ANNUAL REPORT

1949

THE PURE OIL COMPANY

FOR THE FISCAL YEAR ENDED
DECEMBER 31, 1949
THE PURE OIL COMPANY

Executive Offices:

PURE OIL BUILDING
15 EAST WACKER DRIVE
CHICAGO 1, ILLINOIS
FINANCIAL AND OPERATING SUMMARY
YEARS 1949, 1948, 1944, 1939

<table>
<thead>
<tr>
<th></th>
<th>1949</th>
<th>1948</th>
<th>1944</th>
<th>1939</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Income</td>
<td>$263,388,206</td>
<td>$281,319,490</td>
<td>$166,061,822</td>
<td>$94,286,586</td>
</tr>
<tr>
<td>Costs and Other Deductions</td>
<td>$236,411,090</td>
<td>$239,647,354</td>
<td>$149,669,644</td>
<td>$85,996,168</td>
</tr>
<tr>
<td>Net Income</td>
<td>$26,977,116</td>
<td>$41,672,136</td>
<td>$16,392,178</td>
<td>$8,290,418</td>
</tr>
<tr>
<td>Net Income per Common Share</td>
<td>$6.22</td>
<td>$9.91</td>
<td>$3.13</td>
<td>$1.11</td>
</tr>
<tr>
<td>Dividends per Common Share</td>
<td>$2.00</td>
<td>$2.00</td>
<td>$1.00</td>
<td>$0.25</td>
</tr>
<tr>
<td>Capital Expenditures</td>
<td>$38,000,000</td>
<td>$46,000,000</td>
<td>$21,000,000</td>
<td>$14,000,000</td>
</tr>
</tbody>
</table>

As of December 31st:

<table>
<thead>
<tr>
<th></th>
<th>1949</th>
<th>1948</th>
<th>1944</th>
<th>1939</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, Plant and Equipment, Less Reserves</td>
<td>$196,085,492</td>
<td>$181,984,681</td>
<td>$133,029,554</td>
<td>$112,484,522</td>
</tr>
<tr>
<td>Long-Term Debt</td>
<td>$28,366,321</td>
<td>$30,665,823</td>
<td>$2,415,806</td>
<td>$2,361,852</td>
</tr>
<tr>
<td>Preferred Stock Outstanding—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5%</td>
<td>$44,243,400</td>
<td>$44,243,400</td>
<td>$44,243,400</td>
<td>$44,243,400</td>
</tr>
<tr>
<td>6%</td>
<td>—</td>
<td>—</td>
<td>$28,299,700</td>
<td>$28,299,700</td>
</tr>
<tr>
<td>Common Shares Outstanding</td>
<td>3,982,031</td>
<td>3,982,031</td>
<td>3,982,031</td>
<td>3,982,031</td>
</tr>
<tr>
<td>Number of Stockholders—</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5% Preferred</td>
<td>6,390</td>
<td>6,525</td>
<td>7,002</td>
<td>4,555</td>
</tr>
<tr>
<td>6% Preferred</td>
<td>—</td>
<td>—</td>
<td>7,454</td>
<td>7,220</td>
</tr>
<tr>
<td>Common</td>
<td>33,591</td>
<td>33,396</td>
<td>31,235</td>
<td>29,402</td>
</tr>
<tr>
<td>Earned Surplus</td>
<td>$124,986,874</td>
<td>$108,184,195</td>
<td>$48,774,197</td>
<td>$22,574,375</td>
</tr>
<tr>
<td>Book Value per Common Share</td>
<td>$46.17</td>
<td>$41.95</td>
<td>$27.03</td>
<td>$22.75</td>
</tr>
</tbody>
</table>

Operating Statistics (in barrels of 42 gallons each):

<table>
<thead>
<tr>
<th></th>
<th>1949</th>
<th>1948</th>
<th>1944</th>
<th>1939</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crude Oil Production—Gross</td>
<td>28,736,921</td>
<td>32,212,113</td>
<td>35,818,156</td>
<td>25,400,132</td>
</tr>
<tr>
<td>Crude Oil Production—Net</td>
<td>25,070,852</td>
<td>28,104,512</td>
<td>31,238,439</td>
<td>22,243,075</td>
</tr>
<tr>
<td>Crude Oil Processed</td>
<td>38,857,732</td>
<td>38,291,565</td>
<td>36,627,399</td>
<td>27,563,675</td>
</tr>
</tbody>
</table>
THIRTY-SIXTH ANNUAL REPORT
OF THE DIRECTORS OF
THE PURE OIL COMPANY

For the Year Ended December 31, 1949

February 28, 1950.

To the Shareholders:

The net earnings of The Pure Oil Company for 1949 were $26,977,116, equal, after preferred dividends, to $6.22 per common share. In 1948, the Company's net earnings were $41,672,136, which were equal to $9.91 per common share. Total dividends in 1949 amounted to $10,174,437, of which $2,212,170 was applicable to the 5% preferred stock and $7,962,267 to the common stock. $16,802,679 was added to earned surplus. The net working capital on December 31, 1949, was $58,233,570 as compared with $57,696,334 in 1948. Investments, construction and additions to fixed capital during the year amounted to $38,000,000. In 1948, the total of these items was $46,000,000.

GENERAL REVIEW

The earnings for the past year were satisfactory and were the second largest in the history of the Company.

On the preceding page are set forth certain statistical data relative to both the financial and physical results of the operation of The Pure Oil Company during
the past year. These compare 1949 not only with 1948 but with the five and ten-year annual periods preceding.

Comparing a relatively short period of operations of any company with any other single short period does not afford a substantial basis for a sound appraisal of past operations or of future prospects. The desirability of this longer term comparison has a special force as applied to an integrated oil company.

The favorable earnings were achieved in spite of the fact that the regulatory bodies in certain states were compelled to drastically restrict the amount of crude oil which could otherwise have been produced. These restrictions bore with special weight upon The Pure Oil Company because of the proportion of its production that is in the state of Texas, where the regulatory commission was obliged to make the greatest cut-back of potential production. This forced reduction was partially offset by production from new discoveries, some of which resulted in a large increase in Company reserves. Prices of some finished products declined substantially below those of the previous year.

In the comparative schedule the most significant single item is the earned surplus account. This account reflects definitely the increase or decrease in the earnings which have accrued during a given period. It will be noted that the increase in the earned surplus during the past decade is over $100,000,000. This represents the amount which the Company has invested out of its earnings in new property and resources of various kinds. This added property has been a major factor in the increase in earnings, and in the future, additional earnings will accrue from it. Before the earned surplus which stands on the books today was computed, deductions were made covering all of the wear and tear and obsolescence which have occurred in the period.

However, if these properties were to be replaced today their cost would be much greater than is now reflected in the balance sheet account covering physical
property above ground. This is because of the general inflationary tendencies that have prevailed in the last few years.

The amount of oil in the underground reserves has increased greatly during this period. In addition to this increase in volume, it has, of course, an added monetary value due to inflationary factors and other considerations which are difficult to measure. As evidence of this, the average price of the oil extracted has increased materially during the period. In considering this, however, it is well to bear in mind that the cost of new reserves to be acquired in the future is certain to be higher than has been the case in the past because of deeper drilling and greatly increased material and labor costs.

PRODUCTION

The Company has aggressively pursued its exploration work during the past year, and plans call for a continuation of this program for the coming year on the same scale. The maintenance of a healthy crude oil reserve requires that there be no relaxation in geological surveys, lease acquisitions and the drilling of exploration wells.

Finding new oil fields is becoming increasingly difficult as the unexplored areas are being narrowed down through the process of elimination. Without question there still remain large areas yet to be explored, although, in general, they are farther removed from refinery facilities and are more difficult to explore than areas previously worked. Our principal exploration continues to be largely confined to the United States, where we feel confident there are yet large reserves to be found, although more difficult and expensive to locate and develop. We believe this policy to be economically sound.

During the year, two prospects were drilled in the waters of the Gulf of Mexico, each development indicating large gas and distillate reserves. In the second
and more recent discovery, the first well was completed in an upper oil-bearing horizon and is presently producing from that section. Additional development will be required before a reasonable appraisal of their value can be made, but both are definitely promising. A fourth producing horizon has been brought into production in the Dollarhide field in West Texas, which probably will cover the entire area of the Company's acreage. Development has been continuous in the previously discovered Ellenburger, Silurian, and Devonian sections in this field from which substantial production is now being secured. It is planned to drill fifty additional wells in this field during 1950. Fourteen producing wells have been drilled on our leases in Scurry County, Texas, and additional drilling is in progress. It now appears that the Company will have considerable productive acreage in this prolific field which gives promise of being the largest oil discovery in this country in recent years.

The Texas Gulf Sulphur Company has completed its sulphur extraction plant in the Worland, Wyoming, field, and the Company's gas processing plant in the same field is now ready for operation. The Company will receive its proportion of the production from the sulphur plant, and will also produce substantial quantities of natural gasoline, propane and butane in its gas processing unit. A contract has been completed with the Montana-Dakota Utilities Company, under which the clean, dry gas remaining after these two operations will be sold for distribution by them. The income from these three collateral projects will add substantially to the Company's revenues.

The Company is also participating in the construction of a jointly owned gas processing plant, located in the Dollarhide field of West Texas. This unit is scheduled for completion in July, 1950.

Net crude oil production for 1949 amounted to 25,070,852 barrels, which was 3,033,660 barrels, or 10.79% less than produced in 1948. This lowered volume resulted from severe restrictions on rates of production which the regulatory authori-
ties were obliged to inaugurate in those states in which the Company's principal production lics.

As a result of new discoveries and developments in other fields, the Company's crude oil reserves are larger than at any previous time in its history.

REFINING

The refining operations of the Company during the year continued at a high level and without interruption. The volume of crude oil processed closely approximated the highest figure in the history of the Company, and the gasoline produced was the highest total ever recorded.

The Company's post war refinery construction and modernization program is now complete. The new equipment provides unusual flexibility in our operations. The new lubricating oil and grease plant facilities at the Smiths Bluff, Texas, refinery are in production and are operating in a highly satisfactory manner. Specifications have not only been met, but have exceeded our expectations. We believe that no finer products can be produced nor more economically refined. The Company has large reserves of crude oil which, because of their nature and location, give it a uniquely favorable position as to cost and quality of lubricants.

The manufacture of specialty products was expanded during the year. Among the most important of these is wax, which will be produced for a wide variety of commercial uses. This was made possible by the new equipment recently installed.

The Company is now in a position to manufacture a smaller percentage of the heavier low-value products from each barrel of crude oil. This not only results in an increase in the value of each barrel of finished product, but broadens the market for Company products.

The new research and development laboratories at Crystal Lake, Illinois, are nearly complete and will be in operation within ninety days.
During the year, the Company processed 1,111,168 barrels of crude oil through its own refineries and had 2,746,564 barrels processed through facilities other than its own. In the preceding year, comparable figures were 3,450,121 barrels and 3,789,444 barrels, respectively.

TRANSPORTATION

During the year, the Company had the benefit of economies resulting from the modernization of its tanker fleet. The larger, faster ships gave greater efficiency and operating capacity, and resulted in more efficient handling of the Company’s products.

As a result of material shortages during the war years, tankage storage at the terminals has been below the required level for economical operation. This was partly remedied during 1949, and the program will be continued during the current year. Additional facilities are being added at these points in order to handle package and bulk lubricating oils now manufactured at the Company’s Smiths Bluff refinery in Texas.

No material changes were necessary in the Company’s system of pipe lines, lake tankers, river barge equipment and transportation trucks, other than required by routine operations.

MARKETING

Total sales of products in 1949 were at about the same level as the previous year. Gasoline sales increased approximately 5%. The volume of household heating oil sales was not appreciably larger due to the continued warm weather. Heavy fuel oil sales were lower as a result of slightly decreased industrial activity. The prices of these last two products declined substantially during the year, which accounts in part for a reduction in the Company’s earnings.
During the war period, it was not possible to obtain the material necessary for maintenance and modernization of many existing marketing outlets. During the year, this work was undertaken on a scale designed to place these properties in a fully competitive position. Additional work is required to accomplish this purpose, which will continue through 1950.

The Company continues its policy of moving the largest possible volume of products through profitable existing outlets. During the year it disposed of some fringe marketing properties and diverted the volume formerly sold in these areas to other territories. The Company’s program in this respect is now complete.

On March 15, 1950, the Company will start an intensive sales campaign to promote the sale of its new lubricating oils and greases. Foremost of these products is the new lubricating oil to be sold under the name “Purelube.” We believe that it is the finest automotive and industrial lubricant that has ever been put on the market. Exhaustive tests have demonstrated the superior quality of these products, and we anticipate a considerably expanded volume of business as a result.

The completion of the gas processing plants at Worland, Wyoming, and Dollarhide, Texas, will effect a substantial increase in the sale of the resultant liquid petroleum products, which the Company has heretofore produced on a very limited scale. Sales of specialty by-products resulting from the added refinery equipment will be expanded during the year, including refined and semi-refined wax, which will be produced at the Company’s refinery at Smiths Bluff, Texas.

The Company’s sales organization has now had two years of intensive training development, the benefits of which are now being demonstrated.

EMPLOYEE SECURITY

A corporation is a means by which hundreds or thousands of men and women pool their savings in a common enterprise. It is the place where men and money
meet to combine forces to their mutual interest and in the public service. The term “labor” is used to describe all of those who carry on the daily work of the company; the term “capital” describes those whose pooled savings supply the tools.

The Pure Oil Company has always gone on the principle that the future security of both groups is interdependent. Certainly, the investor must have as much security for the future as prudent operation of his company's affairs can provide. If all practical steps are taken to secure the future of “labor,” the company will attract and satisfy efficient employees. This is plainly to the interest of “capital.” On the other hand, because tools wear out and more are constantly needed in a growing company, it is to the interest of “labor” that “capital” have security.

The terms “capital” and “labor” are too often used as though they were opposing interests. In the belief that this is an entirely false conception and that both groups would be benefited, the Company, through an evolutionary program begun twenty-five years ago, has set up a system of benefits for the protection of all employees.

Due to the economies inherent in group coverage, these benefits are much greater than individual employees could possibly secure by purchasing them out of their own savings. This makes it especially desirable for the Company to help promote such group activities in every possible way.

The first of these protective plans was started in 1925 in the form of group life insurance to which the Company contributes. Fourteen years ago a retirement plan was established. The contributions of the Company to it are much larger than those of the employees and involve considerable cost. Participation in both of these plans is voluntary. In the case of group life insurance, approximately 98% of our employees participate, and in the retirement plan 92%. Both plans are underwritten by very strong insurance companies. In addition to these most important benefits, further protection is offered in the form of sickness, accident and hospital insurance.
As the years have gone by, the value to the employee of his life insurance and old-age pension has grown in importance. The recognition of this fact on the part of the beneficiaries is gratifying. We believe these plans have contributed greatly to the efficiency, loyalty and happiness of our employees and consequently to the benefit of the shareholders of the Company.

GENERAL INDUSTRY REVIEW

The year 1949 marked the substantial completion of post war expansion in the petroleum industry. During the last three years, the industry has expended some $6,000,000,000 to make available the facilities necessary to serve the rapidly growing requirements of the consuming public and to provide a reasonable margin for emergencies. During this period, the country’s liquid petroleum reserves have been further increased, and are presently larger than in any previous period.

New equipment installed in the post war period not only provides greater flexibility of operation, but is making products of higher quality, which are necessary today to meet the requirements of improved automotive design. In addition, the research laboratories and refineries are producing new products which will widen the industry’s markets. Gasoline sales during the year showed a substantial increase. Sales of industrial fuel oil were at a lower volume, due to the reduction in industrial activity. Sales of household burning oil were also reduced, due to the extremely mild weather during the early months of 1949.

Increased earnings made possible necessary investments in property while maintaining reasonable dividends.

Imports of petroleum—some 25% greater than in 1948—resulted in continued reductions in domestic production, which in turn has meant higher unit costs to the producers and less revenue for necessary exploration and development work. At the same time American exports have fallen off about 10%.
The national security has been considerably improved by the discovery of important crude oil reserves in Western Canada, which would be available to this country in the event of an emergency. As these supplies are made available through the construction of additional transportation facilities, they will, over a period of time, present a further problem for the domestic producer.

CONCLUSION

Basic conditions in the domestic petroleum industry are sound. While it will have to deal with the problem of foreign imports, we may reasonably expect an increased demand for products and, with an adequate supply assured, can look forward to the coming year with confidence.

The past year of The Pure Oil Company has been one of progress. Substantial additions have been made to its property from current earnings and a better balanced integration has been accomplished. The nature and condition of its properties now insure the Company’s ability to meet and take advantage of future contingencies.

By Order of the Board of Directors,

[Signatures]

President
Chairman of the Board
THE PURE OIL COMPANY • THIRTY

THE PURE OIL COMPANY

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:
- Cash ........................................... $22,679,762
- U. S. Government securities, at cost .......... 4,314,449
- Accounts and notes receivable, less reserve of $897,586 ................. 18,312,172
- Inventories—
  Crude oil, refined oils and merchandise (Note 1) $30,188,639
  Materials and supplies, at latest cost less allowance for condition 9,011,161 39,199,800 $84,506,183

INVESTMENTS, ADVANCES, ETC.:
- Investments in and advances to subsidiaries not consolidated, at cost .......... $2,059,761
- Investments in securities of other companies 2,340,733
- Deferred receivables, etc., less reserve of $584,166 876,284 5,776,798

PROPERTY, PLANT AND EQUIPMENT (Note 2):

<table>
<thead>
<tr>
<th>Classification</th>
<th>Gross</th>
<th>Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td>Producing</td>
<td>$181,282,851</td>
<td>$82,821,596</td>
</tr>
<tr>
<td>Transportation</td>
<td>23,560,709</td>
<td>12,126,037</td>
</tr>
<tr>
<td>Refining</td>
<td>88,524,231</td>
<td>39,458,241</td>
</tr>
<tr>
<td>Marketing</td>
<td>57,704,041</td>
<td>23,812,767</td>
</tr>
<tr>
<td>Other</td>
<td>4,583,354</td>
<td>1,351,033</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$355,655,186</strong></td>
<td><strong>$159,569,694</strong></td>
</tr>
</tbody>
</table>

PREPAID AND DEFERRED CHARGES ......... 2,919,200

CONTRACTS, RIGHTS, PATENTS, TRADE-MARKS, ETC. ................. 1

$289,287,674

The attached notes are an integral part of this balance sheet.
## LIABILITIES

### CURRENT LIABILITIES:
- Serial notes due within one year: $1,300,000
- Accounts payable, etc.: 20,503,355
- Dividend payable January 1, 1950: 553,043
- Accrued liabilities: 3,916,415
- Provision for Federal income taxes: $6,856,613
  - Less—U. S. Treasury tax notes: $6,856,613
  - Net: 0

### LONG-TERM DEBT:
- Serial notes (original issue $31,000,000, dated July 31, 1945, interest 1.50% to 2.95%) due 1951 to 1965: $24,750,000
- Deferred purchase obligations, etc. (including mortgage notes on marine equipment): 3,616,321

### RESERVES:
- For replacement of inventories: $1,620,000
- For contingencies, including possible additional income taxes for prior years: 1,500,000

### MINORITY INTERESTS IN CAPITAL STOCK AND SURPLUS OF SUBSIDIARIES: 3,439,333

### CAPITAL STOCK AND SURPLUS:

#### Capital Stock—
- Cumulative preferred—authorized 1,000,000 shares, par value $100; 442,434 5% shares outstanding: $44,243,400
- Common—authorized 10,000,000 shares, no par value; 3,982,031 shares outstanding, assigned value $10 per share: 39,820,310

#### Surplus—
- Paid-in surplus (no change during year): $19,038,823
- Earned surplus (summary attached) (Note 5): 124,986,874

### Part of the above statement.
**THE PURE OIL COMPANY • THIRTY**

**THE PURE OIL COMPANY**

Consolidated Income and
For the Year Ended

**INCOME ACCOUNT**

<table>
<thead>
<tr>
<th>Gross Operating Income</th>
<th>$263,388,206</th>
</tr>
</thead>
</table>

**Costs and Expenses:**

| Costs, operating, selling and general expenses | $208,467,188 |
| Provision for depreciation and depletion (including lease bonuses paid) (Note 4) | 16,503,952 |
| Taxes (other than Federal income taxes) | 6,914,042 |

Total Operating income |

**Other Income:**

| Dividends | $1,065,224 |
| Interest and discount earned | 591,226 |
| Profit on disposition of capital assets, etc. (net) | 1,235,248 |

Total |

**Other Deductions:**

| Cash discounts allowed | $688,101 |
| Interest on serial notes, purchase obligations, etc. | 774,646 |

Income before Federal income taxes, etc. |

**Provision for Federal Income Taxes** |

Income before provision for minority interests |

**Income Applicable to Minority Interests** |

Net income for the year |

The attached notes are an integral part of the above statement.
EARNED SURPLUS

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance—December 31, 1948</td>
<td>$108,184,195</td>
</tr>
<tr>
<td>Add—Net income for the year</td>
<td>26,977,116</td>
</tr>
<tr>
<td>Deduct:</td>
<td>$135,161,311</td>
</tr>
<tr>
<td>Cash dividends declared on—</td>
<td></td>
</tr>
<tr>
<td>Preferred shares</td>
<td>$ 2,212,170</td>
</tr>
<tr>
<td>Common shares</td>
<td>7,962,267</td>
</tr>
<tr>
<td>Total</td>
<td>10,174,437</td>
</tr>
<tr>
<td>Balance—December 31, 1949 (Note 5)</td>
<td>$124,986,874</td>
</tr>
</tbody>
</table>

The attached notes are an integral part of the above statement.

AUDITORS' CERTIFICATE

To the Board of Directors and Shareholders,
The Pure Oil Company:

We have examined the consolidated balance sheet of The Pure Oil Company (an Ohio corporation) and subsidiaries as of December 31, 1949, and the related consolidated income and earned surplus accounts for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying consolidated balance sheet and income and earned surplus accounts present fairly the financial position of The Pure Oil Company and subsidiaries as of December 31, 1949, and the results of their operations for the year then ended, and were prepared in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Chicago, Illinois,
February 24, 1950.

Arthur Andersen & Co.
NOTES:

(1) Inventories of crude and refined oils are priced at cost, on the last-in first-out method, which in the aggregate is below market. Merchandise other than refined oils is stated at the lower of cost (first-in first-out) or market.

(2) As at April 1, 1932, the net ledger amount of the parent company's properties was reduced (either directly or through the reserves for depreciation and depletion) to reflect fair value as determined in an appraisal as of that date by company executives under authority of the board of directors. Subsequent additions and the properties of subsidiaries are included at cost, and subsequent retirements and provisions for depreciation and depletion have been made on the basis of appraisal or cost values.

(3) The companies have various law suits pending against them, some of which are for large amounts; however, general Counsel of the company have reported that, while it is impossible to ascertain the ultimate liability in respect of such litigation as of December 31, 1949, it is their opinion that the aggregate amount thereof will not be materially important in relation to the total assets of the companies.

(4) Since January 1, 1934, the company has provided for depletion and depreciation of producing properties by applying to the total barrels produced an over-all rate (per barrel) determined by dividing the total amount of producing properties subject to depletion and depreciation by the net oil reserves (in barrels) estimated by the company's production engineers.

(5) So long as any of the serial notes are outstanding the company, without the consent of the holders of at least 75% of the principal amount then outstanding, may not (a) pay any dividends on its common shares which will reduce consolidated earned surplus to less than $40,000,000 or (b) pay any dividends on its preferred shares which will reduce consolidated earned surplus to less than $35,000,000.

The audit certificate of Arthur Andersen & Co. appears herewith and it is the intention of the Directors to continue the services of these accountants for the year 1950.
THE PURE OIL COMPANY
GENERAL OFFICES, CHICAGO

DIRECTORS

LESTER ARMOUR     B. G. DAWES     J. H. McCoy     J. E. Otis
SEWELL L. AVERY  HENRY M. DAWES  R. W. McILVAIN  RAWLEIGH WARNER
PHILIP R. CLARKE  J. A. ELKINS     J. W. MCINTOSH  C. B. WATSON

L. S. WESCOAT

EXECUTIVE COMMITTEE

HENRY M. DAWES, Chairman
R. W. McILVAIN, Vice Chairman

RAWLEIGH WARNER

L. S. WESCOAT

OFFICERS

RAWLEIGH WARNER, Chairman of the Board
L. S. WESCOAT, President

Comer Plummer
Vice President for Production

J. P. Langfitt
Vice President for Refining

R. L. Milligan
Vice President and Treasurer

L. W. Sweet
Asst. Vice President for Marketing

CURTIS DAWES
Asst. Vice President for Marketing

G. W. Sanders
Asst. Vice President for Wholesale Marketing

W. J. Arnold
Asst. Vice President for Accounting

K. A. Covell
Asst. Vice President for Transportation and Supply

D. D. Irwin
Vice President for Transportation and Supply

R. H. McElroy
Vice President for Marketing

C. H. Jay
Secretary

R. W. McILVAIN, Jr.
Asst. Vice President for Production

W. V. Keeley
Asst. Vice President for Insurance and Taxes

J. W. Rees
Asst. Vice President for Personnel

F. J. Blaise
Asst. Secretary and Asst. Treasurer

HARRY L. Wylie
Asst. Secretary and Asst. Treasurer

J. H. Botkin
Comptroller

TRANSFER AGENTS

GUARANTY TRUST COMPANY OF NEW YORK, NEW YORK
THE CITY NATIONAL BANK AND TRUST Co., Columbus, Ohio
S. T. NOELL, Pure Oil Building, Chicago

REGISTRARS

CENTRAL HANOVER BANK AND TRUST Co., New York
THE OHIO NATIONAL BANK OF COLUMBUS, Columbus, Ohio
CITY NATIONAL BANK AND TRUST COMPANY OF CHICAGO, Chicago

NOTICE OF THE 1950 ANNUAL MEETING OF SHAREHOLDERS, REQUEST FOR PROXY, PROXY STATEMENT AND PROXY WILL BE MAILED TO SHAREHOLDERS ON OR ABOUT MARCH 10, 1950

The accompanying report and financial statements are submitted for the general information of the shareholders of The Pure Oil Company, and are not intended for use in connection with any sale or purchase of, or offer or solicitation of offers to buy or sell any shares or securities of this company.
A MAP OF THE OPERATIONS OF
THE PURE OIL COMPANY
PRODUCING
REFINING
TRANSPORTATION and
RETAIL MARKETING
OPERATIONS of
THE PURE OIL
COMPANY

OIL FIELDS
REFINERIES
OCEAN AND LAKE TANKERS
PRODUCT PIPE LINES
CRUDE PIPE LINES (Built but Not Completed)
CONNECTING PIPE LINES (Built But Not Completed)
TANKER ROUTES
INLAND WATERWAY ROUTES
RETAIL MARKETING AREAS

INDUSTRIAL LUBRICANTS SOLD THROUGHOUT MARKETING AREAS