—there is less and less emphasis on morals and more and more subservience to the gods of expediency.

Indeed, the ruling philosophy of the modern "intellectual" is that "in the public interest" Peter must be robbed to pay Paul and that, no matter what the words of the Constitution may say, the end justifies the means.

This insidious germ permeates the bloodstream of government.

Our judges for the most part have been chosen on the basis of their political predilections in the expectation that they will decide social questions a certain way—not in accordance with constitutional precedent but in accord with "public sentiment."

Our majorities in Congress are swayed by the passions and hysteria of a mobocracy.

The crusade for "conformity" of thought has begun to infiltrate our church organizations, our press and our educational institutions. Majority opinion is hailed as "truth." Intolerance of any minority dissent is the new "liberalism."

It really is a kind of totalitarianism born of an irresponsible mood. Freedom of speech appears to be defined as freedom only for opinions that are palatable.

The trend, moreover, is toward executive rule. The people show signs of reverting to monarchical habits. If a President speaks, the representatives of the sovereign States must not, it seems, be permitted to dissent. If they do, it is under penalty of public scorn.

These are not yet all-controlling influences. There are many parts of our country where old-fashioned Americanism still prevails and many groups who champion that faith. But there are evident nevertheless powerful manifestations of the mood of the times, which wor-

ships the doctrine of an executive autocracy.

Today the "intellectual" approach is that the Congress should function only within a limited sphere and that it must not even inquire into the operations of the departments and agencies if the Executive or his spokesmen object. True, the Supreme Court of the United States in the past has upheld the right of the people's legislature to inquire into the behavior of the executive departments and has never really placed an effective limitation on that right. But now a drive is on to insure the subservience of the legislative body, and, curiously enough, the majority in Congress are apparently willing to bow to it and become "rubber stamps." It is in line with the new "conformity"—an unwillingness to accept the responsibilities of American constitutionalism.

The principles of the Constitution itself have been disregarded so often that violations are condoned as "realistic." Caprice in government was dramatized on January 3, 1936, when President Roosevelt boasted to a joint session of Congress that his Administration had "built up new instruments of public power" which in the hands of a "people's government" were "wholesome and proper" but in the hands of "political puppets" would provide "shackles for the liberties of the people."

Mr. Roosevelt publicly argued also that the method of amending the Constitution in the way prescribed in the document itself was too cumbersome and that it was easier to "pack" the Supreme Court, which could rewrite the Constitution at will. The end seemed to him to justify the means.

That's the philosophy of "left wingism" today, too. Its fundamental doctrine—that anything goes if it has a "social welfare" label—is supported by many of the so-called "liberals." Unfortunately, much of the same doctrine also is beginning to be accepted by some of the conscientious but misguided advisers of the President as being the will of the people. It is a course euphemistically described as "progressive moderate."

The year 1954 recorded a tragic page in American history. The mood of 1955 will not bring back the morality and respect for constitutional principle which has guided us through many a crisis in the past unless the conscience of America is awakened from its "left wing" spree. It must be awakened—if the United States is to exhibit the courage necessary to withstand the internal and external foes who would destroy our American system of government by making a political shambles of the Constitution.

Reprinted through courtesy of U. S. News & World Report.

The "Natural Gas Issue"

This is a simplified summary of the fundamental questions involved in the "natural gas issue" facing the Eighty-fourth Congress.

The issue.

Should the Federal government take over from the states the regulation of production and conservation of natural resources?

Why is this an issue?

No major political party or political leader ever has advocated such an extension of Federal power. The Supreme Court decision in the Phillips case, June 7, 1954, had the effect, however, of removing natural gas production from state jurisdiction. State taxing powers and police powers, notably conservation, have been destroyed, unless Congress acts.

What is the effect?

Federal-State relationships are in a state of chaos. The status of private ownership and development of resources is clouded; literal application of the Natural Gas Act would place producers in the same category as public utilities, such as water, light and telephone companies, necessitate Federal licensing of facilities—i. e., drilling rigs, pipes, other installations—and lead to virtual confiscation of independent producers. Most important is the fact that Federal government is in position, through price control of gas, to dominate pricing of competitive fuels and can determine which industries and which cities will use what fuel.

Will consumers benefit or suffer?

Suffer. Because of abundant supplies, developed under a free competitive system, natural gas has been cheapest of all fuels. However, natural gas is exhaustible. Regulation, as instituted by the Federal Power Commission, will deter and impede exploration for additional gas, discourage interstate marketing of known gas reserves. Gas will be put to less beneficial use within states where it is produced since producers will not want to subject new discoveries to federal control. Result will be less gas at higher prices for consumers.



What is most advisable course?

Serious consequences of Court interpretation suggest prompt action to restore regulation to basis followed under Natural Gas Act from 1938 to 1954. In 1954, Congress clarified Act to exempt local distribution; similar clarification regarding production and gathering would reinstate proved policies, restore order to Federal-State relations, assure no waste of valuable resources by destruction of conservation laws, and protect consumers against adverse and unpredictable consequences of present chaotic conditions.

THE GIRLS

By Franklin Folger



"If the government isn't a dependent, what is it!"

Reprinted through courtesy of Los Angeles Times and Newspaper Feature Synd.



INDUSTRIAL SUMMARY

● **MANUFACTURING** The Los Angeles Refinery Marine Terminal has increased its lubricating oil storage 20,000 barrels by the addition of three new tanks. Also five additional tanks totaling 190,000 barrels are under construction on adjacent property recently acquired. By enabling tankers to load and discharge cargoes in a shorter time, this increased tankage will result in more efficient marine terminal operations.

Construction work on the new Santa Maria Refinery is progressing as scheduled, with completion expected by March, 1955. Training of the refinery operating staff is under way. Santa Maria Refinery will process Santa Maria crude oil, producing gasoline stock, gas oil and coke. The gasoline stock will be sent to Oleum for desulfurization by the Unifining Unit and subsequent treatment in the Platforming Unit to produce high-quality gasoline blending stocks. The gas oil will also be sent to Oleum for thermal cracking, which produces gasoline stock and residuum.

from K. E. Kingman

Union Oil Company's entry in the 1955 Tournament of Roses at Pasadena won First Prize in the Class E (Industrial) category of floats. Entitled "Let us then be up and doing," it represented a floral beehive, complete with bees.



● **FIELD** When an oil well is abandoned, it is not usually considered news. We believe the case of Lakeview No. 13 to be an exception:

The abandonment during the past month of this well, the last producer on the prolific Lakeview property near Maricopa, Kern County, California, completes the life cycle of an operation that ranks as the most spectacular of its kind in the history of wildcat drilling in the United States.

The story of Lakeview began 47 years ago with the spudding of Lakeview No. 1 by four independent operators. From the start the well was in almost constant trouble, and when the partners ran out of money, Union took over the drilling at a depth of 1800 feet, acquiring a 51 per cent interest in the well. On the morning of March 15, 1910, the well blew in out of control from a depth of 2200 feet. To say that we had a bear by the tail is to put it mildly.

The well blew wild for 18 months, pouring an estimated 9,000,000 barrels of oil over the surrounding terrain. By the erection of dams and dikes to form a vast earthen reservoir, we eventually recovered 5,000,000 barrels of the crude. On September 11, 1911, Lakeview No. 1 died.

During the following years, the Company drilled 12 wells on the Lakeview leases, but none compared with Lakeview No. 1 in performance. Up to the recent abandonment of the last producer, a total of approximately 10,800,000 barrels of oil have been produced and saved from the properties, a remarkable recovery from the 98 acres of Lakeview leases involved.

A historical marker, installed at the Lakeview No. 1 site with appropriate ceremony in February, 1952 by the Kern County Historical Society, commemorates the wildest oil well of all time.

from Sam Grinsfelder

● **MARKETING** The opening on January 17, 1955 of Union Oil's new combination wholesale-retail marketing facility in Boise, Idaho

marked the first such operation in this area with Company employees. The wholesale portion of the business is employee operated while the retail service station is run by a lessee.

On January 19, Central Territory's retail marketing moved to within 50 miles of the Colorado State boundary. Our new distributor, Ashton Oil & Transportation Co., has retail outlets in Heber City, Duchesne and Vernal, Utah, providing excellent additions to our rapidly expanding distribution chain in Utah.

Pumping 7,473 gallons of gasoline during the opening day, Service Station No. 60 of McKales, Inc., distributors of Union Oil products, achieved the highest opening-day gallonage ever recorded in McKales history. From 9 a.m. to 8 p.m., cars were lined up for two blocks in both directions in Seattle's White Center District, waiting their turn to buy "76" products and receive introductory favors. Success of the opening is attributed to the cooperation and enthusiasm of personnel from both McKales and Union Oil Company.

Union Distributors (B.C.), Ltd., Vancouver, B. C., have been appointed distributors of our lubricating oils, greases and Aristo Waxes in that province of Canada. It is planned to ship their stock requirements from our Willbridge (Portland) Terminal, where we now have homogenizer-blending facilities.

Pacific Airmotive has provided 7600 Aviation Gasoline service at McChord Field, McChord Air Force Base, near Tacoma. This is an exclusive arrangement under the C. A. M. flight program for civilian planes.

from Roy Linden

● RESEARCH & PROCESS

Approximately 200,000 barrels per day of Unifining capacity is now under license by Union Oil to other companies. Eastern States Petroleum Co. are to install a second Unifining unit; their first was installed only three months ago. Other companies who recently have obtained Unifining licenses from us include the Pennzoil Co., Pennsylvania; Rock Island Refining Corp., Indiana; Rothschild Oil Co., California; and Elk Refining Co., West Virginia.

Installation of a new high-resolution mass spectrometer at the Research Center recently is expected to assist us in the future development of improved lubricating oils, waxes and other products. The instrument promises a better understanding of hydrocarbons and other compounds in heavier fractions of petroleum.

from Fred L. Hartley

● COMPTROLLERS

Union oil checks to vendors have a "new look." Special colors and different markings place more emphasis on trade symbols and on the proper name of our Company.

This change is coincident with the inauguration of a new check issuing machine which dates, numbers and signs each check while at the same time recording significant information on a check register—all in a single operation. Use of this system marks a further step toward delegating work of a routine and mechanical nature to machines and using manpower in a more constructive manner.

from I. J. Hancock

● TRANSPORTATION & DISTRIBUTION

Increased requirements for anhydrous ammonia from Brea Chemicals have made it necessary to procure additional pressurized tank cars for rail shipment of this product. Twenty additional cars will be obtained on a lease basis from General American Transportation Corporation, making a total of 60 anhydrous ammonia cars assigned to Brea Chemicals for this service.

Since 1925, natural gasoline produced in the various absorption plants in Los Angeles Basin has been transported to the Los Angeles Refinery through what has been called the "white line." This gasoline now is being blended with crude oil, and operation of the white line has been discontinued. Handling of enriched crude oil through our crude oil pipeline is made possible by the installation of three gas separating towers—one at Stearns Absorption Plant, one at the Bell Plant, and a third at the Dominguez Absorption Plant. The enriched crude that has passed through these towers will have a vapor pressure similar to that of ordinary light refining crude oil.

from E. L. Hiatt

● INDUSTRIAL RELATIONS

Following the series of Smog Education Meetings of Union Oil employees in the Los Angeles area, requests were received from civic groups and service clubs for similar presentations to their memberships. One such request was honored recently when Leo Martin and Gerry Chappell of the Industrial Relations Department conducted a meeting for a Garden Grove service club. It is felt that such factual information will go far toward bringing the smog problem into proper public focus and aiding in its solution.

Trends in frequency of disabling injuries show that the larger operating departments (Production, Refining and Wholesale Marketing) have shown little change from averages established in 1953. Marine and Pipe Line show a definite improvement over their 1953 frequencies while Distribution and Retail Marketing achieved large improvements. Since there is room for real safety progress in all operations, we should cooperate in raising every Company job to the highest possible standards of safety.

from W. C. Stevenson

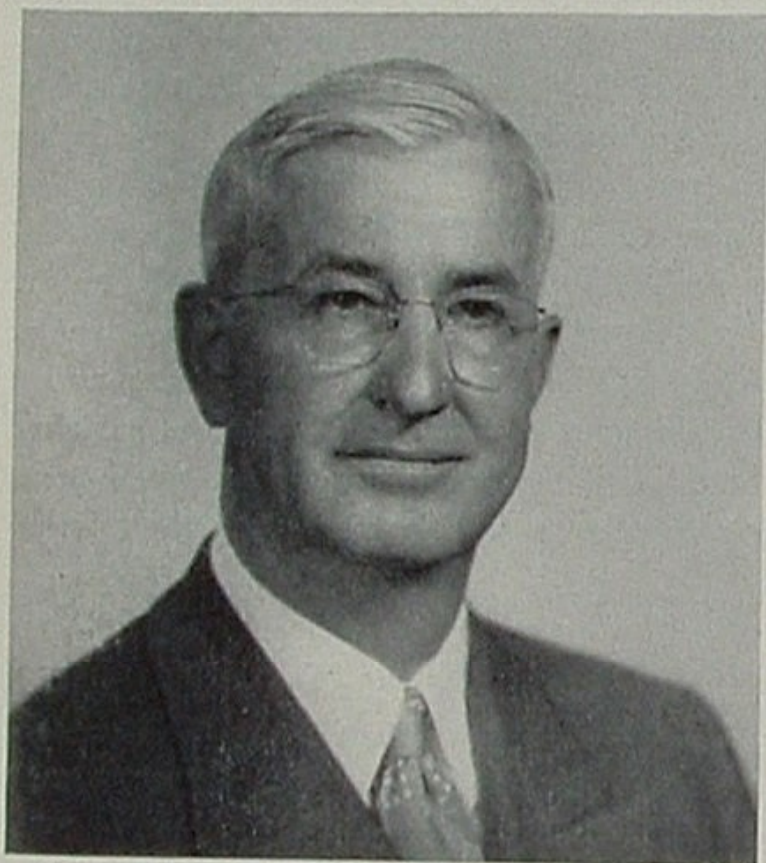
Organization Changes

HAVING reached normal retirement age, Vice President Alan J. Lowrey retired from that office effective February 1, 1955. However, being also a member of the Union Oil Board, he will continue serving as a director.

Mr. Lowrey was born at Honolulu on January 15, 1890; obtained his early schooling there; then moved to the mainland to attend Harvard University. After graduating in 1913, he was associated with Lewer & Cooke, Ltd. and Henry Waterhouse Trust Company of Honolulu; National City Bank and Tucker Anthony & Company of New York; Blair & Company, Crocker First National Bank, and E. F. Hutton & Company in San Francisco. Joining Union Oil as assistant to the president in 1939, he was elected a vice president in 1951 and a director in 1954.



A. J. LOWREY



C. E. SWIFT

THE early retirement of Vice President C. E. Swift, as announced January 17, will bring to conclusion a 28-year Union Oil career highlighted by many outstanding accomplishments. During his eight years as manager and vice president, our research activities have increased in operating-budget significance from approximately \$1,700,000 to \$5,000,000 per year. In this same period, our research staff has increased from about 230 to nearly 400 employees. Mr. Swift's 28 years of service, covering a score of assignments from senior inspector to vice president, has paralleled numerous vital improvements, including, the steady ascendancy of Union Oil products to quality leadership; scientific advances in all phases of Company operations; the acquiring of important patents; and the establishment near Brea of our Research & Process Center, acknowledged to be one of the best in industry. These are practical monuments to a man who takes with him our highest esteem.

SUCCESSOR Mr. Swift as general manager, Research & Process, effective January 17, 1955, is Fred L. Hartley.

Mr. Hartley was born January 16, 1917 in Vancouver, British Columbia. He graduated in 1939 from the University of British Columbia as a bachelor of applied science in chemical engineering. Prior to graduating, he worked temporarily as a draftsman for Standard Oil of British Columbia and as a surveying assistant for the Government of Canada in Yukon Territory. Joining Union Oil as a technical trainee at Oleum Refinery in 1939, he advanced to junior research engineer, Wilmington, in 1939; refinery process supervisor, Oleum in 1942; manufacturing process supervisor, Home Office, in 1943; general superintendent of operations, Los Angeles Refinery, in 1950; and manager of commercial development division, Research & Process Department, in 1953.



F. L. HARTLEY



▲ **TWICE HONORED** Recipient of the Alumni Service Award at University of Arizona's homecoming on November 6 was Union Oiler John P. Rockfellow, manager of employment. Due to a business engagement in New York, Mr. Rockfellow asked that he be represented at the presentation by his daughter, Mrs. Bruce Thoeny,

seen at left receiving the plaque from Richard A. Harvill. Then on January 13, Mr. Rockfellow received a National Vocational Guidance Association citation as a "Pioneer in the development of college recruitment programs for effective placement of college graduates in industry." He appears, at right, with Rufus B. von Kleinsmid, internationally famous educator who also received high recognition at the Los Angeles ceremony.



▲ **OLD TIMER AWARDS,** presented by the Seattle Chamber of Commerce to senior salesmen with the best and longest records of service to their company and community, came into the possession of two Union Oilers on December 10. They

are Elmo Kirkpatrick (3rd from left) of our Seattle sales group and Bill Donaldson (2nd from left) of Hemphill Oil Co., one of our heating oil resellers. Among the first to congratulate them were Wylie Hemphill (left) and Union Oiler L. C. Burkland (right).

from J. W. White

▼ **A SILVER BEAVER** award has been given by the Boy Scouts of America to Comptroller & Treasurer Irving J. Hancock, right, for his distinguished service to boyhood and outstanding civic service. It is one of the foremost awards of scouting. Sharing Mr. Hancock's interest in the award are, from left, William S. Penn, supervisor of Market Research, and Edwin R. Hardy of the Auditing Staff—both scouts who have devoted years of unselfish effort to Boy Scout activities.





▲ **A POSTHUMOUS AWARD**

was made recently aboard our tankship AVILA by Captain John B. Stene to the widow of Albert O. Pegg in recognition of Mr. Pegg's many years of service to the petroleum industry as a member of the American Petroleum Institute's committee on tanker vessels, vice-chairman of its sub-committee on tanker corrosion, and member of the special committee on tanker regulations. Mr. Pegg retired from Union Oil Company in 1939 after 36 years of marine experience as inspection engineer, chief engineer, port engineer in San Francisco and Los Angeles, and ultimately superintending marine engineer in charge of the design and construction of Union Oil ships.



▲ **AT SPOKANE,** seats of honor were reserved for, from left, F. W. Olsness, Helen L. Eldenburg and J. S. Basset as a



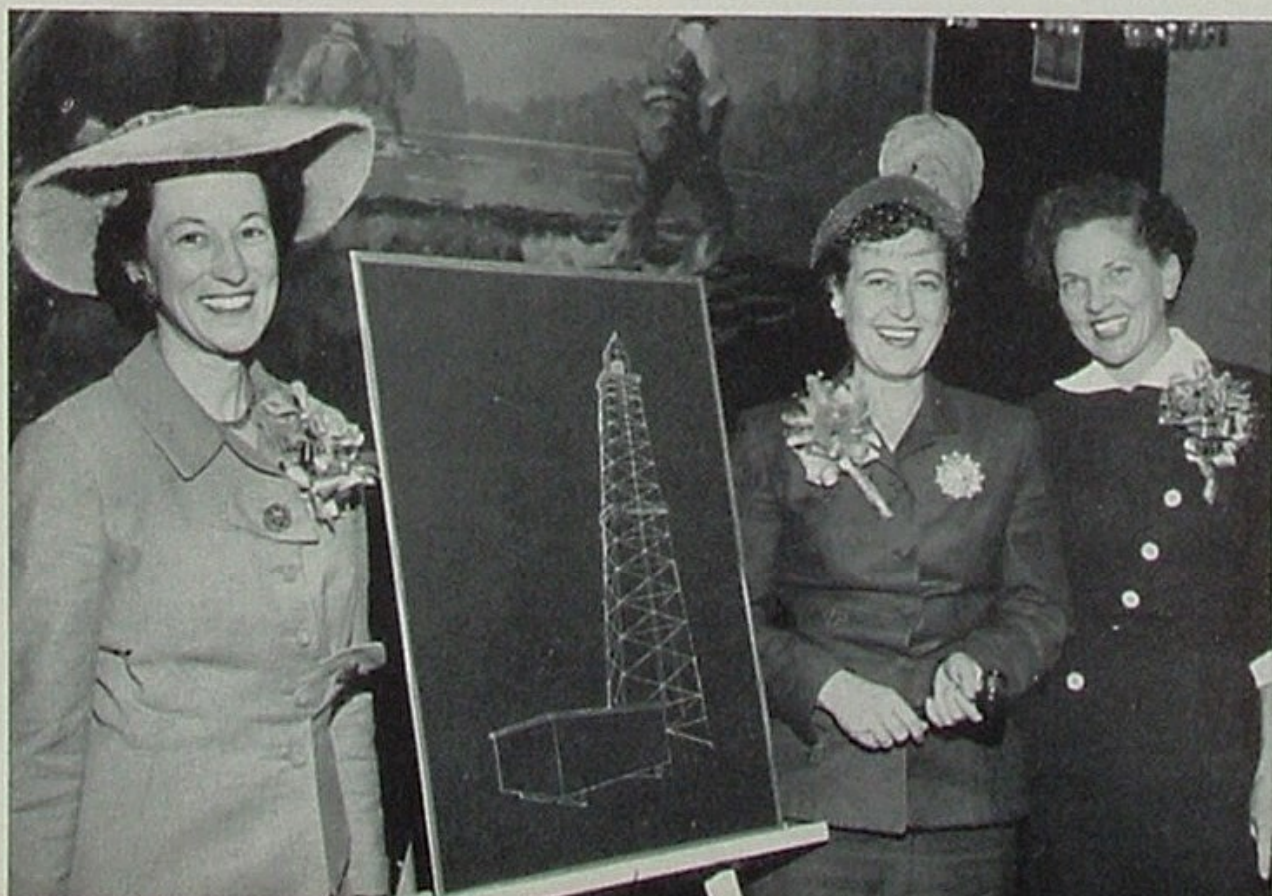
token of respect for their 25, 10 and 30 years of Company service. Posing with the well preserved trio of veterans are, from left, M. E. Nichols, L. G. Hance, C. D. Wiley, D. L. Rogers, R. H. Gibson, E. C. Engen and V. E. Anderson. Mr. Olsness is resident manager, Miss Eldenburg secretary, and Mr. Basset industrial sales engineer at Spokane.

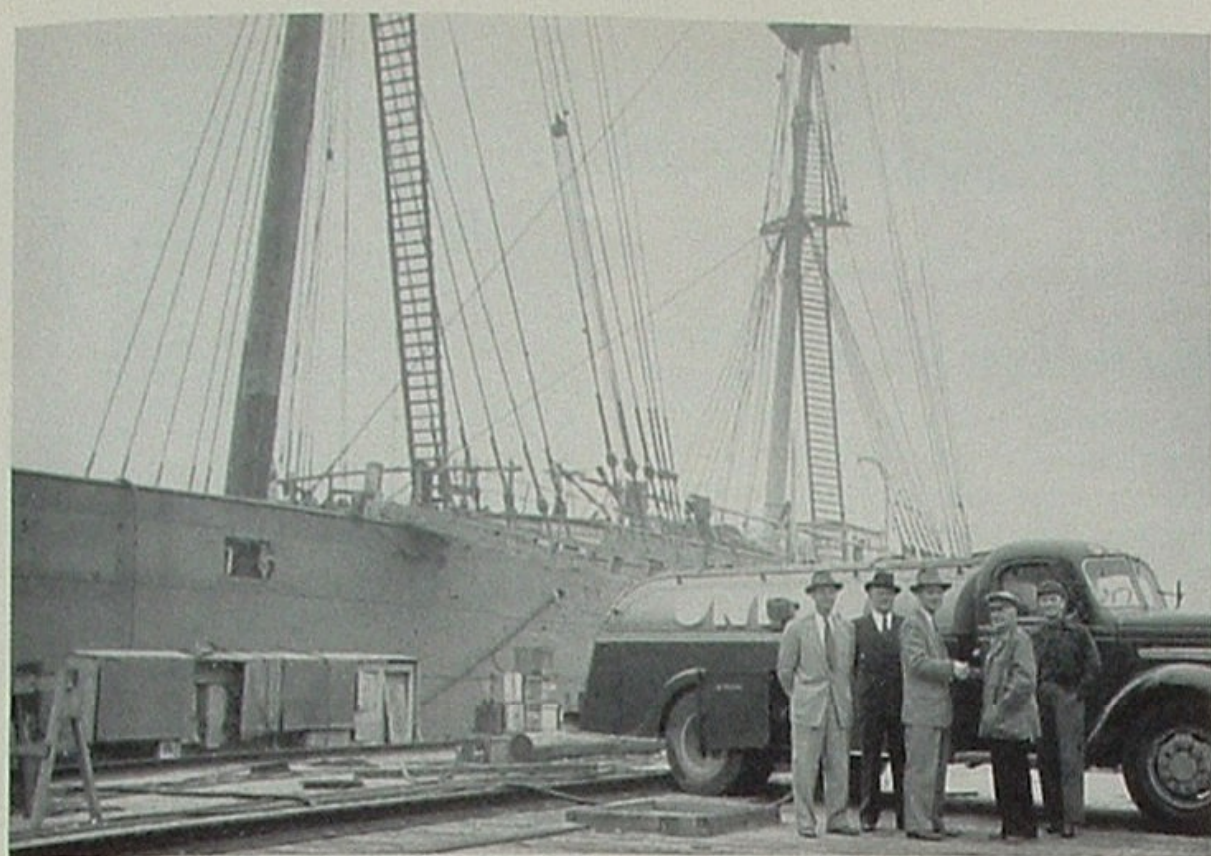
from J. W. White

◀ **PAT CLARK** of Sales Services in San Francisco has been elected a vice-president of the Desk & Derrick Club in San Francisco. She will be in charge of programs and trips during 1955. ON TOUR is pleased to introduce Pat also as our newly appointed correspondent for the Bay Area, succeeding Ethel Cline, retired.

◀ **AT SEATTLE,** the Desk & Derrick Club has elected three Union Oilers to offices of top leadership for 1955. From left, Peg Flanigan is corresponding secretary, Kay Kesner is president, and Bernie Willis is recording secretary of D & D. Their happy acceptance forecasts a most successful year for the club.

from Bob Sandereck





▶ **AT SAN FRANCISCO,** from left, L. J. Wyatt, Bill Jamieson, B. E.

Robbins, Captain John Rankine and N. J. Marinovich participate in Union Oil's donation of 76 gasoline toward rehabilitation of the PACIFIC QUEEN. The old windjammer, built in 1886, will become an attraction at San Francisco's Maritime Museum.

from J. H. McGee



◀ **ELECTED** secretary of the San Francisco Export Managers Association for 1955 is Union Oiler Robert S. Dowling of our Export Department. The association is made up of industry officials who have charge of overseas sales.

from Ethel Cline



▶ **GROUNDBREAKING** for the million-dollar asphalt unit at Los Angeles Refinery was done the progressive way on December 13 by, from left, Lloyd Toland, Harry Bourgeois, Driver Charles Henderson, Thomas Gaines and Robert McKean, who chose a giant earth-mover in preference to the old-fashioned shovel.

from Herb Zirnite



◀ **HOUSE-WARMING** at Los Angeles Refinery in December attracted, from left, Colleen Brockman, Jean Shaffer, Merle Baker, Host Bill Forbes, Janet Farris and Pat Evans of the refinery's Personnel Department. Captain Forbes of the refinery guard considers his new glass-enclosed shelter something of an improvement over the windier version (above) that preceded it.

from Herb Zirnite





◀ **AT KLAMATH FALLS,** Resident Ed Dittrich, left, was chosen as co-chairman with John Schubert of the city's annual polio-prevention radio auction. Everything from aardvarks to zymometers was auctioned off for the March of Dimes. At left, Ed, always the salesman, reminds John that the trike will last for generations if properly supplied with Union Oil lubricants.

from Bob Sandercock



▲ **ETHEL UGARTE** of Retail Accounting, Central Territory, was chosen as one of 15 pretty nominees to compete for the title of Queen of United Nationalities, to reign at future social events of that organization. United Nationalities, founded in cosmopolitan San Francisco, represents 38 nationalities and is designed to promote closer understanding and friendly relations among people of various ancestry.

from Ethel Cline



◀ **SERENADERS** who made the corridors of Home Office and the Petroleum Building ring merrily last Christmas eve are, from left, Edgar D. Stowe of Comptrollers, Ann Peterson, Frances Beachy and Joseph H. See-lye, retired, of Southwest Territory. The quartet, started by Ann and Joe five years ago, revives each year to carry on a fine tradition.

from Jack McFarland



◀ **SANTA'S HELPER** in the person of George Trimble, automotive superintendent for the Northern Division, believes in "letting George do it" particularly in regard to toys for his seven grandchildren. This year the delighted children received TV chairs, doll trunks, sewing cabinets and a dozen other expertly built creations, all bearing the unregistered Trimble trademark. The doll wardrobe of course is credited to Mrs. Trimble.

from Bob Sandercock



SERVICE BIRTHDAY AWARDS

FEBRUARY 1955

MARKETING

Humphrey, Charles C., Modesto	35
Richardson, Allen R., Van Nuys	35
McCulloch, William H., Rosecrans	30
Wilder, Gove R., Los Angeles	30
Campbell, Charles L., Seattle	25
Lund, Leo W., Seattle	25
Otto, George, Burbank	25
Jamison, Ward, Chico	20
Rawson, Edward C., Seattle	20
Schlegel, Forrest M., Hyde Park	20
Baimbridge, Fred F., Los Angeles	10
Brusseau, Florian E., Seattle	10
Ford, Roland E., Los Angeles	10
Jacobson, Eugene C., Sacramento	10
Kampfer, Marguerite, Portland	10
Little, Veda Brown, Seattle	10
McGee, James H., San Francisco	10

EXPLORATION & PRODUCTION

Critton, Lloyd V., Whittier	35
Thompson, Howard V., Whittier	35
Gooley, Edgar L., Dominguez	30
Suttles, James E., Texas	15
Bruns, Richard, Orcutt	10
Skaggs, Marion B., Whittier	10

COMPTROLLERS

Lorimore, Max, Home Office	30
Heyes, Thomas, Home Office	25

MANUFACTURING

Schinnerer, Edward F., Oleum	30
Fuller, Charles M., Oleum	20
Cresswell, William D., Wilmington	15
Howard, Everett A., Wilmington	15
Lammerman, Frank N., Montana	15
Monroe, Floyd C., Wilmington	15
Munson, Charles O., Wilmington	15
Anderson, Newton W., Wilmington	10
Davenport, Ona D., Wilmington	10
Freeman, Marcus W., Wilmington	10
Fries, Fred H., Wilmington	10
Harrison, Floyd A., Wilmington	10
Hodge, Sim, Jr., Oleum	10
Ross, T. L., Oleum	10

AUTOMOTIVE

Coulson, Thomas S., Portland	30
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PIPELINE

Foster, William A., San Luis Obispo.....	25
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MARINE

Peck, Wenzel, Wilmington	15
Thorp, Liela I., San Francisco	10

RESEARCH & PROCESS

Rogers, Raymond A., Brea	15
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COMMUNICATIONS

Armstrong, Corrine H., Home Office	10
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Retirements



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

JOHN P. SHULTZ

Pipe Line Department
Employed 10/22/17—Retired 2/1/55

ALAN J. LOWREY

Executive
Employed 4/1/40—Retired 2/1/55

ROBERT M. FULTON

Los Angeles Refinery
Employed 12/23/43—Retired 2/1/55

In Memoriam

On December 22, 1954

ARTHUR L. JOHNSON

Los Angeles Refinery
Retired 10/1/41

On December 29, 1954

CORNELIUS M. VANDERWAL

Automotive Department
Retired 10/31/54

On January 1, 1955

LEO SAM GRAYSON

Los Angeles Refinery

On January 9, 1955

HERBERT A. ALLAIRE

Field Department

On January 10, 1955

NEWTON W. ANDERSON

Los Angeles Refinery

On January 12, 1955

JOHN T. WILLIAMS

Los Angeles Refinery
Retired 11/30/46

On January 14, 1955

ARTHUR D. OFFLEY

Southwest Territory
8/1/44

On January 22, 1955

GEORGE LA COSTE

Los Angeles Refinery
Retired 10/1/49

On January 23, 1955

WILLIAM P. DIEFENBACH

Oleum Refinery

On January 26, 1955

VICTOR H. KELLY

Marketing Department
Retired 1/1/41



◀ **ALEC MANSELL**, here looking fit to be tied by Mrs. Mansell, is serving his 25th year as a member of the nationally known Ralston Male Chorus. Their annual winter concert was held in the Palomar Theatre in Seattle. Mr. Mansell is chief engineer at our Seattle Terminal.

from Bob Sandercock

Ford Pyle

HE'S HAPPY THE WAY THINGS HAPPENED

"I've heard it said that in this country everybody has a chance to become President.

"Me, I don't think I'll make it. I retired last December after 36 years on the job. Started with Union Oil as a roustabout back in 1918. Had no real training, mind you. Just a feeling for machinery I'd picked up on my Dad's ranch. So I shoveled—9 hours a day, 6 days a week. Made \$24.



"I ended up a Senior Mechanic in charge of Union Oil's Rosecrans Plant—working 8 hours a day, 5 days a week, and getting lots more done. Making over 5 times more, too.



"Put my two boys through college. Got my house all paid for and a tidy sum set aside. And Union Oil's giving me 70% pay long as I live.

"President? Nope, not Ford Pyle. But that's not important. The big thing is



FORD PYLE, JUST BEFORE HE RETIRED, AFTER 36 YEARS ON THE JOB.

I'm plenty happy just the way things happened. After all, where else but in this country could I get so much back just for doing the job well?"

Ford Pyle's hard work is the first reason for his success, obviously. But better tools did help.



And in the 36 years since Ford joined Union Oil, our investment in tools has increased from \$17,000 to \$77,000 per

worker. That's why he was able to produce more in less time and make more money.

Because America's free competitive economy forces better tools and new



techniques every year, people like Ford Pyle—people like you—enjoy a constantly improving standard of living.

YOUR COMMENTS ARE INVITED. Write: The President, Union Oil Company, Union Oil Building, Los Angeles 17, California

Union Oil Company OF CALIFORNIA

MANUFACTURERS OF ROYAL TRITON, THE AMAZING PURPLE MOTOR OIL