

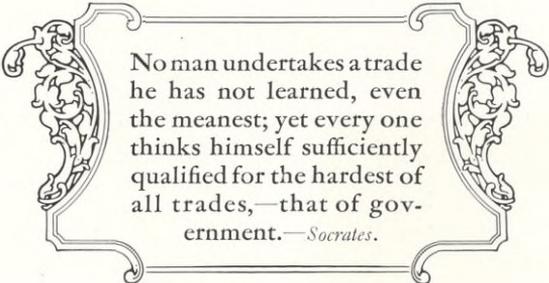
APRIL 1928

The TEXACO STAR



FOR EMPLOYEES
OF THE TEXAS COMPANY

VOL. XV NO. 4



No man undertakes a trade
he has not learned, even
the meanest; yet every one
thinks himself sufficiently
qualified for the hardest of
all trades,—that of gov-
ernment.—*Socrates.*

The TEXACO STAR

PRINTED MONTHLY FOR DISTRIBUTION
TO EMPLOYEES OF THE TEXAS COMPANY

Vol. XV

April 1928

No. 4



R. C. Holmes

Executive Appreciation

Considering the general conditions of over-production, highly competitive and oversupplied markets during the year 1927, the executives wish to thank all who have been diligent and active in the interest of the Company for their part in the creditable showing that has been made.

R. C. HOLMES,
President.

New York, N. Y., March 16, 1928.

"All for Each—Each for All"

Address: The Texaco Star, The Texas Company,
Houston, Texas

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Competition vs. Conservation

"Competition is the life of trade," but competition can be so excessive and unreasonable as to be destructive of business. Is this not in reality the reason for the acknowledgment, inside and outside of the petroleum industry, that something is fundamentally wrong with it?

This industry is the largest enterprise, other than agriculture, in the United States. In providing a clean, efficient, and convenient fuel, it has made possible the growth of the second largest of all manufacturing business—the automotive industry, which has contributed so substantially to the prosperity and happiness of the United States, and to a very considerable extent of many other sections of the world. The petroleum industry could not have grown to such gigantic proportions without the automotive industry. Nor could the automotive industry have grown to such a position of unchallenged leadership without the oil industry. The two great industries, both of basic importance because of their relation to transportation, go hand in hand. Both have achieved success through the projection of a broad economic service to the public. Anything actually wrong with the oil industry is a matter of vital public concern.

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In the last analysis men go into the oil business for profit. But American business has learned that "he earns best who serves best." And in providing this dependable, satisfactory fuel supply, the petroleum industry genuinely serves.

The evils of competition in this business appear to start in the unrestricted and unlimited competition for lands and leases, nearly all now entailing drilling obligations, either by contract or because of offset wells of others, or by pressure brought to bear by a multitude of divisional royalty owners insisting on development regardless of market value or supply; also in the extension, at times, of pipe lines and other transportation outlets in periods of overproduction, which gives further support and impetus to the already menacing condition. And this excessive competition and disregard for the condition of the whole industry continues through to the delivery to the consumer.

Any oil company expecting to hold its market against legitimate and fair competition by reducing prices, either directly or indirectly, openly or secretly, or any company or individual who performs similarly in getting into the markets, would appear to lack the marketing instincts or ability of the barber or restaurateur who can get some business anywhere at standard rates and keep it in a reasonable quantity so long as his shop is clean and his service honest and right.

Waste of our natural resource—crude oil—is not confined to loss in storage, as pointed out by the American Petroleum Institute's Committee of Nine, but is in the unnecessary consumption as fuel for which coal and other fuels are available in unlimited quantities.

The crude production of the United States in 1927 was 894,435,000 barrels, and 344,533,000 barrels of crude and residuum were used for steam fuel. 500,000,000 barrels of crude oil would have produced the quantity of gasoline consumed had refineries all been equipped with present known methods of cracking.

If the importance of the conservation of our crude supply is put before the public in a frank, clear, and convincing way, it should be willing to pay, as would be required, more for its gasoline, whereas it will not be willing to run an unnecessary and unwarranted risk of doing without.

It is altogether probable that if anything effective is accomplished in the way of conservation, it will come of the manufacture from crude oils of the maximum quantity of those products that are in greatest demand and fill

the greatest need, and the avoidance of the production of other products of the crude that are in excess of the actual and necessary requirements.

Immunity from, or a reasonable application (or at least a uniform understanding and interpretation) of some of the questionable anti-trust laws, no doubt would be helpful in restricting crude production, but it is doubted that this alone would furnish anything like a cure for the present malady. If the principal units of the industry will work together where they can and not delay in the hope or thought of getting together where they can not, something worth while may be accomplished before it is too late.

There probably has never been a time in the history of the country when the executive branches of the National and State governments have realized so fully as now the fact that the welfare of the nation depends on the welfare and prosperity of industry, and certainly no other time when the public has been so largely interested, directly and indirectly, in such as owners and as consumers of the products of industry. This is particularly evidenced in the better understanding and greater interest, aid, and support by the Department of Commerce, the Department of Justice, the Federal Trade Commission, and others. The Conservation Board, as well, has shown every disposition to give aid in this important matter if given an opportunity.

Facts Only

Josh Billings said something to the effect that "It is better not to know so much than to know so much that ain't so."

Exaggeration of statement, misstatement of facts, conclusions from erroneous data or opinion based on false premise, whether intentional or for lack of thorough investigation, are all calculated to, and usually do, make a great deal of unnecessary work and cause someone else to waste valuable time. Be sure of your facts when submitting a proposition for consideration, and also be sure that all the salient points have been covered. Never try to conceal or omit an unfavorable side of a proposal in an over-anxiety to secure affirmative action, always remembering that anything worth while, though it may have its minor defects, will carry conviction on its merits and secure the approval that those

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merits warrant when full disclosure of all the pertinent facts is made.

When seeking approval, therefore, of any proposition or course of action, bear in mind always that "what ain't so" is not the character of information wanted or that will be of any value whatever to those whose approval is sought.—*W. W. Bruce.*



Thomas A. O'Donnell

Thomas A. O'Donnell, Chairman of the California Petroleum Corporation, was elected a director of The Texas Corporation and of The Texas Company on March 20, 1928.

Mr. O'Donnell was born in Pennsylvania in 1870 and has devoted practically all of his business life to the oil industry. For the past 38 years he has been directly and actively engaged in the production of oil in California.

He was one of the organizers of the California Petroleum Corporation and served that company as Production Manager, later as President, and for the last few years as Chairman of the Board.

He was closely identified with the organization of the California Independent Oil Producers Agency, acting as a director for a number of years. He is also a director of the Farmers and Merchants National Bank in Los Angeles, one of the oldest financial institutions in that city.

During the World War he was Director of Production of the Oil Division of the United States Fuel Administration. He was the first president of the American Petroleum Institute and continued as president for over five years, and is now a member of the Committee of Nine, being one of three selected to represent the petroleum industry, to advise the Federal Oil Conservation Board appointed by President Coolidge.



Jacques Vinmont

Jacques Vinmont, President of the California Petroleum Corporation, was elected a director of The Texas Corporation and of The Texas Company on March 20, 1928.

Mr. Vinmont has been president of the California Petroleum Corporation since 1923. Prior to that time Mr. Vinmont's activities were principally in the field of banking and finance where he achieved success and distinction. He was a member of Blair & Co., Inc., and played an important part in their extensive industrial financing.

Mr. Vinmont has traveled widely and is a man of broad vision and diversified experience. He is particularly interested in and well informed as to financial and industrial affairs in South America.

Mr. Vinmont resides in Los Angeles.

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George G. Allen

George G. Allen, of New York City, was elected a director of The Texas Corporation and of The Texas Company on March 20, 1928.

He is Deputy Chairman and a director of the British-American Tobacco Company, director of the Imperial Tobacco Company of Canada, President of the Southern Power Company, a director of the Guaranty Trust Company of New York, and active in other important business enterprises. For a number of years Mr. Allen has taken keen interest in The Texas Company and its operations, and is a valuable addition to our Board.

The Annual Meeting

At the Annual Meeting of Stockholders of The Texas Corporation, held in New York City on March 20, 1928, the following were elected directors:

George G. Allen	E. C. Lufkin
C. B. Ames	D. J. Moran
T. J. Donoghue	T. A. O'Donnell
J. N. Hill	Albert Rockwell
R. C. Holmes	Eugene M. Stevens
H. G. Lapham	Jacques Vinmont
J. H. Lapham	

At the Directors' Meeting held immediately after the adjournment of the stockholders

meeting, the following were elected to the offices designated:

R. C. Holmes	President
C. B. Ames	Vice President
W. W. Bruce	Vice President
T. J. Donoghue	Vice President
D. J. Moran	Vice President
G. L. Noble	Vice President
T. Rieber	Vice President
Harry T. Klein	General Counsel
E. M. Crone	Secretary
C. E. Woodbridge	Treasurer
Ira McFarland	Comptroller

W. N. Capen was elected Vice President with authority to sign stock certificates as such Vice President for and on behalf of the Corporation.

The following directors were elected to constitute the Executive Committee:

C. B. Ames	Henry G. Lapham
T. J. Donoghue	D. J. Moran
J. N. Hill	Albert Rockwell
R. C. Holmes	

A. A. Sands and H. E. Lapp were designated as Transfer Agents.

The Annual Meeting of Stockholders and a Directors' Meeting of The Texas Company were also held. The same directors and officers were elected as for The Texas Corporation, except W. N. Capen was not elected Vice President, nor A. A. Sands and H. E. Lapp, Transfer Agents.

California Petroleum Corporation

96.21 percent of the California Petroleum Corporation's stock has been deposited in exchange for The Texas Corporation stock.

Notice

Copies of this issue of The Texaco Star are going to all stockholders of record, even where there are two or more at the same address, in order that all might have a copy carrying the Annual Report for their individual use.

Life is growth—a challenge to environment. If we cannot meet our everyday surroundings with equanimity and pleasure and grow each day in some useful direction, then this splendid balance of cosmic forces which we call life is on the road toward misfortune, misery, and destruction. Therefore health is the most precious of all things.—Luther Burbank.

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The Year 1927

TO THE STOCKHOLDERS OF
THE TEXAS CORPORATION:

The consolidated net earnings of The Texas Corporation and subsidiaries for the year 1927 were \$20,029,405.62 after depreciation, depletion and tax reserves, being \$2.78 per share, or 11.08% of the par value of the stock. This compares with the 1926 earnings for The Texas Company and subsidiaries of \$36,043,330.93, being \$5.48 per share, or 21.92%. Had the number of shares been the same as last year, or prior to the 10% stock dividend paid on April 2, 1927, the earnings would have been \$3.04 per share, or 12.08%.

Investment expenditures during the year were as follows:

Producing	\$15,908,199.02
Pipe Lines	2,335,413.30
Refining	9,000,151.70
Domestic Sales	6,955,887.23
Export Department and Subsidiaries	1,668,595.52
All other	1,388,065.60
Total	\$37,257,212.37

The condition of excessive overproduction beginning late in 1926 continued throughout the year 1927, total domestic production of crude being 894,435,000 barrels in 1927, compared with 770,874,000 barrels in 1926, a large part of the new production being light crude, resulting in excess production of gasoline, with generally low prices for refinery products, particularly gasoline, kerosene, and fuel oil. Stocks of crude oil at the end of 1927 were 371,704,000 barrels, being the largest in history.

The overproduction of crude and gasoline in California contributed materially to the situation, 10,759,406 barrels of California gasoline being brought to the Atlantic coast, this being nearly 3,000,000 barrels in excess of the movement in 1926.

During the year, because of the low prices of gasoline, it was our policy to run as much of the heavier crudes as possible, with the result that we increased our stocks of light crudes 5,259,311 barrels and decreased our heavy crude stocks 2,170,247 barrels, or a net increase of 3,089,064 barrels.

Producing Operations—United States

Although our production of crude oil in the United States was 26,074,864 barrels in 1927, an increase of 5,065,665 barrels over 1926, earnings were materially affected by the lower price realized to the Producing Department, which averaged \$0.5797 less per barrel than in 1926.

Total acreage held at the end of the year, in fee lands and leaseholds, was 2,727,983 acres, an increase of 473,414 acres. Among these acquisitions were seven producing properties, comprising 68 wells producing 6,812.17 barrels of oil per day at time of purchase.

While drilling operations have been restricted as far as possible to necessary offsets for the prevention of drainage and in the protection of expiring leases, there has been a materially increased activity in the geological and geophysical exploration work through the use of torsion balance, magnetometer and seismograph, with promising results.

We feel that on the whole this Department has improved its position materially during the year.

Pipe Lines

Operations of The Texas Pipe Line Company and The Texas Pipe Line Company of Oklahoma during 1927 continued to improve.

Oil runs for the year, including lines in Colorado and Kentucky operated by The Texas Company, established the high record of 39,939,655 barrels, an increase of 4,988,631 barrels over 1926, and deliveries to The Texas Company's refineries of 33,925,506 barrels were greater than in any previous year, increasing 4,386,201 barrels over 1926, not including transfers of distillate from Dallas and Shreveport refineries to Port Arthur, approximating 2,800,000 barrels in each year.

The total oil transported for others during the year was 3,512,813 barrels, a decrease of 3,212,007 barrels, a large part of which was due to other refiners curtailing purchases.

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Extension of pipe line facilities to the Seminole area accounts for practically all of the increase in runs. During the year we built one 6", one 4", and one 8" connection from these fields to connect up with our main trunk lines at Davenport, Henrietta, and Stuart. Also the main trunk lines in Texas were looped with 19 miles of 10" and 49 miles of 8" to increase capacity to certain sections of the line. 35 miles of 8" trunk line from Burkburnett to Waurika was salvaged and the retirement expense absorbed in expense accounts.

Most of the lines were operated at maximum capacity throughout the year and in addition we were obliged to handle 732,597 barrels out of the Seminole district through facilities of others pending the completion of our own.

Refining

Crude run in 1927 aggregated 38,466,947 barrels, an increase over 1926 of 2,228,884 barrels, or 6.15 per cent, and the Department manufactured 18,528,887 barrels of gasoline, an increase over the previous year of 2,235,673 barrels, or 13.72 per cent. Gasoline yield from crude oil increased 2.35 per cent over the previous year. The percentage of gasoline manufactured from crude has been steadily upward, reaching a high point of 46.73 per cent average for all refineries in 1927, although nearly 30 per cent of crude run was of the heavy grades with very little natural gasoline.

During the year we put into operation 22 additional units of pressure stills—18 at Port Arthur, two at Dallas and two at Tulsa, the total number at the end of the year being 102.

While more finished products were manufactured and shipped, plant expenses were actually lower.

Marine

Coastwise and export shipments increased in volume, but there was a falling off in the amount of oil transported from Mexico to the United States and in the amount of oil transported for others.

Total expenses in 1927 were 9.08 per cent less than in 1926, reductions having been made in practically every class of expense.

While conditions during 1927 were generally favorable for the ocean going fleet, the many additions to the world's tanker fleet caused a marked depression in the charter rates for tankers during the latter part of the year and made it difficult to charter out excess tonnage profitably and finally necessitated laying up one "Texas" type ship late in November. This was the first sea-going tanker of the fleet to be laid up for lack of cargo in almost two years.

No major units were sold during the year but a few smaller units of obsolete type were disposed of.

Railway Traffic

The number of company-owned tank cars increased during 1927 by 587, but there was a decrease of 56 in the number of leased cars. Tank car loadings during the year increased by 7,070 and the total mileage traveled by company cars increased 5,840,043.

Although the activities increased as indicated by the foregoing, total expenses of the Department were less than in the previous year.

Domestic Sales

Domestic gasoline sales in 1927 reached the greatest volume in the company's history, an increase over 1926 of 8.6 per cent.

Gasoline prices in the early part of the year were fair, but began falling and continued to decline with no improvement shown at the close of the period. Intense competitive effort was exerted by all companies to increase their sales.

Lubricating oil sales increased 7.8 per cent, sales of asphalt increased 7.2 per cent, and sales of fuel and crude oil showed an increase of 13.2 per cent over 1926.

Marketing expense in all lines showed some slight per-gallon reduction.

The total of owned or controlled bulk and filling stations increased 1,021 over the year 1926.

More efficient use of the automotive equipment, together with a reduction of 52 in the number of vehicles in operation, resulted in a decrease of 13 per cent in this operating expense, and it is

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noted that notwithstanding the general increase in highway accidents throughout the country our automotive fleet was operated without a single highway fatality.

Export

Because of the overproduction of crude and gasoline the prices throughout the export territory were somewhat lower in 1927 than in 1926. However, our sales volume was substantially the same as in the two previous years.

In many of the countries which in former years were supplied largely by drum and case oil shipments, there is a growing tendency toward deliveries in bulk. In some of these countries we have bulk installations completed or under way, and are developing plans to provide them elsewhere as the change to pump deliveries becomes more general.

Freeport Sulphur Company

Conditions of operation and sulphur markets were better than in 1926. Our Hoskins Mound property produced 489,435 tons of sulphur, our revenue from this property being \$1,999,617.84.

Sale of Capital Assets

During the year we sold our interest in the Reserve Natural Gas Company and Marshall Gas Company, and our West Texas natural gas system, which together with bonuses received on lease to others of sulphur rights at Boling and Clements Domes amounted to a net profit of about \$2,500,000.

Distribution of Stock

There were 39,319 stockholders on December 31, 1927, as compared with 31,003 at the close of 1926. This represents an increase of 8,316 or 21 per cent. The only important changes in the percentages of stock held by the several classified owners are a reduction of 3.74 per cent in the holdings of brokers, and an increase of 4.59 per cent in the shares held by women stockholders. The following is a table showing the distribution of the stock as of December 31, 1927:

	Number	Shares	Percentage of Stock
Brokers.....	414	1,172,799	16.24%
Men Stockholders.....	22,979	3,432,672	47.55%
Women Stockholders.....	14,684	1,679,902	23.27%
Corporations and Banks.....	392	307,499	4.26%
Fiduciaries and Estates.....	850	626,371	8.68%
Totals.....	39,319	7,219,243	100.00%

Summaries in the following tables are on a consolidated basis including The Texas Corporation and its subsidiaries except where the contrary appears.

By order of the Board of Directors,

R. C. HOLMES,
President.

New York, N. Y., March 31, 1928.

Income and Surplus Account

	1927	1926	Inc. or Dec.
Gross Operating Earnings.....	\$141,125,857.60	\$154,407,245.94	-\$13,281,388.34
Operating Charges:			
Operating and General Expenses.....	80,539,912.96	78,277,600.23	+ 2,262,312.73
*Taxes.....	7,168,247.28	9,914,188.59	- 2,745,941.31
Intangible Development Costs.....	8,470,421.78	6,722,135.05	+ 1,748,286.73
Depletion and Lease Amortization.....	7,553,474.80	6,074,727.86	+ 1,478,746.94
Depreciation, Retirements and Other Amortization.....	21,180,642.66	20,150,676.16	+ 1,038,966.50
	\$124,921,699.48	\$121,139,327.89	+\$ 3,782,371.59

*Amounts shown do not include gasoline taxes, amounting in 1927 to \$17,224,438.62, and in 1926, \$12,892,022.87.

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	1927	1926	Inc. or Dec.
Net Operating Income.....	\$ 16,204,158.12	\$ 33,267,918.05	-\$17,063,759.93
Non-Operating Income (Net).....	4,401,824.84	3,195,921.41	+ 1,205,903.43
Income Before Interest Charges.....	\$ 20,605,982.96	\$ 36,463,839.46	-\$15,857,856.50
Interest Charges.....	576,577.34	419,342.01	+ 157,235.33
Profit for Period.....	\$ 20,029,405.62	\$ 36,044,497.45	-\$16,015,091.83
Earned Surplus at End of Previous Year.....	128,528,708.41	113,466,023.11	+ 15,062,685.30
Direct Adjustments.....	87,022.49	† 1,243,312.15	+ 1,330,334.64
Total.....	\$148,645,136.52	\$148,267,208.41	+\$ 377,928.11
Dividends Paid or Declared:			
Cash.....	21,180,915.75	19,738,500.00	+ 1,442,415.75
Stock.....	16,404,825.00	.....	+ 16,404,825.00
	\$ 37,585,740.75	\$ 19,738,500.00	+\$17,847,240.75
Earned Surplus at End of Year.....	\$111,059,395.77	\$128,528,708.41	-\$17,469,312.64
Amount Applicable to Minority Interests.....	.....	9,037,304.47	- 9,037,304.47
Surplus as to Stockholders of the Corporation.....	\$111,059,395.77	\$119,491,403.94	-\$ 8,432,008.17

†Deductions.

Balance Sheet

ASSETS

	December 31, 1927	December 31, 1926	Inc. or Dec.
CURRENT ASSETS:			
Cash.....	\$ 18,108,477.33	\$ 18,016,604.39	+\$ 91,872.94
Notes Receivable.....	3,354,003.06	4,314,869.76	- 960,866.70
Accounts Receivable.....	18,248,023.65	19,421,734.31	- 1,173,710.66
Inventories:			
Merchandise, Crude and Refined Oils.....	89,557,738.22	95,919,529.83	- 6,361,791.61
Materials and Supplies.....	5,738,016.85	6,824,325.43	- 1,086,308.58
Other Current Assets.....	134,309.71	198,389.77	- 64,080.06
	\$135,140,568.82	\$144,695,453.49	-\$ 9,554,884.67
Investment in Non-Affiliated Companies.....	673,000.00	1,037,309.32	- 364,309.32
FIXED ASSETS:			
Properties, Plant and Equipment—Cost:			
Lands, Leases, Wells and Equipment.....	99,021,807.18	91,993,475.17	+ 7,028,332.01
Oil Pipe Lines and Tank Farms.....	52,769,233.59	51,865,198.92	+ 904,034.67
Refineries and Terminals.....	82,893,427.81	76,698,898.52	+ 6,194,529.29
Tank Cars and Other Railroad Equipment.....	7,153,739.62	5,962,778.74	+ 1,190,960.88
Ships and Marine Equipment.....	27,924,690.95	28,470,104.59	- 545,413.64
Sales Stations, Facilities and Equipment.....	54,298,756.68	47,798,095.16	+ 6,500,661.52
Miscellaneous.....	1,921,760.47	1,915,645.00	+ 6,115.47
	\$326,883,416.30	\$304,704,196.10	+\$22,179,220.20
Patents.....	224,619.19	234,810.80	- 10,191.61
	\$327,108,035.49	\$304,939,006.90	+\$22,169,028.59
Less Reserves for Depreciation, Depletion and Amortization.....	140,786,411.85	124,897,609.62	+ 15,888,802.23
	\$186,321,623.64	\$180,041,397.28	+\$ 6,280,226.36
Prepaid and Deferred Charges.....	2,671,179.39	2,981,012.78	- 309,833.39
	\$324,806,371.85	\$328,755,172.87	-\$ 3,948,801.02

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LIABILITIES

CURRENT LIABILITIES:	December 31, 1927	December 31, 1926	Inc. or Dec.
Notes Payable	\$ 7,556,886.56	\$ 6,757,605.16	+\$ 799,281.40
Accounts Payable	13,705,335.43	15,500,496.37	- 1,885,160.94
Accrued Liabilities	3,205,592.08	6,499,800.81	- 3,234,208.73
Dividend Payable January 1st	5,414,304.75	4,504,697.25	+ 909,607.50
	\$ 29,942,178.82	\$ 33,352,599.59	-\$ 3,410,420.77
Deferred Purchase Obligations	2,423,511.08	1,859,135.00	+ 564,376.08
Deferred Credits	900,211.18	414,729.87	+ 485,481.31
Capital Stock—Common	180,481,075.00	153,021,975.00	+ 27,459,100.00
Surplus—Earned (Unappropriated)	111,059,395.77	119,491,493.94	- 8,432,098.17
Capital and Surplus of Minority Interest in The Texas Company		20,615,329.47	- 20,615,329.47
	\$324,806,371.85	\$328,755,172.87	-\$ 3,948,801.02

Producing Operations

IN U. S.

Crude Oil Produced (Barrels):	1927	1926	Inc. or Dec.
North Texas	4,060,477	3,590,535	+ 469,942
North Central and West Texas	2,248,046	949,345	+ 1,298,701
South and Central Texas	5,411,423	5,466,066	- 54,643
Louisiana	1,971,135	1,440,833	+ 530,302
Arkansas	2,222,401	2,690,738	- 468,337
Oklahoma	7,519,295	4,448,435	+ 3,070,860
Kansas	1,070,484	450,838	+ 619,646
Kentucky	322,189	237,922	+ 84,267
Wyoming	251,575	368,786	- 117,211
Colorado	981,983	1,338,661	- 356,678
New Mexico	15,856	27,040	- 11,184
Total	26,074,864	21,009,199	+ 5,065,665
Producing Wells at End of Year:			
North Texas	1,179	1,107	+ 72
North Central and West Texas	461	327	+ 134
South and Central Texas	311	312	- 1
Louisiana	383	357	+ 26
Arkansas	222	223	- 1
Oklahoma	1,707	1,623	+ 84
Kansas	990	953	+ 37
Kentucky	484	479	+ 5
Wyoming	45	51	- 6
Colorado	21	12	+ 9
New Mexico	8	6	+ 2
Total	5,811	5,450	+ 361
Oil Wells Completed During Year	402	418	- 16
Gas Wells Completed	35	20	+ 15
Oil Wells Abandoned	142	56	+ 86
Dry Holes Drilled	173	152	+ 21
Wells Drilling at End of Year	70	108	- 38
Acres Held at End of Year:			
Fee Lands (Acres)	561,180	518,025	+ 43,155
Leaseholds (Acres)	2,166,803	1,736,544	+ 430,259
Total	2,727,983	2,254,569	+ 473,414
Gasoline Production from Casinghead and Natural Gas:			
Number of Plants at End of Year	19	18	+ 1
Production During Year (Gallons)	23,146,249	19,586,960	+ 3,559,289
Natural Gas Produced* (M Cu. Ft.)	12,686,920	14,207,810	- 1,520,890
Natural Gas Wells at End of Year	87	85	+ 2
Pipe Lines for Gas (Miles)	96	319	- 223

*Includes residue gas.

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IN MEXICO

	1927	1926	Inc. or Dec.
Crude Oil Produced (Barrels)	386,819	509,186	- 122,367
Oil Wells Completed	3	1	+ 2
Dry Holes Drilled	3	4	- 1
Wells Abandoned	2	1	+ 1
Producing Wells at End of Year	27	25	+ 2
Wells Drilling	2	1	+ 1
Acreage Held:			
Fee Lands (Acres)	2,242	2,242	0
Leasehold (Acres)	6,295	6,407	- 112
Total	8,537	8,649	- 112

Production shown is gross. Royalty and other outside interests averaged, in U. S., 16.4% for 1927 and 16.8% for 1926; in Mexico, 20.2% for 1927 and 20.5% for 1926.

IN VENEZUELA

	1927	1926	Inc. or Dec.
Acreage Held:			
Fee Lands (Acres)	0	0	0
Leaseholds (Acres)	106,367	106,367	0
Total	106,367	106,367	0

Crude Oil Purchased

	1927	1926	Inc. or Dec.
In United States (Barrels)	22,859,194	21,190,207	+1,668,987
In Mexico (Barrels)	1,548,052	2,380,875	- 832,823
In Venezuela (Barrels)		67,886	- 67,886

Pipe Line Operations

	1927	1926	Inc. or Dec.
Runs (Barrels)	39,939,655	34,951,024	+4,988,631
Delivered to Refineries (Barrels)	33,925,506	29,539,305	+4,386,201
Transported for Others (Barrels)	3,512,813	6,724,814	-3,212,001
Trunk Line Mileage at End of Year	2,554.13	2,280.09	+ 274.04
Loop and Branch Lines	748.72	717.95	+ 30.77
Gathering Lines	1,951.35	2,031.54	- 80.19
All Lines	5,254.20	5,029.58	+ 224.62
Telegraph and Telephone Lines:			
Miles of Wire Operated	10,321.78	10,228.43	+ 93.35
Miles of Pole Lines	1,238.01	1,264.14	- 25.23

Refining Operations

(Quantities in 42-gallon Barrels Unless Other Measure is Stated)

	1927	1926	Inc. or Dec.
Crudes Run	38,466,947	36,238,063	+2,228,884
Purchased Distillates Run	380,245	320,881	+ 59,364
Production:			
Gasolines	18,528,887	16,293,214	+2,235,673
Kerosenes	3,095,172	3,231,106	- 135,934
Lubricating Oils	1,558,181	1,455,983	+ 102,198
Gas Oils	138,606	480,766	- 342,160
Fuel Oils	10,294,101	10,189,551	+ 104,550
Asphalt (Tons)	324,394	293,776	+ 30,618
Paraffin Wax (Tons)	1,550	3,084	- 1,534
Roofing (Squares)	989,643	971,235	+ 18,408
Shooks Manufactured	7,760,385	7,431,578	+ 328,807
Cases Manufactured	8,356,875	7,651,153	+ 705,722
Cans Manufactured	20,065,130	19,156,635	+1,808,495
Asphalt Drums Manufactured	280,648	234,626	+ 46,022
Asphalt Barrels Manufactured	189,694	198,362	- 8,668

This does not include greases, compounds and specialties, made from products listed above.

The TEXACO STAR

Locations and Capacities of Refineries

REFINERIES:	<i>Rated Daily Crude Capacity (Barrels)</i>	TOPPING PLANTS	
<i>Location</i>		Shreveport, Louisiana.....	5,800
Port Arthur, Texas.....	60,000	Tampico, Mexico.....	10,000
Port Neches, Texas.....	20,000	Total.....	15,800
West Dallas, Texas.....	15,000		
West Tulsa, Oklahoma.....	10,000	ASPHALT PLANTS	
Lockport, Illinois.....	6,000	Norfolk, Virginia.....	2,500
Casper, Wyoming.....	6,000	Marcus Hook, Pennsylvania.....	2,500
Craig, Colorado.....	750	Providence, Rhode Island.....	2,500
Pryse, Kentucky.....	3,000	Total.....	7,500
Total.....	120,750	Grand Total.....	144,050

Our largest asphalt plant is in Port Neches Refinery.

Marine Operations

Cargo Carried (Barrels of 42 Gallons):	1927	1926	<i>Inc. or Dec.</i>
Between U. S. Ports and from U. S. Ports to West Indies and Cristobal.....	14,190,409	13,527,176	+ 663,233
Mexico to U. S. Ports and West Indies.....	1,495,974	2,110,865	- 623,891
To Europe, Africa and South America.....	1,333,823	1,252,612	+ 81,211
On Charter to Others.....	2,081,311	4,187,801	-2,106,490
Total.....	19,101,517	21,087,454	-1,985,937
Fuel Consumed:			
Fuel Oil (Barrels).....	992,537	1,057,802	- 65,265
Gasoline (Barrels).....	400	449	- 49
Coal (Tons of 2,240 lbs.).....	1,678	1,423	+ 255
Nautical Miles Run by Ocean Vessels:			
Loaded.....	664,266	679,895	- 15,629
In Ballast.....	628,364	637,825	- 9,461
Total.....	1,292,630	1,317,720	- 25,090
1,000 Ton Miles Transported.....	5,347,559	5,542,445	- 194,886

Marine Equipment

Steam Vessels:	<i>Gross Tonnage</i>	<i>Net Tonnage</i>	<i>D. W. Tonnage</i>
Alabama.....	2,801	2,173	4,400
Aryan.....	6,542	4,062	9,835
Derbyline.....	7,003	4,348	10,670
Dirigo.....	6,530	4,063	9,835
Dungannon.....	7,257	4,485	10,670
Harvester.....	6,532	4,059	9,770
Illinois.....	6,688	4,142	9,770
Lightburne.....	6,541	4,054	9,835
Louisiana.....	2,849	1,797	4,300
New Jersey.....	6,718	4,159	9,770
New York.....	6,493	4,037	9,770
Occidental.....	6,533	4,053	9,835
Pennsylvania.....	6,492	4,035	9,770
Reaper.....	6,699	4,171	9,770
Roanoke.....	6,541	4,053	9,835
Shenandoah.....	6,531	4,058	9,835
Texas.....	6,480	4,039	9,770
Virginia.....	6,494	4,036	9,770
	111,784	69,824	167,210

The TEXACO STAR

Motor Vessels:	<i>Gross Tonnage</i>	<i>Net Tonnage</i>	<i>D. W. Tonnage</i>
Maryland	2,498	2,068	3,100
Solitaire	3,350	2,627	4,700
Texaco 145	484	325	670
Texaco 146	484	324	670
Texaco 147	484	324	670
	7,300	5,668	9,810
Tugs:			
American	168	75	
Latin American	168	75	
North American	134	14	
South American	168	75	
	638	239	
Bulk Barges:			
Magnolia	681	663	1,080
Tampico	1,994	1,673	2,570
Tulsa	607	607	1,000
Texaco 171	657	634	1,100
Texaco 172	658	634	1,100
Texaco 173	658	634	1,100
	5,255	4,845	7,950

Note: Steam vessels and tugs have reciprocating engines. Motor vessels are equipped with Diesels. Deadweight is expressed in tons of 2240 lbs.

Railway Traffic Operations

Tank Cars in Service:	<i>December 31, 1927</i>	<i>December 31, 1926</i>	<i>Inc. or Dec.</i>
Owned Cars	3,816	3,229	+
Leased Cars	2,482	2,538	-
Total	6,298	5,767	+
			531
Tank Cars Loaded During Year Ended:			
Company Cars Owned or Leased	122,064	114,094	+
Other Cars	18,948	18,041	+
Total	141,012	133,935	+
			7,077
Total Mileage of Company Cars	82,109,460	76,269,417	+
Average Mileage per Car	13,545	13,742	-
Average Daily Mileage per Car	37.11	37.65	-
			0.54

Taxes

IN UNITED STATES	<i>1927</i>	<i>1926</i>	<i>Inc. or Dec.</i>
Federal Income Tax	\$ 2,036,395.83	\$ 4,750,000.00	-\$2,713,604.17
Capital Stock .....	.....	120,068.50	- 120,068.50
State Franchise, etc.	272,974.22	108,887.88	+ 164,086.34
Production Taxes	786,667.06	813,012.12	- 26,345.06
Oil Inspection	417,410.50	482,840.68	- 65,430.18
Gasoline Taxes	17,219,842.65	12,885,928.82	+ 4,333,913.83
Ad Valorem	2,574,100.76	2,485,410.88	+ 88,689.88
Licenses and Permits	232,699.04	253,130.30	- 20,431.26
Other	95,909.07	.....	+ 95,909.07
	\$23,635,999.13	\$21,900,188.18	+\$1,726,810.95
IN OTHER COUNTRIES			
All Taxes	\$ 756,686.77	\$ 897,023.28	- 140,336.51
Total	\$24,392,685.90	\$22,806,211.46	+\$1,586,474.44

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Subsidiary Companies

(Included in the Summaries)

Name	Where Incorporated	Capital Stock
The Texas Company	Delaware	\$ 150,000,000
The Texas Pipe Line Company	Texas	\$ 20,000,000
The Texas Pipe Line Company of Oklahoma	Oklahoma	\$ 6,000,000
Texas Petroleum Company	New Jersey	\$ 500,000
Texas Production Company	Colorado	\$ 1,000,000
The Texas Steamship Company	New York	\$ 100,000
Border Gas Company	Louisiana	\$ 300,000
The Texas Company of Mexico, S.A.	Mexico	Pesos 3,500,000
Continental Petroleum Company	Belgium	Frs. 25,000,000
The Texas Oil Company, Limited	England	£ 10,000
The Texas Company (Australasia) Limited	New South Wales	£ 50,000
The Texas Company (South America) Limited	West Virginia	\$ 100,000
The Texas Company (South Africa) Limited	Cape of Good Hope	£ 10,000
The Texas Company (Porto Rico) Inc.	Porto Rico	\$ 100,000
The Texas Company (West Indies) Ltd.	Cuba	\$ 200,000
The Texas Company, A. S.	Denmark	Kroner 400,000
The Texas Company, S. A. F.	France	Frs. 2,000,000
The Texas Company, S. A. I.	Italy	Lire 3,000,000
The Texas Company (Philippine Islands) Inc.	P. I.	Pesos 200,000
The Texas Company, A. B.	Sweden	Kroner 3,000,000

Annual Statement

The Texas Corporation and Subsidiaries

Consolidated Income and Surplus Account

For the Year Ended December 31, 1927

GROSS OPERATING EARNINGS	- - - - -	\$ 141,125,857.60
OPERATING CHARGES:		
Operating and General Expenses	- - - - -	\$ 80,539,912.96
*Taxes	- - - - -	7,168,247.28
Intangible Development Costs	- - - - -	8,470,421.78
Depletion and Lease Amortization	- - - - -	7,553,474.80
Depreciation, Retirements, and Other Amortization	- - - - -	21,189,642.66
NET OPERATING INCOME	- - - - -	\$ 124,921,699.48
NON-OPERATING INCOME (Net)	- - - - -	\$ 16,204,158.12
INCOME BEFORE INTEREST CHARGES	- - - - -	4,401,824.84
INTEREST CHARGES:		\$ 20,605,982.06
Interest on Deferred Purchase Obligations	- - - - -	\$ 89,163.71
Other Interest	- - - - -	487,413.63
PROFIT FOR PERIOD	- - - - -	576,577.34
EARNED SURPLUS, DECEMBER 31, 1926	- - - - -	\$ 20,029,405.62
Add: Adjustment of Previous Surplus	- - - - -	\$ 128,528,708.41
Total	- - - - -	87,022.49
DIVIDENDS PAID OR DECLARED:		\$ 128,615,730.90
Cash	- - - - -	\$ 148,645,136.52
Stock	- - - - -	\$ 21,180,915.75
EARNED SURPLUS, DECEMBER 31, 1927	- - - - -	16,404,825.00
		37,585,740.75
		\$ 111,959,395.77

*In addition to the amount of Taxes shown above there was paid (or accrued) for State Gasoline Taxes the sum of \$17,224,438.62.

The TEXACO STAR

Consolidated Balance Sheet

As of December 31, 1927

Assets

CURRENT ASSETS:

Cash - - - - -		\$ 18,108,477.33	
Notes Receivable - - - - -		3,354,003.06	
Accounts Receivable - - - - -		18,248,023.65	
Inventories:			
Merchandise, Crude and Refined Oils (At Market, lower than Cost) - - - - -	\$ 89,557,738.22		
Materials and Supplies - - - - -	5,738,016.85	95,295,755.07	
Other Current Assets - - - - -		134,300.71	\$135,140,568.82

INVESTMENTS IN NON-AFFILIATED COMPANIES

673,000.00

FIXED (CAPITAL) ASSETS:

Properties, Plant and Equipment—Cost:

Lands and Leases held for Oil and Gas, Wells and Equipment - - - - -	\$ 99,921,807.18		
Oil Pipe Lines, Gathering Systems and Tank Farms - - - - -	52,769,233.59		
Refineries and Terminals - - - - -	82,893,427.81		
Tank Cars and Other Railroad Equipment	7,153,739.62		
Ships and Marine Equipment - - - - -	27,924,600.95		
Sales Stations, Marketing Facilities and Equipment - - - - -	54,298,756.68		
Miscellaneous - - - - -	1,921,760.47		
	\$326,883,416.30		
Patents - - - - -	224,619.19	\$327,108,035.49	

Less: Reserves for Depreciation, Depletion and

Amortization - - - - -		140,786,411.85	186,321,623.64
PREPAID AND DEFERRED CHARGES - - - - -			2,671,170.39
			\$324,806,371.85

Liabilities

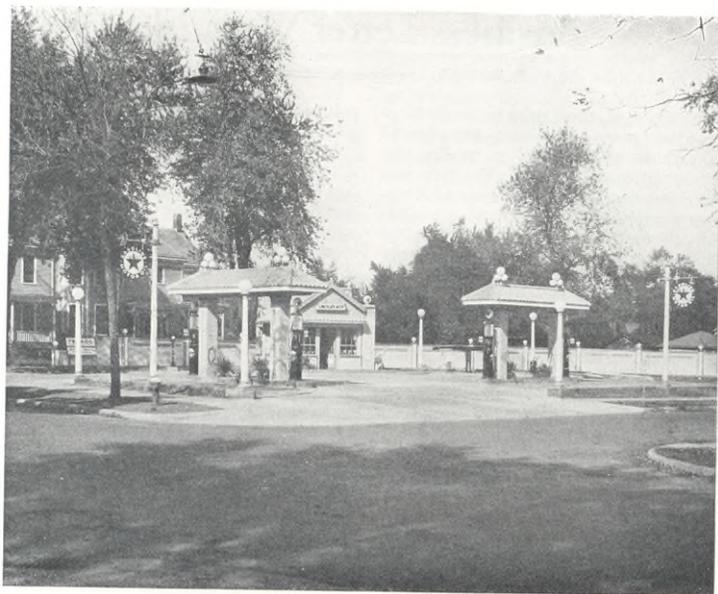
CURRENT LIABILITIES:

Notes Payable - - - - -		\$7,556,886.56	
Accounts Payable - - - - -		13,795,335.43	
Accrued Liabilities - - - - -		3,205,592.08	
Dividend Payable January 1, 1928 - - - - -		5,414,364.75	\$ 29,942,178.82
DEFERRED PURCHASE OBLIGATIONS - - - - -			2,423,511.08
DEFERRED CREDITS - - - - -			900,211.18
COMMON CAPITAL STOCK—(Par Value \$25.00) - - - - -			180,481,075.00
SURPLUS—EARNED (Unappropriated) - - - - -			111,059,395.77
			\$324,806,371.85

IRA MCFARLAND,
Comptroller.

March 7, 1928.

The TEXACO STAR



An Ideal Service Station Layout

Lessor Built

The accompanying picture is an example showing what has been accomplished by the Sales Department's intensive effort to develop an ideal type of Lessor Built Service Station. After prolonged experiment with types of buildings and appurtenances, appearance as well as utilitarian values considered, The Texas Company has decided on this type of building and is arranging wherever possible to have the Lessor build his station to conform with our specifications.

The layout shown has concrete driveways,

two canopies (though in most places only one canopy can be used), each with two pumps, and a rotary lift draining rack. The style of fence which has been adopted as standard is also shown and the light posts and sign posts.

To insure that the appurtenances to these stations will be the same wherever the station may be located, printed specifications have been issued for fence, light posts, sign posts, *etc.* These specifications cover the placing of the various units to insure greatest efficiency and the color schemes for painting.

Rightly Named

"What's that you call your mule?"

"Ah calls 'im Corporation," answered the old colored man.

"Why did you give him such an odd name?"

"Frum studyin' the animal an' reading the papers. Dat mule gets more blame an' abuse dan anyt'ing else in des here township an' he goes ahead doin' his best jest de same."

Business Letter Writing

F. B. RAMEY, Creditman, Atlanta District

In the early days, those prior to the development of steam roads and other means of rapid transit such as we have today, trading was mostly by personal contact. Business was carried on in a hand to hand fashion and it was promoted largely through personal acquaintanceship. Communities were small and widely scattered. Business fields were necessarily limited to a short drive from headquarters and each business was built around the personality of some individual trader and the value of his wares.

Consequently, letter writing was then mostly of a personal nature, or at best a combination of business and personal matters. Such letters often bore long and flowery salutations and flattering closing lines which expressed to the business friend the good wishes of everybody within gun-shot.

Stilted business phrases gradually became in vogue as a result of this beginning in business letter writing and it is surprising to find how many of those awkward phrases are found in business letters even today. Personal correspondence has since declined due to the convenience of telephone, telegraph, and radio communication which have brought our personal friends much closer. Business, however, aided by the amazing speed both in rapid transit and communication, has become a science. Business markets are today almost unlimited as to scope, and control of any field depends only upon a firm's ability to manufacture and distribute at fair prices the commodities of greatest worth in its particular line, provided, of course, that firm is successful in creating a demand that will constantly equal or even exceed its maximum output and assure continuous production and expansion.

Advertising, a science in itself, has become a valuable medium through which business messages may be honestly broadcast. Men properly trained in this work are business correspondents of the highest type since it is their mission to say in fewest possible words all that the advertising house and its products represent to the trade. Thus we have in advertising a most excellent field of education for the student of business correspondence. Good advertising catches the imagination of the reader and holds his attention throughout the message. It is brief and it carries conviction straight to the

point at issue. It is designed to accomplish a given purpose and that only.

Now, in credit work, the gathering of credit data is merely incidental to our one main object which is to obtain with reasonable promptness and without undue obstruction the money value of goods sold on terms. And, where obstructions occur, it is our mission to fairly and diplomatically iron them out, whether for the sake of additional business or merely as a means of closing an account without loss.

Much might be said about the value of correspondence between credit departments as an aid to the establishment of accounts, but since business letter writing is my subject I shall leave that feature to another. I think, however, that this ground should be explored by those who may be interested in that particular phase of business correspondence.

First. Let us consider that a business letter is of value only as it accomplishes or leads to the accomplishment of the thing for which you are striving. Therefore, you should be sure of your objective before dictation. Further, you should be sure that you have at hand every possible bit of information obtainable bearing on the subject to be discussed. These things are absolutely essential to the quick attainment of your object. Misinformation or guesswork are inexcusable handicaps to letter writing, often throwing the burden back upon your own shoulders in a manner most embarrassing.

Second. That in this busy world of business, you should command in the first line, or at least in the first paragraph, attention that will hold straight through to your point. Flowery or stilted phrases, terms such as you would not use in an ordinary conversation, should be shunned. Instead, make your appeal one of open-minded honesty and lead your correspondent into a helpful frame of mind by logic rather than by force or flattery. Remember that you have invaded his office and that he has that decided advantage over you. A waste basket tells no tales.

Third. That courtesy finds a way deep into the heart of every man and that however honest your purpose may be—however necessary its performance may seem to you—you are never justified in recording a thought involving doubt as to the honesty or integrity of

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your correspondent. Any sign of discourtesy must and should fail of effect. Thus while giving this quality a third place, I do so merely because I am trying to set out certain guiding ideas on business mail.

Fourth. Brevity is a virtue. Learn from advertising the value of saying all in the fewest possible words. I do not mean abruptness which in itself might appear to be discourteous, if not actually offensive, but rather *conciseness* so that you utilize the reader's time only to the extent necessary for your purpose. Say it with intelligence—then stop.

Fifth. Business letters should be clear even at the sacrifice of brevity. Be sure that your meaning will be properly interpreted. Go one step further and make its misinterpretation impossible. Clearness is the feature that prevents that waste of time resulting from further explanations.

Sixth. Inject your own personality into all correspondence and be loyal to your house and its policies in all your dealings.

Seventh. We must remember that proper grammatical construction and correct typing have their benefits. A misspelled name, incorrect address or awkward phrase may divert the reader's mind from your object. Technical terms common to you may be Greek to the other fellow so avoid them.

Eighth. It is well to consider the value of neatness in the typing, folding and stamping of a letter, the quality of paper used, *etc.* You are here dealing in one phase of advertising for your house. Make your mail matter conform with the orderly appearance of your package products, the cleanliness of your establishment and its delivery equipment. Make all letters wholesome in content and display.

Ninth. Be human. Think of your recipient as one with human impulses like your own. Talk with him in the language that he understands. Regard him as upright until he proves himself otherwise and even then retain your own dignity. No possible business gain can result from writing intemperately worded communications. On the contrary, much can be accomplished by level reasoning at all times, and without sacrifice of your personal pride. It is not always human to be patient, but there is a lot to be lost through the lack of it. When answering a letter of complaint, it is well to remember a 'soft answer turneth away wrath.'

Tenth. Sincerity has a ring that cannot be ignored. It is that which inspires confidence and promotes a desire to do the right thing

even though what you ask may not accord entirely with the other's viewpoint. It at least opens the way for a compromise which in the end may create a lasting friendship and thus gain a point beyond your original objective.

These ten commandments are based on nothing but good common sense in the writing of business letters. It is also common sense to say that, figuratively speaking, your correspondent should be at your elbow since, if he were actually present, you would not think of referring him to your "conversation of even date." Nor would you harrass him with your "hereins," "herebys," and numerous other stereotyped words and phrases. Instead, you would greet him with a hand-shake, state your case with frankness and brevity and then bid him God-speed with a feeling that your busy desk was ready for the next problem.

That's what I mean when I say to you that letters of every nature should be human in their appeal; neat, accurate and concise; courteous and clear, possessing always a tone of hearty coöperation. Letters not measuring up to these tests should be studied before mailing and rewritten if necessary. Results are what you are after and nothing else counts. Make them as easy of accomplishment as possible by getting mail into the hands of the man whom you know to be familiar with your problem.

The Value of Time

The following wise counsel to all youths is taken from a recent talk by Governor Alfred E. Smith at Washington's birthday celebration in the Brace Memorial Newsboys' House, New York City:

Take advantage of every day, of every week and month, for your youth will surely pass by in less time than you begin to imagine. Lay plans. Prepare for the struggle ahead. Life today is a struggle greater than ever before. With the advance of education and specialization, efficiency is the watchword. The fellow who is wanted is the one who does things promptly and well—the one who is on the job when and where needed.

The two qualities that I admire most of all in Washington were his courage and humility. It took courage to do the great things he did. He risked not only his life but his fortune in leading the struggle for freedom. And he had humility. At Valley Forge he knelt with his men and prayed to God when things looked blackest.

The TEXACO STAR



Beaver Brook Playground, Worcester, Mass.

Asphalt in Swimming Pool Construction

In 1922 the officials of Manhattan, Kansas, were planning to construct a new municipal swimming pool. A. R. Young, Chief Engineer of the Asphalt Sales Department, succeeded in inducing them to employ Texaco Asphalt for part of the bottom, the remainder to be constructed of cement concrete. The pool was in the shape of an ellipse. The section of the bottom extending from the edge of the pool forty feet toward the center was paved with a mixture of Texaco Asphalt and sand. The central portion of the pool floor was paved with cement concrete.

The pool was finally completed and flooded preparatory to use by the eager citizens of Manhattan. But it developed that the floor of the pool was leaking, and investigation revealed the fact that the cement concrete portion of the bottom was permitting the water to penetrate through. To remedy this, the leaky area was given a treatment with Texaco Asphalt. This done, the pool was again flooded and the leakage was eliminated.

The experience of the city of Worcester, Mass., with two municipal wading pools is also worthy of mention. The floors of these pools were originally built of tar penetration macadam. This type consisted of an eight-inch course of broken stone, compacted by means of a heavy roller, over which hot tar was applied. At first the results seemed satisfactory, but it became apparent after the pools had been in use for a while that a leakage existed. The probability is that during periods when the pools were empty, the heat caused the tar to leave the spaces between the stones, providing openings through which the water escaped when the pools were again filled.

To repair this damage, the officials of the Park Department of Worcester gave the pool bottoms a coating of Texaco Asphalt. The leaks were stopped and no further trouble of this nature has since been experienced.

The scores of municipalities which are building swimming pools should not overlook the important advantages of asphalt.

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LAW CURRENT

Rob't A. John

COMPENSATION INSURANCE.—A professor under employment in the Northern University of Ohio was invited to and delivered an address at the graduating exercises of a high school. At the conclusion of his address, a young lady student presented him with a rose. The rose pricked the professor's thumb. Blood poisoning ensued and the professor lost his life. The professor, as an employe of the University, was under compensation insurance. The question was: Did it cover the injury which resulted in the professor's death? The Supreme Court of Ohio held in the affirmative, and the beneficiaries under the policy were awarded judgment in their favor. Case is not yet officially reported.

PUBLIC SERVICE CORPORATION—EASEMENTS.—The grant of power to a pipe line company to construct pipe lines from one point of the State of Texas to another, carries, as a necessary implication, the right to cross public lands lying under tidal waters belonging to the State, without any other grant of right of way or method of condemnation. The analogy of this would reasonably carry it across the public domain, wherever situated. See case of *Humble Pipe Line Co. v. State*, 2 S.W. (2d series) 1018.

NUISANCES—FILLING STATIONS.—In the Supreme Court of Georgia (*Standard Oil Company et al. v. Kahn*, 141 S. E., 643) one Kahn sought to enjoin the Standard Oil Company from erecting a filling station within the residential section of Pelham, Georgia. The facts alleged to show that the erection and operation of the filling station would create a nuisance; among others, were that the filling station would be within 80 feet of the corner of plaintiff's lot and not more than 120 feet from his residence; the erection of the filling station would obstruct plaintiff's splendid view of the town; the homes of petitioner and others would be depreciated, and the attractiveness greatly reduced; gasoline and oil would be sold at all hours of the day and night, and the sale thereof would be accompanied by disagreeable odors and by disagreeable noises, such as the changing of tires and rims of automobiles; the operation of the filling station would endanger the lives of his small children and others nearby; fire insurance rates would be increased; noises and disturbances would deprive plaintiff and his family of sleep, resulting in endangering

their health, besides destroying their peace and happiness; there would be unusual noises from automobiles and from persons congregating at the filling station; and that there would be dangers from fires and explosions.

The court held that the erection and operation of gasoline filling stations in residential districts are legal, and under the authorities therein cited, they are not nuisances *per se*. While the court stated that the 'erection of a filling station is just as lawful as the erection of retail stores,' two of the Justices in concurring in the opinion stated that they did not wish to be committed to the statement that in such cases gasoline filling stations stand upon the same footing as retail stores, as they deemed it best to approach each case upon the facts and circumstances of that particular case.

CONSTITUTIONAL LAW — TAKING PRIVATE PROPERTY WITHOUT COMPENSATION.—As a sanitary regulation and under an Ohio statute authorizing it, the owner of a corn crop was ordered by an inspector from the Agricultural Department to rake and clean up the corn stalks and to clean the wheat and plow it under. The owner brought an injunction suit to restrain prosecution on the claim that wheat and corn were property and that no legal power existed to compel him to expend his own money to destroy the infested crop. The court in the case of *Van Gunten v. Worthley*, 150 N. E., 326, held that the provision authorizing the inspector to require the destruction of crops from sanitary and food-supply angles, was a reasonable exercise of the police power and where police power is so reasonably exercised, it is valid, stating in his opinion the following rule:

"Every owner of property holds his title subject to the powers of sovereignty, the right of taxation, the right of eminent domain, and police power." And again:

"If the food supply is threatened with devastation, a prompt exercise of the police power may save it, and, if the destruction of a small amount of crop is reasonably necessary to prevent devastation of the whole of that crop, or of another, the State has full power to pursue the course that will conserve the food supply, so long as it acts reasonably."

There is no alleviation for the sufferings of mankind except veracity of thought and of action, and the resolute facing of the world as it is.—*Huxley*.

The TEXACO STAR

DEPARTMENTAL NEWS

The managers of the respective Departments have assigned to the persons whose names are here given the duty of sending to *The Texaco Star*, so as to be received by it before the 25th day of each month, departmental news, photographs, and other items of general interest. Material for this purpose should be sent to them before the 20th of the month. All are invited to cooperate.

Refining Dept.
Ry. Traffic & Sales Dept.
Marine Dept.

Legal Dept.
Treasury Dept.

Comptroller's Dept.

Insurance Dept.
Governmental Reports Dept.
Employment & Service Office
Sales Dept. S. Territory
Sales Dept. N. Territory
Asphalt Sales Dept.
Purchasing Dept.

Export Dept.
Producing Dept.
Pipe Lines

C. K. Longaker, Houston
I. A. Brownell, New York
H. Hassell, Port Arthur
H. Norris, New York
H. Tomfohrde, Houston
H. G. Symms, Houston
R. Fisher, New York
R. E. Emerson, Houston
P. A. Masterson, New York
C. M. Hayward, New York
L. C. Oakley, New York
Carl A. Foss, New York
D. L. Lindsay, Houston
H. J. Rodriguez, New York
J. J. Smith, New York
E. B. Middlekauf, New York
J. E. McHale, Houston
J. T. Rankin, Denver
J. B. Nielsen, New York
Otto Hartung, Houston
Fred Carroll, Houston

REFINING DEPARTMENT

WATER SHIPMENTS BY THE TEXAS COMPANY FROM
PORT ARTHUR, TEXAS, MONTH OF MARCH, 1928

Refined—Coastwise.....	1,444,956 bbls.
Refined—Foreign.....	493,316 bbls.
	<hr/>
	1,847,371 bbls.

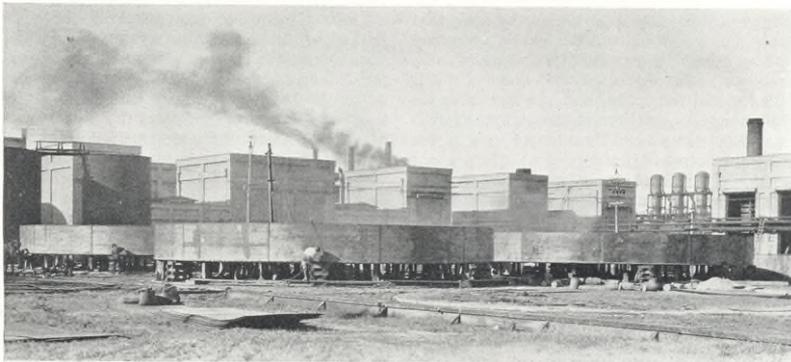
Port Arthur.—Upon the completion of the first Refining Department Training Course, the management entertained all the students of the course at a banquet on Thursday night, March 15, in the main dining room, Port Arthur Works. In addition to the members and W. B. Logan, Instructor, there were present the

following special guests: Messrs. L. R. Holmes, M. Halpern, F. P. Dodge, W. K. Holmes, A. S. Patrick, C. D. Norris, F. L. Wallace, L. F. J. Wilking, H. O. Preston, V. B. Peveto, C. L. Hand, Ross Powell, P. L. Gumaer. Those assembled enjoyed very much the talks given by Messrs. L. R. Holmes, F. P. Dodge, M. Halpern, L. F. J. Wilking, W. K. Holmes, W. B. Logan. The students were called upon to express themselves and all were pleased with the opportunity for this special training.

Musical entertainment was furnished by Barker's Orchestra during the course of the dinner. Miss Annie Ruth Blair sang very pleasingly and Mrs. Dickinson rendered a very fine reading. Neal Rader sang, and Miss Coleman with a partner danced. The impromptu part of the program were piano solos by A. M. Martin and M. Halpern. Following the solo by Mr. Halpern, Mr. Martin was called upon and they rendered a piano duet.

The S. S. *Salvation Lass* sailed from Port Arthur early in March for ports in Brazil and Uruguay with part cargo of Texaco products. The photographs shown on next page were presented by Captain C. L. Spicer of the S. S. *Salvation Lass* and by his brother, Captain R. H. Spicer of the S. S. *West Corum*. The Masters of these two vessels are enthusiastic over Texaco products, as they have been carrying these products to South American ports about seven years. We thank them for their interest.

There are souls in this world which have the gift of finding joy everywhere and of leaving it behind them wherever they go.—*Faber*.



Construction of additional tankage for lubricating oils at Port Arthur Works

The TEXACO STAR



Left: Captain C. L. Spicer and wireless operator of the S. S. "Salvation Lass." Center: S. S. "Salvation Lass" discharging case oil at Maceio, Brazil, December 1927. Right: Captain R. H. Spicer of the S. S. "West Corum."



N. Y. Term. Div.—We are glad to learn that F. L. Muckey has improved. Mr. Muckey was stricken with scarlet fever early in March and later complications set in necessitating an operation on his eye. Although recovery may be slow, there has been a turn for the better. The entire office hopes for his speedy recovery and return to his duties.

Norfolk Terminal.—The many friends of Superintendent Charles S. Atwell are glad to learn of his promotion and transfer to the Export Department on March 1. Immediately upon his transfer he was ordered to report to Sydney, Australia, sailing from San Francisco,



C. S. Atwell

March 22, on the steamship *Sonoma*, together with Mrs. Atwell. "Charley" has a host of friends in the Refining Department, both at the refineries and terminals, and they all unite in wishing him success in his new position.

Starting with the Company in May 1914 as an engineer at Port Arthur Works, Mr. Atwell has had a varied experience as construction engineer and in terminal work. In 1917 he went to Mexico as refinery engineer where he remained for two years. He was stationed at Havana, Cuba, in 1920, and was superintendent of the Fullers Earth Plant at Quincy, Florida, for a few months. In 1921

Mr. Atwell was again sent to Mexico for a short while. Prior to becoming superintendent of Norfolk Terminal he was construction engineer of the West Side Area at Port Arthur Works, holding that position about three years.

Although his smiling countenance and genial personality will be missed by his friends in the Terminal Division, we extend to him every good wish for his success in that far off country.

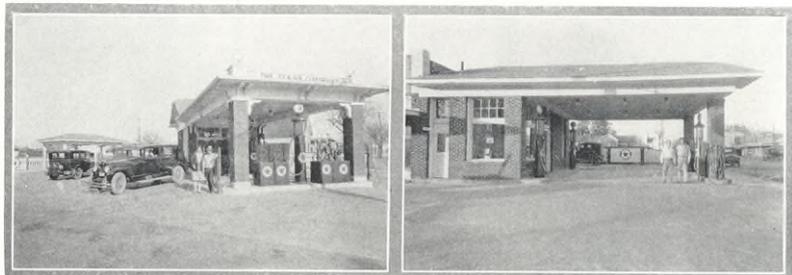
RAILWAY TRAFFIC AND SALES DEPT.

The rank and file of this Department are rejoicing in the well-merited promotion of Walter E. Greenwood to Manager of the Railway Traffic and Sales Department, effective February 1, 1928, although sorry to say good-bye to Mr. Jervis. Mr. Greenwood has had fourteen years experience as Assistant Manager and his friends in the railroad fraternity are legion. In fact, when his appointment was announced it appeared that congratulations were received from every road in the country. Incidentally, Mr. Greenwood is the third manager of this Department in its almost twenty years existence, and he takes over the helm with the hearty cooperation of all his "crew."

The thanks of this Department are extended Mr. Tanham for the opportunity of witnessing a very interesting film entitled "*The Story of Petroleum*." In this connection the following amusing incident occurred: The wife of one of those attending the showing of the film called on the telephone and, asking for her hubby, was told, "He is upstairs at the movies." Whereupon she indignantly replied, "What are you trying to do, kid me?"

To the long list of satisfied railroads using some, if not all of our equipment lubricants, we

The TEXACO STAR



Kelly Tire Service Stations Nos. 1 and 2, Luling, Texas

These stations are models of cleanliness, efficiency, and Texaco service. Kelly Tire Service Station No. 1 is Company owned and leased to Floyd L. Monroe, and Kelly Tire Service Station No. 2 is an L. and L. station licensed to Mr. Monroe, who is shown with his wife in front of station No. 1. Robert Clark and Alton Freikin, employees, are in front of station No. 2. These two stations have frequently been favorably commented upon by tourists and residents and under Mr. Monroe's guidance the gallonage is steadily growing.

have added since the first of the year the Kansas City Southern and the Central Railroad of New Jersey.

We are glad to report that Charles Ervin is back on the job again and going stronger than ever. After his serious illness in 1927, his comeback is nothing short of marvelous.

SALES DEPT. S. TERRITORY

Houston District.—

At Point Isabel, near Brownsville, Texas, great development work is being carried on to make Point Isabel a deep water port and an outlet for the Rio Grande Valley and northern Mexico. Federal Government engineers are now busily engaged in dredging the channel to a depth of about 18 feet. Credit is due Representative B. L. Kowalski, Zone 8, for placing Texaco products aboard the dredging units in the face of keen competition.

Reposing on Creditman Samuels' desk at this time is the much sought after "Collections Goat" which some time ago was sent wandering into Southern Territory by H. G. Symms to stay with that District whose percentage collections were highest for the month. This coveted animal is familiar with the grazing grounds in Houston District, having been with us before. During February Houston District led with percentage collection of 76.01%. We are going to do our level best to keep him.

Agent R. A. Rike, Austin, Texas, is having more than his share of misfortune. He lost his wife on February 26 and his father passed away on March 4. We extend to him our sincere sympathy.



This picture, on first sight, gives the appearance of an old time gasoline pump installed somewhere on the prairie. In reality, it is a mask worn by Gus Lemke, Jr., of Yorktown, Texas, at a recent masquerade ball in Yorktown. Mr. Lemke received many compliments on the ingenuity of his mask, and says he worked on it for several months. He intends wearing this Texaco gasoline pump mask at every opportunity. Mr. Lemke is connected with our very good customers, the DeWitt Motor Company of Yorktown, and is a Texaco enthusiast.

Dallas District.—Captain Frank M. Hawks' visit to our District in the Company's big monoplane was indeed a treat and a success. Great crowds welcomed the plane at Waco,

The TEXACO STAR



Hunting Party in West Texas

Left to right: Station Auditor Tom Hester; Agent Tom Ashley, Big Spring; Agent Jack Hazeltine, Midland. Dogs are named Nabob, Aleph, Pelican, and Draco.

Agents Ashley and Hazeltine are celebrating their 25% increase in sales by bagging five coyotes—one coyote for each 5%—although only four show in the picture.

Fort Worth, Dallas, Wichita Falls, and Amarillo. Many friends and customers made flights, and there were many expressions of appreciation. We look forward with pleasure to Captain Hawks' next visit.

We offer sympathy to Agent J. A. White, Stamford, Texas, for the loss of his father on February 17.

The management of the baseball team report splendid progress. Daily practice and much enthusiasm indicate another successful season.

Oklahoma District.—At the time the *Star* goes to press our District is preparing for the initial flight of the Texaco airplane in Oklahoma City, and great preparations have been made. Announcement of the plane's arrival will be run in two full-page advertisements, the two pages containing fifteen different dealers' cooperative advertisements. From Oklahoma City the plane goes to Tulsa and then to Little Rock, and preparations have been made at each of these towns to give the plane a great send-off.

Division Manager E. J. Nicklos of the Oklahoma Division of the Producing Department advised one of the Sales Department's representatives the other day that Tulsa main station was to be complimented on its appearance, the premises being spotlessly clean. He mentioned that each time he had visitors to Tulsa he made it a point to show them our property. Mr. Nicklos advises that the Tulsa boys deserve lots of credit and that he believes the Sales Department's properties are in better shape than properties of his own Department.

We call it a real compliment to have an official from another Department say this about us.

Salesman Chas. M. Burnham of Tulsa has been appointed Representative of Zone 4 and we're betting on Charlie climbing the ladder to the top round. He started in as stationery clerk in the D. O. in 1922. Go to it Charles! We're backing you to put Zone 4 at the head of the list and show the biggest gain for 1928 of any zone in the District.

Representative Thomas uses a term in describing the Enid, Oklahoma, Station which is very pleasing to the ear. He says, "The Enid Station's appearance is in keeping with the slogan of the city of Enid, *The City Beautiful*." Agent Crane has worked hard on the station and it is as clean, inside and out, as work and effort will make it. "Cleanliness is next to Godliness" and we appreciate every effort our agents put forth in this respect. Really now, doesn't it make you proud to be the agent of a clean, well-painted station, one which any man would be proud to operate? Of course it does.

Agent Tearney of Tonkawa, Oklahoma, has moved his station to a new location, rebuilding his facilities according to T. T. Co. specifications, and is almost ready to go. In fact, he has all his painting done and tank lettered and trade-marked. Congratulations, Mr. Tearney, on your cooperation. Just watch your gallonage grow right from the time your new station begins to operate.

We regret to advise that our former Superintendent of Operations, W. G. Fox, now Operating Auditor, Sales Department Southern Territory, headquarters Houston, is confined in the St. Anthony Hospital recovering from an attack of stomach trouble.

We send a description of a great lumber and manufacturing plant which is recognized as the largest, most modern, most complete, and having the widest diversified production of any similar plant in the country. In fact, it is the only plant of its size and kind to be found anywhere. This plant is lubricated 100% with Texaco lubricants.

The Bradley Lumber Company covers a site of 80 acres just south of the city limits of Warren, Arkansas. With general offices, mills, factories, and warehouses all in one group, it is quite a departure from usual lumber operations because they work their materials from the stump to the finished product, right in the shadow of the forests in which they grew. In addition to operating a double-band mill for the manufacture of rough lumber, they also operate four separate and distinct factories manufacturing Bradley Brand oak,

The TEXACO STAR



Bradley Lumber Company, Warren, Arkansas—Lubricated 100% Texaco

gum, and beech flooring; oak, gum, and yellow pine interior trim; furniture and automobile wood parts; red cedar panels and clothes closet linings; box shooks, etc. All have a combined production of 200,000 board feet of finished products.

The Bradley Lumber Company owns and controls practically 100,000 acres of timber land. They have in one belt along the Saline River, a strip of land fully 75 miles long and several miles wide, the best hardwood and short leaf yellow pine available. Their logging and railroading facilities consist of two American loaders, five locomotives, 114 log cars, and a trackage of approximately 35 miles.

The boiler power consists of two 800 h. p. Sterling and one 500 h. p. Casey and Hedges water tube boilers. Generating equipment consists of one 1500 K. W. Allis Chalmers, one 750 K. W. General Electric, and one 500 K. W. General Electric turbines. The plant, with the exception of the saw-mill, is electrically driven. It has the Grinnell Sprinkler system and standard water supply throughout the entire plant. The 1,000,000 gallons capacity spray pond, 100,000 gallons capacity elevated tank, and 50,000 gallons capacity tank assure a reliable supply of water.

This plant has 18 dry kilns covering an area of 104 x 450 feet, carrying at all times approximately 2,000,000 feet of lumber, which is only a part of their eight to twelve million feet of stock.

Each factory is adequately equipped with modern machinery of the type particularly adapted to its purpose, and each unit is manned by satisfied

workmen skilled in their particular line. The factories are fed by railroads tapping heavy timber holdings running in all directions. For the convenience of their employes and others who wish the utmost in groceries, meats, wearing apparel, furniture, hardware, etc., they operate a department store. Their entire plant is the last word in equipment and efficiency, and their employes average over a thousand.

New Orleans District.—District Manager Dyer sends in the following statement: "For the benefit of suspicious and suspecting



Belize, British Honduras

Agent "Vic" Bryant's quick delivery, on a hurry call for a drum of Golden Motor Oil. Photo sent by a customer in Belize.

The TEXACO STAR



Latest Texaco Dealer
Service Station,
New Orleans, La.

Located at 2000 St. Charles Avenue. J. W. McCauts, owner of the Mack Tire Company and Distributor for Goodrich Rubber Company products, is the proprietor. In view of Mr. McCauts' strong belief in quality products, we bespeak a most successful and profitable career in this addition to his business.

co-workers, and considering the fact that I have not been overburdened with applications of lady stenographers, I would like for all to know that the two young ladies shown sitting on my lap in photo appearing in the February issue of the *Star* are my daughters." (Oklahoma District correspondent, please note.—*Ed.*)

W. I. Cole, formerly with the Bank of Union, Union, Miss., has taken over our Meridian, Miss., Station on commission basis. Due to Mr. Cole's wide acquaintance we are looking for Meridian Station to exceed our 15% increase without any trouble.

Florida District.—Tim Mial, Jr., General Stock Clerk, is the proud papa of a daugh-

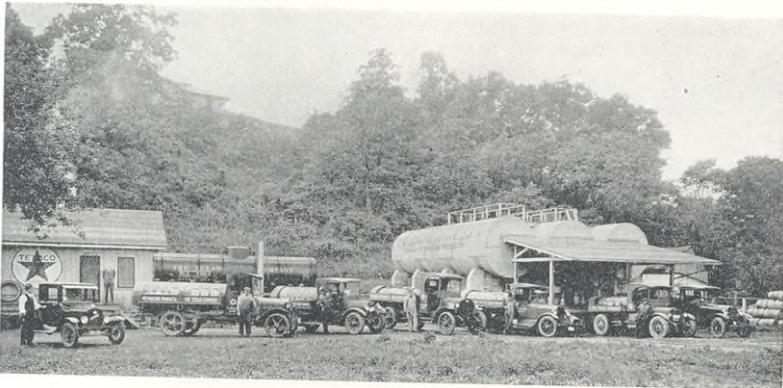
ter born March 7. The little lady is named Della Corinna. Congratulations to Mr. and Mrs. Mial.

Our girls' basket-ball team finished the season by taking fourth place in the City League.

Our boys have pulled on their baseball togs and are practising early and late in preparation for a great season. This bit of advance dope is given as a warning to Atlanta District.

Atlanta District.—We were pleased to have a visit from District Manager B. E. Robertson of Florida District.

Auditor Davis is now making an audit of the D. O. We all welcome him and hope that his stay with us will be very pleasant.



Bulk Station owned by Commission Agent T. J. McLean, Knoxville, Tenn.

This plant has every appearance of a company-owned refined station. Agent McLean with his able organization has built up a splendid gallage since his station was opened two years ago.

The TEXACO STAR



Fleet of tank trucks, recently added to our Greater New York equipment, in front of the Whitehall Building, 17 Battery Place, which houses the New York Offices of The Texas Company.

SALES DEPT. N. TERRITORY

New York District.— The Texas Company recently purchased fifteen Mack $7\frac{1}{2}$ -ton capacity, 1500-gallon tank body auto trucks for bulk delivery of gasoline in Greater New York. On March 28 thirteen of these trucks were driven by the Company's chauffeurs from our Long Island City Shop down Madison Avenue and Broadway to the Whitehall Building at 17 Battery Place, New York City. Our Chauffeurs were then given a luncheon in the Whitehall Building

and photographs were taken of the trucks, after which they were again paraded back to



Royal Service Station, Teaneck, N. J.
One of the most attractive service stations in New York District, at Teaneck Road and State Street.



Display of the T. M. Miles Oil Company at the Milton, Pa., Automobile Show, February 20-25, 1928

The show was a great success from every viewpoint. Over 15,000 visitors were present. This Texaco display was one of the attractions. Over 5,000 pieces of Texaco literature were distributed and the low cold test and non-carbon forming characteristics of Texaco Motor Oils were demonstrated to hundreds of motorists, tractor owners, and automobile mechanics. Many new accounts were opened as a direct result of this display. We congratulate the T. M. Miles Oil Company on their efficient and successful exhibit efforts.

The TEXACO STAR



Clinton Street Bulk Station, Brooklyn, N. Y.

Showing the rebuilt plant, fireproof buildings having replaced wooden structures. Of the original plant only the tanks are still in use.

Long Island City. The size and striking appearance of these trucks in parade and lined up at 17 Battery Place under police escort occasioned much favorable comment.

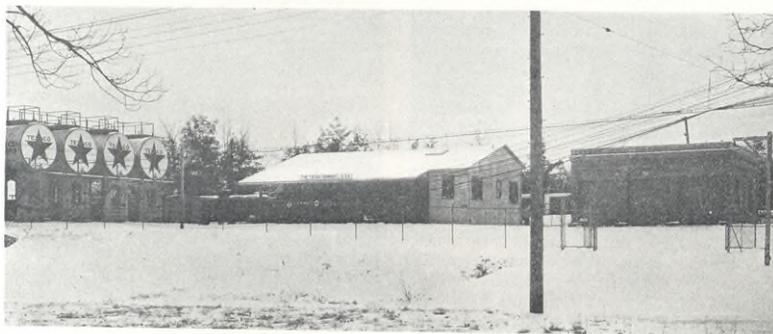
Boston District.—Our display at the Boston Automobile Show, March 10 to 17, was a huge success, as evidenced by the public interest shown. Part of the display consisted of a unique arrangement to show the lubricating characteristics of Golden Texaco Motor Oil at low temperatures. Into an old motor fitted with a double section crankcase and split crankshaft were placed Golden Texaco Motor oil in one section and a competitive oil in the other. One side of the motor was cut out and replaced with plain glass so that the inside of the crankcase could be seen. The oil in both sections was cooled by a Frigidaire arrangement. The display clearly demonstrated the ability of Golden Texaco Motor Oil to flow at low temperatures, and inability of certain competitive oils to flow at similar temperatures.

Crowds watched the exhibition continuously.

We enjoyed a visit from Treasurer C. E. Woodbridge last month. We hope he will drop in to see us more often.

Everybody in the Boston District wants to go to Port Arthur. Joe McHugh, Russ Kibbe, Bill Rodger, and Frank Dow have been telling every one not only what a wonderful time they had on their Port Arthur trip, but what a splendid organization The Texas Company is. All of them learned a great deal more than they knew heretofore—especially Joe McHugh. He won't admit it, but we think he now knows what a "badger" is. The boys wish to thank everybody for the wonderful time and the good care and fine reception tendered them during the trip.

The size of every man depends upon the height of his ideals, the depth of his convictions, and the breadth of his sympathies and interests.—*Gilbert K. Chesterfield.*



New bulk station, Greenfield, Mass.

The tanks are all that remain of the original plant and they have been re-located. The first plant, acquired by purchase, did not show such up-to-date and neat appearance.

The TEXACO STAR



Tillman Service Station
Burlington, N. C.

This lessor-built station at Front and Trollinger Streets was opened January 14, 1928, and on the opening day did a splendid gallonage, including the draining of 47 crankcases.

Norfolk District.—The third annual meeting of employes of the Capitol Oil Company, distributor of Texaco products, was held January 28 at Petersburg, Va. Thirty employes were present and a free discussion of many features of the business, including tanks and trucks, auditing and advertising, collections, credits, and service, proved of interest and benefit to everyone present. The auditor's report showed a satisfactory gain in business over 1926, substantial increases having been made in the output of all products, particularly Golden Texaco Motor Oil. Assistant Manager H. S. Gruet of Norfolk District was present and in an instructive and interesting manner gave an outline of the history of The Texas Company, its policies and products, and its remarkable growth throughout the world. As a result of the meeting the men without exception were filled with a determination to show *An increase in sales on each product for every month in 1928*, which was adopted as the slogan for the current year.

Although failing to win the city championship for the first time in five years, our District basket-ball team made a very creditable showing this year, winning 18 and losing 3 games. They finished in second place, being ousted from the leading position by the Norfolk Police team which won the Tidewater championship in the play-off.

Minneapolis District.—A meeting of all representatives and distributor salesmen was held in the D. O. March 12-14. The indications are that 1928 will be a banner year for Texaco. The Texaco Club entertained with a dance on March 13 at Columbia Hall. All representatives and salesmen attended and a good time was had by everyone.

Although the D. O. audit is not yet complete, Auditors Bailey and Jamieson advise that they

have already received 99.21% verifications of equipment and expect to make it 100%.

Assistant Manager G. S. Mayo recently returned from his vacation spent at Houston. While there he had a pleasant ride in the Texaco airplane.

Representative J. M. McCormick, Zone 6, Sioux Falls, S. D., is the champion badger puller of Minneapolis District, working in competition with Representative Joe McHugh of Boston.

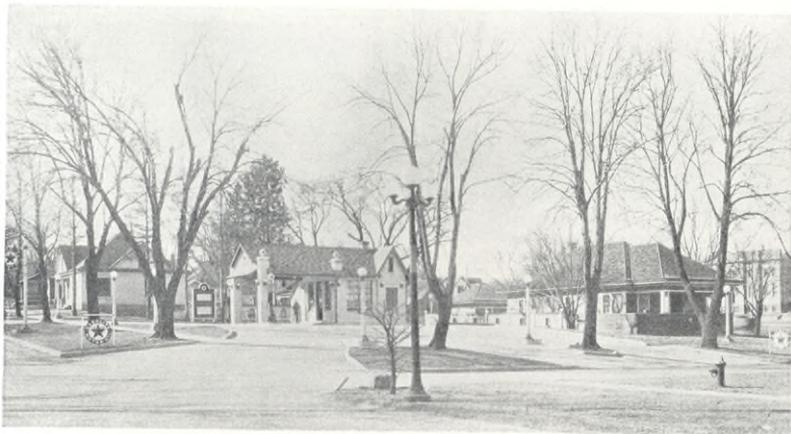


"Queen Jennie" and her escort

Conveyed by the Northern Oil Company's float in the parade at the Winter Frolic in Virginia, Minnesota. Queen Jennie and her escort decided to ride on this float, knowing that it was propelled by Texaco Gasoline and Motor Oil and was therefore sure of having no engine trouble on the ride around the town. The Northern Oil Company are extensive distributors of Texaco products in Minnesota.

The pursuit of joy may be futile and the faking of it an abomination, but there is nothing absurd, for instance, in humbly learning to know the endless things of beauty which are joys forever.—*J. Arthur Thomson.*

The TEXACO STAR



Johnson's Service Station, Auburn, Nebraska—Lessor built

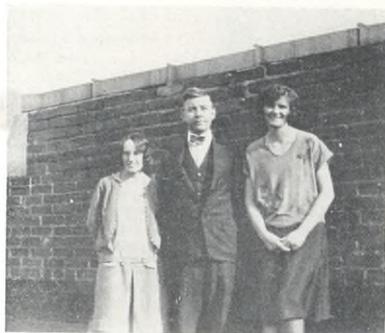
The following letter concerning this station was received from the Auburn Woman's Club:

"The Auburn Woman's Club has noted with great pride and satisfaction the care that was taken by you to preserve the beautiful trees surrounding the new Texaco Filling Station. The artistic effect of the natural surroundings makes the place a real beauty spot and one of the most attractive corners in our city. We are pleased to send you this public recognition of your constructive work."

Denver District.—Leon Hackle, Tabulating Clerk, was united in marriage with Miss Arzelia Butterfass, a former employe, at a very pretty church wedding on February 22. William Bradley and James Askins of the D. O. ushered attending guests to their seats. A dinner for immediate friends followed the ceremony. The couple were presented with an

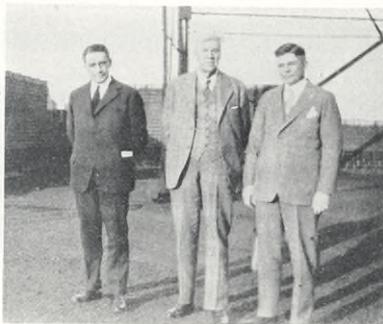
electric percolator by the Texaco Club. We extend best wishes for their continued happiness.

A dinner dance was sponsored by the Texaco



Officers of Denver Texaco Club

Left to right: M. E. Friend, Secretary-Treasurer; B. A. La Garde, President; Lionne Bird, Vice President.



Left to right: A. B. Patterson, General Superintendent, Texas Production Company; F. W. Freeman, General Western Manager; A. R. Wilson, Ass't Secy., Ass't Treas., Texas Production Company.

Our Denver District Correspondent writes: "While we may be out of line submitting news concerning the Producing Department, we would nevertheless be glad to see this picture printed in the Star."

The TEXACO STAR



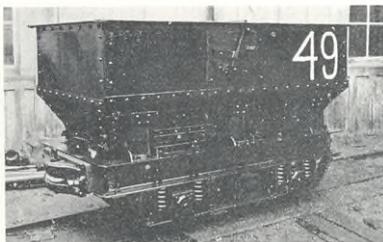
Julesburg, Colorado, S. S. No. 1

"Why municipal authorities are pleased to grant permits for construction of western type service stations." The land occupied by this station was formerly covered by an old dilapidated warehouse. The present improvements speak for themselves. This station was constructed by Foreman J. T. White. Often one is prone to overlook good accomplishments; but from the numerous complimentary remarks received from agents on the service of Mr. White, we must admit he has "It" when it comes to construction. More power to you, Joe!

Club on February 21 on the occasion of election of officers.

Spokane District.—We extend a hearty welcome to the following new agents: R. R. McMillen, Miles City, Montana; G. R. Reed, Ronan, Montana; Victor Christenson, Sandpoint, Idaho.

Representative E. E. Johnson, Zone 6, headquarters Butte, Montana, from February 3 to March 3 inclusive, sold 522 gallons of Harness Oil, Home Lubricant, and Hand Separator Oil, in cans of one gallon size or smaller.



5-ton "Coeur d'Alene" dump car

Equipped with high duty Hyatt roller bearings, manufactured by Coeur d'Alene Hardware and Foundry Company, and operated by Bunker, Hill and Sullivan M and C Company, Kellogg, Idaho. Each car is in service from 6 to 8 months on one application of Texaco Cup Grease No. 3 and runs from 2200 to 2800 miles per year at a cost of 46 cents a car. We believe this is a record for mine car lubrication.

L. D. Crabb, formerly employed in the D. O., has been appointed City Salesman, Spokane, Washington.

ASPHALT SALES DEPT.

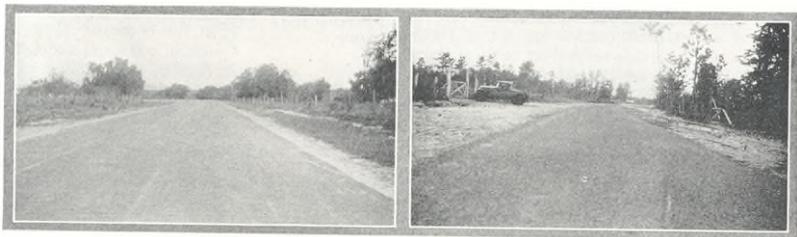
Hillsborough County, Florida, has just completed an 89-mile highway, in the construction of which two Texaco asphaltic products played important parts, according to a report from A. R. Chisolm of our Southern Division. To obtain a maximum of service from the 36,700 square yards of brick which compose



Two views of an electrically illuminated Texaco sign.

This attractive sign is strategically located on National Highway No. 99 between Olympia and Tacoma, Washington. It is maintained by Reynolds and King, Texaco distributors, Tacoma, Washington.

The TEXACO STAR



Hillsborough County, Florida

1. Section of newly completed brick highway. Texaco No. 39 Paving Filler between the bricks makes the pavement waterproof and durable.
2. Section of 89-mile highway in the construction of which Texaco Macadam Binder figured prominently.

the smaller section of the highway, Texaco No. 39 Paving Filler was used between the brick. For the main portion of the Hillsborough County road, which involved 767,487 square yards, a two-course surface treatment was selected. In the seal coat of this section Texaco Macadam Binder was used exclusively.

On March 21, 22, and 23 the A. and M. College of Texas held its annual Short Course in Highway Engineering. A number of distinguished Texas highway engineers spoke before large audiences on the various important phases of road construction and maintenance. Among the speakers on the program was Colonel A. D. Stivers, Superintendent of our Southwestern Division. He appeared twice, once to discuss the merits of Bituminous Macadam Road Construction, and later to set forth the advantages of Sheet Asphalt Pavement Construction. He added to the effectiveness of both talks by showing the two Texaco films which deal with these types of construction.

During 1927 this country spent a greater sum of money on road improvements than ever before in its history. One and a third billion dollars went into the betterment of the nation's streets and highways last year.

"How would you like to be assigned the task of driving a motor vehicle around the world sixty-one million times? Driving constantly at an average speed of 30 miles per hour it would take you 571,000 years. But that is exactly what you would be forced to do could you undertake to duplicate the travel of motorists of the United States during 1927.

"These interesting figures were compiled by the American Road Builders' Association following the Association's report of gasoline consumption during 1927. Motorists consumed 11,563,490,000 gallons of gasoline which at an average of 13 miles to the gallon would mean a total traveled distance

of more than 150,000,000,000 miles. The average consumption per motor vehicle during 1927 was 550 gallons, and the average distance traveled estimated at 7,150 miles on the ultra-conservative basis of 13 miles to the gallon.

"The American Road Builders' Association accredits much of the increased motor travel to the existence of good roads. 'These roads,' it is claimed, 'save from three to four cents for every mile traveled. If all the roads of the United States were improved to a degree proportionate to the amount of traffic they carry, the annual saving in transportation costs would exceed four billion dollars.' (The United States now has 666,900 miles of improved highway, according to the American Road Builders' Association. There is a great demand for additional improved highways in the secondary system.)"

Next to its extensive use in the paving and roofing industries, one of the more important uses of asphalt is in the waterproofing and reinforcing of paper. "Sisalkraft," one of the better known asphalt-treated papers on the market, owes considerable of its quality to the Texaco asphalt used in its preparation.

At Atlantic City, N. J.

The pair behind the two mustaches are Representatives J. Bruce Stuart (without the overcoat) and A. A. Russell, of the Eastern Division of the Asphalt Sales Department. The photograph was taken at the recent convention of highway officials of the North Atlantic States in Atlantic City. Whether Bruce is trying to borrow Rus's overcoat or make a "touch," it is difficult to decide.



The TEXACO STAR

O. F. Reynaud of our Southern Division has written an excellent article on street pavement patching as it is carried on in West Palm Beach, Fla. The article will shortly appear in one of the highway trade papers.

Effective March 1, H. H. John, who previously had been promoting Texaco asphaltic products in western Pennsylvania, was transferred to our New England Division. He is now promoting these products in eastern Massachusetts, Maine, and New Hampshire.

EXPORT DEPT. Effective March 1, 1928, R. Cullinan resigned as Manager of the Export Department in order to devote his time exclusively to his personal affairs. Mr. Cullinan became connected with The Texas Company in 1916 and was appointed Manager of the Export Department in the Fall of 1922. He leaves with the friendship, good will, and best wishes of all with whom he came in contact in the organization.

E. C. Spelman has returned to resume duties in New York after six years' service with The Texas Company (South America) Ltd.

F. M. Hunt has returned from a trip to Italy and resumed duties in New York.

F. G. Keefe and family arrived in New York on January 26 from the Philippine Islands.

R. S. D'Oyly-John, late of our Indian organization, has been transferred to The Texas Company (So. Africa) Ltd. for duty in South Africa.

PRODUCING DEPT.

On March 15 the stork arrived at the home of Abner B. Green, of our Land and Lease Division, with Viola Louise, weight 9-lbs. Congratulations to Mr. and Mrs. Green.

Camp Beaty

A delightful bridge party was held at Camp Beaty, Thursday night, March 15, sponsored by members of the Saturday Afternoon Ladies Bridge Club. Seventeen tables were occupied by enthusiastic players. Delicious refreshments were served. The St. Patrick idea was carried out—score pads, candies, and refreshments being tinted with the particular shade of green. Mrs. V. R. Currie, as official hostess, was highly complimented on the unusual and attractive ideas which she so capably perfected.

CRUDE OIL PRICES AT WELL

March 31, 1928

Penna., Bradford.....	\$2.80	Gray Co.....	\$.60 to 1.26
Other Penna.....	2.65	Reagan Co....	.71 to 1.76
Indiana.....	1.32	Wheeler Co....	.60 to 1.16
Canada.....	1.95	Hutchinson &	
Ragland.....	.95	Carson Cos....	.60 to 1.06
California.....	.85 to 1.36	Gulf Coast....	1.15 to 1.47
Okl., Kas., N.-N. C.-		Markham.....	1.00
C. Texas, N. La.,		Luling.....	1.00
& Eldorado.....	.71 to 1.76	Mirando.....	1.00
Smackover.....	.75 to .90	Wyoming.....	.90 to 1.33
Crane, Crockett,		Colorado.....	.72 to .85
Upton & Pecos Cos....	.60		

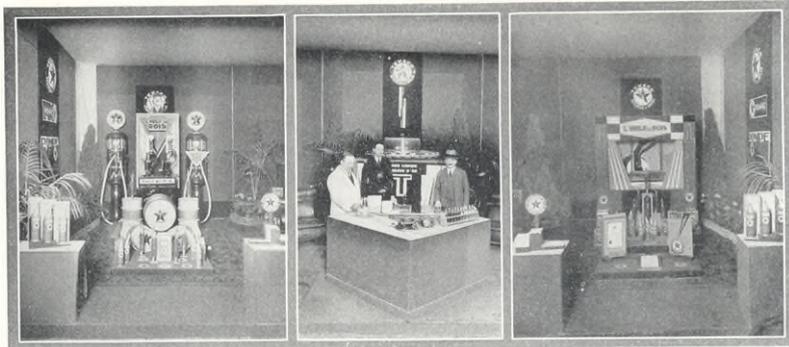


Exhibit of the Continental Petroleum Company (our Belgian subsidiary) at the Automobile Show recently held in Brussels.

Left: Calling the attention of visitors to "L' Huile des Rois" (the oil used by kings). Center: Golden Texaco Motor Oil fountain, and Cold-Test and Hot-Plate demonstrations. The gentlemen are, left to right: Mr. Baguette, Assistant Chemist; Mr. Vincentelli and Mr. Eloy, General Salesmen. Right: Golden Texaco Motor Oil exhibit and other attractive features. The exhibit was a genuine success and had great advertising value.

SUGGESTIVE INDEX OF CURRENT ARTICLES

Journals cited are gladly loaned, if in our library, to persons connected with the Company. The journal or journals called for will be sent by return mail, unless in the hands of some one who has made a previous request—and in the latter case, as promptly as possible. Please give full and exact mailing address.

REFINING. The Recirculating Furnace. L. A. Mekler.—*Refiner and Natural Gasoline Manufacturer*, March 1928.

Underlying Principles of Contact Filtration. L. L. Davis.—*Ditto*.

LABORATORIES. Hydrocarbon Determination in Motor Fuels. W. R. Ormandy.—*Automobile Engineer*, November 1927, 452-3.

Vapor Tension of Natural Gasoline. C. D. Gard.—*Oil and Gas Jour.*, December 8, 1927, p. 138.

Composition of Lubricating Oils from Salt Creek Crude.—*Bureau of Mines Serial No. 2837*.

Use of Doctor Solution in Treating Panhandle Gasoline. G. L. Rowsey.—*Oil and Gas Jour.*, December 20, 1927, p. 250.

Use of Filter Aids in Filtration. *Chemistry and Industry*, 1927, 1144-7.

PRODUCING. Safe Practices at Oil Derricks, II. H. C. Miller.—*Oil Field Engineering*, March 1928.

Methods of Dealing with Paraffin Troubles Encountered in Producing Crude Oil. Bureau of Mines, Technical Paper 414, which may be obtained, at a price of 15 cents, from Superintendent of Documents, Government Printing Office, Washington, D. C.

Application of Power in the Operation of Oil-Well Plunger Pumps. Lester C. Uren.—*National Petroleum News*, March 7, 1928.

Practical Data on the Performance of Hard-Metal-Faced Tools. Results of tests made in Germany and Russia. Hanns Richter.—*Oil Field Engineering*, March 1928.

PIPE LINES. Centrifugal Pumps Prove Superior for Oil-Pipe-Line Service. R. G. Skerrett.—*Compressed Air Magazine*, March 1928.

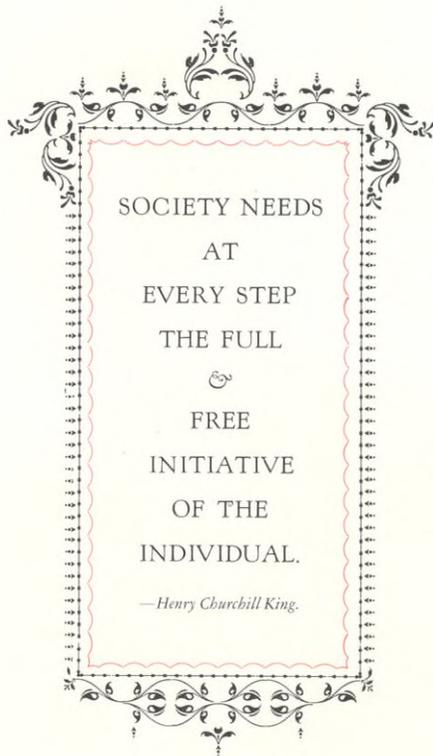
SALES. Station Windows as Silent Salesmen; Expert Tells How to Dress Them. Ward K. Halbert.—*National Petroleum News*, March 14, 1928.

GENERAL. Your Health and Your Business. H. S. Cumming, Surgeon General of the U. S. Bureau of Public Health.—*Nation's Business*, March 1928.



Hecla Mine, Burke, Idaho—Texaco lubricated

Messrs. H. W. Dodge, Manager Sales Department Northern Territory, and Williar Thompson, Manager Norfolk District, explored this rich property down to and including the 2000-foot level in 1926.



SOCIETY NEEDS

AT

EVERY STEP

THE FULL



FREE

INITIATIVE

OF THE

INDIVIDUAL.

—Henry Churchill King.