

tions at Port Arthur and other locations, Texaco either constructed new facilities or expanded existing ones.

In 1960, a new cumene unit was placed in production at Eagle Point. Cumene is a chemical intermediate for the manufacture of phenol and acetone; phenol is used in plastics, nylon, other textiles, germicides, and plywood adhesives, while acetone is used as a solvent.

In 1961, one of the largest benzene plants in the world went into operation at Port Arthur. Benzene is a basic organic chemical used to manufacture many chemical intermediates, which are ultimately converted into such diverse products as plastics, synthetic fibers, synthetic rubber, pharmaceuticals, and insecticides.

Between 1963 and 1965, cyclohexane, toluene, benzene, and normal paraffins facilities were added to the Pointe-à-Pierre refinery in Trinidad. One of the world's largest cyclohexane plants was completed at Port Arthur in 1965. In 1966, Texaco's first chemical plant in Europe was opened at Ghent, Belgium. In 1969, construction was completed in Japan on a jointly owned plant to manufacture normal paraffins. Cyclohexane is a chemical intermediate used in the manufacture of nylon for such uses as hosiery, other clothing, and tire cord. Toluene is a raw material for the production of chemicals which are used in plastics, foams, and explosives. Normal paraffins are used by the detergent industry for the manufacture of biodegradable detergents.

The 1960s also brought further expansion of the Company's producing interests. In 1962, Texaco acquired from the TXL Oil Corporation the ownership in fee of mineral rights underlying almost 2,000,000 highly prospective, but largely undeveloped, acres in West Texas. Development of these properties confirmed their potential to make a major contribution to the Company's domestic production. In 1964, Texaco acquired the Superior Oil Company of Venezuela, with its proven production in Lake Maracaibo. In 1965, the 20%-owned "THUMS" Long Beach Company was organized to develop California's major East Wilmington field, located in the heart of the Greater Los Angeles market.

In order to participate more strongly in supply-

ing the rapidly growing energy demand on the European continent, Texaco in 1966 acquired the bulk of the capital stock of Deutsche Erdöl A. G. (now Deutsche Texaco A. G., 99.15% owned by Texaco), an integrated West German oil company with substantial petrochemical assets.

During 1967, a reorganization of the Caltex group of companies was announced. Effective May 1, 1967, Texaco subsidiaries acquired assets and business representing one-half of Caltex's interests in 12 European countries and one-half of its worldwide marine operations. This arrangement gave further recognition to the rapid growth and changing competitive patterns that were emerging in the Common Market and in Europe generally. Thereafter, Caltex concentrated its substantial resources in its other areas of operation, primarily east of Suez, where it had its greatest market penetration and largest sales volume, and where it was established in 1936.

The closing of the Suez Canal in 1967, together with the temporary shutdown of certain loading ports in the Mediterranean, caused a sudden demand for additional tanker tonnage, primarily because of the longer voyage around the African continent. Texaco met this demand by placing orders for a large number of mammoth tankers.

In the late 1960s, Texaco increased its production in established areas, which ranged from Louisiana and Texas to the Middle East and Indonesia. Texaco also explored for new resources in such highly prospective areas as Alaska and Canada, the North Sea Basin of Western Europe, and the Upper Amazon Basin of South America. Additional exploration took place offshore the U. S. Gulf Coast, California, and West Africa.

By the end of that decade, Texaco's worldwide operating volumes had more than doubled their levels of 10 years earlier, with gross production exceeding 3,000,000 barrels a day in 1970 for the first time.

A Company-developed and patented invention, the Texaco Continuous Grease Process, capable of manufacturing a wide range of products, was installed at Texaco plants located at Los Angeles, Port Arthur, and Ghent. These units can manufacture high-quality grease more efficiently than can standard grease-kettle systems.