



Summer • 1955

The **Texaco Star**



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A publication of

THE TEXAS COMPANY

135 East 42nd Street, New York 17, N. Y.

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JAMES W. FOLEY

Elected Executive Vice President

THE election of James W. Foley as Executive Vice President of The Texas Company was announced on June 28, 1955, by J. S. Leach, Chairman of the Board of Directors.

Mr. Foley was born in San Augustine, Texas, in 1911. He joined The Texas Company in 1932 following his graduation from Texas A. & M. College, where he received a B. S. degree in petroleum engineering. He gained experience in producing operations in this country as well as abroad. He was made Assistant to the Vice President in charge of Domestic Producing in 1949, and was appointed Assistant to the Chairman of the Board in 1950. Election as a Vice President came in February, 1953, and as a Director in September, 1954.

THE COVER: On the Dudley ranch in Texas, a variety of animals—including cattle and horses—often go for a ride. This trio of registered white-faced Hereford calves has been taxied by truck and trailer to a greener pasture in Comanche County. They will join their bovine elders and colleagues in the Dudley herd. The truck transport of cattle is only one of the ways in which the Dudley ranch uses mechanized equipment (see Page 16).

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With the night-darkened waters of the Gulf of Mexico glistening beneath him, a welder on an oil drilling barge (see Page 10) works on pipe enclosed in the caisson.



Undergoing insulation, this refinery tower is enmeshed in a scaffold

THE STRUCTURE

MAN O' WAR, the famous race horse, was a thoroughbred. In every start, he displayed exceptional quality. This constantly carried him to first place.

Fine gasoline and a champion race horse have at least one thing in common. Both display quality—which is an excellence of character.

Quality—or top performance—is built into the more than 750 products Texaco manufactures. Whether gasoline, lubricating oil, or grease, there is a set of standards which every product must achieve.

WHERE does quality begin? It starts with the resolve to create a product that will have more usefulness. The desire to improve is further stimulated by the competitive spirit. Since oil companies vigorously compete for customers, each vies with the others in manufacturing ever finer products.

The desire for a better product led to the years of research which produced Petrox. A petroleum-derived additive, Petrox was developed to give Sky Chief Gasoline, the Company's premium motor fuel, better performance characteristics. Since its introduction last year, Texaco's ratio of premium gasoline sales to total automotive gasoline sales has continued higher than the industry's ratio of premium sales to total sales. The advantages of the new Sky Chief are reflected in better performance and longer engine life for motorists

—and in more earnings for the Company to meet its obligations to stockholders, employees, and the public.

Primarily to increase gasoline quality, The Texas Company spent more than \$72 million last year for domestic refining equipment. A large portion of this capital investment went into catalytic reforming and cracking units to improve the octane rating of gasoline. Currently, additional catalytic reforming units are being constructed at domestic refineries. New alkylation facilities are also being built to convert light fractions produced from the distillation and cracking processes into a very high octane product for use in manufacturing aviation gasoline.

Earnings are one of the principal sources of funds used in modernizing and expanding refining facilities. Earnings must also provide funds for research—for quality is born where research begins. Augustus C. Long, Texaco's President, recently said: "Research occupies an increasingly important place in the everyday conduct of our business and in our long-range planning. It is the key not only to improved products and processes but also to increased efficiency and reduced costs."

BEFORE a Texaco fuel or lubricant is marketed, the product is judged against a check list of stringent standards. The most important standard for a gasoline (or any product) is the performance. Gasoline is tested "under

RIOF QUALITY

*In petroleum products, quality
is no accident. It is built by
methodical planning and
modernizing that never ends*

*A fractionating tower for a new
catalytic reformer is hoisted by
100-foot booms at Los Angeles*



All over the nation, new processing equipment is going into Texaco refineries to aid in the constant effort that turns out products of high quality

fire" in rain, snow, and heat—on winding mountain roads, city streets, and flat desert highways. Last year, for example, road tests proved the exceptional quality that the laboratory and refinery built into Sky Chief with Petrox.

The most outstanding contribution that Petrox makes is to prolong your car's power peak. The new Sky Chief gives longer life to a car engine because it contains elements which greatly reduce wear on the engine parts.

Motorists also have the assurance that this product . . .

Gives rapid starting; quick engine warm-up; smooth, rapid acceleration; smooth hill climbing; maximum fuel economy . . .

Reduces vapor lock; preignition; spark-plug fouling; rusting; failure of exhaust valves . . .

Decreases harmful deposits in intake manifold, carburetor, and combustion chamber.

Here are a few of the questions that are asked and answered by technicians about gasoline:

What is the product's oxidation stability in storage? Is it compatible with other gasolines? What effect does the product have on various metals? What is its effect on bearings, piston rings, exhaust manifold, tail pipe, and dozens of other parts in the engine?

Conclusive answers are found to these and dozens of other questions.

Texaco's technicians are the severest critics of the Company's products. They deliberately set up such high standards that long research and testing may be required to achieve them. The technicians are not satisfied until the total answer to a problem is discovered.

Quality is designed into Sky Chief and all Texaco products. The crude oil evolves through many stages into finished form: from the initial distillation, through the complicated processing in thermal and catalytic cracking and catalytic reforming—to mention only a few of the processes. In each process, quality is shaped.

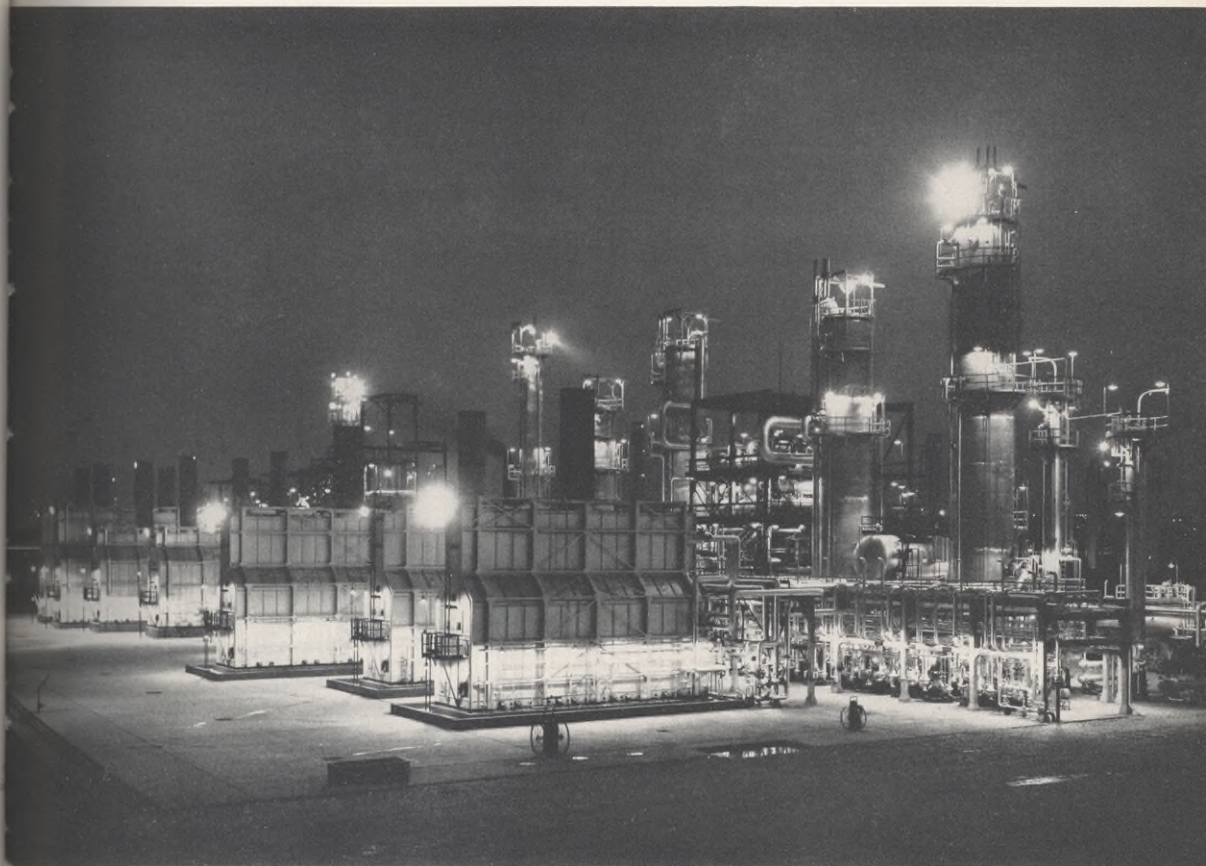
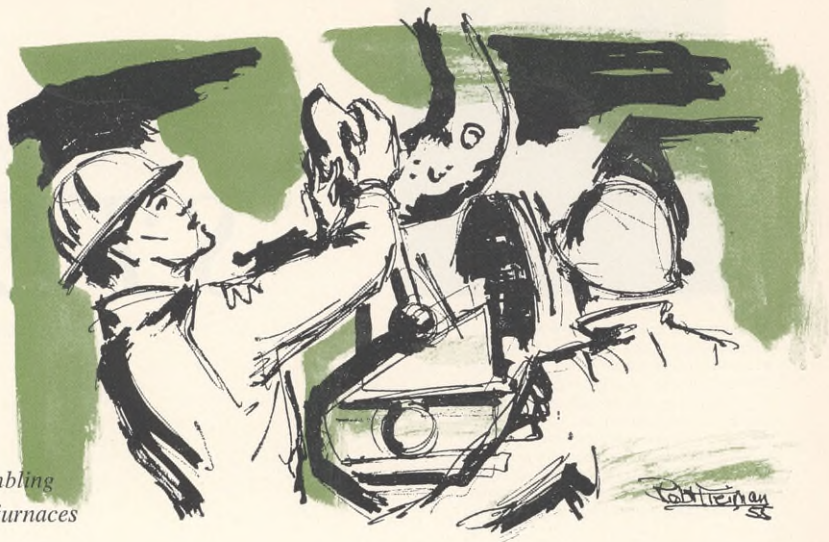
The processing facilities sketched on these pages represent some of the equipment that the Company is now installing in refineries. These installations will enable Texaco to control more closely the many characteristics which are built into gasoline. Refineries will be better equipped than ever before to manufacture products of highest quality at reasonable cost.

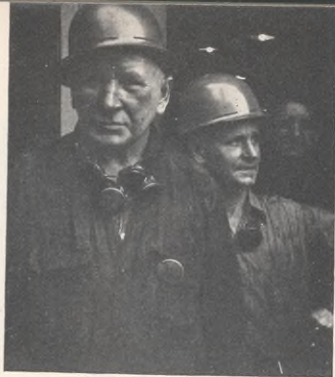
BUILDING the structure of quality never stops. It takes place everywhere: in the realm of ideas, in the testing at laboratories, in the steel-and-concrete construction of industrial giants.

Every stockholder and employee of The Texas Company and every motorist who uses its products shares in the profits that quality gives. **END**

At Port Arthur Works, this new catalytic converter increases the quality of Sky Chief.

*Men carefully guide the assembling
of a refinery's towers and furnaces*





STEEL.

OUT of the open hearth furnace, a 3,000-degree river of lava flows into a giant ladle. The molten steel is cast into a nine-ton ingot. Because the ingot cools in the mold, it is reheated to a fiery orange in the soaking pit. Then the glowing steel ingot is trundled by "buggy" to the rolling mills where it is rolled and lengthened into blooms, billets, and slabs. Other mills will shape the steel into girders for a bridge, spikes for railroad ties, or pipe that will transport crude oil.

Poet Carl Sandburg describes the creation of steel: "Fire and dust and air fight in the furnaces . . ." Actually, highly scientific mixtures of iron ore, scrap, coke, limestone, molten pig iron, and other ingredients are fed into the purging fires of blast and open hearth furnaces. The result: man's strongest and most durable building material. Out of earth's minerals and humanity's junk piles men make bridges and automobiles, ships and skyscrapers, derricks and pipe.

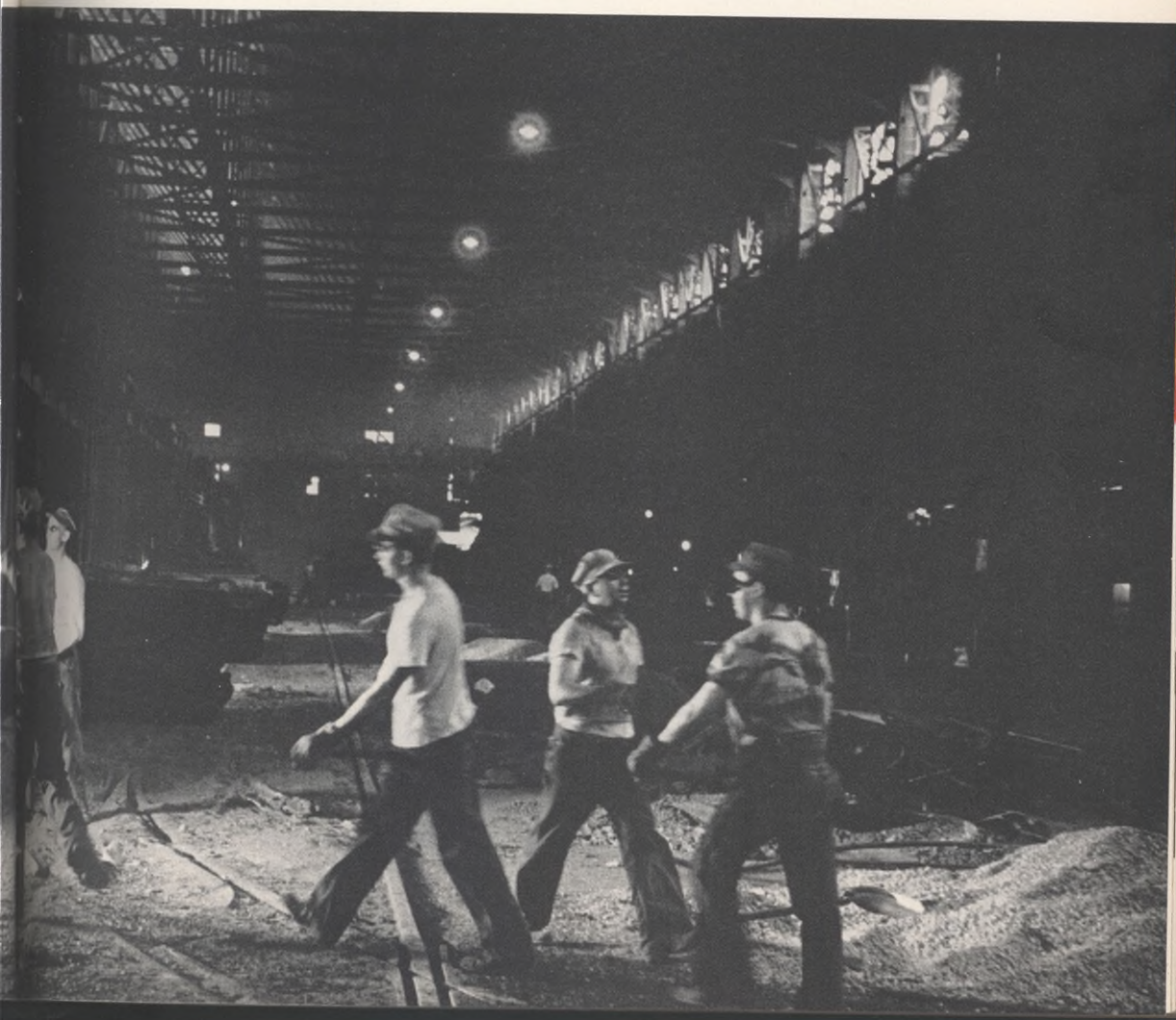
Man has created the steel mill. Man controls the steel mill. In his capable hands, the huge rolls, furnaces, and forming stands are obedient. The turn of a lever or the push of a button empties the boiling lava into a ladle or directs the long arm of the charging car as it thrusts a box of steel scrap into the open hearth.

(continued)



*In the furnaces and rolling mills
man and his ingenuity melt,
tap, roll, and shape steel
for important jobs
in America's petroleum industry*

A worker on the slagger crew of the open hearth (below) throws a shovelful of dolomite into the furnace. "It looks like the inside of Hell," he mutters. The white flames and grotesque hulks of steel scrap in the inferno give a nether world appearance. The heat is something men try to forget. The temperature of the molten steel must climb to 3,000 degrees F. before the furnace is tapped. . . . During 1955, open hearth furnaces will make 90 per cent of the nation's anticipated record-breaking 113 million ingot tons. Between seven and eight per cent of this steel will be shipped to the oil and gas industry as products. . . . At Youngstown Sheet and Tube, pictured on these pages, much steel is shaped into drill pipe and other tubular products for The Texas Company. And thousands of gallons of Texaco fuel oil are consumed daily in the furnaces.



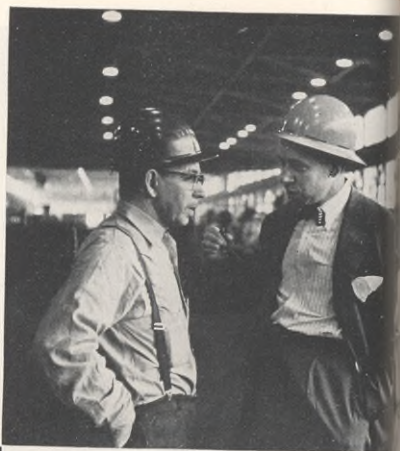
STEEL . . .

In the steel mill, these are some of the steps which produce the tools that help to bring oil from the earth

STRETCHED along Ohio's Mahoning Valley, a few miles from the western border of Pennsylvania, are a number of communities which make steel for America and the world. The biggest is Youngstown, Ohio, which lies in the geographical heart of the nation's steel production. It is here that Youngstown Sheet and Tube Company turns out steel for many purposes.

A wide variety of lubricating oils, greases, and fuel oil, made in Texaco refineries, is in use at Youngstown. These products help to operate the enormous furnaces and blooming mills, the forming and finishing stands, and the many locomotives, electric motors, cables, conveyor belts, charging cars, trucks, and cranes.

As these photographs show, it takes men, fire, and machines to make steel. Here is American industry at its most dramatic moment . . .



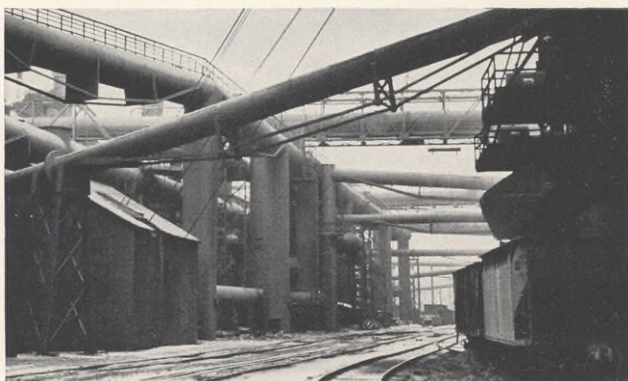
In the long, windowed mill where electric weld line pipe is manufactured at Youngstown, Joseph Samuels (*right*), industrial salesman for The Texas Company, and the mill's assistant general foreman discuss the Texaco lubricants which are used in the forming stands. The son of a Pennsylvania coal miner, Samuels covers steel mills in the Mahoning Valley.

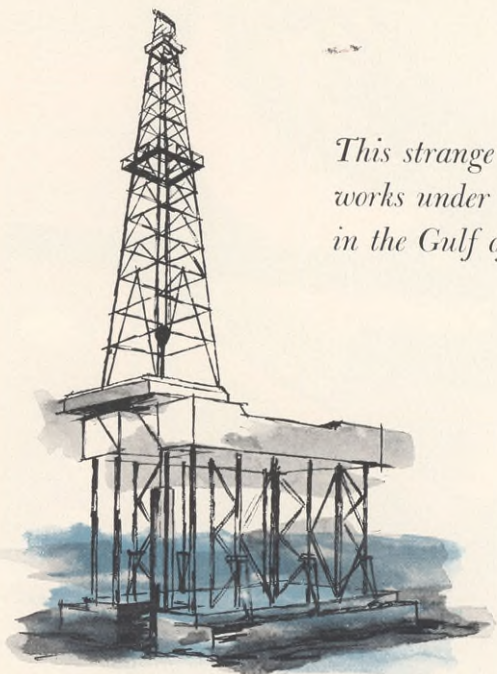
In the seamless tube mill, spinning, fiery rounds of steel are pierced by a revolving mandrel and lengthened from eight to 32 feet. The accompaniment is the gushing of water for cooling hot steel, the hissing of steam, and the sharp clattering of metal against machines. The pipe is now run through the plug mill (*left*) which further narrows the walls and elongates the tube.



Sulphur fumes from the flowing pig iron of a blast furnace turn the air into a thick, yellow haze. The blast furnace is the steel mill's volcano. During a "cast" the men wear protective masks and work in an eruption of smoke, noise, odors—and always the heat. It takes men with strong nerves and bodies to work on the casting gang of a blast furnace. And still, for all its discomforts, it is one of the safest places to work in a steel mill.

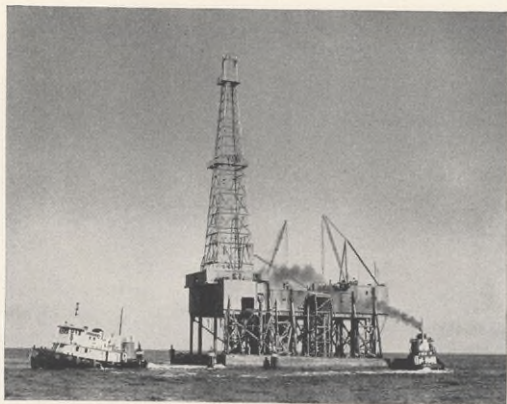
These large diameter pipe lines are vital feeders to the blast furnaces. Several carry streams of superheated air into the furnaces to stimulate the burning of iron ore, coke, and limestone. . . . The overhead structure of a steel mill is a complex of pipes, conveyor belts, and hoists which carry the ingredients for making steel to hungry fires.





*This strange monster
works under water
in the Gulf of Mexico*

searching **BELOW** *the bottom of the sea*



Tugboats jockey the drilling barge into position at the Gulf site, where the barge settles on the continental shelf.

IT was a bright Spring day over the waters of the Gulf of Mexico. A sea gull swooped down and hurled an angry cry at the men working on the drilling rig below. To a sea gull—a submersible drilling barge was a weird spectacle. This barge, under contract to The Texas Company, was initiating Texaco's first offshore drilling in deep water—in the open sea off the coast of Texas.

Before drilling began, Texaco geophysicists made detailed surveys with a seismograph. The exact spot to be drilled was marked with a steel caisson which was driven 32 feet into the continental shelf. Soon afterward, the drilling barge hove into the distance — complete with derrick and a crew of 23 that included everyone from cook to tool pusher.

(continued)



High above the blue Gulf, roustabouts connect the rotary hose to the swivel in the rigging-up. Drilling fluid flows through this hose to the swivel, then down the drill stem to the bit.



In the communications room, the tool pusher orders drilling equipment from home "port" over short-wave radio.

Life on this island is seven days of working 12-hour shifts—then a man gets to go ashore

AS two tugs maneuvered the barge near the drilling site a "blue norther" blew in. Within an hour, the balmy temperature dropped 40 degrees, and the cold wind churned the sea into a tempest of 15-foot waves. The barge was beached while the storm lashed for two days. Then it was towed into position, with the slot or bay of the drilling floor and hull directly over the caisson. The order was given to flood the hull and pontoons. Slowly, the barge and steel lifts sank to the Gulf's bottom—29 feet below the surface of the water.

Barges such as this one are modifications of the industry's first submersible drilling barge which was developed by The Texas Company and placed in service in 1933. Texaco was the first underwater operator, and the Company's drilling crews pioneered in the waters off southern Louisiana.

It is estimated that there may possibly be as much as 25 billion barrels of oil under the floor of the Gulf of Mexico. The Texas Company can certainly be expected to search for this oil below the bottom of the sea. **END**

The crew strings up traveling and crown blocks before spudding in a tidelands test.





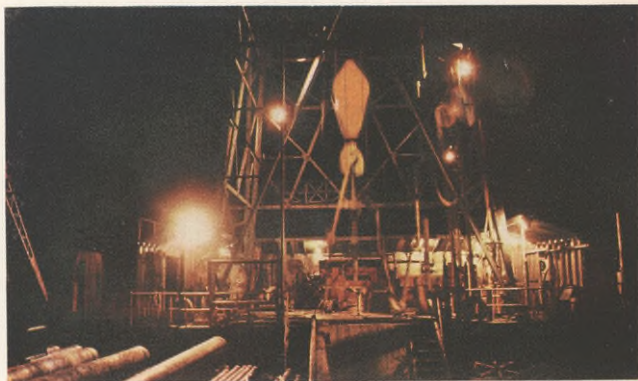
The elaborate mechanism for preventing a blowout of the well is readied for installation.

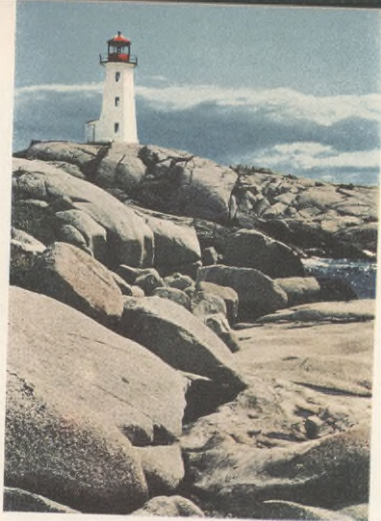


When they head for mainland, cable and basket transfer the men to a launch.

In the Houston offices of The Texas Company, supervisors, geologists, and engineers plot new drilling sites in continental shelf waters.

After dark, bright beads of light illuminate the diamond-shaped traveling block which supports the entire drill string.





Peggy's Light gives a constant warning to ships to stay away from lurking stone.

In this Canadian maritime province the motorist can discover great beauty along the rugged coastline

Journey to ACADIA

WHEN Samuel de Champlain, the French explorer, landed on Nova Scotia in the early 17th Century, he called it Acadia because the countryside was so green and pastoral. Most tourists to Acadia readily agree with Champlain.

This lovely land reaches back to the days of privateers, forts, and armadas. Visitors discover that Nova Scotia is steeped in vivid history: great battles between French and English fleets; shiploads of colonists from Brittany and Scotland; swift schooners putting out to sea and returning with cargoes hauled from the Atlantic.

The varied customs and handicrafts express the colorful mixture of peo-

ple who settled Nova Scotia—French, Irish, English, Scottish, and Hanoverian. There are still some descendants of the aboriginal Micmac Indians. The tourist will find expert craftsmen making hooked rugs, pottery, or tartan weavings. Or he may chance across a contest of piping and Highland dancing.

A blend of the quaint and modern, Nova Scotia also has thriving industries, such as steel shipbuilding, lumbering, and mining.

The traveler and his car may travel over 15,000 miles of roads in Nova Scotia—spending a night in a Cape Breton village which reminds one of Brittany; visiting Grande Pré, the birth-

Tourists explore a bleak promontory which reaches far into the Atlantic. Wind and waves have turned the granite a pinkish-white.





place of the unhappy Evangeline; roaming about a fishing retreat that is built on granite worn smooth by crashing Atlantic waves.

In Nova Scotia—as in many other scenic regions of North America—plentiful petroleum products, service stations, and asphalt highways aid motorists to get the most out of their trips.

Every year, thousands of tourists journey to Acadia from many distant points. Recently, photographer Simpson Kalisher did some exploring along Nova Scotia's coastline. This is what he brought back from Peggy's Cove near Halifax—along with memories of salt air and fishermen . . .

Wharves and lobster traps mark the entrance to Peggy's Cove.



At the Cove's spindly wharves, fishermen unload daily hauls that may include herring, cod, haddock, mackerel, hake, or tuna.

This 88-year-old fisherman takes his small motor boat into the Atlantic each day, then returns to clean his catch.





the horses RIDE *to work*

When "Uncle Jim" Dudley ranched in Comanche County, horses did everything. Today, the mechanized equipment on this ranch makes the cow pony's job a lot easier

THE breeding of fine cattle is an old and honored profession in Texas. Among the top breeders in a land of experts are the Dudley brothers, who raise registered white-faced Herefords in Comanche County.

The Dudley ranch sprawls through groves of pecans and live oaks, sweeps over thousands of acres of buffalo and mesquite grass. It takes a lot of horses and horsepower on the Dudley ranch to raise the kind of cattle that win prizes at stock shows.

A portion of the ranch has been in the family for three generations. Just before the Civil War, James Hudson Dudley, grandfather of the present owners, migrated from Cobb County, Georgia, to Arkansas, where he married. In 1885, he came to Comanche County—which is near the center of Texas. "Uncle Jim" (as he was later called) bought a few acres of land, some Texas longhorns, and started ranching. As he prospered, his acreage spread and his herd increased.

Uncle Jim's son, Charlie, carried on the interest in ranching and the livestock business. He also opened a dry goods store in Comanche (pop. 3,840), later switched to selling groceries, gasoline, and tires.

When Charlie Dudley died in 1927, his three sons took over the operation of the family business. Over the years, the brothers—Gail, Tom, and Eltos Dudley—purchased tracts of land near the Dudley ranch. Combined with the land which the brothers inherited and bought from relatives, the Dudley ranch now covers approximately 19,000 acres.

The brothers concentrated on building up the quality of their herd. In 1938, they acquired their first registered white-faced Herefords. An excellent beef animal, the Hereford has great stamina and is a good forager for food.

Through scientific breeding and careful culling and selling, the Dudleys have produced many prize-winning Herefords from their herd of more than 1,300 head. In 1952, they sold a bull

calf at the National Western Stock Show in Denver for \$33,250—the highest price ever paid for a Texas calf. Many of their pure-bred heifers and bull calves are sold as foundation stock to professional cattle breeders.

TOWNSPEOPLE tell this story about the Dudley brothers:

Once a stranger asked: "Who's that one?" "That's Eltos—the youngest. He runs the ranch," came the answer.

"Who's the other one?" "That's Tom—the one who runs the service station."

"And who's the big one?" "Oh, that's Gail." After a significant pause: "He runs all of them."

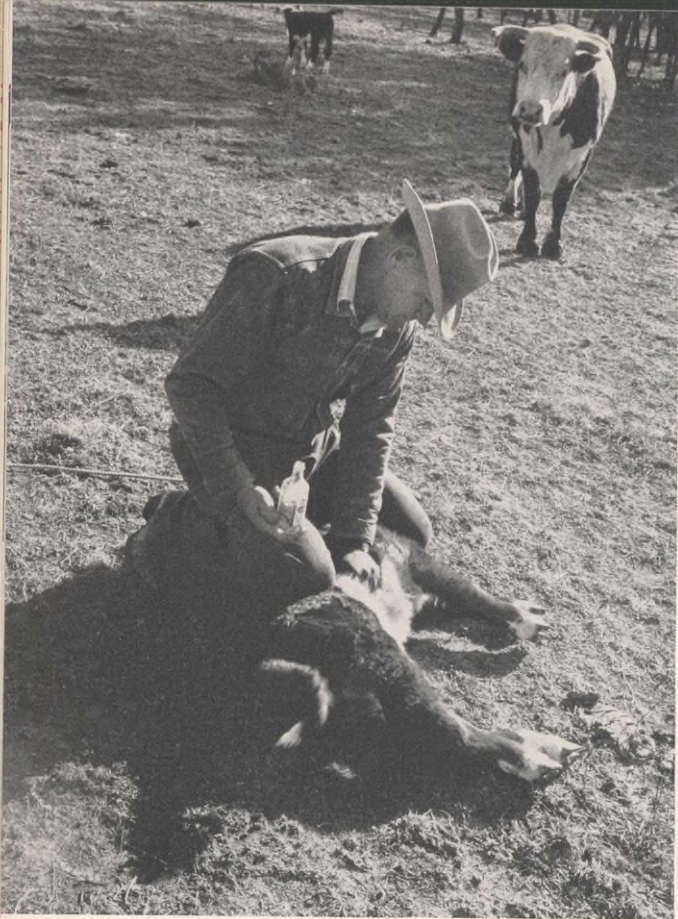
Gail and Eltos and their families live on the family ranch. Tom and his wife live in Comanche, because he spends most of his time at the Texaco service station in town, which is owned by the brothers. As Texaco distributors for much of Comanche County, the three brothers also sell petroleum products to hundreds of Texas farmers and



On this modern cattle ranch, cow ponies board a trailer—then horses and cowboys are shuttled to their jobs.



A cow pony holds a lasso taut while a ranch hand ▶ grabs a calf that will soon be branded and vaccinated with a fever-killing antibiotic.



Cowboy Joe Henderson applies worm medicine to a Hereford calf while the mother cow watches knowingly and soulfully from a distance.

Eltos Dudley feeds the youngest of his four boys. Like his great-grandfather, he will probably raise Texas beef-on-the-hoof.



Heat and drought are two of the problems that beset Texas ranchers

ranchers. They use sizable quantities in their own ranching operations. Petroleum helps in the performance of innumerable chores on the Dudley ranch—from taxiing horses to lubricating washing machines and posthole diggers.

The toughest job that constantly faces the Dudleys is combating the drought which has scorched range pastures during the last five years. Mechanization of many farm operations on this 30 square miles of ranch has helped in the fight. During the Winter, one of the ranch hands drives a pickup out to the dry range pastures and feeds the cattle cottonseed cake, a nourishing food supplement.

To save time, ranch horses are often trucked to work. In a trailer hitched to a pickup, cowboys quickly haul their horses to a distant section of the ranch, where they round up calves for branding and vaccinating. Turning, twisting,

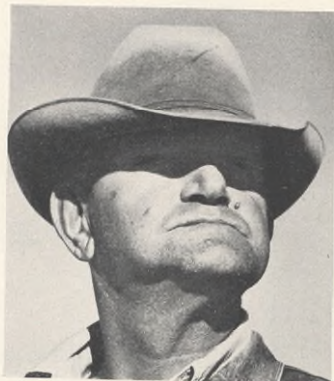
Cattle on the dry range are fed cottonseed cake, a food supplement, by a ranch hand who drives around the ranch in a pickup.



and darting after a calf, the cow pony paces through his intricate maneuvers. The cowboy swings a lariat and lassos the calf. When the work is over, the horses reboard the trailer, and mechanical horsepower takes over again.

TO the city dweller, the modern cowboy is seldom a disappointment. He looks and acts authentic (very few resemble the Hollywood version). Many cowboys are single. On the Dudley ranch, however, most of the hands are married and live with their families in private houses.

While there have been many improvements in cattle raising since "Uncle Jim" moved to Comanche County, ranching is still a rugged life. "In spite of the heat, drought, long hours, and the rest of it," reflects Eltos Dudley, "I'd rather work with cattle than do anything else." **END**



This hand can throw a maverick or lariat.



Thousands of Angora goats are a profitable sideline at the Dudley ranch. Mohair nets the brothers substantial revenue each year.



◀ A mobile "service station" refuels farm machinery. This tractor is used in planting and cultivating grains for cattle feeding purposes.



EVERETT R. FILLEY
Vice President—Domestic Producing

He gets the wells down

YOU don't learn all about oil production by working from 8 to 5. You've got to put in plenty of extra hours." So declares Everett Roswell Filley, Vice President in charge of Texaco's Domestic Producing Department.

During his rise into management Filley worked many a night and week end when he was in the field. "My boss worked harder than any of us," smiles Filley. "He was also a good teacher."

Everett was born in 1894, in the town of Filley, Nebraska (pop. 136), which was named after its banker-founder, Elijah Filley—the Vice President's grandfather. When he was eight years old, the Filleys moved to Okmulgee, Oklahoma, which was located in the Indian Territory.

At the age of 14, Everett watched surveyors come in and stake out an oil

well drilling site in the pasture land near Okmulgee. Then a derrick went up. Shortly afterward, oil was discovered and the plains were soon dotted with derricks and lease tanks.

On Summer vacations, Filley worked at a refinery in Okmulgee or as a roustabout in the oil fields. But his ambitions were a long way from oil wells and refineries. He wanted to be a lawyer.

In 1915, he was graduated from Baker University in Baldwin, Kansas. He had majored in mathematics, but now began to concentrate on law studies. However, the unexpected death of his father (who worked for the Producers Oil Company, a Texaco subsidiary which was absorbed by The Texas Company in 1917) required him to return to his home in Tulsa, where his family had moved.

During his college vacation in 1914, Filley started his Texaco career. He was an accounting clerk in the Producers Oil Company at Tulsa. "I got the job," he explains, "because I knew how to add figures."

With no college studies to return to in the Fall of 1915, he went to work as a full-time employe, learning all he could about oil production. In a few years, he became "Man Friday" to the late Colonel Wilson, the colorful General Superintendent of the Producing Department's Oklahoma-Kansas Division.

"Mr. Wilson was my first teacher in drilling and production," recalls Filley. "I had to do everything in the office, because he hated paper work. He showed me how to get a well down . . . every step from leasing land to producing oil."

Under Wilson's tutelage, the young man forgot about his law ambitions. He decided he "didn't want to go into any other kind of business."

In 1926, Filley was promoted to Division Superintendent at Tulsa. Three years later, he was named Division Manager. He helped to assemble the leases and geological data for the drilling, in 1938, of the discovery well at the famous Salem field near Centralia, Illinois. "When that well came in," he says, "it was a tremendous thrill for all of us."

The Salem field greatly improved Texaco's domestic oil reserves."

Filley was transferred to Houston in 1938 as Assistant Manager of the Producing Department. He became Manager in 1947 and, in 1949, was made General Manager. Four years later, he was elected Vice President in charge of Domestic Producing, succeeding Raymond F. Baker who became Executive Vice President. For many years, Ray Baker and Filley had been closely associated in Texaco's Producing Department operations. This association helped to prepare Filley for the task of supervising all of Texaco's exploration, drilling, and production in the United States and Canada.

ON a typical day in his Manhattan office, Vice President Filley may make decisions concerning such matters as: offshore drilling in Texas Gulf waters; exploration in a new area of the Rocky Mountains; a bid for unexplored acreage in Louisiana or the Gulf of Mexico; the departmental budget for the following month. "Every week," states Filley, "we authorize the drilling of about 35 wells."

At conferences, Filley listens to all the facts, and asks several searching questions. Then he makes his mind up

quickly and stands firmly behind his decision. His fairness and steadiness in encountering problems have won the esteem of associates. Says the executive of another major oil company: "I've known Everett for 20 years. He always remains calm and cool—no matter how heavy the pressure. That's why he accomplishes so much."

The Vice President in charge of Domestic Producing is a director on the boards of several principal subsidiaries and affiliates of The Texas Company. He also serves as an officer of a number of these companies. As president of Texaco Exploration Company, a wholly owned Canadian subsidiary, Filley guides all Texaco producing operations in Western Canada. He spends a total of four months out of every year away from Texaco's Manhattan headquarters. Annually, he visits the Producing Department's six geographical divisions in the United States as well as the Canadian operations. "Our job is to find over 150 million barrels of new reserves every year," he says. "If we do this it means that we find more oil than we take out of the ground during the year. Thus, we're always building a backlog of reserves for the future."

BUSY as he is, Everett Filley devotes much time to college and church activities. For many years, he has attended board meetings at Baker and Drew Universities as a trustee. Recently, he was elected to the board of trustees of the Methodist church he attends in New York City. He also serves on the board of managers of the Brooklyn Methodist Hospital.

Religion is a very important part of Everett Filley's life. "I've found that people who make a sincere effort to follow a religion are happy and get along with people more easily."

The Vice President is known as a "family man," although he and Mrs. Filley now live alone in Connecticut. Whenever he goes to the Southwest, he fits in some rewarding visits with his four children and five grandchildren.

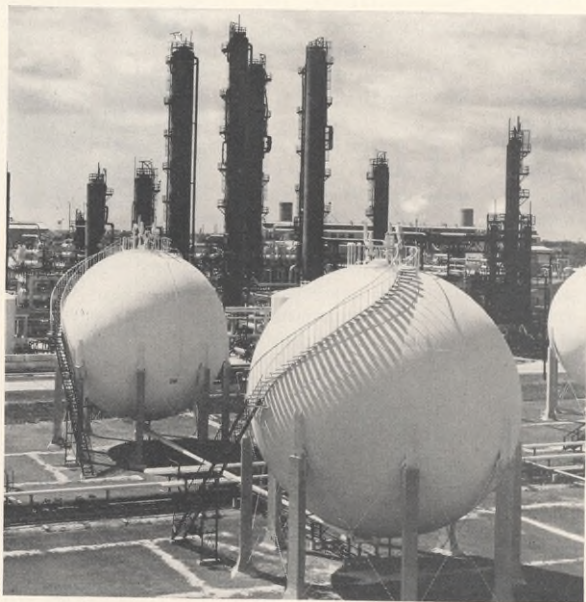
At the moment, Everett Filley and his wife are getting adjusted to country living in the ranch-type house they recently built in Greenwich. "We were plain tired of living in a New York apartment," he says. "It's fun pattering around a place again." **END**



His job is to find 150 million barrels of oil a year. The result: Texaco is the nation's second largest producing company.

Texas-U. S. Chemical Company Commences Operations

*Now that rubber-making
has been taken over by
private industry, Texaco is
making synthetic rubber
at a plant in Port Neches*



White spherical tanks hold the feed stock gas which will be processed into butadiene—then, it is piped to the synthetic rubber plant.

THE Texas Company recently became an important producer of synthetic rubber in this country.

On April 29, 1955, Texas-U.S. Chemical Company, a newly created company owned equally by The Texas Company and United States Rubber Company, received title from the Federal Government to a synthetic rubber plant at Port Neches, Texas. This plant is producing approximately 88,000 tons of general purpose synthetic rubber a year. Simultaneously, the new company acquired an undivided one-half interest in the world's largest petro-

leum butadiene plant at Port Neches, which has a rated capacity of 190,000 tons a year.

Heading Texas-U.S. Chemical is William P. Gee, president, who was formerly Assistant to the President of The Texas Company. For many years, Mr. Gee has been actively engaged in the development and commercialization of many of the refining processes licensed by The Texas Company, which are widely used in the petroleum industry throughout the world.

Two years ago, Congress authorized the Rubber Producing Facilities Dis-

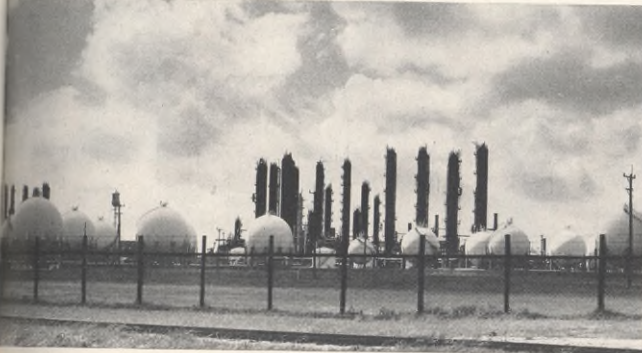
posal Commission to sell the many synthetic rubber plants which the Federal Government had owned since World War II. Pursuant to negotiations with the Commission, Texas-U.S. Chemical contracted to purchase one half of the Government's rubber-making facilities at Port Neches.

By acquiring a share in these plants The Texas Company is pursuing a course of developing new uses for petroleum through synthetic rubber and other petrochemicals. These products will give the Company important new sources of income.

Texaco's interest in synthetic rubber goes back to World War II. The Texas Company, in cooperation with other oil companies, helped to design, construct, and operate a Government-owned plant at Port Neches which produced butadiene. Butadiene is the principal organic chemical used in the manufacture of general purpose synthetic rubber. Texaco's Port Arthur Works supplies the Port Neches plant with much of the butane-butylene from which butadiene is manufactured.

Texas-U.S. Chemical is keenly aware of the growing demand for synthetic rubber and the need to develop better methods for producing butadiene. A recent Government report states that the synthetic rubber output in this country must be increased by more than 30 per cent during the next five years to meet U. S. demands for new rubber. The report points out that the world requirement for synthetic rubber is rising at an even higher rate. **END**

Thirty-two per cent of the butadiene consumed in the nation is manufactured here. Looming high are the fractionating columns of the processing units.



L. C. KEMP, JR.

Heads New Petrochemical Department

A Petrochemical Department has been established in The Texas Company. L. C. Kemp, Jr., has been appointed General Manager. In this capacity, Mr. Kemp will develop new projects and coordinate the activities of The Texas Company in the field of petrochemicals.

Texaco is expanding its operations in petrochemicals in order to utilize more profitably certain materials available from its various operations and to take advantage of new developments by its research organization.

During his 26 years with The Texas Company, Mr. Kemp has served in various managerial posts in the research field. After graduating from Rice Institute with a B.S. degree in chemical engineering, he went to work in the research laboratory at Texaco's Port Arthur Works. Later, Mr. Kemp served in supervisory capacities at Port Arthur and at Beacon Laboratories in Beacon, New York. For more than 12 years, he was Director of Research for The Texas Company and, later, Assistant to the Senior Vice President. Mr. Kemp's headquarters will be in New York City. **END**



J. S. Leach chats with a lady and a Director.



Chairman states U. S. consumption of petroleum products should rise about 5 per cent in 1955, foreign demand about 9 per cent.



A. C. Long (center) genially explains a point in conversation after the meeting.

1955 ANNUAL MEETING

THE 53rd Annual Meeting of Stockholders of The Texas Company was held in the newly decorated conference room of the Company's executive headquarters at 135 East 42nd Street, New York City, on April 26.

In person or by proxy, 81.79 per cent of outstanding stock was represented at this year's meeting. The 17 members of Texaco's Board of Directors were re-elected. Appointment of Arthur Andersen & Co. as auditors was approved.

J. S. Leach, Chairman, and Augustus C. Long, President, reported to the stockholders present on the affairs of the Company. The text of their remarks was mailed to all stockholders of record during the following week.

Increases in gross proved oil and gas reserves at the end of 1954 compared

with the end of 1953 (totaling 203 million barrels of crude oil and natural gas liquids for the United States, Canada, and South America) were cited by a stockholder who congratulated the management for an accomplishment that he termed "... the work of many long years of exploration and planning."

The necessity of reinvesting a substantial portion of earnings in the business was stressed in remarks made by Mr. Leach during the discussion period. "We have to do [it]," he said. "This past year, as brought out in our [Annual] Report, we had to spend very large sums in our Refining Department, perhaps one of the largest sums in our history." Nevertheless, continued Texaco's Chief Executive Officer, "we are not going to lose sight of helping our stockholders whenever we can." **END**

Honorary Degrees Conferred on

M. HALPERN and J. H. PIPKIN

TWO Eastern colleges recently bestowed honorary doctor's degrees upon executives of The Texas Company.

At the final Centennial Convocation of New York University's College of Engineering, the chancellor of the university presented the honorary degree of Doctor of Engineering to Michael Halpern, Senior Vice President and a Director. "Distinguished exemplar of the engineer in management," the citation stated, "... he ventured into the growing industry of petroleum refining and rose rapidly ... combining tech-

nical skill and resourcefulness with ability to organize and direct ..."

The president of Ithaca College, Ithaca, New York, conferred the honorary degree of Doctor of Laws upon James H. Pipkin, Vice President in charge of Industrial and Public Relations. The citation read: "... in recognition of your contributions to the field of industrial management ... for your achievements in directing attention ... to the transcending importance of human values in the conduct of our society." **END**



M. HALPERN



J. H. PIPKIN

A ranch hand goes aloft to lubricate the windmill that brings water up from the earth to the Dudley ranch in Comanche County, Tex.

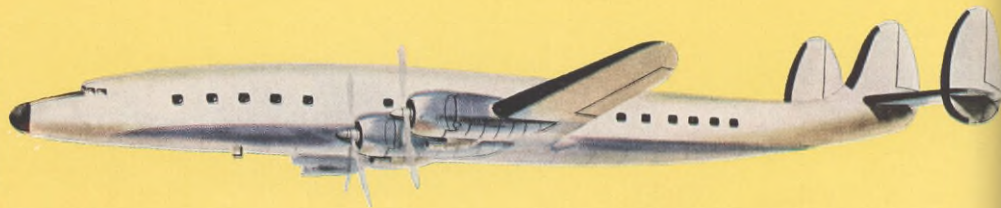
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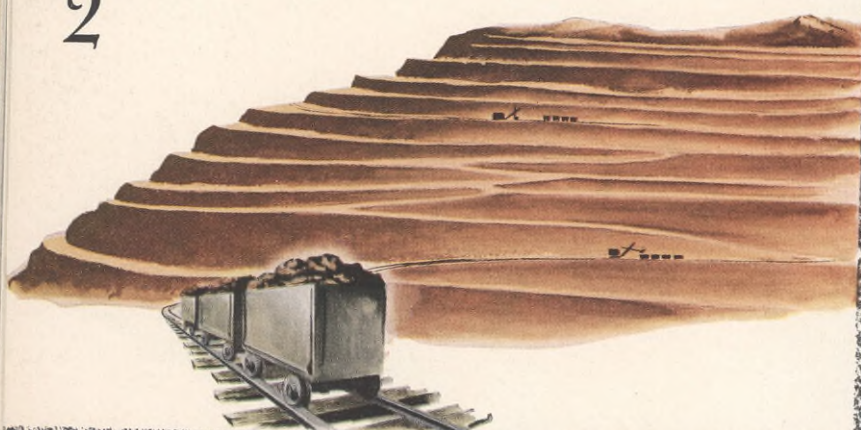
UNITED STATES DEPARTMENT OF AGRICULTURE
BUREAU OF ENTOMOLOGY
WASHINGTON, D. C.

...for the record

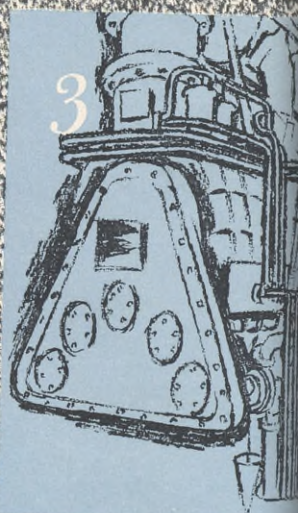
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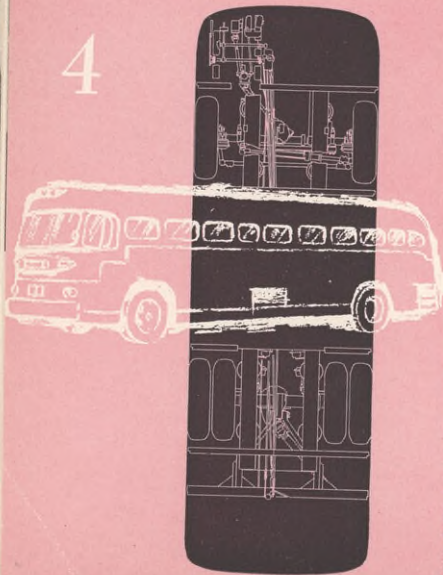
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1

For over 20 years more scheduled revenue airline miles in the United States have been flown with Texaco Aircraft Engine Oil than with any other brand.

2

For more than 20 years more copper ore in the United States has been mined by Texaco-lubricated equipment than with any other.

3

For more than 20 years more stationary Diesel horsepower in the United States has been lubricated with Texaco than with any other brand.

4

More bus chassis in the United States are lubricated with Texaco Marfak than with any other brand. . . . More wheel bearings of buses in the United States are lubricated with Texaco Marfak Heavy Duty than with any other brand. . . . More transmissions and differentials of buses in the United States are lubricated with Texaco gear lubricants than with any other brand.