

Shell reports earnings

Shell recently reported it earned \$438 million in the fourth quarter and \$1.605 billion for the full year of 1982, down \$20 million and \$96 million from the respective 1981 levels. These preliminary results are subject to audit.

Per-share earnings were \$1.42 for the quarter and \$5.19 for the full year, compared to \$1.48 and \$5.51 for the respective 1981 periods.

"Despite the modest 1982 earnings decline, funds provided from operations of \$3.5 billion were \$15 million more than last year's record level," President John F. Bookout said.

Revenues for the fourth quarter were the same as last year's \$5.2 billion, and were \$20.2 billion for the year, compared to \$21.7 billion for 1981.

Earnings amounted to 7.9 cents of each dollar of revenue in 1982, compared to 7.8 cents in 1981.

Oil Products

The oil products segment, including refining, transportation and marketing, earned \$72 million in the fourth quarter, a decrease of \$49 million from last year. Intense competition in the marketplace impaired margins, more than offsetting the benefits of increased sales volumes and a gain of \$22 million from drawdowns of inventories valued on a last-in, first-out (LIFO) basis.

Full-year earnings in oil products were \$344 million, \$16 million below 1981.

"The decline for the year was mainly attributable to lower sales volumes and selling prices, and higher manufacturing costs, which more than offset the benefit of lower raw material costs," Bookout said.

Oil products earnings benefited

\$36 million in 1982 from the effect of drawdowns of inventories valued on a LIFO basis, and by about \$30 million from the April sale of Shell's Ciniza, New Mexico, refinery.

Chemical Products

The chemical products segment incurred a loss of \$26 million for the quarter and \$25 million for the full year, compared to an \$11 million fourth-quarter loss and full-year earnings of \$24 million in 1981.

Full-year chemical revenues were 14 percent lower than in 1981. Sales volumes decreased 8 percent, with declines occurring in most product lines. Soft demand in most chemical businesses, coupled with excess capacity industry-wide, led to intense competition, driving prices down and putting pressure on margins. Shell's chemical manufacturing facilities operated at an average of only 60 percent of capacity. At DPMC, chemical manufacturing facilities operated at approximately 50 percent of available capacity.

Chemical results in 1982 benefited \$12 million from the effect of inventory reductions valued on a LIFO basis.

Exploration and Production

Fourth-quarter earnings of \$422 million in the oil and gas exploration and production segment were about the same as last year. Increased crude oil production, higher natural gas prices, and lower exploration expense and dry hole costs, generally offset the negative impact of lower crude prices, lower natural gas production and higher writeoffs.

Full-year earnings in this segment of \$1.446 billion were \$101 million below 1981, mainly because of lower crude oil prices,

increased operating expenses and lower natural gas production. Factors benefiting 1982 earnings included higher natural gas prices and increased crude oil production.

Domestic crude prices in 1982 averaged \$3.42 a barrel less than in 1981, but lower Windfall Profit Tax offset much of the negative impact, Bookout said.

Natural gas volumes in 1982 declined 8 percent from 1981 because of reduced demand and declines from older wells, although the company's total capacity to produce natural gas remained essentially at 1981 levels.

Net domestic crude oil production for the full year increased 10,000 barrels a day, mainly because of higher production at Kernridge, other California properties and in the Gulf of Mexico.

In addition, 1982 earnings benefited \$38 million from gains on property sales. These disposals are in line with Shell's ongoing program to sell marginal producing properties.

Total company earnings decreased 4.3 percent for the quarter and 5.7 percent for the year.

Future Prospects

"Whether income growth resumes in 1983 depends to a significant extent on the same factors that shaped 1982 performance — oil prices and the level of general economic activity," Bookout said.

"We are planning capital and exploratory expenditures of about \$3.7 billion in 1983 — about the same as in 1982. Domestic exploration and production is expected to account for about \$2.8 billion, roughly 75 percent of projected 1983 spending, compared to 70 percent of 1982 expenditures."



Silver Dollar program helps promote safety in Resins-Distribution

Resins-Distribution reports success with its Silver Dollar safety program.

Launched last April, the program is aimed at correcting unsafe acts or conditions. Members of each department secretly carry certificates redeemable for a silver dollar. Carriers are selected at random and changed frequently. A carrier will award a certificate to anyone who catches him or her in an unsafe action or to anyone the carrier observes questioning the unsafe action of someone else.

"It's not a case of squealing on a fellow employee," explains Cindy Boaze, tank farm operator at Epon 5 and member of the Resins-

Distribution Team Safety Committee. "The names of people observed acting in an unsafe manner are not revealed. What we're doing is encouraging everyone to be more safety-conscious."

At the first Resins-Distribution Team Safety Committee meeting of each month, a drawing is held, and three winners are chosen from the previous month's certificate winners. The lucky three receive dinner-for-two certificates. Since the beginning of the program, 110 silver dollars and 21 dinners for two have been awarded.

Due to the program's success, the Committee has voted to extend it through May.

GO TEXAN!



Be sure to wear your western outfit Friday, February 18. It's Go Texan Day.

Texas barbecue and all the fixins await you at both Complex cafeterias. The cafeterias will be decorated for the occasion, and taped country and western music will accompany the meal.

The menu includes beef, links, baked beans, potato salad, fried onion rings and health slaw. Combination plate: \$2.50.

Hurry on over.

Painters achieve 15 safe years



The painters from Maintenance North have been honored for reaching 15 years without a lost-time injury. They received black jackets with yellow trim. Representing the group (from left) are E.D. Holloway, G.O. Thornton, O.D. Johnson, S.E. Rouse,

E.E. Drumgoole, B.J. Schaeffer, L.E. Clark, B.A. Grant, O. Guillot, B.R. Miller, F.D. Kiefer, M.R. Willis, J.L. Green, R.J. Witt, G.L. Fenton, J.M. Wolf, R.L. Walker and R. Snodgrass.

Photography contest at Pasadena Library

Calling all amateur photographers.

The Pasadena Public Library is staging its fifth annual photography contest during March.

Contestants are invited to enter one color photograph and one black and white, appropriate to the theme, "Cause for Celebration." Photographs should be submitted between Monday, March 7 and Thursday, March 17.

Entries will be judged at the Library on Sunday, March 20, at 3 p.m. Awards range from \$75 for best of show to Foley's gift certificates of \$50, \$35 and \$20 for top prizes in black and white and color.

One of the judges is Doyle Hale, mechanic in the North Garage and frequent contributor of photographs to the *Shellegram*. The other judges are Mark Dickson, photographer for the

Pasadena Citizen, and professional photographer Edward A. Driscoll.

For additional information about the contest, contact the Pasadena Public Library, 1201 Minerva, Telephone 477-0276.



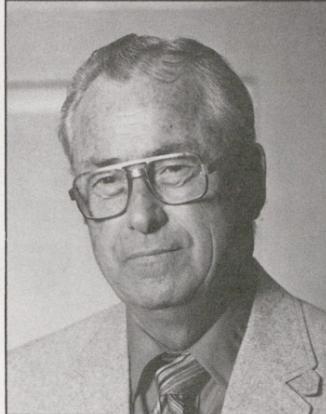
Retirement



W.T. Bratton
Maintenance North
35 years

Shellegram regrets the error that resulted in switching the names of these gentlemen in the issue of February 3. In addition, it has come to our attention that Mr. Bratton has retired since his 35th anniversary. Our apologies, and best wishes, to both gentlemen.

Anniversary



E.C. Fowler
Maintenance North
35 years

Bonus, refund set by Credit Union

The board of directors of the Shell Federal Credit Union has declared a 10 percent interest refund on all 18 percent loans and a 1 percent bonus dividend on all regular share accounts for the first quarter of 1983. This is the second consecutive quarter an in-

terest refund and a bonus dividend have been declared.

The directors will continue to look at each quarter's earnings, and will declare interest refunds and bonus dividends in accordance with that quarter's earnings.

In Remembrance

Edward Oliver Goodson, 65, died February 1. Goodson was a Dispatching foreman when he retired April 1, 1982 after 44 years of service. His widow is Edna Earl Goodson, who retired February 1, 1982 from Dispatching after 39 years with Shell.

D.H. (Toby) Essary, 58, died February 5. He was a buyer in Purchasing, having joined Shell in 1949.

Classifieds

FOR SALE

1981 Chevette hatchback. Four sd., two-door, air, maroon, 25,000 miles, excellent condition. Must sell ASAP: \$3,600. Call 723-2142 eves.

1981 Mercury Capri. Two-door hatchback, rear defogger, 24,000 miles, AM/FM stereo, bucket seats, power steering and brakes, air, cruise control, four-speed manual, very clean and in good condition. \$5,800. Call 471-7518

1979 Mustang turbo. Four cyl., blue, four new tires, new battery, runs great, \$4,000. Call 485-4271 after 6 p.m.

1978 Holiday fifth wheel travel trailer. Length 32 ft., two door, center bath (Model No. 132). Call 998-7621 after 5:30 p.m.

1976 Dodge Colt. AM/FM radio, automatic, new tires and brakes. **1982 Honda V4 Sabre 750.** New, 400 miles. Call 476-5978 or 791-1548.

1974 Toyota Celica LT. Two-door, AM/FM/cassette, four-speed, low mileage, good tires. Reliable transportation. \$1,900. **Sears dishwasher.** Excellent condition. \$100. Call 470-2310.

1973 Ford Gran Torino station wagon. Automatic, power steering and brakes, new battery and brakes. \$895. Call 461-7037.

1972 Mercury Montego. Two-door sedan, V-8, good condition. Call 455-2750.

1964 Chevy II. For parts. Call 479-6679.

Toledo Bend home. Custom-built, brick, five years old, spotless 3-2-2, attached, covered patio, central air and heat, fireplace. Must sell due to illness. Mid-70's Call 579-3983 or 479-0026.

Two-story townhouse. Two BR, 1½ baths, all appliances, fenced and covered patio, assigned parking, ceiling fans, near Alameda Mall. Call 991-3521.

Deer Park mobile home. 14 x 80, located in nice park, 3 BR, two baths, 10 x 40 patio with cover. Must sell. \$18,000. Call 476-9257 after 5 p.m.

Luxury time-share condo. Two BR, two baths at Lake Palestine, Texas. Worldwide resort exchange privileges. No equity, take over small monthly payments. Call 1-756-0791.

Old-English style home. On cul-de-sac in Woodforest West, (Houston zip 77015), detached, many added features. Current V.A. appraisal \$98,500. Call 455-1849.

Fold-up camper. Sleeps six, excellent condition, new tires, two tables, sink, stove, water tank and ice box. \$1,800. Call 453-7439.

Pasadena home. Lovely older home at 210 Olive, stable neighborhood, hardwood floors, LR, separate dining, den, two BR, one bath, flooded room in attic. V.A. appraisal \$42,500. By appointment only. **Cemetery lots.** Six spaces, Garden of Ten Commandments. Must sell. \$1,500. **Golf course lot,** Hilltop Lakes Resort, estate sale, best offer. **Keerville area land.** Ten acres, \$18,000 equity, \$10,000 balance - 9 percent. Call 475-5588 weekdays; 472-8927 eves. and weekends.

CB base. 23 channels with antenna and cables. \$125. Call 479-7303 after 6 p.m.

Movie camera. Bell & Howell Super 8, Model 2123XL, powered zoom lens, auto. exposure control. Never used. \$85. Call 482-3564.

Yamaha organ. Easy play, two keyboards, with sheet music, ear phones and extras. \$795. Call 472-5646.

Stereo. AM/FM/cassette by Audiovox, fits Chevy pick-up. \$85. Call 482-2883.

Pistol. Smith & Wesson .44 Magnum, four-inch, blue, two holsters, mag-na-port, two sets, grips, case. \$350. Call 427-5971.

G.E. portable dishwasher. Harvest gold with butcher block top, excellent cond. \$200. Call 473-3101.

TRADE

20-foot Bay boat. Center console, 135 hp O.B. in good cond. Will trade for travel trailer of equal value. Call 471-0868.

FREE

Male dog. Half Schnauzer - half Poodle, two years old, gray and white, house-trained, neutered, all shots up to date. Need good home with fenced yard. Call 471-7130.

PERSONAL

I wish to express my appreciation for my retirement gift and the beautiful scroll. My memories of my many friends at Shell will always be cherished.

L.B. Mills

Reminder

The Complex Lost and Found has moved to the Security Office, Room 112, Main Office Annex - South. Call Valerie Thompson, Ext. 7578, between 7:30 a.m. and 3:45 p.m. After 3:45 p.m. call Main Gate - North, Ext. 6054, or Main Gate - South, Ext. 7402.



Shellegram

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