



REVIEW

Wood River, Illinois

Vol. 26 No. 2

May, 1963

First Quarter Net Up 22 Per Cent

Consolidated net income of Shell Oil Company and all wholly owned subsidiaries amounted to \$46,595,000, or 77 cents a share, in the first quarter of 1963, Monroe E. Spaght, President, announced late last month at the annual shareholders' meeting. This is the highest first quarter net income in the Company's history, exceeding the 1962 period by 22 per cent. Net income in the first quarter of 1962 was \$38,267,000 or 63 cents a share.

A seven per cent increase in refined product sales and improved

operating efficiency contributed to the record results, Mr. Spaght said. Automotive gasoline sales were seven per cent higher than in the first quarter of 1962.

Shell plans a continued high level of capital investment in all phases of the business, as well as extensive commitment of funds to research and development and to exploration for crude oil and gas reserves.

"There are reasonable grounds for predicting that prices for the year 1963 should at least equal their 1962 average," said Mr. Spaght, "and even though net earnings for the next three quarters may not show as large an improvement over 1962 as those of the first quarter, we are quite confident that the present steady progress will be maintained."

Annual Shell Queen Dance to Be Friday, May 24



ATTRACTIVE CANDIDATES for Shell Queen of 1963 are (from the left) Linda Klope, Engineering Field; Betty Jackson, Compounding; Mary Kay McCormack, Lubricating Oils; Mary Kay Bucher, Treasury; and Sharon Schmidt, Purchasing-Stores. One of the five young ladies will be elected Shell Queen of 1963 by ballots cast by male Staff Refinery employees, and she will be crowned in ceremonies at a dance at the Mineral Springs Hotel in Alton May 24.

One of five attractive young ladies will be chosen Shell Queen of 1963 late this month and crowned in ceremonies at the annual Shell Queen Dance Friday night, May 24, at the Mineral Springs Hotel in Alton.

The five candidates are Mary Kay Bucher, Treasury; Betty Jackson, Compounding; Linda Klope, Engineering Field; Mary Kay McCormack, Lubricating Oils; and Sharon Schmidt, Purchasing-Stores.

The new queen will be selected by ballot by male Staff employees, and she will be crowned by last year's Shell Queen Beverly McCoy, Telephone Switchboard Operator. The dance will begin at 9 p.m., and coronation ceremonies will be at 10. Music will be provided by Bill Berutti and his orchestra.

Tickets to the dance, at \$1.00 per couple, may be purchased from any of the queen candidates and selected representatives in the Refinery.

Biographical sketches of the candidates follow:

Mary Kay Bucher is the youngest of the candidates both in years of age and length of service with Shell. Mary Kay, 18, began work for the Company just last June following her graduation from Marquette High School in Alton. She has served in the Stenographic Section of the Treasury Department all of her time at the Refinery. In high

school, Mary Kay was a member of the Marquette REVIEW staff, the Dramatic Club, Glee Club and was active in other school activities. She is active now in the Lambda Chi Sub Debs and Shell Recreation Association women's bowling and golf leagues. Her home is in Godfrey, and she is a member of St. Ambrose Catholic Church in North Alton.

Betty Jackson is 25 years old and lives in Alton. She began work for Shell in 1958, in the Compounding Department, where she now is employed. She was graduated from the Alton High School, and attended night school at SIU. She is a member of the Sanford Avenue Baptist Church. Her hobbies are swimming and bowling. Betty's husband, Steve, is a student at Southern Illinois University in Alton.

Linda Klope is 22 and lives in Alton, where her husband, Allen, is a reporter for the ALTON EVENING TELEGRAPH. She began work for Shell in June, 1958, in the Compounding Department. She also worked in Stenographic and Research Laboratory before transferring to Engineering Field in June, 1962. Linda attended Alton Senior High School, where she played in the concert band and sang in the chorus. She has since attended night school at Southern Illinois University and has received a secretarial science certificate. She is a member of the National Secretaries' Association. She is a member of the Alton Evangelical United Church of Christ and

(Continued on Page 2)

Expansion Plan Now Under Way For Anacortes

Plans for substantial expansion and modification of Shell's Anacortes Refinery include a major revision of the crude distillation facilities and the construction of additional storage for 350,000 barrels of oil.

The expansion is necessary to meet increased demands for Shell products in the Northwest, and to increase the refinery's flexibility in handling crude of varying qualities. Completion of the first phase of the project is slated for the fall of this year, and completion of the total project is scheduled for the spring of 1964.

Also included in the project is the modification of the alkylation plant to increase its capacity to about 2,500,000 barrels of alkylate a year. A new catalytic process unit for butane isomerization, which uses a special process developed by Shell, will be installed to augment the alkylation plant feed stocks.

To complement these facilities, the water cooling system will be

(Continued on Page 2)

Dianne Schuette Wins Shell Scholarship

Dianne B. Schuette, attractive 18-year-old daughter of Elmer C. Schuette, Tractor Operator, Engineering Field Department, is the

winner of a Shell Oil Company sponsored National Merit Scholarship. Her four-year college scholarship is one of 25 the Shell Com-

panies Foundation, Inc., sponsors each year.

Dianne will use the scholarship next year when she enrolls at Washington University in St. Louis, where she will major in mathematics. She plans to teach high school mathematics upon her completion of college studies.

A senior at Highland High School, she is president of the National Honor Society, a member of the Junior Classical League, editor of the school newspaper, the HIGHLAND BULLDOG, a member of the yearbook staff, a student librarian and a member of the Future Teachers of America chapter.

She was a district and sectional Latin contest winner a year ago and won the "Woodman of the World" history award her sophomore year. She was a 1962 Girls' State delegate and has been a member of the 4-H Club for seven years. Miss Schuette is past presi-

(Continued on Page 2)

Employee's Son Earns Scholarship For Princeton's Graduate School

Roger Lee Cooke, 21-year-old son of Ralph Cooke, Pipefitter 1st, Engineering Field, has accepted a National Science Foundation Fellowship and will attend Princeton University graduate school at Princeton, N. J.

Cooke, who has been offered two other graduate school fellowships for next fall, will receive his bachelor of arts degree from Northwestern University June 15. He has been attending college only three years, is a mathematics major and has been

on the dean's list of honor students all through his college years.

At Princeton, young Cooke will work toward a doctor's degree in mathematics. The scholarship pays his tuition, plus a part of living expenses.

Cooke has been attending Northwestern on a General Motors scholarship. In his first year, he received an extra scholarship, awarded to an outstanding mathematics student at the university. He is a member of Pi Mu Epsilon mathematics honorary fraternity and Phi Eta Sigma men's scholastic honorary fraternity.

Before entering college he was pianist for three years at Bethel Methodist Church at Dow and organist for Alton Chapter Order of DeMolay. He is a 1960 graduate of Alton High School.



Roger Cooke



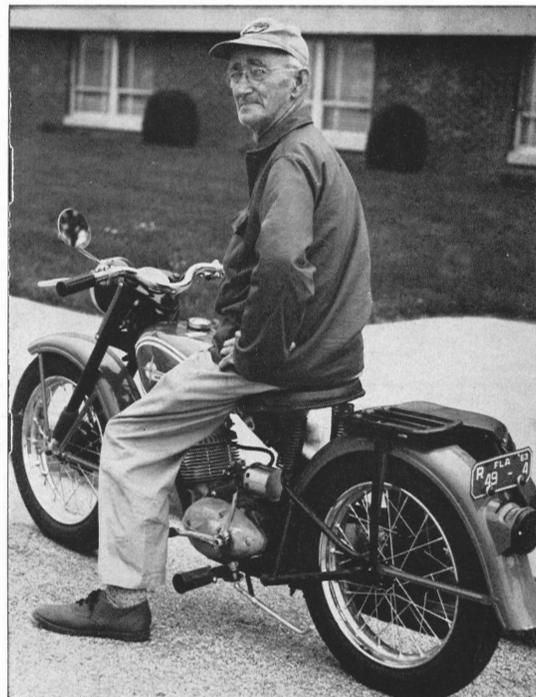
Dianne Schuette



SURPLUS REFINERY INSTRUMENTS were donated recently by Shell Oil Company to the East Alton-Wood River Community High School. Shown here examining some of the instruments are (from the left) Chief Engineer C. C. Wuth; Wallace G. Stevenson, Director of Adult and Industrial Education at the high school; and J. W. Stallings, Assistant Manager Engineering Services Department.

Anniversaries

<p>L. J. Kennedy Tr.-Eff. Cont. 35 Years</p> 	<p>J. A. Edgar Research Lab 30 Years</p> 	<p>C. J. Wenger Eng. Services 30 Years</p> 
<p>R. M. Eckman Refinery Lab 25 Years</p> 	<p>W. A. Mehs Eng. Field 25 Years</p> 	<p>L. Saottini Eng. Field 25 Years</p> 
20 Years		
<p>H. E. Schaefer Eng. Field 25 Years</p> 	<p>E. W. Bloemker Eng. Field</p> <p>W. E. Burgdorf Eng. Field</p> <p>L. B. Corlew Eng. Field</p> <p>J. E. Grapes Eng. Field</p> <p>W. B. Miller Alkylation</p> <p>G. J. Novak Aromatics</p> <p>H. E. Retzer Dispatching</p>	<p>N. L. Richey Experimental Lab</p>
15 Years		
<p>W. L. Blind Compounding</p> <p>R. J. Robinson Eng. Field</p>		



RETIREE MOTORCYCLIST E. H. Waltz, 75, is shown here in front of Wood River Refinery's Main Office Building on the motorcycle he planned to ride back to his home in Alva, Fla. Waltz came to the area by bus to visit relatives, including a daughter, Ellen Robbins, Operator-Key Punch, Treasury Department. His son purchased the new motorcycle here, and Waltz brought the Florida license plate with him. After using the new machine to visit relatives in Illinois and Missouri, Waltz embarked on the 1,400 mile trip back to Florida. Waltz was an electrician at the Refinery prior to his retirement, and has been riding for many years.

Crude Reserves Down Slightly at End of 1962

The nation's estimated recoverable reserves of crude oil at the end of 1962 decreased slightly from the previous year, while the estimate for natural gas liquids increased slightly. The total reserves of all liquid hydrocarbons registered a net decrease. The estimates of crude oil reserves have decreased twice before - - - in 1957 and in 1960—and the estimate for all liquid hydrocarbons has declined once before—in 1957.

According to annual reports issued by the American Petroleum Institute and the American Gas Association, estimated reserves of crude oil stood at 31.389 billion barrels at the end of 1962—a decrease of 369 million from the previous year. The reserves estimate for natural gas liquids is 7.312 billion—an increase of 262 million. Thus reserves of all hydrocarbon liquids stand at 38.701 billion barrels—a decrease of 107 million from 1961.

Proved reserves of oil and natural gas liquids are those that can be recovered by production methods now in operation. They do not include oil in unproved portions of partly developed fields, or in strata favorable to the accumulation of oil, but as yet untested. These estimates are reviewed and revised every year, and are influenced by such factors as new discoveries or a slowing down of exploration activity.

Annual Shell Queen Dance May 24

(Continued From Page 1)

works in the office of the church. Her hobbies include listening to classical and popular music.

Mary Kay McCormack is 26, and resides in Gillespie. She began work for Shell in April, 1957, in Stenographic, and has worked in Engineering Services as well as Lubricating Oils. She attended Gillespie High School, where she was a drum majorette, and also was a candidate for prom and homecoming queen. She has since attended Southern Illinois University at Carbondale, and night school at SIU in Alton. She is a member of Gillespie Catholic Church. Her hobbies include baking, dancing and embroidery.

Sharon Schmidt, 22, lives in Wood River. She began work for Shell in June 1959, in the Purchasing-Stores Department, where she now is employed. She is a

graduate of Wood River-East Alton Community High School, where she was in the chorus and pep squad and was editor of the school yearbook, THE OILER. She now is attending night school at SIU in Alton. Sharon sings in the choir and teaches Sunday School at St. John's United Church of Christ in Wood River. She also is active in the Protestant Young Adults of Madison County. Sharon is active in the Shell Recreation Association and is secretary of the SRA Women's Bowling League.

Expansion Plan

(Continued From Page 1)

extended, and a new gasoline solvent treater will be installed. Completed in 1958, the alkylation unit produces a high-octane aviation gasoline component which is blended into premium grade Shell gasoline.

Geological Research Field Growing

New developments in geological research are causing an acceleration in that field comparable to the growth of chemistry 30 or 40 years ago under the stimulus of atomic physics. This view was expressed by Dr. Harold Gershinowitz, Chairman of the Royal Dutch-Shell Group Research Council, in a recent speech given in Houston at the 48th annual meeting of the American Association of Petroleum Geologists.

Among the new developments Dr. Gershinowitz cited were: The rapid advance of tools for studying solids and for analyzing minute amounts of material rapidly and accurately; and the development of mathematics for handling the complex problems of tectonics and fluid flow. He said the greater use of mathematics, physics, chemistry and biology is expanding the frontier of geological research.

Dr. Gershinowitz noted that in

the petroleum industry's expenditures for research, the share devoted to exploration and production research increased from 30 per cent (about \$58 million) in 1956, to 39 per cent (about \$123 million) in 1961.

Shell Drilling Deep Well in Wyoming

Shell Oil Company plans to drill nearly four miles into the earth in search for oil in Wyoming's Wind River Basin. The wildcat well is scheduled to be the deepest Shell has ever drilled in Wyoming, and one of the deepest to be drilled in that state by any oil company.

The well is being drilled in Fremont County's Pavilion Field in which Shell already has an interest in five shallow gas wells and now hopes to open the area to deeper production as well.

Dianne Schuette

(Continued From Page 1)

dent and junior leader of the 4-H Club and represented Madison County at the Junior Leadership Camp at Monticello in 1962.

Active in church work, Miss Schuette is president of the Youth Fellowship at the Salem United Church of Christ in Alhambra and is an assistant teacher in the church's summer Bible School.



ATTENDING SHELL'S MANAGEMENT COURSE at the Arden House Campus of Columbia University last month were T. C. Graham, Process Superintendent, and D. L. Severe, Manager Treasury. They are shown above in separate photographs (Graham at left, Severe at right) with Shell's Executive Vice President D. B. Kembal-Cook. The photos were taken while the two men were attending the course.



Shell Review

Published monthly for the employees of the Shell Oil Company, Wood River Refinery.

W. F. OSTERLOH Editor

Address Communications to Editor, Shell Review, Box 262, Wood River, Illinois. Phone 342

Easter Egg Hunt Photos



THE SRA EASTER EGG HUNT on Kendall Hill April 13, was its usual popular event. An estimated 600 persons attended. Some of the young winners are pictured above. At upper left is Darlene Hlavsa, 5-year-old daughter of Joe Hlavsa, Pipefitter. She is holding a white rabbit she won in the hunt. At upper center is 4-year-old Laura Moon, daughter of Field Machinist Robert Moon, holding her prize, a musical doll. Holding a stuffed rabbit she won (at center right) is Patrice Milford, 5, daughter of Charles Milford, Pipefitter. At lower left, with chocolate egg on his face is 16-month-old Kelly Clark, who ate his candy prize, or at least part of it, while seated on his mother's lap. Young Kelly is the son of John Clark, Operator, Lube D&D. At lower right is the array of prizes the SRA had on hand for the hunt. Joe Hmurovich, Painters, shown beside the prizes, was chairman of the event for the SRA. Doughnuts and coffee were available for adults attending and ice cream for the children at end of hunt.



Reprinted by special permission of The Saturday Evening Post © by The Curtis-Publishing Company.

SRA Members Will Enjoy Dues-Free Year in 1963

Members of the Shell Recreation Association will enjoy a dues-free year in 1963, the SRA Board of Governors announced this month. Refinery employees who are members through the payroll deduction plan of paying membership dues will not have dues deducted from their paychecks this year. Those who were members in 1962, but not under the payroll deduction plan, also enjoy the dues-free year, since cards issued last year also will be honored in 1963.

The SRA programs for 1963 are well under way. The annual Easter Egg Hunt, traditionally the kick-off of the SRA's yearly activities, was held Saturday, April 13. Golf instructions for female SRA members and wives of members began in late April, the annual Refinery golf season is getting under way, and three teams are participating in an Industrial Trapshooting League. The annual fishing contest began May 1.

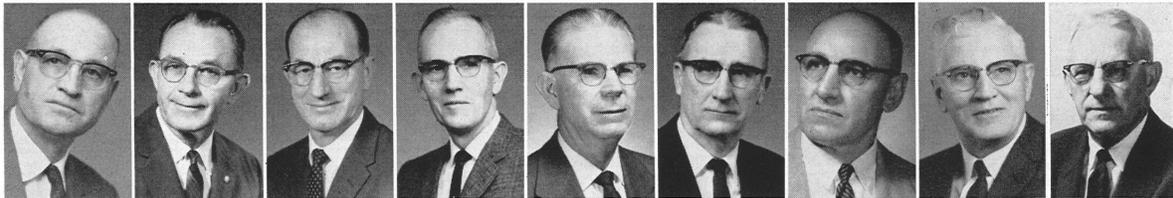
SRA officers said the athletic and social activities of the organization could be continued this year with funds available and elected not to have any membership drive or dues deductions.

Additional activities are planned for the summer, fall and winter months and will be announced by the SRA Board of Governors at a later date.

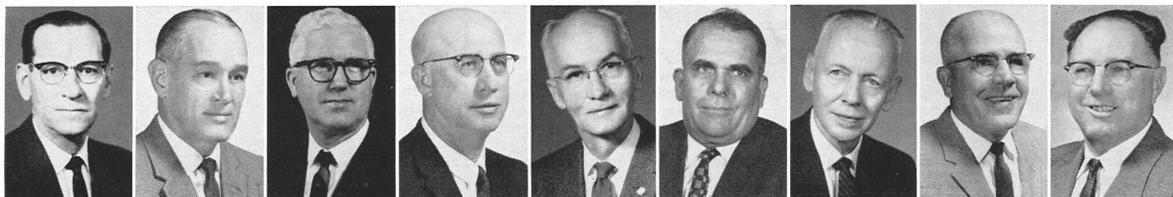
Retirements



C. M. Adams Eng. Field O. Bardelemer Compounding D. W. Cravens Cat Cracking R. M. Dodson Eng. Field W. J. Dover Eng. Field C. P. Edsall Exp. Lab J. R. Ferguson Eng. Field W. I. Franklin Tr.-Eff. Cont. H. J. Frye Utilities D. H. Gardner Eng. Field



J. L. Hall Eng. Field H. G. Hanson Tr.-Eff. Cont. W. J. Haun Dispatching T. R. Hawk Eng. Field G. A. Herndon Ther. Cracking J. A. Howdeshell Utilities W. P. Howerton Utilities H. V. Kirby Tr.-Eff. Cont. W. B. Leonard Dispatching



H. E. McCarthy Distilling E. T. Maguire Refinery Lab W. K. Miller Eng. Field J. L. Nagy Eng. Field L. J. Roper Refinery Lab F. C. Schuette Eng. Field L. T. Witter Utilities S. W. Woods Eng. Office C. A. Zumwalt Eng. Field

Shell Lubricates World's Largest Shovel

Lubricants for Bucyrus-Erie Shovel No. 3850B, the world's largest earth-stripping shovel, are being supplied by Shell Oil Company.

The shovel, built by Bucyrus-Erie Company, can take bites up to 500,000 pounds. It is 140 feet high, weighs over 7,000 tons, and generates some 12,000 horsepower. Its giant boom, extending high into the air, commands a view of the surrounding area.

The shovel is in service at a new strip mine—the Sinclair Mine—of Peabody Coal Company, near Drakesboro, Ky. Shell has been awarded the contract for all the lubricants business at the mine.

During the next 17 years, the shovel is expected to dig 65 million tons of coal to supply the neighboring Paradise Steam Plant of the Tennessee Valley Authority. The T. V. A. Plant is not yet completed.

Shell lubricants used on the 3850B include MACOMA 978, ALVANIA Grease EP1, CARDIUM Fluid 906, and TELLUS 29. Shell worked with Peabody, Bucyrus-Erie, and Lincoln Engineering Company (which provided five automatic lubricating systems on the 3850B) to be certain that proper lubrication was provided.



WORLD'S LARGEST SHOVEL, the Bucyrus - Erie No. 3850B, deposits a half-million-pound "bite" taken from the new Peabody Coal Company strip mine near Drakesboro, Ky. Lubricants for the giant earth-stripping shovel's huge gears are supplied by Shell.

Annual SRA Fishing Contest Under Way in Ninth Year

The Shell Recreation Association's ninth annual fishing contest began May 1, to continue through October 31, officers of the organization have announced. This year's contest will be divided into three equal periods of two months each.

Contest rules and regulations have been revised only slightly. Fish now may be entered in the contest within 48 hours after being caught, instead of the 24 hour period used in last year's rules. Contest fish still must be caught within a radius of 125 miles from the Refinery in a body of water accessible to any member of the SRA with a valid fishing license. As in the past, entries will be accepted at the Refinery Cafeteria.

There will be four prizes for each two-month period, in all three categories of the contest, bass, crappie and bluegill, for a total of 12 prizes per period. Grand prizes will be awarded to one person in each of the three classes. Gift certificates will be awarded winners again this year, allowing the winners to select their own awards.

Contest judges this year are headed by Emil C. Schneider, Lube Oils, chairman of the committee of judges and a member of the SRA Board of Governors. Members of his committee are Andy Corsere,

Engineering Field; Eugene L. Schneider, Distilling; and Loretta Silkwood, Fire and Safety.

Shell Credit Union Members Reminded Of New Tax Law

Wood River Shell employees who have savings or stock in the Shell Wood River Federal Credit Union or other institutions or corporations should be interested in a new Federal Statute, Public Law 87-397.

The new law requires all savings and loan associations, banks, insurance companies, credit unions and all corporations to report to the Internal Revenue Service any earnings of \$10 or more received by a saver or stockholder each calendar year.

To keep proper records, the law also specifies that each person receiving such income be identified by the use of that person's Federal Social Security number. You may have, by this time, received requests asking for such information.

The first transmission of such records to the Internal Revenue Service will be made by the local credit union in January of 1964, and savers and stockholders will receive a copy of the record at that time.

for Shell credit cards, a total of nearly 80,000 names was submitted.

The impact of continuing employee recommendations is illustrated by what would happen if every one of Shell's 33,000 employees won five new customers - - - a total of 165,000 new customers - - - for Shell.

The average motorist buys 600 gallons of gasoline and 23 quarts of motor oil a year. Thus, if 33,000 employees each generated five times this amount of business through recommendations to friends, relatives, neighbors and business associates, Shell stations would pump nearly 109 million more gallons of gasoline and dispense over 34 million more quarts of motor oil a year than they do now.

Since the average station pumps some 700 gallons of gasoline a day, or a quarter million gallons a year, this would mean enough new business to keep

nearly 440 of the 23,000 Shell service stations pumping at twice their present rate. Spread evenly across the country, an increase of 109 million gallons of gasoline would boost Shell's sales volume of this product alone by some three per cent.

Since the sale of automotive gasoline constitutes the biggest segment of Shell's business, this would be a factor of continuing importance in the Company's growth. And growth can mean more job opportunity for everybody.

One of the best ways to make sure that a friend can take the opportunity to use Shell regularly after it is recommended to him is to obtain a Shell credit card for him. To do this, just forward his name, home address, and business affiliation to the Credit Department of the nearest marketing division office.

How Your Shell Hospital-Surgical-Medical Program Works

The following is another in a series of examples of how Shell's Hospital Surgical Medical Program works. The example given below involves surgery and hospital confinement.

Bill Smith, who earns \$600 a month, slips and falls and injures his spine. He is hospitalized for six weeks, during which time he undergoes surgery for removal of the injured inter-vertebral disc. He has a Basic Room Option of \$14 per day. Here are the expenses involved during his hospitalization and coverage provided under the Shell Program:

	Expenses	Basic Part Pays	Subject To Excess Part
Hospital Room and Board (42 days at \$18)	\$756	\$588 (42 days at \$14 per day)	\$168
Misc. Hospital Expenses			
a. Ambulance	45		
b. X-Rays	100		
c. Operating Room	50		
d. Anesthesia	35		
e. Drugs	75		
f. Laboratory	60		
g. Med./Surg. Supplies	40		
h. Physical Therapy	200		
Total Misc. Hosp. Exp.	\$605	\$500*	\$105
Dr. X—Orthopedic Surgeon (removal of inter-vertebral disc)	\$500	\$300	\$200
Dr. Y.—Family Physician (visits in Hosp.)	200	168**	32
	\$2,061	\$1,556	\$505

SUMMARY			
Total Expenses	\$2,061.00		
Paid by Basic Part	1,556.00		
Balance	\$ 505.00		
Deductible: Paid by Employee	175.00		
Balance	\$ 330.00		
Paid by Excess Part	\$ 247.00	(75% of \$330)	
Balance Paid by Employee	\$ 82.00		
Total Expenses	\$2,061.00		
Total Benefits Paid by Program	\$1,803.50		
Total Paid by Employee	\$ 257.50		

* The Basic Part covers miscellaneous hospital charges up to \$500 after deducting the first \$25 of such charges. The \$25 deductible is includable as a "covered expense" under the Excess Part together with the other \$80 of Miscellaneous Expenses.

** The Basic Part covers charges for a physician's visits in the hospital, provided these are NOT made for post-operative treatment by the surgeon or assistant surgeon. In Smith's case, the attending physician was his family doctor and not the surgeon who performed the operation.

IMPORTANT REMINDER: Surgical procedures (performed by a physician) are payable under the Program, regardless of where they are performed.

EXAMPLE: Mrs. Smith has a growth on her hand. She goes to see her physician, who removes the growth in his office. This procedure would be covered under the Program within the stated dollar limits.



Q. Why is it important for Shell employees to continue recommending Shell gasoline to their friends?

A. Each time an employee recommends the purchase of Shell gasoline, he is helping to sustain his own job and to create new opportunities for his own advancement.

Recommendations build business for Shell. Employees have already brought in thousands of new customers. In the spring of 1961, in answer to a Company invitation to recommend friends

SHELL OIL COMPANY Wood River, Illinois

Return Requested

IS THIS CORRECT?

IF NOT, NOTIFY
YOUR SUPERVISOR:

Sec. 34.66 P.L.&R.

U. S. POSTAGE
PAID
Edwardsville, Ill.
Permit No. 25