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SHELL ANNOUNCES FIRST QUARTER EARNINGS AS NET INCOME AMOUNTS TO \$1.06 PER SHARE

First quarter earnings for Shell Oil Company of \$71,759,000 were 3 percent below last year's first quarter, R. C. McCurdy, President, announced to the annual meeting of shareholders last week.

First quarter net income amounted to \$1.06 per share, based on an average of

67,409,512 shares outstanding, compared with \$1.20 per share last year when 62,159,417 shares were outstanding. The share increase results primarily from the March, 1968, common stock subscription offering.

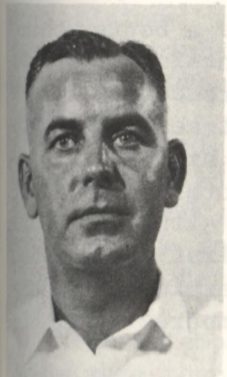
McCurdy told the shareholders that funds provided from operations, or the net income before write-offs and related tax deferments, were up 9 percent to \$162,314,000. The decline in net income without a corresponding decline in funds generated from operations was due to higher write-offs associated with an aggressive exploration and development program.

Operating costs were higher due to inflationary pressures, expansion of the business and supply dislocations resulting from strikes in the early part of the quarter. Also, crude oil purchases increased substantially to supply refinery intakes at a time when production was reduced by lower allowable factors. In addition, severe weather conditions adverse-

(Continued on Page 2 - See INCOME)

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CARRAWAY NAMED SAFETY INSPECTOR  
WAS FORMER OPERATOR IN LUBE OILS



W. L.  
CARRAWAY

W. L. Carraway has been appointed a Safety Inspector in the Safety Department, effective April 28, 1969, announced Manager Employee Relations J. D. Terry last week.

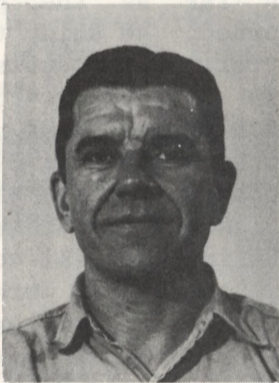
Wallace Carraway joined Shell in March, 1949, as a General Helper in the Engineering Field Department. After working in a variety of departments, he entered the Lubricating Oils Department in April, 1952, and progressed to the classification of Operator No. 1 in January, 1959.

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EDDLEMAN AND KLEIBER NAMED TO STAFF  
BOTH APPOINTED ENGINEERING FOREMAN



EDDLEMAN



KLEIBER

C. W. Eddleman, Garage Mechanic No. 1, and W. E. Kleiber, Machinist No. 1, were both appointed Engineering Foreman, effective April 28, 1969, announced Manager Engineering Field I. S. Larkin late last week.

Charlie Eddleman, who replaces retiring M. J. Bady, joined Shell in August, 1939, as a General Helper in the Engineering Field Department. He assumed the position of Garage Mechanic No. 1 in May, 1949.

Waldo Kleiber joined Shell as a General Helper in the Engineering Field Department in October, 1948. He entered the Machinist Craft in 1950 and became a Machinist No. 1 in May 1955.

SHELLEGRAPH



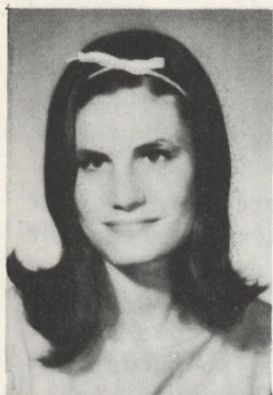
No. 334

Friday, May 2, 1969



PIECES OF EIGHT --- Mrs. L. E. Milholland, wife of Engineering Field's L. E. Milholland, is as avid a treasure hunter as is her husband. Both are members of the local Treasure Hunters' Association, and, above, Mrs. Milholland displays her metal detector which helped her to find the vast array of coins, rings, pins, etc... spread out on the table in front of her. The couple carry their detectors with them whenever they go driving, and when they see a potential treasure area they begin searching. This collection of treasure was found on weekends and holidays, as those are the times when the two have the most time to search for treasure.

DEBBIE ROGERS NAMED SWEETHEART  
RECEIVES MUSIC AWARD FROM DISTRICT



DEBBIE  
ROGERS

Debbie Rogers, daughter of Research's Paul D. Rogers, was chosen as Sweetheart for 1969 by the members of the Pasadena All-District Orchestra.

The award was presented to her at the annual Mexican Dinner and Concert put on by the orchestras of the Pasadena Independent School District. On that same night, she was presented with the Arion Award, given to the most outstanding graduating senior in the All-District Orchestra.

The recipient of the award is determined by the director and his associates. Debbie plays the violin, has been in the All-District for three years, and has been the concertmistress of that organization for 1½ years.

SHELL AIDS IN SCIENCE TEACHERS' WORK  
ACCORDING TO RECENT RESEARCH REPORT

R. H. Hunt, Research, came across an interesting item in the April 21, 1969, issue of Chemical and Engineering News, which points out that Shell is doing its share in aiding teachers in their work in the nation's schools.

According to a report released by the Science Materials Research Committee, based on the opinions of grade and high school science teachers, only two companies are making significant contributions to aid the work of science teachers--Shell Oil Company and the Bell Telephone Company.

The committee surveyed 2,000 science teachers, and received 521 completed five-page survey forms. As a result of the survey, the committee found that "the country's science educators find business and industry's contribution of free and low-cost materials to their classrooms totally inadequate."

When asked about the needs in specified subjects, teachers gave chemistry a prominent position. The need by high school teachers for film and film strips on chemistry was cited more than twice as often as the need in any other subject. The survey also found that most teachers at all levels still used and favored traditional courses for biology, physics, and chemistry in spite of millions of dollars spent by the Government and private organizations to originate and promote "new" courses.

REFINING FACT

A refinery with 100,000 barrel capacity can cost \$125 million to build.

INCOME - Continued from Page 1

ly affected the normal seasonal demand for agricultural chemical and fertilizer sales.

On the positive side was a better-than-industry gain of 8 percent in automotive gasoline. Natural gas production rose 8 percent, refinery crude intakes were up 10 percent to a new quarterly high.

In concluding his comments on the first quarter, McCurdy said, "Although we did not match last year's first quarter net income, we anticipate earnings for the year as a whole will compare favorably with those of 1968."

McCurdy estimated that capital expenditures for 1969 will be higher than the \$554 million spent in 1968. Reasons for this increase include expansion of refinery facilities at Wood River, Illinois, and Houston, Texas, and a planned increase in exploratory drilling to take advantage of available wildcat opportunities.

In his outlook for 1969, McCurdy said that government monetary and fiscal braking policies should take hold and moderate the economy's rate of growth. "This slowdown, together with the impact of increasing labor costs, is quite likely to cause corporate profit growth to ease off somewhat from the 1968 rate," he said.

As far as the petroleum industry is concerned, he said that domestic demand for refined products is expected to increase only about 4 percent, compared to about 6 percent last year. Likewise, the important automotive gasoline market is forecast to rise about 4 percent, down from last year's 6 percent increase.

"Rising material costs and the settlement with the oil workers calling for substantially higher wages and benefits, coupled with the expected slackening in domestic demand, will challenge the domestic oil industry to match last year's rate of profit growth," he said.

A copy of the Quarterly Report is available to Shell Stock Fund Members at the SHELEGRAPH Office, Room 103, Main Office Annex.

SHELLEGRAPH

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P. H. FISCHER---Editor

Reprints allowed only by request. To submit news and photographs, call extension 541 or send material to Room 103, Main Office Annex.

BOATING SAFETY BEGINS ON ROAD

Boating safety should begin before you start on that long ride to water.

The Watercraft Safety and Public Relations Divisions of the Pennsylvania Fish Commission offer the following suggestions to their boaters. The suggestions are just as applicable to Texans.

"If you are among the growing ranks of 'highway sailors,'" the Commission says, "you have to think twice about safety.

"Both your car and boat trailer should meet minimum safety standards. Besides owning the right equipment, this includes periodic maintenance to insure proper performance.

"Let's start our safety check with the towing vehicle and hitch. If you tow a load over 2,000 pounds (including trailer, boat, engine and assorted gear) give some thought to heavy duty springs and shock absorbers.

"Never attempt to trailer a rig that weighs more than the towing vehicle. You could find yourself in a situation with the 'tail wagging the dog.'

"Heavier rigs also require heavy duty hitches. For loads under 2,000 pounds, a standard bumper type hitch works well. For loads over 2,000 pounds, select a frame hitch.

"Before checking out the trailer, it's wise to mention the trailer 'tongue', which is connected to the hitch. The tongue anchors the trailer to the car and should carry a portion of the weight. This is usually referred to as 'tongue weight' and is figured at 5 to 10 percent of the total load. Probably the easiest way to make sure you have weight on the tongue is to measure the distance between the ground and the top of the hitch. It should be between 15 to 19 inches high."

APPROVED EDUCATIONAL COURSE COSTS EXPANDED TO 100% REIMBURSEMENT

All full-time Shell employees now are eligible for reimbursement of 100 percent of the costs for approved educational courses under the Company's newly-expanded Program for Reimbursement of Educational Costs.

The program also has been expanded to cover courses related to potential Company assignments, or leading to a diploma or degree in job-related fields. Courses may be taken in colleges, junior colleges, high schools, trade schools, or business schools.

Previously, reimbursement was 75 percent of the costs and applied only to courses directly related to present positions.

Purpose of the program is to encourage employee self-development and improvement.

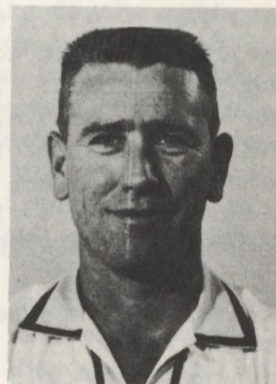
Completion of an approved course with a passing grade, or its equivalent, will permit an employee to be reimbursed for all out-of-pocket expenses covering tuition, registration, and required laboratory or similar fees. Cost of books is not reimbursed.

To qualify, an employee must obtain approval from his local management before enrollment. However, employees who have enrolled in courses after August 31, 1968, may apply for reimbursement under the new policy.

LUBRICATING OILS' COOK AND TANNER RECENTLY APPOINTED OPERATIONS FOREMAN



G. H. COOK



W. E. TANNER

G. H. Cook and W. E. Tanner have been appointed to the position of Operations Foreman in the Lubricating Oils Department effective April 30, 1969, announced Manager Lubricating Oils J. B. Moyers this Monday.

Howard Cook joined Shell in March, 1948, as a General Helper in the Engineering Field Department. He moved to the Lubricating Oils Department in February, 1949, and became an Operator No. 1 in October, 1956.

Bill Tanner joined Shell in July, 1947, as a Dock Helper No. 2 in the Dispatching Department. He moved to the Lubricating Oils Department in August, 1948, and became an Operator No. 1 in May, 1955.

ANTIMONY · APLITE · ASBESTOS · BARITE · BAUXITE · BERYL · BORON ·  
 BROMINE · CLAYS · COAL · COBALT · COPPER · DIATOMACEOUS EARTH ·  
 EMERY · ELDSPAR · GARNET · GRAPHITE · IRON ORE · LEAD ·  
 MANGANESE ORE · MICA · NIOBIUM · OLIVINE · PERLITE ·  
 POTASH · PYRITE · SILICA · SILVER · SODIUM ·  
 TANTALUM · TUNGSTEN · URANIUM · VANADIUM · VERMICULITE ·  
 WOLLASTONITE · ZINC · ZIRCON ·

**EVER HEAR OF THE ANTIMONY DEPLETION PROVISION ?**

For most people depletion means oil and gas. Yet, antimony and 100 other minerals come under the percentage depletion provision of federal tax law.

You may never get this across to anyone. But you could try.

CLASSIFIEDS

FOR SALE

1960 Chevrolet, V-8, standard shift, radio and heater. Good tires and body.  
\$295.00  
Telephone - 487-0037

1962 Ford Pickup, 1/2 ton.  
\$495.00  
Telephone - 473-6529

14' Plywood boat, little wheel trailer, 33 h.p. Scott - \$245; 24" girl's bicycle - \$8.  
Telephone - 944-6556

Baby bed with Kant-Wet mattress.  
\$8.00  
Telephone - 472-3167

3 h.p. Rotary Mower, 20".  
\$25.00  
Telephone - 591-3523

All porcelain Frigidaire automatic washing machine; old but in good condition.  
\$20.00  
Telephone - GR-2-0018

Baby play pen, wood, like new; baby swing in stand, converts to car seat, used two times.  
\$10/Ea.  
Telephone - 472-6382 after 5 p.m. or weekends.

Eureka Tent - 9½' x 9½' - Aluminum outside frame, lightweight cotton poplin tent with canopy and screen. Top of the Line. Used twice - \$100 complete; Revere/Wollensak slide projector, professional model - \$45; Kodak 35 mm camera - \$15; Bell & Howell 8 mm movie camera - \$15.  
Telephone - 1-591-2207

Wizard riding lawn mower, 24", and edger - both for \$75.00.  
Telephone - 649-3613

2 G.E. deluxe air-conditioning units: 1 - 19,000 BTU, like new - \$175; 1 - 1-ton, used one time - \$150; service policies included - Will sell both air-conditioners for \$300. One Chrysler air-conditioner - window unit - works - \$10.  
Telephone - PA-9-1025

RCA 21" Television with stand. Perfect working condition and excellent picture. A real buy at \$55; dog house, good condition and a real bargain, only \$10.  
Telephone - 944-7908

Squirrel cage blower, 16" x 13", with G.E. 1/2 h.p. electric motor, 1725 rpm, 115/230 v, 7.8/3.9 amps. In excellent condition, ideal for cooling your hunting or fishing cabin or as a replacement blower.  
\$20.00  
Telephone - 465-2618

FOR SALE OR TRADE

80,000 BTU attic central heating unit. Good condition - \$80; Thor "Gladiron" electric ironer - good condition - \$15; surfboard "Rick" - 9' 6", good condition - \$35.  
Telephone - 643-9269

FOR SALE

Surfboard, Hansen, Doyle model, 8' 4", 10 months old. In very good condition. \$100. Silvertone Guitar and case - Good condition - \$15.  
Telephone - GR-2-7462

Used Emerson electric motor, 1/3 h.p., 2-speed - 1725/1140 rpm; 115 v, 60 cycle, 5.4 amps. In very good condition. Runs good.  
\$10.00  
Telephone - 465-2618

Florence gas stove with large oven, good condition - \$35; boy's bicycle, needs tires - Cheap - \$5; girl's bicycle, good condition but needs tires - only \$15.  
Telephone - MI-5-6392

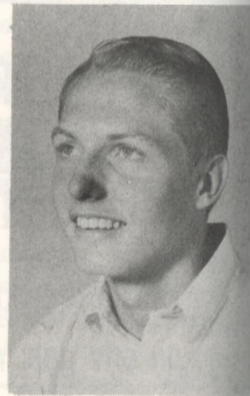
Used air-conditioning condensate coil, 22" x 34½" x 4½", with freon storage tank. Make offer.  
Telephone - 465-2618

REFINING FACT

Some 3,000 products are processed from petroleum.

EMPLOYEE SON TO ATTEND AUSTIN MEETING AS AMERICAN LEGION REPRESENTATIVE

RUSSELL SCHROEDER



The Sam Rayburn High School faculty recently chose Russell Schroeder, son of Engineering Field's R. L. Schroeder, to attend the 1969 American Legion Boys State to be held in Austin, June 7-14, at the University of Texas. He was selected on the basis of his outstanding leadership, character, integrity, and scholarship.

Russell, who is 16, is parliamentarian of the student council, a member of Mu Alpha Theta, and is active in the Interact Club and Geology Club. He lettered in basketball and baseball.