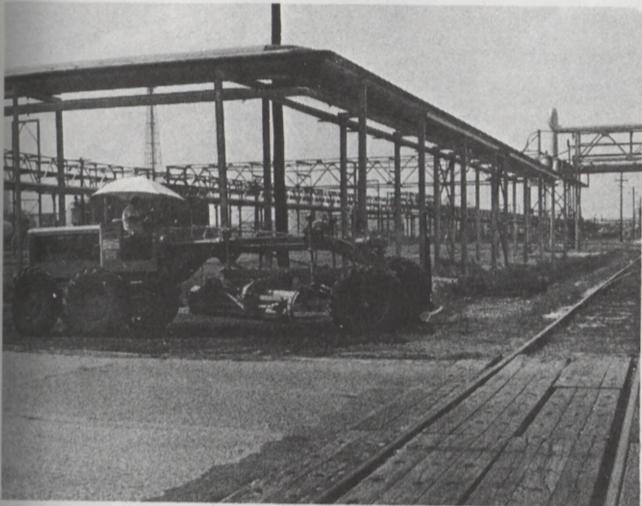


Shellegraph

Houston Refinery

Vol. 37, No. 40

Friday, October 20, 1972



Contract maintainer grades slag detour in preparation for work at railroad crossing.

SHELL MAKES CORRECT DECISIONS ON HIGH BIDS FOR OFFSHORE LEASES

After analysis of the bids made at the recent offshore lease sales, Shell's exploration experts believe that the company made the right decisions.

Shell was high bidder on only one tract at the sale September 12 in New Orleans. Oil companies submitted 324 bids totaling almost \$1.6 billion on 74 of the 78 tracts offered. High bids on the 74 tracts totaled \$586,297,925. Shell submitted a high bid of \$6,230,000 on a tract in the Grand Isle area about 30 miles offshore. The company bid a total of more than \$130 million on 17 tracts.

Referring to the outcome of the bidding, John Redmond, executive vice president E&P, said, "We bid what we think a tract is worth--not what we think will be necessary to get the lease."

Years of work by hundreds of experts combined to produce the bids Shell submits on each tract. Initially, geological and geophysical data are analyzed to determine the probability of finding oil or gas in an area. Then additional study produces an estimate of the probable reserves that may be found and economic experts estimate the value of the oil and gas when it is produced. This forms the basis for the bid Shell representatives make on the tract.

"We have had our successes and disappointments as far as money spent at lease sales goes, but overall our offshore operations have been profitable. We are, by a substantial margin, the largest offshore producer. We still think we made the right bids in this sale for Shell to make a satisfactory profit. There will be more sales and we intend to participate vigorously."

DRIVERS CAUTIONED ABOUT DETOUR AT ENTRANCE ROAD R/R CROSSING

Sleepy-eyed motorists will have a rough ride into the Refinery Monday morning if they fail to heed the "Slow" and "Detour" signs at the railroad crossing.

Motorists are asked to slow down and use the temporary detour road for the next two weeks as new 115-pound rail on the Port Terminal track is installed, weather permitting.

Port Terminal Railroad is installing the new ribbon rail which has welded joints for less maintenance from Pasadena through the Channel industry area.

Under right-of-way agreements, Shell is required to maintain railroad crossings and, therefore, will install a new steel crossing which was built here to take the place of the present board surface. The new rail will require raising the crossing some eight inches and the approach will be graded by Shell.

BALFOORT NAMED TO POSITION AS SR. STAFF ENGINEER IN SERVICES

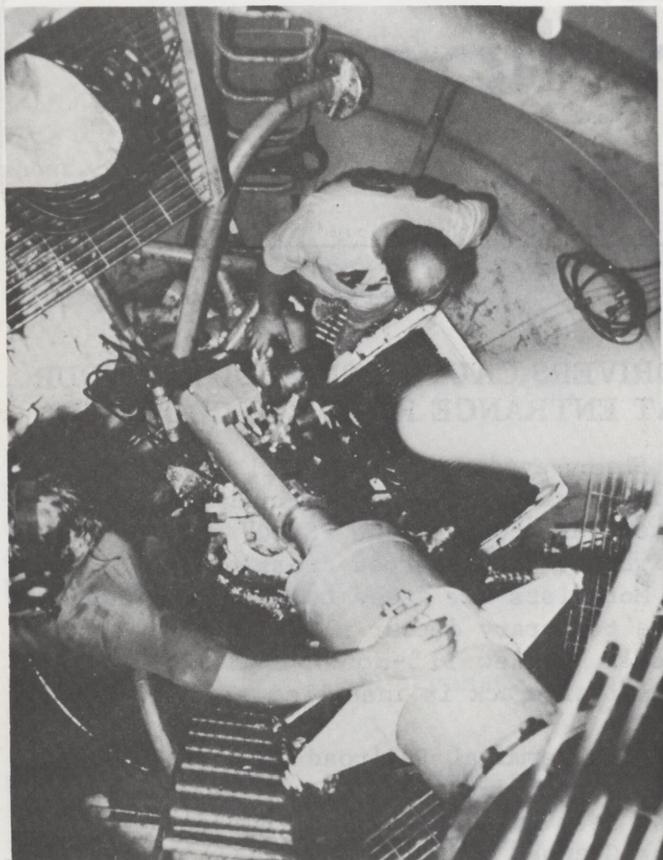
J. P. Balfort, Staff Engineer in the Engineering Services Department, has been named to Senior Staff Engineer, effective October 1.

The move was announced by J. G. Pratt, Refinery Manager.

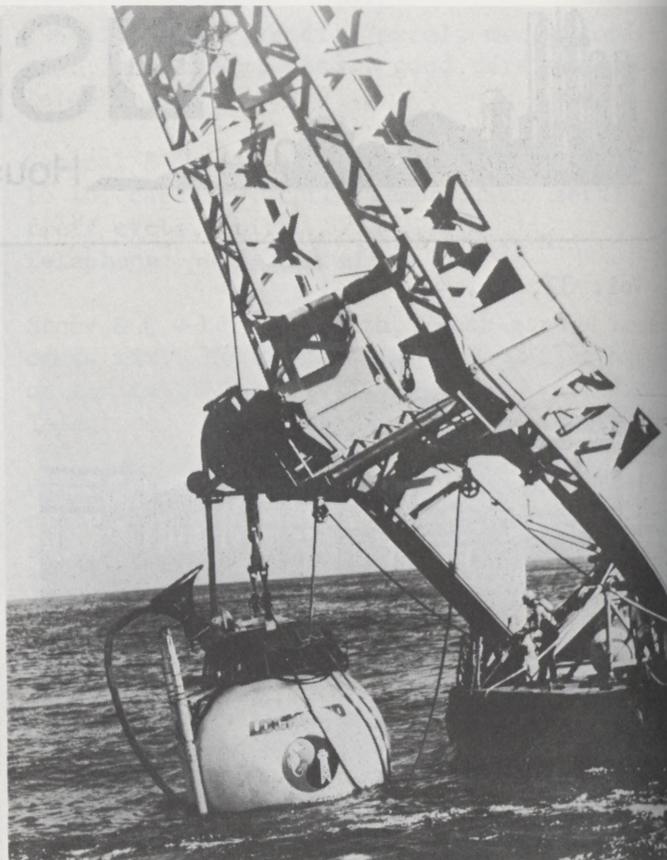
John began working for Shell at the Refinery in 1946 as a Senior Engineer. He became a Staff Engineer in May 1967. He holds a bachelor's degree from Amsterdam Engineering School.



More crabs are making the Refinery dock slip their home. These frisky crabs were netted one day last week. A few flounder and shrimp got away, though.



Left: Within a wellhead chamber beneath the sea, workmen perform normal oilfield tasks. Right: The Lockheed service capsule is launched into Gulf waters 100 miles southeast of New Orleans by use of an "A" frame launch and recovery arm at the stern of the workboat.



AEROSPACE, OIL TECHNOLOGY COUPLE IN DEVELOPING WELLHEAD CHAMBER

The combination of oil and aerospace technology has resulted in the world's first land-type oil well completion in a normal atmosphere wellhead chamber, in 375 feet of water in the Gulf of Mexico. The announcement was made Sept. 19 jointly by Shell Oil Company and Lockheed Petroleum Services Ltd. of Vancouver, British Columbia, Canada.

Workmen assembled the wellhead equipment inside a steel chamber on the Gulf floor using standard tools and techniques. The wellhead chamber, a part of the Lockheed System, enabled the oilmen to work in shirtsleeves in a dry, normal air environment.

The service capsule which carried the men to the Shell Oil Company well was furnished by Lockheed Petroleum Services. The well was drilled earlier this summer some 100 miles southeast of New Orleans. Wellhead components were already packed aboard the 30-foot tall, 10-foot diameter steel wellhead chamber when it was positioned on the well by a drilling rig last July. The chamber will remain for the life of the well.

Surface to Wellhead Shuttle

The Lockheed service capsule, which can carry up to four men, worked as a surface to wellhead shuttle. Its descent to the wellhead chamber was accomplished through the use of a pull-down cable which positioned the capsule atop the chamber prior to effecting an airtight seal.

After removal of water and checking for gases, the crew transferred to the lower chamber where they assembled the wellhead valves of a conventional oil well Christmas tree. Following this operation they pulled

in flowlines from a nearby Shell production platform, and hooked them up the same way they would on a land well.

The successful completion of the well is a first significant step in an overall underwater production system. It is an outgrowth of development work performed by Lockheed and demonstrated in the summer of 1970 off Vancouver Island, British Columbia, Canada, in water depths ranging up to 900 feet.

The Lockheed system, which is designed to eliminate the use of divers, is expected to permit new and economical petroleum development in water depths up to 3,000 feet. These are the major provinces where oil companies hope extensive reserves will be found in the coming decades.

Two Additional Phases

Further development of the Shell/Lockheed system is expected to be carried out in two additional phases. The second phase calls for installation of a central gathering chamber that will collect, control, commingle, and test oil and gas production from several subsea wells.

Phase three will provide for the installation of a subsea production station with equipment capable of transferring oil, gas and water several miles.

All three phases will be supported by the Lockheed service capsule. The capsule is carried from one wellhead to the next by a workboat. An umbilical cable carries fresh air, power, and communications between the workboat and the capsule.

DEADLINE FOR ADS--WEDNESDAY AT 9 A.M.

PAINTERS HOLD SAFETY DINNER, FEATURE ENTERTAINMENT BY DANCERS



Painters and wives socializing at party are Mr. and Mrs. J. W. Clary, Mr. and Mrs. L. F. King, Mr. L. W. Porterfield, Miss



Nancy Strong, Mr. E. N. Collins, Mr. and Mrs. J. C. Tucker, Mr. and Mrs. H. A. Mills, Mr. and Mrs. D. E. Fowler and Mr. and Mrs. M. C. Roberts.



Viewing entertainment provided by Mary Jo's Dancing School students are Mr. and



Mrs. J. J. Palermo and Mr. and Mrs. F. L. Gilbert.



OIL DROPS: ESKRIDGE FAMILY TOURS EUROPE, IKEY JONES KEEPING FIT



Swiss Shell station.

When traveling abroad most people make comparisons of points of interest with those of their hometowns.

C. B. Eskridge, Operator No. 1, Lube B, his wife, Odessa, son, Jim, and daughter-in-law, Kathy, toured Europe this summer and naturally they made notes of all the Shell stations they saw. "The seven countries we visited, West Germany, Austria, Italy, Switzerland, France, Belgium and Great Britain, were well saturated with Shell stations," C.B. said. "The stations had no uniformity as to size or shape, leading to my belief that most were dealer- rather than Company-owned. Some featured Shell products along with a garage. One in Milan was a phone booth-size station with two pumps next to the curb across from our hotel," he said.

"The new, modern highway station in the above picture is somewhere in Switzerland. We made a rest stop here on our way to Visp and the Matterhorn. Super Shell sold for 74 centimes a liter, which transposed to gallons and cents is about 57 cents a gallon. Regular is about 53 cents a gallon," he added.

Eskridge reports that the "two main problems Americans have abroad are the different languages and currencies used in each country!"

* * *

A very active pensioner from Distilling, L. B. "Ikey" Jones is still very much interested in physical fitness. Some two years since he retired, he still spends much of 5-6 days a week at the "Y" and recently finished 11th out of 32 entries in a Biathlon contest at Glenbrook Country Club.

This Biathlon included entries of all ages who swam a half mile and ran three miles within two hours. Ikey's time was 19:50 in the swim event and 20:45 in the run.

Versatile Ikey was awarded the Mr. Handball trophy at the East End Y for '72 and finished second in the masters handball tournament for men 40 years old and over.

"Thought this news might inspire other retirees, also those who still are working at Shell to take care of their health," he said in a note to the Shellegraph. By the way, he peddles his bicycle, which he received at his retirement party, about 10 miles each day.

THERMAL CRACKING HOLDS SAFETY PARTY AFTER INJURY-FREE YEAR



Enjoying dinner are, l-r, top, Mr. and Mrs. Mike Tiller, Mrs. Tom Davis, Mrs. Jack Boozer, Mr. Davis, Mrs. and Mr. Jack Reynolds, Mr.

and Mrs. Jerry McDaniel, Bottom are Mr. and Mrs. Bill Hay, Sarge Walton, H. M. Hancock, "Pappy" and Mrs. McNutt.

FOR SALE

21' Chris Craft inboard boat, newly refinished; engine in need of repair. \$575. Telephone: 399-1656 after 6 weekdays & weekends

14 ft. Proskie wooden boat, big wheel trailer, 25 hp. Mercury engine, excellent, \$395. Telephone: 946-5370

Lakeview home on Lake LBJ (Granite Shoals), all elect., cent. air/heat, carpeted, drapes, range, refrig., grounds landscaped, underground sprinkler system, restrictions, civic club. Telephone: 512-598-5725 anytime

1963 Coupe DeVille, good paint, fair condition, \$395. Telephone: 479-2576

Complete rig--boat, 1971 Glasstron, 15'6" tri-hull with 50 hp. motor, fully equipped, excellent cond., \$1995. 1971 Chevrolet truck, 350 engine, air, 2 saddle tanks--very good condition, \$3,400. Camper--1972 Emery, with gooseneck, 54" tall, carpeted, benches, table top, just like new, \$399. If sold together, \$5,750. Telephone: 487-0823

Five horsepower Wizard riding lawnmower, 26 in. cut, \$95. Used two summers, moved to apartment. Telephone: 479-2736 or 479-2425

Refrigerator with top freezer, \$60. Upright piano, like new, \$300. Telephone: 479-1168

1965 model 65 Honda motorcycle, 4.9 BHP, good condition, \$100. Telephone: 333-2023

Single sink with drain, \$1. Cast iron double sink (pink), \$4. Telephone: 472-8445

Two Honda Trail 70 motorcycles, like new, 250 miles each with helmets, luggage rack,

CLASSIFIEDS

\$325 ea., big wheel trailer for 2 motorcycles, \$110. Telephone: 485-2706

GARAGE SALE--cloth yard goods, sewing notions, miscellaneous household items. All-day Saturday, 2201 Dorothy St., Pasadena. Telephone: 472-0800

1970 Sedan DeVille Cadillac, white leather interior-loaded, A-1 condition, \$4,350. Telephone: 494-2143 or 465-5561

Wet suit for skin diving, medium size, miscellaneous skin diving equipment. Telephone: 472-0800

1971 blue 350 Honda with sissy bar, pad and helmets included. Runs good, excellent condition, \$700 or \$250 down and take up \$36 monthly payments. Telephone: 479-3736

1957 Chev. trailer hauler, 261 cu. in. engine, 4 speed trans. and 3 speed auxiliary transmission, approx. 150 gals. gas tanks. Make offer over \$500. Telephone: 471-6785

1964 Chev. pickup, V-8 motor, long wheelbase, with or without rack, \$300 or best cash offer. Telephone: 946-6611

WANTED CAR POOL RIDER

Meadowcreek Village area, 8-4:30, Monday-Friday. Telephone: 946-4051

FREE

To good home with fence, pure-bred German Shepherd, good watchdog, good with children. Telephone: 479-1772

NOTICE

A reminder: Ads for the Shellegraph must be submitted by 9 a.m. on Wednesday in writing. No ads are taken over the telephone. Ads should contain item, price, telephone number and seller's name.