



SHELLEGRAPH

HOUSTON
REFINERY



'Your Information HOT LINE'

No. 22

Tuesday, October 22, 1963

TO ALL EMPLOYEES

SHELL PRODUCTS DISPLAY CASES GO ON.....DISPLAY

An employee's suggestion a few months ago became a reality last week as three large display cases containing Shell products were placed at three points in the Refinery.

The suggestion belonged to B. A. Hugger of the Refinery's Engineering Services Department. It was his thought that employees would like to see first-hand the many, many products either produced by Shell or using products manufactured by us.

With the help of the local Shell marketing office, the suggestion took shape. Three glass enclosed, lighted display cases were purchased. The cases are currently located in the Cafeteria, the Clockhouse at the Main Gate and the Central Shops Building.

The plan is to change the display once a month, each time highlighting various products so that employees can see - and learn more about - the variety of items being presented.

The first display focuses attention on the need of motorists to make that fall changeover - to prepare the family car for the cold weather driving ahead. And as a special inducement to take their business to their neighborhood Shell dealer, an attractive, waterproof stadium cushion is being offered with the Fall Changeover Special.

LOUISIANA OFFSHORE BOOM

The biggest and in many ways the strangest oil boom in American history is reaching its exploratory climax in the waters of the Gulf of Mexico off the coast of Louisiana. This view was expressed by J. W. Pittman, Production Manager, New Orleans E&P Area, in a recent speech before members of the Louisiana-Arkansas Division of the Mid-Continent Oil and Gas Association.

(Continued on page 2)



B. A. HUGGER (L) and J. S. LARAMORE look over the contents in a Shell products display case. It was Hugger's suggestion that brought the display cases into being.

The checklist of items in the changeover includes:

- 4-quarts X-100 Premium Oil change.....The only ash free motor oil.
- SHELLUBRICATION....The finest automotive lubrication system in the industry.
- 1 gallon SHELLZONE Anti-Freeze...guaranteed to last all winter, protecting the cooling system against freezing, preventing further formation of rust and corrosion in the system.....With FREE refills if needed 'til April 1964.
- Flush cooling system with Shell's Speedy Flush.
- ...And in addition to the above, your Shell dealer will inspect...all hoses, muffler and tail pipe, fan and generator belts, air cleaner, battery and cables, and radiator pressure cap.

In the current display, all the items mentioned above are shown, as well as the seat cushions with the names of either Rice or Houston University - take your pick. And should you want a second cushion, they're available, too, for the nominal cost of \$1.00.....from your neighborhood Shell dealer.

(Continued on page 2)

LOUISIANA OFFSHORE (Cont'd.)

The boom is the biggest of all oil booms in terms of daily capital investment, Pittman said. Including platforms and rigs under construction, the oil industry is spending about \$1,000,000 a day on drilling alone. The over-all cost of one of the 35 to 90 drilling operations now under way ranges from \$8,000 to \$14,000 a day. Differences in cost depend on water depth, distance from shore and size and type of rig.

These figures are particularly significant when compared with previous oil plays. The East Texas field, brought in during the early 1930's, saw the drilling of 1,570 wells during its peak year at a total expense of only about \$205,000 a day. The Scurry County, Texas, boom of 1948 saw the industry spending a total of \$420,000 a day with 200 rigs running.

The Gulf offshore boom is strange, Pittman said, because it is a spending boom and not a quick profit boom. Enormous sums are being spent not in hopes of an immediate return, but in the expectation of long-range benefits.

The boom was spurred by the large and highly competitive lease sales of the past 2½ years. In three Federal lease sales in 1960 and 1962, the oil industry purchased 507 lease tracts embracing some 2,350,000 acres at a total cost of approximately \$735,000,000. The lease terms provide that unless oil and gas production are established within a five-year or operations continuously maintained thereafter, the property must be released.

Simply stated, this means that the industry must bring in production on all 507 tracts by October 1967 or drop them.

Strangest of all, Pittman said, is that the public is not even aware that a boom is going on. Unlike older booms which were accompanied by an overnight expansion of small rural communities or the birth of boisterous new towns, this boom is a quiet and orderly affair. The lure of immediate wealth is absent, and gone also is the brisk trade in leases and royalties by small independent operators. Finally, the operations are taking place in a new and inaccessible environment that is literally over the horizon to the general public.

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SHELL PRODUCTS (Cont'd.)

So watch for the items in our display cases, and look for the new products as they come into the spotlight each month.

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SERA NOTES

BINGO PARTY....Friday, October 25, Shellwood Lodge; 8:00 p.m. starting time. Free coffee.....Candy for kiddies. Members only.

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WEDDING BELLS....

Barbara Foxworth of the Research Laboratory became Mrs. Wade Moon October 5, in wedding ceremonies at the First Baptist Church in Golden Acres. The couple are making their home in Pasadena.

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C L A S S I F I E D S

FOR SALE: Complete furnishing for two-bedroom house. \$250. M. E. Fielder. MI-5-3493.

FOR SALE: Spring and mattress for single bed; good condition; \$120 value for \$45. MI-5-7923.

FOR SALE: Large, three-bedroom house, Deer Park; two baths, 2400 sq. ft.; detached double garage; oversize lot, 90' X 212'. P. V. Womack, GR-9-133C.

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