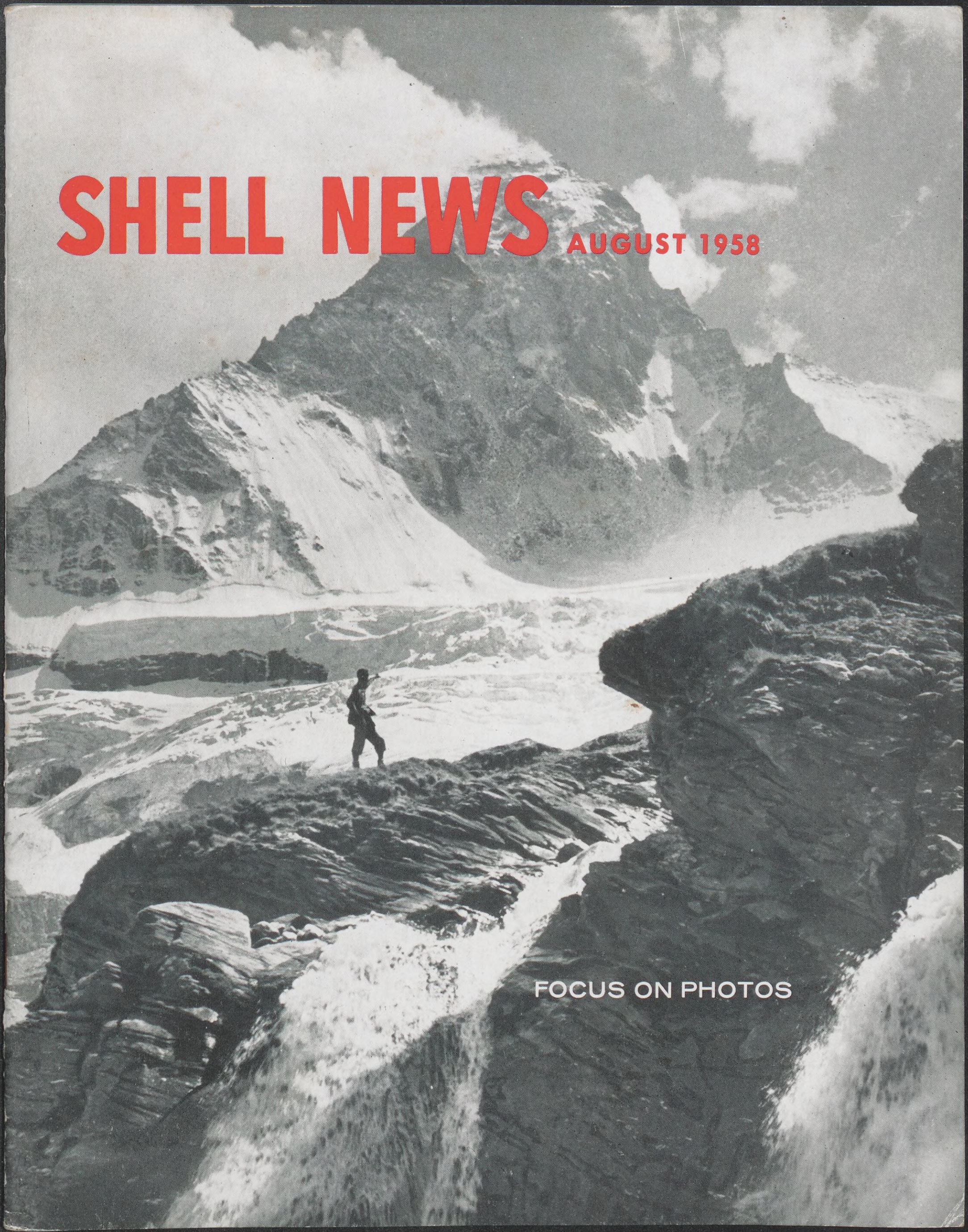
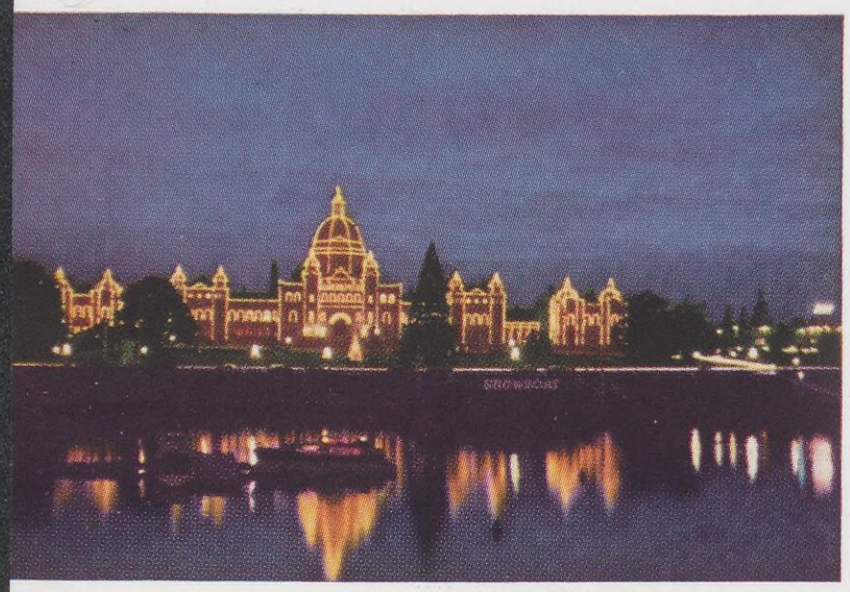
SHELL NEWS

AUGUST 1958



FOCUS ON PHOTOS

A prize-winning night view of the Parliament Building in Victoria, B. C., Canada, was taken by C. W. Haussman, Assistant Manager-Cracking at the Martinez Refinery.

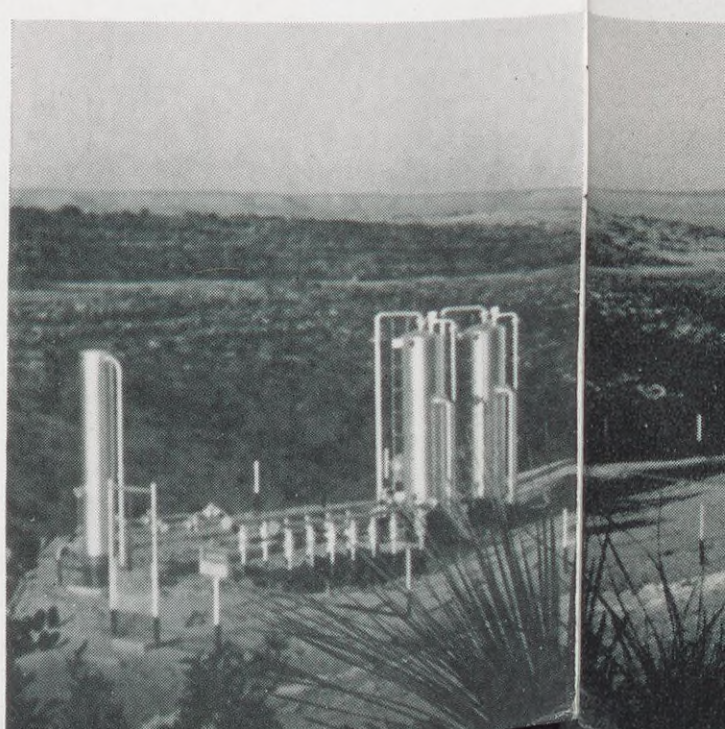


This autumn scene was shot by Irene Girolame, Secretary in Head Office, who is Vice President of the Shell Camera Club there.

The photo below, "Niagara" by R. W. Berry, Supervisor-Reproduction in the Denver Exploration and Production Area, won an award in a national competition last year.

FOCUS O

The battery of tanks near Iraan, Tex., right, was photographed by C. L. Davis, Draftsman in the Midland Exploration and Production Area. The shot won an award in a local photo competition.



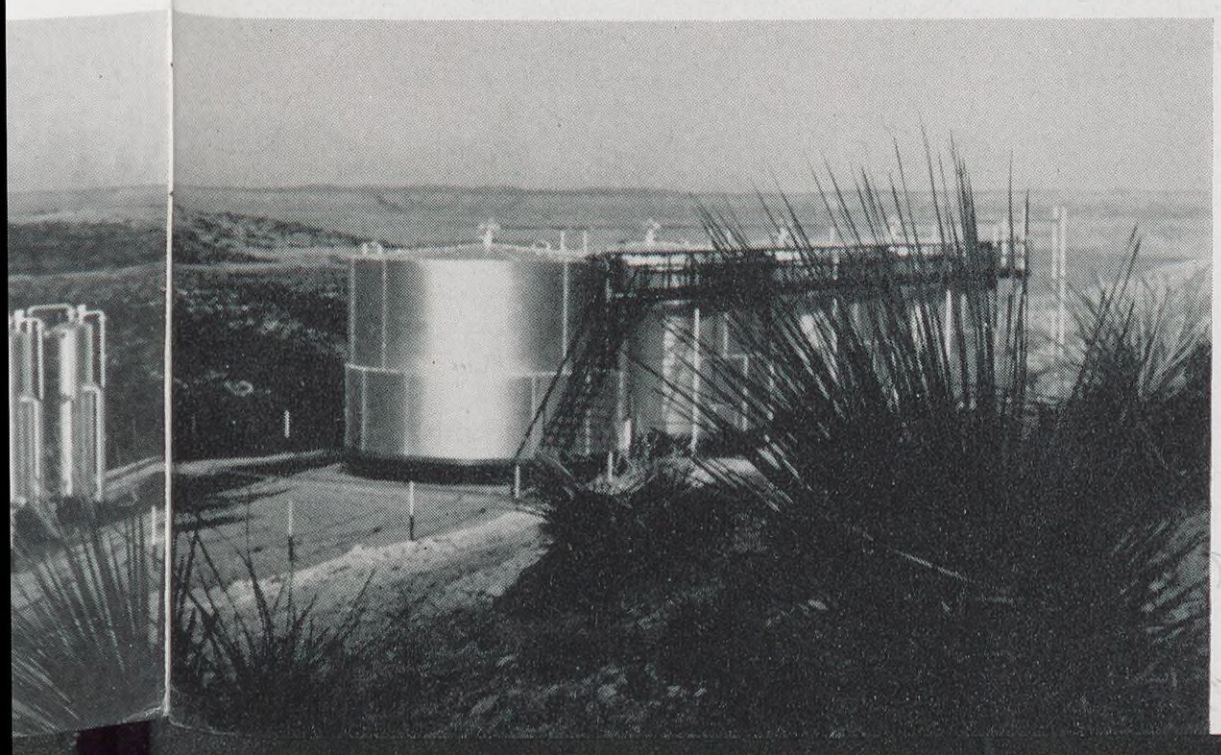
S ON PHOTOS

Shell employees turn a pastime into a serious hobby

PHOTOGRAPHY has been one of the world's most popular pastimes for many years. But most amateurs take pictures only to supplement family photo albums—including their modern equivalents of color slides and home movies. Only a small percentage of amateurs approach photography as an art.

This group of photographers who take photography seriously—about 2,500,000 in the United States or about seven per cent of the nation's estimated 35 million amateurs—are called advanced amateurs. The majority of them take family snapshots, of course, but they also use their cameras to produce artistic photographs. To them, photography is a hobby. The pictures on these and the following pages are the work of Shell employees who are advanced amateurs, most of them members of Shell camera clubs.

While the world's first photograph was taken in France in 1824, amateur photography did not start until 1839, shortly after the daguerreotype was introduced to the French public. The daguerreotype was a variety of photograph produced on silver plates or silver-covered copper plates by the first practical photographic process, invented by L. J. M. Daguerre. During the next 40 years, further improvements were made in photography, but the number



SHELL NEWS

VOL. 26—No. 8 AUGUST, 1958

Dedicated to the principle that the interests of employees and employer are mutual and inseparable

Employee Communications Department
New York, N. Y.

contents

Published by Shell Oil Company (H. S. M. Burns, President; C. C. Combs, Treasurer; J. A. Horner, Secretary) for its employees and those of Shell Chemical Corporation, Shell Development Company and Shell Pipe Line Corporation. Address communications to Employee Communications Department, Shell Oil Company, 50 W. 50th St., New York 20, N. Y.

ABOUT THE COVER

The dramatic view of the Matterhorn, near Zermatt, Switzerland, was taken by O. F. Kolb, Editor of THE SHELL ROAR, employee publication of the Tulsa Exploration and Production Area. Kolb took the picture before climbing to the top of the Matterhorn while on a tour of Europe. The picture won first prize in a national amateur photo contest sponsored by TRAVEL magazine. Other prize-winning photos taken by Shell employees appear at left and on the following pages.

FOCUS ON PHOTOS
continued

"Her Rudolph" by A. Summa of the Chicago Marketing Division, won a top prize in a local inter-club photo contest.

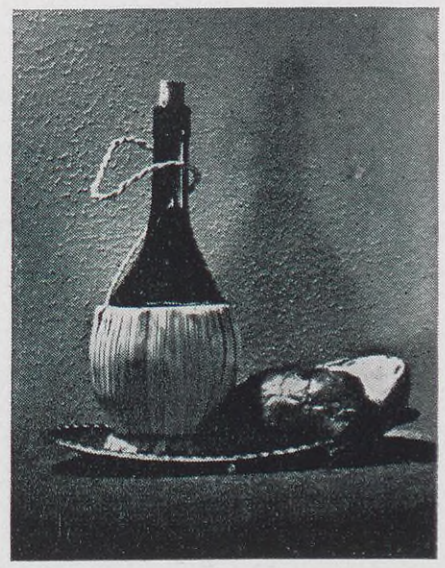
of amateurs increased slowly because the photographic processes were so complicated. Even the amateur had to know the rules of focusing, developing, fixing, printing, toning and mounting before he could show good results.

Film plates and photographic papers coated with a gelatin emulsion were introduced in 1880 and revolutionized the photographic industry. The new emulsion made possible the manufacture of fast plates and the mass production of prints. At the same time small, simple cameras were introduced and photography as a popular pastime became a mass movement.

One of the first camera clubs for amateurs only, the Amateur Photographic Association, was organized in London in 1861. As the popularity of photography grew, amateur camera clubs—whose members were interested in photography as a hobby—were organized throughout the

(continued on page 4)

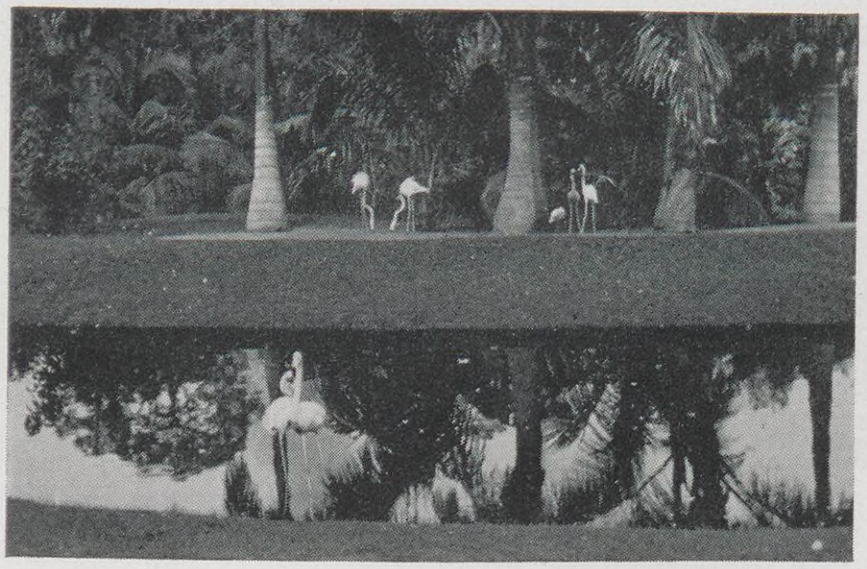
An award-winning photo of Pigeon Point (Calif.) lighthouse was taken by C. W. Von Schaier, Truck Loader-Dispatching at the Martinez Refinery.



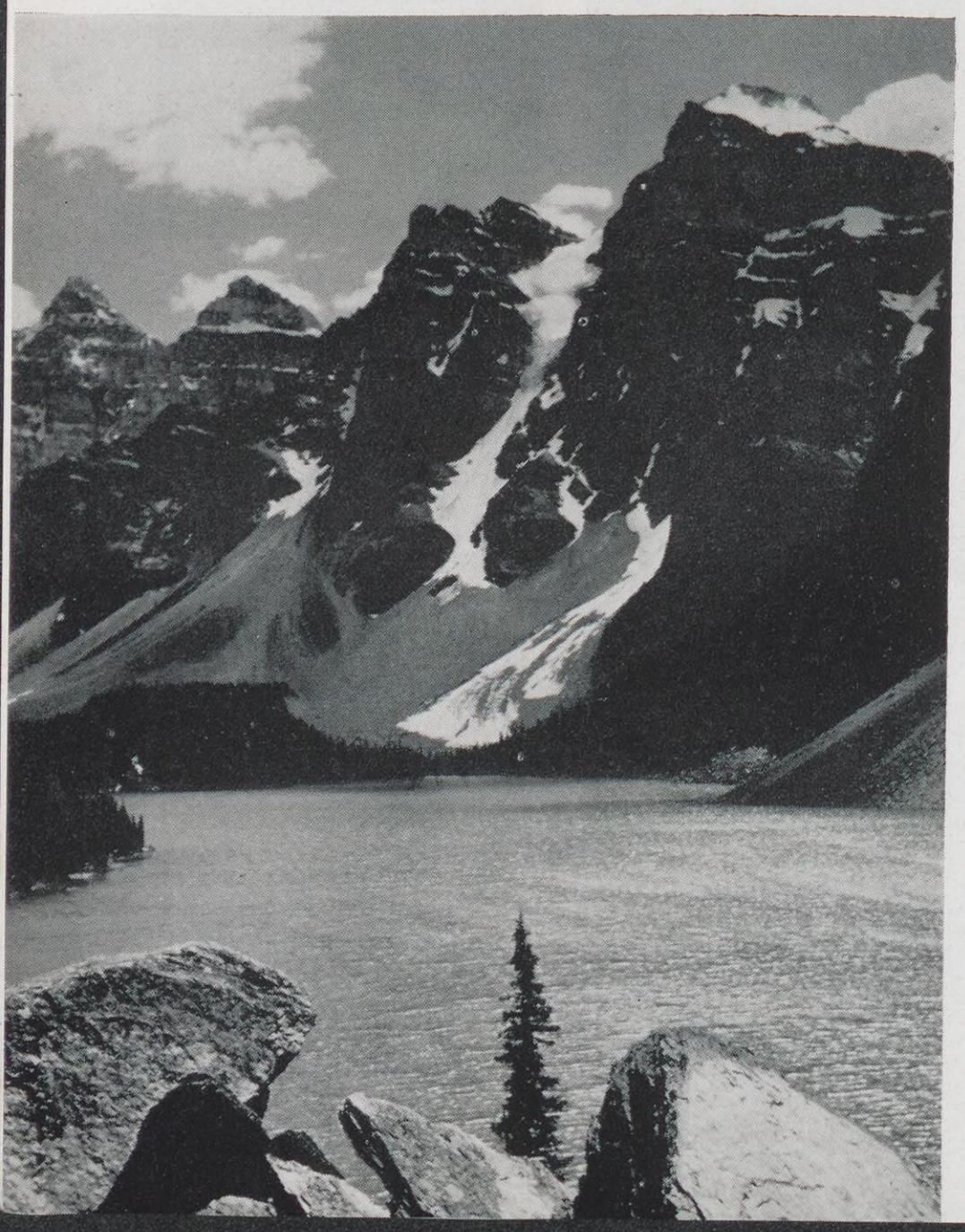
These photos are by two members of the Shell Shutter Club at Shell Development Company's E&P Research Division in Houston. The still life above was taken by J. C. Toups, an Electronic Mechanic. At left is a photo by C. F. Deane, Electronic Wireman, which has won several awards.

FOCUS ON PHOTOS continued

Flamingos in Caribbean Gardens, Fla., were photographed by C. D. Cox, Truck Driver in the St. Louis Marketing Division, who belongs to the Wood River Refinery Camera Club.



This is a black-and-white reproduction of a color photo of Moraine Lake in Banff National Park, Canada, taken by R. Schaller, Shift Foreman at the Shell Point Chemical Plant.



world. Today, the United States has about 12,000 adult camera clubs and about 7,500 high school camera clubs.

Camera clubs have been organized by employees at several Shell locations—the Shell Camera Club at Denver with members from the Denver Exploration and Production Area and Shell Chemical Corporation's Denver Plant; the Shell Camera Club at the Wood River Refinery for employees of the Refinery and the St. Louis Marketing Division; the 20-year-old Shell Camera Club at Martinez, Calif., for employees of the Martinez Refinery and Martinez Chemical Plant; the Shell Point Camera Club for employees of the Shell Point (Calif.) Chemical Plant; the Shell Shutter Club for employees of Shell Development Company's Exploration and Production Research Division at Houston; and the Shell Camera Club at Head Office. Other employees are members of local camera clubs organized outside the Company. Most of the clubs hold monthly meetings featuring lectures by expert photographers, photography exhibitions or photographic competitions among their own members or with members of other clubs.

Shell, as a business organization, contributes to photography in another way. Shell Chemical supplies acetone and diacetone alcohol for the manufacture of flash bulb lacquer—the exterior coating which prevents a bulb from shattering in case it explodes. Also, Shell Chemical sells isopropyl alcohol and glycerine for use in the manufacture of film.

Amateur photography is still growing in popularity. And with the advent of color transparencies, the number of amateurs has increased. Last year in the United States all amateur photographers spent an estimated $850 million on their hobby.

As a hobby, photography need not be expensive. You can start with a camera costing less than $10, although most hobbyists choose cameras of $30 and up. The average advanced amateur spends $80 to $100 a year on his hobby. While it takes a great deal of experience to become an accomplished photographer, the basic principles of photography are not difficult to master. And even with a minimum of knowledge about photography, you can sometimes snap a shutter and suddenly become an artist ●

This black-and- white version of a night color photo of the Colorado State Capitol during a snow flurry was taken by Evaline Olson, Secretary in the Denver Exploration and Production Area.

news and views

THE ALEXANDRIA ANTI-TRUST SUIT

H. S. M. BURNS

The following statement, by H. S. M. Burns, President of Shell Oil Company, concerning the Alexandria anti-trust suit, was sent to Shell Oil Company shareholders July 24:

On May 29, the U. S. Department of Justice obtained an indictment from a Federal grand jury sitting at Alexandria, Virginia, accusing Shell and twenty-eight other companies of conspiring to raise prices in violation of the Federal anti-trust laws. The indictment charged that some time late in 1956 and early in 1957 these twenty-nine companies conspired to raise the price of crude oil and gasoline. The area covered by the indictment is the District of Columbia and all of the rest of the United States except for the five western states of California, Oregon, Washington, Nevada, and Arizona, where another anti-trust suit is in progress against some of these same companies, including Shell.

There is no truth whatever in the charges, and your Company was prompt to say so. Mr. W. F. Kenney, vice president and general counsel, told the news services at the time the indictment was announced, "There is of course no basis whatever for the Government's charge that Shell got together with anyone to raise the price of gasoline or crude oil, in the District of Columbia or anywhere else." I believe that you, as a shareholder, may be interested in the facts behind this statement.

From early March 1957 to late May 1958, the grand jury examined hundreds of thousands of documents subpoenaed from various oil companies and heard approximately fifty witnesses from various companies. Your Company furnished approximately 100,000 pages of documents bearing upon its own prices, in the expectation that this examination of our pricing policies might help the grand jury better to understand the nature of the business before them. The grand jury's inquiry covered all aspects of pricing; only in the last few weeks of its sessions did inquiries shift to the subject of the general increase in crude oil and products prices in January 1957. The documents furnished in response to subpoena and the testimony of Shell representatives contained not the slightest shred of evidence that your Company was a party to any agreement, combination, or conspiracy with its competitors in 1956, 1957, or any other time.

Crude oil prices, in common with the prices of other commodities, were under Government control during World War II. With the postwar upsurge in demand, the price of crude oil advanced and by late 1948 reached an average of approximately $2.60 a barrel. Increases in the prices of crude oil in the ten years since 1948 have been very modest. There was a general increase of 25¢ a barrel in June 1953; a second general increase averaging about 30¢ a barrel came in January 1957. It is this last price increase that is under attack in the Government's suit.

The economic necessity for the general crude oil price increase of January 1957 had been frequently pointed out in oil trade journals for upwards of two years. In the nearly four years following the June 1953 crude oil price increase, the crude oil producer had absorbed four rounds of increases in basic steel prices and similar increases in the costs of other materials and services. There had also been three general wage increases throughout the oil industry. In addition to these upward cost pressures, crude oil producers were confronted with more expensive drilling and exploration operations owing to the fact that easily discovered, shallow fields had become a thing of the past. Producing wells two to three miles deep and expensive offshore drilling and producing installations had now become common. All these factors indicated the need for a general increase in the price of crude oil.

The simple fact of the matter is that your Company, both as a producer and substantial buyer of crude oil, was compelled to recognize that a general upward revision of crude oil prices was overdue. On January 10, 1957, we announced a new schedule of crude oil prices, reflecting our own evaluation of the market. The price increases in our schedule ran from 25¢ to 40¢ a barrel, depending upon the quality of the oil and the location of the field. Soon after the crude price increase, we increased the prices of most products. Other companies made adjustments in their crude oil and products prices, some earlier and some later.

During the past several years, general price increases have been common occurrences in every industry, as competitors responded to increased costs affecting them all. Suddenly to single out a particular general price increase in the oil industry and label it "conspiracy" is to ignore a fundamental point: *Sharp competition tends to bring identity, or near-identity, of prices.* The oil business witnesses the sharpest kind of market-place competition with each company keeping an anxious eye upon its competitors' prices for crude oil and products—not only from day to day, but from hour to hour. Charges of "conspiracy" in the present indictment reflect a failure to understand this important economic fact.

news and views

PROGRESS IN SCIENCE

J. H. DOOLITTLE

J. H. Doolittle, Vice President of Shell Oil Company and a retired lieutenant general of the United States Air Force, said recently "it is essential that the over-all rate of progress in science and technology be not only maintained but accelerated."

Speaking at the dedication at Hagerstown, Md., of the new Fairchild 27 aircraft designed for local service operations. Lt.-Gen. Doolittle added:

"This is necessary for our national security and for our survival. Our defense establishment rests on a foundation of able and farsighted work in science and engineering. This work must continue—and at a level that will ensure the knowledge and strength that our nation needs in order to deter aggression. Only such knowledge and strength can prevent a catastrophic war and give the world time to achieve a degree of stability that will permit reallocation of creative energy with greater emphasis on the arts of peace.

"Advances in science and technology are needed for further examination and eventual exploration of space. The satellites that have been placed in orbit are tentative steps in this direction. Ultimately, man himself will be able to leave the earth and go where only his imagination has gone so far. This will require great progress in theoretical science and practical accomplishments in engineering.

"How can the need for continued progress be met? Through hard work and, if necessary, sacrifice. We must avoid complacency and self-indulgence. This is necessary because of the pressure being exerted on our nation and the world by militant communism.

"Over the years, as this country has grown, it has come closer to achieving the goal of general prosperity than any other nation in history. This is largely because of our science, our technology, our industry, our productive capability, our natural resources and our system. Another reason has been our success in distributing the things we produce—that is, our skill in transportation.

"Continued progress in transportation will be an important part of our future growth. . . ."

GLYCERINE CONSTRUCTION

Shell Chemical Corporation has awarded contracts for construction of the remaining facilities in the glycerine production program at the Norco Chemical Plant. Cost of this phase of the program is estimated at more than $10 million.

R. C. McCurdy, President of Shell Chemical, said the Corporation had planned to build the new units before the present recession. "We think that the analyses which led us to that decision are still valid," he said, expressing confidence in the future of the economy.

Construction will be completed late next year. One unit will produce acrolein, a second will make glycerine, using acrolein and hydrogen peroxide from a unit completed this year. Other construction includes extensions to the utilities system and other off-site facilities, as well as additions to shops, warehouses and the plant office building.

The Norco Plant will make about 35 million pounds of glycerine a year plus substantial quantities of acrolein, a chemical not made in large volume until the development of the present process by Shell scientists. Shell Chemical already is selling hydrogen peroxide from the other unit in the glycerine production chain.

Wider availability of acrolein is expected to lead to development of end-uses in many fields including plastics and resins, pharmaceuticals and textile-treating.

"If there's anything you want, just holler."

SHELL PEOPLE in the news

A. J. GALLOWAY

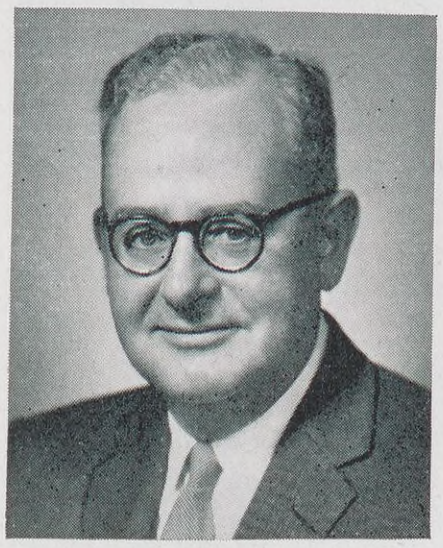
SHELL OIL COMPANY EXPLORATION AND PRODUCTION ORGANIZATION

A. J. GALLOWAY will retire effective August 31 after 32 years of Shell service. He has served as an Executive Vice President of Shell Oil Company since 1957 and has been a Director of Shell Oil Company since 1953.

Mr. Galloway joined Shell in 1926 as an Assistant Geologist in California. He was named Vice President in charge of exploration and production activities east of the Rockies in 1934 and was given responsibility for all Shell's exploration and production activities in 1948.

H. S. M. Burns, President of Shell Oil Company, said that under the guidance of Mr. Galloway, Shell has led the industry in the discovery of oil and gas reserves in the United States in the last 10 years.

"Although this fact alone is not the measure of the man, it gives some indication of his stature in the oil industry," Mr. Burns said. "The Galloway family will return to California, which is Mrs. Galloway's native State. In behalf of their legions of Shell friends, I wish them many years of happiness."



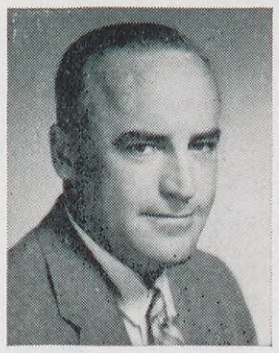
D. B. KEMBALL-COOK

D. B. KEMBALL-COOK has been named Executive Vice President in charge of exploration and production for Shell Oil Company, succeeding Mr. Galloway.

Mr. Kemball-Cook joined Shell in Boston in 1932, following graduation from Oxford University. During the next 12 years he worked in exploration and production activities in St. Louis and Houston. He became an American citizen while residing in Texas in 1940. In 1945 he joined Shell in Venezuela, at a time when that company was embarking on its largest expansion program. He was placed in charge of Economics, Supply and Refining for Shell in Venezuela in 1950 and three years later became a Director of the company.

In 1957 Mr. Kemball-Cook moved to New York to become a Director and Vice President of Shell Caribbean Petroleum Company and of Asiatic Petroleum Corporation.

SHELL PIPE LINE CORPORATION



H. M. KARR

Joe T. Dickerson, President of Shell Pipe Line Corporation, has announced the establishment of the position of Manager Technology in the Corporation's Head Office at Houston. **H. M. KARR**, Assistant Manager, Engineering Department in Shell Oil Company's Head Office Manufacturing Organization was appointed to the new position effective August 1. Mr. Karr will coordinate and supervise the activities of the Shell Pipe Line Engineering Department and the newly-organized Technical Services Department.

Mr. Karr, who holds a Bachelor's degree in civil engineering from the University of California, joined Shell Development Company in 1938 as a Draftsman. He joined Shell Oil Company in 1950 as Assistant Chief Engineer at the Houston Refinery and was placed in charge of project engineers working with contractors on the Anacortes Refinery in 1954. He was named Special Engineer in the Head Office Engineering Department in January, 1955 and Assistant Department Manager in October, 1955.

SHELL PEOPLE in the news *Continued*

H. L. ISHAM

SHELL OIL COMPANY MANUFACTURING ORGANIZATION

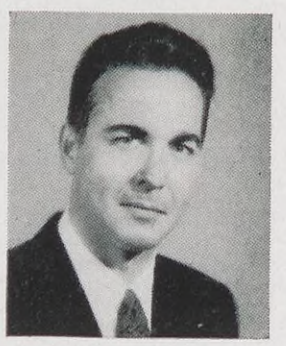
H. L. ISHAM has been named Assistant Manager, Head Office Engineering Department, effective August 1, succeeding Mr. Karr. Mr. Isham, who holds a Bachelor's degree in mechanical engineering from Stanford University, joined Shell in 1938 as a Draftsman at the Wilmington Refinery. In 1950 he was named a Senior Engineer there and in 1951 he was transferred to Head Office Manufacturing in a similar capacity. He was named Assistant Chief Engineer at Wilmington in 1954.

The following personnel changes have been announced at the Houston Refinery:

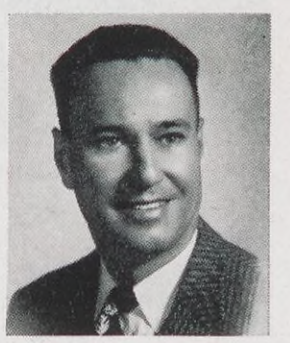
NAME	NEW POSITION	FORMER POSITION
K. J. KITZMILLER	Manager, Lubricating Oils Department	Manager, Aromatics Department
C. L. MARSHALL	Manager, Aromatics Department	Manager, Thermal Cracking Department
H. F. TIGHE	Manager, Thermal Cracking Department	Manager, Gas Department
S. F. GOOD	Manager, Gas Department	Manager, Alkylation Department (Wood River Refinery)

K. J. KITZMILLER

C. L. MARSHALL



H. F. TIGHE



S. F. GOOD

J. D. WALKER

Norco Refinery

J. D. WALKER has been named Manager of the Personnel and Industrial Relations Department at Shell Oil Company's Norco Refinery. Mr. Walker joined Shell in 1934 as a Tester in the Laboratory at the Norco Refinery. After serving in positions of increasing responsibility, he was transferred to the Personnel and Industrial Relations Department at Norco as a Senior Fire and Safety Inspector in 1951. He was named Assistant Manager of the Department in 1953.

SHELL OIL COMPANY FINANCIAL ORGANIZATION

C. M. JONES

A. A. Buzzi, Controller, has announced the creation of a Data Processing Department in the Financial Organization and the appointment of **C. M. JONES** as Manager, effective July 1. Mr. Jones will report to A. H. Rathert, Assistant Controller.

The new department will provide programming assistance and machine services to Head Office Departments and act as informational agency for field and Head Office "data processing" activities.

Mr. Jones, who holds a Master's degree in chemical engineering from the University of Florida, joined Shell in 1948 as a Research Engineer at the Houston Refinery. He was named a Senior Research Engineer at Houston in 1954 and went on assignment to London and The Hague in January, 1955. Later that same year he was named a Senior Technologist in the Technological Department of the Head Office Manufacturing Organization. He was named to the newly-created position of Data Processing Consultant in the Head Office Financial Organization in January, 1958.

M. W. BOZ

M. W. BOZ has accepted an appointment with Shell Oil Company of Canada, Limited, as Manager, Head Office Operating Accounting Department. Mr. Boz, who attended De Paul University, joined Shell in 1933 as a Clerk at Chicago. He was named Chief Accountant in the Albany Marketing Division in 1943 and an Auditor in the Head Office Auditing Department in 1946. He was named Chief Accountant in the Cleveland Marketing Division in 1948 and in 1949 he became Assistant Manager, Head Office Methods and Statistics (now the Methods and Procedures Department).

P. W. WIELD

P. W. WIELD has been named Assistant Manager, Head Office Methods and Procedures Department, succeeding Mr. Boz. Mr. Wield, who received a Bachelor's degree in business administration from St. John's University, New York, joined Shell in 1941 in the New York Marketing Division. He was named Chief Accountant in the Cleveland Division in 1952 and was appointed Treasury Manager of the former Shell American Marketing Division in January, 1956. Later that same year he was named Senior Auditor in the Head Office Auditing Department. He was appointed Treasury Manager of the Albany Marketing Division in 1957.

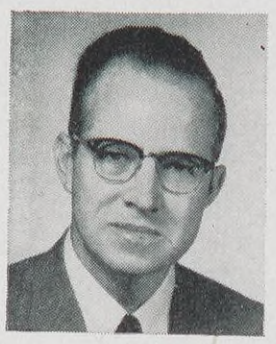
R. D. ROGERS

R. D. ROGERS has been named Treasury Manager of the Albany Marketing Division, succeeding Mr. Wield. Mr. Rogers, who holds a Bachelor's degree in accounting from the University of Washington, joined Shell in 1949 in the Seattle Marketing Division. He was named Chief Accountant in the Albany Division in 1954 and Chief Accountant in the Atlanta Division in 1956.

C. W. SMITH

SHELL DEVELOPMENT COMPANY

C. W. SMITH has been named Assistant Department Head, Plastics and Resins, at Shell Development Company's Emeryville Research Center. Mr. Smith, who holds a Ph.D. degree in chemistry from the University of Illinois, joined Shell in 1943 as a Chemist at Emeryville. He was appointed a Research Supervisor at Emeryville in 1952 and was named Technical Assistant to the President of Shell Development Company in 1956.

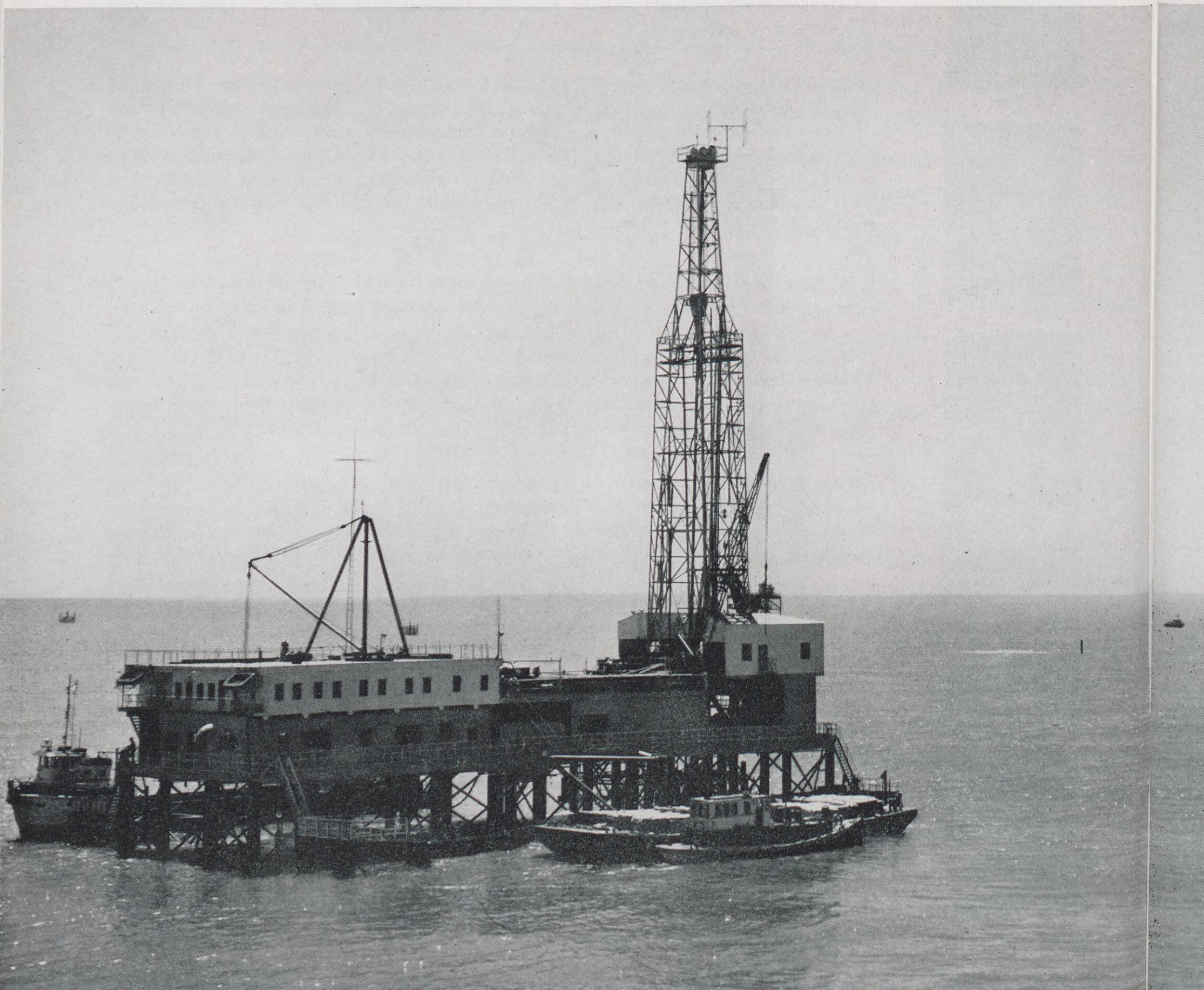


R. W. MARTIN

R. W. MARTIN has been named Technical Assistant to the President of Shell Development Company, succeeding Mr. Smith. Mr. Martin, who received a Master's degree in chemistry from Utah State Agricultural College, joined Shell in 1952 as a Chemist at Emeryville Research Center. He was appointed a Research Supervisor at Emeryville in 1954 and was named Acting Assistant Department Head, Plastics and Resins, in 1957.

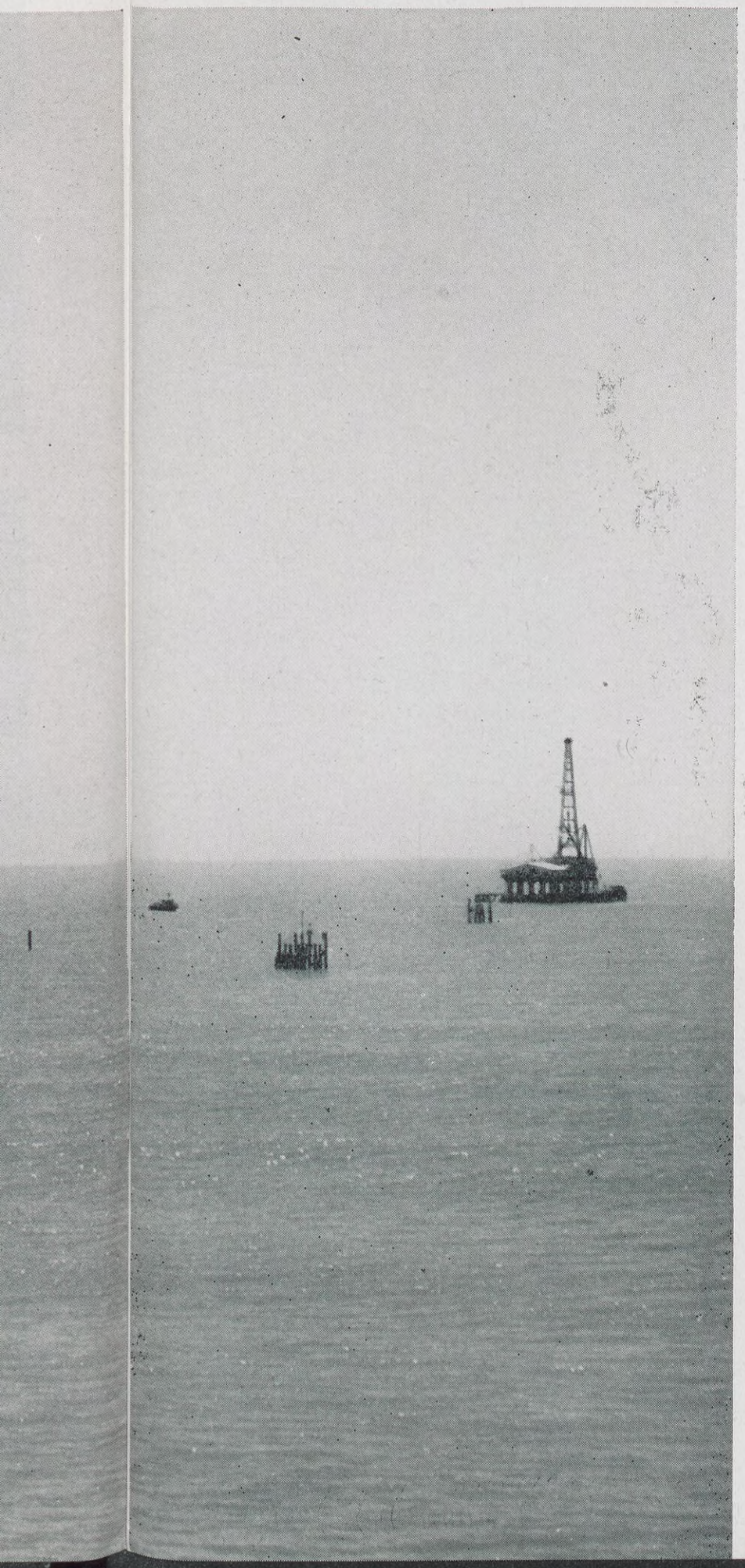
DO WE REALLY NEED P

Critics of percentage depletion, in many *case*



ED PERCENTAGE DEPLETION?

many cases, do not fully understand the true significance of this tax law



IN the pioneering days of the oil business, a Pennsylvania farmer was explaining to a friend why he had leased his south pasture for drilling.

"I really don't think these drillers will find anything," the farmer said. "But if they're foolish enough to toss their money into a hole in the ground, then I guess I'm foolish enough to let them."

This was hardly a fair description of our nation's first oil men even in those pioneering days, and few people today would describe America's efforts to find oil as "foolish." At the same time, everyone recognizes that drilling for oil always has involved unusual risks. Even with the latest techniques, oil men must invest large sums of money without any guarantee of a profitable return.

The variety of risks, and the varying degrees of success, encountered in the search for oil can best be illustrated from experience. Let's take five of the major oil provinces in which Shell is actively engaged.

1. Louisiana Offshore—As far as finding oil reserves is concerned, Louisiana offshore operations are an unqualified success, particularly for Shell. This development has enabled the industry to add about six trillion cubic feet of gas and 975 million barrels of badly needed oil reserves and, undoubtedly, more will be found. But Louisiana offshort activities had cost the oil industry close to $2.2 billion up to the first of 1958. The value of oil and gas produced by that time from offshore wells was about $550 million. In other words, the industry had an estimated deficit of more than $1.5 billion at the beginning of 1958. In this, the most successful U. S. oil province discovered in the last two decades, the oil industry can't hope to recover its investment before 1965, or at least 20 years after large-scale exploration first started.

Million-Dollar Hunt. Two Shell contract rigs drill for oil within 1,000 yards of each other in offshore Louisiana waters. The cost of using mobile rigs such as these, plus other pre-drilling expenses, runs into millions of dollars. Percentage depletion recognizes that the oil industry must generate enough capital to finance the costly—and risky—search for oil.

RISK ELEMENT IN HUNTING FOR OIL

1 GAS FIELD
1 Chance in 40

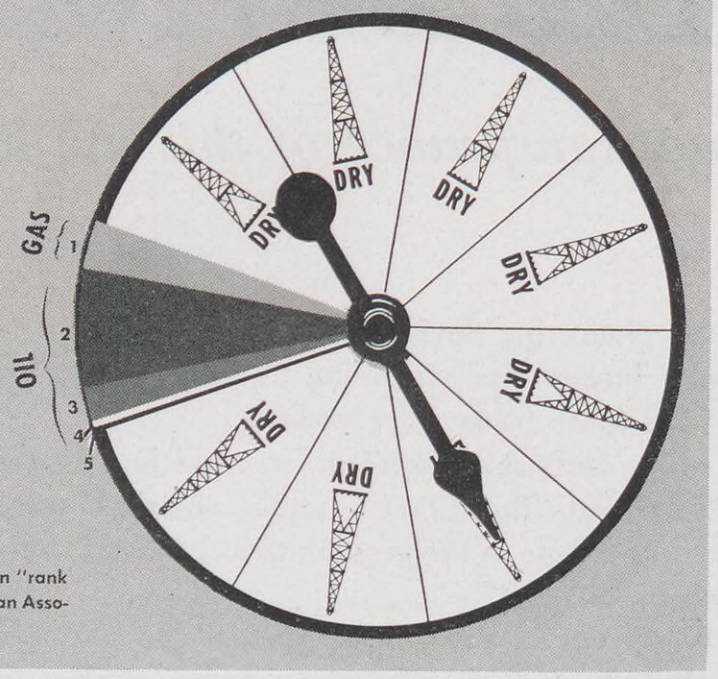
2 VERY SMALL OIL FIELD
1 Chance in 15 (often unprofitable)
Supplies U. S. less than 3 hours

3 SMALL OIL FIELD
1 Chance in 50
Supplies U. S. less than 2 days

4 MEDIUM OIL FIELD
1 Chance in 200
Supplies U. S. less than 1 week

5 LARGE OIL FIELD
1 Chance in 1000
Supplies U. S. 1 week or more

1 CHANCE IN 9 AT AN
AVERAGE COST OF $90,000 PER SPIN

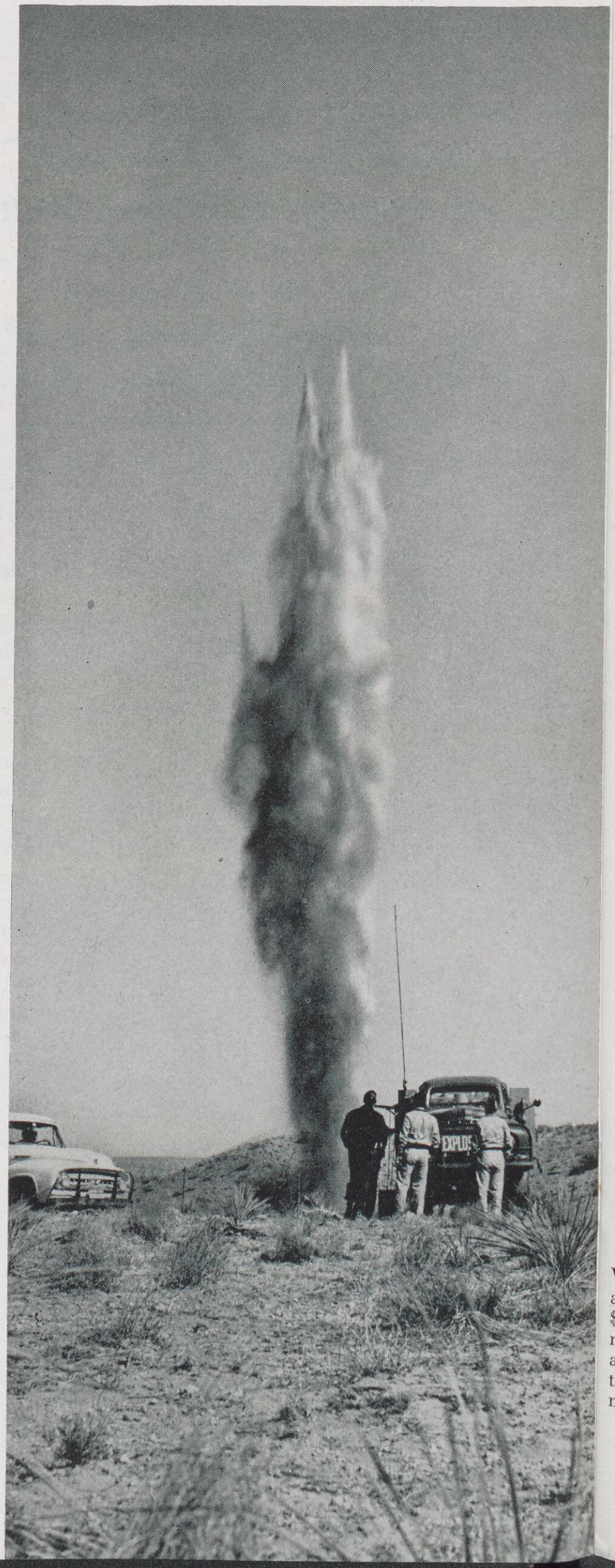


Source: Approximate chance ratios based on "rank wildcat" wells as reported by the American Association of Petroleum Geologists.

The Odds Are Great. The wheel and chart prepared by the Independent Petroleum Association of America (shown above) vividly demonstrates the high risk in searching for oil. An exploratory well, for example, has only one chance in nine of finding oil and costs $90,000 on the average. There is only one chance in 1,000 of finding a field big enough to keep the U. S. supplied for one week or more.

2. Texas Offshore—In contrast with the success of Louisiana offshore, Texas offshore is a region where the search has been almost a complete failure to date. The oil industry has made a large investment in Texas offshore operations without finding commercial quantities of oil. The total size of the industry's investment is not known but Shell's investment alone runs into millions of dollars. One wildcat drilled jointly by Shell and Continental Oil Company cost close to $1 million. The well was located 63 miles offshore, drilled to a depth of 2½ miles and was a dry hole.

3. Williston Basin—In some oil regions production tends to be very spotty. The vast Williston Basin, which embraces part of North Dakota, South Dakota, Montana and extends northward into Canada, is such a region. The geology of the Williston Basin is such that finding oil fields is infinitely more difficult than finding a needle in a haystack. Shell, which has invested an estimated $43 million for exploration alone in this region, has been partially successful in finding oil in the United States' portion of the basin. Most companies, however, have not made any finds of consequence and stand to lose a major part of their investment.



What's
a "shot"
$50,000
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never kn

4. Alaska Operations—Although one promising oil strike has been made on the Kenai Peninsula, Alaska still is an unknown quantity. Shell and Humble Oil & Refining Company currently are drilling a joint wildcat on the Alaska Peninsula, following extensive seismic work. The oil industry already has spent more than $2 million in Alaska on geological work and many more millions will have to be spent before the industry is able to evaluate the prospects of profitable production. Even if more oil is found in Alaska, it certainly will take many years for the operators to realize a pay-out.

5. California Offshore—Unlike the situation in Alaska, the oil industry is fairly certain there is oil along the coast of California. Whether or not California offshore operations will be economically feasible, however, remains to be seen. Since the ocean floor drops off sharply along the California coast, much of the drilling will have to be done in deep water. California's offshore leases also are proving to be a sizeable investment for the oil industry. Another factor to consider is that some West Coast fields produce low gravity crude which usually yields a lower fraction of high value products. If California's offshore crude is of this type, the oil industry may have a long pay-out or even have difficulty getting its original investment back.

How can any business afford to risk so much money in ventures where the results are largely unknown? An important part of the answer is percentage depletion.

Recognizing the importance of extractive industries—such as oil, coal, and metal mining—to the nation's economy, Congress provided an incentive for developing America's natural resources known as discovery value depletion. Adopted in 1918, it proved difficult to administer and in 1926 percentage depletion was substituted as a more practical method of achieving the same purpose.

Congress enacted this tax provision primarily to encourage the successful producers to continue in this high risk business, but it also helped attract outside capital. By setting up percentage depletion for the oil and gas industry, Congress said, in effect, to the oil man: "Look, America needs oil. If you are willing to risk your money searching for it, you won't have to pay income tax on part of the proceeds from the oil and gas you find and produce."

Of course, this was no give-away program because the operator is rightfully entitled to a tax deduction per barrel that closely approximates the value of that barrel of oil in the ground. This is what the experts refer to as the tax-free return of capital value and conforms to the cardinal principle that an income tax shall be levied on income and not on the capital that produces the income. When the Senate was considering the bill for percentage depletion in 1926 Senator Reed of Pennsylvania explained it this way:

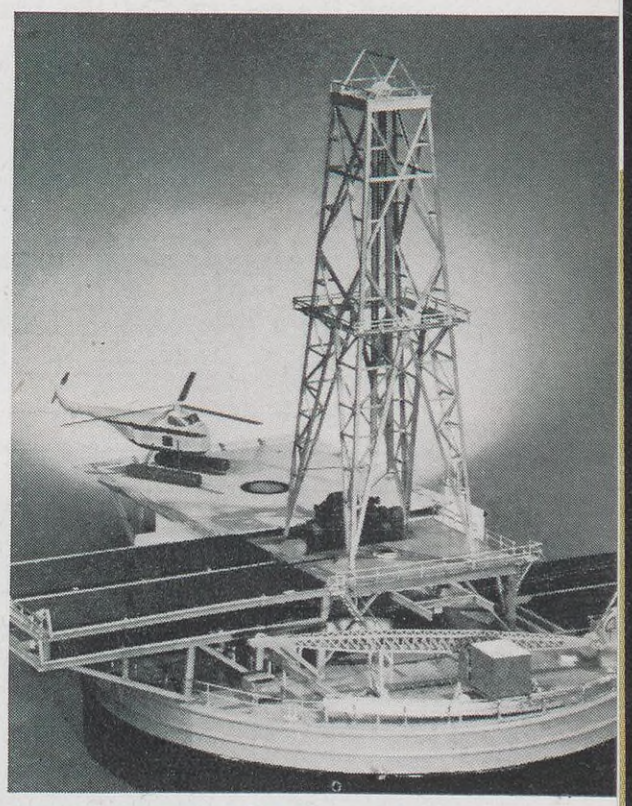
"If Senators will think for a moment about the application of (depletion) to an oil well, it will be realized that the owner of the well is exhausting his capital every time he draws a barrel of oil out of the well, so part of the value of that oil is . . . a mere return of his capital. . . . We have taken a big step forward in this bill . . . which provides that an arbitrary percentage of the gross selling value of that oil shall be deducted to allow for depletion."

The incentive effect of percentage depletion is of major importance in maintaining the nation's reserves of oil and gas at safe levels. Even with the higher prices which might follow any cut in the depletion deduction, it is doubtful whether oil companies could risk so much money in the search for oil, especially in areas where the potential is limited. Even under the best conditions an exploratory well has but one chance in nine of striking oil. And a successful wildcat has but one chance in 44 of locating as much as one million barrels total ultimate production.

In view of these difficulties, what would happen if there were no percentage depletion? No one knows the answer to this question, since Congress always has seen fit to maintain perecentage depletion with the rate unchanged since 1926. However, if percentage depletion were materially reduced rather than removed, one of two things—or a combination of both—would probably happen.

1. The price of crude oil would go up and finished products, such as gasoline, would cost consumers more money.

2. There would be less exploration for oil. Not only

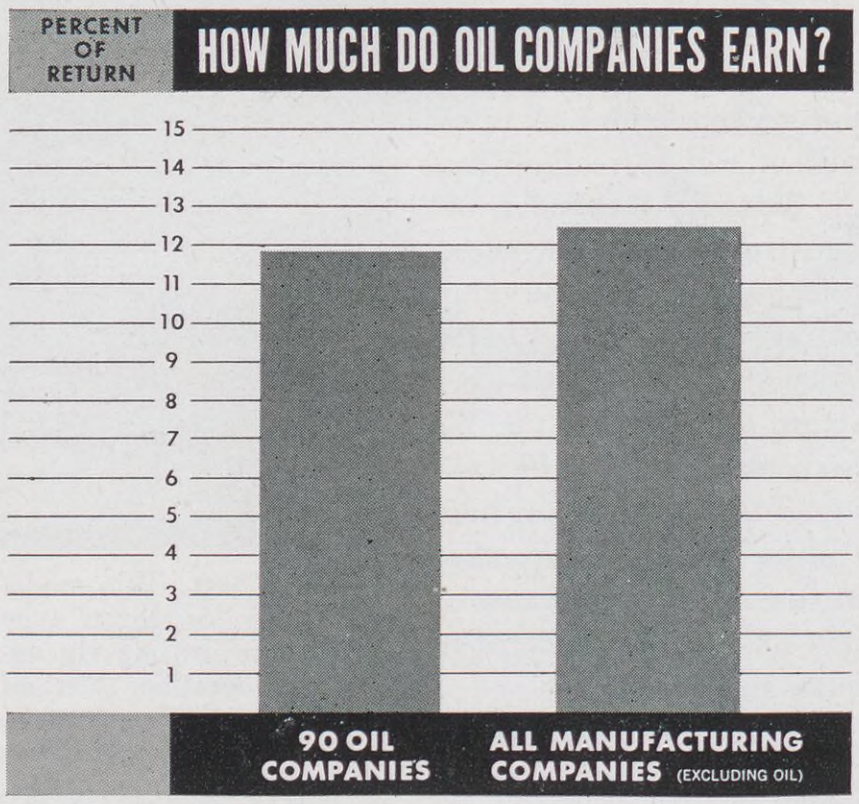


Rising Costs. This model is of a new "doughnut" type of offshore drilling rig under consideration. The oil industry has had to develop, at great cost, several types of rigs to drill in deep water. Without percentage depletion, it is doubtful whether the industry could afford to invest millions of dollars for such equipment to discover hard-to-find new fields.

What's Under the Surface? A Shell seismic crew watches a "shot" in New Mexico. It may cost an oil company up to $50,000 to keep a land seismic party in the field for one month. Sub-surface studies from seismic records are invaluable but even these elaborate studies do not remove all the risk from drilling. As veteran oilmen put it, "You never know whether oil is there until you actually find it."

would incentive be reduced, but many operators soon would be short of cash for continued exploration. Eventually companies would be unable to generate enough capital to finance the costly search for oil.

Any reduction in the search for oil, it scarcely needs pointing out, could be a serious blow to the economy and the security of the United States. Domestic reserves already are approaching a crucial stage because of high exploration and development costs. Last year the domestic oil industry spent about $5 billion to find and produce



A Reasonable Return. During the past 20 years, with percentage depletion, the average net return on assets has been lower in the oil industry than in all manufacturing companies (excluding oil). The average net return on assets for 90 representative oil companies was 11.9 per cent compared with 12.4 per cent for all manufacturers. The graph shown here is based upon statistics compiled by the First National City Bank of New York.

oil. During the next 10 years, if percentage depletion continues at its present rate, the industry is expected to spend at least $60 billion developing new oil and gas resources in the United States alone. This involves a tremendous financial risk; yet the future growth of our nation demands that all possible oil regions be explored. Without percentage depletion, however, many people would not risk their capital in the oil business. Even with percentage depletion, during the past 20 years the average net return on assets has been lower in the oil industry than in manufacturing companies. (See chart above.)

By helping insure an adequate supply of oil at competitive prices, however, percentage depletion benefits all consumers and at the same time encourages oil operators to continue their search for new reserves ●

How Percentage Depletion Works

1. Congress laid the foundation for percentage depletion as early as 1918. This tax provision is not peculiar to the oil business. It applies to *all* extractive industries, including for example, coal, copper and uranium. The depletion deduction itself applies only to the production end of the oil business. Income from refining, transportation and marketing, for example, does not qualify for percentage depletion.

2. Under the present law, an oil operator is allowed to deduct as percentage depletion a maximum of 27½ per cent of the income received for the oil produced from a given lease or property during a given year. Let's assume a person owns an oil property which produced $10,000 worth of oil and gas during the year. His legal depletion deduction amounts to 27½ per cent, or $2,750. If it cost the person $3,500 to produce this oil, his tax is figured as follows:

$10,000	gross income
−3,500	costs
$ 6,500	income before depletion and before income tax
−2,750	depletion deduction
$ 3,750	taxable income

3. In the foregoing example, if the owner of the property is a corporation which pays the present income tax rate of 52 per cent, the tax is 52 per cent of $3,750 or $1,950.

4. The law says a percentage depletion deduction cannot be more than 50 per cent of the income before taking depletion. To illustrate, suppose the above producer's costs amounted to $5,600. This case would then be figured as follows:

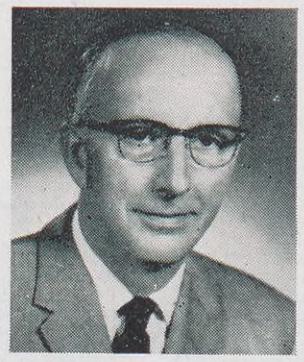
$10,000	gross income
−5,600	costs
$ 4,400	income before depletion and before income tax
−2,200	depletion deduction (limited to 50 per cent of $4,400)
$ 2,200	taxable income

Because the depletion deduction is limited to not more than 50 per cent of the income before taking depletion, the *effective* percentage depletion rate in this case is considerably less than 27½ per cent. As a matter of fact, the effective rate for the industry has been estimated to be about 23 per cent or less. And there is no depletion deduction, of course, if there is no income.

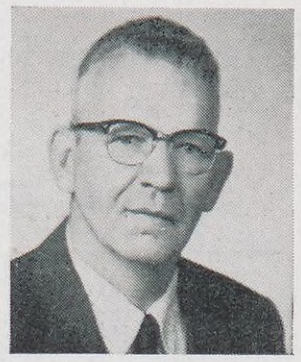
They have RETIRED

L. F. BANSE
Pipe Line Department
East Chicago, Indiana

H. H. BLACK
Los Angeles Division
Sales



M. H. CLARK
Shell Development Company
Modesto



J. M. COCHRAN
Tulsa Area
Production

ELLEN L. COUGHLIN
Boston Division
Operations

D. S. DAY
Portland Division
Sales

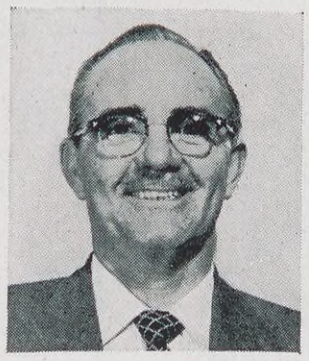
M. E. DEAN
Shell Pipe Line Corporation
Texas-Gulf Area

E. F. EADS
Tulsa Area
Production

P. L. FRIEND
Boston Division
Operations

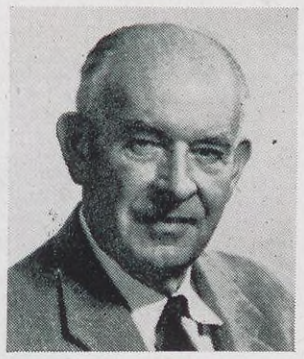
L. W. GOINS
Shell Pipe Line Corporation
Mid-Continent Area

J. H. HACKMAN
St. Louis Division
Operations



J. P. KING
Shell Chemical Corporation
Shell Point Plant

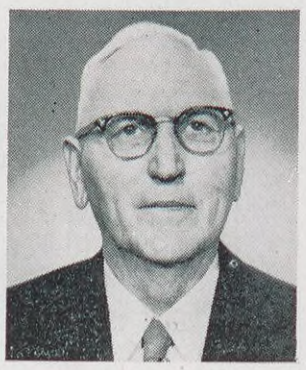
F. LANG
New Orleans Area
Exploration



H. R. LUCK
Shell Development Company
Emeryville

E. J. MAYERS
San Francisco Division
Treasury

A. B. NOBEL
Pacific Coast Area
Production

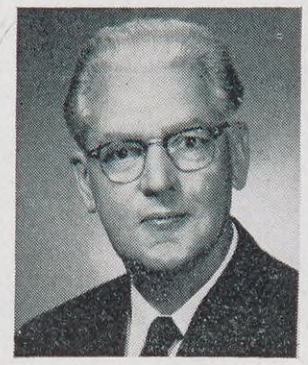


A. J. RICKETSON
Shell Chemical Corporation
Shell Point Plant

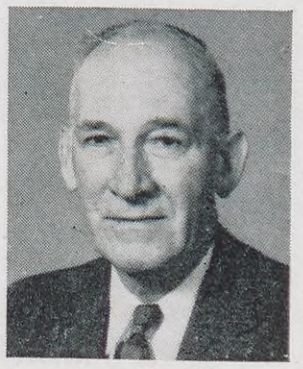
W. P. SCHEUER
Pacific Coast Area
Production

J. J. STILWELL
Pacific Coast Area
Production

A. R. THOMSON
San Francisco Office
Financial



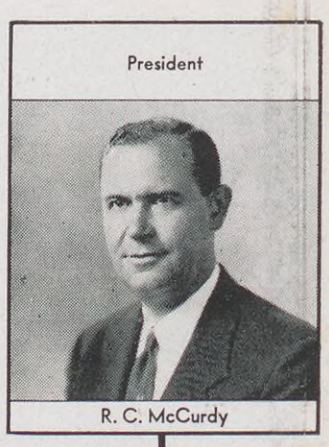
L. E. TINGEY
Pacific Coast Area
Treasury

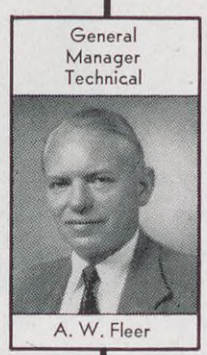


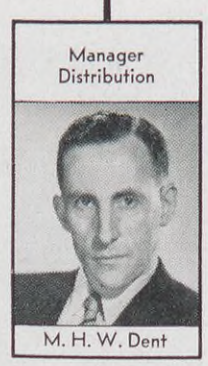
W. E. TURNER
Shell Development Company
Emeryville

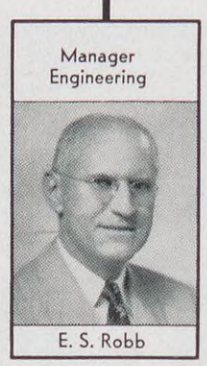
Shell Chemical Corporation

August—1958









RESEARCH LABORATORIES

(1) These respective functions are performed for both Shell Oil Company and Shell Chemical Corporation by the same staff groups

*Effective September 1, 1958

Shell Chemical Corporation
Management Organization

nt

Curdy

Assistant to *
the President

M. Buck

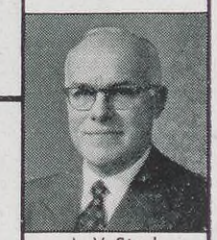
Vice President
Manufacturing

C. W. Humphreys

Vice President
Ammonia
Division

G. R. Monkhouse

Vice President
Marketing

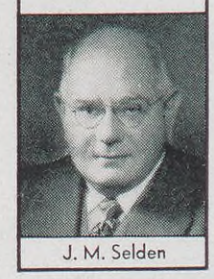


L. V. Steck

Assistant to
ice President

H. Plomteaux

Assistant to
Vice President



J. M. Selden

er

Manager
Development

M. R. Sprinkle

CH
ORIES

Manager
Employee
Development

G. A. Grimma

Manager
Industrial
Hygiene

N. G. White

Manager
Operations

R. L. Kittle

General
Manager
Operations

B. M. Downey

PLANTS

Manager
Market
Development

D. L. Yabroff

TECHNICAL
SERVICE
LABORATORY

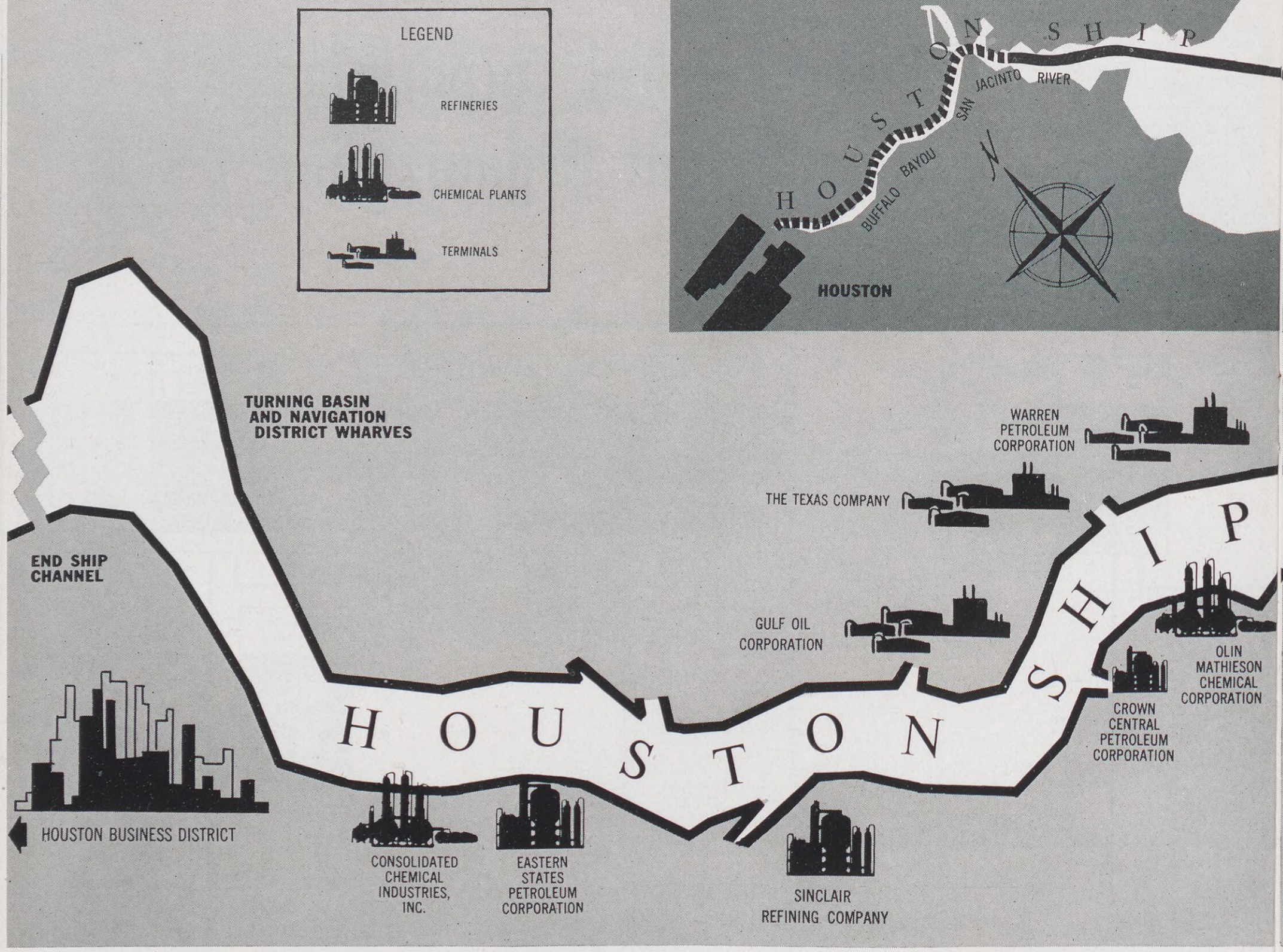
Manager
Advertising

M. H. Keel

SALES
DIVISIONS

Mgr. Administrative
Office & Employee
Development

M. L. Griffin



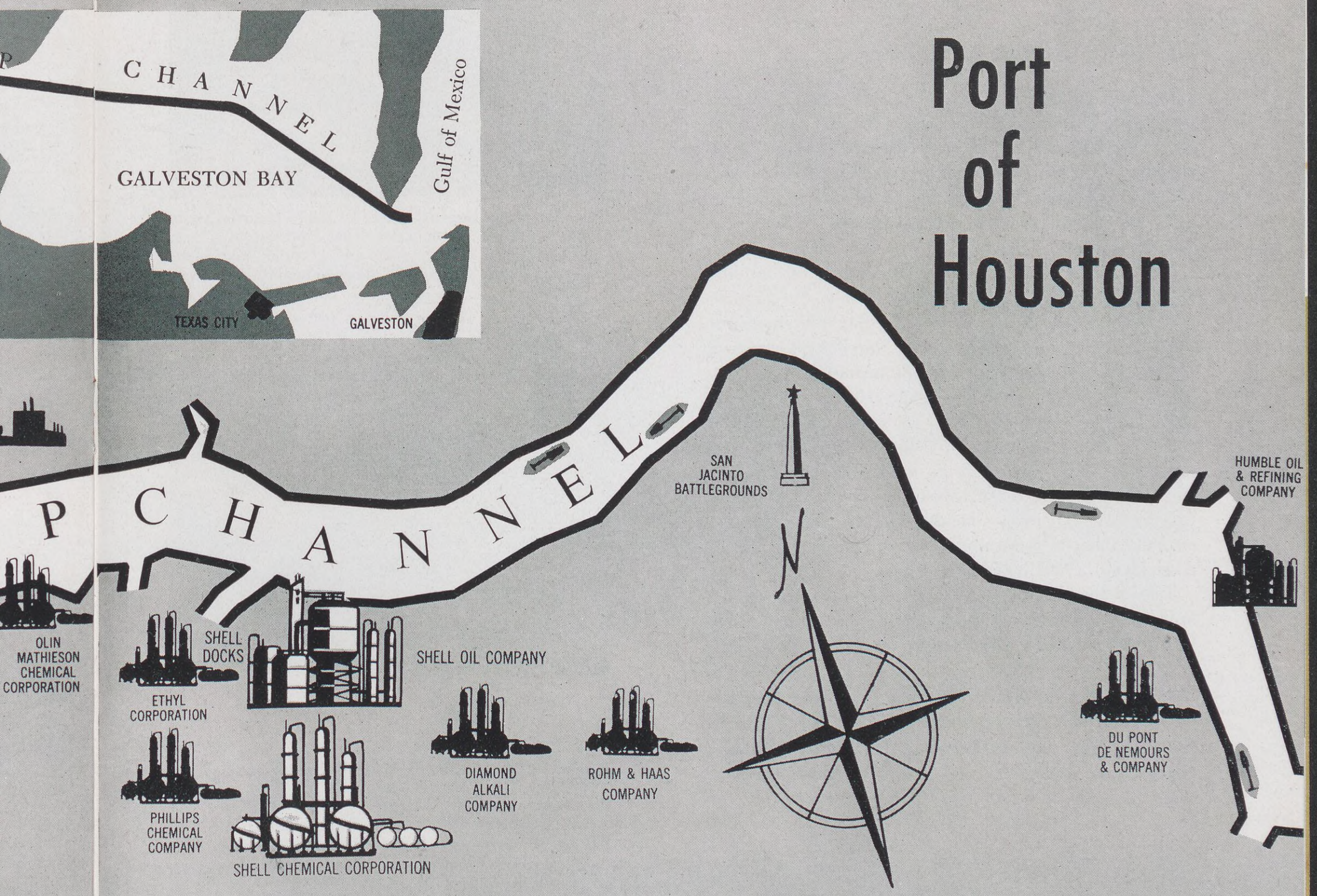
GATEWAY TO THE G

The oil industry plays a key role in the success of Houston's man- mad

THE first steamship to venture up the waters of Buffalo Bayou to Houston in 1837—the year after the city was founded—passed Houston by unknowingly. The crew and passengers of the S.S. Laura still were looking for the glamorous new city described in advertisements when they discovered they had accidentally sailed right past it.

Exaggeration isn't necessary in any advertising about Houston today.

The current population of metropolitan Houston, estimated at 1,195,000, is the largest of any southern city. The port of Houston itself is one of the largest deep-sea ports in the nation, based on tons of cargo handled an-



Port of Houston

E GULF

man- made ship channel

The 50-mile Houston Ship Channel, which extends northwestward from Galveston, links Houston with the Gulf of Mexico and provides Houston with a deep-water port. Sixteen miles of the channel lie in Buffalo Bayou, nine miles in the San Jacinto River and 25 miles are dredged through shallow Galveston Bay. The large map, above, shows the approximate location of major oil and chemical facilities located between the Turning Basin and Galveston Bay. The broken line in the smaller map indicates the section of the channel shown enlarged in the main map.

nually. In 1957 Port Houston handled 57,804,406 tons of cargo, a 10 per cent increase over its 1956 tonnage.

The oil and chemical industries are the mainstay of Port Houston, contributing more than half its annual tonnage. The rest of Houston's tonnage comes from industries located between the Mississippi River and the Rocky Mountains, which use Port Houston as their outlet to the sea. In addition to petroleum and chemical products, other important commodities shipped through Houston include cotton, wheat, rice, metals and machinery.

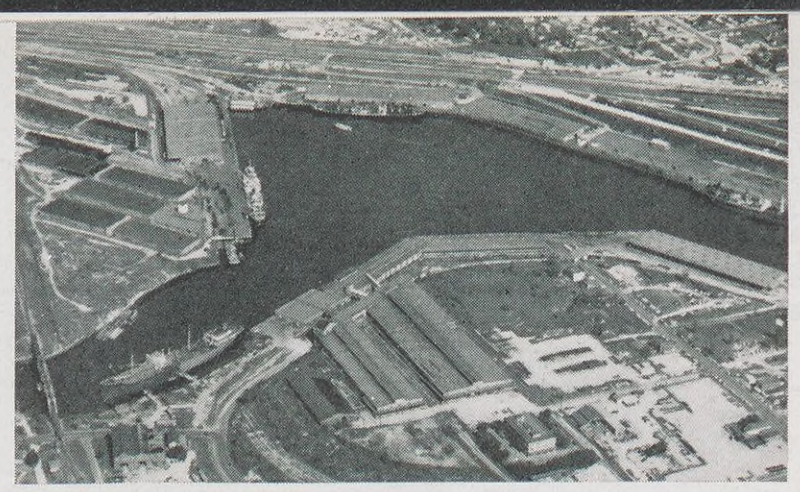
Houston's prominence as a port and the center of an industrial complex is all the more remarkable when you

consider it is located 50 miles from the Gulf of Mexico. The key to Port Houston's success is the man-made Houston Ship Channel, which was dredged through three shallow bodies of water to allow ocean shipping to reach the city. The channel lies 16 miles in Buffalo Bayou, nine miles in the San Jacinto River and 25 miles in Galveston Bay. (See map.)

The Turning Basin, which permits ships to turn around in the channel, is inside Houston's city limits. For 25 miles from the Turning Basin to Galveston Bay, the channel is lined on both banks with wharves, warehouses, chemical plants, refineries and other manufacturing plants. In this stretch of channel there are about 100 industrial concerns and docking facilities for 90 ships.

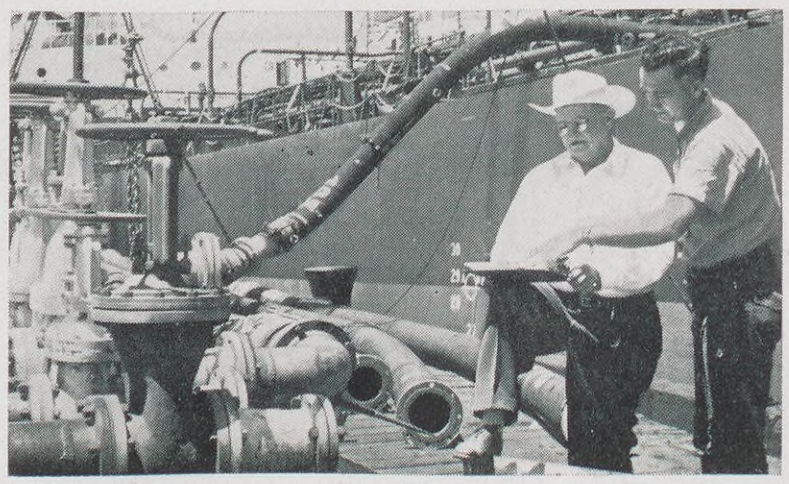
"If any one element in Houston's economic environment could be singled out as most vital, that element would have to be Port Houston," says Mayor Lewis Cutrer. "The Houston Chamber of Commerce recently estimated that a total annual payroll of half a billion dollars can be attributed to the port."

Two of the biggest industrial facilities on the channel are Shell Oil Company's Houston Refinery and Shell Chemical Corporation's Houston Plant. (An estimated 6,300 Shell men and women — including those of the Refinery and Chemical Plant, Shell Pipe Line Corporation, Shell Development Company and Shell Oil Company's Houston Exploration and Production Area and



The Turning Basin, above, is inside Houston's city limits and a 20-minute drive from Houston's business district. The 1,000-foot wide basin, which marks the end of the ship channel, is lined with public wharves.

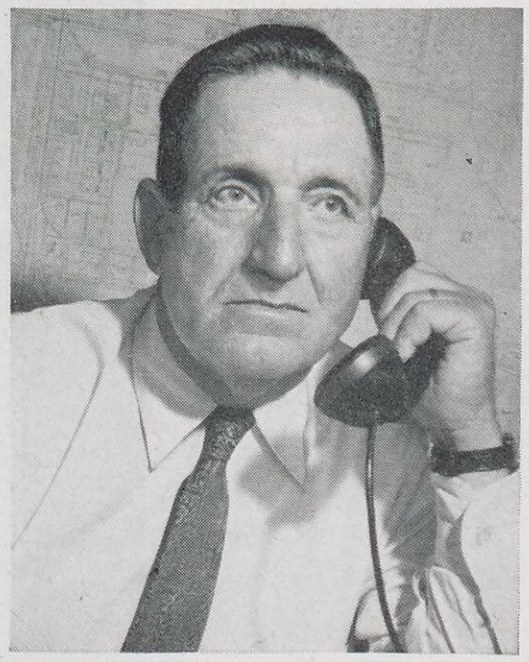
Dockman W. H. Dennis, left, checks a loading schedule with Dockman C. L. Parrish. Technical advances enable Shell to load 150,000-barrel capacity tankers in the time it took to load 50,000-barrel tankers 25 years ago.



An aerial view of Shell's Houston Refinery and Chemical Plant. The Refinery (inside dotted line) is beside the channel and the Chemical Plant is at the far right (solid line). Shell's docks are at lower left. The San Jacinto monument is in the background, left center.

Three tankers are shown loading at the Houston Refinery docks. Some of the refinery's storage tanks can be seen at the right. Each of the four docks is 600 feet long. Between 25 and 30 tankers and about 100 barges visit the docks each month. Both tankers and barges can be loaded at each dock.

Walter Peterson, Assistant Manager, Dispatching Department, Houston Refinery, discusses loading operations with the captain of a Houston-bound tanker via ship-to-shore radio. When the tanker reaches the refinery, a detailed plan of loading operations will be waiting. This advance planning helps save valuable loading time at the refinery docks.



Houston Marketing District—work in the Houston metropolitan area. They constitute more than 15 per cent of all Shell's employees in the United States.)

Shell's Houston Refinery was one of the first to locate on the ship channel. The refinery went on stream in 1929, the year in which Shell opened its East Coast marketing territory. Crude oil was brought in then (and now) by pipe line from Shell's West Texas fields to be converted into finished products and shipped by sea to points as far north as Searsport, Me. Crude oil also is received from East Texas by pipe line and from Louisiana by barge.

The concentration of refineries and allied industries along the ship channel was given impetus with the outbreak of World War II. The urgent need then for chemicals also helped to develop a new industrial giant on the channel, the petrochemical industry. Several years before the United States entered the war, Shell Chemical Corporation had plans to build a chemical plant near the Houston Refinery to use as raw materials the gases produced by refining processes. Largely because of this planning, Shell was able to place the first units of its new chemical plant in operation before Pearl Harbor in 1941.

Although the threat of submarines in the Gulf curtailed tanker shipments through the channel during the war, its traffic took on renewed vigor after hostilities ended.

Through the years both the Houston Refinery and Houston Chemical Plant have contributed significantly to the annual tonnage handled by Port Houston. In 1957 the combined shipping of the two Shell facilities amounted to approximately 6,500,000 tons, or more than 11 per cent of all the tonnage handled by the port. Of the 33,000,000 tons of liquid cargo handled by the port last year, Shell's refinery and chemical plant contributed almost 20 per cent.

Between 25 and 30 tankers and about 100 barges in Shell service load or discharge at the four Shell docks each month. The barges bring in crude oil from Louisiana and chemical intermediates from the Norco Chemical Plant. Both tankers and barges are used to take out products from the refinery and chemical plant. (The channel can take tankers up to 30,000 tons carrying capacity.)

Despite the impressive growth of Port Houston since it was formally opened in 1915, the people of Houston are not taking anything for granted. They want to see the port become even more important. Last year local voters approved $7 million worth of bonds to finance needed improvements to the port.

Houstonians are confident that with the new and improved facilities being built, their port will play an even more important role as "Gateway to the Gulf" in the economic growth of the area it serves ●

distance runner "because by then I had become better at distances." The longest race he ran and won was a 10-mile cross-country event when he was a schoolboy. Only once had he ever lost a mile run, and that defeat came when he was 14.

But two years ago a bad fall—by a piano—almost cost Elliott his track career.

"I was helping to move a piano at a school dance—I wasn't trying to dance with it, you know—when the thing fell over backward," he said. Elliott's foot broke the fall, and the piano broke Elliott's foot. Discouraged and limping, Elliott was on the verge of giving up track when he went to watch the 1956 Olympic games at Melbourne.

The 1,500-meter race (Olympic equivalent of the mile) failed to interest Elliott. But the 5,000 and 10,000-meter races thrilled him. Russian Vladimir Kuts won both, and Elliott told himself: "If that chap can do it, I can too."

When his foot healed, Elliott went back into training. In Australia's six-month winter season, he runs about 12 miles a day, preferably over hills and rolling country, to develop strength. In addition, he lifts weights three times a week to develop his upper body. When warmer weather comes, he runs about six miles a day but at a faster pace.

Elliott trains before and after his day's work with Shell. "It's easier to train when you're working," he said. "You get lazy when you're not working."

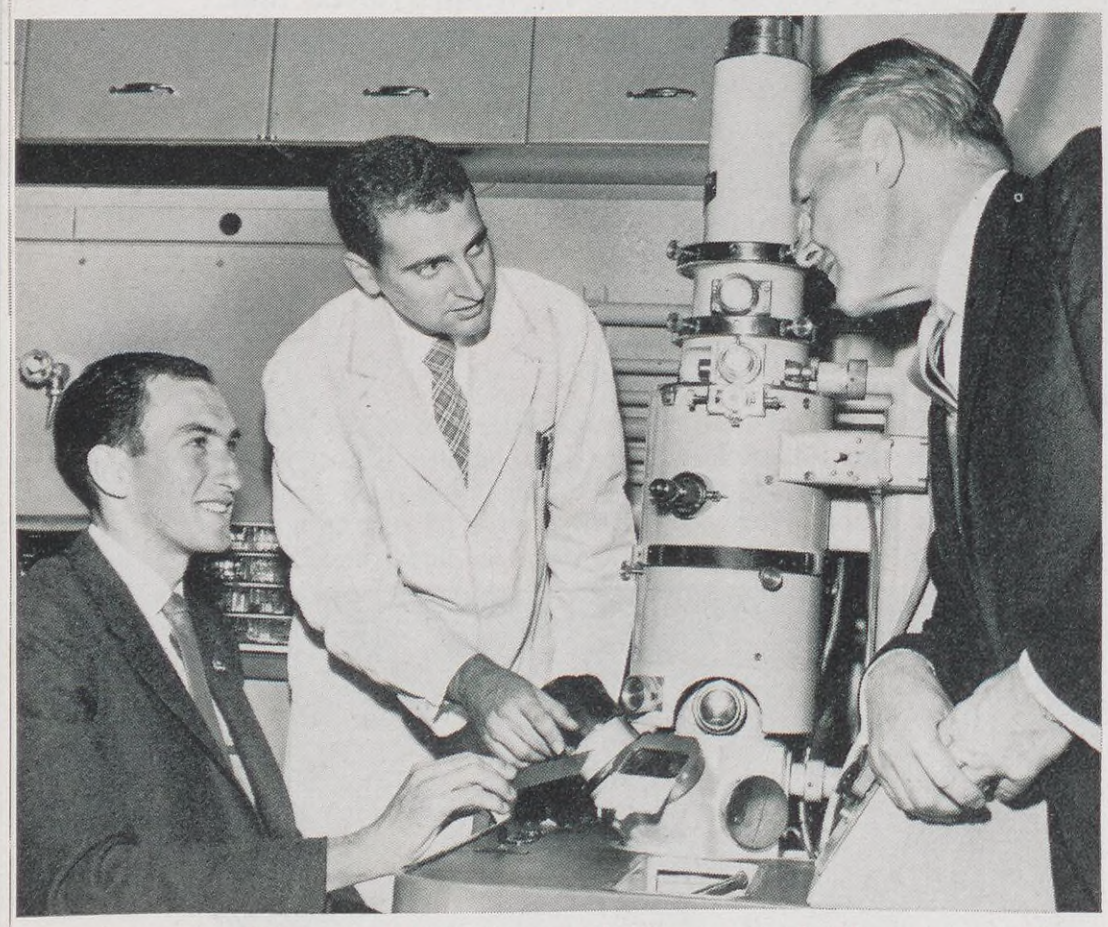
Elliott's smooth, graceful stride makes his running look deceptively easy. He runs without apparent effort. He does not have a final "kick" of speed for the last hundred yards of a race, as Roger Bannister had, but instead he wears out his opponents by setting a pace too fast for them to maintain. No opponent in recent years has been able to match his stamina, particularly when he accelerates in the last lap.

Elliott doesn't know what makes him a great runner. It's probably a combination of natural ability and good training, he says when asked.

"I've never had anyone check my heartbeat or respiration to see if they're different," he said. "The only thing odd about me is I'm bandy-legged, probably because I started walking too soon."

The young man who started walking too soon now finishes running too soon for his opponents. But he refuses to predict whether he will do even better in the future. He believes, however, that the world record for the mile will someday be about 3:50.

Wary of the future, he modestly adds: "I didn't say *I'd* run that fast" ●



Visiting Shell Chemical Corporation's Torrance, California, Plant, Elliott examines a new electron microscope with Plant Manager Maarten Voogd, right, and Research Chemist D. W. Fraga (center). Elliott works in the Shell Chemical (Australia) Stocks Department.

At Shell Development Company's Modesto, Calif., Agricultural Research Laboratory, Assistant Director T. R. Hansberry (farthest from camera), Elliott and Cerutty (nearest) view plants in an outdoor fountain at the newly-expanded site. Elliott won the mile at the Modesto Relays.

SHELL Coast to Coast

PERFECT SCORE

Shell Pipe Line Corporation's telephone operators who operate the switchboard in the Shell Building at Tulsa recently made an almost-unheard-of perfect score in a survey conducted by the Southwestern Bell Telephone Company.

As a customer service, the Bell System periodically checks 100 of Shell's incoming and outgoing calls there to test the operators on prompt answering, identifying the company, replying to the caller's request, observing good telephone habits, giving accurate service, reporting delayed calls and completing a maximum number of incoming calls.

"We've always had a high score, usually around 97 or 98," said Ella Marie Riddle, Telephone Supervisor, "but this is the first time we've ever had a perfect 100."

The operators in the photo above are, left to right, Dorothy Powell, Dolores Irvin, Muriel Gaskin and Ella Marie Riddle. The relief operator is Mary Beth Hopkins, who is not pictured.

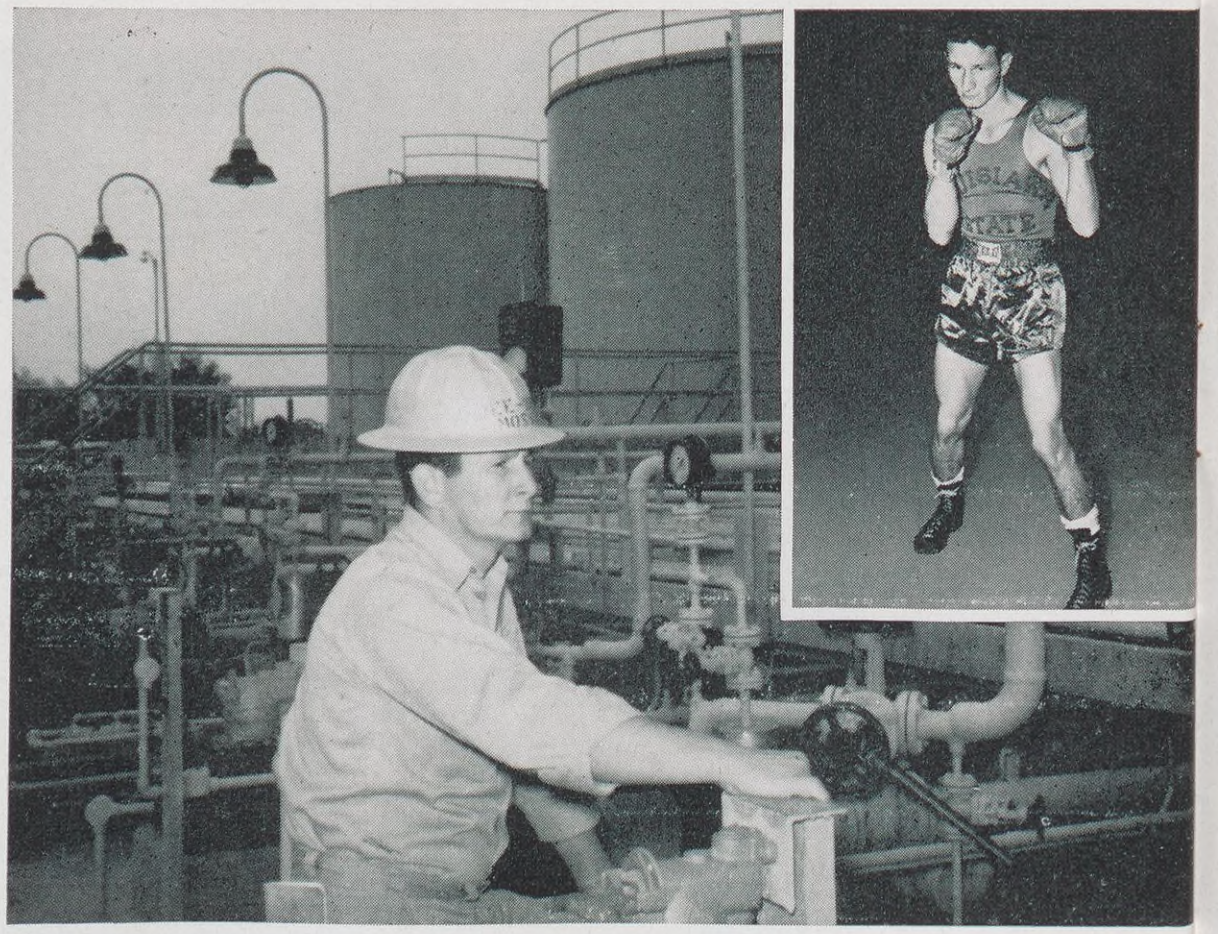
ALUMNI AWARD

E. H. Cain, right, Assistant to Manager, Head Office Retail Department, receives the first annual alumni award granted by St. Bonaventure University, St. Bonaventure, N. Y., from the Very Rev. Celsus Wheeler, OFM. Terence McShane, National Alumni President, looks on. Cain was cited as founder of the University's Century Club during its Centennial year, 1957-58. The club netted the alumni association about $150,000 in contributions from members.

continued

HALL OF FAME WINNER

The large picture at right shows W. O. Moss as he looks today as an Operator at the Norco Chemical Plant. The inset shows him as a boxer in 1949 on Louisiana State University's boxing team. Moss recently was named to LSU's Athletic Hall of Fame for his accomplishments as a boxer. In 1949 he won the 125-pound collegiate championship, which helped LSU win its first NCAA boxing title. He also won the Sugar Bowl crown and the Southern Invitational championship the same year. During his college career, he won 14 out of 15 fights.

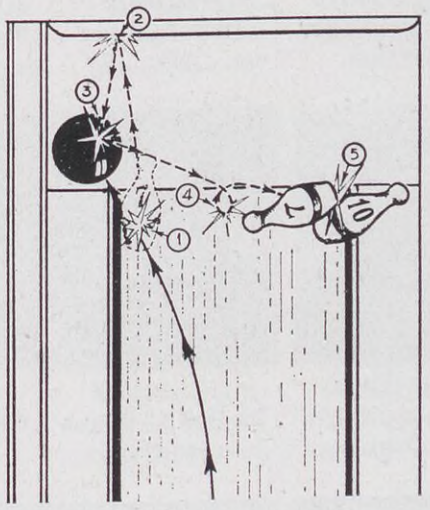


RIFLE TEACHER

C. A. Lytle, Section Supervisor in the Tulsa Exploration and Production Area's Production Department, shows his son, John, how to hold a rifle. John and 50 other boys of Boy Scout Troop 37 are in Lytle's weekly rifle shooting class. "I've been at this rifle teaching business ever since I helped organize a rifle club in Kansas in 1937," said Lytle, who has won awards for teaching as well as marksmanship.

TOP BOWLERS

The "Golden Shells" bowling team of the St. Louis Marketing Division recently captured first place in the St. Louis Mixed Petroleum Bowling League. The members of the team, left to right, are P. S. Welch of the Operations Department, T. M. Spillman of the Treasury Department and his wife, Jo Ann, Marie Meier and Lois Votruba, both of the Treasury Department. The "Golden Shells" won 61 out of the 105 games played during the season.



SPLIT PERFORMANCE

R. L. Thorne of the Denver Exploration and Production Area recently picked up the "impossible" 7-10 split in a bowling game and won a patch from the American Bowling Congress for his accomplishment. The drawing at left shows how he did it: 1) the ball strikes the No. 7 pin; 2) the No. 7 pin strikes cushion in alley pit; 3) No. 7 pin rebounds and strikes ball; 4) No. 7 pin deflects off ball onto alley surface; and 5) No. 7 pin deflects off alley into No. 10 pin.

MAGAZINE COLLECTOR

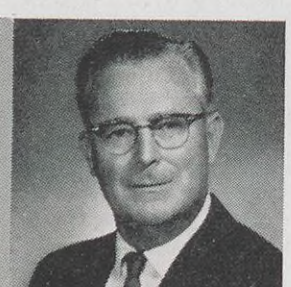
C. P. Carlucci, Dispatcher at the Mount Vernon Plant in the New York Marketing Division, is pictured at left with his copies of THE SIGN OF THE SHELL (a forerunner of SHELL NEWS) and SHELL NEWS magazines, which he collected during 29 years with Shell. He recently donated some of his old issues to fill in Head Office files and gave the rest of his collection to the Mount Vernon Plant. He retires next month and will move to Florida.

EDUCATION AIDE

Doris Stehley, wife of B. T. Stehley, Supervisor General Accounting in the Baltimore Marketing Division, is shown helping in an experiment conducted last spring to give teachers more time for teaching in Baltimore City Schools. The teacher-helpers supervise lunch periods, write blackboard assignments and do other jobs for teachers. The experiment was so successful that Mrs. Stehley and other mothers will have permanent assignments in 14 schools next semester.

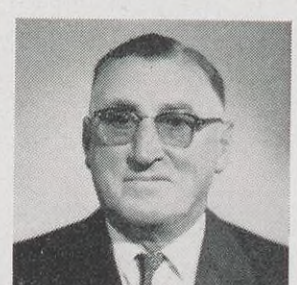
Service BIRTHDAYS

Forty Years



A. J. DOHERTY
Pipe Line Department
Los Angeles, Calif.

H. KEITH
Pacific Coast Area
Production

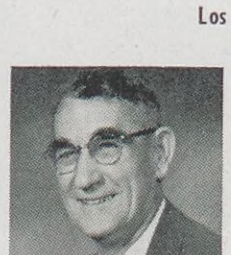


H. PINO
Martinez Refinery
Engineering

Thirty-Five Years

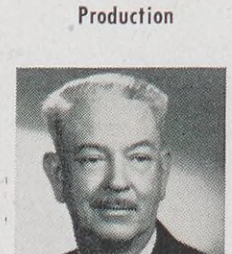
A. O. BACHE
San Francisco Office
Financial

E. G. BASINGER
Wilmington Refinery
Distilling

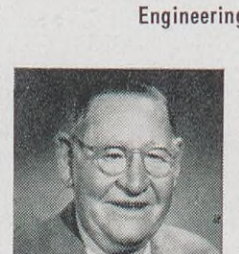


J. H. BERRY
Pacific Coast Area
Gas

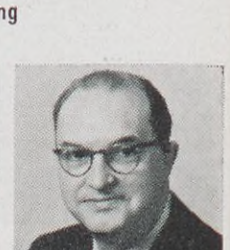
J. M. BOKER
Wood River Refinery
Engineering



H. H. BRAINERD
Portland Division
Sales

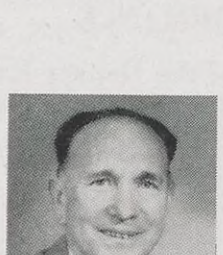


C. M. BRANDIN
Pacific Coast Area
Production



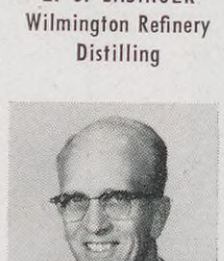
A. A. BUZZI
Head Office
Controller

B. J. SA
Pacific Coa
Produc

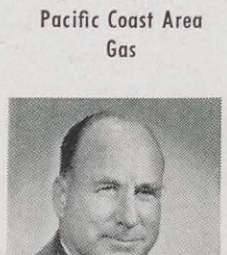


R. CHRISTOPHERSON
Martinez Refinery
Distilling

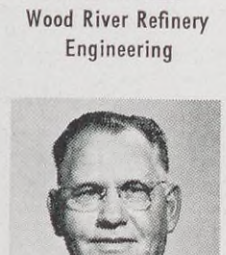
M. W. DISCHERT
Head Office
Marketing



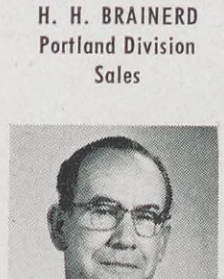
F. J. EGINTON
Los Angeles Division
Sales



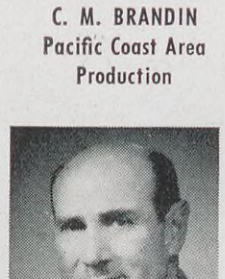
H. G. HADDON
San Francisco Division
Operations



C. E. JORDAN
Wilmington Refinery
Alkylation



J. R. LIFLAND
Wilmington Refinery
Treasury



C. E. LIPE
San Francisco Office
Financial

P. M. LUDWIG
Gen'l Exec. Office
Assistant Secretary

V. F. Y
Tulsa A
Product

N. J. PAINTER
Wood River Refinery
Refinery Laboratory

L. W. PIPPENGER
Shell Pipe Line Corp.
Mid-Continent Area

D. W. PIZZOTTI
San Francisco Division
Sales

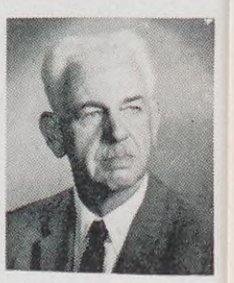
J. L. ROLLER
Wood River Refinery
Engineering

C. C. SHARPE
Sacramento Division
Treasury

W. P. SHOULTS
Head Office
Purchasing-Stores

E. F. STARK
Pacific Coast Area
Production

E. R. VORENKAMP
New Orleans Area
Transport & Materials



L. M. H. VREUGDE
Shell Development Co.
Houston

J. L. BO
Atlanta D
Operati

Thirty Years

JEANETTE ALBERTSON
San Francisco Office
Administration

H. BISHOP
Pacific Coast Area
Production

F. T. BROWN
Sacramento Division
Sales

E. R. CROSS
St. Louis Division
Operations

L. D. DESMOND
San Francisco Office
Purchasing-Stores

A. C. ECKERLE
Pacific Coast Area
Exploration

H. L. FIELD
New Orleans Division
Marketing Service

H. R. FLEMING
Midland Area
Purchasing-Stores

H. T. CO
Boston Di
Operati

M. W. GABLE
Houston Refinery
Engineering

L. E. HEBL
Head Office
Manufacturing

C. P. HITCH
Wood River Refinery
Light Oil Treating

HILDA HORN
Pipe Line Dept.
Los Angeles, Calif.

A. R. ISITT
Shell Development Co.
Emeryville

E. H. JASPER
Wood River Refinery
Light Oil Treating

R. M. LEYHE
Wilmington Refinery
Fire & Safety

C. A. LIVINGSTON
Portland Division
Sales

W. H. MAGUIRE
Martinez Refinery
Pers. & Ind. Rel.

E. J. FEL
New York D
Operati

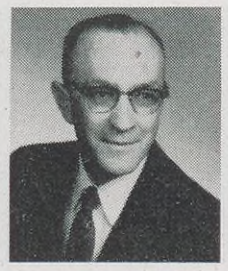
Thirty Years continued

W. R. MOORE, JR.
Wilmington Refinery
Refinery Laboratory

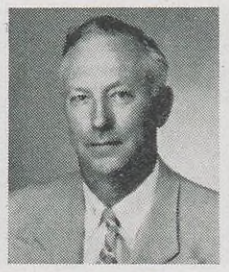
L. V. PHEGLEY
Shell Pipe Line Corp.
Texas-Gulf Area

M. T. POLLARD
Wood River Refinery
Engineering

E. F. O. PUNG
Honolulu Division
Operations



L. E. RETZER
Portland Division
Sales



J. H. RITTER
Chicago Division
Treasury

A. C. ROOS
Wood River Refinery
Gas

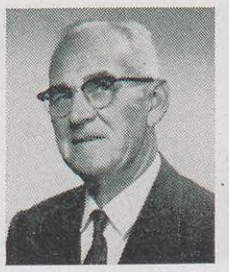
B. J. SALCIDO
Pacific Coast Area
Production

L. E. SAWYER
Wood River Refinery
Engineering

MARGARET P. SEXTON
St. Louis Division
Marketing Service

E. R. STAUBER
Indianapolis Division
Marketing Service

L. J. VAUGHAN
Wilmington Refinery
Refinery Laboratory



I. J. WAGNER
Pacific Coast Area
Production

J. M. WILSON
Wilmington Refinery
Administration

L. A. WINSHIP
Anacortes Refinery
Administration

H. O. WINSLOW
Wilmington Refinery
Compounding

Twenty-Five Years

V. F. YATES
Tulsa Area
Production

F. E. ZAPF
Wood River Refinery
Refinery Laboratory

R. A. BANNEROT
Houston Refinery
Research Laboratory

C. BARTOLMEI
Martinez Refinery
Research Laboratory

A. D. BLADES
Pipe Line Dept.
Blue Mound, Ill.

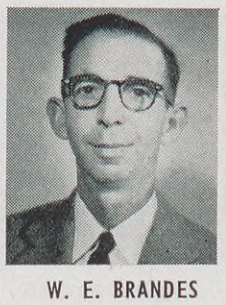
M. BLUMENTHAL
Head Office
Organization & Salary

J. C. BLUNDELL
New York Division
Sales

J. L. BOWMAN
Atlanta Division
Operations

J. C. BOYINGTON
Portland Division
Sales

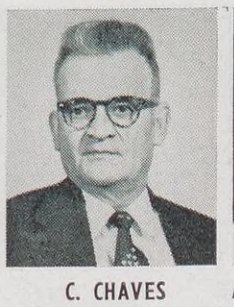
J. M. BRACKENBURY
Head Office
Manufacturing



W. E. BRANDES
Houston Refinery
Distilling

M. BRAZZIL
New Orleans Division
Sales

C. B. BYFORD
Anacortes Refinery
Refinery Laboratory



C. CHAVES
Boston Division
Operations

ANGELINE CICHORCZYK
Chicago Division
Treasury

B. F. COFFMAN
Houston Refinery
Thermal Cracking

H. T. CONEE
Boston Division
Operations

E. W. COOK
Tulsa Area
Production

J. W. CROTTY
New Orleans Area
Transport & Materials

W. E. DAGGETT
Boston Division
Operations

J. A. DECARO
New York Division
Operations

A. DEGORIAO
Boston Division
Operations

B. F. DRAKE
Tulsa Area
Production

R. EDMUNDS
Pipe Line Dept.
Harristown, Ill.

J. L. EDWARDS
Cleveland Division
Operations

E. J. FELLOWS
New York Division
Operations

J. D. FLICKINGER
Shell Pipe Line Corp.
Rocky Mountain Division

C. E. FREEMAN
Shell Chemical Corp.
Houston Plant

J. F. GENOVA
New York Division
Operations

R. C. GEOGHEGAN
New York Division
Operations

F. A. GOODSON
Seattle Division
Sales

E. L. GRIFFITH
Head Office
Manufacturing

C. E. HAMER
Los Angeles Division
Operations

J. D. HENDRICKSON
Houston Area
Gas

Twenty-Five Years *continued*

W. T. HUTCHISON
Pipe Line Dept.
Litchfield, Ill.

H. H. IREDELL
Pacific Coast Area
Production

T. T. IRELAND
New York Division
Sales

C. E. JARMAN
Shell Development Co.
Emeryville

L. P. JENKINS
Wood River Refinery
Refinery Laboratory

E. H. JOHNSON
Pipe Line Dept.
Niles, Mich.

R. C. KING
Tulsa Area
Production

K. J. KITZMILLER
Houston Refinery
Lubricating Oils

J. E. LANDRY
New Orleans Area
Production

T. S. LIGHTHOUSE
Houston Refinery
Engineering

F. J. LONG
Houston Refinery
Distilling

I. T. MARBURGER
Pipe Line Dept.
Wood River, Ill.

K. W. MARTIN
New Orleans Area
Transport and Materials

G. F. MAYSE
Anacortes Refinery
Zone D

M. H. McKINSEY
Head Office
Expl. & Prod.

O. J. McNEILLY
Wood River Refinery
Catalytic Cracking

E. MILLER
New Orleans Area
Production

W. E. MOIR
Head Office
Financial

G. E. MOJONIER
Pacific Coast Area
Treasury

C. C. MOSS
Shell Pipe Line Corp.
Texas-Gulf Area

A. R. MOST
Shell Pipe Line Corp.
Mid-Continent Area

E. M. MURCH
Boston Division
Operations

T. A. NARUP
Wood River Refinery
Refinery Laboratory

E. J. NEWTON
Houston Refinery
Utilities

BLANCHE E. NILSON
Shell Development Co.
Emeryville

D. NORTON
Shell Chemical Corp.
Denver Plant

HELEN M. O'CONNOR
San Francisco Office
Executive Office

L. A. OPEL
Wood River Refinery
Refinery Laboratory

J. E. OWENS
Head Office
Expl. & Prod.

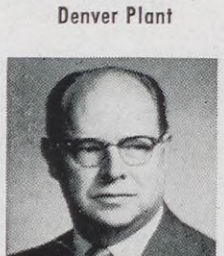
E. R. PAGE
Head Office
Marketing

E. A. PARNHAM
Boston Division
Operations

A. F. PERO
Boston Division
Sales

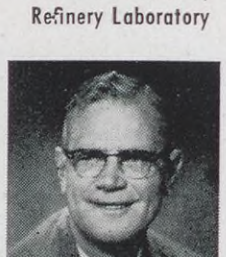
P. R. PHENIX
Baltimore Division
Sales

F. T. RADECKE
Head Office
Manufacturing



L. W. RICHARDS
Sacramento Division
Treasury

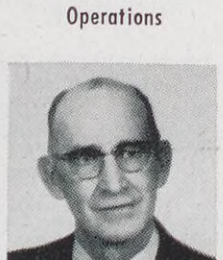
G. ROZELLE
Wilmington Refinery
Refinery Laboratory



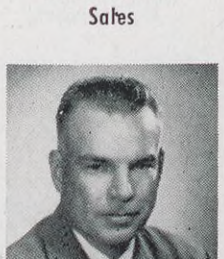
C. B. SACKETT
Pacific Coast Area
Production

F. J. SAYRE
Shell Pipe Line Corp.
Mid-Continent Area

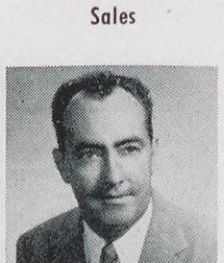
ALVIRA M. SCHWIEDER
St. Louis Division
Sales



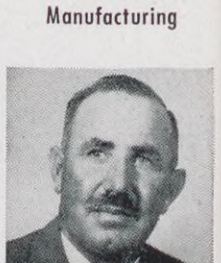
E. E. SENTER
Shell Pipe Line Corp.
West Texas Area



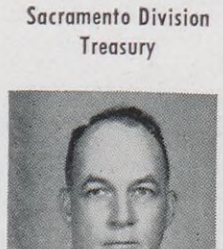
J. T. SHEEHAN
New York Division
Operations



J. C. SHINE
Sewaren Plant
Compound



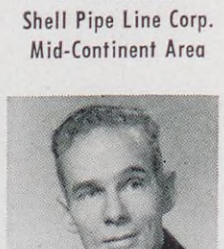
J. F. SMITH
Midland Area
Exploration



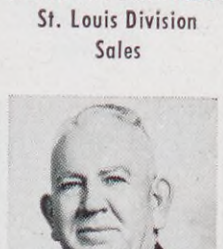
L. I. SMITH
Wood River Refinery
Catalytic Cracking

M. D. SMITH
Anacortes Refinery
Refinery Laboratory

MARGARET F. STAGG
Indianapolis Division
Treasury



D. D. STEWART
Shell Pipe Line Corp.
Texas-Gulf Area



H. C. STOVER
Wood River Refinery
Thermal Cracking

F. R. SWICKARD
Indianapolis Division
Sales

H. I. WEEKES
New York Division
Operations

F. E. WILSON
Head Office
Expl. & Prod.

J. E. ZEHRER
Sewaren Plant
Pers. & Ind. Rel.

C. KING
lsa Area
oduction

. McNEILLY
River Refinery
ytic Cracking

HE E. NILSON
evelopment Co.
meryville

T. RADECKE
ead Office
nufacturing

F. SMITH
dland Area
xploration

E. ZEHRER
waren Plant
s. & Ind. Rel.

SHELL OIL COMPANY

Head Office

15 Years

Margaret V. Dorney . . . . . Financial

10 Years

Ruth Hadjian . . . . . Financial
Veronica M. Kuntz . . . . . Financial
H. L. Reed . . . . . Legal
I. Slifkin . . . . . Legal
Doris E. Wycherley . . . . Organization & Salary

San Francisco Office

10 Years

T. S. Johansen . . . . . Fuel Oil

Exploration and Production

DENVER AREA

20 Years

D. D. Davis . . . . . Exploration
J. P. Reeves . . . . . Exploration

15 Years

C. Watson . . . . . Treasury

10 Years

J. F. Gilpin . . . . . Exploration
P. N. Glover . . . . . Exploration
G. C. Langston . . . . . Exploration
O. Runnels . . . . . Crude Oil

HOUSTON AREA

20 Years

A. L. Watson . . . . . Transport

15 Years

C. W. Pollard . . . . . Production

10 Years

B. R. Dean . . . . . Pers. & Ind. Rel.
J. S. Nance . . . . . Purchasing-Stores
G. B. Oates . . . . . Production
J. W. Patrick . . . . . Production
R. A. Ress . . . . . Treasury
W. A. Roquet . . . . . Land

MIDLAND AREA

20 Years

C. R. Patterson . . . . . Production

10 Years

G. J. Anderson . . . . . Production
C. D. Bearden . . . . . Exploration
E. A. Brown . . . . . Production
G. V. Burkhart . . . . . Gas
A. L. Carrigan . . . . . Gas
P. F. Chapman . . . . . Production
B. J. Ferris . . . . . Exploration
N. R. Hudgins . . . . . Purchasing-Stores
S. E. Roy . . . . . Production
W. K. White . . . . . Exploration

NEW ORLEANS AREA

20 Years

G. A. Burton . . . . . Exploration
J. F. Hunt . . . . . Production
F. M. Stewart . . . . . Production

15 Years

W. A. Allred . . . . . Exploration
H. W. De Yarmett . . . . . Production
L. O. Melancon . . . . . Production

10 Years

L. A. Falcon . . . . . Transport & Materials
F. J. Fanguy . . . . . Production
S. J. Farkas . . . . . Exploration
B. J. Jones . . . . . Production
W. L. Kroger . . . . . Exploration
C. J. Lacroix . . . . . Exploration
J. C. Landry . . . . . Production
J. E. Larvin . . . . . Exploration
A. J. Mayeur . . . . . Production
J. M. McLain . . . . . Production
J. C. Rhodes . . . . . Exploration
E. P. Rock . . . . . Production
C. L. Speer . . . . . Gas
W. W. Westerfield, Jr. . . . . Legal

PACIFIC COAST AREA

15 Years

H. C. Croker . . . . . Purchasing-Stores
C. K. McCroskey . . . . . Production
C. G. Netherton . . . . . Production
G. E. Tychsen . . . . . Production

10 Years

D. J. Long . . . . . Exploration

TULSA AREA

15 Years

I. H. Henley . . . . . Treasury
D. Trammell . . . . . Production

10 Years

R. L. Goff . . . . . Gas
M. L. Green . . . . . Production
E. B. Saxon . . . . . Gas
N. V. Ward . . . . . Purchasing-Stores

Manufacturing

ANACORTES REFINERY

15 Years

C. Poe . . . . . Engineering

10 Years

H. D. Jones . . . . . Zone B
R. E. Smith . . . . . Technological

HOUSTON REFINERY

20 Years

J. J. Cunningham . . . . . Research Laboratory
W. E. Ursprung . . . . . Utilities

15 Years

J. H. Anderson . . . . . Engineering
G. E. Butler . . . . . Engineering
J. A. Butterfras . . . . . Thermal Cracking
C. G. Crum . . . . . Engineering
J. P. Mangham . . . . . Engineering
S. Marple, Jr. . . . . Research Laboratory
N. L. Morse . . . . . Research Laboratory
M. L. Smith . . . . . Research Laboratory
D. C. Vinson . . . . . Engineering
L. Willingham . . . . . Engineering

10 Years

H. Andrews . . . . . Engineering
M. L. Booty . . . . . Catalytic Cracking
R. R. Boyd . . . . . Engineering
E. Bratcher . . . . . Engineering
R. Brown . . . . . Engineering
M. P. Chatham . . . . . Distilling
P. E. Dickerson . . . . . Lubricating Oils
N. O. Echols . . . . . Refinery Laboratory
L. Edwards . . . . . Engineering
T. W. Ferguson . . . . . Refinery Laboratory
W. D. Fransaw . . . . . Engineering
G. R. Gaut . . . . . Treating
F. C. Hager . . . . . Engineering
J. B. Harrington . . . . . Lubricating Oils
J. E. Holloway . . . . . Engineering
R. A. Johansen . . . . . Utilities
E. A. Jones . . . . . Engineering
C. E. Kingsbury . . . . . Engineering
H. O. B. Kizzee . . . . . Engineering
D. W. Lanning . . . . . Technological
C. Lipscomb . . . . . Engineering
W. Mikulin . . . . . Engineering
W. W. Moser . . . . . Engineering
D. D. McCarty . . . . . Engineering
T. G. Orren . . . . . Distilling
J. R. Pentecost . . . . . Utilities
B. J. Perry . . . . . Treating
R. H. Rhodes . . . . . Engineering
E. M. Seward . . . . . Engineering
C. H. Shelton . . . . . Engineering
J. Simpson . . . . . Engineering
G. L. Smith . . . . . Thermal Cracking
A. J. Taylor . . . . . Dispatching
I. Vaughn . . . . . Engineering
E. H. Walley . . . . . Refinery Laboratory
J. H. Whittington . . . . . Engineering
J. E. Wilkes . . . . . Refinery Laboratory
W. G. Williams . . . . . Engineering

MARTINEZ REFINERY

15 Years

J. Atkinson . . . . . Engineering

10 Years

R. B. McAulay . . . . . Engineering
A. R. Roberts . . . . . Dispatching
L. J. Russo . . . . . Compounding

NORCO REFINERY

15 Years

L. J. Gaubert . . . . . Dispatching

10 Years

E. J. Chauvin . . . . . Engineering
L. J. Laiche . . . . . Distilling
T. H. McMurry . . . . . Engineering

WILMINGTON REFINERY

20 Years

J. L. Black . . . . . Alkylation
F. J. McGraw . . . . . Engineering

15 Years

D. L. Branson . . . . . Engineering
C. T. Palen . . . . . Effl. Cont. & Utilities
J. C. Parr . . . . . Alkylation
A. C. Stillwell . . . . . Engineering

WOOD RIVER REFINERY

20 Years

C. L. Baker . . . . . Engineering
R. E. Bridgewater . . . . . Engineering
L. H. Brown . . . . . Engineering
V. W. Lamarsh . . . . . Engineering
C. M. Loper . . . . . Engineering
H. M. McDonald . . . . . Engineering
O. A. White . . . . . Compounding

15 Years

W. J. Autery . . . . . Engineering
J. J. Biesk . . . . . Engineering
G. E. Earle . . . . . Engineering
R. W. Lewis . . . . . Experimental Laboratory
C. C. Malecek . . . . . Engineering
J. W. Mitchell . . . . . Engineering
C. Romani . . . . . Dispatching
W. W. Stagner . . . . . Alkylation
M. Urban . . . . . Engineering
R. P. White . . . . . Fire & Safety
A. G. Williams . . . . . Treasury
C. E. Wooldridge . . . . . Gas
W. J. Young . . . . . Engineering

10 Years

E. D. Beers.....Distilling
C. R. Hawes.....Engineering
W. H. Klokkenga.....Utilities
J. L. Korcsog.....Engineering
T. E. Madden.....Engineering
T. Margaritis.....Engineering
R. N. McAdow.....Engineering
W. W. Merritt.....Engineering
C. Modrovsky.....Engineering
A. L. Ruyle.....Engineering
M. J. Sandrin.....Engineering
P. J. Zerlan.....Engineering

Marketing

MARKETING DIVISIONS

20 Years

Elizabeth R. Hanna.....Cleveland, Treasury
W. G. Witham.....Honolulu, Operations
W. G. Brewer.....Indianapolis, Operations
M. H. Quenemoen..Minneapolis, Operations
C. F. Weeks.....New York, Sales
C. Fuller.....San Francisco, Treasury

15 Years

J. F. Cepak.....Chicago, Operations
Leona L. Seib.....Detroit, Marketing Service
J. E. Norton.....Detroit, Sales
R. L. Glover.....Los Angeles, Operations
C. C. Crum.....Minneapolis, Sales
R. J. Nekola.....Minneapolis, Operations
A. Sage.....Minneapolis, Operations
R. A. Sticken.....Minneapolis, Operations
Evelyn B. Flaherty.....New York, Treasury
A. B. Rooney.....St. Louis, Treasury
Elsie Pacher.....San Francisco, Treasury

10 Years

R. F. Seng.....Atlanta, Sales
A. W. Bosley.....Baltimore, Operations
P. C. Dress.....Baltimore, Sales
J. D. Lowry.....Baltimore, Operations
C. M. Sullivan.....Boston, Sales
A. R. McAllister, Jr.....Cleveland, Sales
H. E. Fortner.....Chicago, Operations
R. J. Jonet.....Chicago, Operations
C. A. Miller.....Chicago, Sales
L. W. Kelsch.....Indianapolis, Sales
R. D. Westfall.....Indianapolis, Operations
W. H. Shippee.....Los Angeles, Sales
S. J. Gainey.....Minneapolis, Operations
M. E. Corbett...New Orleans, Administration
A. C. Hanslik.....New Orleans, Operations
J. H. Murray.....New York, Operations
G. A. Butenschoen.....Portland, Operations
M. O. Fox.....St. Louis, Operations

SEWAREN PLANT

20 Years

A. Gorechlad.....Depot
B. V. Kennedy.....Depot

15 Years

Elizabeth L. Damitz.....Treasury
F. J. Sheehan.....General Plant

10 Years

R. H. Pierce.....Eng. & Maint.

Pipe Line Department

20 Years

J. R. Barry.....Indianapolis, Ind.
C. L. Daniels.....Zionsville, Ind.
D. E. Funk.....Zionsville, Ind.
L. E. Biles.....Harristown, Ill.

15 Years

R. A. Monroe.....Knoxville, Tenn.

SHELL CHEMICAL CORPORATION

20 Years

J. Anderson.....Torrance

15 Years

H. A. Dildine.....Denver
H. M. Baldwin.....Dominguez
L. C. Norton.....Head Office
W. O. Yocam.....Martinez
V. E. Curci.....Torrance

10 Years

Winifred B. Boland.....Chem. Sales Division
J. R. Brady, Jr.....Chem. Sales Division
Nell H. Juliano.....Chem. Sales Division
R. W. Roseman.....Dominguez
M. C. Aldridge.....Houston
R. H. Anderson.....Houston
D. C. Autery.....Houston
C. P. Barr.....Houston
H. L. Bell.....Houston
L. G. Brinlee.....Houston
D. J. Brown.....Houston
R. Brown.....Houston
R. C. Brown.....Houston
C. J. Bryant.....Houston
R. O. Bryce.....Houston
C. W. Burford.....Houston
J. Celestine.....Houston
S. C. Cobb.....Houston
D. G. Cooper.....Houston
L. E. Coufal.....Houston
R. J. Cronk.....Houston
J. Davison.....Houston
H. W. Decker.....Houston
D. Faultry.....Houston
E. J. Fiedler.....Houston
W. G. Fields.....Houston
C. R. French.....Houston
L. E. Gamble.....Houston
M. Godfrey.....Houston
H. P. Graham.....Houston
L. L. Greer.....Houston
L. E. Hale.....Houston
W. W. Hargrove.....Houston
C. R. Hefley.....Houston
J. L. Hill.....Houston
O. P. Hill.....Houston
S. S. Hudgins.....Houston
W. W. Humphreys.....Houston
R. L. Johnson.....Houston
B. L. Jones.....Houston
E. V. Jones.....Houston
J. C. Joyce.....Houston
B. A. Kersh.....Houston
H. B. Kesterson.....Houston
G. W. Kilgore.....Houston
C. L. Kitchens.....Houston
W. E. Lain.....Houston
E. R. Lancaster.....Houston
R. F. Larkin.....Houston
M. A. Lewis.....Houston
W. Lewis.....Houston
B. G. McGehee.....Houston
W. J. Miller.....Houston
F. C. Mitchell.....Houston
W. A. Moorman.....Houston
W. A. Morgan.....Houston
J. M. Nelson.....Houston
E. E. Parker.....Houston
H. E. Parker.....Houston
M. E. Parker.....Houston
K. W. Parks.....Houston
D. L. Perry.....Houston
J. W. Peters.....Houston
J. M. Powell.....Houston
R. L. Rankin.....Houston
V. R. Reese.....Houston
G. S. Revels.....Houston
B. E. Rodgers.....Houston
M. W. Roseberry.....Houston
M. A. Schiller.....Houston
W. W. Starr.....Houston
J. C. Stein.....Houston
R. B. Stewart.....Houston
W. A. Stewart.....Houston
V. J. Talley.....Houston
R. L. Vinson.....Houston
L. E. Walker.....Houston
R. E. Walker.....Houston
W. W. Walker.....Houston
W. Washington.....Houston
H. White.....Houston
J. W. Wilson.....Houston
M. L. Wright.....Houston
H. L. Young.....Houston
F. J. Grubbs.....Martinez
B. S. Songy.....Norco
C. C. Clark, Jr.....Ventura

SHELL DEVELOPMENT COMPANY

20 Years

R. R. Brattain.....Emeryville
A. M. Cravath.....Emeryville
H. D. Evans.....Emeryville
R. C. Hurlbert.....Emeryville
H. B. Minor.....Emeryville
R. E. Thorpe.....Emeryville
Ruth V. Wingfield.....Emeryville

15 Years

C. Black.....Emeryville
Elizabeth L. Cehand.....Emeryville
Lucille W. Gibson.....Emeryville
Mary K. Greene.....Emeryville
C. R. Gum.....Emeryville
C. Mitchell.....Emeryville
A. C. Mueller.....Emeryville
A. R. Haulik.....Houston

10 Years

R. J. LeBlanc.....Houston
M. Smith.....Houston

SHELL PIPE LINE CORPORATION

20 Years

W. J. Morris.....Four Corners Division
W. R. Yates, Jr.....Texas-Gulf Area
R. C. Frayser.....West Texas Area

15 Years

V. I. Hooper.....Texas-Gulf Area
B. B. Milam.....Texas-Gulf Area
H. W. Smith.....Texas-Gulf Area
J. R. Teague.....West Texas Area

10 Years

G. Christy, Jr.....Four Corners Division
J. T. Bergeron.....Head Office
E. V. Blissard, Jr.....Head Office
H. B. Layne.....Head Office
F. W. Roberts.....Head Office
C. C. Tyler.....Head Office
W. R. Davidson.....Texas-Gulf Area

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2. It gives the performance of medium grade (SAE 20W) motor oil by cutting friction drag during short-trip driving.
3. It gives the performance of heavy grade (SAE 30W) motor oil by resisting thinning when an engine gets hot during long highway driving.