

Wood River Refinery NEWS

SUMMER 2002

Clean Fuels Project 2004

The Low Sulfur Gasoline Clean Fuels project is paving the way for healthier air in our region, and changing the way we operate and do business. The Clean Fuels Project, regulated by the Environmental Protection Agency (EPA) under the Tier II phase of the Clean Air Act, will help all Americans breathe easier by significantly reducing the sulfur content of all gasoline pollution emitted from motor vehicles. Because sulfur in gasoline degrades a vehicle's emission control system, all gasoline producers are being required by the EPA to lower the sulfur levels of the gasoline they produce. In our case, gasoline sulfur will be reduced from the current average of 380 ppm (parts per million) to less than 80 ppm sulfur in 2004 and to an average of 30 ppm sulfur by 2006.

Needless to say, the Phillips team has been hard at work developing and implementing a solution to lower the sulfur content in our gasoline streams. We began tackling this project in early 2001, finalized a solution April 2002, and have now begun to implement these changes to our gasoline streams. We expect the project to be completed and on stream by November 2003.

The project will utilize the site of the idle DAU in the Lubes area to install a new Cat Naphtha Splitter (CNS). Fractionation of our full range FCC naphtha will take place both in this new splitter column and in the existing C-6 column. The new Splitter will separate 44 MBD of FCC gasoline into light, intermediate, and heavy fractions. Feed to the column will come from the FCC Gas Plant Debutanizer and Rich Oil Still columns. The new splitter will utilize some existing equipment and infrastructure and install a new column and reboiler as well as new pumps.

The process units for this project, Cat Naphtha Splitter (CNS) and Heavy Cat Naphtha Hydro Treater (HCNHT), will be located in two currently idle units, CDU and DAO, which are near the Lubes area of the plant. Some existing equipment is being used in this sulfur-reduction project, but much new equipment had to be purchased as well, with additional minor work at C-6 and the GHT. The cost of this project is estimated at nearly \$100 million.

The existing Rich Oil Still and C-6 columns will provide 19 MBD fractionation capacity in parallel with the CNS. The C-6 overhead system will be debottlenecked and reliability improvements made.

When finished, Phillips will produce gasoline that contains less than 80 ppm sulfur content by 2004. Though we chose the most cost-effective

(cont. pg. 3)

Refinery Management Team sets refinery Mission, Vision and Values

The Refinery Management Team has been working for some time to get their view of the Wood River Refinery Mission, Vision and Values down on paper. In addition to their own discussions, the RMT sent early drafts of the MVV to all employees for feedback and sponsored several focus groups to gain more input. At a recent extended workshop, the RMT concluded their work and prepared the statement introduced here.

As this work has progressed, members of the RMT and employees throughout the plant have asked, "Why create a Mission, Vision and Values for Wood River? Doesn't Phillips have a Mission Statement already?" The answer, of course, is that Phillips does have a Mission Statement [see box below] and we at Wood River are an important part of that mission. Nevertheless, the RMT believes that Wood River needs its own statement, one that can stand for the refinery throughout the uncertainties that have been a part of our history for the last 10 years.

A statement of Mission, Vision and Values starts out as words on paper. For the statement to have meaning, it must become a part of how the work of the refinery is accomplished, it must be the guidepost that shows the path for all our decision making. To ensure that all employees have a chance to discuss the statement and think through how it can affect their approach to their jobs, the RMT will be helping to lead a series of discussions on the Mission Vision Values.

Initially, the RMT will engage refinery supervisors in a discussion of the statement and its purpose. The RMT has plans to meet with senior supervisors to review the priorities for Wood River, as seen in light of the refinery's mission and the vision for our future. These supervisors will be asked to provide feedback to the RMT on the positive changes they have observed over the last

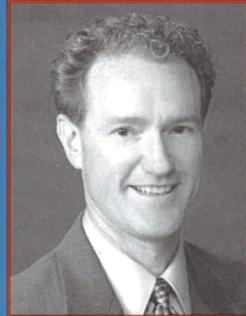
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GRADUATE ISSUE



Refinery Manager's Corner...

by Forrest Lauher



Through the middle of June, Wood River is doing well on controllable performance, although the market environment is much less favorable than last year. With only four recordable injuries and no lost-time injuries, Phillips employees are on track to set a new safety record in 2002. Contractor safety performance is improving, but still unacceptable with an OSHA rate above 3.0. SH&E initiatives have been ranked to ensure that the highest priority items are addressed first.

Environmental performance is also on track to set a record for the second year in a row. There has not been a dock spill in over one year, and the new cyclones at CCU-2 have significantly reduced air violations.

Reliability initiatives are improving unit on-stream factors and reducing maintenance costs. Multi-year programs to improve infrastructure are making the refinery safer and more reliable. A greater focus on predictive and preventive maintenance will help reduce repair costs. The turnaround process is being revamped to help reduce maintenance costs. Spending in all areas is being scrutinized to ensure that the expense budget is met for the year.

Energy initiatives are receiving greater attention thanks to the newly formed energy team. Steam leaks and vents across the refinery have been reduced, heater and boiler efficiency is improving, and higher priority is being placed on returning energy recovery equipment to service. The Reverse Osmosis Unit has started up, which will improve energy efficiency and reduce waste disposal costs.

Gross margin productivity continues to improve thanks to good operations across the refinery and capital upgrades at CCU-2, the SMR, and Vacuum Flasher No. 1. Seasonal alkylate storage was used to produce record volumes of reformulated gasoline in April and May. A CCU-1 yield improvement project is under development for CCU-1. Phase I of the Wood River low-sulfur gasoline project is under way.

People continue to be a top priority with efforts to rebuild the business unit teams and engage everyone in improving the business. The management team commitment to a common mission, vision, and values was communicated to the work force. With your continued support, Wood River will achieve the vision of becoming a leader in our industry as measured by safety, operating excellence, and profitability. Thanks for your continued dedication and commitment – together we will win the game!

MISSION, VISION AND VALUES (Cont.)

year and on additional changes the supervisors believe would be critical to achieving the vision. Over the next several months, each of these supervisors will be meeting with their own work groups to discuss the Mission, Vision and Values and to seek input from all employees on the changes they think are necessary to our continuing success.

The Mission, Vision and Values are a starting place for each of us as employees to focus on how we can help Wood River be successful. We can think about how our jobs contribute to the vision, we can honestly examine how well we have lived up to the values, we can commit to doing a little more, a little better, each day.

WOOD RIVER REFINERY MISSION, VISION AND VALUES

MISSION

The Wood River Refinery processes crude oil into higher-value, quality products for our customers. Safe, environmentally responsible, efficient, and reliable operations are the cornerstones of our business.

VISION

We will be a leader in our industry as measured by safety, operating excellence, and profitability. We will successfully meet the expectations of our shareholders and customers while at the same time meeting the needs of our employees and neighbors.

VALUES

Safety, Health, and Environment

We provide a safe workplace for our employees and contractors. We are a responsible neighbor who protects the environment and the health and welfare of our community. We comply with the laws governing our business.

Integrity

We regard integrity as the foundation for positive working relationships. We are honest in all communications. We make ethical choices. We follow through on our commitments and commit fully to our decisions.

Respect

We treat each other with dignity and respect. We appreciate and listen to others' opinions. We provide a workplace that values diversity and is free from harassment.

Excellence

We respond to opportunities, pursue challenges, make timely decisions, and learn from our experiences. We encourage self-motivation, innovative thinking, and personal development. We recognize positive results and individual contributions.

Working Together

We enhance strong individual performance through cooperation, information sharing, and teamwork. We work together to achieve common goals, challenging our co-workers to improve continuously. We celebrate our successes.

Accountability and Ownership

We take responsibility for our actions and are accountable for our decisions. We make every decision and complete every task with the attitude of an owner having a long-term stake in the success of the refinery.



Rand Avenue Sewer Project Completed

The Rand Avenue Sewer Project was completed in early Spring. The repairs to the sewer caused Rand Avenue to be shut down for approximately a year. We thank all the residents of Hartford and the Mayor and Trustees of Hartford for being so patient with us during this project. In the picture above, Hartford Public Works Director Jim Hickerson talks with Chris Haefner and Alan English (Ambitech Engineer) about resurfacing of Rand Avenue. The road repairs were made following the project.

Phillips Scholarships Awarded



Pictured from left to right: Justin Huebener, Kristina Rengel, Forrest Lauher, Kathryn Dalton, Michael Anderson.

The Phillips Petroleum Dependent Scholarship has been awarded to four students of Wood River Refinery employees.

The four-year scholarship is worth \$2,000 a year. Any dependent child of a Phillips employee who is a graduating high school senior was eligible to apply for the scholarship. Fifty scholarships have been awarded to students. The local winners of this scholarship are:

Michael R. Anderson, son of Roy Anderson
Kathryn M. Dalton, daughter of Ed Dalton
Justin P. Huebener, son of Daniel Huebener
Kristina M. Rengel, daughter of Tim Rengel

Each of these students and their parents were honored by Phillips Wood Refinery Plant Manager Forrest Lauher at a dinner on May 20 at Moonlight Restaurant. Additionally, two local students were chosen as alternates for the scholarship.

Jessica Allison, daughter of Mark Allison
Tasha Thomas, daughter of Keith Thomas

Those who are chosen as alternates have the opportunity to receive the scholarship if any of the original awardees are not able to meet all the guidelines set by Phillips.

Congratulation to all these students for their achievements.

CLEAN FUELS PROJECT 2004 (Cont.)

solution for this project, ultimately these gas streams will have a higher cost of production due to utility, operations and maintenance of the equipment. However, when we are required to further reduce sulfur content to 30 ppm in 2006, there will be no need of an additional investment of new equipment or reworked equipment in these units. Future work, if required for desulfurization, will occur in other process units.

The idled CDU in the Lubes area will be revamped to process 28 MBD of heavy cat naphtha. The unit will be operated similar to a conventional hydrotreater with an additional bed of special catalyst. The product out of this unit will have a sulfur level less than 5 ppm S. A significant portion of the idled equipment, including the heater, reactors, and compressor will be reused. New equipment includes a stabilizer column and additional heat exchange.

The existing GHT unit will be switched from processing cat naphtha to treat light straight run gasoline. Additionally, significant work is included in the project for infrastructure modifications.

The Phillips project team during the development of a sulfur-reduction solution was led by Dave Hutton, and consisted of Greg Witte, Becky Talley, Jack Brisky, Bill Cloyd, and Dave Carpenter as key players. The project execution team's current members are leader Stuart Mills, with Dave Eglinton, Greg Witte, Jack Brisky, Dave Carpenter, Ed Cope, Clint Rybak, Kevin Gimmy, Mike Johnson, Pam Rush, and help from numerous support personnel. Mills and Eglinton recently have transferred to Wood River from the Phillips' Sweeny and Borger refineries and both have valuable experience within Phillips in executing projects. Additional employees, under the direction of Val Huntsman, will be required for daily operation of the equipment.

TreeHouse Wildlife Center, Inc. receives Employee Volunteer Grant

The TreeHouse Wildlife Center benefited not only from the volunteer service that Don Johnson, Operating Engineer in Alky, gives to the facility, but his taking advantage of the Phillips Petroleum Corporate Employee Volunteer Grant program.

Don filled out the Employee Volunteer Grant application and has received \$1,000 for TreeHouse to develop a brochure for the facility. The grants are available to employees who volunteer time with organizations and can be applied to either a specific improvement project or an event.

Not only has Don secured the funding for the brochure project, he will continue to volunteer his time at the facility to specifically help complete the brochure project. Don is personally taking many of the photos which will be used throughout the brochure.

The TreeHouse Wildlife Center is a non-profit, all volunteer organization dedicated to the preservation of Native American Wildlife. It was established in 1979 to care for orphaned and injured wildlife and is located in Fosterburg, Illinois.

He was on hand in late May to present the check to TreeHouse on behalf of the Phillips Wood River Refinery.

Anyone interested in learning more about Employee Volunteer Grants can visit PhilNet for more information.



Adele Moore, director of TreeHouse, along with Mocha, a Short Eared Owl, are presented the \$1,000 donation by Alky Operator Don Johnson, and Melissa Erker, Public Affairs Supervisor. Mocha was taken to TreeHouse after being hit by a passenger car. The Short Eared Owl is on the Illinois Endangered Species list.

Dock operations flowing great

All the employees working in the area of the dock have a lot to be proud of. On June 10th the area celebrated one year without a spill to the river. A spill is considered to be as little as a drop. Our last spill was approximately one pint of diesel from a newly installed Cat Feed Line. Past years have plagued us with about 6 incidents per year.

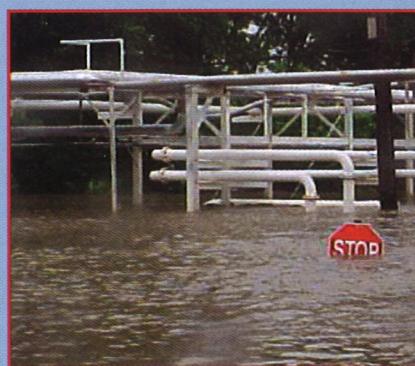
This outstanding accomplishment can be credited to many things. There has been increased operator surveillance and higher awareness of all employees in this area over the past few years. At the same time, our operators and supervisors have worked harder to build relationships between dock personnel and the towing companies, independent tankering companies, and inspection companies to prevent incidents and spills at our facility.

Improvement projects also continue in this area. Recently there have been great efforts made in dock cleanup that have included fresh paint, redefining ditches, and removal of fence lines and cluttered areas. Also, spill containment projects are underway to include: more efficient Benzene loading arm and vapor hose, surge suppressors on the camera system, upgrade gauging system on sump tanks, demolition of the old truck rack system and several underground lines, and the elimination of several lines and valves that were no longer in service. The team also worked hard to eliminate several potential leak points that were found during the annual line testing activities.

The onset of spring flooding added to the challenges that the employees face everyday in keeping the waters free of product. Late May rains caused a sudden burst of flooding and brought the Mississippi River levels up to levels not seen for a few years. Although those operating in this area were presented with challenges, all rose to the occasion. This benchmark was reached despite the very high waters and all the debris that comes with the flooding.

The results are plentiful in this area because of the commitment of those who work there. In addition to the record, the operators and those who support this area continue to show their commitment and ownership to their very specialized area.

Congratulations to the all the operators and staff that work in this area for your hard work throughout the year and for accomplishment of one year without a spill.



2000 GRADUATES

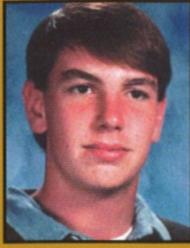
Josh Grenzebach

Southern Illinois University –

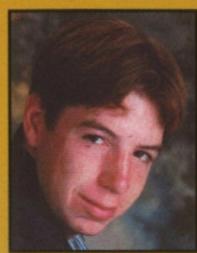
Carbondale

Carbondale, IL

Josh is the son of Kathy Grenzebach – Business Planning/Volumetrics. Josh graduated in 2000 from


Southern Illinois University-
Carbondale with a
B.A. – Architectural.
*Logan Community
College*
Carbondale, IL

Josh then graduated from Logan Community College in June 2001, with a degree in Construction Management-A.A.S. and is currently working at A.A.I.C., Collinsville.



Kyle Grenzebach

Alton High School

Alton, IL

Kyle is the son of Kathy Grenzebach – Business Planning/Volumetrics. Kyle graduated from Alton High School in 2000 and is currently attending Lewis & Clark Community College for CAD Technology.

Phyllis M. Mayes (No Picture)

Greenville College

Greenville, IL

Phyllis is currently working in Onsite Operations and graduated in 2000 with a B.S. in Leadership/Organizational Effectiveness from Greenville College where she was on the Dean's List.

SSG Melissa M. Mendoza

Aviation Soldier of the Year for 2000

Aviation Training Brigade

Fort Rucker, AL



Melissa is the daughter of Dave Mendoza – Offsite Operations. Melissa was selected as Aviation Soldier of the Year for 2000 recognizing the skill, professionalism and dedication she

repeatedly demonstrated during the award period. Owing to a shortage of officer manpower within the Aviation Training Brigade's S-3 section, Mendoza, a junior staff sergeant, was appointed the brigade

flight operations officer – a position normally held by a senior warrant officer. She was responsible for the management of training assets and resources consisting of four base fields, 12 stage fields, an aerial gunnery range, 112 leased remote training sites, more than 700 instructor pilots and some 550 aircraft. She was also responsible for the brigade's search-and-rescue program and the Aviation Pre-Accident Plan. She received this award from a four-star General and was the first female to receive this award in its history.

Kori Wieckhorst



*Marquette Catholic
High School*

Alton, IL

Kori is the daughter of Barb Wieckhorst – Human Resources. Kori graduated with honors from Marquette Catholic High School in 2000. *Southwestern Illinois College*
Belleville, IL
Kori then graduated from Southwestern Illinois College with a degree as a CMT (Certified Massage Therapist). She is currently employed as a CMT.

Lynette Zirges (No Picture)

Saint Louis University

School for Professional Studies

Lynette is currently working in the Human Resources Department and graduated in 2000 with a B.A. in Organizational Studies/Psychology. Lynette graduated Summa Cum Laude.

2001 GRADUATES

Carrie Schroeder

Southern Illinois University -

Edwardsville


Edwardsville, IL
Carrie is the daughter of D.L. Schroeder – Aromatics. Carrie graduated in 2001 from Southern Illinois University – Edwardsville with a B.S. in Elementary

Education. She was also on the Dean's List. Carrie is currently teaching Sixth Grade in the Ferguson/Florissant School District.



Clayton Kaufman-Dickson

Edwardsville High

School

Edwardsville, IL

Clayton is the son of Douglas Kaufman-Dickson – Human Resources. He graduated from Edwardsville High School in 2001, and is currently attending Illinois State University majoring in Computer Science.

Melissa K. Pfeiffer

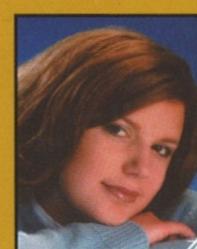


Edwardsville High

School

Edwardsville, IL

Melissa is the daughter of Randy D. Pfeiffer – Environmental Operations. She is a 2001 graduate from Edwardsville High School. She was a President's Leadership Scholar, received the President's Combined Ability award and a Women's Athletic Scholarship for Golf. Melissa is currently attending Truman State University as a pre-med student.



Kacie Wieckhorst

Marquette Catholic

High School

Alton, IL

Kacie is the daughter of Barb Wieckhorst – Human Resources. Kacie graduated from Marquette Catholic High School in 2001 and is currently attending Southern Illinois University in Edwardsville.

2002 GRADUATES

Jessica M. Allison



Edwardsville High

School

Edwardsville, IL

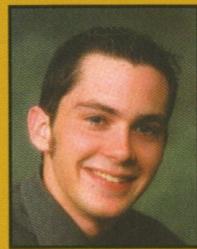
Jessica is the daughter of Mark Allison – Business Planning/Finance. Jessica has received the National Merit Commended Student Scholarship, The Bank of Edwardsville Scholarship and the YWCA Future Leader Scholarship. She plans to attend Olivet Nazarene University in Bourbonnais, Illinois, where she is a scholarship winner.

Nicole (Nicki) Alvey*Triad High School
Troy, IL*

Nicki is the daughter of David J. Alvey – Distilling/Gas.

Nicole received the Magna Cum Laude Metal for Academic Achievement,

President's Award for Educational Excellence, named in Who's Who Among American High School Students for two consecutive years. She plans to attend Southern Illinois University at Edwardsville.

James R. Benner*Jersey Community
High School
Jerseyville, IL*

James is the son of Robert T. Benner – Distilling/Gas.

James has enlisted in the United States Marine Corps.

**Monica E. Cain**
*Alton High School
Alton, IL*

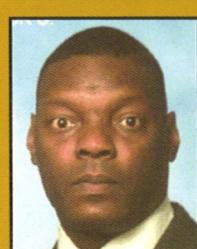
Monica is the daughter of Mark V. Cain – Maintenance.

Monica has received the Alton Optimist Scholarship and a

Federal Marine Study Grant. She has been listed three times in the Who's Who Among American High School Students. After graduation Monica plans to attend Southampton College, Long Island University to study Marine Biology.

Frederick Carpenter

Lieutenant U.S. Army Reserves



Missouri
Fred Carpenter, Asphalt Supervisor, received a Presidential Direct commission as an Officer in the United States Army Reserves from the Secretary of

the Army. Fred is currently assigned to the 728th Quartermaster Petroleum product and pipeline distribution unit as Staff Sergeant Terminal Supervisor. He has served previously as an Infantry Drill instructor at Fort Benning, Georgia and Ft. Knox, Kentucky and was recently awarded the Army Accommodation Medal in Okinawa, Japan, July of 2001 for exemplary

performance. Fred's new military position will place him as a Lieutenant in charge of one of two Missouri Petroleum Product and Pipeline distribution units.

James I. Carter, Jr.*Southern Illinois
University –
Edwardsville
Edwardsville, IL*

James is the son of Marge Everage – Distilling. James graduated from Southern Illinois

University at Edwardsville with a B.S. in Sociology. He will be venturing to California to pursue a career in the entertainment field.

**Matt Corey**
*Roxana High School
Roxana, IL*

Matt is the son of Stan Corey – Maintenance. Matt has received a football scholarship and

plans to attend William Penn University in Iowa.

**Kara Christine
Cummins**
*Civic Memorial High
School
Bethalto, IL*

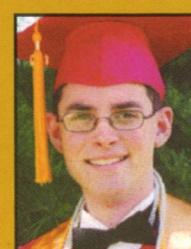
Kara is the daughter of Brad Cummins – Pressure Equipment

Engineering. After graduation, Kara plans to continue her education toward a career in social services.

**Katie Dalton**
*Oakville Senior High
School
St. Louis, MO*

Katie is the daughter of Ed Dalton – Maintenance. She is

the recipient of the Phillips Petroleum Scholarship, Mehlville School District NEA Scholarship and was a member of the National Honor Society. After graduation she plans to attend the University of Missouri – St. Louis.

**Kyle M. George**
*Ranken Technical
College*

St. Louis, MO
Kyle is the son of Al E. George – IT Services. He graduated with an Associate

of Technology degree in Industrial Electricity/Electronics. He was on the National Dean's List, Phi Theta Kappa – Alpha Tau Chi Chapter President and the 2002 Student of the Year. After graduation he plans on working for Johnson Controls doing HVAC programming and work in the film industry in St. Louis as a Grip, Gaffer, Electrician and FX Specialist.

David Gusewelle*University of Missouri – Columbia
Columbia, MO*

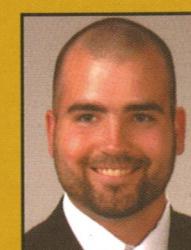
David is the son of Wayne Gusewelle – Project Engineering. He graduated Magna Cum Laude with a B.S. in Business Administration. David received two Merit Scholarships at Vanderbilt University where he plans to attend Law School.

Sarah Haefner*Collinsville High School*

Collinsville, IL
Sarah is the daughter of Chris Haefner – Projects. She was an Illinois State Scholar member of the National Honor Society and received the McKendree College Presidential Scholarship. She plans to attend McKendree College after graduation.

Justin P. Huebener*Southwestern High School*

Piasa, IL
Justin is the son of Dan Huebener – Aromatics East. Justin is the Valedictorian of his Senior Class, National Honor Society President and Editor of the Yearbook. Justin is the recipient of the Phillips Petroleum Scholarship and plans to attend Washington University in St. Louis.

**James R. Hutton***St. Louis University
St. Louis, MO*

James is the son of David Hutton – Projects. He graduated Cum Laude, received the National Merit

Scholarship – Shell Companies, and the St. Louis University Dean's Scholarship. James graduated with a B.S. in Marketing.

Karla Marie Killam



*Alton High School
Alton, IL*

Karla is the daughter of Karl Killam – Cracking. She was a member of the Quill and Scroll; 1st Team All-Area Girls Soccer 2001, 2002; AHS

Coaches Award Girls Soccer, 2002; 1st Team All-Conference Girls Soccer 2001; and 3rd Team All-Conference Girls Soccer 2002. After graduation she plans to attend University of Missouri – Columbia.

Jeremy S. Klokkenga

*University of Illinois
Urbana-Champaign, IL*

Jeremy is the son of Kevin W.

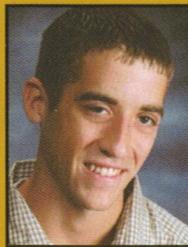


Klokkenga – Asphalt Plant. He was listed on the U of I College of Liberal Arts & Sciences Dean's List and the National Dean's List. Jeremy graduated with a B.A. in Speech

Communication.

Joshua D. Klokkenga

*Roxana Community High School
Roxana, IL*



Joshua is the son of Kevin W. Klokkenga – Asphalt Plant. He was a member of the National Honor Society and was listed on Who's Who Among American High School

Students and received the Partner in Education Academic Scholarship. After graduation Joshua plans to attend Illinois State University to major in Business Administration.

Kristie Kohlmiller

*Edwardsville High School
Edwardsville, IL*



Kristie is the daughter of Michael Kohlmiller – Cracking. Following graduation from Edwardsville High School she will be attending Southern Illinois University at



Kyle W. LaTempt

*Roxana High School
Roxana, IL*

Kyle is the son of Jack J. LaTempt – Aromatics East. He was listed as Who's Who Among High School Students.

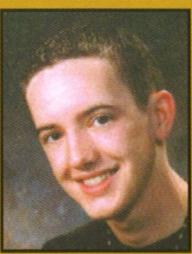
After graduation Kyle plans to attend Southern Illinois University at Edwardsville majoring in Environmental Studies.

Shaun Michael McGowan

Southwestern High School

Piasa, IL

Shaun is the son of Kenneth M. McGowan – Cracking. After graduation from Southwestern High School, he plans to attend Lewis & Clark Community College in Godfrey.



Christian McVey

*Civic Memorial High School
Bethalto, IL*

Christian is the son of Robyn McVey – Distilling. After graduation from Civic Memorial High School, Christian plans to join the U.S. Army.

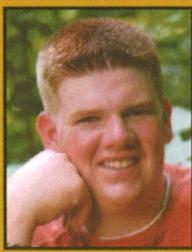


Jennie Rachael Moidel

*Edwardsville High School
Edwardsville, IL*

Jennie is the daughter of Ronald A. Moidel – Control Systems Engineering.

She is an Illinois State Scholar, Ohio State University College of Engineering Freshman Scholar and recipient of the Buckeye Plus Scholarship. After graduation Jennie plans to study Geomechanical Engineering at Ohio State University, Columbus, Ohio.



Timothy D. Moore

*Triad High School
Troy, IL*

Timothy is the son of Dan Moore – Maintenance. He is the recipient of the Southwestern Illinois College Activities

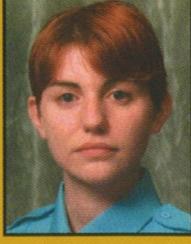
Music Scholarship and Randallynn Grater Guardian Angel Award. He is

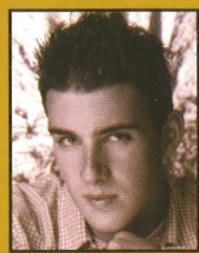
also the USA, VICA Illinois State Officer. After graduation he plans to attend Southwestern Illinois College.

Karen Morrison

Jefferson College Police Training Institute

Hillsboro, MO

Karen is the daughter of Michael Morrison – Gas. She has received her Class A Post Certification and plans to obtain a position as a police officer.



Ricky Myers

Bethel Christian Academy

South Roxana, IL

Ricky is the son of Richard E. Myers – Maintenance. After graduation Ricky plans to attend

Lewis & Clark Community College in the Fall.



Michelle Rogers

*St. Louis University
St. Louis, MO*

Michelle is the daughter of Richard Rogers – Maintenance. She received the Fr. Paul Reinert Honorary

Community Service Award, was the St. Louis University Chairman Food Drive for Poor, and the St. Louis University President of Panhellenic Council. She graduated with a B.A. in Psychology/Theology. She plans to take a year's leave and apply for Medical School in the Fall 2003.



Janelle Schoenleber

*Concordia University
Seward, NE*

Janelle is the daughter of Keith Schoenleber – Inspection/Pressure Equipment. She

received her degree in Elementary Education and plans to teach Second Grade at Messiah Lutheran in St. Charles. She was on the Dean's List for eight semesters graduating with honors. She received the NAIA All-American Scholar Athlete in Softball, 2001 & 2002.





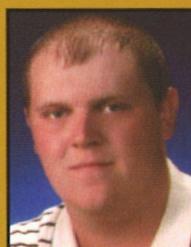
Brett M. Schrewe
*St. Louis University
St. Louis, MO*
Brett is the son of Judy Schrewe – Administration. He graduated Summa Cum Laude with a B.A. in Chemistry

and minors in Biology, Russian, and Theology. He was a member of Phi Beta Kappa his Junior year and Alpha Epsilon Delta his Sophomore year. After graduation Brett plans to attend "Intensive Czech Language" course at Prague University, Summer, 2002; he has been accepted into Jesuit Volunteer Core for School Year 2002-2003; and will be attending Medical School beginning Fall, 2003.



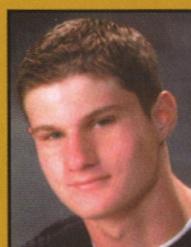
Jamie Schroeder
*Roxana High School
Roxana, IL*
Jamie is the daughter of D. L. Schroeder – Aromatics. She was the recipient of the Quincy University Honors Scholarship,

East Alton American Legion Scholarship and the Wood River Lions Club Scholarship. After graduation Jamie plans to attend Quincy University.



Steven R. Scott
*Southwestern High School
Piasa, IL*
Steven is the son of Randal Scott – Maintenance. Steven has not confirmed plans after

graduation from Southwestern High School in Piasa, IL.



Billy Simmons
*Civic Memorial High School
Bethalto, IL*
Billy is the son of Bill Simmons – Distilling. He was a member of the National Honor Society and the Spanish National Honor Society. He was an Illinois State Scholar and received the Presidential Scholarship at South Eastern College, Lakeland, Florida, where he plans to study Business.



Elissa Simmons
*Southern Illinois University – Edwardsville
Edwardsville, IL*
Elissa is the daughter of Bill Simmons – Distilling. She graduated Summa Cum

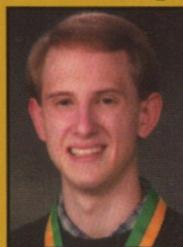
Laude and was on the Dean's List. After graduation she plans to be a Middle School or Elementary School teacher.



Jeffrey Smith
*Staunton High School
Staunton, IL*
Jeffrey is the son of Denny Smith – Operations. He is a multi-year member of Who's Who Among American

High School Students, was on the Honor Roll all four years of high school and exceeded Illinois Learning Standards on Prairie State Achievement Tests. Jeffrey plans to attend Ranken Technical College majoring in Industrial Electricity.

James E. Spurgeon II



*Southern Illinois University – Edwardsville
Edwardsville, IL*
James is the son of Terry M. Spurgeon – Distilling/Gas. He was listed on the Dean's List twice and

received his B.S. in Mass Communications. After graduation he plans to move to California and become a motion picture director/producer.

Meghan J. Strazar
*Southwestern High School
Piasa, IL*

Meghan is the daughter of Tony F. Strazar – Maintenance. She received the Western Illinois University

Division I Softball Scholarship. She was a member of the National Honor Society and the Alton Telegraph All Area Softball Team Player for the last three years. After graduation she plans to attend Western Illinois University majoring in Child Psychology.



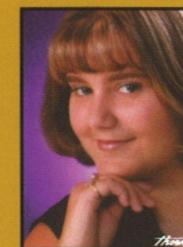
Jeanne L. Swanner
*St. Louis University
School of Law
St. Louis, MO*
Jeanne is the wife of Dan Swanner – Business Planning. Jeanne graduated from St. Louis

University School of Law with her Doctor of Jurisprudence. She also received the Health Law Certificate. After graduation she plans to study for the bar exam.



Stephanie Voumard
*Edwardsville High School
Edwardsville, IL*
Stephanie is the stepdaughter of Jim Heinemeier – Pressure Equipment

Inspection. Stephanie has received a Field Hockey Scholarship, been listed in Who's Who of American High School Students for two years straight and has been selected for Futures – National Field Hockey. After graduation Stephanie plans to attend Lindenwood University for Pre-Med and Field Hockey.



Marissa Wilcut
*Southwestern High School
Piasa, IL*
Marissa is the daughter of Joe Wilcut – Cracking. After graduation from Southwestern High

School, Marissa plans to attend Hickey Business College for Administrative Assistant.



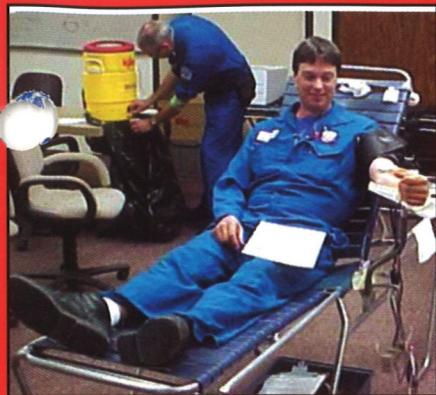
Monica Wolff
*St. Louis Community College
Florissant, MO*
Monica is the daughter of Monie Palmer – Maintenance. She was listed on the Dean's List for

Academic Scores. She graduated with an Associates Degree in Deaf Communications. After graduation she plans to be an Interpreter for blind/deaf or autistic children.

Clinton Worley (No Picture)
*Staunton High School
Staunton, IL*

Clinton is the son of Stephen Worley – Maintenance. After graduation from Staunton High School he plans to attend WyoTech in Laramie, WY for Auto Collision and Refinishing Technology.

Blood Drive



On June 12, 64 donors showed up to support the Refinery Blood Drive held in the Fuels Building. Thanks to all of those who participated. As seen in the picture, our donors kept a smile on their faces before, during and after giving the gift of life because they knew they were helping someone in need when the blood supplies are at critical levels during the summer. Our next blood drive is scheduled for September 17.

Motor Tour Visits Refinery History Museum

Classic cars, road enthusiasts and folks just out for a fun weekend made the Wood River Refinery History Museum their first stop this year during the Annual Illinois Route 66 Association Motor Tour.

The event held the weekend of June 8 & 9 traveled the historic Route 66 Highway in Illinois from the Chain of Rocks Bridge to Chicago. Because of the refinery's and museum's proximity to the "Mother Road" and the key part that fuels played in keeping American's driving during the history of Route 66, the Motor Association made the refinery museum a part of this year's tour.

Retiree Ollie Schwallenstecker chaired the planning for the downstate portion of this year's motor tour. Along with including the refinery and the museum in the tour, he was able to work with Trailnet to have the Old Chain of Rocks Bridge opened for the Motor Tour to drive across a portion of the original route.

On the day of the event, more than 175 cars from classics to brand new "roadsters" packed into the refinery parking lot. Over 300 people accompanied these cars, enjoyed breakfast outside the museum and packed the museum to see the refinery's interesting collection of petroleum history here at Wood River.

Retiree volunteers from the museum hosted the guests coming into the museum, while volunteers from the refinery took over the traffic direction and parking lot detail to see that all the cars could arrive and depart with ease.

Thanks to all those who helped with this exciting event. We proved to be great hosts to the Route 66 Association.



Cafeteria celebrates 1 year



The cafeteria staff pulls names for prizes given out in celebration of the cafeteria's first anniversary. Pictured from left to right are Dianne Isaak, Mary Jones, Carol Taylor, Ave Michaels, Andy Funk and Trudy Wallis.

April 23, 2002, marked one year since the re-opening and renovations to the River's Edge Café. To celebrate the anniversary, employees were given \$5 gift certificates for the cafeteria. The staff at the River's Edge also celebrated the date with special menu items for the week and with cake and punch on the anniversary of the opening. Employees eating at the cafeteria were encouraged to use their gift certificates and were entered into a special drawing for a wide variety of prizes.

We encourage all employees to come and eat in the café. Breakfast is served from 5:15 a.m. to 8:30 a.m. Lunch is from 10:30 a.m. to 12:30 p.m.



Service Anniversaries

July

1 Year

Herschel Evans
Stan Pedigo

5 Years

Melissa Erker

25 Years

David Garcia
David Crockett
Ches McKee
Gina Nicholson

30 Years

Pat Jordan

September

1 Year

Thomas Beasley
Steve Bergen

10 Years

John Askounis

25 Years

Gary Bourland
Randal Scott
Terry Brawley

30 Years

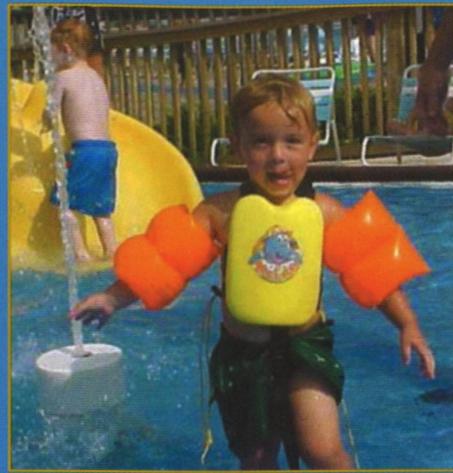
C. R. Wilson

35 Years

Wayne Bannister



Family Day



Imagine yourself floating down a lazy river on a hot summer day. Okay, if you are more adventurous, imagine jumping into the waves as they come pounding towards you. If you are wild at heart, try being flushed down a whirlpool and plunging into a six-foot pool of water.

If any of these activities sound like fun to you, then you need to join us at Raging Rivers on July 27, 2002. Employees of the Wood River Refinery are invited to attend the family day at the water park.

Last year was our first year at Raging Rivers. All those who attended can attest to having the times of their lives and so will you if you join us this year.

Time: 2 p.m. to 9 p.m. (from 7 p.m. to 9 p.m. exclusive to employees and our families)

Date: July 27, 2002 (Rain Date: 8/10/2002)

Place: Raging Rivers Water Park - Grafton, IL

Ticket Information:

\$7 for employees and immediate family members

\$14 guests of employees (non-immediate family members)

Parking and meal included in price.

Dinner will be served between 4:30 p.m. and 7 p.m.

Tickets must be purchased in advance by Tuesday, July 23, 2002. Please call Gwen Baalman at 255-2216 for ticket information.

RAGING RIVERS
WaterPark

Appreciating our Volunteers

Each year, many of the Wood River Refinery employees volunteer their own time on projects sponsored by or for the refinery. Throughout 2001, more than 86 employees and their families gave of their time on a wide variety of different projects.

The week of April 22 this year was the official Volunteer Appreciation Week. In order to celebrate this week, all the volunteers who worked on projects through Community Relations/Public Affairs were invited to breakfast on April 25 as our way of saying "Thank You".

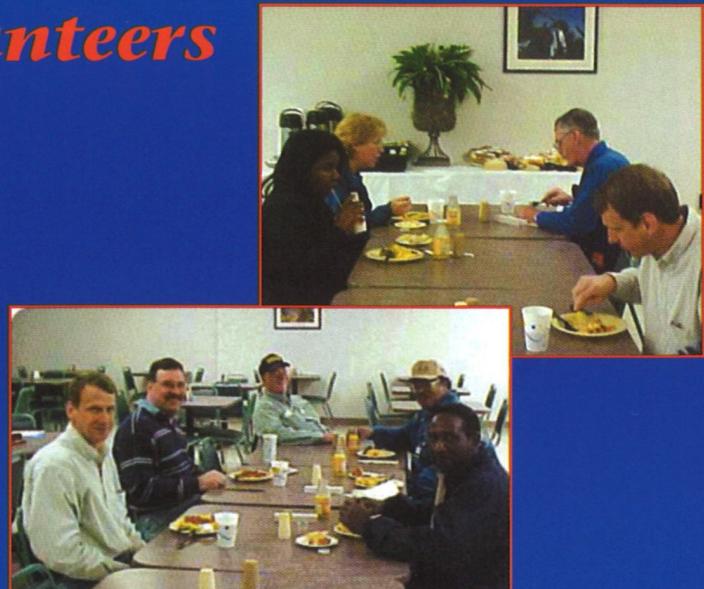
Some of the projects our volunteers took on this year included: working on a Habitat for Humanity House; judging science fairs throughout the region; supporting the Relay for Life Cancer Society event with a team; walking in Halloween parades; and assisting with functions for our employees like our First Anniversary Celebration and our annual Children's Holiday Party.

Thanks to all of you who helped out! We appreciate all your support. We have many upcoming opportunities to volunteer throughout 2002. The following are just a few of the upcoming events in which we will need volunteers. If you are interested in volunteering for one of these events, please call Gwen Baalman at 255-2216.

WHAT: Safety Calendar/Coloring Contest
WHEN: July, 2002
TIME: During Work Day as scheduled
WHERE: Wood River Refinery
DUTIES: Planning Committee; Sub Groups

WHAT: United Way Campaign
WHEN: July/August, 2002
TIME: During Work Day as scheduled
WHERE: Wood River Refinery
DUTIES: Organization Committee; Solicitation; Wrap Up

WHAT: Habitat For Humanity
WHEN: Saturday, September 14 & 28, 2002
TIME: 8:00 a.m. - 12:00 noon (??)
WHERE: South Roxana
DUTIES: Unknown at this time



The following are our 2001 Volunteers!

Gary Abner
Mark Allison
John Askounis
Nancy Aud
Gwen Baalman
Andy Barnes
Larry Barringer
Scott Barton
Dave Batty
John Bauer
Gary Bourland
Mary Brand
Jerry Brooks
Joan Brooks
Jeff Brown
Steve Bruns
Fred Carpenter
Jerry Casteel
Michelle Clemons
Sherry Colligan
Barbara Crincoli
Carla Crump
Larry Dallas
Marvin Denton
Melissa Erker
Steve Erslon
Leroy Ganzer
Al George
Rick Haase
Allison
Hainsfurther
David Havis
Gerard Jacquin
Paul Jordan
Jim Keenan
Evelyn Kent
Jim Koen
Loretta Koster
Jane Langendorf
Cathy Lanter
Jack LaTempt
Forrest Lauher
Dave Levy
Mike Loehr
Tony Lutz
Pat Maher
Russ Manahan
Butch Mays
Don McReynolds
Gloria Moellering
Dave Mohr
John Moore
Larry Morrow
Monie Palmer
Randy Pfeiffer
Sandy Porter
Bev Quigley
Robin Rader
Jay Rankin
Brian Roberts
Mary Roberts
Shirley Roderfeld
Lori Saba
Kevin Saul
Bill Schmidt
Judy Schrewe
Dennis Schrumpf
Randy Scott
Bob Semanik
Brian Semmler
Juanita Sepulveda
Tony Shan
Al Shook
Gale Smay
Lee Speicher
Jim Strohbeck
Dan Swanner
Mike Tomlanovich
Rich Ufert
Joe Wade
Barb Wieckhorst
Sandra Williams
Tammy Windham
Clyde Wiseman
Greg Witte
Lynette Zirges





Welcome

New Hires

Nikisha Logan

Process Development – Major Projects

John Thoubidoux

Rotating Equipment – Reliability

Karen Long

Inspection & Maintenance – Reliability

Transfers

Pete Stynes

Onsites

Calendar of Events

July 27 – 2:00 p.m. – 9:00 p.m. – Family Day at Raging Rivers Water Park, Grafton (Rain Date of August 10, 2002)**July/August** – United Way Campaign**September 2** – Labor Day**September 14 & September 28** – Habitat For Humanity, South Roxana**September 17** – 6:00 a.m. – 12:00 p.m. Blood Drive, Phillips 66 Wood River Refinery**October 12** – 9:00 a.m. Fall Golf Tournament, Rolling Hills Golf Course, Godfrey

Wood River Refinery NEWS

SUMMER 2002

**WOOD RIVER REFINERY NEWS
SUMMER 2002**

Phillips Wood River Refinery publishes Wood River Refining News for employees at its Wood River Refinery. P.O. Box 76, Roxana, IL 62084 618-255-2216 Fax: 618-255-2552 Melissa Erker, Editor Gwen Baalman, Managing Editor

