

Shellegraph

Houston Refinery

No. 1

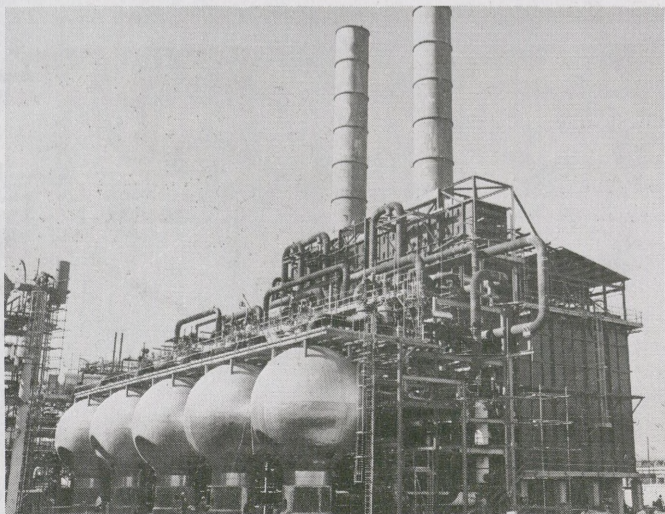
Friday, January 8, 1971



Distilling Unit #2 construction completed.



and went on stream successfully in August.



Operators started up Catalytic Reformer Wednesday. See story next week.

NATIONWIDE REFINERY EXPANSION UPS SHELL'S DAILY PRODUCTION

In 1971 Shell will begin realizing the full benefits of a multi-million dollar refinery modernization and expansion program.

Major refinery expansions at Houston, Wood River and Wilmington will be completed by early 1971. These programs, together with the recently modernized Norco Refinery, will give Shell the capability of supplying east of the Rockies operations with nearly 800,000 barrels daily of refined products from modern efficient facilities. Company-wide distilling capacity is now in excess of one million barrels per day.

These programs actually began back in the early 1960's. As surplus refining capacity was used up, Shell took the opportunity to debottleneck and modernize refining facilities. These programs were completed during the latter half of the decade at Norco (near New Orleans), at Martinez (in the San Francisco Bay area) and at Wood River.

The current program will improve Shell's position to produce Shell of the Future and increase sulfur recovery capability to reduce refinery emissions--an essential part of Shell's continuing program to improve the environment.

At the Houston Refinery, the project will result in an increase of about 100,000 barrels in the crude throughput capacity along with new conversion facilities to increase the production of gasoline and turbine fuel. In addition, the program will produce feedstock for Shell Chemical Company's new ethylene facility located nearby.

At Wood River Refinery, facilities have been constructed to increase the throughput of the refinery. As a part of the project, conversion facilities are being expanded to increase gasoline and turbine fuel output.

In California the Wilmington-Dominguez Refinery near Los Angeles is undergoing a product improvement program.



The Hydrocracker complex took shape on the horizon on the East Property.



Posting the 5-3/4% dividends and the 25% interest rebates which the Shell Refinery Employees Credit Union declared for its clients are Rita Nettles, Nancy Danis and Doris Rice.

DRIVER ATTITUDES CREATE MANY TRAFFIC HEADACHES FOR OTHERS

Many causes have been put forward for industrial and traffic accidents. One phase not adequately emphasized has been personal attitude. The National Safety Council has drawn up the following list of attitudes which are "among those responsible for many of our traffic headaches and for other headaches, too."

0 Selfishness--the "me first" attitude responsible for so much lack of consideration for others commonly referred to as discourtesy.

0 Self-importance--the idea that "I'm too big for rules--they apply only to the other guy."

0 Overconfidence--"I'm good--I don't have to be careful--I know it all."

0 Chance-taking--the "Live dangerously" concept, sometimes involving great faith in luck. "It can't happen to me."

0 Fatalistic attitude--"you go when your number is up, and what you do doesn't make any difference."

0 Hostility--a constant unfocused feeling of anger towards others, resulting in an attitude of aggression.

0 Attitude of inferiority--"I won't be pushed around."

0 Competitiveness--trying to get ahead--to beat the other fellow.

LAZY LITTERBUGS LEAVE LOADS OF GARBAGE AROUND REFINERY

According to George Gallup, Jr., President of the American Institute of Public Opinion, sex and age have a strong bearing on whether a person is a "Litterbug."

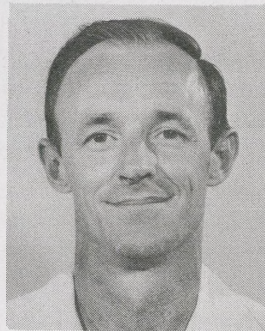
In a survey, it was found that men litter nearly twice as much as women and that people between the ages of 21 to 35 litter twice as much as those between 35 and 49.

Some people litter because of carelessness, laziness and indifference.

Several employees have complained in recent weeks because someone has brought a bag of garbage to work and dumped it in the parking lot. It remained in the parking lot for a while since cars parked over it.

Whatever the age group or sex of the litterbug who dumped the trash, we feel there is no excuse for being rude to our fellow employees in this way.

BARTAY, HAKANSSON TO HEAD RESEARCH SERVICES SECTIONS



Bartay



Hakansson

D. M. Bartay, Research Technician in the Research Services Department, has been named Supervisor, Building and Equipment Services in the same organization.

The new assignment, which was effective January 1, was announced by W. A. Bailey, Jr., Research Director.

C. V. Hakansson, Engineer, will supervise the Engineering Design and Graphics section. A supervisor for the General Services section will be named at a later date.

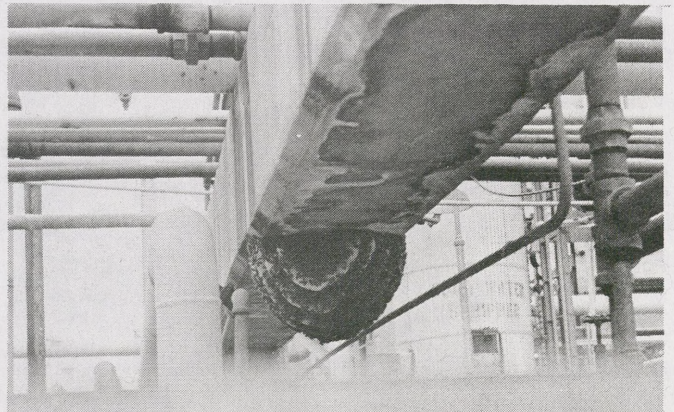
The Building and Equipment Services section will be responsible for the construction and maintenance of Research equipment, facilities and glassware as well as the coordination of janitorial duties.

The Engineering Design and Graphics section's functions will include the design and drafting of Research equipment and facilities and the graphic activities of the laboratory. The latter includes both photographic and report drafting.

General Services will be responsible for purchasing support, stock room operations, library and files, accounting and budgeting support, stenographic, receptionist, and mail handling. Until a supervisor is named, for this section, employees will report to Manager of Research Services.

Del Bartay, who graduated from Hempstead High School, joined Shell as a Laboratory Technician, in 1942. He became a Senior Lab Assistant in 1948 and was named a Research Technician in 1961.

Chuck Hakansson, a graduate of the University of Houston with a B.S. in mechanical engineering, began working at the Refinery as a Draftsman in 1952. He became a Senior Draftsman in 1957 and became an Engineer later that year.



Even bees become attached to the Refinery. F. M. McClain recently removed this large hive from a unit.

SHELL PRESIDENT EXPLAINS ENERGY SHORTAGE IN THE UNITED STATES

(Editor's Note: Denis B. Kemball-Cook, Shell's president, discusses the current energy picture in this condensed version of a recent talk which expresses Shell's views on the energy crisis, now and in the future. This is the first installment.)

There is much concern over the possibility of a critical energy shortage, both short term and long term.

We have warned of the consequences of depending too much on foreign sources of oil, of restrictive natural gas pricing policies, of increasing the tax burden on the exploration and production phase of the industry, and of seeking an unrealistically rapid pace of conversion to low-sulfur fuels.

Current events show all too clearly that our views have deserved credence they did not receive--from some people in government, from some in the communications media and from general segments of the public.

Americans are only one-seventeenth of the world's population but they use more than one-third of all the non-human and non-animal energy in the world. At present the United States is consuming energy in various forms--calculated in terms of equivalent barrels of crude oil--at a rate of over 31 million barrels a day. We estimate that our society's requirements will be over 50 percent larger in 1980 and more than three times as great at the end of the century as now.

Today, the principal sources of energy in the U.S. are: crude oil, 44 percent; natural gas, 32 percent; coal, 20 percent; hydroelectric power, 4 percent; and nuclear power generation, under 1 percent. Fossil fuels--crude oil, natural gas and coal--thus account for over 95 percent of our energy supplies, and oil and natural gas alone for over 75 percent.

How did the current energy supply difficulties develop? It is not due to any one factor but is the result of a lot of things affecting energy supplies happening all at once. Each of the major energy sources has to be looked at separately to get a clear picture of the situation.

Nuclear Power

The Atomic Energy Commission and many experts had predicted that a number of atomic energy plants would be in use by now, but a variety of problems has set this schedule far behind. In several cases, public pressure has delayed the acquisition of plant sites. Construction problems and public concern about thermal and radiation pollution have greatly delayed projects. In the meantime, utility companies have turned to plants running on fossil fuels to help bridge the gap until acceptable atomic plants can be built.

Coal

The present situation in the coal industry has been brought about by the combined effects of recent safety legislation, pollution regulations, labor problems, transportation problems, and unfulfilled expectations as to completion of nuclear plants

and conversion of coal-burning power plants to other fuels.

For many years coal companies have been up against competition from natural gas priced too low by government decree, and from imported residual fuel oil. More recently the industry has been faced also with predictions (which they believed) that both the advent of atomic power plants and the regulation of the sulfur content of fuels would make coal obsolete. As a result, even though the coal is there, few mines have been opened and older ones have not been expanded as they might have. The low rate of investment in recent years, plus the passage of the Federal Mine Safety Act, which took effect in 1970, caused some mines to close; and so coal production, while still rising, now falls short of demand.

Natural Gas

It cannot be stressed too strongly that the low price of natural gas set by FPC regulation has, in addition to discouraging exploration and development, caused an overstimulation of demand for what should be a premium-value clean fuel. This is particularly true with regard to the shift to natural gas by electric generating plants which now consume a sixth of all the natural gas burned in the U.S. This shift has been accelerated by restrictions related to environmental pressures.

The present shortage was foreshadowed when proved reserves of natural gas in the U.S. declined for the first time in 1968. In that year, consumption exceeded the volume of new reserves proved by drilling. A further decline occurred in 1969.

Oil

Our country is consuming about 15 million barrels a day of petroleum products. Of this total, about 2½ million barrels a day, or 15 percent, is residual fuel oil, often called "resid". It includes not only the oil burned by electric generating and industrial plants, but also that burned by many large office and apartment buildings and by ships.

For most of the last 10 years, total U.S. demand for resid grew about 2 percent a year. In the last 18 months, however, the demand has risen very steeply--8 percent last year and over 15 percent in the first half of this year.

(To be continued next week.)

SHELLEGRAPH

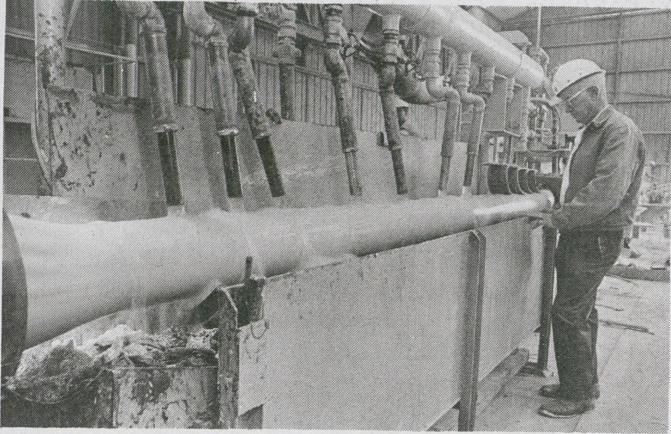
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Mrs. Josie Ochoa--Editor

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Deadline for Ads--Wednesday Noon

Shell Pipe Line Leads Attack on Corrosion By Using Shell's Polypropylene



Shell pipeline inspector watches as polypropylene is spread onto pipe for the first time at a modern coating plant.

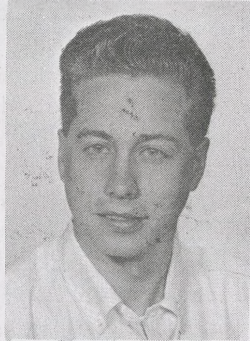
M. FISCHER NAMED TO POST IN G. O. WITH ENGINEERING DEPARTMENT

M. Fischer, Research Engineer in the Houston Research Laboratory, Chemistry and Physics Department, will be transferred to General Offices-Houston, Manufacturing Engineering Department as an Engineer, effective January 16.

The announcement was made by J. D. Ramsey, Refinery Superintendent.

Mike initially joined Shell as an Engineer's Assistant for the summer of 1964 in Exploration and Production, Pacific Coast Area. He accepted a position as Engineer at the Martinez Refinery in September 1965 after receiving his B.S. degree in electrical engineering from the University of Colorado.

He transferred to the Houston Research Laboratory in July 1967.



CLASSIFIEDS

FOR SALE

Hand-crocheted Barbie doll clothes, bathtub, doors, hardwood floors, 2 wooden columns, cast iron pipes, 5 ft. fence, dining room tables, kitchen sink, bathroom sink.
Telephone: 472-8445

Gas stove, fairly good condition.
Telephone: 649-4729

Lowery Spinet Piano, maple finish, like new, \$450.
Telephone: 645-8772

GE portable dishwasher. Just connect to kitchen faucet, it does the rest, \$50.
Telephone: 649-4729

Guitar amp., good condition, 2-12 inch-speakers, \$125.
Telephone: 946-2770

PERSONAL

I would like to express my thanks to my many friends for the nice gifts and their thoughtfulness when I retired.

Russell Webb

Shell Pipe Line is still leading the attack on the natural enemy of underground lines--corrosion. And new protective coatings are beginning to even technology's score.

In fact, pipe coating as a corrosion prevention tool has come a long way since the early days of pipelining when a thin emulsion was sloshed on pipe. Today, Shell polypropylene is being used for the first time to coat pipelines and industry is watching closely.

At a modern coating plant in southeastern Houston, application techniques as sophisticated as "the pipeline coatings of the future" are being used.

The introduction of Shell polypropylene for the coating process culminates four years of research and testing.

Currently in pipeline industry, the coating demand is split approximately down-the-middle between polypropylene and polyethylene. But polypropylene's desirable properties are rapidly becoming known to the industry.

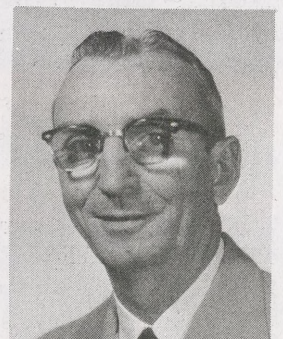
Besides being more abrasive resistant, polypropylene has higher temperature tolerances, while serving well in temperatures as low as 5 degrees below zero.

This particular coating, which was chosen to meet the economic and environmental conditions involved, is being applied to 51 miles of six-inch pipe on a current Shell Pipe Line project.

R. H. GRIFFIN, ACTIVE EMPLOYEE, R. G. FUNK, RETIREE, DIED THIS WEEK



Griffin



Funk

R. H. Griffin, Dockman, Dispatching Department, died Monday, January 4. R. G. Funk, pensioner, died Saturday, January 2.

Griffin is survived by his widow, Mrs. Lucinda Griffin. He had worked at the Refinery since 1952 when he was employed as a Yardman. He served as a Laborer, General Helper #1 and #2, Sample Carrier, Dock Helper and Switchman. Services were held Friday, January 8 at the Loyalty Baptist Church.

Funk is survived by his widow, Mrs. Ruby Funk, two sons and a daughter. He retired as a Shift Foreman in Lube Oils in 1963. He began working for the company in 1934 as a Yardman and Car Repairman. Services were held Tuesday and interment was at Forest Park-Lawndale.

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